The role of workforce skills development for entrepreneurship: an Emiratisation perspective

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Abstract: The aim of this study is to evaluate the role of skills development in establishing and empowering the workforce resulting into Emiratisation of the labour market in the UAE. A framework for the development of Emirati workforce is presented with special emphasis on the human developments for the private sector. This study provides a better understanding of the dynamic processes and special skills required for Emirati workforce. A quantitative approach is adopted to reveal the Emiratisation that confronts many entrepreneurial challenges. The results reveal the need to pursue and develop abilities and skills for the Emiratisation as a key factor for entrepreneurial activity in the Emirate of Abu Dhabi in the United Arab Emirates (UAE). Our findings suggest that government support for consultancy and advisor services, market conditions and government policies, acquisition and transmission of technology, financing and availability of infrastructure contributes to Emiratisation. No such comprehensive study was found to have considered impact of such factors on entrepreneurship with special focus on skill development requirements.

Keywords: skills development; entrepreneurship; Emiratisation; private sector; knowledge transfer; Abu Dhabi; UAE.


Biographical notes: Khaled Al Kaabi recently completed his Doctoral degree from the United Arab Emirates University. He has interests in entrepreneurship and Emiratisation.

Maqsood Sandhu has an excellent record of research and teaching as well as administrative experience working as the Head of Business Administration Department. Having worked for several years in a multinational corporation (Wärtsilä) in Finland, he retains close links with industry and academia. His teaching experience span over 20 years at the University of Vaasa, Swedish School of Economics, Vaasa University of Applied Sciences, Oulu Business School, University of Maryland University College and now at the United Arab Emirates University. He has published about 100 papers (including accepted manuscripts) among 35 articles in international journals and around 65 research papers in international conference proceedings and presentations.
Introduction

The new world economic order has given birth to the entrepreneurship as an attractive genre of business venture and future economic growth. Therefore, entrepreneurship is being viewed as an effective mediator for assisting a segment of the ambitious job seekers into self-employed business owners and for this to achieve requires new skilled workforce.

Developing an Emirati (United Arab Emirates national) skilled workforce at different levels of employment, as well as competing in the private job market is the essence of the UAE national strategic plan, and economic vision. The recent movement toward rapid development of private sector businesses had been strongly fortified by national and international speculation and market liberalisation (Senyucel, 2009).

The Emirate of Dubai for instance had been liberal in developing workforce that reflects wider innovative dimensions through the promotion of its industry. One of the main markets for Arab and Asian job seekers had been that of the Gulf States. In UAE, entrepreneurship was mainly regulated by an individual organisation or industrial group. Such a singular system for the development of the workforce and to improve their skills and efficiency it represented a relatively integrated, advanced, and efficient Workforce system.

Emiratisation could be redefined as customisation of the transferred knowledge and technologies, through the channels of entrepreneurship and other business co-ventures, by the Emirati workers to be compatible with their business and work environments. Thus, the successful Emiratisation process would depend upon the Emiratis who have talent in entrepreneurship, creative, job-devoted, and experience foragers. The current study tends to proceed for the development of the workforce and their skills with the inclusion of entrepreneurship. The wide range of opportunities for developing the workforce is now highly considered to process the entrepreneurship successfully. This paper discusses the potential impact of entrepreneurship on transferring the advanced technology, knowledge, and experience for enhancing in developing skilled Emirati workforce; particularly in the private sector. Opportunities and obstacles of developing new concept of Emiratisation are addressed, and recommendations for future studies are suggested.

The study has grave significance as entrepreneurship is considered as a pillar of economy and the government of UAE is earnestly pushing for the youth to adapt to entrepreneurial ventures. There are many services being offered by the department of economic development to promote entrepreneurship. Even on The Global Entrepreneurship & Development Index, UAE has a much better standing than the rest of the Arab nations. This study can not only help in understanding the state of entrepreneurship in UAE but also help in devising policing to foster the economic group and achieve the aims of Emiratisation. The development of skills in workforce in UAE is centrally focused in the respective study to provide the information for labour markets. This study will assist in improvement of skills in human by cracking out the core points of Entrepreneurship functioning under Emiratisation. The workforce skill development will assist in stability of economy of UAE by attracting more knowledge from outside the Emirate states as well as inside of Emirates. The collective efforts in the study will
contribute the workforce skill development to increase the optimisation with entrepreneurship ideas.

In the absence of such study in the context of the UAE, this research paper will attempt to answer following three research questions

Q1 Are the measures taken by the government are sufficient or not?
Q2 How are the measures taken by the Government of UAE to promote entrepreneurship perceived by Emiratis?
Q3 What are the key challenges or obstacles that people encounter when becoming an entrepreneurs?

