

Midocean University
College of Management,
Department of master of management



Assessment of the effectiveness of business development strategies in the success and sustainability of Saudi Arabia emerging companies

تقييم فعالية استراتيجيات تطوير الأعمال في نجاح واستدامة الشركات

الناشئة في المملكة
العربية السعودية

Student preparation:
Abdelkader Hassan Abdelkader

Supervisor:
Prof. Dr. Walid Suleiman

Year
2024-2025

Acknowledgements

At the beginning of this high meeting, I have to express my gratitude and deep thanks to God Izzah and Gil, who have succeeded and facilitated me towards this high degree. To him thanks and unbroken thanks.

I offer my gratitude to my generous parents and beloved wife, who have been my primary support on my scientific journey.

I am also grateful to Dr. Walid Suleiman, who pioneered my guidance and supervision during this scientific journey. His valuable guidance and good advice were primarily in drafting my message as I came up with today. I also conclude by extending my great thanks for accepting my invitation to discuss my master's thesis.

Special thanks are due to all the questionnaire respondents and to the SME support provider participants, all of whom made this research possible. grateful to the Government of the Saudi Arabia, represented by the Ministry of Higher Education, for providing the necessary financial support, which subsequently allowed this research to be completed.

رسالة شكر و تقدير

في بداية هذا اللقاء الرفيع، يحتم عليّ أن أعبر عن امتناني وشكري العميق لله للهِلله عزّ وجلّ، الذي وفقني وأيسر لي الطريق نحو هذه الدرجة العلمية الرفيعة. إليه الحمد والشكر الذي لا ينقطع.

أتقدم بجزيل الشكر والالامتنان لوالدي الكريمين ، الذين كانوا دعمي الأساسي في رحلتي العلمية

كما أعبر عن امتناني للدكتور وليد سليمان حفظه الله للهالهالهاله، الذي كان رائدا في إرشادي وإشرافي خلال هذه

الرحلة العلمية. كانت توجيهاته القيّمة ونصائحه السديدة أساساً في صياغة رسالتي بالشكل الذي أتيت به

اليوم. وايضا أختتم بتقديم شكري الكبير على قبوله دعوتي لمناقشة رسالة الماجستير. ونتوجه بالشكر الخاص إلى جميع المشاركين في الاستبيان وإلى دعم الشركات الصغيرة

والمتوسطة

المشاركون المزدودون، وجميعهم جعلوا هذا البحث ممكناً. وممتن لحكومة المملكة العربية السعودية ممثلة

بوزارة التعليم العالي، لتوفير الدعم المالي اللازم، مما سمح بإجراء هذا البحث .

Abstract

This research is aim to investigate the challenges that Saudi Arabian companies face. It attempts to identify the opportunities that come with companies and looks at the essential components that contribute to both longevity and success. A sample of forty responders was chosen. The results of the study show that customer demands are the primary focus of startup operations. Non-equity financing is still the main source of funding for startups. Getting funding is the first challenge most companies encounter. One of the main priorities for Saudi Arabian enterprises is product innovation. The majority of respondents think that an entrepreneur's skills and disposition play a significant role in the success of a firm. And evaluating labor development initiatives' efficacy as well as their contribution to success and sustainability. Newly established businesses in Saudi Arabia. The analysis of success elements and problems will be followed by an evaluation of how to employ techniques that effectively encourage development. Employees and guaranteeing their longevity in the long run. From this search's weakness, we anticipate findings. It adds to our knowledge of the elements that lead to success in developing corporate commerce and offers insightful advice. To employees and decision-makers: please support these businesses' capacity to continue employing Saudi workers.

Keywords: Entrepreneurship, Startups, Saudi Arabia, Challenges, Opportunities

First part:

- ☐ Cover
- ☐ Acknowledgments
- ☐ List of Content
- ☐ Tables and charts
- ☐ Appendixes

Chapter 1:

Introduction

- ☐ Introduction
- ☐ Problem Statement
- ☐ Study Purposes
- ☐ Study Questions
- ☐ Research Hypotheses
- ☐ Theoretical Model

Chapter 2:

Literature review

- ☐ Introduction
- ☐ Dependent Variable
- ☐ Independent Variable
- ☐ Summary of Past studies

Chapter 3:

Research Methodology

- ☐ Introduction
- ☐ Research Design
- ☐ Population of the study
- ☐ Sample Characteristic
- ☐ Sample Size Determination
- ☐ Data Collections procedures
- ☐ Method of Analysis

Chapter 4:

Practical Study

- ☐ Research Findings
- ☐ Research
- ☐ Recommendations
- Research References

Appendixes

- ☐ Arabic and English
- ☐ references Appendixes
- ☐ Arabic abstract
- ☐ English abstract

