

Women Entrepreneurs: challenges and constrained in Oman. A case of Muscat Governorate

Maisa Mohammed Ahmed Al Bousaidi, Department of Accounting, College of Commerce and Business Administration, Dhofar University. Salalah, Oman.

Dr. Zaroug Osman Bilal, Associate professor, Department of Accounting, College of Commerce and Business Administration, Dhofar University. Salalah, Oman. zosman@du.edu.om

Abstract - The government of Oman recently has focused on preparing the environment for women entrepreneurs to participate and contribute in economic growth and development of the economy. This study aims to shed light and identify the challenges faced by women entrepreneurs in Muscat governorate of Oman. The data was collected through questionnaire from 80 women entrepreneurs doing their business in Muscat governorate of Oman the biggest governorate in the country. The descriptive and analytical approach was used in this study. After analyzing the data, the findings show that the marketing challenges come first followed by challenges related to finance and the challenges related to capabilities of business owners come last. This finding are contributing to fill the literature gap in GCC and Middle East region, since the literature is limited in this region.

Keyword: Challenges, Women, Entrepreneurs, Oman.

I. INTRODUCTION

Entrepreneurship is the ability and capacity to develop, create, organize and manage the business along with the risk in order to make profit. "Entrepreneurship is the symbol of business tenacity and achievement" (Kuratko & Hodgetts, 2007). According to (Cooper and Brush 2012) the growing of women enterprises is considered as a one of the fastest growing entrepreneurial populations in the world. Women enterprises play a significant role to job creation, innovation, and economics benefit in all countries. As pointed out by (Cooper and Goby, 1999), in the last three decades women have started to owned businesses slowly to participate in the survival of families and contribute to economy of many countries. The women entrepreneurs faced many challenges and constrained although they representing 52% of the population in the country. Women are struggling to initiate their own business all over the world to enhance their standards of living and participating in economic and social aspects of their families. Women is considered as part of labour market and their role has increasing rapidly. The rapid change in socioeconomic circumstances has led to the emergence of women entrepreneurs

(Lisa et al. 2001) claimed that "Women are a significant force in the entrepreneurial world. Over the past two decades, the growth of women-owned enterprises – as measured in terms of number of businesses, revenue generation, and employment – has been astounding".

The government of Oman has given attention to the environment for women entrepreneurs to encourage them

for participation in economic development through availability of education, training and awareness about entrepreneurship. Several funds have been found by the government of Oman to support emerging projects for small and medium enterprises such as :AL Raffd Fund , Youth Fund, Small and Medium Enterprises Development Fund (SMEDF) ..etc.

Few studies have been conducted to identify the challenges facing women entrepreneurs in Oman. This study too, is an attempts to identify challenges and constrained faced by women entrepreneurship in Muscat governorate in Oman, the biggest governorate in the country and discuss the relative importance of these challenges. This study may help in filling the gap in the literature and results of the study can be useful for policy makers and women entrepreneurs to build their strategic and operational plans.

This study Follows the basic framework of OECD (2009), which categorized the challenges to four categories as follows: (1) Access to finance, resources and shortage of working capital has considered as a first barriers. (2) inadequate information to analyses markets, lack of knowledge about internal and external markets. (3) lack of communication with potential international customers. (4) Lack of managerial capabilities, experience and knowledge.

To achieve the objectives of this study the researchers conducted a survey to collect data through questionnaire from women entrepreneurs using the above framework to

shed light on the challenges faced by women entrepreneurs in Muscat governorate of Oman.

The research questions are address as follows

RQ1.What are the main challenges and constrained faced by women entrepreneurs in Muscat Governorate of Oman?

RQ2.What are the relative importance of the challenges and constrained faced by women entrepreneurs in Muscat Governorate of Oman?

II. LITERATURE REVIEW

This section presents the definition of women entrepreneurship and challenges faced by women entrepreneurship in general perspectives.

