

# Recommendations about the entrepreneurship environment in Jordan

Prepared by Trip to Innovation - Jordan



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## About the Session:

On the 22<sup>nd</sup> of November 2015, Trip to Innovation – TTI organized a discussion workshop as part of the activities in the global entrepreneurship week (GEW 2015) to discuss the reality of entrepreneurship in Jordan under the title "Entrepreneurship climate in Jordan." The workshop hosted several speakers and professionals in developing entrepreneurship programs from several fields, and was also attended by an elite audience from different sectors (Public sector, private sector, Non-profit organizations, and academic organizations) in order to benefit from the insights of these participants and provide concrete recommendations on how to upgrading the system of local entrepreneurship, and later share these recommendations with local policy makers and the media. TTI believes that with the continuous growth of the Jordanian entrepreneurial scene, it has become necessary to interact with stakeholders to establish partnerships as a step to encourage sustainable entrepreneurship in Jordan.

The panel discussion held 3 sessions to discuss three main topics that are connected to the local entrepreneurial system:

**First Session:** The upbringing of entrepreneurship in Jordan.

**Second Session:** The strengthening of entrepreneurship in Jordan.

**Third Session:** Women's economic participation and entrepreneurship in business.

Note that Trip to Innovation – TTI is a non-profit organization that works on growing ideas and entrepreneurship amongst youth and help them overcome unemployment through accelerating ideas and encouraging entrepreneurship, and help transform these ideas to be applicable.

## Speakers who participated in the formulation of recommendations:



**Samar Doudin:**

Regional and programs director of the institution Ruwwad, "the Arab Foundation for Sustainable Development", a non-profit organization dedicated to empowering young people and communities. Samar has been working in the field of education since the eighties, and has specialized in employment in the field of drama and the arts as a method of learning. Samar is now focused on developing courses for non-formal learning for youth and children empowerment and development.



**Eman Abedah:**

Trainer and consultant in the business sector, She holds a BS in Computer Information Systems and an MBA. Eman is currently working as a lecturer and entrepreneurship programs in the German-Jordanian University. She is also the Co-founder of "Eradeh"; an initiative that supports children and youth with diabetes.



**Eman Al-Otaibi:**

Eman is a specialist in growing educational-development programs. She participated more than once as an activist and a consultant in the formulation and implementation of several development curriculums, she is also a founding member of several development programs such as Amin Al-Hasan award which aims to support the capabilities of the Arab Youth. Eman is a leading Jordanian successful entrepreneur, where she founded the company "Beyond Art for Printing".



**Omar Al-Taweel:**

Omar had been practicing the profession since 2006 and is now an executive partner in "Al-Taweel and co" Law firm. Omar is an activist in the field of information technology and the local entrepreneurial environment since 2008; as he is a co-founder in several local initiatives, and the founder of "Taweel-law" initiative that works on raising legal awareness amongst individuals and business owners.



**Salah Al-Aqbi:**

Salah is a global Jordanian entrepreneur; he wanted to be rated the first on the Arab world, but instead became the second globally. He graduated from the University of Science and Technology in 1995, majoring in chemical engineering and used his expertise to produce a type medical chalk first of its kind. He then Founded a factory for the production of this product. The factory flourished, and now contributes in the employment of 80 Jordanian workers, the factory now exports to over 100 countries around the world.



**Ziad Al-Masry:**

Ziad is specialized in marketing and business development, with twenty years experience in the areas of research, design, and development of telecommunications services and the Internet. He is very knowledgeable of modern solutions in the field of information technology and communications, and is currently the Executive Director of "The Tank" by Umniah.



**Dr. Salma Al-Nims:**

She holds a doctorate degree in development planning and a master's degree in sustainable development from the University of London. She's been working since 2004 with governmental institutions as a consultant in Gender and Development. She is a founding member of the platform "Taqaddam", and activist on social networking sites; especially in the areas of human rights and social justice, and is a board member of the Higher Population Counsel (HPC). She is currently the Secretary General of the Jordanian National Commission for Women's Affairs.



**Dr. Sawsan Al-Majali:**

Secretary-General of the Higher Population Counsel (HPC). She is highly interested locally, regionally, and internationally, in the field of reproductive health and social development, and program management. She is also a member in several board members of organizations related to health, population, and development bodies, and most importantly; a member of the Jordanian National Committee for Women's Affairs, the Board of Trustees of the National Centre for Human Rights and the Advisory, Committee for Nursing and midwifery / World Health Organization. She had also been involved in a number of national strategies and, most recently, "Jordan vision 2025".



