Difficulties that Face the Saudi’s Women Entrepreneurs in The Kingdom of Saudi Arabia Before the Vision 2030

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Abstract

Women entrepreneurs are a great resource for the economy; however, they face some difficulties in their businesses. Therefore, supporting and maximizing opportunities for the advancement of women in the field of entrepreneurship is as essential as supporting the local economy, just like supporting manufacturing, quality, or product development. Because supporting women in the field of entrepreneurship will not only bring benefits to women and their families, but also to the overall economic strength of the country.

This paper, will review some of the difficulties facing women entrepreneurs, in the period leading up to Saudi Arabia's Vision 2030, which empowers women in all government and private sectors. Including obstacles in restricted business procedures, licensing regulations, self-confidence, mobility, education, access to finance and more. The researcher recommended to Policies developed by the national government administrators of Saudi should be implemented
successfully and aimed to attain the best out of entrepreneurship programs in the nation. Women entrepreneurs should be promoted and provided with resources necessary to improve their business operations. This will help guarantee there is improvement in entrepreneurial processes undertaken by Saudi women.

**Key Words.** Difficulties, Entrepreneurship, Women Entrepreneurs, Vision 2030.

**Introduction**

Entrepreneurship activities have been analyzed to improve diverse processes in a nation. Ultimately, research demonstrates that entrepreneurship enhances diverse processes of revitalization and growth in issues related to economy of a nation. In Saudi Arabia, entrepreneurship has also formed the primary source of employment people from different societies. Therefore, this has immensely influenced processes involved in improvement of living standards in the nation.

Saudi women have proved to be active in some instances than what has been commonly understood, and have improved various schemes implemented by various entrepreneurs in the nation. Almunajjed (2006) cites interesting data on the wealth of Saudi Arabian women. They own:

. 40 per cent of all private wealth in the country.

. 70 per cent of the cash savings and 18 per cent of current accounts in the country’s banks.
. 40 per cent of real estate assets in the country.

. More than 20 per cent of investment funds and portfolios in the country’s banks.

. Idle savings in the country’s banks of about $16.5 billion.

So, the primary research question in this paper is:

- What are the difficulties that face the Saudi’s women entrepreneurs in Saudi Arabia?

Stern procedures have been developed to address problems facing women involved in entrepreneurship in Saudi Arabia have been identified and adequate decisions developed to help solve. Indeed, this is appropriate in ensuring there are improved strategies that aim at influencing development of the nation (Borland, 1972).

Difficulties facing Saudi’s women entrepreneurs in Saudi Arabia should be handled keenly and decisions established to facilitate improvement in diverse activities, as this has been analyzed to immensely influence development processes of families, communities and various nations that entirely depend on entrepreneurship, which also leads to influencing of various activities undertaken in the international market.

**Difficulties faced by Saudi Arabian Women Entrepreneurs**

There are diverse difficulties faced by Saudi Arabian women entrepreneurs, and this includes obstacles in business procedures and licensing regulations, challenges in regulatory and policy environment, women’s restricted mobility, women entrepreneurs not being reached by entrepreneurship initiatives, and lack of support services, autonomy, risk taking, self-confidence among others (Aldrich, 1999).
Despite various challenges that are encountered by Saudi entrepreneurship women, measures have been implemented that schemes are developed to improve its performance in diverse operations. These measures are aimed at providing education to women, which will increase the number of women who venture into entrepreneurship. The other strategy implemented is the introduction of schemes that focuses on enhancing various operations undertaken by women entrepreneurs, which include providing financial support by the government administrators and creating awareness among women from diverse communities on the significance of developing schemes to help in entrepreneurship processes.

**Obstacles in business procedures and licensing regulations**

Among various challenges faced by women entrepreneurs in Saudi include obstacles and complexity that is experienced related to processes and regulations of licensing when starting a business. It has been noted, that some challenges must be faced by entrepreneurs when starting a business. However, in Saudi, some of these challenges have been ascertained to immensely influence women entrepreneurs, and some of these challenges only create a negative impact to women (Bates, Jackson & Johnson, 2007).

The challenges facing women entrepreneurs related to licensing processes and regulations include difficulty of women in Saudi to access information that is essential for developing strategies that help in improving diverse processes of the business. The struggle to gain relevant information on how to start and progress a business requires time and in some instances some money, which can be difficult to attain. This is thought to reduce confidence portrayed by Saudi entrepreneurship women.