Table index

Index of shapes

Introduction

Worker development initiatives are a critical element in the success and sustainability of startups in Saudi Arabia, and are essential to achieving wealth and sustainable development. In order to stay ahead and achieve their goals, these startups must overcome many obstacles on their way to growing excellence in a highly competitive job market. As such, it is crucial to evaluate the effectiveness of the development strategy. Emerging companies in Saudi Arabia. Success factors and challenges will be analysed and also assessing how to apply effective strategies to promote growth Workers and ensuring their sustainability on the long league. From the flaw of this search, we expect results to emerge. It contributes to our understanding of success factors in emerging corporate trade and provides valuable guidance .To workers and decision makers to support the sustainability of these companies in Saudi workers environment .The literature has delved deeply into the impacts of entrepreneurship on wealth generation, job possibilities, and economic development. Despite a wealth of theoretical and empirical research on the effects of entrepreneurship on the economy, there is a dearth of empirical data specifically looking at firm starts. According to Cho and McLean (2009) and Krejčí et al. (2015), a startup is a new, transient firm with an inventive business plan and state-of-the-art technology. Furthermore, according to Thomas, Passaro, and Quinto (2019), startups have a significant potential for quick development in addition to having a repeatable and scalable business strategy. Additionally, it is well recognized that startups are often put in dangerous and unpredictable circumstances (Preisendörfer, Bitz, and Bezuidenhout 2012).Numerous research studies have indicated the noteworthy impact that startups have on economic development, innovation processes, digitalization, high value added generation, higher growth, and employment creation (Kelley and Nakosteen 2005; Sulayman et al., 2014; Thomas, Passaro, and Quinto, 2019; Kelley and Nakosteen 2005; Colombo and Piva 2008; Davila, Foster, and Gupta 2003; Mustar, Wright, and Clarysse 2008). But very little is known about these firms' origins, growth, and sustainability, as well as what keeps them from evolving and growing.Saudi Arabia's Vision 2030 and the National Transformation Program (NTP) 2020 have set high standards for themselves in order to move the nation away from an oil-based economy and toward a knowledge-based one. In the areas of technology, entrepreneurship, and digital innovation, several efforts are being introduced. These initiatives range from financing, fostering, and speeding the growth of startups to generating employment, expanding capacity, modernizing regulatory frameworks, and assisting SMEs. One of the most important milestones in supporting startups was the creation of the Saudi Arabian National Entrepreneurship Centre, an institution aimed at enabling young people to be successful business owners and supporting the nation's entrepreneurship movement. In addition, the Public Investment Fund (PIF) recently announced the launch of a "Fund of Funds" program designed to simultaneously support the creation of new venture capital. Even though Saudi Arabia places a strong emphasis on entrepreneurship, not many research have been done on the subject of company starting in the nation.Few studies have been conducted with an emphasis on startups in Saudi Arabia, despite the Kingdom's recognition and emphasis on entrepreneurship (Abu Bakar et al 2017; Alferaih 2022; Rahatullah Khan 2013). Thus, the goal of this work is to close this gap.

This paper's primary goal is to examine the major obstacles that new businesses must overcome. In the same vein, it examines the primary drivers of success and sustainability and attempts to pinpoint the wave of possibilities that accompany companies. To ensure the profitability and long-term growth of startups in the Kingdom of Saudi Arabia, Strategies for worker development are among the most important elements that are crucial to attaining sustainability and success. Numerous obstacles stand in the way of these companies' progress. Excellence in a workers' market that is competitive, and hence the significance of assessing the efficacy of development plans must remain in first place and accomplish the objective. Saudi Arabia's Vision 2030 and the National Transformation Program (NTP) 2020 have set high standards for themselves in order to move the nation away from an oil-based economy and toward a knowledge-based one. A number of technology, entrepreneurship, and digital innovation activities are being introduced; they range from financing, fostering, and accelerating businesses to generating employment and enhancing capacity.

Problem Statement :

Saudi Arabian business owners face several challenges while starting and running their enterprises. These challenges may be divided into five main groups:

1. Not enough money: In Saudi Arabia, raising capital presents several difficulties for startups. This results from the high cost of doing business in the kingdom as well as the general conservative and constrictive atmosphere. To get beyond these obstacles, a lot of business owners turn to Friends of the Family (FOF) and angel investors.
2. A brief course for growth: One of the biggest challenges facing Saudi Arabian businesses is their limited growth trajectory. This is due to the nation's small population and traditional economy, which mostly relies on gas and oil exports. To attract new investment, Saudi Arabian companies need to provide a compelling business strategy and demonstrate their potential to investors.
3. The regulatory environment is challenging: The regulatory landscape in Saudi Arabia is challenging, which might lead to more red tape and delays in product approvals. If Saudis are to prosper, they need to be prepared to confront these two challenges head-on.
4. The market is hardly saturated: In Saudi Arabia, more established companies with more resources and experience might pose a threat to startups. This might lead to low market saturation, which could result in lengthy waits for product approvals and low customer satisfaction.
5. Inadequate network to promote creativity: In Saudi Arabia, the lack of an innovation support network might pose challenges for entrepreneurs. This is a result of inexperienced and hesitant government agencies in charge of technological development to accept new technologies.
6. Ineffective assessment of worker development techniques: New businesses may find it challenging to assess the efficacy of the tactics they use to grow, which may have an impact on their capacity for success and long-term viability.

7. A lack of clarity on how methods effect startup performance: Businesses may find it challenging to comprehend how worker development initiatives influence their long-term viability and success.

8. Difficulty considerations that influence how methods are implemented: New businesses may have challenges in putting their plans into action because of things like a deficiency of imports or limitations in the Kingdom of Saudi Arabia's legal and economic framework.9. Insufficient experience .10. Inadequate funding.11.Insufficient financial flow .12.A subpar business strategy .13.Inept management.14.Lack of awareness of the competitors.15.Absent or unrealistic

objectives

16.A declining number of clients .17.Unchecked expansion .18.Unsuitable site .19. A flawed framework .20. A deficiency in entrepreneurial abilities

Study Purposes :

□ This study's primary goal is to investigate the key external, internal, and individual variables that hinder entrepreneurial company startups in South Africa from surviving. By doing so, we want to:

□ Learn about the present state of Saudi Arabian entrepreneurship.

