
INQUIRY ON WOMEN'S ENTREPRENEURSHIP IN ARAR CITY, SAUDI ARABIA

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ABSTRACT

The high unemployment rate, especially among females, has become a vital problem in the Kingdom of Saudi Arabia. Therefore, this study aims to investigate the intention and motivations behind women's entrepreneurship, especially among female students of the Northern Border University at Arar City. The methodology for this research relied on a field study using a sample consisting of 400 students (73% female and 27% male). This study concluded that women prefer to be employees, rather than to start a business. The male students are more intent on entrepreneurship that is motivated by pull factors. The logistic regression results reflect a significant relationship between gender, family work, area of college study and the desire to start a business in the future, all students have some entrepreneurial characteristics, and there are no significant differences due to gender, family work or college. Important policy changes are recommended.

Keywords: Middle East, Saudi Arabia, Gender, Entrepreneurship intention women's businesses, Self-employment.

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1. INTRODUCTION

All countries, even at different stages of development, share the goal of stimulating entrepreneurship because it has significance implications for economic and social variables such as unemployment, economic growth and self-development. Recently, a large number of women worldwide are heading toward starting their own businesses, representing a quarter to a third of the businesses in the formal sector. Most examples of female entrepreneurship are small or micro businesses and possess limited future growth (Kelley, Brush, Greene and Litovsky, 2011). An investment monitoring report confirmed that 388 million entrepreneurs started new businesses in 2011, of which 163 million are women in the initial stages of the business. This report indicates that the percentage of women participating in entrepreneurship was equal to men in only eight out of 54 countries with different stages of development. For the remaining countries, the contribution of women was less than men due to financial constraints or social systems that limited their ability to start and develop a business. Therefore, encouraging entrepreneurship as a key engine for development for all categories of the community has become a major goal. (Kelley, Singer and Herrington.2012)

This study aimed to investigate and identify the most important factors behind stimulating entrepreneurship and women's intention to start a business, especially among the students of the Northern Border University in Arar. These female university students were selected because most of the studies that focus on women's issues and entrepreneurship applied to major cities in the Kingdom and neglected the border areas. The university is a perfect environment for this study because the age, cultural and educational levels of the students should provide the expected output for participation in the labor market.

The primary goals of this study are achieved through several sub-goals: assessing the entrepreneurship environment in the Kingdom in general and in Arar city in particular; determining the motives behind an entrepreneurship orientation or avoidance and the most important influencing factors; measuring the degree of the students' confidence in their level of basic skills to start a business; and assessing the role of the organizations that support entrepreneurship in the city.

Unemployment among youth, especially among females with a higher education, is one of the major problems in Saudi Arabia, taking into consideration the special nature of the labor market (citizens/foreign workers). To address this critical situation, the government provided an integrated package of entrepreneurship programs that support the development of job creation. However, women's contribution to entrepreneurship is still weak. After achieving the objectives of this study, we can use the results to develop mechanisms that will strengthen and develop the spirit of entrepreneurship among female students according to the needs of Arar city to overcome the high unemployment rate of females. This study is based on several methodologies, including a descriptive analytical approach to the business environment in the Kingdom and in Arar city based on published and unpublished secondary data, personal interviews conducted by entrepreneurship supporting organizations and a field study of a sample of 400 male and female university students from different colleges proportionally representing the number of students in each college. In addition to this introduction, the study is divided into five sections, starting with a literature review followed by an assessment of the Kingdom's efforts to stimulate the entrepreneurship environment in the Kingdom and in Arar city. The fourth section discusses the questionnaire results and the study hypotheses. Finally, the paper concludes by indicating the policy implications.

2. LITERATURE REVIEW

It is very important to accurately identify the concept that will be measured when analyzing the multidimensional aspects of entrepreneurship. Entrepreneurship exists in the economy in various forms and with different outcomes. The definition of entrepreneurship as the intent and ability to start a business is one of the most reliable in the field of economic development because most developing countries suffer from high unemployment rates, especially among females. This definition differs from the concept of entrepreneurship in developed countries, which consider entrepreneurship to be a set of characteristics and personal traits that can create new value in the economy in the form of new products or markets (Welter, 2004). There are many factors that affect the intention toward entrepreneurship. Most studies have concluded that the trend toward entrepreneurship exists through a combination of three elements: opportunities, skills and personal characteristics and resources. These three elements are affected by two important factors, mainly the procedural and legal environment and the community culture (Ahmad and Hoffman, 2008). There are many studies that focus on measuring the motives and factors affecting the intention toward entrepreneurship and starting a business. Some of these studies are interested in women, where a female's contribution is still less than a male's contribution due to financial, social or legal constraints or due to the lack of motivation and personal characteristics for entrepreneurship among females (Tulus, 2009). Studies that have addressed the significance of these factors in general, or for females in particular, have taken several paths. Some of these studies focused on personal behavior and the factors influencing the behavior that leads to entrepreneurship; these studies have adopted the Theory of Planned Behavior (Ajzen, 1991). The Theory of Planned Behavior states that the orientation of the individual determines his/her behavior through three sets of variables, as follows:

- The attitude towards the behavior:

The attitude is defined at the knowledge stages where the individual's will interacts with the surrounding factors. Whenever the developed attitude is positive toward the behavior, there will be a strong intention to perform the behavior.

- Social norms:

The social norms include the social pressure faced by the individual from his family and friends with regard to their opinion about his/her intention to start a business and whether there are models within the social environment or within governmental policies that may affect the individual's behavior.

- Perceived behavioral control:

Perceived behavioral control represents the individual's awareness of how easy or difficult the intended behavior will be, of his/her capabilities and qualifications, of the resources necessary to achieve the behavior, and of the opportunities to achieve the behavior.

