

WOMEN ENTREPRENEURS IN JORDAN

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Abstract

This research explores some of the reasons why Jordanian women choose to develop their entrepreneurial business.

A total of 65 women were interviewed. 30.8% of them were employed before starting own Business. 53.8% were married and 35.4% had bachelor degree while 32.3% are between 25 and 30 years old.

The research revealed that the majority of Jordanian women enjoy what they do and initially ventured for personal reasons, to gain autonomy.

Jordanian women have benefited from family and/or husband support in influencing them to start a business, in managing their businesses and in coping with the demands of running the business from encouragement to assistance in finance, business advice.

Women feel there is a lack of network of businesswomen or women in similar fields of business to exchange information, discuss issues and seek advice on common topics all of which is vital for business success. In addition, due to the collectivist nature of Jordanian society, the majority includes their families, colleagues and business associates is seeking advice. Some women have suggest that relationships and knowing the right people in the right places can help women overcome some of the hurdles in the business and facilitating the processes involved, obtaining fairer deals and gaining business opportunities.

INTRODUCTION

Female entrepreneurship has been rising slowly but continuously over the past 30 years, only 6 per cent of all women classify as entrepreneurs, as compared to more than 12 per cent of men. Moreover, female entrepreneurs more commonly create and retain micro enterprises, they may have had less chance than most men to accumulate the resources necessary to start up and run a successful business.

Are women entrepreneurs face specific problems in setting up a business that are different from those faced by male entrepreneurs?

When it comes to women entrepreneurs, it appears that only a small part of entrepreneurial motivations are acknowledged as gender-based. Instead, "pull" and "push" factors are now a common way of explaining different motivations for women to start a business (Brush, 1990; Buttner and Moore, 1997). Push factors are elements of necessity such as insufficient family income, dissatisfaction with a salaried job, difficulty in finding work and a need for a flexible work schedule because of family responsibilities. Pull factors relate to independence, self-fulfilment, entrepreneurial drives and desire for wealth, social status and power (Duchéneaut, 1997).

It is suggested that starting up a new venture becomes an "imaginable act" when the entrepreneur can refer to a role model who tried it before (Shaper, 1975). This factor is therefore likely to be equally applicable to both women and men.

Jordanian women live in economy, which has been largely influenced by two main factors.

First, the dearth of natural resources. Second, the political situation. (Abdel Karim, 1989).

Jordan which adopt an economic system based on free enterprise and private initiative (National Planning Council, 1981; The Jordanian National Charter, 1990), played a pioneering part through participating with the private sector in implementing large and medium –scale projects and providing incentives and an appropriate entrepreneurial climate for private investment.

This study was conducted in 2004 and its goal was to state why Jordanian women establish their own small business firms.

To understand Jordanian women entrepreneurs' motives and determination, it is useful to consider their role in society, and the effect of environmental forces that they encounter in their daily lives, the family lies at the core of society playing a major role in political, economic, social and religious spheres. Jordanian are conscious of each other's family memberships, identities and status, they links facilitate access to institutions, jobs and government services (Sabbagh, 1996, pp. 194-5). Gender differences are enshrined in the Muslim Holy Book, the Qur'an, and in the Shari'a, the Islamic Law. A woman's primary role in the family is as a wife and mother. Many employers feel that these roles will interfere with women's work productivity. Hence, there is a tendency for them to give priority to men in terms of employment and promotion, even where women have the same qualifications.

Because a major proportion of the literature on women entrepreneurs has focused on English speaking countries, it was decided to carry out this research in an area where a different language was used and which therefore identified a different Western culture in the form of a developed economy. For this reason, the research was conducted in Jordan

More specifically, the major research question for this study is what are the reasons of Jordanian women entrepreneurs to start up business?

REVIEW OF RELATED LITERATURE

The research literature on women entrepreneurs from developing economies is recent, for example, Adler and Israeli (1994). Scherer et al. (1990) concluded that men had a higher rate of entrepreneurial activity than women.

The following section is an overview of prior studies that describe women entrepreneurs

Muriel Orhan; Don Scott (2001) identified a number of situations that relate to women's decisions to become entrepreneurs, namely "dynastic compliance", "no other choice", "entrepreneurship by chance", "natural succession", "forced entrepreneurship", "informed entrepreneur" and "pure entrepreneur".