In the following sections we will discuss a research framework required to address the above questions. Literature review is discussed in the next section, followed by a section on methodology for attempting to answer the research questions and fulfil its purpose. A section on data analysis is depicted after methodology and finally conclusions and recommendations are drawn.

2 Developing research framework

A simple research framework presented in Figure 1 will help understand process and status of the skill development, entrepreneurship and the Emiratisation in the State of Abu Dhabi in the UAE.

Figure 1 Process of Emiratisation

The research framework is aimed at addressing the research questions. Figure 2 presents a comprehensive research framework attempting to answer the research questions presented in Section 1 of the introduction.

These research questions are aimed at entrepreneurship driving the need for skill development in the UAE and therefore results into Emiratisation.

Figure 2 A research framework
The section below on literature review describes status of research work already accomplished on skill development, entrepreneurship and the process of Emiratisation in the UAE.

3 Workforce development

Skilled development into the workforce strategies and the practices of UAE were shaped by the following factors:

- the erection of the economy
- the political structure
- the labour market
- the national HRD strategy
- the national culture.

Emiratisation is defined as a program developed by UAE government to employee the UAE citizens and depend less on the foreign expatriates (https://eemiratisationn.wordpress.com, accessed on 20.01.2016). However, to achieve this objective the UAE government and the private sector requires training and development programs for the Emiratis to be more attractive and suitable for the government and private sector. The Ministry of Labor described the Saudisation policy as part of a greater vision meant at increasing self-sufficiency and sanctuary within Saudi society (Torofdar, 2010). In order to uphold the success of any organisation, it was believed that workforces were a significant contributing factor. Businesses can achieve competitive advantage by the effective utilisation of the workforce and by exploiting their expertise and creativity with the common goal of reaching the organisation’s objectives (Salehi-Isfahani, 2002).

In essence, the Saudisation program was a job localisation strategy with the wider view of nationalising the workforce. Nationalisation agendas such as Saudisation were generally modelled on a quota based scheme where the target was to increase the number of residents in the private sector while reducing the amount of expatriate workers. Furthermore, Emiratisation mainly focused on three main goals:

- increasing skills of people for UAE nationals
- reducing and reversing over-reliance on distant labour
- recapturing and reinvesting income which otherwise would had flowed overseas as payments to other countries (Torofdar, 2010).

Modern organisations were constantly faced with a changing environment which forces them to change and adapt in order to survive. Salehi-Isfahani (2002) says human resource management, in code, aims to employ people that are dedicated, competent and flexible to exploit productivity within an organisation. The skill development into the workforce had become one of the most active economic factors in the Middle Eastern and North African countries; remittances from labour back to the UAE exceeded the value of regional trade in goods as well as official capital flows. Similarly, the relocations to the
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Gulf States speed up the growth of certain regions of India, Pakistan, Bangladesh, the Philippines or Indonesia (Kapiszewski, 2006).

3.1 Entrepreneurship and skill development

To better understand workforce developments, a renewed interest in learning will emerge that is Entrepreneurship, as it had a long tradition in social, critical, and emancipatory knowledge. It was evident that the focused in workforce development should shift from the organisation to the individual, to individual knowledge, objectives, motivation and circumstances. If individual knowing was at the centre of the knowledge-productive place of work, it should also be acknowledged that you cannot be smart in contradiction of your will. Then, work related learning certainly comprises reflection, learning from mistakes, critical opinion sharing, challenging groupthink and asking for feedback, trialling, knowledge sharing and career consciousness (Kessels, 2002).

When workforce development was to play a protuberant role in an emerging knowledge with certain innovation and adaptive skills, it needed to rediscover the basic know how, as they offered valuable expectations on self-directed, individual learning and the social network for shared knowledge efficiency (Kessels and Poell, 2004). However, because workers were moveable, entrepreneurship practices into the workforce will not be the end of the section. Shapiro (2006) says higher knowledge and skill development in work forces will entice new workers and cause the area to produce in people.

As economic globalisation had become more marked, the ability of entrepreneurship to compete in the global marketplace was all the more secured to the quality of their human resources. Many organisations rely on the knowledge of their labour to gain competitive advantage in global economies. In this entrepreneurial environment, the holding of valued workforce became an extremely important strategy for human resources managers and organisational bests (Reiche, 2007). Gregory (2002) says there was increasing gratitude that increases in worldwide trade eased by advancements in technology, communication and transportation began to bring the markets of the world into better competition.