There are several studies that apply the model of Planned Behavior. Krueger, Reilly and Carsrud (2000) explained that entrepreneurship intent can be predicted more accurately by studying attitude and orientation rather than personal traits or surrounding factors. The decision to start a new business can be perceived as planned behavior. There is a strong relationship between the orientation toward specific behaviors and the performance of this behavior. Autio et al. (2001) found that desire and intention explain approximately 30% of behavior variation and proved that the general trend to achieve independence, create wealth, and a positive outlook toward entrepreneurship represented strong motivations to pursue entrepreneurship, while competition was not a strong motive to start a business. However,

Robinson et al.(1991) explained that planned behavior varies over time and that social conditions and attitudes change as a result of the interaction of individuals with their environment. This opinion was confirmed by Schwarz et al.(2009) through a field survey on Australian university students. In addition, Grundsten (2004) stressed the importance of the factors reflecting the social environment, such as the impact of the family or of a model, which can play a significant and important role in the willingness of individuals. Azzat,Noor, and Chew(2009) proved the existence of a significant positive relationship between the presence of successful models within the family and entrepreneurship intention. Chrisman(1999) emphasized the role of geographical factors and outside assistance in influencing the formation of new businesses by those who possess entrepreneurial characteristics. Gerba (2012) identified the positive effect of an entrepreneurship education and also proved that males are more oriented towards entrepreneurial careers. Gerba (2012) did not find a significant difference in entrepreneurial intention due to family role, but Ghazali, Ibrahim, and Zainol (2013) found that female students had a significantly more positive attitude toward entrepreneurship compared to the male students and that there is no significant difference with regards to race, age, parental working background, or family or relatives engaged in an entrepreneurial business.

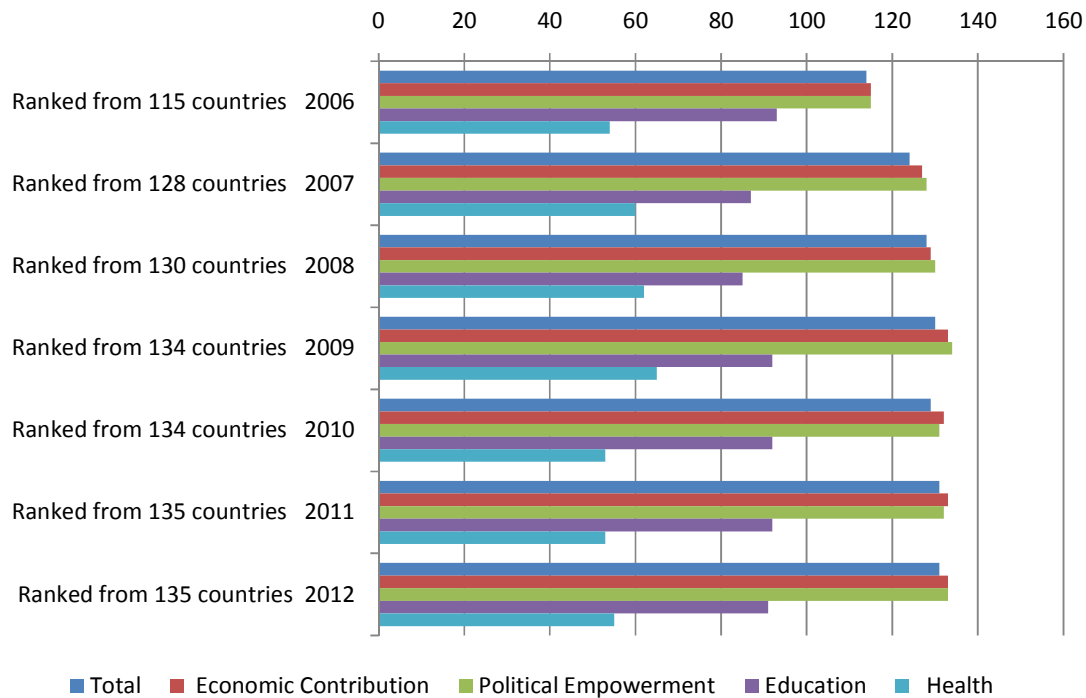
Engle, Robert, et al.(2010) proved the applicability of Ajzen's model on a sample of 1748 students from various schools of business administration in 12 countries representing various regions. These authors identified the factors that predict the ability to start a business. They found that there was a variation from one country to another and that the social factors have a high influence on the trend in all countries. Francisco and Chen (2006) explained that the dependence on the variables described in the Theory of Planned Behavior might not be sufficient to determinethe factors affecting the trend toward entrepreneurship. The perceived social norms do not play any direct role in determining the desire to start a business. This result is applicable to all of the study samples from Spain and Taiwan. Franke and Luthje (2004) emphasized the importance of the academic content studied by students in forming the trend found in their study, where the university has a great role in motivating students to start projects and to be entrepreneurs. In a Malaysian university, Moi, Adeline, and Dyano (2011) examined the students' intent to start projects and the impact of the family, successful models, education, university environment and the educational process. The results showed that the positive position of the students in terms of possessing the characteristics of entrepreneurship was the primary factor along with the university role and the nature of the curriculum. Salame and Qurashi (2010) targeted graduating female students from the University of Ouargla, Algeria.The results showed a bias toward being an employee rather than starting a business. The variable that most often explained not choosing entrepreneurship was the students' awareness of the skills required to achieve entrepreneurship; the impact of the social norms had a little effect. Iqbal, Melhem,and Kokash (2012)investigated the intent of students from a private university in Saudi Arabia to engage in entrepreneurship and their willingness to face risk. The study relied on Ajzen's methodology. The result showed a positive trend toward entrepreneurship. The students were aware of the requirements of entrepreneurship and how to start business, while the social norms had an insignificant relationship with entrepreneurship. A number of studies measured the motivations that drive women to start a business based on pull and push factors and identified the push factors as negative motivations and the pull factors are positive ones. Merweand Lebakeng (2012) and Heilman and Chen(2003) explained that the most important push factors are the lack of jobs, unemployment, family pressures and the need for work flexibility. However, the pull factors

