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Many flowers make a bouquet: A recipe for women entrepreneurs in SMEs

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Abstract

Women's participation and activation of their role in societies are central goals among the UN's global aims. This research accomplished the following objectives: first, expands the existing knowledge of women's intentions and their startup desirability for small projects; second, explores the perceived outcomes; and third, develops an action plan based on the current constraints women face when leading small and medium-sized enterprise (SME) projects. Data were collected from an online questionnaire of 433 entrepreneurs based in Saudi Arabia (26.3% university staff, 23.1% project starters, 22.9% bank loan holders, 16.2% university students, and 11.5% leaders). The partial least squares path modeling (PLS-SEM) was used to analyze the collected data. Findings confirmed that women entrepreneurs' preferences for small projects were positively influenced by their intentions, education, personality traits, and types of SME projects. Preferences for small project startups were found to have a direct psychological, social, and economic effect. Moreover, results showed the suggested relevance of the combined model in predicting the preferences of women entrepreneurs starting SMEs (explained variance = 72%). This paper's conceptual framework contributes to current literature on women's entrepreneurship in a leading Arab country. The authors developed an action plan to bridge the gap between women's entrepreneurship in practice and theory. This action plan is the first exertion to help policymakers in Arab countries better control constraints encountered by women entrepreneurs.

Keywords

women entrepreneurs, SMEs, desirability, personality traits, Arab countries

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Many Flowers Make a Bouquet: A Recipe for Women Entrepreneurs in SMEs

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Abstract

Women's participation and activation of their role in societies are central goals among the UN's global aims. This research accomplished the following objectives: first, expands the existing knowledge of women's intentions and their startup desirability for small projects; second, explores the perceived outcomes; and third, develops an action plan based on the current constraints women face when leading small and medium-sized enterprise (SME) projects. Data were collected from an online questionnaire of 433 entrepreneurs based in Saudi Arabia (26.3% university staff, 23.1% project starters, 22.9% bank loan holders, 16.2% university students, and 11.5% leaders). The partial least squares path modeling (PLS-SEM) was used to analyze the collected data. Findings confirmed that women entrepreneurs' preferences for small projects were positively influenced by their intentions, education, personality traits, and types of SME projects. Preferences for small project startups were found to have a direct psychological, social, and economic effect. Moreover, results showed the suggested relevance of the combined model in predicting the preferences of women entrepreneurs starting SMEs (explained variance = 72%). This paper's conceptual framework contributes to current literature on women's entrepreneurship in a leading Arab country. The authors developed an action plan to bridge the gap between women's entrepreneurship in practice and theory. This action plan is the first exertion to help policymakers in Arab countries better control constraints encountered by women entrepreneurs.

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Introduction

Small projects attract global attention given their nominated economic impact on the gross national income, generation of job opportunities, and encouragement of savings since they do not require considerable capital. They also strongly influence social development. Scholars' efforts regarding the factors affecting women entrepreneurs starting new businesses have fluctuated from country to country over the past few years. For example, in the United Arab Emirates, Eid et al. (2019) found that female participation in private projects in universities, as a critical public sector, was higher than males. On the contrary, Zaki (2017) confirmed that females in the private sector were mainly encouraged to be future entrepreneurs more than males in Egypt. Likewise, in the Kingdom of Bahrain, Al-Qahtani et al. (2020) reported that Bahraini girls and ladies had made notable

international rankings regarding their project's financial capabilities. Bahrain rates highest in the Gulf region regarding identical salaries according to gender. Bahraini girls could successfully pass and move in many sectors, including wholesale and retail trade, financial services, commerce, logistics, real estate, and manufacturing.

The Kingdom of Saudi Arabia is a unique country in different ways. It has rich resources as a fuel-exporting country with rapid economic growth. Also, over 50% of its university graduates are females. The government is investing in humans, developing their talents, enabling them to fortify their future, and contributing to the economy's and society's progress (Khan, 2020). Nowadays, Saudi Arabia is witnessing a tremendous economic and social transformation. It is seeking to transform itself from a country that relies heavily on oil for its income sources to one that relies on diversity and multiplicity through industrial and service projects. Once the vision of Saudi Arabia 2030 was launched, it included changes in the status and role of Saudi women by raising their proportion of participation in the market to 30%. This vision is thought to encourage the full participation of women in the labor market, develop their talents, invest in their vitalities, and enable them to obtain appropriate opportunities. It aims to support women's capabilities and contribute to developing their society and economy (Vision2030, n.d.).

Saudi women have received more attention since launching *Saudi Arabia Vision 2030*. It has witnessed an integrated series of reforms to develop and empower women in society. In 2018, Saudi women were allowed to drive cars for the first time in history. Sports activities for girls in schools were approved, families were allowed to enter football matches, and Saudi women could participate in the Olympic Games. For the first time, aviation licenses have been granted for women since Saudi Arabia originated. By 2019, Saudi women hold many leadership positions (most notably, *Ambassador*), and jobs for women have also been assigned in the military sector, such as passports, prisons, civil defense, and traffic.