Until 2005, a woman could not legally obtain a commercial license for a business without proving first that she had hired a male manager, and she needed permission from her guardian to go into business or take out a bank loan. Many women-owned firms fall into the category of
“small businesses” or business having 50 or fewer employees. In spite of the social forces militating against women in the private sector, Saudi businesswomen own nearly 20,000 companies, and women’s investments amount to about 21 per cent of the total volume of private sector investment in the Kingdom (Saudi News Agency, 2007). Recently, Saudi women have been joining the workforce and venturing into business in increasing numbers. In 2006, the National Commercial Bank reported that Saudi women owned 40 per cent of the Kingdom’s real estate assets, 20 per cent of stocks and over 18 percent of current bank accounts. In Jeddah, women have taken out more than 3,000 commercial licenses in their own names, and even more are reported in Riyadh (Arab News, 2006). Furthermore, for the first time at the Jeddah Economic Forum in 2004, a Saudi businesswoman – Lubna Olayan, a Chief Executive of the multinational Olayan Financing Group – was given the opportunity to be the key note speaker. (Ahmad, 2011)

From these examples, it is clear that small business entrepreneurs in Saudi have played a crucial role in the social and economic development of the Kingdom and that women have contributed immensely to the success of small and medium enterprises.

Bureaucratic procedures that are undertaken by women venturing in entrepreneurship have been analyzed and found to be complex, anti-competitive, non-standardized and slow. Complex processes have developed a harsh environment for women entrepreneurs to find easy schemes that can assist them progress in starting a business. Relative to the fact that the process is also slow means that business entrepreneurship processes needs more time for development and implementation (Al Turki & Braswel, 2010).

The government services offered in Saudi Arabia are also restricted to women entrepreneurs. There are principles that have been developed over the years by the Saudi government to improve processes that enable access to various government services. However, it’s evident that
there is still an existing difficulty for women entrepreneurs in Saudi. Research portrays that in Saudi, women entrepreneurs are considered as less reliable and ineffective.

There is a requirement in Saudi also known as Wakeel requirement, which has been introduced to influence activities undertaken by women entrepreneurs. Nonetheless, the fact that this requirement has been officially removed by the commercial ministry in Saudi, there have been differences evidenced and ascertained to create an impact to processes undertaken by Saudi women in entrepreneurship (Baughn, Chua & Neupert, 2006).

This requirement also creates an influence to management processes of women entrepreneurs in a business. It has been ascertained that; however, Saudi women entrepreneurs own a business; they still appoint and employ male managers to run operations undertaken in the business. This is still experienced among people from different communities in Saudi Arabian nation, despite implementing schemes to remove this policy that has been affecting development processes in the nation.

Difficulties that are faced by the Saudi women entrepreneurs as a result of govern policies and progresses should be identified and solved by the government administrators. The move ensures that there is gender sensitivity and an increase of power for women to operate and venture successfully in diverse business activities. This will also help ensure women are empowered to be independent and own businesses, run and progress successfully without the help of the male gender in the society (Elam, 2008).

**Challenges in regulatory and policy environment**

Government policies and regulations have been analyzed and deemed inadequate for promoting various processes undertaken by Saudi women in entrepreneurship. This also includes lack of policies that are targeted upon and have been enforced, which are clear to provide a direction to processes undertaken in the nation relative to entrepreneurship processes.

Some positive measures were established to help improve diverse processes involved in entrepreneurship, which include removal of Wakeel requirements. However, enforcement of laws
in the land has been negatively influenced, as there is an impact to business operations with slow processes undertaken by the government officials. The women entrepreneurs have waited for successful implementation of diverse laws and procedures that will facilitate efficiency in the country (Aldrich, 1999).

This clearly illustrates that the government administrators should implement laws that assist in ensuring there is successful implementation of procedures aimed at improving national performance. This will help improve operations undertaken by women in the nation relative to establishing entrepreneurial processes. This will also help guarantee women on the opportunity provided by the government to diversify chances in the international market.

The government administrators should also create schemes that lead to promoting security in the nation, among women involved in entrepreneurship. This will help facilitate the fact that Saudi women entrepreneurs can work best and perform their operations without having to employ a male manager in the business. This will also assist ensure that businesses have a variety of managerial rules and regulations that influence competition in diverse organizations.