are the government's support, the ability to obtain financial freedom and independence, a good knowledge of investment opportunities and the ability to make a better contribution to society. There are some factors that prevent women from starting projects such as the lack of self-confidence, the lack of entrepreneurship skills, a fear of failure and society's perception. Anna, et al. (2000) and Welter (2004) proved that only a small percentage of business women were influenced by the pull factors, while the remainder were influenced by the push factors. Tulus (2009) showed that the percentage of women entrepreneurs in the developing Asian countries is still low; this could be due to several factors such as the low level of education, a lack of capital and cultural and religious factors. The main motive (push factors) from most of business women in small and medium enterprises (SMEs) was their need to provide a better income for their family. In addition, Imbaya and Tarus (2012) and Mahmood et al. (2012) proved that business is a necessity rather than an opportunity for many business women in Kenya and Pakistan. Ljunggren and Kolvereid (1996) measured the effect of gender on entrepreneurial intentions. These authors explained that a female's independence and self-realization represented a strong motivation to start a business. There were no significant differences concerning risk factors, challenges or profitability. The most important obstacle for females starting a business was the social factors. Sadi and Al-Ghazali (2010) aimed to determine the motivating factors for Saudi women starting businesses. Their results showed that the primary motives for these women are self-realization, independence, self-confidence and achieving profitability. There was a consensus among males and females that self-realization is the primary motive. The study revealed that there are a number of obstacles that hinder women starting a business; some of them appear during the establishment phase and others during operations. Other studies such as Markman and Baron (2003), Littunen (2000), and Donatus (2010) focused on the personal features and characteristics of entrepreneurs that make them different from others and motivated towards entrepreneurship. These features are represented in the ability to take responsibility, withstand work pressures, solve problems, exhibit leadership, withstand fear of failure, plan, manage time and communicate effectively. A study by the Council of Saudi Chambers (2011) aimed to measure the availability of entrepreneurial skills and knowledge among youth in some Saudi Universities. The study concluded that 71% of the students will be headed toward entrepreneurship in the next five years. The results reflected that both males and females have entrepreneurial skills and that they are aware of the regulations and registration rules, but there is a shortage of operational and administration skills.

3. THE KINGDOM'S EFFORTS TO STIMULATE THE ENTREPRENEURSHIP ENVIRONMENT

The Gender Gap Report assesses the gap in 135 countries, representing more 93% of the world, in terms of the distribution of resources and opportunities between males and females; this report emphasized that the **utilization of women's** capabilities is an essential key to the development of any country or institution and requires bridging the gap between the sexes and creating a suitable environment for investment. The report reflected a strong relationship between bridging the gap and economic competitiveness (Hausmann, et al., 2012).

The following figure illustrates Saudi Arabia's ability to bridge the gender gap during the 2006-2012 period.



Source: Hausmann, et al., 2012

Figure (1) Saudi Arabia's rank in the Gender Equality Index for the 2006-2012 period

This figure reflects that Saudi Arabia was unable to make substantial changes to bridge the gender gap, especially in terms of political empowerment and economic contribution. This situation had a negative impact on the total rank, placing Saudi Arabia overall as 131^s out of 135 countries. However, the figure shows a good position in terms of the education and health indicators. Thus, the kingdom is investing to bridge the gap in education and health, but without a return in the form of women's economic contribution. The report also noted a number of sub-indicators that reflect the economic empowerment of women, including the following:

- The unemployment rate among women is 16% of the female labor force compared to 4% of the male labor force.
- Women's share of wages in the non-agricultural sector is 16%.
- The possibility that a woman owns land is rated at 0.5 (the standard ranges between one to zero, where zero is the best and one is the worst).
- The possibility that a woman can access credit is rated at zero (the standard ranges between one and zero, where zero is the best and one is the worst).
- The possibility that a woman owns assets other than land is rated as 0.5 (the standard ranges between one to zero, where zero is the best and one is the worst).
- The existence of programs to finance women is evaluated at three (the standard ranges between one to five where one is the worst and five is the best).
- Women's access to leadership positions in companies is rated as 3.69 (the standard ranges between one to five, where one is the worst and five is the best).

The above analysis shows that women have a privileged status in terms of education, health and access to finance compared to their economic contribution and development. Over the past decade, the Kingdom was keen to confront the fundamental challenge of promoting the spirit of initiative and entrepreneurship among women, particularly educated women, to achieve more gender equality. Supporting women's contributions and improving the business environment require the presence of specific public policies that must be taken into account when targeting women. These policies include removing barriers, formalizing women's projects, encouraging women's entry into the market, providing economic and financial resources and enhancing social protection (International Labor Organization, 2007). The following section addresses the entrepreneurship development policies within this integrated framework.

(a) Investment climate

The Kingdom adopts a comprehensive concept for the development of the business environment through the integration of the institutional and regulatory development efforts of government agencies, especially those related to the private sector. These efforts to create a proper investment climate helped the Kingdom to be ranked among the best ten countries in the world in terms of its investment environment in 2010. In addition, the Kingdom was ranked 12th out of 183 countries worldwide and first in the Middle East and North African region for its investment environment (World Economic Forum, 2012).

(b) Development plans

The government's attention to entrepreneurship development is represented through its support to small businesses and the removal of many financial and technical barriers. This support started with the Five-Year Plan IV of 1984 in terms of the efforts between government agencies and local chambers of commerce to support entrepreneurship in various fields. In the eighth and ninth plans, there was more attention paid to women in terms of developing their abilities and removing obstacles to increase their general economic participation. These goals can be realized through a number of proposed policies to increase the social acceptance of women's participation in economic activities, as well as through the adoption of measures to reduce unemployment, especially among the educated, the provision of credit facilities and loans to increase women's participation in economic activities and the encouragement of females to benefit from social activities in their implementation of productive projects (Ministry of Economy and Planning, 2010).

(c) Procedural and legal environment

There are many changes in the procedural and legal environment, which emphasizes the Kingdom's desire to increase the role of women and their participation in various economic fields. Several decrees and orders have been issued since 2000. The most important of these decrees is Cabinet Decree No. 120 on 12/4 /1425H - 2004. This decree stressed the non-discrimination between women and men in the granting of licenses for activities and the creation of women's units and sections in all government agencies. Furthermore, the decree recommended the formation of a women's committee within the Council of Saudi Chambers of Commerce and Industry to coordinate with the relevant agencies to encourage private sector enterprises to find areas of activities and work for women and it allocated land within industrial areas for women (Council of Saudi Chambers website).