Definition of Women Entrepreneurship

Entrepreneurship is considered as an economic activity which is running by a person or group of persons. (Joseph,1961) defined Entrepreneurship as “the making of a “new combination” of already existing materials and forces; that entrepreneurship throws up as innovations, as opposed to inventions and that no one is entrepreneur forever, only when he or she is actually doing the innovative activity”. In addition, (Vinze,1987) a woman entrepreneur is an individual who has an opportunity to start business and ready to take risks. As from the view of (Kirzner 1997), the entrepreneur is a person who has opportunity to trade and aim to get profit.

Challenges faced by women entrepreneurs

(Mauchi et al.,2014) conducted a research to find out the challenges related to women entrepreneurs, they concluded that management capabilities, access to finance, networking constrained, conflicts between businesses and family responsibility and getting raw materials and markets are the main constrained faced by women entrepreneurs. In another study, Ayadurai, 1987) stated that “The barriers that women entrepreneurs face in accessing credit from formal institutions is magnified in view of their limited access to formal education, ownership of property, and social mobility”. Another study conducted by (Kuratko and Hodgetts2007) determined the most common obstacles faced by SMEs. They name many problems such as technical competence, mental ability, opportunity orientation, initiative and responsibility, integrity and reliability, human relation skills and high achievement drive. In addition, (Shakantu & Kajimo, 2007) claimed that SMEs are faced by many constrains to the development and support of the sector. These constrains are: lack skills of employee, political constrains business and environment regulation, inadequate technology and equipment’s, lack of infrastructure; shortage of collateral and limited opportunities to access to international capital markets and difficulty to get raw material.

In fact, Obed (2000) considered some barriers like unsuitable location of the business, lack of technical skills; lack knowledge and experience of management; poor construction practice, poor technology and equipment and also poor financial ability.

(Hookimsing and Essoo ,2003) conducted a survey and they determined four main obstacles faced by women entrepreneurs – getting official permission to stat their business, marketing challenges, limited capital and given considerable time as men. In addition, (Sumaira et al. 2013) has conducted a research to identify the main constrains faced by women entrepreneurs in Pakistan. He concluded that there are three type of the problems faced by women entrepreneurs ,like problems related to businesses, problems related to community and technical problems.

(Kumbhar ,2013) examined the challenges faced by women entrepreneurs in India. He identified many challenges such as: conflict between family and career duties of women, ability to take finance decision, absence of direct ownership of the property, no awareness about capacities, ability to take risk, leading male employee, access to finance, lack of self-confidence, lack of education and access to technology networking. In another research conducted by (Kumbhar &Kumbhar, 2011), they identified some constrained faced by women entrepreneurs such as getting finance, using technology, management and marketing capabilities and lack of confidence. (Bilal and Al Mqbali,2015) discussed the challenges faced by SMEs in Al Batinah Governorate of Oman, the results concluded that the preparing of investment environment comes first, capabilities of business owners come second, followed by the marketing obstacles and finance obstacles.

III. DATA AND METHODOLOGY

As we presented above, this study aims to shed light on the challenges Faced by women entrepreneurs in Muscat governorate of Oman. The data was collected through questionnaire from 80 women entrepreneurs who are running their businesses in Muscat governorate in different sectors. The questionnaire is included two parts. The first section of the questionnaire is covered demographic and personal information of the respondents, while the second parts is concentrated on the questions related to challenges faced by women entrepreneurs to get answers from the respondents so as to achieve the objectives of the study. The descriptive and analytical approach was used in this study. Based on the literature the challenges were divided by the researchers to the following: The capabilities of business owners, challenges related to finance and marketing challenges.

IV. THE FINDINGS

In this sections our results are presented using the data was from women entrepreneurs. The results have been

presented in bellow tables by identify mean, Standard deviation and T value for each challenges.