Green; J David; M Dent; A Tyshkovsky (1996), Outlines the methodology and results of a study into entrepreneurship in the new Russian economy. Asks whether the Russian entrepreneur can be characterized as similar to entrepreneurs identified in research in Western economies.

Roger Henderson; Martyn Robertson (2000), suggest that generally positive images of entrepreneurship are hampered by a lack of identifiable role models, poor media presentation of individuals or small firms, and lack of encouragement from important influencers on career choice.

Roger Henderson; Martyn Robertson (2000), States that women can be differentiated by behavioral and motivational factors in their desire to start up in business in United Kingdom

Robert D Hisrich; Zhang Fan (1990), presents the business status, individual background, and social context of China's women entrepreneurs by analysing the information from a survey of 50 women entrepreneurs in China.

Jean Lee (1996) Aims to uncover the characteristics of a typical woman entrepreneur in Singapore; the motivational needs of women entrepreneurs; and the factors influencing the motivational needs of women entrepreneurs.

Jeffrey W Alstete(2002), indicate that there are several reasons why individuals considering entrepreneurship would continue with their goal of founding a business, including greater control of their destiny, increased satisfaction, more money, and creating a legacy for their family and children.

Augusta C Yrle; Sandra J Hartman; Kenneth R Walsh (2004), showed that complex technology, security, and reliability present significant challenges to the entrepreneur or small business owner about to enter the e-business arena.

Joan Winn (2004), give some insight as to the nature of the problems and perceptions faced by women as managers and entrepreneurs.

Robert D Hisrich; Sevgi Aysel Öztürk (1999), focuses on the characteristics, performance, and problems of women entrepreneurs in one developing economy - Turkey. The results indicate that while the women entrepreneurs exhibited many similarities with their counterparts in other countries they differed in other aspects such as in their reasons and motivation for starting a venture and problems encountered.

Lina Nearchou-Ellinas; Ioannis S Kountouris (2004), describes the findings of a unique nationwide research on female entrepreneurial activity in Cyprus.

Spinder Dhaliwal (2000), interview evidence gathered from both Asian women entrepreneurs in their own right and Asian women working in family enterprises, and seeks to provide a clearer picture of the roles, responsibilities and relationships of these two groups.

Gerard McElwee; Rahma Al-Riyami (2003), study presents a preliminary report of an exploratory, qualitative investigation of the role of Omani women entrepreneurs in Muscat. It establishes the factors that motivate women to become entrepreneurs.

Atsedie Woldie; Adebimpe Adersua (2004), highlights the position and role of female entrepreneurs in the economic development of Nigeria.

Gerda Siann; Alexa Clark (1992), Looks at the results of studies which concern Muslim attitudes to work possibilities for them compared with the majority races in Great Britain. Questions whether "stereotyping" is to blame for lack of opportunities in various "acceptable" careers or the attitudes of prospective employers to women generally and ethnic women in particular. Also examines ethnic family attitudes to education and choice of occupation for their daughters. Concludes that the dissemination of information in the various vernacular languages is to be recommended to aid in the community's organization for career development in further/higher education.

Ashraf R El-Ghannam (2002), Outlines important changes in the role of women in Arab societies, particularly in urban areas. Considers what factors impede or contribute to women's work in all economic sectors in an attempt to explain and determine the relationship between their activities and social, educational, economic, cultural and health factors. Suggests that findings are related to family size, fertility rates, illiteracy and population per nurse. Recommends increasing job opportunities and more labor saving technology as ways to increase opportunity for Arab women.

METHODOLOGY

The information that was gained from the participants was analyzed and was then combined with information from previous research in order to develop a consolidated model of female entrepreneurial and why they start own business.

INSTRUMENT

The instrument utilized for primary data collection was a questionnaire (Appendix 1), considering the purpose of the present work; the main elements of the research questionnaire deserving mention that it used before by Al-Riyami and Al-Fahal (2003) to study women entrepreneurs in Oman: some barriers to success. Questions measured on a 5-point Likert scale.