**Eng. Alia Gharaibeh:**

She is a local Entrepreneur. She started a company for training and consulting aimed to establish programs and specialized training courses in the field of supply chain management inside and outside of Jordan. Alia is lecturer in this field. Alia is a co-founder of "By Solar" for Sustainable Energy. Alia is a spokeswoman in the field of entrepreneurship and business.



**Rania Al – Sweti:**

Rania Exceeded 13 years of experience in the field of development, she is specialized in Research and training in the field of economic development. She has experiences in Jordan, Palestine, and the middle east. Rania is a certified international trainer in business and entrepreneurship.

# Recommendations and suggestions:

## First Session:

This session discussed the different spaces that the Jordanian youth interacts with during the various stages of their upbringing. Another topic that was discussed is the importance of inclusiveness in those spaces; as the applications that develop the psychological and entrepreneurial skills are present in all of the spaces. The spaces that we are discussing precisely are three spaces: Schools space, university space, and social space (youth and children's interaction with the family, the neighborhood, institutions of civil society ...) which is a non-formal learning space.

Following are the recommendations that surfaced from the workshop arranged by the sequence of their appearance in the seminar:

### **First: Recommendations on the school space and its role in upbringing the entrepreneurial character in the students:**

Speaker: Eman Al-Otaibi:

- Activating the extracurricular programs where students are subjected to different experiences that provide them with skills such as creative thinking, challenging, and the spirit of adventure and initiative.
- Adoption of community work, volunteering, and extracurricular activities within the criteria that the global education institutions set.
- Develop mandatory curriculum of national education and entrepreneurship to promote patriotism and entrepreneurial spirit among students.

### **Second: Recommendations on the university space and its role in upbringing the entrepreneurial character in the students:**

Speaker: Eman Abedah:

- Considering establishing qualified programs that train educational faculties; as the formal and informal educational institutes face challenges in finding staff qualified in entrepreneurial education.
- It is important that the entrepreneurial education institutions include practical education not only theoretical education.
- The Jordanian universities especially in the scope of entrepreneurial education must begin a gradual transition from being research universities to applied universities. One of the effective ways to achieve this transition is to mandate the entrepreneurial educators to be entrepreneurial themselves.

### **Third: Recommendations on the social space and its role in upbringing the entrepreneurial character in the students:**

Speaker: Samar Doudin:

- Values, communication, and interaction must be revived within the family space because of its important role in the development of various skills in children. A good example of this matter is the authentic examples that the children learn from their grandparents.
- Illiteracy is a deficient term; because everyone has something to add regardless of their academic degree. Therefore pioneering should not be limited within the scope of formal education as there are several examples of entrepreneurship from our heritage such as cooking and knitting.
- There are three important traits of social space. **First trait;** the space of social interaction that our youth deals with must come in different ways and places such as school yard, backyard, and many more. Most importantly the space must be

safe and free for entrepreneurs to move at liberty. **Second trait;** these spaces must be educational through trial and error and applications; meaning it must have a tangible educational side. **Third Trait;** these spaces must be limitless; meaning it should harmonize all races, religions, gender, etc... where the ability to be creative is directly connected to being positively varied.

An important recommendation to community organizations; is to consider executing programs in different areas, and to make these programs continuous and cumulative. An example of this is the "Ruwwad" experience on the effect of social space of building youth capacity; where the first generation of graduates now run "Ruwwad".

## **Second Session: Entrepreneurship strengthening environment in Jordan:**

This session focused on the proper environment for the entrepreneur, it was edified as the components that the entrepreneur interacts with after taking the decision of starting a business as he will be subjected to different elements such as legal matters, regulations, market competitiveness, and the integration with the private sector.

That's why we chose to highlight this environment via three axes:

- 1) The role of the private sector building a proper entrepreneurial system in Jordan.
- 2) Rules and regulations that effect or related to entrepreneurs.
- 3) An entrepreneurs point if view of interacting with the current entrepreneurial system.

