



Women Entrepreneurship in UAE

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ABSTRACT

The Women Entrepreneurs in UAE factors cause success for female entrepreneurs in UAE. These are: Economic and technological development, Flexible enterprise policies, Good education and Spiritual support. The most crucial one is the spiritual support. On the contrary, the major hurdle, among others, women entrepreneurs' experiences is that they received support from government institutions; nevertheless, it is their level of aspiration. In addition, to Emirati male and female entrepreneurs exhibit different entrepreneurs' traits when running their business and also decision and policy makers to provide facilities for Emirati business women to ensure that they take a crucial role in economic development.

KEYWORDS : Women Entrepreneurship in UAE emergent market

Introduction

The phenomena of Entrepreneurship?

Entrepreneurship is defined as a business started –up by one person. The organization can be profit or non-profit oriented venture. Non-profit entrepreneurs can provide services for needed community; however on the basis of how to use donations. Most of non-profit entrepreneurs rely on voluntary work to meet their objectives (Cyprus, 2003).

Women Entrepreneurs in UAE

The phenomena of women entrepreneurs have been growing rapidly in the United States and Worldwide. In the United States, women-owned firms represent 38% of all firms; internationally women owned-firms represent 25% to 33% of the total business population (Diversity Central-Business Statistics, 2010).

United Arab Emirates (UAE) managed by virtue its economic policy based on the principle of free economy to facilitate development in different economic sectors.

It takes a significant place globally and attracts the attention of investors worldwide. Before the discovery of oil, Emirati women had played a crucial role in all aspects of life. Despite the economic and social difficulties they were confronted which limited their participation; nevertheless they had managed their conditions. Their contribution extended to include traditional handicrafts, for example sewing and grinding flour. Moreover, they shoulder the responsibility of house-keeping, child bearing and looking after their families.

Nevertheless, after UAE federation, women are given full rights and stands on equal footing with their male counterparts. Emirati women play an important role in the development process. Recently, they enter the world of development of projects, finance and business which take place in the UAE. So, recently there has been a tremendous rise in the number of female entrepreneurs in UAE. They become almost 11 thousands female entrepreneurs with the contribution of \$ 3.7 billion to UAE economy (AlKhaleej, 2010). The importance of this study is to highlight Emirati women achievements within a patriarchal society. For many centuries men have had the authority and dominance of all aspects of life, whereas women have always meant to carry out a socially constructed role of a childbearing and child rearing. This role limits their ambition, aspiration and confined their interest to carry out this duty. However, it becomes a motivational factor that challenges them to cross the threshold of the field of business. Therefore, they had important achievements and accomplishments in the business world.

In the UAE an increasing number of women setting up Small and Medium Enterprises the number of female entrepreneurs in the UAE is expected to grow over the next few years, experts said at the SME Congress and Expo. There is increasing support of the UAE government towards SMEs, and said there are a "huge number of women entering the SME market". In fact, the Global Entrepreneurship Monitor's (GEM) latest report on the UAE cited a steady increase in the rate

of women who are established business owners. While there was a 0.1 per cent increase in 2006, there was a gain of 1.4 per cent in 2011. There is an 80 percent of Emirati women are nascent entrepreneurs.

Mano Tvasoli founder and director of Mom Souq and Mompreneurs Middle East said there is room for growth in the SME market, and expected even more female entrepreneurs in the future.

"The biggest challenges women face is the lack of confidence to take risks; the lack of access to knowledge and mentorship; and lack of knowledge on how to get funds," Tavasoli said.

Some lights on businesswomen's achievements and their contribution to economic development of the UAE society as well as it emphasizes the main challenges and the factors of their success.

Some of the crucial considerations to establish an entrepreneurship business are: management skills and marketing knowledge. First, management skills are important to entrepreneurs especially for planning, budgeting, record-keeping and negotiating. An entrepreneur should possess the appropriate capabilities to perform all the different aspects of the business, at the early stage of his (her) organization's life cycle. Entrepreneurships are considered as beneficial to the economy because they usually create new job opportunities at the growth stage of their business' life cycle. Second, marketing knowledge is an essential element for an entrepreneur to achieve success. As s/he should be acquainted with the appropriate knowledge related to the four (Ps) of the marketing activities (Price/ Product/Promotion and Physical Distribution). There are many marketing details an entrepreneur is supposed to be familiar with to run a successful business. Third, the demands for a product or a service also have to be determined carefully by the prospective entrepreneur. So, it is crucial to develop a strategy based on (SWOT) analysis of his or her business. It is also important to determine the expected demand for the product or a service of his or her business. Fourth, risk management is a vital element to be considered when an entrepreneur start-up a new business as many fail in the first year due to lack of the knowledge of how to manage the risk.