□ Determine which specific characteristics of entrepreneurs account for the majority of company start-up failures.

□ Examine the enterprise characteristics that have the greatest impact on the failure of new businesses.

□ Learn which environmental elements are most important for Saudi Arabian company failure.

□ Find out how Saudi Arabian businesses see the obstacles they face as a consequence of the government's Vision 2030.

□ Provide suggestions on how Saudi Arabia's small start-ups should be supported in order to lower obstacles, facilitate their expansion, and enhance the country's economy.

□ Strategy analysis and evaluation: The study's goal is to analyze and appraise the business development strategies used by rising organizations and how these strategies impact their long-term viability.

□ Identification of success factors and challenges: The study's objectives are to pinpoint the elements that make up developing companies' success as well as the difficulties they encounter while putting labor development plans into practice.

□ Making real and tangible recommendations: The goal is to raise the likelihood of success and sustainability for new businesses while also enhancing the efficacy of labor development methods.

□ Examining chances for growth and improvement: In order to support success and sustainability, the research intends to investigate chances for creating and enhancing labor development plans in start-up businesses.

In summary, this study's primary goals are to analyze the used methods, pinpoint the elements affecting the performance of startup businesses, and provide suggestions and chances to enhance tactics. Employee development with the goal of raising success and continuity prospects.

The study's significance:

1. Assisting in the provision of the facts and science required to make wise and well-informed strategic choices is one way that the efficacy of labor development initiatives may be evaluated.
2. Improving illness and efficiency: Due to a lack of knowledge about the efficacy of the underlying tactics, start-ups' performance may be boosted and their worker development efficiency can be increased.
3. Encouraging sustainability and success: By identifying the elements that support start-ups' sustainability and success, these elements may be strengthened and prospects for survival and success in the marketplace increased.
4. Evaluating employee development guidance: Businesses may be guided to enhance and expand their strategies in order to get superior outcomes by knowing how successful the tactics are. (In summary, offering a thorough analysis of the efficacy of labor development techniques might serve as the foundation for better decision-making, enhanced output, and raised prospects for the survival and success of start-ups.)

Study Questions

1. Are up-and-coming businesses building their own businesses with creative and practical strategies?
2. What elements affect a start-up's potential to succeed and endure?
3. Are new businesses encountering difficulties putting labor development plans into practice? If so, what are these difficulties?
4. How can the success and sustainability of emerging enterprises be increased via the use of labor development strategies?
5. Do Saudi start-ups have any similar themes or patterns in their workforce development strategies?

6. How do labor development initiatives affect the survival and prosperity of young businesses in Jeddah, Saudi Arabia?

Research Hypotheses and Theoretical

Model Theoretical Model

1. Resource-Based View (RBV):

Idea: A company's distinctive and priceless resources provide it a competitive edge.

Application: Businesses are required to use their resources wisely in order to get a long-term competitive advantage when they implement company growth plans.

2. Theory of Institutions:

Concept: Organizational behavior and strategy are shaped by external elements including rules, conventions, and culture.

Application: In Saudi Arabia's distinct socio-cultural and legal context, institutional influences impact the selection and application of corporate growth techniques.

3. Theory of Dynamic Capabilities:

Idea: Organizations' capacities to incorporate, develop, and reorganize both internal and external competences in reaction to quickly changing surroundings.

Application: In order to capitalize on new possibilities in Saudi Arabia and adjust to shifting market conditions, corporate growth plans must possess dynamic skills.

4. A focus on the market:

Concept: Businesses concentrate on comprehending and meeting the demands and preferences of their clients.

Application: Market-oriented company development techniques guarantee the production of goods and services that satisfy the needs of Saudi Arabian consumers.

This research focuses on the failure of small company startups in Saudi Arabia, a nation with distinct entrepreneurial perspectives and a particular setting. Through the integration and expansion of previously generally recognized studies on the failure of small enterprises, the study attempts to develop a single, approved list of criteria by Saudi entrepreneurs and government officials linked with small start-up failure. The research offers a fresh perspective on the obstacles that small company startups in Saudi Arabia face, particularly when considering the viewpoint of the entrepreneur.

The creation of a unified, consensus-based list of variables linking small start-up failure to Saudi entrepreneurs and government officials is the study's primary contribution. This has been combined with and expanded upon previously published, generally recognized studies on small company failure, creating a conceptual model that takes into account the particularities of the Saudi setting as well as the opinions of entrepreneurs.

The thorough analysis of environmental factors—which were divided into four groups: socio-cultural, political, economic, and infrastructure—represents the second contribution. Examining these obstacles may assist policymakers in mitigating obstacles and assist entrepreneurs in overcoming obstacles.

A comprehensive and well-defined conceptual framework derived from prior literature is the third contribution. This framework may be used to any emerging nation or area in the Middle East and North Africa (MENA). In the future, investigations into the failure of small company start-ups may take into account GCC nations, which are comparable to Saudi Arabia and include the UAE, Oman, Kuwait, Bahrain, and Qatar.