(d) Women's entrepreneurship support programs

The Saudi Credit and Savings Bank is the primary sponsor for entrepreneurship since the issuance of the bank's new system under a Royal Decree No. M / 34/1427H- 2006. Several agreements have been reached between the private and public sectors and NGOs to support this sector, including the National Institute of Entrepreneurship (Riadah), King Abdul Aziz City for Science and Technology, BRJ (Bab Rezaq Jamil), the Centennial Fund, the Bader Business Incubator and others. The bank's support programs were developed and now work through comprehensive program paths without distinction between males and females. The programs include five paths (Invention, Distinction, Startups, Productive Families, Taxis and Individual Transport) and depend on the size and characteristics of the project. The total value of loans offered since the launch of the program paths in mid-2011 is 353 million SR. The largest percentage target Emerging Projects with 55.5%, Taxis & Individual Transport with 29.5% and Distinction with 15% (The Saudi Credit & Savings Bank, 2012). Support programs have increased from five programs in 2006 to approximately 50 institutions and programs in 2012. Approximately 42% of these initiatives were governmental, while the percentage of private sector and non-profit organizations was 29% for each of them. Some programs provide services for both sexes or special programs for women. For more details about the support programs, see the Council of Saudi Chambers (2011).

(e) Women's investments

Support programs helped women to start businesses with an average annual growth rate of 8% during the period from 2005-2012. The number of business registrations increased from 29,734 to over 70,000 (Ministry of Trade and Industry website). Despite this increase, the relative contribution of these businesses is a very small 2.5%. In addition, a large proportion of these registrations are only held in name, and the women do not work or manage their businesses because women are not permitted to work in the majority of activities. This situation raises a question about women's contribution and job creation despite the high unemployment rate among women compared to males. This high rate becomes more obvious after the incentive program from Decree no. 1/30 from 2011 was applied; this program required a monthly subsidy of 2,000 SR for job seekers in the age category of 20-35, and women represent 84% of the total registration for this program (Ministry of Labor, 2011), revealing the reality of women's unemployment.

4. ARAR CITY'S ENTREPRENEURSHIP ENVIRONMENT

Arar is located in the far north of the Kingdom on the Iraqi border. Arar is the administrative capital and urban and commercial center of the northern border area, which includes the provinces of Rafha and Tarif (El Rewally, 2007). The population is 191,051, representing 1% of the total population. Women account for 41% of the population (Central Department of Statistics & Information, 2009). The number of employed people in the northern border area in the category 15 years and over represents 1.1% of the total employed. The city contains a number of markets and commercial centers as well as a branch of the Chamber of Commerce and Industry, the Real Estate Development Fund and the Credit and Savings Bank. Business registrations in the northern border region represent 1.5% of the total business registrations in the Kingdom in 2010. The number of persons enrolled in the unemployment subsidy program in 2011 was 11,088 (2% of total registered), and women

represent 80% of the total registered (Ministry of Labor,2011), which reflects the high unemployment rate among females in the city. The establishment of the University of the Northern Border in 2008 made a great contribution toward achieving economic recovery in the city.

(a) Women's investments

An interview was conducted with the manager of the Chamber of Commerce and Industry. The number of associate members for the chamber until the first quarter of 2013 is 6422 members, which reflects the number of business registrations. Female associate members represent 20% of the total. After checking the registered female activities, we found that less than 2% of the activities are allowed to women, which are represented by hairdressers and dressmakers, while the largest percentage of activities such as blacksmiths, woodworking, electricity, grocery, decorations, construction and maintenance are only registered under female names. In other words, males manage and operate these businesses. This analysis reflects the extreme vulnerability of the trend toward starting businesses and creating jobs among women.

(b) Entrepreneurship support programs in Arar

Personal interviews were conducted with those responsible for the technical and financial support programs; the following section reflects these interview results.

(i) Branch of Saudi credit & Savings Bank .

The branch is considered the main supporter of entrepreneurship. After an interview with the director of the bank's unit for small and emerging enterprises, we obtained the following information:

The Bank has been engaged in supporting projects for over 10 years, and it has only 10 employees. The main activity of the bank is social loans, but after the evolution of the bank's role as a sponsor for small enterprises and entrepreneurship, it has held agreements with multiple governmental and non-governmental parties aiming to provide support to entrepreneurs through the bank. The bank's agreement with the National Institution for Entrepreneurship, Arar branch, is one of the most effective agreements in the city, and entrepreneurs are trained and then offered loans. The bank offers loans for new projects only after the applicant passes a training course at the National Entrepreneurship Institute on how to start a business; the maximum loan is 300,000 SR, approximately \$80,000, with a maximum of 400,000 SR, approximately \$106,000 for the Distinction and Invention paths. A total of 135 projects have been funded in the Startups track, mostly in the service sector. The bank also offered loans for five Distinction projects in service activities (educational/medical). The loans granted to women represent 25% of the total loans. A large proportion of loans are in default. It is obvious that the entrepreneurs and the bank do not cooperate and that entrepreneurs face a number of other obstacles that limit the bank's role in stimulating entrepreneurship. The most important obstacles are insufficient and unqualified employees in the branch and a lack of information for entrepreneurs about investment opportunities in the city.

(ii) National Institute of Entrepreneurship, Arar branch

Riyadah is a national independent non-profit organization that provides a variety of services in training and counseling to facilitate financing and licensing procedures. The Arar branch for females started its activity in 2011. It has fewer than five employees and offers all of previously described services. The certificate provided by the Institute on how to start a

business and prepare a feasibility study is a primary condition for access to the Credit Bank loan. There are 23 female beneficiaries of these training and consulting activities. The branch manager indicated that the main problem is the low number of participants due to a limited entrepreneurial culture in the city.

(iii) Chamber of Commerce & Industry in Arar.