3.2 Workforce and innovative environment

Shapiro (2006) suggests that the local workforce level grows the implicit value of an area’s ingesting amenities; i.e., the stock of workforce make an area a more required place to live and increases the quality of life under the innovative culture. The important factors in workforce development were the existence of innovative environment and learning opportunities that gave push the skill development and adaptability that assisted in developing the workforce.

In the last decade, the Gulf countries had formulated three strategies which focused on the innovative environment of the Gulf workforce: diversification, technological expansion and development of the labour skills. The idea underlying these policies was that the Gulf countries needed to build local capacity and improve their sonority in the international labour market. The idea behind the technological expansion strategy was that in the long run the Gulf countries needed to reduce their requirement on foreign technologies. To that end, the costly process of building national technologies can be funded from oil proceeds (Muysken and Noor, 2006).
Private organisations in UAE, in particular, had been increasingly exposed to global flows in workforce development practices, expertise and organisational cultures with inclusion of the innovation practices. The main effects of increasing knowledge in workforces include rising knowledge competitions of national and international labour, higher rates of staff involvement into the organisational activities, lower levels of retention and clashes between structural environments in the workforce (Iqbal, 2008). Wouter (2007) says a contrast of workforce development practices in the UAE is central with contrast serves to highlight differences characterising the neighbouring cities of Dubai and Sharjah.

The foremost challenge UAE is presently encountering is the extreme phase of unemployment among its natives, and the incompetence of the labour market to attract the further enormous young people looking for jobs every single year. This exhibits a condition fronting the entire GCC states, and is rightly associated to their previously high levels of internal labour migration. According Kapiszewski (2000), about half of the entire GCC population is aged less than 15 and that 15–30 year-olds are the rapid maturing people in the area, while many people of this age group are graduating from different institutions every year and looking for jobs. It was assessed by Fasano (2004) that there would be yearly growth of about 4 to 5% in GCC’s graduates looking for jobs in the average tenure. A study was made by Bank (2004) in which it was examined that by 2020 about 80–100 million fresh jobs altogether would require to be generated within the GCC region.

By the end of 2009, the local population of UAE was forecasted to increase by 3.4%, whereas its emigrant population was predicted to grow by 6.9% (Vine, 2015). Even though legitimate statistics up till now are not presented to illustrate whether these estimates were carried out in fact, they propose swift rates of development for both groups, with great number of natives along with emigrants penetrating the labour market each year in the predictable future. The latest trends would resume by this: legitimate government statistics exhibited that in 2006 about 16,187 of local Emiratis penetrated the labour market (Forstenlechner, 2008). It has also been observed that, if trends resume, the yearly number of fresh people looking for jobs in the UAE by 2010 will move at a point of about 20,000 and by 2020 it will be about 40,000 (Al Abed, 2007).

### 3.3 Knowledge building in workforces

The concept of knowledge and skill development and in workforces described a procedure to develop new competences and to apply these capabilities to incremental improvement and radical innovation of working procedures, products, and services (Kessels, 2002). Guironnet and PeyPOCH (2007) says in development of workforce, over knowledge had become less noticeable for intermediate and higher jobs incongruities had increased in the case of the least skilled jobs. One possible understanding would therefore reflect professional experience as an extra for initial training in order to be a possible applicant for employment and grant them skills and aptitudes. The resulting incongruity can be considered as an adaptive process in the search of a passable job which creates certain disparities among the labour forces.

In a knowledge economy, in which development and innovation were required for long-term existence, standardisation was not the goal but the surprising artistic. This assumption did not only affect managerial philosophy but also will have an influence on our perception of the role of practically every employee and skilled labour forces
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(Caffarella, 1999). The process of skills development was a way of enabling learning of individuals in working environment, entrenched in the social context of organisational teams. In this context, individual learning, and social capital forms opening perspective for human resource development in a knowledge economy was based on the following chain of cerebral: played a significant role in an emerging knowledge economy as human beings were the main knowledge builders. As per Kessels and Poell (2004), in a knowledge economy, growth was based on development and innovation of work processes, products, and services and was a result of skills development.

3.4 Unemployment in UAE

Consequently the above trends are showing that the problem of unemployment especially in graduates is rapidly growing in the UAE. Al Shaiba (2009) informed in 2008 the unemployed nationals in UAE were more than 89,000 while in 2009 the authoritative unemployment rate of country was expected to reach 3.86% (Vine, 2015). Even though this is not an awfully high rate of unemployment, if we compare these rates with the global unemployment rate of 7% in 2008 we can see the difference (Al Shaiba, 2008) but the major problem in UAE is the high rate of structural unemployment, along with the regular happening of cyclical unemployment which fallsouts from the UAE’s enduring greater reliance on the oil industry and the instabilities in oil prices which frequently happen (Ibrahim, 2005).

