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**Analysis of Critical Issues for Women Entrepreneurship in Bahrain:**

**A Factor Analysis approach**

**Abstract**

Women are considered as one of the most important human resources in the society and every country should utilize it for the economic development of the nation. Encouragement for women entrepreneurship is one of the ways for that. But unfortunately, the traditional mind set of the society and negligence of the state and respective authorities is an important obstacle for the women entrepreneurship development in Bahrain. Apart from the responsibility of the state and society, women face different obstacles for becoming an entrepreneur. Bahrain is chosen for the study because it is regarded a moderate Arab country with a mix of Arab and European business practices.

Against such a backdrop this paper examines the most critical issues of women entrepreneurship in Bahrain. Due to the resource constraint and problem of contacting women in Bahrain the sample size was taken 100 respondents from the different parts of Bahrain. Factor Analysis has been used to analyze the data.

**Keywords:** Bahrain, Business Women, Entrepreneurship, Problems, barriers, critical issues, awareness, self-confidence

**Analysis of Critical Issues for Women Entrepreneurship in Bahrain:**

**A Factor Analysis approach**

Women entrepreneurship is progressively recognized as an important factor for the development of any country. Entrepreneurship, be it men or women creates new job for the society. Lately, our society has increasingly been dominated by the men entrepreneurship. Researches have shown that increases in the women income lead to higher spending and better welfare of the family. The development agenda of any country will not be fulfilled without empowering its women. If there is one place in Arab world which understands the complex relationship between, women, government, freedom, liberty and entrepreneurship, it’s undoubtedly Bahrain. Bahrain is considered as a moderate Arab country with a mix of Arab and European business practices. But unfortunately, the traditional mind set of the society and negligence of the state and respective authorities is an important obstacle for the women entrepreneurship development in Bahrain. Apart from the responsibility of the state and society, women face absence of definite agenda of life, absence of balance between family and career obligations of women, poor degree of financial freedom for women, absence direct ownership of the property to women, paradox of entrepreneurial skill & finance in economically rich and poor women, no awareness about capacities, low ability to bear risk, problems of work with male workers, negligence of financial institutions, lack of self-confidence, lack of professional education, mobility constraints and lack of interaction with successful entrepreneurs are major problems of women entrepreneurship development in Bahrain.

Recently, the Supreme Council for Women (SCW), The Bahrain Development Bank and Tamkeen has signed an MoU for Bahraini women development portfolio fund worth $100 million. This fund is designated to boost Bahraini businesswomen’s in small and medium enterprises (SME’s) via “RIYADAT”. This is an attempt by the Bahraini government to boost the already growing women empowerment via women entrepreneurship in the country. The current women development portfolio fund aims to provide countless privileges to women in terms of getting fund, training and advice to the portfolio-beneficiary businesswomen.

Therefore, there is a need of continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs, awareness programs should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.

**Literature Review:**

Numerous studies have been done on the barriers, obstacles, and problem regarding the development of women entrepreneurship. Most important barriers to women economic empowerment are: less skill of women, lack of men confidence to women, Sexuality, much busy to work at home, lack of employment opportunity to women, lack of support from government for women entrepreneurship, lack of ability of talking in public. They used the factor analysis and were reduced to four main factors, named as individual-psychological, economic participation, infrastructure and social-institutional factors.

Fabei N.F. and Rahim I.H. (2017), concluded that women entrepreneurs are seen to have an attitude which is no confidence in themselves. This attitude has made them afraid to try something that could be beneficial to their business. They also may not know the proper channels to enable them to obtain a loan whether to start or expand their businesses. Findings from a study by Thuaibah et al. (2007) also indicated that business owners face unique challenges when they want to start their own business in which they may find that they are difficult to obtain financing or managing capital. Poonam (2012) showed that the most important problem which an aspiring women entrepreneur faces are of financing and they borrow funds from their relatives and friends. A study of Lee & Grise (1990) showed that new women entrepreneurs at the start of the business don’t get the confidence from the banks, suppliers and customers. They suggested that the government must play a role in providing fund to them. Similarly, Buttner and Rosen (1992) concluded that the most important problem faced by the women entrepreneurs are the marketing problem. Problem of administration and pricing issues and social issues such as prejudice. A study by Nor Aini (2008) found that challenges faced by single women entrepreneurs are that they find it difficult to balance between the personal and professional life. They face the management problem in terms of care and education for the children. Meanwhile, the challenges in the local community (neighbors or friends) are challenges that related to narrow mental paradigm. For example, single mothers who become an entrepreneur are usually will be exposed to the society’s negative perceptions because of their status (Hisrich & Shepherd 2002).