Small and medium-sized enterprises (SMEs) are receiving extraordinary interest in Saudi Arabia, considering their contributions to employment and economic growth. Recently, Saudi Arabia incorporated an official authority called General Authority for Small and Medium Enterprises (Monshaat) to support entrepreneurs and provide them with any required finance (Monshaat, n.d.). Moreover, many authorities, national banks, and institutions in Saudi Arabia followed Monshaat, such as the King Salman Institute for Entrepreneurship, the Youth Entrepreneurship Support Program, the Badir Program, and the Small and Medium Enterprises Financing Guarantee Program. These bodies provide the necessary support to set up small projects and businesses. However, Saudi SMEs still contribute only 20% to the GDP.

Although an effort has been made to promote the business environment, SMEs in Saudi Arabia are still suffering from the complexity of slow and regular procedures, weak ability to attract competencies, and difficulty obtaining finance. The financing percentage for SMEs is only 5% of the total funding, a small percentage compared to the international rates. The total number of SMEs in Saudi Arabia includes 977,535 projects (General Authority for Statistics, 2019). Saudi women own 12% of all small projects, whereas women in the United States hold about 45% and in the UAE about 30% (World Bank, 2020). Bearing in mind the constraints women face entering the job market, entrepreneurship still contributes to societies and economic development. Accordingly, women as independent entrepreneurs in most Arab countries, especially Saudi Arabia, request more attention from scholars and institutions. Therefore, the specific objectives of this article included (a)

expanding knowledge regarding the theory of planned behavior (TPB) to explain women intentions and desirability to start a small business; (b) exploring the perceived outcomes of being an entrepreneur; (c) developing an action plan to offer direction to policymakers in sustaining a favorable atmosphere for the success of women entrepreneurs.

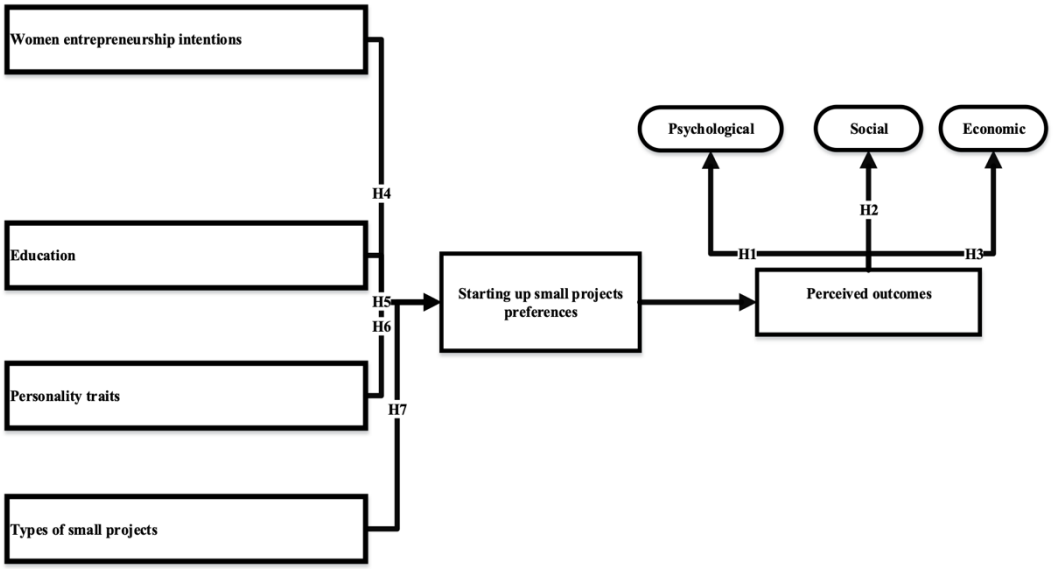
Literature Review

Model Development, Theory, and Hypotheses

Several theories found in previous literature explain the entrepreneur's intentions; for example, the self-efficacy theory (Bandura, 1977); the model of intention in entrepreneurial situations (Shapero & Sokol, 1982); TPB (Ajzen, 1991); integrating the planned behavior model and the intention model in entrepreneurial situations (Reitan, 1997); and social cognitive theory (Bandura, 2001). Many scholars have found significant relationships between entrepreneur intention, starting new businesses, and several related factors. These factors include, but are not limited to, education (Zaki, 2017); personality characters (Chernyshenko et al., 2013; Eid et al., 2019); gender (Ramos-Rodríguez et al., 2012); happiness (Maas & Jones, 2015); socio-demographic factors (Kaijage & Wheeler, 2013); small business (Henrekson & Sanandaji, 2020), and hospitality business performance (Tajeddini et al., 2020).