There is no availability of exact statistics for the unemployed nationals of UAE, however there were 29,000 nationals of UAE that were registered as jobless with Ministry of TANMIA and Planning (Al Abed, 2007). It should be noted that there is no registration by all job seekers with these two institutes and there is possibility that those who are registered may be only searching for good opportunities and not be ready for doing work. These registered nationals were related with age group of 20 to 30 out of which half were female and almost 85% of these nationals have completed their schooling. At the same time as economy of the UAE is increasing quickly with construction of the organisational capital, it is argued by Kapiszewski (2006) that there is a need of expansion by the private sector for absorbing hundreds of thousands of the jobs for youthful nationals that have just left schooling.

Nationals are considered as high job seekers and they have reputation of leaving private jobs after being employed because public sector is preferred by them. Abdelkarim (2001) argued that this characteristic is the result of inequitable contest from the non-nationals in private sector even though private sector is larger and the employment is rising faster. It has been said by the researcher that if such issues are not properly addressed then social and political cohesion of UAE would be at risk (Al-Dosary, 2003).

3.5 Growth opportunities

The labour market was slack, workers have diminished bargaining power. The migration control process was flexible and open to operation partly because enforcement costs were substantial and partly because certain citizens within each state clearly profit from this uncertainty. The reason for the payment of an excess labour pool in the UAE was that it also well-found a standby that facilitated the control of labour. Moreover, the presence of a surplus labour pool leads individual companies and the UAE government to impose extra guidelines that facilitated the tracking of migrant workers who had no legal right to
reside in the UAE without a job (Willoughby, 2005). These extra controls draw workers more tightly to particular jobs and created a modern form of indentured bondage. The effort to tie workers to a specific job in the Gulf was both a technique designed to extract greater worker effort and a national security response to the undermining threat of large numbers of unemployed non-citizen workers within a lightly populated country (Caffarella, 1999).

UAE government favoured nationals to encourage them to become active memberships of the labour force and to align their aptitudes with the skilled workers as their levels of job training increase. In the Emirates states there had been another very important cause of the condition in the workforce market namely the contribution of entrepreneurial events. In general, that contribution had been limited due to successive norms and custom. It was demonstrated that there had been an important increase in the relative importance of expatriate workers within the UAE labour market. Some of this was due to the slow but stable feminisation of retail and clerical work. More significant, however, was sharp rise in the use of migratory workers to do domestic service because of the rise in household incomes, the creation of cabins for nuclear as opposed to extended families, and the augmented labour (Willoughby, 2005).

Innovative knowledge work required unfavourably reflective work behaviour of liberated professionals. In the current time frame, it was stimulating to consider the features and necessities of an emerging knowledge economy and its implications for distinct development in the context of work related learning. These were imposed for compulsory performance goals and power-based managerial positions and the concept of possessions of knowledge intensive corporations by mysterious shareholders constrain knowledge productivity (Cantwell and Archibugi, 1999). Skills development required personal involvement and individual learning in a favourable social situation. To enable knowledge productivity, the work environment should be transformed into a favourable learning environment.

With the above literature review on skill development, entrepreneurship, innovation, unemployment and employment opportunities for the Emiratis in the UAE, following research methodology was adopted to answer the research questions.

4 Methodology and data collection

The choice of appropriate and best research method is a part of planning and designing a research. According to Holt (2013) the empirical research can be either qualitative or qualitative but in the respective study, the quantitative approach is used for the data collection and analysis.

McClelland’s Theory of Achievement Motivation has been used as the basis for the study. The theory of achievement motivation is about the creating and the increase in the power of motivation in people that brings them together to achieve their goals and target oriented while developing the skills. This theory of McClelland considered the three areas under the entrepreneurship:

- need for achievement
- need for affiliation
- need for power.
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The theory shows that need for achievement and need for power drives entrepreneurship as people are able to do things in better ways and skills and also makes better decisions. This theory is therefore better suited to answer the research questions presented in the introduction section and links the methodology. This theory has a relevance to the UAE Arab national culture.

Quantitative research emphases upon the measurement of fundamental relationships between variables with a view to building models that can prophesy the outcomes. It is concerned with measuring and establishing quantity, amount, frequency, and strength. This is often persuaded from relationships developed between the researcher and the researched within specific situational contexts (Beduwé, 2004). Thus, the respective research used quantitative research method because of the speculative nature of the study. The quantitative method of collecting and analysing data, were studied to determine the validity of their potential for this study. Instead of dealing with the meaning of qualitative research encompasses a wide range of technologies that provide various types of processing for processing the numeric results or frequency (Graner, 2001).