The study's fourth contribution adds new information to a field of research that was started by Westhead, Storey and Cowling (1993), Storey (1994), Lussier (1995), and Cowling (2010) by supporting our understanding of the obstacles that small business start-ups face in today's environment.

The report also notes that a tiny start-up business cannot be certain to thrive if it concentrates just on certain aspects. Still, tiny start-ups that consider these obstacles are probably going to have a better chance of surviving than small start-ups that do not.

Research Hypotheses

First hypothesis:

Null Hypothesis (H0): The success of emerging businesses in Saudi Arabia is not significantly correlated with the adoption of business development techniques.

The success of new enterprises in Saudi Arabia is positively correlated with the implementation of business development methods, as per the Alternative Hypothesis (H1).

Second hypothesis:

Null Hypothesis (H0): Dynamic skills do not operate as a mediating factor in the relationship between business growth strategies and the sustainability of developing enterprises in Saudi Arabia.

Hypothesis 1 (alternative): Dynamic capabilities operate as a mediating factor between business growth strategies and the sustainability of Saudi Arabia's rising enterprises.

Third Theory:

Null Hypothesis (H0): In Saudi Arabia, there is no moderating influence from institutional considerations on the association between business growth methods and firm performance. Hypothesis 1 (alternative): In Saudi Arabia, institutional variables function as a moderator in the association between corporate performance and business growth methods.

Fourth Hypothesis:

Null Hypothesis (H0): In Saudi Arabia, there is no discernible moderating influence of market orientation on the association between business growth methods and firm success.

Hypothesis 1 (alternative): In Saudi Arabia, market orientation considerably attenuates the association between business growth tactics and firm performance.

Methodological Strategy:

Data collection: To get thorough insights, use both quantitative (such as surveys and financial data analysis) and qualitative (such as interviews and case studies) approaches.

Data analysis: Test hypotheses using statistical methods like regression analysis and structural equation modeling, and use qualitative approaches to get a better understanding.

Sampling: To improve generalizability, make sure that a representative sample of Saudi Arabia's developing enterprises is included, spanning different sectors and areas.

In summary: Researchers may provide empirical evidence on the efficacy of business development methods in the success and sustainability of developing enterprises in Saudi Arabia by evaluating these hypotheses within the suggested theoretical framework. This advances knowledge in academia and offers useful information to companies doing business in Saudi Arabia.

Literature review

Presenting an overview of pertinent earlier research and studies, going over and explaining the findings and research done in this particular context, and talking about how much it has contributed to our knowledge of the subject and how it has affected the current state of affairs. Some of the following details are taken into consideration while reviewing prior research in order to provide more clarification: 1. Research techniques employed: Examine past research methodologies, including surveys, interviews, opinion polls, and current studies, to ascertain the most effective ways to gather and process data. 2. Key findings: It's critical to understand the key conclusions drawn from earlier research and how they were applied to the context of worker development and startups. 3. Impact of the findings: Talk about how the conclusions and suggestions made by earlier research have impacted the state of affairs and our comprehension of the subject. 4. Omissions and takeaways: discussing the weaknesses that were found in earlier study as well as potential research questions, as well as the lessons that may be used to strengthen the present analysis.

This aids in establishing a framework for the present study and highlighting possible possibilities and difficulties that can be addressed and worked to mobilize via the current research by carefully examining these issues and offering a thorough description of pertinent prior studies.

A startup is an entrepreneurial enterprise that is relatively new to the market. Its objective is to meet market demands by creating, providing, and delivering services or procedures, or by introducing new goods (Storey and Greene 2010). Additionally, Storey (2016) provides a more detailed definition of the company starting within the framework of the business lifecycle.

Startups are the first phases of an enterprise's lifecycle when the entrepreneur starts putting the ideas they had at the ideas stage into action by obtaining funding, choosing and constructing the organizational structure, and starting trading or business activities. A startup's primary goal is to provide cutting-edge goods or services. A startup is distinct from other SMEs (small and medium-sized enterprises) due to its high degree of innovation, capacity to reach global markets via the Internet, scalable business model, and availability of fresh funding sources that allow it to grow faster than SMEs (Aulet and Murray 2013). The research suggests that there are five types of entrepreneurs: embryonic, beginner, habitual, serial, and portfolio. A "nascent entrepreneur" is a person who has not yet reached profitability but is considering launching a company or is already in the process of doing so. Conversely, newbie company entrepreneurs are only people who have launched companies without any previous business expertise. Conversely, habitual entrepreneurs are those with a track record in the business world, like portfolio or serial entrepreneurs. Serial entrepreneurs have past experience and operate a single firm, while portfolio entrepreneurs manage numerous enterprises concurrently (Birley and Westhead 1993; Bridge and O'Neill 2013; Webster 1977; Westhead and Wright 2013). Numerous research have been conducted on the phases in the lifespan of an entrepreneurial firm; some have identified five stages (Scott and Bruce, 1987), while others have insisted on more. According to Janssen (2016), there are seven stages in the lifetime of an entrepreneurial initiative or business: the seed stage, startup stage, establishment stage, expansion stage, mature stage, and exist stage. A company initiative starts with the seed stage. During the 'ideas' stage, the project or company concept is first defined. At this point, the entrepreneur's attention is on the potential business prospects in the market. The firm forms as a legal entity at the second stage, which is known as the startup phase. The first client will have been acquired, and the product or service to be provided will now be in use. Profits are attainable and competition intensifies during the