The research framework's (see Figure 1) theoretical fundamentals were grounded from the TPB (Ajzen, 1991), used in this research to understand how women entrepreneurs prefer starting small businesses to achieve valuable outcomes. The authors claimed that women's entrepreneurship intentions, education, personality traits, and business types could influence the behavior of starting small projects. The primary defense is that psychological, social, and economic outcomes generated from starting small projects do not come suddenly from the desired behavior of starting a small business without the effect of some identified factors (e.g., entrepreneurship intentions, education, personality traits, and business types).

Figure 1. Research Framework



SMEs in Saudi Arabia Context

SMEs are gaining more attention from all countries of the world and international organizations. They have a role in global economic and social changes and transformation. Due to their active role in production and operation processes, they attract many investments for intensive employment, which helps to provide job opportunities and reduce unemployment and poverty. SMEs also offers countless opportunities to start a business with low capital costs. They do not require complicated technology and contribute to achieving economic and social goals.

The concept of SMEs differs from one country to another according to different economic and social capabilities and conditions (e.g., the nature of the components, factors of production, population density, workforce availability, degree of qualification, and the general level of wages and income). There are also economic and social factors that determine the features and nature of the business. The SMEs definition also differs according to its purpose, whether for statistical, financial, or other purposes. A set of conditions is used to determine the projects' nature, whether small, medium, or prominent: first, the total number of workers; second, the amount of capital; third, the technology used; fourth, the incremental sales. The European Commission defines small projects as companies that have about 500 workers (European Commission, 2018). This definition is consistent with those used in France and Italy, while, in Sweden, up to 200 workers is enough to be considered a small business. Canada and Australia consider up to 99 workers a small project, whereas in Denmark, Ireland, Belgium, and Germany, up to 50 workers are small projects. Japan considers small projects those which do not employ more than 300 workers (European Commission, 2018).

The World Bank distinguishes the definition of SMEs into three types: first, the *mini-enterprise*, where fewer than ten employees and their total assets are less than one million U.S. dollars, and the annual sales volume does not exceed one million U.S. dollars; second, a *small enterprise* which includes fewer than fifty employees and each of its total assets and annual sales volume does not exceed three million U.S. dollars; third, the *intermediate establishment* in which there are fewer than three hundred employees and each of its assets and annual sales volume does not exceed 15 million U.S. dollars. Similarly, the International Labor Organization classified SMEs according to the total number of workers. The micro-enterprises employ ten workers or fewer. The small establishment uses 10-100 workers, and the intermediate firms use 100-250 workers (International Labor Organization, 2015). The World Bank report indicated that SMEs contribute more to employment in low-income economies than high-income countries. International development agencies are encouraged to support and finance small projects, while G20 is committed to improving financial access for small businesses in developing countries (World Bank, 2014). These SMEs are also the nucleus that gradually grows to establish big national projects (Arshed et al., 2019; Bakar et al., 2017).

Although Saudi Arabia is one of the fastest-growing economies in the Arab world, it has shown a relatively low contribution from the SMEs sector in terms of gross domestic product (GDP) and the employment rate, where SME contribution to the GDP is 33%. This percentage is low compared to most developed economies. For example, SMEs in Spain and the United States contribute 63% and 50% towards GDP. However, this percentage is the highest compared to most Gulf Cooperation Council countries. SMEs in the Sultanate of Oman and Bahrain contribute by 14% and 28% of the GDP, respectively (Jeddah Chamber, 2016).

There are three main types of SMEs in Saudi Arabia (see Table 1): first, the *micro-project*, which contains 1-5 employees and annual revenue of less than 27,000 Riyal; second, the *small project*, which includes 6 - 49 employees and annual income from 27,000 to 1.3 million Riyal; third, the *medium project* with 50-250 employees and annual income from 1.3 million to 13.3 million Riyal. Table 1 shows that micro-projects (with one to five employees) represent the most significant percentage of projects in Saudi Arabia, with 87% of the total number of projects. This is followed by small projects (with 6 to 49 employees) representing 12% of the entire small and medium-sized projects operating in Saudi Arabia, reflecting a tiny proportion of all the projects.

Table 1. SMEs Classification in Saudi Arabia

SMEs in Saudi Arabia	Micro Project 1-5	Small Project 6-49	Medium Project 50-250	Total
Number of projects	852668	117461	7806	977535
Percent	87%	12%	1%	

Source: Monshaat, n.d.

The proportion of women working in the Saudi private sector constitutes only 8% of the total number of workers employed in SMEs in Saudi Arabia (Monshaat, n.d.). The government of Saudi Arabia has recognized the importance of the SME sector to enhance the diversification of their economy and the government's role as a catalyst to promote these projects. In cooperation with several Saudi banks, the government further established funds and programs to enhance the culture of entrepreneurship and accelerate the growth of these local projects. For the Saudi government to continue its plan to diversify the economy by strengthening the SMEs sector, it announced the *10th Development Plan (2015-2019)*, which seeks to achieve the following goals concerning SMEs.