An entrepreneur is supposed to estimate the expenses and the time to be invested to the enterprise. The risk to lose the funds necessary to start-up the business is great; therefore they have to calculate the prospect before entering in any kind of venture. Therefore, this reason gives the justification of why few Emirati females are taking the adventure to start-up a business. In addition, Emirati businesswomen's position is further complicated by the play of traditions, religious; social and cultural norms in UAE. Traditionally, women were socialized according to the socially constructed role of a mother and a wife, rather than encouraged to seek career development (Naser et al, 2009). Although, there has been remarkable change on women's situation and they have been encouraged to obtain higher education before marriage, however some other issues related to the labour market remain unresolved. For example, restriction on women's geographical mobility, which limits their educational and employment

options (Baud and Mahgoub, 2001). Secondly, compared with women in other regions of the world, UAE women's career and occupational choices are limited (Fahimi and Moghadam, 2004). Thirdly, UAE society is influenced by traditions and norms; where women are not allowed to work in some professions such as, personal service occupations, hotel industry, hairdressing and nursing (Nelson, 2004).

Emirati women entrepreneurs are involved into two types of business activities: These are: traditional activities and modern activities. The former can be described as home-based activities and are 'de facto' illegal because no trade license is obtained to carry out these activities. Women entrepreneurs who engaged in home-based activities are lacking both official recognition and business support or bank financing. Most women entrepreneurs are elderly women with moderate educational achievements and their activities are mainly handicrafts and trading. The investment capital is very low and usually does not exceed Dhs 10,000 for dressmaking/ tailoring. The activities are generally suffered from low level productivity and yield only moderate income.

The main problems face traditional activities are the lack of demand and marketing opportunities. There is no support available for these activities, except the occasional marketing opportunities provided by UAE women's organizations for example, women's organizations in Ajman, Khorfakkan and Abu Dhabi. The latter is characterized by the entrepreneurs being engaged in activities which are generally run by young and well educated women.

Even when operated on a part-time basis, it is still considered as a very important activity for entrepreneurs. They play an important role to realize their self-fulfillment and ambition to become genuine businesswomen. Modern activities are often related to activities carried outside homes, in a number of cases, women entrepreneurs are supported by, for instance, MREYBL in Dubai, which makes available tailor-made and serviced office space at subsidized rates.

Comparatively, the investment in modern activities is higher than traditional ones. It started at Dhs 50,000 up to a few hundred-thousand Dirham for consulting, interior decoration and printing (e.g. Hairdressing/beauty Salon). Both segments are also shared some common features for many women, WSEs seem to be a part-time activity because of other obligations such as, family commitments. This may explain the rationale behind why women entrepreneurs operate their business from their residences.

Most importantly, the study shows that many women have practical business ideas and more UAE women are starting small businesses. The Emirati women have been involved with economic and business activities since the pre-oil era. They had played a vital role in many aspects of life. Despite, their essential role during that period, they did not have any form of organized work. This role includes bringing water from oases and valleys; carrying out some skilled manual crafts for example, sewing and grinding flower. In the coastal areas where people rely on fishing and extracting pearls for their living, there is a clear division of labor.

Women are responsible of managing the home, childbearing and child rearing, taking care of the elderly members of the family whereas men have to do long fishing journeys (i.e., they are the breadwinners). Following the establishment of the Women's General Union in 1973, women are taking full responsibility and stand on equal footing as their male counterparts. It is very prominent in their contribution in the socio-economic development. This has been achieved in accordance with the Islamic principles of equal rights and duties. One of the most important accomplishments of the UAE women is the approving of the law that secures women's constitutional rights for instance, the right to work, social security, possession, managing their business and finances. The law has also secured their education, health care, social services, equal salary as their male counterparts and maternity leave (UAE Businesswomen Council, 2009).