expansion period. There will be an increase in hiring and the implementation of a more formal company model, which will increase the outflow of cash. By the time it reaches the establishing stage, the firm will have grown and developed, and it will probably have a significant market share compared to its rivals. Productivity will be the company's primary focus as it improves its operations. During the growth phase, the business owner would even search for new markets and methods to boost sales. At this point, the company will promote itself to new markets and clients in addition to introducing new goods and services. Stable sales and profitability are what the corporation will see in its mature period. If the owner of the company chooses to go forward, plans will be made to find new markets, cut operational expenses, and create methods for keeping a positive cash flow. The company owner makes decisions about selling the endeavor or perhaps shutting it down during the exist stage, which is the last stage of operation. Review of Empirical Few studies have been conducted with a focus on startups in Saudi Arabia, despite the Kingdom's acknowledgement and emphasis on entrepreneurship. Alferaih (2022) looks at students' intentions to use technology platforms to start new firms when they graduate. Based on data collected from 763 students at a public institution in Saudi Arabia, the study assesses and verifies the several alternative research methodologies that are presently being used. The findings indicate that while perceived behavioral control and self-efficacy have a significant impact on entrepreneurial behavior, attitude, subjective norm, perceived feasibility, perceived desirability, propensity to act, and digital entrepreneurial education have a significant impact on entrepreneurial intentions. A critical examination of the Saudi Arabian entrepreneurship environment is given by Rahatullah Khan (2013). The research employed primary and secondary sources to examine the efforts and understand the entrepreneurial development system. The main conclusion is that the ecosystem is still developing and that it is not fully developed. Numerous studies on entrepreneurship may be found in the literature. The impact of entrepreneurs on the global economy is enormous, regardless of the extrinsic or intrinsic components of business success. In a lot of nations, rules are important. in the successes and failures of entrepreneurship

(Abu-Sharkh & Alshubaili, 2013; Arregle et al., 2013; Bennett et al., 2013; Branstetter, Lima, Taylor, & Venâncio, 2013; Cassell & Blake, 2012; Dreher & Gassebner, 2013; Eifert, 2009; Gómez-Haro et al., 2011; Jasra, Khan, Hunjra, Rehman, & Azam, 2011; Levie & Autio, 2011; Munemo, 2014; Smallbone et al., 2010; Sutter & Beaulier, 2013; Welter, 2011). Motivations and the capacity to overcome obstacles are other elements that influence the success or failure of new firms (Alrashidi, 2013; Genberg et al., 2014;

Robinson & Grayson, 2014; Singh, 2014; Weber, Oser, Achtenhagen, Fretschner, & Trost, 2014).

Improving the economic standing of people and their various communities is a shared objective shared by businesspeople and political authorities (Simón-Moya, Revuelto-Taboada, & Guerrero, 2014). The purpose of the literature research was to identify effective entrepreneurial techniques, such as adhering to government rules, and to comprehend the difficulties encountered by entrepreneurs. Comparable data, meanwhile, could provide different results in Saudi Arabia, where youngsters make up two thirds of the population. Entrepreneurial impulses and autonomously dynamic features necessary for corporate success are inhibited in the face of complex restrictions (Chang & Wang, 2013; Doern & Goss, 2012; Knörr, Alvarez, & Urbano, 2013). According to Bae, Qian, Miao, and Fiet (2014), there isn't always a proportionate link between teaching entrepreneurial skills and entrepreneurship. The foundation of an entrepreneur's motivation is their internal discipline and inventiveness (Luca & Cazan, 2011). The rate of entrepreneurship is higher when there are role models (Bosma, Hessels, Schutjens, Praag, & Verheul, 2012). Both pupils engaged in harmful opportunities (Urbig, Weitzel, Rosenkranz, & Witteloostuijn, 2012) and those who can endure more risk benefit more from entrepreneurial training (Fairlie & Holleran, 2012). According to Baumol (1996), there are a number of destructive prospects, such as widespread bribery, the abolition of property rights, and unfair market rivalry. Some Saudi students who are taught entrepreneurial skills are more likely to want to be company owners and operators (Almobaireek & Manolova, 2012; Arogundade, 2011). Despite the difficult processes Saudis have to follow to start a company, they are naturally entrepreneurial; they would rather run their own enterprises than work for already established ones (Bayt, 2013; Sharaf, Alsadaawi, Elmadany, Al-Zahrani, & Ajbar, 2013). Future commercial ventures in Saudi Arabia must take into account innovations found at Saudi colleges (Ozin, 2013). To shift Saudis' perspectives toward a free market and high-quality services, Saudi university staff recently launched entrepreneurship programs (Faridi, Al Kahtani, Alam, & Malki, 2014; Gamalel-Din, 2012). In an attempt to foster more entrepreneurship, researchers from Saudi Arabia and other countries evaluated open-source software as a means of bridging communication gaps between managers and entrepreneurs (Smith, Alshaikh, Bojan, Kak, & Manesh, 2014). With more assurance, hope, inventiveness, and autonomy from conventional work, enterprising people advance free economies (Knörr et al., 2013; Suárez-Álvarez, Pedrosa, García-Cueto, & Muñoz, 2014

). Then, with support from the government, entrepreneurs may have been crucial in reducing poverty, enhancing employment opportunities, and founding an independent country.