A pilot version of the questionnaire was tested in Jordan. Following the factor analysis, Cronbach's alpha reliability coefficients were calculated. The reliability for each variable was above the 0.7 level deemed acceptable by Peterson (1994).

Each questionnaire included a cover letter from the researchers stressing the importance of the study and requested prompt completion of the survey.

DATA COLLECTION

A total of 77 women participated in this study. Of the 70 returned questionnaires, five questionnaires had to be withdrawn from the sample because of mistakes in filling them out and insufficient answering patterns. As a result, 65 usable questionnaires formed the effective sample size.

Data were collected by means of personal interviews. A random sample of Jordanian women in several cities was asked to fill out the questionnaire. On average, it took the respondents about 15 minutes to fill out the questionnaire. Other data collection methods such as mail and telephone were also considered, but collecting the data by means of personal interviews turned out to be the best option.

DESCRIPTION OF STUDY PARTICIPANTS

A total of 65 women were interviewed. 30.8% of them were employed before starting own Business. 53.8% were married and 35.4% had bachelor degree while 32.3% are between 25 and 30 years old.

LIMITATION

Respondents in this study were Jordanian women from one major kind of industry which is handicrafts and that limits the generalisability of the findings. This limitation provides an opportunity for further research.

A second limitation of this study is that the questionnaire were used to measure why Jordanian women start up own business. Using the questionnaire may have enhanced the results of the present study. This limitation also provides an opportunity for future research to improve researchers' understanding of reasons of Jordanian women to establish own business.

RESEARCH VARIABLES AND NULL HYPOTHESES

On the level of the reasons of entrepreneurial Jordanian women to start own business 14 reasons are stated, with responses on a five-point Likert scale.

Ho (1): The experience of Jordanian women before starting own Business is not significantly related to the reasons of starting own business.

Ho (2): Jordanian women status is not significantly related to the reasons of starting own business.

Ho (3): Jordanian women education is not significantly related to the reasons of starting own business.

Ho (4): Jordanian women age is not significantly related to the reasons of starting own business.

DISCUSSION OF RESULTS

To answer the research question: what are the reasons of Jordanian women entrepreneurs to start up business? Mean and standard deviation were calculated for all variables (reasons) [Table 2](#).

From the table we can conclude that the major reason is economic necessity (mean = 5.00) followed by family encouragement (mean =4.9077), but the least reasons are Occupy oneself and Challenge (mean = 4.1077).

This means that Jordanian women entrepreneurs have economic problems and this finding goes along with the finding of other researchers.

HYPOTHESES TESTING

Test of Hypothesis 1: Hypothesis 1 was formulated to verify the effect of the experience before starting own Business on the reasons of starting own business.

The hypothesis measures the reasons of starting own business as indicated by 14 reasons (variables).

One Way Analysis Of Variance (ANOVA) were used to test the hypothesis and the results show that except for four reasons related to " Perceived Presence of Business ", " Corporate downsizing ", " Family encouragement " and " Ambition" the remaining variables all show a significant positive correlation between the level of the experience before starting own Business on the reasons of starting own business.

Furthermore, Tukey posttest, which used to find which level of the experience before starting own Business has higher score than the others reveal that Households feel that (Make others happy) and (Self –recognition) are some of the reasons to start own business than the women who used to be a student before starting own Business. The mean difference is significant at the .05 levels.

Thus, we cannot reject Hypothesis 1 and conclude that experience before starting own Business is related to the reasons of starting own business.

Test of Hypothesis 2: Hypothesis 2 was formulated to verify the effect of the women status (married or single) on the reasons of starting own business.

T-test were used to test the hypothesis and the results show that married women feel more than single women that the reasons to start up business are: " Make others happy ", "Challenge", " Social Ambition " and "Independence".

The mean difference is significant at the .05 levels.

Thus, we cannot reject Hypothesis 2 and conclude that status is related to the reasons of starting own business.

Test of Hypothesis 3: Hypothesis 3 was formulated to verify the effect of the women education on the reasons of starting own business.

One Way Analysis Of Variance (ANOVA) were used to test the hypothesis and the results show that except for four reasons related to " Finance", " Perceived Presence of Business ", " Challenge ", " Family encouragement " and " Occupy oneself " the remaining variables all show a significant positive correlation between the level of the education on the reasons of starting own business.