The Chamber of Commerce has existed in this city for over 10 years. The chamber has fewer than 25 employees and provides training services, especially for computer skills. The number of beneficiaries of training is 3500 males and 2500 females. The Chamber holds cooperative agreements with other supporting bodies such as the Centennial Fund and the Human Resources Development Fund by supporting the funds activities and it increases the entrepreneurs awareness of the benefits of these funds.

5. DISCUSSION OF THE FIELD STUDY & RESULTS

(a) Methods

The questionnaire was designed based on the literature review to measure the orientation of female students from the Northern Border University toward entrepreneurship compared to being an employee and to identify the most important factors affecting their decision. The questionnaire included four sections, most of them using a five level Likert scale, where five=Strongly Agree, four= Agree, three=Agree to Some Extent, two=disagree, one=Strongly Disagree). The questionnaire consists of four parts, as follows:

- **Demographic and general information:** age, sex, marital status, area of college study, and family work
- **General attitude:** vision and entrepreneurship intention, including six sub-sections:
 - The choice between entrepreneurship and employment.
 - The most important motivations for the choice
 - The intention to start a business in the next five years given the availability of finance and determine of the most important motivations
 - Confidence in the ability to start a business
- **Characteristics of the entrepreneur:** responsible, can work under pressure, can manage crises, possesses communication skills and provides leadership
- **The external environment:** five sub-sections reflecting the impact of the family, educational institutions and the knowledge of available financial and technical support programs for entrepreneurship.

(i) Study Hypotheses:

H₀₁ There are no significant differences regarding the preference to start a business or become an employee due to gender, area of college study or family work.

H₀₂ There are no significant differences regarding the motivations to start a business or become an employee due to gender, area of college study or family work.

H₀₃ There are no significant differences in the level of knowledge regarding entrepreneurial skills due to gender, area of college study or family work.

H₀₄ There are no significant differences regarding the availability of entrepreneurial characteristics due to gender, area of college study or family work.

H₀₅ There are no significant relationships between starting a business in the next five years and gender, area of college study, family work or marital status.

χ^2 , T and ANOVA tests were applied to examine the hypotheses of this study in addition to running a logistic regression to determine the variable with the greatest effect (gender, age, marital status, family work, area of college study in terms of starting a business in the next five years given the availability of finance by using the SPSS program.

(ii) The study community and sample

The study community is represented by the students of the University of the Northern Border, Arar city. The total number of students for the academic year 2012/2013 is 7727, and females represented 55%. A random sample of 400 students was selected from the various colleges according to the number of students in each college. The sample represents the community with a confidence degree of 95%. Due to the study's interest in examining trends among female students, the study sample was divided into 73% female and 27% male. Approximately 96% of the respondents answered the questionnaire correctly.

(iii) Validity and reliability

The internal consistency of the measurement instrument and the credibility of the results were tested using the square root of the Cronbach's Alpha reliability coefficient. The value of Cronbach's Alpha was 72%, so the validity was 85%. The credibility results prove that if the test were applied to another sample, it would provide the same results, meaning that the results can be generalized.

(b) Discussion results

Demographic and general information: Approximately 70% of the students are within the 18-22 age group, while 30% are within the 22-26 category. The participating students from each college were as follows: Education and Arts: 27%, Business Administration: 27%, Science: 20%, Home Economics: 6%, Medicine: 5%, Engineering: 5%, Medical Science: 2%, Nursing: 1.6%, and Technical College 3.4%. Compared with male students, the largest percent of females were studying in theoretical colleges, where some specialties are not available for female students such as engineering. A total of 17% of the sample's students are married, and 83% are single. As regards family work, the results showed that 18% of the respondents belong to families that have their own business compared to 82% of respondents who belong to families do not have a business (employees). The ownership and management of the business are by the father or brother at 34% and 21%, respectively; for the mother or for women in general, the percentage was very low and did not exceed 0.05%. A total of 72% state that their degree of reliance on business income is between medium and weak. These results reflect the weakness of entrepreneurial culture in the society in general and among women in particular.

Self-employed versus employee

- A total of 74% of the students preferred to be an employee. Governmental employee was the first preference for 61%, compared to 26% who preferred to start a business.
- According to the χ^2 test results, we rejected the null hypothesis and accept that there is a significant relationship between gender and job preference with 95% confidence ($p = 0.01 < 0.05$). A total of 37% of males chose entrepreneurship compared to 22% of females.
- The results of the 2χ test showed that there is a significant relationship between area of college study and the interest in entrepreneurship with a degree of confidence 95% ($p = 0.01 < 0.05$). The largest percentage of male and female students who want to start a business is among the students of the Business Administration College with 42% and the Technical

College with 50% versus the Faculty of Education and Arts with 14% and Engineering with 25%.

- We do not accept the null hypothesis that there is no relationship between entrepreneurship intent and family work depending on the 2χ test with confidence degree of 90% ($p = 0.08 < 0.1$). A total of 41% of students who belong to a family that has a business chose to start a business, compared to 23% of students who belong to a family that does not own a business.

Motivations for choosing a government job verses entrepreneurship

- The Cronbach's Alpha was 0.95, reflecting the internal consistency of the axis elements. The most important reason to be an employee is the need for a stable income, which was selected by a total of 73% of the sample with mean of 4.5. A total of 70% job stability with mean of 4.5. Other reasons such as a lack of management skills, lack of experience and the difficulty of compatibility between business and family responsibilities came in at a lower percentage with a mean of 3.5.

- The results of the t-test showed significant differences according to gender with a confidence degree of 95% ($p = 0.02 < 0.05$). The males who preferred to be a government employee were more cautious regarding the need for a stable income and job because they bear the burden of financial responsibility for the family more often than females.

- The results of the t-test reflected significant differences between respondents according to family work with a confidence degree of 95% ($p = 0.02 < 0.05$). Although the respondents belong to families who own a business they choose a government job. This choice reflects the negative impact of the family, taking into consideration that the largest percentage of respondents who belong to families that own a business observed that the business income is weak.