As a quantitative study or a particular characteristic, the process of selecting units and representative group from a population group or larger group is used as a basis for estimating the elements related to the purpose of research, sampling, this can explore that the purpose of the researchers in the study as the research involves to collect the data from those who belongs to working into private sectors and somehow involved with training practices which will be described the entrepreneurial challenges and skill development approached.

Sample of the study consist of survey questionnaire filling from private organisations and it is especially noticed that the sample will consist of high profile people, it is also noticed that all people are well educated and know the whole purpose of research. However, achieving such a goal to support the process to achieve the required standards is they must have the participant of the highest quality. Therefore, both men and women have witnessed the skill development for those who develop different skills and aptitude. Table 1 presents data collection for the research study.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Cronbach alpha</th>
<th>No. of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurship</td>
<td>0.756 or 75.6%</td>
<td>4</td>
</tr>
<tr>
<td>Government support in terms of provision of training and facilities</td>
<td>0.904 or 90.4%</td>
<td>7</td>
</tr>
<tr>
<td>Government support in terms of provision of consultancy and advisory services</td>
<td>0.707 or 70.7%</td>
<td>5</td>
</tr>
<tr>
<td>Feasible and supportive economic conditions and factors for entrepreneurship</td>
<td>0.596 or 59.6%</td>
<td>5</td>
</tr>
<tr>
<td>Feasible and supportive legal and administrative factors</td>
<td>0.840 or 84%</td>
<td>7</td>
</tr>
</tbody>
</table>

Based on the data collection using a questionnaire (Appendix), analysis of the date was performed. The findings of the data collection are presented in the next section.
5 Data analysis and key findings

The legendary Drucker has defined an entrepreneur as some who is eagerly looking for a change, finds something that needs change and then responds to it, an entrepreneur is an opportunity seeker, who exploits the opportunity to gain advantage out of it (Drucker and Noel, 1986). The benefits of entrepreneurship to the individual and to the economy have also been discussed in great detail in the secondary literature (Holtz-Eakin and Rosan, 2004; Wüstenhagen, 2008; Urban, 2010). Entrepreneurs never had a high priority in the Middle East and Arab States until the last few decades, one can claim that Middle East is facing the prima facie of entrepreneurship but in a very short span of time the governments and the policy makers have been able to develop some regulatory frameworks and policies that to drive people to opt for entrepreneurship (Hershlag, 1975; Braet, 2010; Wiseman, 2014; IBP, 2014; OECD, 2012). The aim of this research was to known about the state of entrepreneurship in UAE. The study also helps in discovering the following

- Do people in UAE have an acumen for entrepreneurship?
- Are Emiratis inclined about starting a venture of their own, that is are they willing to become entrepreneurs?
- What are the key drivers pushing Emiratis for entrepreneurship?
- What are the key challenges being encountered by Emiratis when starting a business venture of their own?
- Are women in UAE also involved in the process of entrepreneurship?
- How can the culture of entrepreneurship promote and facilitate Emiratisation of the workforce?

The reliability for other sections of the questionnaire are also healthy that indicate that the research instrument is very reliable and the results are very consistent.

The reliability scores of all the domains of the research instrument are high, only one area that explored supportive economic condition has a relatively low reliability but that is also under the acceptable range.

The results of the reliability analysis indicate that the research instrument or the questionnaire is very reliable and the results are very consistent hence the findings of this research based on this research instrument are to be considered valid, trustworthy and dependable.

5.1 Diversity and participation of women

Traditionally it has been observed that women are less involved in the economic activity and the workforce of UAE. The results of the survey indicated that women are playing a key role in the entrepreneurial process. The sample size of this survey was 500 and the number of females was 90 or 18% but out the 90 females 80 were entrepreneurs.
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Table 2  Frequency and percentage of male and female

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>410</td>
<td>82%</td>
</tr>
<tr>
<td>Female</td>
<td>90</td>
<td>18%</td>
</tr>
</tbody>
</table>

The sample was also a total representative of various emirates. The sample consisted of fair representation of entire UAE. The highest number of participants came from the three leading Emirates of Abu Dhabi, Dubai and Sharjah.

5.2 Economic factors

Economic factors play a vital role, if the economic indicators are positive, the businesses would flourish and if the economic conditions are worsening, then businesses would decline and entrepreneurial activity would be hampered. As we know that the economy of UAE is performing really well, the GDP of UAE is US$ 402 billion and gross national income is US$ 551 billion (World Bank, 2013). UAE is also the second largest economy in the MENA region, hence it was anticipated that entrepreneurs will not be facing many economic barriers and challenges.