There are several studies on various relations between empowerment, women economic empowerment, economic empowerment barriers and the success of the empowerment. Empowerment is among the most frequently applied variables in research that seeks to address the performance of women rural. Rural Women empowerment is a critical component of regional development and fostering women empowerment is one of the principal measures to accelerate economic and social development. To promote empowerment, we need to know the barriers that affect Women economic empowerment to overcome the barriers and promote new policies and measures to create new ventures.

**Objectives of the Study**

The study has been conducted in view of the following objectives:

* To identify the variables those to be considered as a barrier for women entrepreneurship in Bahrain.
* To analyze the various factors considered important for women entrepreneurship in Bahrain.
* To identify the responsible factors those may influence the women entrepreneurship in Bahrain.

**Research Methodology and Sources of Data**

* **Sample Design:** The universe of the study is women residing in Bahrain as Bahraini national. The sample is collected from mainly the Bahraini women.
* **Data source:** The study was complied with the help of primary data. Primary data were collected through the structured questionnaire. Moreover, the desk study covered various published and unpublished materials on the subject.
* The Experience Survey of 100 respondents from Bahrain.
* **Sampling Unit:** Women’s from different age groups, gender, locations, income levels, families and educational backgrounds.
* **Sampling Method:** Convenience Random Sampling.
* **Nature of Data:** Primary as well as secondary data were collected from respondents and from journals, internet sites and from previous research related to the women entrepreneurship in the region.
* **Type of questionnaire:** Structured questionnaire with 5 point Likert scale from Strongly Disagree to Strongly Agree
* **Pre-testing of questionnaire:** It was done among selected respondents on judgment basis and corrections were made in the questionnaire, wherever required.
* **Sample Area:** Kingdom of Bahrain.
* **Statistical Tools Used In the present study:** Various statistical techniques such as Factor Analysis has been used for the analysis of the data A well-known statistical package SPSS (Statistical Package for Social Sciences) 19.0 Version was used to analyze the data.

**Factor Analysis**

Factor analysis is a technique that is used to reduce many variables into fewer numbers of factors. Factor analysis was used to explain the dimension of importance of expectation and perception toward customer satisfaction. The number of factors is determined by Eigenvalues. If Eigenvalues is greater than one, we should consider that a factor and if Eigenvalues is less than one, then we should not consider that a factor. According to the variance extraction rule, it should be more than 0.7. If variance is less than 0.7, then we should not consider that a factor. Before conducting factor analysis,

Bartlett's Test of Sphericity and the Kaiser Meyer Olkin (KMO) Test was used to examine whether the sample data was suitable for factor analysis. The χ2 of Bartlett's Test of importance of expectation and perception toward service customer satisfaction reveals high relativity and P values are 0.000. The KMO values are all higher than 0.9. This indicates that the sample data is suitable for factor analysis.

**Table 1**

Reliability Test for Factor Analysis

|  |
| --- |
| Reliability Statistics |
| **Cronbach's Alpha** | **No of Items** |
| .890 | 21 |

Reliability refers to the property of a measurement instrument that causes it to give similar results for similar inputs. Mathematically, reliability is defined as the proportion of the variability in the responses to the survey that is the result of differences in the respondents. Thus, to evaluate the internal consistency of each factor group obtained, the factors were subjected to reliability test. The assumption behind this approach is that the items of a measure work collectively as a set and should be competent of independently measuring the same construct. The items should be reliable in what they indicate about the concept being measured. The Cronbach alpha was used to measure internal reliability by unit weighting items with salient loadings in a factor where Cronbach's alpha coefficient at 0.5 or higher was considered acceptable (Mokhlis et al., 2008, 2009). These factors produced alpha coefficients of .890 indicating high internal consistencies and reliability. Demographic profile of the respondents is presented below:

**Table 2.**

**Demographic profile of the Respondents**

|  |  |  |  |
| --- | --- | --- | --- |
| S. No. | Demographics | Frequency | Percentage |
| 1 | Age | Upto 25 years | 15 | 15% |
| 25 to 35 years | 60 | 45% |
| 36 to 50 years | 15 | 15% |
| 50 years and above | 5 | 5% |
| 2 | Marital Status | Married | 68 | 68% |
| Single | 32 | 32% |
| 3 | Education  | No Formal Qualification  | 10 | 10% |
| Less Than Secondary | 22 | 22% |
| Secondary | 18 | 18% |
| Gradation  | 45 | 45% |
| Post-Graduation  | 5 | 5% |
| 4 | Income | Upto 5000 | 32 | 32% |
| 5000 to 8000 | 46 | 46% |
| 8001 to 12000 | 8 | 8% |
| 12000 and above | 14 | 14% |
| 5 | Occupation | Job-Private Sector | 29 | 29% |
| Job-Govt. Sector | 42 | 42% |
| Housewife | 2 | 2% |
| Professional | 5 | 5% |
| Own Business | 22 | 22% |
| 6 | Total |  | 100 | 100 |

From Table 2, the sample respondents were mostly in the age group of 25-35 (60%). It is also evident from the table that 15% of the respondents were youngsters (below 25 years), 15% were between 36 and 50, and 5% were above 50. It can also be seen that the respondents had most married women (68%) as they get early marriage in this part of the world.

It also evident from the Table that most of the respondents are graduates. The literacy rate in Bahrain is very good as compare to the other GCC countries. Only 32% of the respondents are having qualification less than secondary. About employment status, most of the respondents were employees in government sector (42%), self-employed (22%), and 29% respondents working in private sector. The study had most of the respondents are having annual family income between BHD 5000 to 8000 (46%), while 32% of them had income upto 5000 B.D.

**Table 3**

**Barriers to Women Entrepreneurship in Bahrain**

|  |  |  |
| --- | --- | --- |
| Barriers to Women Entrepreneurship | Mean | S.D. |
| Sexuality | 4.32 | 1.26 |
| Women are less skilled | 4.26 | 1.23 |
| Lack of confidence from men | 4.21 | 1.24 |
| Less literacy | 4.12 | 1.32 |
| Ability to use initiative | 3.96 | 1.32 |
| Too much work at home | 3.90 | 1.35 |
| Lack of ability to talk in public | 3.50 | 1.24 |
| lack of employment opportunity | 3.41 | 1.25 |
| Lack of women empowerment | 3.21 | 1.45 |
| Lack of government support | 3.11 | 1.36 |
| Commitment to personal or family responsibilities | 3.01 | 1.52 |
| Failure of senior leadership to assume accountability for women’s advancement | 2.92 | 1.25 |
| lack of confidence of women together | 2.85 | 1.20 |
| lack of motivation to economic activates accomplishment | 2.5 | 1.21 |
| lack of acceptance of responsibility by women | 2.82 | 1.01 |
| powerlessness | 2.5 | 1.54 |
| much busy to work out of home | 2.32 | 1.55 |
| less self-confidence of women | 1.5 | 1.32 |
| inaccessibility of production sale market | 1.2 | 1.22 |
| former unsuccessful experience | 1.1 | 1.20 |
| lack of need of family to women income | 1.01 | 1.41 |