- The ANOVA analysis showed significant difference according to area of college study with a confidence degree of 90% ($p = 0.08 < 0.1$).

Motivations to start business

- The Cronbach's Alpha result was 0.95, reflecting the internal consistency of the axis elements.

- The results showed a significant bias in favor of push factors represented in an income increase and a lack of employment by 92% and 75%, respectively, against having a high tolerance for risk and a knowledge of investment opportunities (70% and 66%, respectively).

- The t-test reflected fundamental and significant differences between the male and female samples. The result showed that females were more motivated by push factors compared to males with a degree of confidence of 95% ($p = 0.03 < 0.05$). As for the nature of family work, the result showed that the sample that does not belong to a family who owns a business was more motivated by push factors with a confidence degree 99% ($p = 0.002 < 0.01$).

- The χ^2 test showed a strong significant relationship between gender and pull factors represented by the knowledge of a good investment opportunity with a confidence degree 99% ($p = 0.008 < 0.01$). The percentage is 80% for males versus 57% for females.

- The ANOVA analysis showed significant differences between the respondents according to their college with a confidence degree of 90% ($p = 0.087 < 0.1$).

Starting a business during the next five years given the availability of financing

- A total of 65% of respondents wanted to start business versus 35% that sought traditional employment. This result reflects the intention to start business in the long term given the provision of funding sources.
- The χ^2 test showed that there is a significant relationship between gender and the intention to start business in the long term if the source of funding is available with a confidence degree of 99% ($p = 0.003 < 0.01$). The percentage of males is 78% versus 60% of females, reflecting a higher interest among males compared to females, even given the availability of financing. The results also reflected that 80% of the respondents whose families have a business want to start a business, compared to 60% of those whose families do not own a business.
- To investigate the effect of the control variables gender, age, area of college study, and marital status together on the long-run intention to start a business given the availability of financing, we run a logistic regression and the results are shown in the following tables.

Table (1)

Omnibus Tests of Model Coefficients			
	Chi-square	df	Sig.
Model	21.059	5	.001

Source: Author’s calculations.

This test reflects the fitness of the model with a 99% degree of confidence.

Table (2)

Variables in the Equation						
	B	S.E.	Wald	df	Sig.	Exp(B)
Gender	.840	.269	9.738	1	.002**	2.316
Age	.245	.228	1.153	1	.283	1.277
College	.098	.051	3.694	1	.055*	.907
Marital status	.027	.292	.008	1	.927	1.027
Family work	.565	.295	3.672	1	.055*	1.760
Constant	-3.107	1.000	9.650	1	.002**	.045

Source: Author’s calculations.

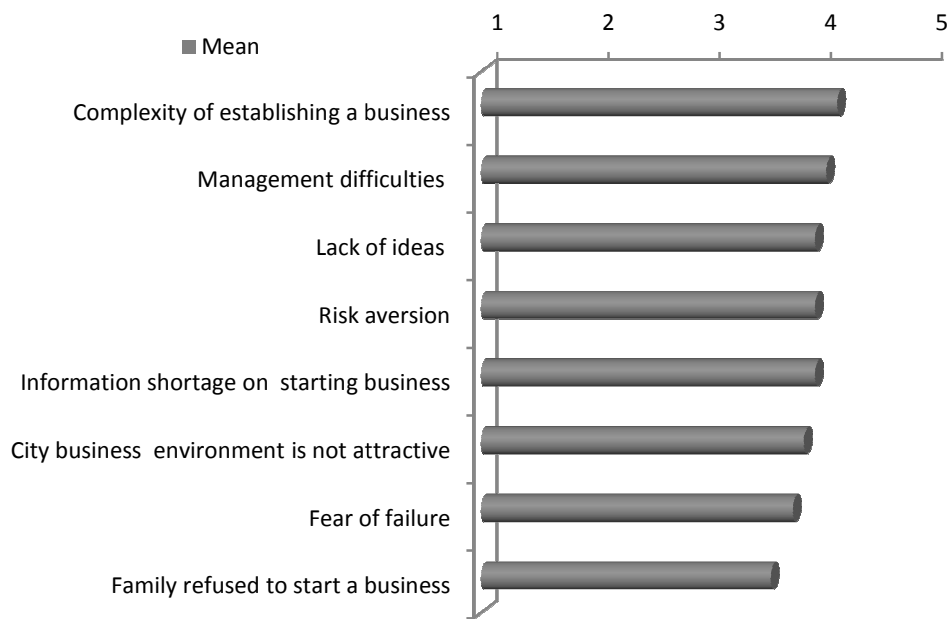
** Significant with a 99% degree of confidence. * Significant with a 95% degree of confidence

Gender is the most important factor affecting the decision to start a business in the long run, which means that the variable change from male to female decreased the probability of starting a business. The second most influential variable is family work, which

reflects that the change from a family with a business to one without decrease the probability of starting a business. The last significant factor was the area of college study .

Reasons that prevent starting a business in the long run given the availability of financing

- The Cronbach’s Alpha reached 0.99, which reflects the internal consistency of the axis elements.
- The most important reasons that prevent entrepreneurship intentions, even given the availability of funding, are as follows: the complexity of procedures, a lack of awareness about sources for ideas, lack of awareness about project management, the fear of failure and the negative investment environment. As for social factors, the family was given a low rank as represented in the following figure.



