

Business Obstacles-Variations Between Female Owned and Male Owned Enterprises in Lebanon During COVID-19

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Abstract

This research uncovers the variations between female owned and male owned enterprises in Lebanon. The World Bank's Enterprise Survey (ES) focuses on many aspects of the Business Environment. Apart from exploring the Business environment, the ES also collects information about the characteristics of firms, workforce, physical infrastructure, international trade, taxes and corruption, and Business Environment obstacles. In this research, the authors explore the ES data of Lebanon and analyze the variations between the female owned and male owned business firms on the top ten business environment obstacles namely, political instability, access to finance, corruption, tax rates, practices of the informal sector, electricity, custom, and trade regulation, Business licenses and permits, inadequately educated workforce and transportation. In addition, variations based on gender where the top manager is male, or female is explored. The Mann-Whitney U test is run to explore the statistical variations (Dodge, 2008). The major findings include that there is statistically significant variance in two variables namely 'Business licensing and permits' and "Environmental Regulation", among the female owned and male owned firms in Lebanon. Another finding includes a statistically significant variance among the two types of firms where the top manager is male or female for the variable "Tax rates". The study concludes that the most threatening constraints facing enterprises are political instability, access to finance, and corruption in the country, besides that, the COVID-19 pandemic has enlarged the gender gap in terms of increasing and intensifying gender inequality.

Keywords: Business Obstacles, Lebanon, COVID-19, Gender Variance

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1. Introduction:

On January 30, 2020, the World Health Organization (WHO) declared the COVID-19 virus outbreak a global public health emergency causing more than 2.1 million death cases worldwide. The virus, reportedly originating from the city of Wuhan, in China, was caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) in December 2019. Undoubtedly, the COVID-19 pandemic has had tremendous effects on different industries including the education industry (Pokhrel, & Chhetri, 2021), the health sector (Rhyan et al., 2020); in addition to other forms of businesses of all sizes and types (Apedo-Amah et al., 2020), (Carracedo et al., 2021) and (Meyer et al., 2022). In the Middle East region, the pandemic's effects were aggravated by an already complex ecosystem as most of the middle eastern countries re characterized by political conflicts, compromised healthcare systems, and frequent religious gatherings which would add to the already complex COVID-19 emergency (Baloch et al., 2020). These countries' governments followed the WHO recommendations by adopting drastic measures that involved the cancellations of inbound and outbound flights, closing service institutions such as schools, universities and other educational entities, malls, and leaving hospitals and pharmacies open for public service. Socio-economically speaking, the COVID-19 effects have been drastic in terms of acute demand decline which in turn, contributed to "a 0.3- to a 0.7-percentage-point reduction in global growth for 2020" (Craven et al., 2020, p. 2). Interestingly, the effects of the pandemic varied between sectors and industries and most importantly between gender whether female or male at the workplace. In another word, the COVID-19 crisis brought the issue of gender inequality back to the scene, although further research is required to detect whether the effects are more positive or negative on women or men (Alon et al., 2020). Cases of gender inequalities in economic opportunities have been detected in other parts of the world as well (World Bank, 2020).

Gender inequality and differences between women and men have long existed in the middle east economically, socially, and culturally. In fact, as per the Global Gender Gap latest report, "the Middle East and North Africa region has the largest gender gap (about 40%) yet to be closed" (2021, p. 26). Unfortunately, the COVID-19 pandemic had its share in exasperating these differences (Liu et al., 2021). Issues including the glass ceiling and differences between income between men and women, domestic violence against women addition to gender-discriminatory laws, policies, and norms in some of the middle eastern countries have gotten worse during the pandemic (Moghadam, 2021). In contrast, few studies (Liu et al., 2021) focused on whether

women business leaders were affected more than men business leaders during the COVID-19 pandemic. More specifically, to the knowledge of the authors, no research on the topic has been conducted in Lebanon. Therefore, the present research attempts to explore the obstacles faced by the firms in Lebanon during the COVID 19.