The results of the study indicated that

- Entrepreneurs were largely satisfied with the market conditions and policies of the government. Only a mere 6% found the market conditions to be serving as a barrier.
- The acquisition and transmission of technology is also satisfactory, UAE has a saturation of mobile and internet penetration is also high. The government is focused on innovation hence there are not many technological barriers for entrepreneurs. A small 8% considered the technology as a barrier but this was also related either to the high cost of technology or lack of home grown technology. The availability and access to technology is not a barrier for entrepreneurs in UAE.
- The availability of finance is certainly not an area of concern for Emirati planning to start a business. There are sufficient government funding options available. Apart from government funding even private banks are very supportive in terms of financing entrepreneurial ventures. Only 2% consider financing as a barrier.
- The main culprit or the biggest impediment and obstacle were the lack of training or sources of training employees. 74% consider lack of training as a barrier.
- Infrastructure is already available for business. There are many free zones and trade zones that is why many international companies are also flocking to UAE. The survey indicates that people are by large happy about the infrastructure available and only 4% find it as barrier.

5.3 Regulatory factors

Regulatory factors refer to the rules, regulations and government policies. The government is by large very supportive of business. The results of the study indicate that people are by large very satisfied with the government policies and hardly consider it as a
barrier. 90% of the respondents don’t find any government intervention a hindrance. There is no red tape or bureaucratic processes that would cause delays. Most of the processes are automated and many licenses can even be obtained or renewed online also, the state of e-government is also very supportive for entrepreneurs in UAE.

The results of this are completely in line with the OECD study that asserted that UAE is committed to promote SME and entrepreneurship and is doing all to facilitate entrepreneurs (OECD, 2011).

As per Gupta et al. (2012), studies by Global Entrepreneurship Monitor also indicate that the government is very supportive and the regulatory factors push for entrepreneurship and cultivate it.

5.4 Regression analysis

Regression analysis is done to check the interdependence of variables on each other or how change in one variable can impact and influence a same or contrasting change in other variable. In the hypothetical framework developed for this research we had the following variables

- entrepreneurship
- government support in terms of provision of training and facilities
- government support in terms of provision of consultancy and advisory services
- feasible and supportive economic conditions and factors for entrepreneurship
- feasible and supportive legal and administrative factors
- here entrepreneurship is the dependent variable and other factors are the independent variables.

The model summary asserts that the model has a validity of this model for gauging entrepreneurship is 94% and the variance of explainable variation along the regression line is 9%. The only unexplainable variation accounts for just 1%. This indicates the high level of authenticity and trustworthiness of the model.

In the regression model we have the following four factors that can influence entrepreneurship.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Factors influencing entrepreneurship</th>
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<tbody>
<tr>
<td>Factor 1</td>
<td>Government support in terms of provision of training and facilities</td>
</tr>
<tr>
<td>Factor 2</td>
<td>Government support in terms of provision of consultancy and advisory services</td>
</tr>
<tr>
<td>Factor 3</td>
<td>Feasible and supportive economic conditions and factors for entrepreneurship</td>
</tr>
<tr>
<td>Factor 4</td>
<td>Feasible and supportive legal and administrative factors</td>
</tr>
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</table>

The regression equation for the model is

\[ \text{Entrepreneurship} = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 \]

where
- \( A \) = constant
- \( B_N \) = per unit change
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- $X_1$ = government support in terms of provision of training and facilities
- $X_2$ = government support in terms of provision of consultancy and advisory services
- $X_3$ = feasible and supportive economic conditions and factors for entrepreneurship
- $X_4$ = feasible and supportive legal and administrative factors

The study indicates that all four factors have the power to influence the state of entrepreneurship. We find that

- Government support in terms of provision of training and facilities has a positive and strong association of 47%. This means a per unit change in this role can impact 0.47 per unit change in the status of entrepreneurship.
- Government support in terms of provision of consultancy and advisory services is also very important and has a high bonding of 55%. This means a per unit change impact the overall model by 0.55.
- Feasible and supportive economic conditions and factors for entrepreneurship have a negative correlation of 21%. This means per unit addition in this would result in decreasing the per unit value of the model by 0.211 and vice versa.
- Feasible and supportive legal and administrative factors has a positive and strong bonding with entrepreneurship, the bonding is estimated to be 49%. This means a per unit change in legal and administrative support can impact the model by 0.49.

The results of the study indicate that the government is playing a very supportive role in promoting entrepreneurship.

