

Impact of Small and Medium Enterprises on Economic Development in the Gulf Cooperation Council: Quantitative Approaches

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Abstract : Both in the developed and developing countries as well as Gulf Cooperation Council (GCC), the small and medium-sized enterprises (SMEs) proven to be main drivers of jobs creation and tools to accelerate economic development and economic diversification. This paper seeks to investigate and identify the strengths and weakness of SME as a veritable tool in economic development. A survey method was used to gather data from 171 SME from Gulf Cooperation Council (GCC). The research methodology uses a quantitative approach (survey) while data were collected with a structured questionnaire and analyzed with several descriptive statistics. The results of the study, therefore, will present sets of the strengths of SME in GCC such as 1) government supported local products (59%), 2) promoting SME local products rather than international products (47%), 3) reduce the legal and administrative procedures of SME establishment (46%) and weakness of SME in GCC such as: 1) lack of funding during the initial phase of the project (46%), 2) lack of liquidity during project continuity (39%), and 3) strong competition in the domestic and global market (38%). The study findings will be guidelines for academia and practitioners such as governments, policymakers, funded organizations, universities and strategic institutions for successful implementation.

Keywords : SME, economic development, GCC, strengths and weaknesses

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