2. Literature Review:

The rapid outbreak of the COVID-19 pandemic has affected the whole world. However, this effect was multiplied in Lebanon, a country that was already facing myriad crises including political turmoil, economic downturns, social dilemmas, and deteriorated infrastructure. Add to that facing one of the biggest nuclear-like explosions in history, namely Beirut Port Blast. Therefore, Lebanon had a tremendously challenging mission in combatting the novel pandemic (Bizri et al., 2021). The first case of COVID-19 in the country was reported on February 21st, 2020 (Kattan et al., 2020). As a result, the Lebanese government undertook severe measures in aim of the disease containment including travel restrictions, general lockdown especially of education institutions such as schools and universities, testing all citizens who were engaged in any travel-related activity or exhibiting common symptoms of the disease as per the WHO specifications (Bizri et al., 2021). Nevertheless, the described governmental intervention plan's effectiveness cannot be assessed without taking into consideration the country's dire economic, political, and health sector statuses (Koweys et al., 2021).

2.1 Lebanon and COVID-19

Nestled in the Middle East and strategically located along the eastern coast of the Mediterranean Sea, Lebanon is characterized by Mediterranean weather, fertile agricultural lands, and an old mercantile culture, a combination that makes the country "an important commercial hub for the Middle East". This small-sized country possesses 18 religious groups, most of which fall under Muslim or Christians. Lebanon's population in 2020, was estimated at around 7 million, of which almost 2 million are comprised Syrian and Palestinian refugees (World Bank, 2022).

The Lebanese market is growing at a fast pace, despite the recent tragic events that might have affected its economy. On the global level, Lebanon is retaining its position as a strategic player in the Middle East, particularly in industries that require creativity and innovation, especially the ones related to technology (Mezher et al., 2006, July). The Lebanese economy relies heavily on tourism to create employment opportunities and draw earnings. More importantly, the country has benefited over the years from entrepreneurs both locally and internationally

(Aljuwaiber, 2020). The aftermath of the COVID-19 outbreak experience in Lebanon revealed major weaknesses in the country's healthcare systems and weakened an already staggering economy. A recent report by the United Nations Economic and Social Commission for Western Asia (ESCWA) showed that sales in the private have dramatically decreased by some 45% in 2020 compared with 2019, accompanied by a devastating number of full-time employees (a rough 23%) in who were laid off. In this regard, the Lebanese economic ecosystem that has always relied on small and medium enterprises (SMEs) to revive itself. Despite the fact that SMEs contribute to the country's GDP and employment opportunities, governmental policies aimed at developing this sector are almost nonexistent (OECD, 2014).

2.2 Barriers to Business in Lebanon

Historically, the country of Lebanon has been known as the land of phoneticians who earned fame as traders in the Mediterranean area (Ziade et al., 2017), which makes it favorable for entrepreneurship. Nevertheless, the so-named "Switzerland of the Middle East" is a country that has a long history of conflicts (the historical conflict with Israel), wars (the most notable of which, is the Civil War between 1975 – 1990), and political and economic turmoil, a result of an unusual *mélange* of liberal democracy and the sectarian parties leading the 17 sects residing in Lebanon (Stel, & Naudé, 2012). Furthermore, studies (El Nemar et al., 2016) conducted on entrepreneurship in Lebanon revealed that access to finance is one of the major obstacles faced by investors and entrepreneurs. As (Samara & Terzian, 2021) imply, in Lebanon, people who wish to start a new business usually rely either on family and friends for raising capital or on funds from accelerators, incubators or other international institutions.

Evidently, the country's struggles led to several impediments to businesses in Lebanon, the most important of which are corruption, unclear government procedures, and informal competition (Stel, & Naudé, 2012). As per the (World Bank, 2012), entrepreneurs and business owners still suffer, to this date, from lack of access to reliable and effective infrastructure such as electricity, internet, transport system (public or private), and telecommunications in inadequacy of governmental support or clear and transparent trade regulations (Malaeb, 2018; El Houry, 2013). Add to that a plethora of legal, regulatory and administrative inefficiencies in the public sector and an outdated labor law that is in dire need of renovation.

Interestingly, among the demographic variables that showed a significant effect on people's choice of starting a business in Lebanon were age, gender, family support and family

expectation (Hendieh et al., 2019). In this regard, and since 1996, Lebanon has been one of the first Arab countries to grant women the right to fully participate in politics (Avis, 2017). In comparison with other countries in the Middle East and North Africa region, Lebanon has recently shown significant improvement in narrowing its gender gap. Despite that Lebanon has shown considerable progress in the number of women occupying managerial positions, the gender gap remains high with major barriers including societal negative stereotyping on women, discrimination and glass ceiling (Hejase et al., 2013).