Summary The first chapter highlighted the problems facing emerging companies and study purposes and study questions and research hypotheses And a theoretical model, especially in regarding the national transformation plan in the context of Saudi Vision 2030. In the second chapter, an overview of previous studies of emerging companies, entrepreneurship and entrepreneurs, the business life cycle, and the importance of small business success with the factors that help it succeed.

Research Methodology

introduction:

The purpose of this paper is to investigate: how family businesses have used their uniqueness to create a competitive advantage through the use of strategic management, compared to non-family businesses? In order to solve this problem, it is necessary to understand what is meant by family business and how it differs from non-family business. In addition, the term 'competitive advantage' as it is used in the field of strategic management needs to be clearly defined with means of application to family business.

Family businesses can have their own unique advantages and disadvantages when compared to non-family businesses. Succession issues, governance, and conflict resolution are areas that have been widely researched over the past twenty years. Another area where family business has been shown to be significantly different from non-family business is strategic management.

Family businesses have existed as an economic and social institution for time immemorial. During the 1980s, family business began to receive a good deal of attention from the academic community, and since then, research in this field has grown significantly.

research design:

In terms of primary data, multiple interviews with entrepreneurs were conducted to identify the different business development strategies used in initial start-up phases. Information was obtained on the type of strategy used with some examples and how this has been implemented into the business plan. It was essential to evaluate both successful and unsuccessful start-up attempts. As time was limited, only a few failed attempts were evaluated, with the most information coming from successful entrepreneurs. Failed attempts gave an indication of what strategies may not have worked and why. A few of the strategies were identified through the interviews; however, much has been found out by asking for a business plan and looking at this over a period of time. Through this, a business plan can be evaluated for strategy implementation and effectiveness. An interview was used to find out if this matched what strategies were used in the short term and whether the long-term implications were known.

Secondary data, on the other hand, is information that has been collected previously for a different purpose. This type of data is easier to access and is obtained through the internet, libraries, and other reports. Secondary data is less costly than primary data and can be obtained rather quickly. In evaluating the success and sustainability of start-up business development strategies, both primary and secondary data are needed.

Research can be categorized into primary and secondary data. As defined by Zikmund (2003), primary data is original data collected by the researcher for a specific research question or objective. This type of data is generally used for specific purposes and provides more detailed, in-depth information. It is also more costly and time-consuming to obtain. There are numerous methods of obtaining primary data, the most common being surveys and interviews. Due to the formulated hypotheses and research questions, primary data was the most appropriate.

Population of study :

Startup culture is gaining significant momentum in Saudi Arabia, with the government giving attention and support through various initiatives such as Saudi Vision 2030, National Transformation Program, and FIKRA. Saudi Arabia ranks in the top 10 worldwide for availability of venture capital, and with the startup and SME community in Saudi Arabia pursuing an alternative future to oil, the burgeoning economy's entrepreneurial ecosystem is brimming with possible success stories (Al-Abdulkareem, 2016). The decision that Saudi Arabia's future prosperity lies in a more diverse economy echoes that the young entrepreneurs' vision of Saudi Arabia might meet the vision of the government. However, the suitability of business development strategy and its potential for success and sustainability of Jeddah startups are yet to be seen. The startups in Jeddah have limited hierarchy and face a long and difficult path towards their true objectives. It will be noted that no startup can succeed without a proper business development strategy. And so it is imperative to explore the pathway taken by startups in Jeddah and evaluate the wider impact it has on the local economy and potential for expansion to larger markets. This will serve as an example to other SMEs in Saudi Arabia who aim to diversify job markets to not rely solely on the public sector, an issue commonly addressed by the majority of the previous and current governments' economic diversification programs (Al-Barrak, 2017).

Sample characteristics:

The selection of the appropriate sample is essential to the successful outcome of research. The first step of the sample selection process is to identify the target population. The target population in this research is the startup businesses in Jeddah, Saudi Arabia. Since the total number of startups in Jeddah is unknown, the population is considered as infinite. Due to limitations of time and cost, a finite sample of the population is taken. To achieve a high level of generalizability, it is important to obtain a representative sample. In an attempt to achieve this, only startups from one source, the Jeddah Chamber of Commerce, will define startups as its members. This will create a relatively well-defined population to sample from. A stratified random sampling approach will then be used to ensure proportional representation of startups based on size of industry. This will involve dividing the population into subgroups of similar characteristics, then selecting a sample from each subgroup. At the time of conducting this research, the breakdown of startup businesses by industry sector is unknown. However, the results of this research will be utilized by the government and educational institutions to aid future entrepreneurs, so we expect it will be important to identify the various industry sectors and have an understanding of the distribution of startups throughout these sectors. Therefore, in order to provide a preliminary indication of industry sector distribution, we will utilize publicly available data from the Jeddah Chamber of Commerce directory of their members and generate an industry sector breakdown. This sector breakdown will be used as the basis for the stratify with the sample selection. A list of sector size by number of employees, private and public, will be acquired from the Ministry of Labour and the sectors will be divided into the different SIC codes. This will be the basis for determining size. In the absence of specific sector size data for the startups, a simple mail survey will be administered to a sample of the startups prior to the main survey to access the sector size information. The data from the sample will be used to develop the size category for each of the sectors. This information will then be used as a basis for the construction of a stratified sampling frame which will then be used for selecting the sample. At this stage, the mail survey data will be used to determine the proportions for each stratum and estimate non-response rates which will also be used to adjust stratum size. The sample of startups from the Jeddah Chamber of Commerce will then be used to select the sample and administer the survey.