Table 1: Demographic Analysis

Variable		Percent
Age	Below 18	1
	18-25	42
	26-35	26
	46-55	11
	Total	80
Educational Background	Primary School	0
	Secondary School	5
	Diploma Degree or less	36
	Bachelor Degree	36
	Master Degree	3
	Total	80
Marital Status	Single	42
	Married	29
	Divorced	6
	Widowed	3
	Total	80
Business Activity	Commercial	34
	Industrial	13
	Agricultural	6
	Others	27
	Total	80

From Table 1 it is showed that the majority of respondents (42%) their age is between 18-25 and about 26 % are between 26-35, this indicates that majority of respondents are young women. Also the majority of respondents (70%) are having bachelor and diploma degrees, this implies that the respondents are educated and they have ability to answer the questions in the questionnaire in the rational manner. From the same table it is presented that the majority of respondents (42%) are single which indicate that the owners of the business are given considerable time to their enterprise. As for business sectors, majority of respondent (34%) are working in commercial sectors, 13% in industrial sectors and only 6% are in agriculture sectors where Oman is not agricultural country.

Challenges faced by women entrepreneurship:

Table 2: Capabilities of business owners:

Factor	N	Mean	SD	T-Value
I have no capabilities to manage my own business.	80	3	2.82	2.95
I am not committed to manage my own business and I committed to another job.	80	2	1	0.1
I do not have appropriate skills to manage my business	80	2	1.41	1.51
Average		2.33		

Table 2 above presented that, majority of women entrepreneurs respondents agree that they have no capacity to manage my own business is considered as the main challenges faced by women entrepreneurs the mean (3)

and SD (2.82), followed by not committed to manage my own business and committed to another job and do not have appropriate skills to manage their business, the mean (2) SD (1), mean (2), SD (1.41) respectively.

Table 3: Financial challenges:

Factor	N	Mean	SD	T-Value
It will be complex to get finance for your business.	80	2.24	1.8	12.58
It is necessary to provide guarantees to get finance	80	3.5	6.36	4.31
It is necessary to provide guarantees to get finance	80	2.5	2.12	1.03
Average		2.74		

The table 3 showed that it is necessary to provide guarantees to get finance is the main challenges faced by women entrepreneurs in Muscat governorate the mean

(3.5) SD (6.36), followed by the complex to get finance and cost of finance is very high mean (2.24) SD (1.8), mean (2.5) SD (2.12) respectively.

Table 4: Marketing Challenges

Factor	N	Mean	SD	T-Value
There is a lack of information that is necessary to build your marketing decision	80	4.15	3.1	31.2
There is a rise in marketing cost	80	2.95	1.77	16.03
There is a limited helps from government in marketing my product is limited	80	2.7	7.07	5.45
There is a decrease in the quality of the product		1.95	4.94	2.24
Average		2.94		

Table 4 above presented that the main challenges faced by women entrepreneurs is lack of information that is necessary to build your marketing decisions as per agree of the respondents, the mean is (4.15) SD (3.1), the rise in marketing cost is comes second the mean is (2.95) SD (1.77), Flowed by limited helps from government in marketing my product and there is a decrease in the quality of the product the mean (2.7) SD (7.07), (1.95) SD (4.94) respectfully.

Table 5: Relative importance of the challenges of the challenges Faced by women entrepreneurs

n	N	Mean	T-Value
1	Marketing challenges	2.94	.01
2	Finance challenges	2.74	.05
3	Capabilities of business owners	2.33	.09

Table 5 showed that the marketing challenges come first the mean (2.94) and it is statistically significant at .01, followed by challenges related to finance the mean is

(2.74) and the challenges related to capabilities of business owners come last the mean (2.33).

V. SUMMARY AND CONCLUSIONS

This study aims to identify the challenges faced by women entrepreneurship in different sectors in Muscat governorate of Oman and discuss the relative importance of these challenges. The results show that the challenges, which are related to marketing, come first, followed by challenges related to finance and at the end the challenges related to capabilities of business owners. This results is to some extent consistent with. (Bilal and Al Mqbali,2015), but the main difference is that the capabilities of business owners is main obstacles in their study, it has comes last in this study, this is may attributed to the efforts of government in providing entrepreneurs by training, workshops and many helps to develop their ability to be able to manage their own business. This results are contributing to the literature in GGC and Middle East Region since the literature is limited in this region. The participation of women entrepreneurship in labour market has started in last two decades. According (United Nations New York, 2010) "In whole world, of scholars deal with a range of areas of knowledge that women use up at least

twice as much time as men on not have facilitated an improved understanding of the paid household work. Lack of access to and control numerous dimensions of women's entrepreneurship". The government of Oman is struggling to prepare the environment to encourage women entrepreneurs to play a significant role in development and tries to overcomes many challenges faced by them. There are some limitations have been identified in this study. This study has been conducted to identified the challenges faced by women entrepreneurs in Muscat governorate, the biggest governorate in Oman and future studies can be done in more than one governorates using other framework.