The gender gap in Lebanon is still a wide one albeit closing 3.8 percentage point of its gender gap in 2021. According to the World Economic Forum's Global Gender Gap Index Report, Lebanon presents one of the highest overall gender gaps globally, ranking 145 out of 153 countries. Lebanon's rank in the gender global gap index is 135 with a score of 0.598. Among all sectors, whilst political empowerment ranks the lowest in "women in parliament" with a score of 137, Lebanon scored highly on the involvement in the Education sector, especially in secondary and tertiary education. The gender gap in Lebanon existed long before the COVID-19 outbreak. Gender discrimination is evident politically, socially, and at the workplace; national policies and laws that enforce the application of women's rights are almost nonexistent amid dire economic conditions including hyperinflation, currency devaluation and the aftermath of the Beirut explosion (Usta et al., 2016).

Few studies have shed light on the differences between female owned businesses and male owned businesses with respect to business performance in developing countries and specifically in the Arab world. While studying the differences in businesses' performance between male and female entrepreneurs in Eastern Europe and Central Asia, Latin America, and Sub-Saharan Africa, (Bardasi et al., 2011) implied that female owned enterprises have lower business performance and productivity due to barriers in accessing finance, the relatively small size of female owned firms, and the latter having different motivations and preferences. Generally, women in developing countries and specifically in the Arab world face many challenges starting from patriarchal sociocultural values and associated gender ideologies (Ahmad, 2011). Despite these challenges, women constitute a "large pool of untapped talents" (Tlaiss & Kauser, 2019). In their study on the topic, (Khalife & Chalouhi, 2013) found that male owned firms tend to generate higher gross revenues than do their counterparts. This result may be attributed to the fact that female owned businesses have smaller number of employees and therefore their revenues are less. Other factors

that might explain the differences between male owned enterprises and their counterpart's financial performances include level of education, the owner's business experience, the firm's age and the firm's size.

Moreover, (Liu et al., 2021) investigated the difference between male and female owned businesses during the COVID-19 pandemic and came to a conclusion that women-led businesses are more likely to close during the COVID-19 pandemic than their counterparts. Furthermore, in certain areas around the world, structural inequalities and women invisibility have been aggravated during the pandemic (Grandy et al., 2020). Although the pandemic has had adverse effects on businesses of all types, some studies (Manolova et al., 2020) show that women entrepreneurs has taken advantage through creating new opportunities for their firms, especially in a technological context. Research showed that women entrepreneurs have had developed survival skills amid male dominated business ecosystem during the pandemic which was manifested in developing online business modes instead of the offline ones (Afshan et al., 2022).

Therefore, and based on the literature on the topic, the following hypotheses were derived:
H₁: There is variance in the business obstacles faced in terms of tax rates between the female owned and male owned firms in Lebanon.

H₂: There is variance in the business obstacles faced in terms of earning business licensing and permits between the female owned and male owned firms in Lebanon.

H₃: There is variance in the business obstacles faced in terms of corruption between the female owned and male owned firms in Lebanon.

H₄: There is variance in the business obstacles faced in terms of courts between the female owned and male owned firms in Lebanon.

H₅: There is variance in the business obstacles faced in terms of occupational safety and regulations between the female owned and male owned firms in Lebanon.

H₆: There is variance in the business obstacles faced in terms of health and hygiene regulations between the female owned and male owned firms in Lebanon.

H₇: There is variance in the business obstacles faced in terms of environmental regulations between the female owned and male owned firms in Lebanon.

3. Methodology

The research conducted in this study is characterized by an exploratory nature where the aim is to find out the variances based on male owned versus female owned enterprises in Lebanon. For this purpose, a deductive approach based on a quantitative study is pursued. Two types of data have been collected in order to confirm or reject the study's hypotheses. The data have been compiled from reliable literature on Lebanon's business context, the challenges associated with it especially during the COVID-19 pandemic in addition to the World Bank's Enterprise Survey (ES) data that explores various aspects of the business environment in Lebanon, during the pandemic. A sample of top managers and business owners were interviewed, during the COVID-19 pandemic, between May 2019 and April 2020. The study also uses the impact of COVID-19 follow up survey conducted by the World Bank third round. The study results are analyzed using SPSS (version 25) where various statistical tools have been used including cross tabulations, means of variables and Mann Whitney U test to test the study's hypotheses.