Sample size:

The sample size was 5 companies. This involved primary research, conducting interviews with business owners/senior managers in the companies. The reasons for this small sample size are twofold. First, it is hoped that by the 5th interview, data saturation will be reached. Data saturation is the point at which no new information is observed in the data. At this point, further research in the topic area is unnecessary. Due to the fact that each company will likely have different experiences when dealing with business development strategies, it is expected this will be reached with a relatively small sample size. This is further discussed in the research limitations section. The second reason is that this is a logistically easy method of collecting data. This is important when considering the time frame/word limit set on this research. Due to the fact that primary data collection must be done during much of the research process, ease of data collection is important. The sample selection process was relatively straightforward.

Data collection procedures:

Primary data is information collected first hand from the source. It is generally gathered through surveys, interviews, and observation. The two primary methods of primary data collection used in this research would be survey research and interviews. The questionnaire for the survey would be prepared to give a comprehensive understanding of the business development strategies used and planned to be used in the future. Care would be taken to ensure balanced questioning and that the survey takes only 10-15 minutes to complete. This would ensure a high completion rate. The survey would be conducted on a sample of startups in Jeddah. It is a fast and low-cost method of obtaining information from a large sample of the population. The findings can be easily quantified and generalized to the population. In this case, the population would be the startup community in Jeddah. Step-by-step guidelines with regard to sampling method and determining the size of the sample, and obtaining contact and email addresses of the respondents, and a letter for transmitting the questionnaire are provided in Malhotra (2008). Questionnaires are very useful in obtaining data on attitudes, opinions, and intentions. They are particularly useful where sensitive issues are being discussed and the respondent may feel more comfortable giving honest answers (Ghauri and Gronhaug, 2002).

Methods of analysis:

Evaluation of business development strategies implemented by startups As the saying goes, a healthy body houses a healthy mind. In the same context, a healthy company is the result of a well-developed business. The focus here will be on how Saudi startups have developed their business and the resulting effects. An interesting characteristic of developing businesses in Saudi is that new small firms seek to avoid regulations. The study will note the effects of this informal business development in contrast to attempts by the government to promote formalization as a means of achieving more sustainable businesses. Step by step development of new firms can be traced via a form of business plan. Analysis of Saudi small businesses found that very few firms had a written plan as to how and whether they'll expand their business. For startups, this is most likely to be a plan centered on how to increase revenue, indicating that with the formation of more specific plans, the revenue stream is still a goal rather than a present state for many small firms. A survey of 250 exporting Saudi firms shows that the most widely rated constraint for expansion was economic or financial constraints. This contrasts the global view that it's unskilled labor who are seen as the major constraint to small firms in developing countries. Most startups will undertake a series of trial and error attempts towards various business development actions to increase revenue, often without any formal strategy. In contrast to the aforementioned sample, Saudi firms are approaching business development actions, which are relatively low-risk attempts to increase revenue given the reluctance to take out loans. An example is the shift of small firms towards e-commerce activity due to the implementation of Saudisation within the industries sector. It is, however, still unclear what success these attempts have had. This is the closest thing to a business development strategy, and the study will look at the variety of strategies employed and how they have affected revenue. Due to no firm-specific data, the study will be limited to an analysis of publicly released data for any e-commerce related project. We take this as the beginning point of a developed business plan.

4.1. Overview of startups in Jeddah, Saudi Arabia Any business is not easy to establish as well to sustain. This is totally true when it comes to a startup. Current theory supports the long-held intuition of entrepreneurs: offering new products, process services that are better than that already offered, substantially increases the likelihood of success. Startups which define their business with a focus on providing a new offering of some type have grown to become a company with an average duration of 3.9 years. The general perception of research and development is that it's a risky investment, but it appears that the simplest form of R&D; developing new products and services turns out to be less risky than perceived. New product-driven startups have, on average, a 47% chance of closeness after 3.5 years. Startups are vulnerable to a number of critical issues, which include recruitment of human resources, accessing financial support, undertaking the latest technology, keeping up product development, starting and establishing a market presence. All of this needs to be done while allocating the most scarce resource, that being time. Jeddah provides an interesting environment for study when considering these issues. 15% of innovative startups close due to failure in understanding or satisfying customer needs, as compared to 54% of non-innovators. This huge variance in the reasons for closure shows that innovative startups are better, on average, at identifying what the customer wants and developing a product that satisfies those requirements. This will be reflected by sales revenue and growth of the firm. Unfortunately, there are still 24% of closing innovative startups which indicate that lack of profitability is the reason for closure. A likely cause of this is suboptimal pricing strategy usually due to cost plus pricing for new products.

Practical study:

Research findings:

The findings in this study have implications for startup owners and entrepreneurs in the area of business development strategies. Although the findings are mixed, several key implications arise from the results of the analyses. The primary focus of this research was to evaluate the effectiveness of formal business development functions within the context of new venture creation. The findings did not strongly support a correlation between firm success and the presence of a marketing or sales function. However, startups companies that engaged in activity directed at developing alliances were found to achieve greater success in relation to revenue increases and higher rates survival relative to start ups that did not engage in alliance activity. These findings imply that alliance development in early stages of a new venture is an effective strategy to enhance new venture success. As stated by Mowery, Oxley, Silverman (1996), alliances or partnering are an integral part of the modern innovation process. This is in part due to the increasing complexity of technology and the high costs associated with producing and marketing new ideas. Many new firms do not have sufficient core competencies whether it be functional or product related, to achieve success in technological based industries. The findings in this research suggest that these firms can engage in alliance activity centered on business development functions to achieve their desired goals.