REFERENCES

- [1].Ayadurai, D. (1987), The Employer, the Employee and the Law in Malaysia, Butterworth's: London.
- [2] Bilal, Z. O., & Al Mqbali, N. S. (2015). Challenges and constrains faced by small and medium enterprises (SMEs) in Al Batinah governorate of Oman. World Journal of

Entrepreneurship, Management and Sustainable Development, 11, 120-130.

[3].Cooper, S & Brush, CJ (2012), 'Female entrepreneurship and economic development: An international perspective' Entrepreneurship and Regional Development, vol. 24, no. 1-2, pp. 1-6. DOI: 10.1080/08985626.2012.637340

[4] Cooper Maysami, R., & Goby, V. P. (1999). Female business owners in Singapore and elsewhere: A review of studies. Journal of Small Business Management, 37 (2), 96-105.

[5] Hookingsing and Essoo (2003), SEED Working Paper No. 58, Promoting Female Entrepreneurship in Mauritius: Strategies in Training and Development, International Labour Office, Geneva.

Joseph. A. Schumpeter 1961 Theory of Economic Development, Harvard University press, 1961.

[6] Kumbhar, V. (2013), Some Critical Issues of Women Entrepreneurship in Rural India, European Academic Research, Vol. I, Issue 2, 185-192.

[7] Kumbhar, A. & Kumbhar, D. (2011), Problems & Prospects of Women Entrepreneurs in India, 7.Global Economic Research, Vol. I, Issue: I, ISSN 2249- 4081, pp. 151-159. [http://www.scribd.com/doc/138219996/120944562- Women Entrepreneurship](http://www.scribd.com/doc/138219996/120944562-Women-Entrepreneurship).

[8] Kirzner, I.M. 1997. How markets work: disequilibrium, entrepreneurship & discovery. Institute of Economic Affairs, Hobart paper No. 133.

[9] Kuratko,D,F.and Hodgetts,R,M. (2007). Entrepreneurship: Theory, Process, Practice. Thomson/South-Western, ISBN 0324361963, 9780324361964.

[10] Lisa K. Gundry and Harold P. Welsch. (2001).“The Ambitious Entrepreneur: High Growth Strategies of Women – Owned Enterprises,” Journal of Business Venturing 16(5): 453-470

[11] Mauchi, F, N., Mutengezanwa, M.&Damiyano,D. (2014).Challenges faced by Women entrepreneurs. A case study of Mashonaland Central Province International Journal of Development and Sustainability ,3(3):466-480.

[12] Obed, R. (2000), “Global trends in investments and construction”, The Guardian, Vol. 3, p. 3. OECD (2009), “Top barriers and drivers to SME internationalization”, Report by the OECD Working Party on SMEs and Entrepreneurship, OECD.

[13] OECD (2009), “Top barriers and drivers to SME internationalization”, Report by the OECD Working Party on SMEs and Entrepreneurship, OECD.

[14] Shakantu, W.M.W. & Kajimo-Shakantu, K. (2007a). The South African Construction Micro-Enterprise

development challenge; in Proceeding of the CIB 2007 World Building Congress, Construction for Development, Cape Town International Conventional Centre, Cape Town, South Africa, 14 – 17 May 2007, pp. 1902-1915.

[15] Sumaira .A, Madiha. L, and Muhammad. W. A, (2013) Problems Faced by Women Entrepreneurs and Their Impact on Working Efficiency of Women in Pakistan. Middle-East Journal of Scientific Research 18 (8): 1204-1215, 2013,pp 1204-1215.

[16] Vimze,M. D, (1987). Women Entrepreneurs in India – A Socio-economic Study of Delhi. Delhi: Mittal Publications.