The government of Saudi Arabia first established a specialized institutional body responsible for the growth of SMEs and has the right to organize their activities to follow up on their performance. Second, the Saudi government performed knowledge management in high-tech SMEs. Third, they ensure the dependence of SMEs on national labor to contribute to the localization of job supply. Fourth, they strengthened the level of coordination between specialized credit funds and various initiatives related to SME support. Fifth, they facilitated education and training for SMEs. Sixth, they encouraged SMEs to increase their efficiency and competitiveness inside Saudi Arabia and outside its borders. The Saudi government has established the Monshaat to achieve these goals in 2016. Monshaat aims to organize, support, and develop the SME sector according to the best international standards, raise the productivity of these enterprises, and increase their contribution to the GDP from 20% to 35% by the year 2030 (Monshaat, n.d.). The *Chamber of Commerce and Industry* in Saudi Arabia instituted a *General Department for Business Women Affairs* to activate the role of women and increase their contribution to economic development (Al-Kwifi et al., 2020).

There are several potential impacts when women are leading a business. A psychological effect appears as they become an independent employer. Due to their own business, they run businesses to get money. A social impact will be evident due to their project's participation in their local communities (Schumacher, 2011). Therefore, this study developed the following hypotheses:

- ***H1*:** Preferences for starting small projects have a direct psychological impact.
- ***H2*:** Preferences for starting small projects have a direct social impact.
- ***H3*:** Preferences for starting small projects have a direct economic impact.

Factors Affecting Women Entrepreneurs

Researchers and politicians have increased their interest in studying the factors affecting women's intentions to start small projects (Cho et al., 2020). This high interest comes from women being a part of the human performers that countries seek to invest in, which also qualifies towards social development goals. Small enterprises owned by women are of outstanding global importance due to their contribution to developing the global economy, and their growth is occurring faster than those owned by men (Marroquín & Villatoro, 2020). Women account for about 30% of all small businesses worldwide (Al-Kwifi et al., 2020). Saudi Arabian women face many obstacles (Al-Qahtani et al., 2020) when setting up small projects. Although the most critical barrier is obtaining the necessary financing, other challenges include balancing work and family requirements and gaining access to suppliers and services.

Women Entrepreneurship Intention

Intention is a power of mind that directs human attention, experience, and action to achieve a particular activity (Bae et al., 2014). Other researchers consider intention the willingness to become an entrepreneur (Atef & Al-Balushi, 2015). TPB is one critical theory that interprets the entrepreneur's intentions. Gender is a significant factor affecting entrepreneurs' intentions (Ramos-Rodríguez et al., 2019). Entrepreneur's intentions here refer to female readiness and desirability to start SMEs as s self-employment pattern. Therefore, this study theorizes the following hypothesis:

- ***H4*:** Preferences for starting small projects are positively influenced by women entrepreneurs' intentions.

Education

Recently, an extraordinary evolution in entrepreneurship education and training programs was initiated globally by universities and public authorities due to its economic and social benefits. Education mainly helps women start a business, develop their entrepreneurial skills, and increase their entrepreneurial intentions. A lack of education leads to a lack of readiness that many women face when they are interested in translating their idea into practical projects. Indeed, entrepreneurship studies have concluded that the vast majority of knowledge required by entrepreneurs can be taught (Zaki, 2017). According to TPB, entrepreneurs' intentions are associated with actual behavior. The authors argued that this study's actual behavior is the women's preference for starting small projects (Ajzen, 1991; Eid et al., 2019; Matlay et al., 2014). Zaki (2017) confirmed a positive relationship between education and entrepreneurs' behaviors. Previous literature reported positive evidence for the relationship between entrepreneurship education and entrepreneurial attitudes and intentions. However, scant research has been done in Saudi Arabia to discover factors influencing women's new business startups. Thus, the authors seek to address this gap. This rationale led to the following hypothesis:

- ***H5*:** Preferences for starting small projects are positively influenced by women's education

Personality Traits

Personality characteristics of women entrepreneurs have been demonstrated to be stimulating but imperfect determinants of various features of entrepreneurship, including starting new businesses

and being successful in managing a new business. In this respect, the authors tested the projected impacts of only two personality characteristics frequently associated with women entrepreneurs: *autonomy,* a psychological trait, and *creativity,* as cognitive traits (Chernyshenko et al., 2013). Independence and creativity as crucial personality characteristics were then tested and validated in this study (Eid et al., 2019). Mas-Tur et al. (2020) confirmed the nexus between other personality traits and an entrepreneur's perceptions. This rationale led to the following hypothesis:

- ***H6*:** Preferences for starting small projects are positively influenced by women's personality traits.

Types of Small Projects

Finally, in this conceptual model, the authors attempted to test the influence of small project types on the final decision of starting a project by women in Saudi Arabia. Budgets of small projects vary from one sector to another. Tourism and hospitality small projects are highly encouraged by entrepreneurs (Redmond & Sharafizad, 2020). Consequently, this study theorizes the following hypotheses:

- ***H7*:** Preferences for starting small projects are positively influenced by the types of small projects.