5.5 Reliability

For analysing these questions and also accomplishment of the aims and purposes of the research, it is imperative to first check the reliability of any research. Reliability refers to the fact that the research is dependable and if the same or similar research is conducted again using the same research instrument, keep other factors constant and unchanged, one would obtain similar results. The overall reliability of the research instrument is found to be 0.915 or 91.5%, this is a very healthy and stable Cronbach alpha.

5.6 Limitations

Entrepreneurship has inclusive implication inside the single word. The study is constraint only to the skill development aspects. The research can be further carried towards the other aspects of the entrepreneurship that are inventive ideas and innovation, unique business proposal etc. It also have prospect to do research on skill development with employee’s retentions and satisfaction rate for private sector. The limited period of time evade us to extend the research towards the other areas of entrepreneurship.

5.7 Implications

The paper is not only helpful in Emiratisation, but also to the entrepreneurial private sector aiming to hire the local talent. The people belongs to the working organisation can
get aware about their skills and further the outcomes can be utilised for bringing the improvement into the knowledge of the workforces while developing the skills at the most. The chances for hiring, as mentioned earlier, are increased when the workforces mentally grow with inactive environment.

6 Conclusions

Entrepreneurship is considered as an important driver of economy. Countries that have more entrepreneurs are more economically stable and are able to offer more job opportunities to their people. Traditionally entrepreneurship has not been a much preferred objective by individuals. Men would have preferred working in government organisations. The changing times and economic factors have made it mandatory for the countries even in the oil MENA region to focus and divert their energies on promoting entrepreneurship. The Government of UAE has taken substantial measures to facilitate individuals into becoming entrepreneurs. The results indicate that more than 90% of the participants are very appreciative of the role of the government and consider it to be very supportive to the provision of finances, training, advisory or consultation or promoting and maintain economic conditions that would foster economic activity. Even when regulatory and economic factors were inquired, participants responded very favourably in the favour of the government. The study also showed that women are also participating in the economic activity and taking on the entrepreneurial roles. The Emirates with highest number of entrepreneurs included Abu Dhabi, followed by Dubai and Sharjah.

7 Recommendation for the government

One of the biggest barriers for entrepreneurs was training and availability of the skilled talent. These are two areas where the government should focus and try to offer more facilitation so that even this barrier can be removed. The main thinking behind this research was that if there would be more entrepreneurs, more Emiratis would be hired and there would be less joblessness among the youth. The more entrepreneurial policies, more easy it would be to implement the process of Emiratisation. This postulate hold true that by promoting entrepreneurship, the government will not only foster economic activity but also implement and accomplish the goals of Emiratisation.

References


The role of workforce skills development for entrepreneurship


Appendix

Questionnaire for the data collection

Section A: demographics information

<table>
<thead>
<tr>
<th>Gender</th>
<th>Education</th>
<th>Emirate</th>
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<tbody>
<tr>
<td>Male</td>
<td>□ High school and less □ Under graduate</td>
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<tr>
<td>Female</td>
<td>□ Diploma</td>
<td>□ Abu Dhabi</td>
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<td></td>
<td></td>
<td>□ Dubai</td>
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<td></td>
<td></td>
<td>□ Sharjah</td>
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<td></td>
<td></td>
<td>□ Ajman</td>
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<tr>
<td></td>
<td>□ Post-graduate</td>
<td>□ UAQ</td>
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<tr>
<td></td>
<td></td>
<td>□ Fujairah</td>
</tr>
<tr>
<td></td>
<td></td>
<td>□ RAK</td>
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Where did you complete your studies? □ Overseas □ UAE

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Field of work</th>
<th>Family size</th>
<th>Do you have any private business?</th>
<th>If your answer No, are you planning to do business?</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Employee</td>
<td>□ Private sector</td>
<td>□ 1</td>
<td>□ Yes</td>
<td>□ Yes</td>
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<td>□ Section head</td>
<td>□ Public sector</td>
<td>□ 2</td>
<td>□ No</td>
<td>□ No</td>
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<tr>
<td>□ Manager</td>
<td>□ Information technology</td>
<td>□ 3</td>
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<td></td>
<td>□ Healthcare</td>
<td>□ 5</td>
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<td></td>
<td>□ Agriculture</td>
<td>□ 4</td>
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<td></td>
<td>□ Manufacturing</td>
<td>□ 6</td>
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<td></td>
<td>□ Security industry</td>
<td>□ 7</td>
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<td></td>
<td>□ Administration</td>
<td>□ 8</td>
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<tr>
<td></td>
<td>□ Accountancy</td>
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<td></td>
<td>□ Public relations</td>
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<tr>
<td></td>
<td>□ Advertising and marketing</td>
<td></td>
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<tr>
<td></td>
<td>□ Others</td>
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<td></td>
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<td>□ 8</td>
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</tr>
</tbody>
</table>
Section B: characteristics of entrepreneurs owned business and preferences