### **First: The role of private sector in building a proper entrepreneurial system in Jordan:**

Speaker: Ziad Al-Masri:

- The entrepreneur needs to be exposed to the global market and follow up with the market speed so he can measure his performance based on updated standards, and to be able to mold his business in a way that's equivalent to modern market. These services that might not be provided by any governmental body; because of the high level of specialization required, as well as high cost, where the program coordinator must be highly knowledgeable in the business world. The contribution of the private sector in providing such programs is very important in building local entrepreneurial system. For example; "Umniah" Initiated a similar project that has made a significant impact on the lives of young entrepreneurs and beneficiaries.
- Promote communication and partnership between large and emerging companies, and work on changing the stereotype of these partnerships that they only benefit the small companies; where the large companies today face many challenges because of new technologies that threaten their presence. Perhaps the most practical way to face this is partnering with emerging companies that work on creating new and innovative technology solutions. An example of this is "Umniah" partnering with many mobile smart applications providers.

### **Second: Rules and regulations that affect business owners:**

Speaker: Lawyer Omar Al-Taweel:

- Legislators must reconsider the Jordanian law for emerging companies, where the definition is based on the standards of the International Monetary Fund's definition; where it differs in from the reality of the Jordanian market.
- Legislators must reconsider revising the contracts used by incubators and local businesses accelerators, as they mostly imported contracts that don't take into account the privacy of the local entrepreneurship system, and its terms are unfair to entrepreneurs and do not utilize their benefit from these institutions in a tangible way.

- Awareness programs must be launched that work on the public sector staff to educate them about the entrepreneurial work as they play a big role in supporting the entrepreneurs through understanding the privacy of their cases when it's being reviewed by deferent departments.
- Activating the application of existing laws developed by Jordan that supports the local entrepreneurial system as soon as possible and with the highest efficiency so it can become part of the local culture, and difficult to neglect.

### **Third: The entrepreneur's point of view about his experience of interacting with the local entrepreneurial system**

Speaker: Salah Al-Aqbi:

- Emerging businesses in the rural areas must be supported; because when a business in that area is successful, the unemployment rates there will reduce as there will be employment opportunities.
- One of the challenges I faced when establishing my project is getting the support, though I was eligible to get according to the conditions and requirements. I had difficulty with one of the staff of the funding program where he tried to frustrate me and bring me down. If it wasn't for my determination, I would not have been able to achieve all of this success. I recommend that the communication skills of the staff must be improved to guarantee the moral support and motivation that the entrepreneur should receive.
- Activate policies and practices that enhance the Jordanian product consumption, and giving it priority; because succeeding globally does not mean succeeding locally.

### **Third Session: the economic participation of women and women's business entrepreneurship:**

Based on locally traded numbers, and global ranking indicators of the economic participation of women in Jordan; it is indicated that we still have a lot of work to do in the field of motivating women and dispel the obstacles that prevent them from joining the labor market; as Jordan recorded a high and excellent rate of female education, but this percentage diminishes to only 16% when talking about women's economic participation, which means that Jordan does not utilize its local human resources. This also means that there are numerous obstacles that women in Jordan face, and stops them from operating solidly. This session discussed the obstacles and facts that are related to the participation of women in the economic and entrepreneurial environment; where discussing women entrepreneurship in Jordan became a very important matter; because the entrepreneurial work is free in its nature, it can serve an environment where the woman herself can control and extend, as well as establishing a fair system of wages where there is no difference between men and women. The entrepreneurial activity isn't bound with a certain time and space, therefore women can practice it at home and manage her time and establish a balance between her work responsibilities and home. Thus the entrepreneurial work can dispel many of the challenges that women face in the labor market. From a wider angle, the stimulation of women entrepreneurship activates a bigger number of micro businesses; this plays a big role in the Jordanian economics which considers entrepreneurship as a method to survive and grow.

In order to cover all of this; the session contained these subjects:

- The role of population strategic planning in formulating a policy that utilizes the Jordanian workforce; with a special focus on women as the less participative gender.
- The role of "The Jordanian National Commission for Women" in influencing the local regulations, as well as formulating strategies that eliminates the challenges that women face in the labor market, and create a conducive environment for all to cooperate in this field from public and private sectors, even civil society.
- The experience of the Jordanian female entrepreneur in the labor market.
- Economic empowerment programs and their role in supporting women's economic participation and entrepreneurship.