Research recommendations:

Currently, there are large gaps in our understanding of the importance of various types of business development to the otherwise trendy topic of entrepreneurship. Focusing specifically on new businesses, Defelipe and Bernal (2005) have drawn attention to the necessity of understanding differences between entrepreneurial ventures, particularly small businesses and high-potential business startups. This is an area which has been substantially neglected in mainstream entrepreneurship research (Davidsson and Wiklund, 1997). Additionally, there has been very little investigation into the nature of business development in the context of small and high-potential businesses. An understanding of the process and outcome of business development practices among these businesses may allow effective interventions to foster enterprise and economic development. A longitudinal analysis verbalised by Cohn et al. (2004) has suggested that future research should try to link different stages of firm growth to different types and categories of business development. More specific studies which further investigate the role and importance of marketing, HR and financial strategies are needed. These strategies were often mentioned in literature but little real consensus was reached as to their importance, especially in marked comparison with R&D and technological innovation. Studies should investigate the importance of these strategies relative to the nature and industry of the new business. For example, a study by Lin (2007) focused specifically on high-technology SMEs and found considerable variance with broader literature about the role of marketing and financial strategies. An interesting avenue for research is to explore the importance and impact of business development strategies on the success and failure of new business. This could involve drawing comparisons between successful and unsuccessful firms, or investigating the implications of different strategies for various measures and definitions of success. These studies would help to solidify the importance of business development to entrepreneurs and new businesses.

References:

1. "Business Development: Successful Strategies for Companies" by Ibrahim Al-Omari.
2. "Innovation and Entrepreneurship" by Hamza Ibrahim Al-Zahabi- May 9, 2006
3. "Strategic Planning for Companies" by Saleh bin Ali Al-Khalifi.
4. "Project Management and Business Planning" by Abdulaziz Al-Tarikhan.
5. "Economic Analysis of Companies" by Saad Al-Janabi.
6. "Innovation Management in Companies" by Mahdi Khalaf.
7. "Digital Marketing and E-Commerce" by Reem Al-Sanan.
8. "Leadership Development and Enhancement in Companies" by Yahya Al-Suwaidan.
9. "Competitive Excellence Strategies for Companies" by Abdullah Al-Aqad.
10. "Operations Management and Productivity Improvement" by Khalid Al-Ahmari.
11. "Business Development Strategies in Saudi Arabia" by Abdulrahman Al Shahrani.
12. "Development and Growth of Companies in the Saudi Labor Market" by Salman Al Harbi.
- 13 . "Innovation and Entrepreneurship in Saudi Companies" by Lejein Al Rashidi.
- 14 . "Competitive Excellence Strategies for Saudi Companies" by Mohammed Al Daghar.
- 15 . "Enhancing Innovation and Competitiveness in Saudi Companies" by Hani Al Malik.
16. "Entrepreneurship in the Kingdom of Saudi Arabia" by Youssef Al-Mohammed.
17. "Success Strategies for Startups in the Kingdom of Saudi Arabia" by Noura Al-Otaibi.
18. "Business Environment Analysis in the Kingdom of Saudi Arabia" by Abdulaziz Al-Juhani.
19. "Developing Leadership and Innovation in Saudi Companies" by Abdullah Al-Maliki.
20. "Strategies for Developing Startup Companies in the Kingdom of Saudi Arabia" by Sarah Al-Sulaiman.

Appendix :

Analysis of the data gathered for this research is based on the inductive method, which will provide not only a mere understanding of the research questions but also a generalization about the whole issue of SMEs in their process of internationalization. Hence, it will give a broader scope for understanding the complexity of the processes, strategies, and the result of IB. Based on the fact that the writer has established the TCE framework and combined it with the strategy concept completely, the researcher believes that research findings could have a more than satisfactory resolution of each research question. This finding is starting from identification and selection of foreign market, entry mode decision, and the various decisions of doing the IB process and business sustainable in the term of a very lengthy process in doing a great business that researches in less attention. All of the issues were the common issues faced by the SMEs to doing the IB process but has never found a comprehensive detail explanation about the processes and the result. This research is also completed with the various examples from the real condition of the case that already faced by the informants. So the writer believes the findings are real a concrete step and also can be implemented and developed by the SMEs who want to do or improve the IB processes. The inductive method used in the analysis would provide generalization about the whole issue of SMEs in the IB process. Hence, it will give a broader scope for understanding the complexity of the processes, strategies, and the result of IB. Based on the fact that the writer has established the TCE framework and combined it with the strategy concept completely, the researcher believes that research findings could have a more than satisfactory resolution of each research question. This finding is starting from identification and selection of foreign market, entry mode decision, and the various decisions of doing the IB process and business sustainable in the term of a very lengthy process in doing a great business that researches in less attention. All of the issues were the common issues faced by the SMEs to doing the IB process but has never found a comprehensive detail explanation about the processes and the result. This research is also completed with the various examples from the real condition of the case that already faced by the informants. So the writer believes the findings are real a concrete step and also can be implemented and developed by the SMEs who want to do or improve the IB processes.