Source: Author’s calculations

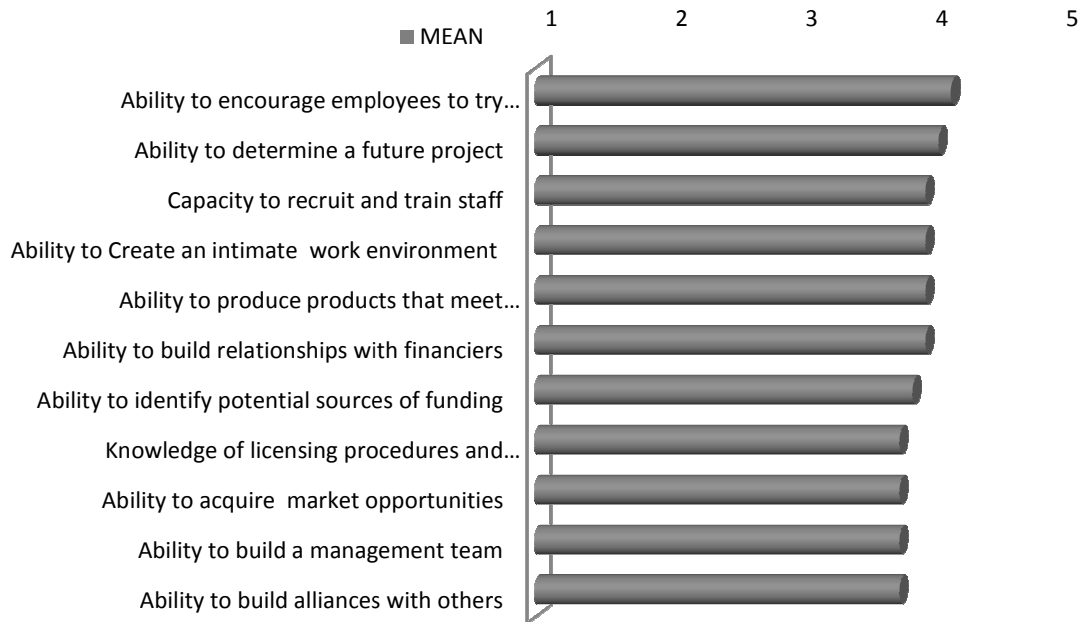
Figure (2)Reasons preventing the start of a business given the availability of financing

The results of the t-test reflected significant differences according to gender with a confidence degree of 99% ($p = 0.000 < 0.01$). Females refused to pursue entrepreneurship even if funding is available. The nature of the students’ family work has a negative impact if family’s work suffer from difficulties

- The ANOVA analysis reflected significant differences between the respondents according to college with a confidence degree of 95% ($p = 0.039 < 0.05$).

Confidence in the ability and knowledge to start a business

▪ The Cronbach’s Alpha test results reflected the internal consistency of the axis elements at 0.99. Generally, there was an average trend with regards to possessing the knowledge of skills and responsibilities to start a business. This result is illustrated in the following figure:



Source: Author’s calculations

Figure (3) Respondents confidence in their ability to assume project tasks.

▪ The t-test reflected significant differences according to gender in favor of females, with a confidence degree of 95%. This result reflects that the female students who wish to start a business during the next five years given the availability of funding are aware of the requirements to establish a project. As for the family work, the result is $p = 0.015 < 0.05$ in favor of the families that own a business, which reflects the positive impact of the family.

Characteristics of entrepreneur

▪ The Cronbach’s Alpha test results reflected the internal consistency of the axis elements at 0.80

▪ The results indicated the presence of a leadership personality among the respondents that would enable them to start business; in particular, the desire for excellence, the willingness to accept challenges and the ability to solve problems. This result is illustrated in the following figure:



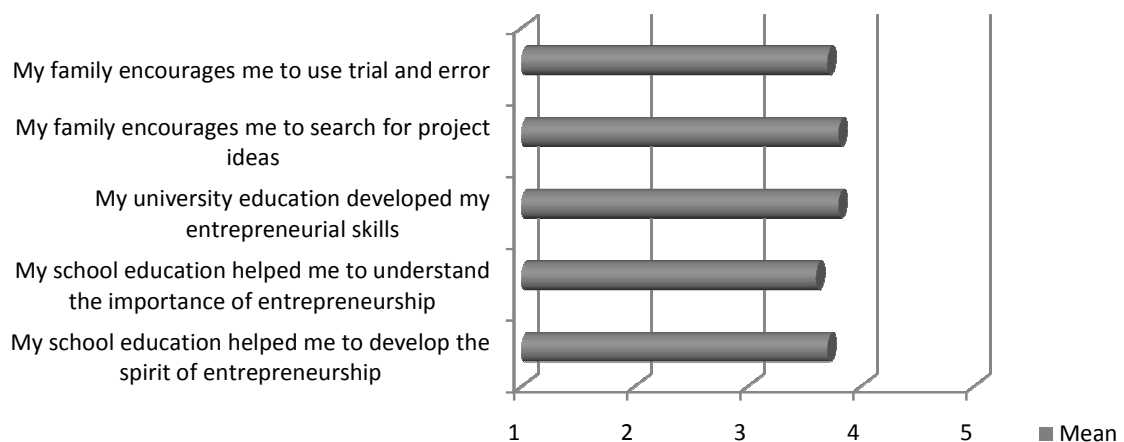
Source: Author's calculations

Figure (4) Personal characteristics of the entrepreneur

- The t-test results reflected that there are no significant differences between the means according to gender ($p = .406 > 0.05$) or to the nature of the family work ($.707 > 0.05$). The ANOVA analysis also reflected no significant differences according to the college ($p = .153 > 0.05$).

The role of educational institutions and family in stimulating entrepreneurship

The Cronbach's alpha value showed internal consistency for the axis elements at 0.75. The results reflected medium approval for the role of educational institutions and the family, which is shown in the following figure:



