

Arjan, Khaled T. M.* *The role of small enterprises in economic development in the southern part of West Bank. Department of Business Administration, Faculty of Finance & Management, Hebron University, Hebron, Palestine. (Master Thesis – March 2nd, 2013).*

Abstract

The present study aimed to identify the role of small enterprises in economic development in the southern part of West Bank – Palestine which are supposed to achieve a number of economic and developmental outcomes. The study has tackled the subject as a multidimensional phenomenon; addressed by both theoretical and applied studies. Therefore, the subject of the study was measured procedurally through the following indicators: the motives of the establishment of small enterprises, the role of small projects in the creating jobs and reducing unemployment, the role of small businesses in raising income and improving living standards and reducing poverty, the role of small projects in the reduction of imports, and access to self-sufficiency in some commodities, the role of small projects in allowing female to participate in the process of economic development.

To answer the questions of the study and establish the validity of the hypotheses, descriptive approach was used. The researcher developed a questionnaire to measure the role of small enterprises in the process of economic and social development from the respective of owners. After ensuring that the tool measures what it was designed for - by presenting it to a group of arbitrators. The population of the study was limited to all owners of small enterprises in the southern part of West Bank (Bethlehem and Hebron Districts), who paid off all their financial obligations to the chambers of commerce up to 31/12/2011. The total number of these enterprises was about (2867); (1916) enterprises in the governorate of Hebron and (951) enterprises in Bethlehem (data was obtained data directly from chambers of commerce). The researcher distributed the questionnaire of the study to a stratified sample of owners of small businesses amounted to (200) subjects. (146) questionnaires were retrieved and fit for analysis; these were statistically treated through the program of statistical packages for social sciences (SPSS) using means, standard deviations, T- test, one way analysis of variance and Tukey- test.

The study revealed various findings; the most important are: that small enterprises operating in the southern part of West Bank- according to the viewpoint of the owners -contribute to a fair degree in the process of economic development, in terms of creating jobs, reducing unemployment, raising income, improving living standards and reducing poverty, reducing imports, accessing to self-sufficiency in some commodities, and allowing female to participate in the process of economic development.

However, small projects were economically viable, from the viewpoint of the owners, for the benefit of current capital of the project that has grown considerably compared to the capital at the start of the project with an average capital increase of 129,019.2 JD (Jordanian Dinars).

The study concluded that there are significant differences in the role of small enterprises operating in the southern part of West Bank from the viewpoint of the owners in bringing about economic development depending on the demographic variables of the study: gender, qualification, the ownership of the project, the labour sector, the number of employees, and the source of capital at the start of the project.

Key words: Small enterprises, economic, development, participation.

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Number of pages: 130. Number of references: 36. Defence date: March 2nd, 2013.

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