Why you preferred to start your own business?
- Be self-employed
- Financial situation
- Increase income
- Family tradition
- No public sector job was available
- I prefer my own business
- Required investment is low
- Other, specify

Business sector
- Information technology
- Human resources
- Financial services
- Law/advocacy
- Energy
- Others, please specify

Business legal formulations ownership establishment?
- Sole ownership
- Joint venture ownership (company)
- Family business
- Joint venture ownership (person)
- Representative
- Other

Business funding source?
- Self-saving/personal money
- Borrowed from bank
- Bank support
- Government support
- Other, specify
- Family support
- Shared investment
- Inheritance

Is anyone from your family an owner or entrepreneur of any business activities?
- Yes
- No

If the answer is yes, what is the relation with him/her?
- Grandfather
- Grandmother
- Parents (father)
- Parents (mother)
- Cousin
- Sister
- Brother
- Wife
- Other, specify

How did you acquire the skill for running your enterprise?
- Grandfather
- Grandmother
- Parents (father)
- Parents (mother)
- Cousin
- Sister
- Brother
- Wife
- Other, specify

I am happy to have my own business
- Strongly disagree
- Neither agree nor disagree
- Strongly agree
- Disagree
- Agree
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Section B: characteristics of entrepreneurs owned business and preferences

Most Emiratis have a negative perception regarding a private business
- Strongly disagree
- Neither agree nor disagree
- Strongly agree
- Agree

Working in your own business is better than what most Emiratis think it to be
- Strongly disagree
- Neither agree nor disagree
- Strongly agree
- Agree

I would move to the private business if I could secure there
- Strongly disagree
- Neither agree nor disagree
- Strongly agree
- Agree

What are the problems you faced during your business operations as per the following

Economic factors
- Market
- Technology
- Finance
- Training
- Infrastructure
- Relations to suppliers and vendors
- Limited market
- Other, specify

Regulations factors
- Government policy
- Government support
- Government procedures (trade license, approval, etc.)
- Other, specify

Section C: factors affecting entrepreneurs

The key factors affect entrepreneurs are recorded below. After you read each of the factors, evaluate them in relation to your business and then put a tick mark (✓) under the choices below.

5 = strongly agree, 4 = agree, 3 = undecided, 2 = disagree, 1 = strongly disagree

<table>
<thead>
<tr>
<th>Sr #</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Government fully supported for UAE talented entrepreneur</td>
<td></td>
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<tr>
<td>2</td>
<td>Government provide continues training on entrepreneurship to enhance business skills</td>
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<tr>
<td>3</td>
<td>Marketing and bench market available on different sources and easy to be accessed</td>
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<td>4</td>
<td>Financial planning and analysis training are conducted on regular bases</td>
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<tr>
<td>5</td>
<td>Customer service training been provided</td>
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</table>
Section C: factors affecting entrepreneurs

<table>
<thead>
<tr>
<th>Sr #</th>
<th>Strongly disagree</th>
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<th>Neutral</th>
<th>Agree</th>
<th>Strongly agree</th>
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<tr>
<td>6</td>
<td>Technical training been provided</td>
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<td>7</td>
<td>Strategic planning been provided</td>
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<td>8</td>
<td>Technology supports provided</td>
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<tr>
<td>9</td>
<td>Facility an furniture supports provided</td>
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<td>10</td>
<td>Financial supports provided</td>
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<tr>
<td>11</td>
<td>Consultancy and advices</td>
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<tr>
<td>12</td>
<td>Government always ready to solve any problems</td>
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</tr>
</tbody>
</table>

Satisfactory on the economic factors

| 13   | I am overall satisfied with the access to financial information given by the government lending institutions. |
| 14   | I am overall satisfied accessing to various business training |
| 15   | I am overall satisfied accessing to potential and prospective business opportunities |
| 16   | Business premises is available to run the business |
| 17   | I have the required managerial skills to run my business |

Satisfactory on administrative and legal factors

| 18   | Business assistants been facilitated by government from various government bodies |
| 19   | An access to policy makers is assigned |
| 20   | An access to government consultant is assigned |
| 21   | I have no legal, institutional and policy constraints |
| 22   | Money borrowing is available and facilitated |
| 23   | I am beneficiary of government incentives |
| 24   | I have priority on getting government project |