4.1 Sample Characteristics

As aforementioned, our data sources are based on the World Bank's enterprise Survey (ES) that was conducted in Lebanon in 2019 and 2021 during the pandemic. The data used consisted of a total of 532 firms which consisted of food (87), wholesale and retail (194), manufacturing (138), and other sectors (113). Among which, 283 are small enterprises, 174 are of medium size and only 75 are large enterprises. Location wise, 138 are from mount Lebanon, 127 from Bekaa Valey and North Lebanon, 109 from South Lebanon, 78 from Nabatieh and 80 from Beirut. As for the number of firms included in the study that have their owners as females, 14 of them are in food, 9 of them are in the manufacturing industry, 20 in retail services and 18 are in other industries. Additionally, 6 firms in the Food sector, 1 in the manufacturing sector, 8 in Retail, and 10 in other services had a female as a top manager.

Table 1
Sample Characteristics by category by owner's gender or gender of top manager

Category	Owner's Gender			Gender of Top manager		
	Female	Male	Total	Female	Male	Total
Industry Sampling Sector Food	14	73	87	6	81	87

	Manufacturing	9	129	138	1	137	138
	Retail	20	174	194	8	186	194
	Other Services	18	95	113	10	103	113
Total		61	471	532	25	507	532
Sampling Size	Small	22	261	283	10	273	283
	Medium	27	147	174	11	163	174
	Large	12	63	75	4	71	75
Sampling Region	Beirut	13	67	80	7	73	80
	Bekaa Valley & North Lebanon	17	110	127	5	122	127
	Mount Lebanon	17	121	138	11	127	138
	Nabatieh	4	74	78	1	77	78
	South Lebanon	10	99	109	1	108	109

Source: Author's own calculations based on the Enterprise Survey (ES) World Bank (2019-20)

5.2 Variables of the study

For the main exploratory variable, the researchers used and defined is female owned firms as a firm where the largest owner is female, and all other firms are male owned. In the sample out of 532 firms, 61 firms are the largest female owned firms. The second major variable for this research is the top manager's gender. Out of 532 firms, 25 firms' top manager is female, and the remaining 507 firms' top managers are male. Besides, all the Business obstacle variables are taken for the study.

5.3 Test Statistics and tools used:

In this study, cross-tabulation means of variables, and the Mean test is used to test the study's hypotheses. The mean of a random variable is a central tendency measure of a variable, (Mean, 2008). All the Business obstacle variable's mean values are taken to compare the male owned and female owned enterprise's variances. The Mann-Whitney U Test is a non-parametric test that aims to test the equality of two populations. It is used when two samples are from two different populations. (Mann-Whitney, 2008) This test which is also called as Wilcoxon rank

sum test, tests for differences between two independent groups on a single ordinal variable with no specific distribution.

4 Findings and Analysis

The descriptive statistics, based on the World Bank's survey study, demonstrates that the majority of the firms which were assumed to close are mostly those of large size (having more than 100 workers), and are owned by foreign investors (%71.1 of the sample) and which operate in the services sector. Most importantly, the figure below clearly shows that firms which had female top managers were more prone to closing than their male counterparts (see figure 1).