**Women’s restricted mobility**

Mobility is one of the primary requirements of business managers, as this helps in identifying new objectives centered at improving organizational performance. Therefore, restricting mobility among managers in an organization also restricts the business progress business, and necessitates a negative impact to development of processes in the global market. Saudi women entrepreneurs have been experiencing restriction to mobility from one part of the nation to the other. It is required that when entrepreneurship women in Saudi need to move from one business area to the other, they should be accompanied by a male driver or hire a private taxi for movement (Curran & Blackburn, 2011).
This has established a challenging situation to women entrepreneurs in Saudi, as there is a challenge in financing drivers or hiring a taxi. However, this move may be costly in some instances and influences operations undertaken in the company, as there is a need to use capital from profits experienced in the business for transport services. This means that despite the notion that expenses are experienced in the business, there are additional business expenditures from transport services, which can be costly in some instances.

Consequently, measures ought to be implemented by the government administrators to help guarantee women on their support on various activities. These measures should also include the idea that women should be given freedom to move from one place to the other in the nation. The move will facilitate improved effectiveness in attaining procedures that can help develop company operations, which will also influence procedure engaged in growing a state (Gartner, 1988).

These measures should also be enacted and surety provided that women have the same freedom as men in the nation and based on entrepreneurship processes. This will help influence diversity of processes undertaken in the nation, and influence productivity in several firms in the country. This will facilitate diversity of products and services as women and men are deemed to bear a variety of ideas on how to handle various issues in a business.

**Women entrepreneurs not being reached by entrepreneurship initiatives**

There has been an increased growth experienced recently in private and public sector entrepreneurship initiative that offer support services. However, it has also been noted that among Saudi women entrepreneurs a reduced number benefits from this support. Research shows that the number of Saudi women benefiting from this support is reduced as a result of inadequacy in understanding and awareness of the significance of this program to progress in their entrepreneurship activities (Familoni, 2007).
This can also be related to the fact that women have developed the notion that all processes undertaken in the entrepreneurship activities require an external helper. This has developed an environment of reluctance, which has immensely influenced successful operations by Saudi women entrepreneurs. In some instances, it has also been noted that some Saudi women entrepreneurs have reduced information about the support and how it helps them benefit as women in business operations.

Therefore, programs should be developed in diverse communities among Saudi women entrepreneurs to help them understand significance of various strategies introduced in the country. This is indeed significant as increased number of persons from diverse business industries will venture into trying these new strategies, which can be considered essential in improving business operations (Grey, 2010).

The government officials can also promote this, by enacting laws and regulations confirm creating awareness in the nation on diverse strategies aimed at enhancing activities conducted diverse departments. This will assist guarantee that processes introduced in the nation are accessed by individuals from all communities, which will help facilitate equality among individuals in the nation from a variety of nations, communities, backgrounds and traditional practices as well as cultural beliefs.

Company managers, regardless of gender should also be educated and enlightened on various aspects associated with programs and strategies introduced in the country. This is relevant in reducing gender biasness in the nation, and will increase confidence among Saudi women entrepreneurs to invest in diverse businesses in the state. This ensures improved business operations developed by women in the nation (Gartner, 2007).
Lack of Support

The other difficulty that faces Saudi women entrepreneurs is the lack of support in the business, such as childcare and transportation. Despite the fact that there are growing needs among women involved in entrepreneurship in the nation, government administrators have contributed very minimal, and in some instances, it has also been noted that the government administrators have implemented policies that do not help in responding to the various needs of Saudi women entrepreneurs. Policies have been implemented by national government administrators to guarantee participation of women in the economic activities in the nation. However, there are no support activities that are aimed at influencing various undertakings by women in the country. This has created a difficult condition among women who try to progress in entrepreneurship as there is no enough support from the nation (Aldrich, 1999).

These policies should be implemented by the government administrations and measures taken into consideration to make certain there is creation of awareness among individuals. This will help guarantee there is adequacy of resources, skills and education required for women in Saudi to get involved in entrepreneurial services. This will also help improve participation of women in the international market.

Women entrepreneurs in Saudi should also principles that will help provide a sensitization to the government administrators on the significance of entrepreneurship in the nation and especially among women. This will necessitate implementation and enacting of laws by the government, which will also help ensure there is increased number of entrepreneurs among women from various communities in the nation. This will also help improve diversity existing in diverse families relative to procedures involved in growth and development as well as effectiveness in operations undertaken (Borland, 1972).
Risk taking

Entrepreneurs have been commonly understood to get involved in risk taking processes related to their business. These risks are associated with the fact that the business may be facing external competition, inadequacy of workers and unavailability of resources among others. However, for Saudi women entrepreneurs, it has been eminent that risks associated with entrepreneurship among women include the notion that there are security services offered in the government jobs and operating as an entrepreneur clearly demonstrates that there is no guarantee for security in the business operations.