Emirate Women Entrepreneurs: Challenges and Supports

I. Challenges

The position of Emirati women have been dictated by the traditions, religion, social and cultural factors. Girls were socialized according to tradition into the nurturing role of a mother and wife (Naser et al.,

2009) rather than encouraging them to develop their careers. Nevertheless, this has been changed remarkably because women are now being encouraged to obtain higher education before marriage. However, some other issues are still restricting women's labor market choices. Restriction of women's geographic mobility is limited their options both in terms of accessibility to education and employment (Baud and Mahgoub, 2001). Secondly, as in other parts of the world, UAE women are limited in their career and occupational choices (Fahimi and Moghadam, 2004). Thirdly, a peculiarity of the UAE society is that certain occupations, outside of the usual gender biases, are considered inappropriate or undesirable for Emiratis and, in some cases, more so for women. For example, Emiratis shun personal service occupations, such as many of those in the hotel industry, waiting tables and hairdressing. Traditionally, nursing among Emirate women is not favored and not permissible as a 'female occupation' (Nelson, 2004).

II. Supports

Emirate business women succeed because they received support from their families, Government, NGOs and other women's associations. In general, a family's support particularly, a husband's support, is greatly influenced women entrepreneurs' endeavours to achieve their objectives (Naser et al, 2009). Recently, Small and medium size enterprises have been substantially promoted by UAE government.

A number of small and medium enterprise support programs have been established; however there is no special institution that dedicated to serve this purpose. Thus, Emirate small and medium enterprises (SMEs) promoted are still lacking too far behind (Haan, 2003). Women entrepreneurs are also received SME support services from at least one organization or program that deliberately provides support to small businesses in the UAE (Haan, 2004). This support often has social and cultural, rather than economic objectives. They have dual objectives and provide income support to women and preserve traditional activities as part of the country's cultural heritage.

Sometimes they establish small workshops where women can engage in traditional activities and receive a salary from the sponsoring organization, rather than working on their own account. Some of women's organizations are Umm Al Moumineen in Ajman (1974), Khorfakkan and Abu Dhabi Women's Associations (Haan, 2004). In addition, they provide piecemeal assistance to women who engaged in home-based activities. Such kind of support is focused on organizing marketing opportunities, for instance, during their annual meetings; women's organizations make special stands available for UAE women to market their home-made products, which are usually purchased in significant numbers by the local women leaders (Haan, 2004).

In addition, they provide marketing exhibitions, which are organized during the Women's Association's annual meeting. The primary objective is to encourage the productive families by providing those opportunities (Haan, 2004). In addition, the exhibitions assist them in marketing their products. These exhibitions are also found to be a regulating mechanism to disseminate new business practices, for example through the use of business cards, business information about competitors, and training courses that take the form of workshops and seminars (Haan, 2004). In addition, the Emirate Businesswomen Council (EBWC) was launched in March 2002 to achieve certain objectives. These are: (i) lobbying on behalf of UAE women entrepreneurs, (ii) facilitating research on problems of women small enterprises (WSEs), and (iii) functioning as a platform with national and international organizations interested in supporting UAE women entrepreneurs. Emirate Businesswomen Council (EBWC) perceives UAE women entrepreneurs, especially young women entrepreneurs as potential target group (Haan, 2004).

Contributions of Emirate Women Entrepreneurs in Economic Development

The small enterprises owned by Emirati women are divided into two types: the traditional and the modern sectors. These two sectors face different problems: the former engaged in traditional activities for example, traditional perfume-making; sewing and tailoring; embroidery and hand-made products. The two sectors face marketing and demand problems. Both depend on marketing their products on occasional exhibitions which specially arrange during festivals and annual meetings by women's organizations (Hann, 2004). Another different set of constraints that faced by modern small business are: (i) lack of

access to capital, (ii) inadequate entrepreneurial capabilities and lack of business experience, (iii) difficulties with some formal procedures, (iv) low level of support from husbands and family, and (v) demand and marketing difficulties (Haan, 2004).

The Perceptual Differences Between Men and Women Entrepreneurs in UAE

The question poses itself is that whether there is any difference between women and men entrepreneurs in UAE. Emirati women entrepreneurs were found to exhibit same traits as their male counterparts. Comparatively, as their male counterparts, they are hesitant to take the adventure to start-up a business because of the perceived risks. Generally speaking, they tend to prefer a stable wage-based income, family-friendly working hours, and attractive pension schemes. Women seem to be particularly hesitant to borrow funds to go into business – and indeed their investment is generally far less than male entrepreneurs. Emirate women entrepreneurs' investment in WSEs is less compared with their male counterparts. In networking events the smaller and less experienced WSEs are less benefit compared with the established women entrepreneurs who tend to dominate this arena. In this respect, some observers believe that UAE businesswomen, except for those who have already been in business for a longer period, are shy and timid. They are not always interacting easily – even among themselves.