Current and Future Perspectives Towards the Equality of Opportunity for Women Entrepreneurs

Theoretically, there are many constraints faced by women entrepreneurs. (Nguyen et al., 2020; Panda, 2018; Xheneti et al., 2019). The context of entrepreneurship is commonly associated with men. Notably, women are fighting to establish independence and trust while facing critical gender discrimination. There is a vast compensation variance between females and males, and society assigns less importance to independent women. Practically, females are less likely to pursue entrepreneurship than men, especially in masculine communities. The extant literature provides many examples that highlight the lack of equal opportunity for women. For instance, Lebanese society poses tough resistance to women entrepreneurs from their family members (Jamali, 2009). The United Arab Emirates and many regions in Saudi Arabia remain old-style male-controlled societies (Danish & Smith, 2012; Naguib & Jamali, 2015).

The current challenges faced by women entrepreneurs in developing countries could be summarized with terms such as gender discrimination; work-family conflict; financial limitations; lack of infrastructural support; undesirable business, economic, and political surroundings; lack of entrepreneurship training and education; and personality-based limitations (Nguyen et al., 2020; Panda, 2018).

Methods

Sample and Population

Saudi Arabia's context was selected as the sampling frame of this research. Both data collection methods, either primary or secondary data, were selected to achieve the paper's aim. The first step in gathering the desk research was secondary data collection and analysis conducted from October

2019 to January 2020. This study employed a positivism research approach with a quantitative strategy to gather perceptions from many women respondents (i.e., bank customers, clients responsible for loans, female students in universities, entrepreneurs, and university leaders).

The Research Instrument

An online survey was created comprised of 72 questions which took approximately 30 minutes to complete. This survey received the approval of ethics in Saudi universities. Therefore, it granted participants the right to be fully informed about the research and privacy. Confirmed voluntary participation and the right to withdraw at any time were highlighted to all participants. Two language versions (Arabic and English) were used. The questionnaire included both closed-end and open-end questions. A five-point Likert scale was used to evaluate women's different perceptions. Fellow-up emails and telephone calls were used to inspire participation. Response rates varied regionally, with the highest number of responses from Jeddah and Riyadh. The total number of fully completed questionnaires valid for further analysis was 433. Piloting was performed on a sample of academics to test the questionnaire instrument. Pilot test outcomes guaranteed a complete understanding of the research variable for all respondents who agreed to participate.

The questionnaire involved four sections. The first section enclosed a cover letter to clarify the purpose of the survey, essential contact information, and general directions, followed by five demographic data questions (age, gender, address, qualifications, and experience). The second section aimed to get the respondent's perceptions of starting small project preferences. These preference items were developed based on reliable and valid scales of previous literature (Ajzen, 1991; Eid et al., 2019) with some wording alteration that matches the research purposes. All research constructs were measured using a 5-point Likert-type scale in which 1=*strongly disagree*, and 5=*strongly agree*.

The third section aimed to get the respondent's perceptions of women's personality traits. Personality measures were adapted from Kolvereid (1996). The fourth section contained nine variables of education factor modified from Eid et al. (2019). The fifth part of the entrepreneurs' intentions was adapted from Jaén, I., & Liñán (2013) and Zaki (2017). The sixth part evaluated the perceived outcomes validated by Al Hamory (2017) and Al-Qahtani et al. (2020). The seventh section, adapted from Redmond and Sharafizad (2020), measured types of SMEs. The last part of the survey was designed to understand women entrepreneurs' current challenges in Saudi Arabia.

Data Analysis

Questionnaire analysis was performed through two stages. The first stage was building and testing the measurement model as Hair et al. (2010) recommended. The second stage involved pushing and testing the structural model. Survey dimensions were tested using SPSS 26 and Smart PLS 3.0 and to investigate the relationship between model variables.

Results

The decision to use PLS-SEM to test the data was based on many reasons. Primarily, SEM is considered an advanced analysis technique used to predict the research dimensions. It is a flexible approach to construct and test the research model. Furthermore, there are fewer requirements regarding the sample size and normal distribution than other methods (Hair et al., 2016). Therefore,

the PLS algorithm and bootstrapping were implemented to determine factor loadings, path coefficients, and significance levels. The measurement model was judged, followed by the assessment of the structural model.

Sample Demographics

Table 2 shows respondent profiles. A total of 433 respondents participated. Female participants (72%) were higher than male participants (28%). Results showed most respondents (72.3%.) were 26–45 years old. While 20.1% of the participants were 18-25 years old, the remaining 7.6% were more than 45 years old. Regarding qualifications, 83.4% of participants had university degree and 13.9% had higher education degrees. In terms of the nature of entrepreneurs, 26.3% of respondents were university staff; 23.1% were SME starters; 22.9% were bank loaners; 16.2 % were students; and the remaining 11.5% were leaders. The main reason for male integration is that most university leaders of women are still under the control of men in the Saudi Arabia context.