The social status of the government jobs have also been examined and ascertained to be relative higher compared to other businesses in the nation. Therefore, Saudi women entrepreneurs face the challenge of losing the social status of their business in the nation and the international market, which might influence various operations undertaken in the business negatively (Al Turki & Braswell, 2010).

The other risk that is experienced by the Saudi women entrepreneurs includes the notion that there is a need for an external support of funds. Relative to the reality that women are not provided with full support from the government administrators, clearly explain that there is a difficulty in obtaining the best results out of what is expected by women entrepreneurs in Saudi Arabia.

Therefore, the government administrators of the nation of Saudi Arabia should ensure that adequate policies have been enacted to enhance diverse operations undertaken by Saudi women. This will help guarantee there is adequate security measures enacted to guarantee protection of women entrepreneurs and enhance various processes associated with entrepreneurship and business progress in the nation (Bates, Jackson & Johnson, 2007).
Self-confidence

Research and analysis clearly demonstrate that Saudi women have expressed themselves as strong and confident in diverse actions that are undertaken relative to business and entrepreneurship. However, it has also been identified that Saudi women entrepreneurs have an underlying suffering from lack of self-belief. This has been ascertained to manipulate various activities in the business environment.

It is evident that through some actions performed by the Saudi women, it has been known that there is an underlying suffering of lacking self-belief. For instance, it has been eminent that Saudi women entrepreneurs make decisions in haste. This is based on the notion that there is no self-confidence in actions performed, and fear being questioned on steps undertaken to implement certain decisions (Curran & Blackburn, 2001).

The other manifestation that Saudi women entrepreneurs express difficulty in self-confidence is the fact that most of them have been ascertained to avoid commitments. In this process, Saudi women entrepreneurs tend to postpone actions that are to be undertaken, and develop strategies that would seem a hindrance to progress of diverse actions. This has explained lack of confidence among women entrepreneurs in Saudi, and how it has created an influence to diverse operations in the nation.

Therefore, procedures should be developed and enacted by the government representatives to ensure there is gender equality among individuals from various communities in the nation. This will help ensure women’s confidence in the various business transactions undertaken in the nation is improved. This will also help influence progress and productivity in various business operations, which will help progress standards of living and unity among the Saudi women entrepreneurs and the government administrators (Baughn, Vhua & Neupert, 2006).
Women’s Education

Entrepreneurship requires that an individual is educated to assist in handling various operations related to management and financial processes in the company. Therefore, there should be education standards that must be attained by Saudi women entrepreneurs in the business. However, it has been eminent that women education in Saudi is not favorable for various processes involved in entrepreneurship.

The primary role of women in the society is being good mothers and wives, and this has reduced the fact that women should be educated to improve their understanding on other activities outside marriage and being housewives. This has also been based on cultural norms and practices that are undertaken by individuals from diverse communities in Saudi. This creates an impact to progress experienced by women in Saudi relative to attaining the level of being among the best entrepreneurs in the international market (Elam, 2008).

This notion has created a lot of issues that have negative influenced Saudi women entrepreneurs’ success in business. Therefore, procedures should be implemented in various communities and nations to ensure entrepreneurship programs are developed and implemented to help govern operations undertaken by women in the society. This will be aimed at ensuring women are provided with a chance to venture into diverse business operations in the international market.

This can be attained successfully by ensuring government policies promote women empowerment in the society. This also entails developing strategies that help ensure women have been provided with resources, time and knowledge on business activities that include entrepreneurship programs. This will enhance effectiveness, and guarantee that all families in the nation gain access to basic needs (Gartner, 1988).

Socio-cultural Restrictions
The other difficulty that faces Saudi women entrepreneurs includes socio-cultural restrictions. It has been noted that women entrepreneurs in Saudi are mostly restricted in the context of socio-cultural practices and norms. The cultural practices and traditional beliefs can be considered a restriction to development processes in a nation in some instances. This is primarily because women involved in entrepreneurship in Saudi come from diverse backgrounds and cultural practices that define various operations.

This clearly illustrates that operation undertaken by women entrepreneurs in the business will depend on traditional restrictions that must be followed by individuals at all instances. This also explain that some activities aimed at improving business operations can be difficult to implement despite the reality that this might create a negative impact to the progress of the business and may also impact customer relationship with the managers of the business (Baughn, Vhua & Neupert, 2006).