Many women entrepreneurs are still conservative about borrowing loans, worried about that others might steal their business ideas. This fear is seriously obstructed any possibility of sharing any experiences (Haan, 2004). The most important personality traits women entrepreneurs are supposed to acquire to achieve the desirable success is willingness to listen to new ideas and actively solicit others' opinion. For entrepreneurs the ability to accept constructive criticisms will help the business to stay on the cutting edge and to avoid potential problems that might obstruct the business success and cause failure.

By soliciting input from other people an entrepreneur would create a positive mini public relations networking in business, it is important for an Entrepreneur to take the right decisions at the right time. (Wolfe, 2010). The most important business skills women entrepreneurs might need to develop are: creating strong networking, access to a variety of resources and knowledge. Thus, having poor interpersonal skills and do not have much face-to-face contact to build networks, there are still other ways to build a business networking (Wolfe, 2010). Generally speaking, Emirati women entrepreneurs face certain constraints which make it difficult for them to start-up and run small businesses compared with their male counterparts.

The effect of both socio-cultural factors and women social status is decreasing the encouragements that given to women to proceed into business ventures. In addition, occasionally it is difficult for them to obtain trade licenses for manufacturing activities. Comparatively, women entrepreneurs as claimed by Nelson that have get less access to capital than male entrepreneurs. Based on Interviews with WSEs, indicated that women entrepreneurs have had difficulties to get access to potential clients and to get special marketing facilities to overcome the immobility constraints (Nelson, 2004).

Recently, the number of female entrepreneurs has witness a steady increase. They exhibit competency and success in the field of business. The majority (73.0%) agreed that women entrepreneurs are successful and strong. The good image of successful businesswomen and their high accomplishment, this could be a threaten factor for businessmen.

Women entrepreneurs in the UAE have face some hurdles. This is partly created by the implication of the patriarchal culture and partially by the implementation of the policies and regulations issued by the government that created obstacles for them. According to the women entrepreneurs face some challenges that hinder their business efforts. These are: the expected support of the government institutions.

	Female participation in ownership	Firms with a top female manager
Algeria 2007	15	
Egypt 2008	34	
Iraq 2011	6.8	2.4
Jordan 2006	13.1	
Lebanon 2009	33.5	29.1
Mauritania 2006	12.3	
Morocco 2007	13.1	22.8
Syria 2006	14.4	
WBGS 2006	18	
Yemen 2010	6.4	0.2
MENA average	6.6	1.2

Source: Enterprise Surveys, World Bank <http://www.enterprise-surveys.org/Data/ExploreTopics/gender>

In general, international variations in national rates of entrepreneurial activity are complicated and not associated in a simple way with national income levels. Global comparisons are of limited value in the context of this report. Nevertheless, it is clear that women in MENA fall significantly below women in other comparable regions in their level of 'early stage' entrepreneurial activity. MENA countries have a lower participation of women than low income countries in Asia, Latin America and the Caribbean (GEM-MENA Report 2009); in 2012 the female TEA rate was 15 per cent in Latin America and the Caribbean (GEM Global Report 2012).

Summary, Conclusions and Recommendations

The Emirate women entrepreneurs have great niche in the market. This research examined women entrepreneurs' experiences from their own perspective. They try to strike the balance between their family commitments and their business commitments. With the help and support they have received from the businesswomen council and other women's associations they succeed in contributing to growth of the country's economy. As the findings of this research show that many female entrepreneurs are innovative, have creative idea and talents and time management to handle their two commitments. Women in UAE have made remarkable progress through their contribution in local economy and their endeavors' in the different fields of business. The recommendations given are that Emirate women entrepreneurs should be confident in their abilities and the opportunity is open for them to contribute in the economic development of the country. So, they should develop their knowledge having training programs, business courses, and attending workshops to exchange experiences with professional women entrepreneurs in the market and to develop their creative thinking. In addition, we advise new women entrepreneurs to develop detailed planning of their project and their knowledge of the niche market.

Moreover, and ensure having innovative projects in order to add to the market and avoid repetition of the present business in the market. a. of course good marketing of the product will facilitate reaching the largest possible number of customers.

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