Table 2. Sample Demographics

Variable	Category	Frequency	Percent
Gender	Female	313	72.3
	Male	120	27.7
Age	18-25	87	20.1
	26-45	313	72.3
	More than 45	33	7.6
Qualification	Intermediate	12	2.8
	University	361	83.4
	Higher education	60	13.9
Nature of Entrepreneurs	Project starters	100	23.1
	Leaders	50	11.5
	University staff	114	26.3
	Bank loan holders	99	22.9
	Students	70	16.2
Total		**433**	**100.0**

Measurement Model Evaluation (Convergent and Discriminant Validity)

The measurement model was assessed, and convergent validity was assured using factor loadings, average variance extracted (AVE), and composite reliability (CR). Table 3 shows factor loadings exceeded the recommended value of .50, and items with the lowest factor loadings (< .50) were then deleted. Likewise, all the values of CR exceeded the recommended value of .70. All the values of AVE in this study exceeded the recommended value of .50. Variance inflation factors (VIF) were also guaranteed to have no common method bias in this data (Hair et al., 2016). This study also used the Fornell-Larcker formula and the HTMT ratio to assess discriminant validity (Hair et al., 2016). As Table 4 displays, the discriminant validity was maintained.

Structural Model Assessment

The structural model was tested after the measurement model was assessed. Path coefficients, t-values, and standard errors show the model's significance. The research hypotheses were tested for main effects using the bootstrapping technique in Smart PLS. Research hypotheses were then empirically tested (Table 5) using a critical ratio (t >1.64; p < .05). All assumptions were supported.

Table 3. Convergent Validity

Construct	Item	Loading	*Alpha*	*CR*	*VIF*	*AVE*
Preferences of Starting Small Projects	Desirability1	.87	.90	0.92	2.9	.72
	Desirability2	.86				
	Desirability3	.91				
	Desirability4	.86				
	Desirability5	.79				
	Desirability6	.71				
	Desirability7	.69				
	Desirability8	.92				
Entrepreneurs Intentions	Enter Intentions1	.79	.83	0.84	1.8	.75
	Enter Intentions2	.89				
	Enter Intentions3	.90				
	Enter Intentions4	.63				
Education	Education1	.61	.76	0.77	3.0	.59
	Education2	.69				
	Education3	.92				
	Education4	.71				
	Education5	.69				
	Education6	.92				
	Education7	.71				
	Education8	.69				
	Education9	.92				
Personality (Creativity)	Creativity1	.70	.89	0.89	2.8	.56
	Creativity2	.59				
	Creativity3	.92				
	Creativity4	.71				
	Creativity5	.69				
	Creativity6	.92				
	Creativity7	.70				
	Creativity8	.59				
	Creativity9	.92				
	Creativity10	.72				
	Creativity11	.69				
	Creativity12	.92				
Personality (Autonomy)	Autonomy1	.71	.71	0.72	2.6	.53
	Autonomy2	.79				
	Autonomy3	.59				
	Autonomy4	.94				
	Autonomy5	.71				
	Autonomy6	.59				
Nature of Small Projects	Type1	.71	.83	0.89	2.7	.75
	Type2	.69				
	Type3	.82				
	Type4	.81				
Outcomes (Psychological)	Psychological1	.64	.87	0.88	3.2	.80
	Psychological 2	.72				
	Psychological 3	.68				
	Psychological4	.53				
Outcomes (Social)	Social1	.76	.70	0.71	3.0	.60
	Social2	.69				
	Social3	.78				
	Social4	.60				
	Social5	.59				
Outcomes (Economic)	Economic1	.58	.88	0.92	2.6	.63
	Economic2	.64				
	Economic3	.72				
	Economic4	.68				
	Economic5	.53				
	Economic6	.56				
	Economic7	.83				

Table 4. Discriminant Validity

Fornell-Larcker Measures									
Construct	**P**	**EI**	**E**	**CR**	**AU**	**N**	**OP**	**OS**	**OE**
P	0.75								
EI	0.28	0.76							
E	0.25	0.19	0.74						
CR	0.61	0.28	0.33	0.81					
AU	0.62	0.02	0.11	0.45	0.85				
N	0.54	-0.51	-0.21	-0.32	-0.22	0.72			
OP	0.45	0.18	0.41	0.29	0.23	0.34	0.75		
OS	0.27	0.25	0.17	0.19	0.20	0.32	0.16	0.73	
OE	0.46	0.19	0.15	0.31	0.19	0.42	0.35	0.34	0.71
HTMT Measures									
Construct	**P**	**EI**	**E**	**CR**	**AU**	**N**	**OP**	**OS**	**OE**
P									
EI	0.41								
E	0.39	0.18							
CR	0.87	0.21	0.27						
AU	0.73	0.36	0.15	0.29					
N	0.63	0.32	0.28	0.14	0.32				
OP	0.50	0.52	0.21	0.28	0.31	0.28			
OS	0.68	0.48	0.29	0.21	0.51	0.13	0.34		
OE	0.74	0.12	0.21	0.29	0.28	0.28	0.50	0.36	

Note: P = Preferences of starting small projects; EI = Entrepreneurs intentions; E = Education; CR = Creativity; AU = Autonomy; N = Nature of small projects; OP = Outcomes (Psychological); OS = Outcomes (Social); OE = Outcomes (Economic).