Furthermore, Tukey posttest, which used to find which level of education has higher score than the others reveal that women with Master Degree feel that "Make others happy" and " Enjoyment "are some of the reasons to start own business than the women who has Diploma or less before starting own Business.

Also women with Master Degree feel that "Social Ambition" is the reason to start own business more than the women who has Bachelor Degree.

Women who have PH.D Degree feel that "Corporate downsizing ", " Independence" and "Self -recognition" are some of the reasons to start own business.

Thus, we cannot reject Hypothesis 3 and conclude that education is related to the reasons of starting own business.

The mean difference is significant at the .05 levels.

Test of Hypothesis 4: Hypothesis 4 was formulated to verify the effect of the women age on the reasons of starting own business.

One Way Analysis Of Variance (ANOVA) were used to test the hypothesis and the results show that all the reasons except for " Job dissatisfaction "show no significant positive correlation between the level of the age on the reasons of starting own business.

Furthermore, Tukey posttest, which used to find which level of age has higher score than the others reveal that women with 35 years old and above feel that " Job dissatisfaction "is the reasons to start own business more than the women who 30 Years -less than 35 years old and more than the women 25 years old - less than 30 years old

Thus, we cannot reject Hypothesis 4 and conclude that age is related to the reasons of starting own business.

The mean difference is significant at the .05 levels.

CONCLUSIONS

The results show that except for four reasons related to " Perceived Presence of Business ", " Corporate downsizing ", " Family encouragement " and " Social Ambition", the remaining variables show a significant positive correlation between the level of the experience before starting own Business and the reasons of starting own business.

Married women feel more than single women that the reasons to start up business are: " Make others happy ", "Challenge", " Social Ambition " and "Independence".

Women with Master Degree feel that "Social Ambition" is the reason to start own business more than the women who has Batchelor Degree.

Women with 35 years old and above feel that " Job dissatisfaction "is the reasons to start own business more than the others.

The administrative system makes gender distinctions although some women feel they get more assistance than men receive and have to spend less time queuing for government services. However, there is a consensus that processes need to be simplified and fees need to be reduced. Some women feel the government concentrate on prices rather than quality and specialization in certain services. Due to a lack of the required skills and the right work attitudes locally and the difficulty of obtaining labour clearances to employ expatriates, this hampers business growth and has an adverse impact on their businesses.

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Appendix 1 Questionnaire

First Part: Personnel Information:

Experience before starting own Business:

- Employee
- Households
- Student

Status

- Married
- Single

Education

- Diploma or less
- Bachelor Degree
- Master Degree
- PH.D Degree

Second Part: Variables:

Variable	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Enjoyment					
Finance					
Job dissatisfaction					
Perceived Presence of Business					
Occupy oneself					
Make others happy					
Self-recognition					
Economic necessity					
Challenge					
Corporate downsizing					
Family encouragement					
Social					
Ambition					
Independence					

Table (1)
Sample size

Experience before starting own Business		
Employee	20	30.8%
Households	18	27.7%
Student	27	41.5%
Status		
Married	35	53.8%
Single	30	46.2%
Education		
Diploma or less	14	21.5%
Batchelor	23	35.4%
Master Degree	26	40%
PH.D Degree	2	3.1%
Age		
Less than 25 years old	6	9.2%
25 years old - less than 30 years old	21	32.3%
30 Years -less than 35 years old	15	23.1%
35 years old and above	23	35.4%

Table (2)
Mean and Standards Deviations for all variables

Variable	Mean	Std. Deviation
Enjoyment	4.2000	1.0338
Finance	4.8462	.5371
Job dissatisfaction	4.4923	.8315
Perceived Presence of Business	4.6000	.6801
Occupy oneself	4.1077	.8501
Make others happy	4.6615	.6909
Self -recognition	4.6000	.5534
Economic necessity	5.0000	.0000
Challenge	4.1077	.9540
Corporate downsizing	4.6769	.7312
Family encouragement	4.9077	.4584
Social	4.8154	.4291
Ambition	4.4462	.7506
Independence	4.6769	.7927