

# Public Funding vs. Intangible Assets: The Choices of Woman-Owned Small Business (WOSB) in the MENA Region

Amr Saleh

Associate Professor of Economics, Environment Institute, Ain Shams University, Egypt,  
Advisor to the SHJ Economic Development Department, UAE  
[asaleh@usa.net](mailto:asaleh@usa.net)

## Abstract

Women represent usually between 40% and 45% of the of total labor force in most of the countries, and sometimes more than a half in some African and Asian developing countries. At the same time, and all over the world, there are billions of dollars and hundreds of funding options for Women-Owned Business and female entrepreneurs to access to government and nongovernmental funds.

However, and simultaneously, and especially in emerging economies, there are much discussion and debate on how to support Female Entrepreneurs. The options are often, improving access to credit and financial capital or to improve human capital, as well as capacity building through technical assistance.

True that a lot was written on Female Entrepreneurs and Women Business Owners, especially Woman-Owned Small Business (WOSB), but, this article tackles women business dynamics in a fluctuating region that is the Middle East, where 20% of the labor force in 2020 are females, and where women-led businesses are less likely to continue to carry on despite government support. However, still failure rates are high in small businesses. In addition, in that part of the world, if equal shares of 50% between male and female in the labor force occurs, this could ultimately double the GDP, according to previous studies and researches.

This study was applied on the Egyptian context, considered as one of the most dynamic emerging economy according to the World Bank, but also because of its regional political and economic weight in the MENA Region. It presents a stimulating eco-system model in a country where the Net International Reserve Position have fallen to only 11 USD Billion in 2011, but have doubled and tripled in few years to reach 37.1 USD Billion at the end of 2020, and with an increase in the GDP growth to reach 5.7% in 2019, after a dramatic rate of 2% % following the January 2011 political turbulences.

The research methodology depended on secondary data collected from the Central Bank, the Commissioned Central Agency for Public Mobilization and Statistics, the Ministry of trade and Industry and the Medium and Small Enterprise Agency. It also produced primary data through questionnaires and interviews from a sample size of 384 females, with a valid response rate of 77% to test 3 hypotheses. It has used data techniques and analysis throughout significance level and internal consistency of the scales, and by means of reliability analysis

of Coefficient alphas, in order to test the interdependences between variables, in addition to Bivariate correlation. Finally, to test the hypotheses, Multiple Regression analysis was used to investigate the effect of Managerial Skills of WOSB on SMEs economic performance but also to examine the effect of government support on the different projects.

The study has shown that most businesses are underperforming due to lack of management, leadership skills and experience. It has also shown that the performance of SMEs is closely related to the previous work experience of the female manager. It has similarly shown that there is a positive effect of Governmental Support on Economic Outcomes of Small Sized Enterprise, but that, government support is not the major factor of success and sustainability for Women-Owned Businesses.