**First: The role of strategic population planning in formulating policies that stimulate and activates the Jordanian workforce; focusing on women as the less participative gender.**

Speaker: D.Sawsan Al-Majali:

- Jordan is heading now towards its population chance (a change in the composition of the population where the portion of the segment of the productive group age (15-64) is higher between the years 2030 to 2050), where the Higher Population Council (HPC) works as a consultant. Awareness must be raised about this opportunity amongst all segments of the society so they can work on building and developing of programs that will utilize this chance and place these energies in the most optimal position.
- Despite the great effort made to educate females in Jordan, their participation in the labor market is still weak. This means that a suitable working environment hadn't been created (in terms of work hours, maternity leaves, harassment issues ....). Therefore; the local work environment should be reconsidered, and reformulated to more supportive of women and their work. Perhaps a good start is the "women's empowerment map" that the Higher Population Council (HPC) is working on.
- Some actions that may contribute to facilitating the involvement of women in the labor market is to activate exceptional practices such as part-time, working from home, or participatory jobs held by more than one person at the same time. These procedures should be available for both of the genders.

**Second: The role of "The Jordanian National Commission for Women" in influencing the local regulations, as well as formulating strategies that eliminates the challenges that women face in the labor market, and create a conducive environment for all to cooperate in this field from public and private sectors, and civil society:**

Speaker: Dr. Salma Al-Nems:

- Different platforms from different Supreme councils and committees must work hand in hand to make correctional changes that lead to the equality of opportunities.
- The Jordanian National Commission for Women plays an important role in supplying the state institutions with resources of information, and advice on taking equal opportunities and gender equality into account when formulating plans and policies; either by providing them with a social type or through mutual coordination. An important recommendation in this context is to have a unit in every governmental institution or ministry specialized in gender.
- The Commission is working on reviewing several published materials of different governmental institutes, then follow up on these publishes and provide feed back on equal opportunities. Sometimes of these institutions do not take the advice seriously, so the official or even societal supervision must be strengthened.
- Co-operations must be activated; as they intended primarily to be a main provider of support services for micro-businesses.
- Work on the involving women in the private sector in a motivational manner and not a mandatory one. A good example is the programs that are being developed in this area, but these programs should be institutionalized. An example of stimulus measures for the private sector is to make the gender equality connected to tax and investment amenities, although such changes are criticized as it is claimed that they affect "the state's income tax", but given to what has happened in previous years, tax were raised coincidentally along with a decrease in income of these sectors, which means that raising taxes is not associated with increased or decreased state tax income.
- Urging the educational curricula and media platforms to promote the concept of task and opportunity equality inside the house till the stereotype about women's participation and gender roles that bind women in household tasks is lessened.

**Third: The experience of the entrepreneur woman in the Jordanian labor market:**

Speake: Eng. Alia Gharaibeh:

- The obstacles that woman face must be promoted as positive opportunities; it stops a woman from working as an employee, but encourages her to start her own business.
- Certain terms that might stimulate different sectors regarding gender mainstreaming must be promoted. An example of this is the many reports that discuss the added value and the remarkable progress in the level of innovation and productivity in companies where women work in advanced positions or as part of the Board of Directors.
- Communications technology provides an opportunity to create an innovative business model that does not fit with the conditions of working women, but also increases the productivity and reduces the cost. Such models had proved their success in sectors; notably the services sector (formerly the largest sector in the Jordanian economy).
- Women must be emerged in the development sectors such as technology, engineering, and mathematics because these sectors have a significant contribution to the gross domestic product (GDP) of any country; where flying the location of these countries in the global value-added chain and lies opportunity Jordan in the fact that 50% of university graduates are women where they can employ these skills through entrepreneurship.
- Must focus on guidance as an essential factor in supporting entrepreneurship in general and the woman entrepreneurship in particular; because women's work patterns are characterized by including cooperation, and can employ the guidance experience massively.

**Fourth: economic strengthening programs and their role in supporting women’s economic and entrepreneurial involvement in particular:**

Speaker: Rania Al-Sweti:

- Studies should be intensified and highlight regarding the concept of home-based businesses, and also study its impact on the local economy and plan for molding it as an important sector that occupies many Jordanian women.
- An important recommendation to support women's domestic work is periodical exhibitions that allow the women to promote and sell their products, in addition to establishing unified information centers that gives them information about the needs of the market and information about products similar to theirs.
- Although the business incubators exist and even distributed in the local entrepreneurial system, we still need more specialized type of incubators that understand the differences between the different sectors, and would also take in consideration the geographical differences. For example; an incubator specialized in dairy production in Jerash may be the nucleus of high leveled factory in this field.
- Highlighting women's success stories and sharing them with the media in order to publish the concept of successful women in the Arab business world-wide.