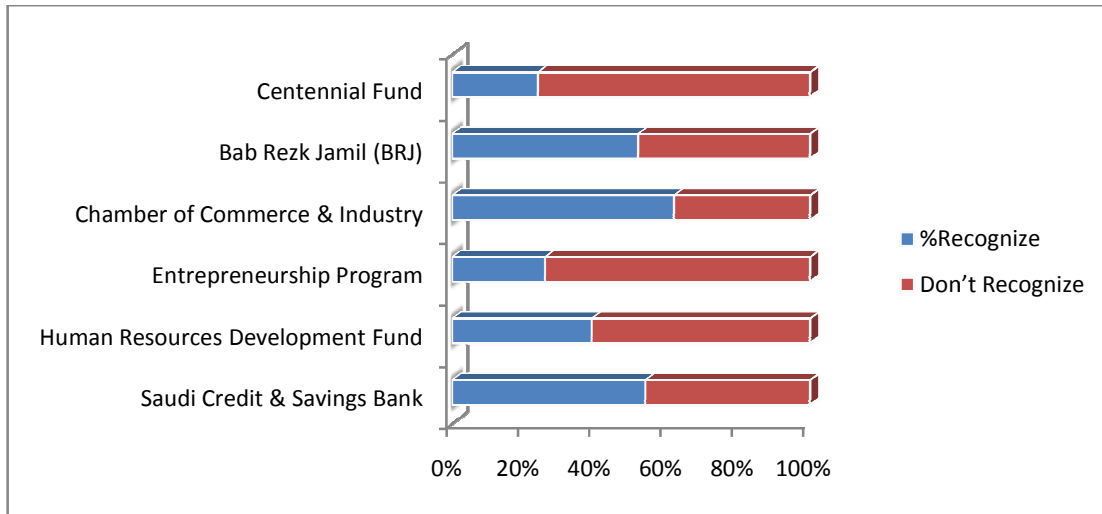
Source: Author's calculations.

Figure (5) Educational institutions and the family's role in stimulating entrepreneurship

- The t-test showed a significant difference with a degree of confidence 99% (.003 <0.01) in favor of female students. The female students were more influenced by the role of their educational institutions and their family, but there was no significant difference regarding the nature of the family work ($p = 0.391 > 0.05$).
- The ANOVA analysis reflected the significant differences between the respondent's answers according to college, with a confidence degree of 95% ($p = 0.01 < 0.05$).
- The 2χ test results showed a significant relationship with a degree of confidence of 90% ($p = 0.06 < 0.1$) because the respondents from colleges with curriculums related to project management were more likely to reflect the positive role of the university. The percentage of approval of respondents from the College of Business was 75% and the Technical and Community College over 90% versus the Faculty of Education and Arts with 65% and Medicine, Engineering and Science with approximately 40%.

Financial and technical support programs for entrepreneurship

- The Cronbach's alpha value resulted in the presence of a good internal consistency of the axis elements, reaching 0.71
- The value of averages reflected that the students considered the banks to be a funding source for small projects with an average of 4, compared to other sources and institutions with an average of 3.6. When the students were asked about their knowledge of institutions that support small business in the city, or in the Kingdom in general, the results showed a lack of awareness regarding the most important programs as illustrated in the following figure:



Source: Author's calculations.

Figure (6) Knowledge of technical and financial support programs

The respondents indicated that the primary reason for recognizing a supporting agency would be its presence in the city or through advertisements, with a percentage of over 60%. As for the students either working the agency or attending awareness sessions, the rates were very low, between 1-5%. These low rates are reflected in the lack of student awareness of the nature of services provided as shown in the following table:

Table (3)

Type of financial and technical supports

Authority	Service Provided (%)					
	Social Loans	Small Business Loans	Technical Support	Facilitating Procedures	Financial Support	All Services
Saudi Credit & Savings Bank	55	9.5	2.8	2.4	3.3	27
Human Resources Development Fund	44	22	9	11	4	10
Entrepreneurship Program	41	27	12	6	7	7
Chamber of Commerce & Industry	24	13	41	12	6	4
Bab Rezk Jamil (BRJ)	27	29	5	9	13	17
Centennial Fund	39	37	9	6	4	5

Source: Author's calculations

The previous findings reflect a lack of awareness among male and female students with regards to the services provided by the largest and most important supporters of entrepreneurship in their city and in the Kingdom. The largest percentage of students concentrated on the provision of social loans, despite the fact that this activity is confined only to the Saudi Credit and Savings Bank.

There was a lack of awareness regarding the role of the Saudi Credit and Savings Bank in supporting small projects through its agreement with the Entrepreneurship Program. The hypotheses tests showed no differences between the averages according to the respondent's family or college, but there was a difference between the averages by gender in favor of males with a degree of confidence up to 99% ($p = 0.000 < 0.01$). This result may reflect that males are more integrated with the external environment than females.

6. CONCLUSIONS AND POLICY IMPLICATIONS

This study demonstrated that students are more oriented toward becoming an employee. Males have a greater entrepreneurship intention compared to females. The results emphasize the importance of the type of education and the family role. Push factors were the main motivations to start a business, though males were more oriented toward pull factors. Students have a high intention to start a business in the long term, given the availability of financing, and males are more oriented toward entrepreneurship. The most important factors preventing students from starting a business are the complexity of the procedures, a lack of awareness of ideas, a lack of project management skills, a fear of failure and the unsuitable environment in the city for investment. Students have an above-average level of awareness regarding the skills and responsibilities required to start and manage a business. The results proved that family work and education have an effect on the student's awareness. The students have entrepreneurial characteristics and the attributes of leadership and there were no significant differences due to gender, family work or college, but the sample reflected a lack of awareness of the most important support programs in the city and the nature of services provided.

The results suggested a number of potential policies to help stimulate students, especially females, to pursue entrepreneurship, including the following:

Policy makers:

Although Resolution no. 120,2004 offers more support and facilitation for women starting projects, there are still many restrictions on the activities that women can manage and pursue independently. Thus, a path should be opened to women that will further allow them to manage activities.

The Northern Border University:

The university can play a tangible role in enhancing the entrepreneurship environment inside and outside the university through the following recommendations:

- Include an entrepreneurship curriculum in all colleges because of the large impact from this type of curriculum, as illustrated in the results.
- Open new specialties for females that are compatible with the nature of the investment opportunities.
- Establish an Entrepreneurship Center that can make drive vital changes in the entrepreneurial intention of students and society through exchange agreements with the entrepreneurship centers at both the local and the international levels.
- Now that the Council of Ministers has approved the establishment of an industrial area for mining and other industries in the region.

Financial & technical support authorities:

These authorities must develop a strategy for cooperation among the relevant government agencies and the university to enhance the entrepreneurship environment and increase society's awareness of the financial and technical services that they provide; the authorities must also recruit more trained human resources for further expansion such that they can follow up on businesses in default, which would improve the society's perception of entrepreneurship.

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