**Table 4.**

**Total Variance Explained before and after rotation**

|  |  |  |
| --- | --- | --- |
| **Initial Eigen values** | **Extraction Sum of Squared Loadings** | **Rotation Sum Squared Loadings** |
| **Component** | **Total variance** | **% Variance** | **Cumulative %** | **Total variance** | **% Variance** | **Cumulative %** | **Total variance** | **% Variance** | **Cumulative %** |
| **1** | **6.652** | **40.203** | **40.203** | **6.652** | **40.203** | **40.203** | **5.220** | **38.203** | **38.203** |
| **2** | **6.358** | **10.990** | **51.193** | **6.358** | **10.990** | **51.193** | **4.632** | **12.903** | **51.106** |
| **3** | **2.022** | **9.870** | **61.063** | **2.022** | **9.870** | **61.063** | **3.211** | **11.290** | **62.396** |
| **4** | **3.520** | **8.658** | **69.721** | **3.520** | **8.658** | **69.721** | **2.520** | **7.325** | **69.721** |
| **5** | **1.778** | **7.238** | **76.959** |  |  |  |  |  |  |
| **6** | **1.039** | **5.200** | **82.159** |  |  |  |  |  |  |
| **7** | **.874** | **4.111** | **86.27** |  |  |  |  |  |  |
| **8** | **.822** | **3.201** | **89.471** |  |  |  |  |  |  |
| **9** | **.772** | **2.102** | **91.573** |  |  |  |  |  |  |
| **10** | **652** | **1.991** | **93.564** |  |  |  |  |  |  |
| **11** | **.520** | **.990** | **94.554** |  |  |  |  |  |  |
| **12** | **.421** | **.840** | **95.394** |  |  |  |  |  |  |
| **13** | **.420** | **.523** | **95.917** |  |  |  |  |  |  |
| **14** | **.412** | **.412** | **96.329** |  |  |  |  |  |  |
| **15** | **.398** | **.390** | **96.79** |  |  |  |  |  |  |
| **16** | **.321** | **.293** | **97.012** |  |  |  |  |  |  |
| **17** | **.320** | **.291** | **97.303** |  |  |  |  |  |  |
| **18** | **.210** | **.290** | **97.593** |  |  |  |  |  |  |
| **19** | **.199** | **.288** | **97.882** |  |  |  |  |  |  |
| **20** | **120** | **.669** | **98.551** |  |  |  |  |  |  |
| **21** | **.111** | **.449** | **100** |  |  |  |  |  |  |

Extraction Method: Principal Component Analysis.

Each factor was labeled to describe items that loaded on it and the number of items for each factor ranged from three to six. Table 4 summarizes the factors, eigenvalues, percentage of variance and cumulative variance for each factor. The eigenvalues ranged from 2.520 to 5.220.249.

Factor1: Individual-Psychological explained 38.203 % of the variance.

factor2: Economic Participation explained 12.903 %

factor3: Infrastructure explained 11.290 %.

factor 4: Social-institutional explained 7.325 %.

**Table 5.**

**Factors, eigen values and percentage variance**

|  |  |  |  |
| --- | --- | --- | --- |
| Factors variance | Eigen values | Percentage variance | Cumulative |
| Individual-Psychological | **5.220** | **38.203** | **38.203** |
| Economic Participation | **4.632** | **12.903** | **51.106** |
| Infrastructure | **3.211** | **11.290** | **62.396** |
| Social-institutional | **2.520** | **7.325** | **69.721** |

**Conclusions**

This paper studies the barrier to women entrepreneurship in Bahrain. According results of this study; education plays an important role in women entrepreneurship. It seems that the existing programs in promotion of women entrepreneurship is not so successful. The findings suggest a formal and non-formal education and training to build the economic capabilities of women in Bahrain and eliminate gender stereotyping. Therefore, it should be noted that education as a catalyst for promoting skill,

knowledge and attitude to promotion of women economic abilities and capabilities that will enable women to be effective in life and work, providing them with appropriate job opportunities, enhancing women’s participation in the decision-making process at both macro and micro level, political participation , economic participation and power over economic resources including being able to deal with the paradoxes and conflict generated by chance equal opportunities for women as well as the empowerment of women through providing them with appropriate

job opportunities.

It should act create empowered women by motivating and developing the right empowerment direction. To promote need for self-determination, need for self-competency, self-meaning, self-confidence, self-efficacy, self-management, competency, required skills, knowledge, attitudes, consciousness enhancement and gaining access to resources as the key elements of women empowerment should be provided to the women . Based on results of this study, the following

recommendations are suggested:

* To emphasize on the education to promotion of women literacy and cognition about their abilities and needs at the end women action in term of that.
* To emphasize on the education to more using of knowledge, skill, attitude regarding their life quality ways amelioration such as health care, nutrition, family planning etc.
* To emphasize more on the education about of local projects implementation, cooperatives establishment and local institutions by women.
* To facilitating more on the women membership in the productive cooperatives and the Islamic councils
* Supporting extensional plans in order to rising of women social awareness and knowledge and skill related to with different economic activities.
* To emphasis more on the extensional programmes to recognition of needs priorities, obstacles and opportunities that are declared by women.
* Mobilizing resources, including at the national level and through official development assistance, for increasing women’s access to existing savings and credit schemes, as well as targeted programmes that provide women with capital, knowledge and tools that enhance their economic Capacities;

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