Traditional customs and social values that are embedded deeply in a community have been ascertained to reduce the ability of an individual to achieve the best out of an operation. The Saudi society has been ascertained to acknowledge a woman who is considered as honorable, obedient, modest, mother, acquiescent and good wife. This basically illustrate that the women should follow all regulations stated by the socio-cultural practices and values in their day to day activities.

Therefore, to ensure there is high attainment of business operations among Saudi women entrepreneurs, measures should be developed and implemented to make certain there are no restrictions from cultural practices undertaken in the community. This will also be intended at increasing competitive advantage existing between companies form diverse nations that are started and run by women (Familoni, 2007).
The other difficulty faced by Saudi women entrepreneurs is autonomy, which comprises of lack of personal initiative, self-sufficiency and self-reliance. This notion creates a negative impact to entrepreneurial activities, as there is no effectiveness and efficiency in administration and production of goods in the business. Self-reliance helps guarantee there is improved production of diverse goods and services in the industry. Therefore, if this is lacking, there will be reduced levels of competence since there is no improvement and introduction of new strategies that improve competition in the market.

There are restrictions that are also imposed on Saudi women entrepreneurs, which is also a form of autonomy. These restrictions are aimed at managing operations undertaken by women entrepreneurs in the nation, which influences effectiveness in various industries. Analysis clearly illustrate that restrictions imposed on women entrepreneurs have been ascertained to extent to being internalized (Grey, 2010).

Restrictions have also been ascertained to limit productivity in an industry, as it influences operations undertaken by managers. Therefore, restrictions should not be imposed on Saudi women entrepreneurs if there is an aim of the government administrators to attain the best out of diverse industries in the nation. This can be attained by ensuring measures are enacted to govern effectiveness in operations undertaken by managers in an organization. Therefore, restrictions implemented in a nation relative to activities undertaken in an industry should not impose limits to effectiveness in the business. This is based on the notion that, there is reduced efficiency of operations if managers operate under given limits. This also states that employees in various departments in the organization will also operate under the same limits provided by the government administrators (Baughn, Vhua & Neupert, 2006).
Conclusion

There are diverse difficulties that have been analyzed to face Saudi women entrepreneurs. These difficulties have been ascertained to generate an environment where women entrepreneurs are not free to operate in the nation, and this leads to reduce levels of professionalism in various operations. It has also been noted that some of these difficulties are from the society’s practices and traditions.

Some difficulties faced by Saudi women entrepreneurs include obstacles in business procedures and licensing regulations, challenges in regulatory and policy environment, women’s restricted mobility, women entrepreneurs not being reached by entrepreneurship initiatives, and lack of support services, autonomy, risk taking, self-confidence among others.

There are measures that have been developed and enacted by the government administrators to ensure these difficulties have been identified and solved to improve women efficiency in entrepreneurship. However, despite the fact that these measures have been developed and implemented, there are some practices that have not been clearly defined and still create a difficulty among women entrepreneurs in Saudi.

This involves the fact that there are socio-cultural practices that define what is required of a woman, and this limits the availability of women entrepreneurs in the nation. Therefore, operations undertaken by a woman in a nation should be promoted by ensuring there are measures enacted to help in creating awareness on the significance of women’s’ role in entrepreneurship programs.
Recommendations

Difficulties faced by Saudi women entrepreneurs have been ascertained to create a negative impact to various procedures undertaken in the business sector. Therefore, adequate procedures should be implemented to ensure there are reduced cases of difficult situations faced by women. This should be enhanced by community leaders, national government administrators and business administrators in the international market.

Policies developed by the national government administrators of Saudi should be implemented successfully and aimed to attain the best out of entrepreneurship programs in the nation. Women entrepreneurs should be promoted and provided with resources necessary to improve their business operations. This will help guarantee there is improvement in entrepreneurial processes undertaken by Saudi women.

Socio-cultural regulations that limit operations undertaken by women in the business environment should also be checked keenly. This is because, some of these regulations have been considered as restrictions that do not allow women to get involve in some business activities without the help of a male gender. Therefore, policies enacted in a community should be free from gender biasness to improve operations undertaken in the nation by both male and female individuals in the society.

The government administrators of the nation of Saudi should enact laws that enable women to operate freely and offer decisions that are promoting women entrepreneurs undertake various procedures successfully. This will help guarantee women of security and improved social status as they involve in various processes involving entrepreneurship, which also help develop the nation.
References