Table 5. Path Analysis

Hypothesis	Relationship	Beta	*T*-Value	Lower Level	Upper Level	Decision
H.1	P>OP	.31	4.15	.17	.34	Supported
H.2	P>OS	.32	3.45	.23	.42	Supported
H.3	P>OE	.33	4.50	.39	.52	Supported
H.4	EI>P	.11	5.81	-.35	-.29	Supported
H.5	E>P	-.14	2.33	-.25	-.053	Supported
H.6a	CR >P	.03	6.11	.43	.31	Supported
H.6b	AU >P	.21	10.08	.12	.10	Supported
H.7	N >P	.18	2.33	.09	.32	Supported

Discussions

This research investigated women's intentions and desirability to open SME projects and then identified the perceived outcomes of being an entrepreneur. It was confirmed from the results of this empirical study that women's small project preferences were positively influenced by women entrepreneurs' intentions, education, personality traits, and types of SME projects (see Table 5). According to the path model analysis, small project preferences have positively direct psychological, social, and economic effects. Moreover, results showed the suggested combined model's relevance in predicting women entrepreneurs' preferences for startup SMEs (explained variance = 72%). Thus, the model will be helpful for future research, especially in another context.

The research findings were consistent with the existing literature; preferences for starting small projects affect women entrepreneurs' psychological aspects (Al Hamory, 2017) and women entrepreneurs' social characteristics (Al-Qahtani et al., 2020). Moreover, this desirability behavior also drives an economic impact (Al-Qahtani et al., 2020). The empirical findings showed that all hypothesized relationships, as expected, were significant. The drivers of women entrepreneurship intentions, women education, personality characteristics (mainly creativity and autonomy), and the nature of SME's elucidate 72% of variance extracted from the preferences of starting small project construct, which far surpasses the variance percentage in previous research (Al-Kwifi et al., 2020;

Zaki, 2017). Consequently, these results supported the relevance of the proposed model in the Saudi Arabia context. Similar to other studies, creativity and autonomy had positive and direct effects on the entrepreneur's behavior. Therefore, entrepreneurs' creativity and independence were considered significant drivers in attracting Saudi women to self-employment by starting their projects (Eid et al., 2019).

Finally, this study's findings coincided with Abou-Shouk et al. (2021), who carried out cross-country research in three countries: Egypt, the United Arab Emirates, and the Sultanate Oman, to explore the effect of women's empowerment on the development of tourism projects. In other words, the type of project, whether commercial (e.g., supermarkets) or service-based (e.g., tourism and hospitality projects, cafés, and restaurants), was a significant predictor of an entrepreneur.

Conclusions

This research shed some light on women entrepreneurs. Fortunately, this research topic is receiving more interest globally since it relies on achieving the fifth goal of the United Nations sustainable development (UN-SDGs). It also matches the requirements of Saudi Arabia's 2030 Vision. Women entrepreneurs have become a vital component of sustainable community development in most countries worldwide. However, Arabian countries still lagged in gender equality (Naguib & Jamali, 2015). Results confirmed that women's small project preferences are positively influenced by some affecting factors: women entrepreneurs' intentions, education, personality traits, and types of SMEs projects. Furthermore, according to the path model analysis, small project preferences have positively direct psychological, social, and economic effects.

Theoretical Implications

The novelty of this research implies expanding knowledge of TPB by examining how well integrated some drivers (e.g., entrepreneur intentions; education; creativity and autonomy; and the nature of small projects) are with the actual desirable behavior of starting new projects in the Saudi Arabia context. The research model was developed and validated in Saudi Arabia. Many types of entrepreneurs have participated in this study. Women leaders, university staff, students, bank customers, and potential SMEs starters were targeted. The present study adds to the existing knowledge of women's empowerment and community development by developing a conceptual model in which four drivers (entrepreneur's intentions, education, creativity and autonomy, and the nature of small projects) influence the perceived preferences of women to start SMEs. Results of PLS-SEM confirmed a robust and valid model, as the suggested combined model's relevance in forecasting women entrepreneurs' preferences for startup SMEs with an explained variance of 72%. Thus, the model will be helpful for future research.

Practical Implications

With the purpose of surveying the most challenging obstacles restraining women entrepreneurs in Saudi Arabia, an action plan was developed here to better meet the current constraints facing women entrepreneurs. This article fills the gap in the literature by offering structured action plan (see Table 6) based on extensive fieldwork to guide policymakers in controlling constraints.

Table 6. The Proposed Action Plan

Barrier	Main Objective	Sub-Goals	Key Performance Indicators	Responsible Party	Time		
					S	D	E
Lack of necessary funding	Providing the necessary financial support to establish small projects	✓ Increasing the number of entities that provide financial support for projects ✓ Facilitating the procedures for obtaining the required financial consent for small projects	☒ The number of entities that provide financial support ☒ Time spent for support ☒ The value of financial support	▪ Saudi Central Bank (SAMA)	√		
Bureaucratic procedures	Reducing the legal procedures for establishing small projects	✓ Providing a particular unit 'one-stop shop' to assemble the guidelines for the establishment of small projects in one place	☒ The number of permits and approvals required to establish small projects ☒ The number of centers to extract legal documents for the establishment of projects	▪ Ministry of Commerce ▪ Saudi Chambers	√	√	
Lack of well-developed services sector to take care of kids of the working women	Establishing an advanced service sector to take care of the children	✓ Strengthening the role of community associations to provide the necessary care for the children	☒ The number of centers	▪ Charity institutions and associations	√	√	√
Anti-women entrepreneurial culture	Raising community awareness of women's role in the economic development of families and society	✓ Spreading community awareness towards the positive impact of women's work	☒ Field surveys	▪ Ministry of Media ▪ Universities ▪ Schools	√	√	√
Opposition from some families to women's participation in SME	Raising community awareness of women's work	✓ Disseminating community awareness towards women's work	☒ Field surveys ☒ Unemployment rate	▪ Ministry of Media	√	√	√
Poor cultural awareness of women self-employment	Disseminating self-employment culture	✓ Spreading community awareness towards the impact of women's work: economic, social, and psychologic	☒ Number of training courses ☒ Number of media programs	▪ Ministry of Media ▪ Universities	√		
Discrimination and gender equality	Raising community awareness of equality	✓ Setting fair criteria for the selections of jobs for men and women according to their competencies and skills	☒ Number of women leaders to men ☒ Number of female jobs	▪ Ministry of Human Resources and Social Development	√	√	√
Insufficient training	Preparing specialized training courses to develop women's self-skills	✓ Setting workshops in business planning, marketing skills, accounting knowledge, and customer care skills	☒ Number of training courses ☒ Number of workshops, seminars, symposiums	▪ Technical and Vocational Training Corporation ▪ Universities ▪ Schools	√	√	
Lack of integrated development plan to empower women	Recommending an integrated development plan	✓ Increasing the women role in the community	☒ Number of female participants	▪ Ministry of Human Resources and Social Development	√		
Intense competition from big companies	Continuing support	✓ Promoting some advantages to minor projects in government contracts	☒ Number of opportunities and benefits granted to small projects	▪ Ministry of Commerce	√	√	
Lack of marketing experience	Assisting small projects in marketing their products	✓ An increasing number of exhibitions for small projects ✓ Establishing an electronic marketing website for small projects	☒ Number of exhibitions ☒ Number of websites	▪ General Authority for Small and Medium Enterprises (Monshaat)	√	√	
Lack of appropriate action plans	Sitting an action plan before starting any project	✓ Raising the efficiency of entrepreneurs to prepare feasibility studies and action plans for projects		▪ General Authority for Small and Medium Enterprises (Monshaat)	√		
Business resources are not separated from family resources	The necessity to separate the financial resources of the project from the family resources	✓ Training of entrepreneurs to hold ordinary books of accounts	☒ Number of projects that comply with keeping accounting books	▪ General Authority for Small and Medium Enterprises (Monshaat)	√	√	√
Use of family labor	Practicing of skilled workers	✓ Training of entrepreneurs on how to choose a skilled staff	☒ Number of working non-family projects	▪ General Authority for Small and Medium Enterprises (Monshaat)	√		
Poor infrastructure for SMEs	Developing an appropriate facility for SMEs	✓ Expanding the establishment of business incubators to provide proper infrastructure for SME	☒ Number of business incubators ☒ Number of areas allocated for SMEs	▪ Ministry of Commerce	√	√	
Lack of media spreading the role of women entrepreneurs	Promoting media on the importance of women entrepreneurs	✓ Using social media to promote this role	☒ Number of media programs	▪ Ministry of Media ▪ Universities	√		
Sexual harassment	Raising community awareness	✓ Using social media and television programs to denounce this behavior	☒ Number of media programs, interviews, and advertisements	▪ Ministry of Media ▪ Universities	√		

Note: S = Start point of the project; D = During; E = End of the project.

The main structure of the action plan considers most challenges facing Saudi women. This plan comprises six iterative steps as an administrative method used in businesses for control and continuous improvement. We attempted to examine 17 constraints or barriers to the women entrepreneurs starting their projects in Saudi Arabia and recommend the policymaker bodies responsible for execution.

Limitations and Future Research

Some limitations of the present research must be addressed. First, the study focused only on women's entrepreneurship as the primary respondent. Future research should include men as well. Second, it would be worthwhile to explore the impact of the respondent's age and qualifications on women's entrepreneurial intentions. Future research should compare sector-type results to explore their relationship to women entrepreneurs. Qualitative research should also be conducted to investigate cultural differences and their effect on the preferences for starting SMEs. Furthermore, the generalizability of these data results is restricted because this study's context is Arabian women, albeit that could be a merit if it were replicated in another context.

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