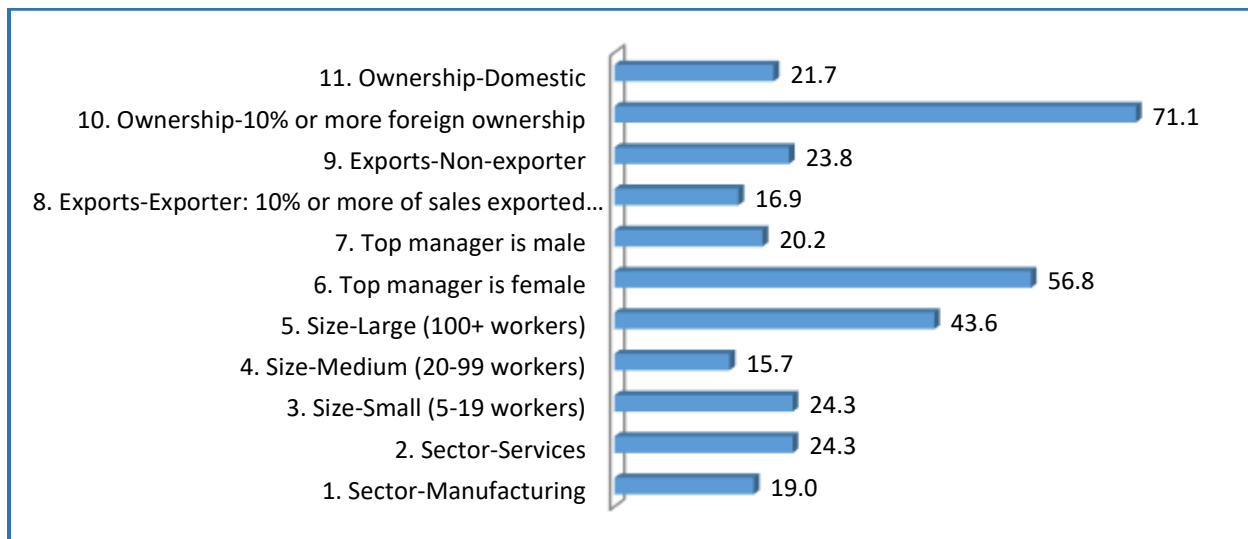


Figure 1 Percentage of Firms assumed to be closed during the COVID-19 pandemic in Lebanon

Source: Author's own calculations based on the COVID-19 Follow up Survey (World Bank) Round Three

Mean values of obstacles are computed for those firms which are owned by females versus those owned by males.

Table 2
Mean Values for the Obstacles based on the Major owner of the firms is female or male

	Owner's Gender	N	Mean	Std. Deviation	Std. Error Mean
Transport	Female	61	0.82	1.088	0.139
	Male	471	0.51	1.143	0.053
Customs And Trade Regulations	Female	61	1.33	1.363	0.174
	Male	471	0.47	2.11	0.097

Practices of Informal Sector	Female	61	1.21	3.126	0.4
	Male	471	1.08	3.052	0.141
Access To Finance	Female	61	1.95	1.309	0.168
	Male	471	1.82	1.309	0.06
Tax Rates	Female	61	1.69	1.272	0.163
	Male	471	1.75	1.366	0.063
Tax Administrations	Female	61	1.49	1.273	0.163
	Male	471	1.12	1.277	0.059
Business Licensing and Permits	Female	61	1.08	1.187	0.152
	Male	471	0.6	1.131	0.052
Political Instability	Female	61	3.25	1.059	0.136
	Male	471	3.01	1.126	0.052
Corruption	Female	61	2.66	1.948	0.249
	Male	471	2.83	1.24	0.057
Courts	Female	61	0.97	1.798	0.23
	Male	471	0.71	1.595	0.073
Occupational safety regulations	Female	61	0.59	1.023	0.131
Health and Hygiene regulations	Female	61	0.61	1.595	0.204
	Male	471	0.44	1.052	0.048

Source: Author's own calculations based on the Enterprise Survey (ES) World Bank (2019-20)

As table 2 shows, when owners of businesses in Lebanon were asked about how the obstacles facing their businesses, females scored higher in terms of means in the following categories: Transport, Customs and Trade Regulations, Practices of Competitors' Informal Sector, access to finance, Political Instability, courts and occupational regulations. In contrast, men

perceived tax rates, corruption, and tax administration as more threatening to their owned businesses during the pandemic.

Table 3
Mean values for the Business Obstacles based on the Gender of the Top Manager

	Gender of Top Manager	N	Mean	Std. Deviation
Transport	Female	25	1.00	1.225
	Male	507	0.52	1.132
Customs And Trade Regulations	Female	25	0.96	1.428
	Male	507	0.55	2.081
Practices of Competitors in Informal Sector	Female	25	0.24	3.865
	Male	507	1.14	3.011
Access To Finance	Female	25	1.76	1.3
	Male	507	1.84	1.31
Tax Rates	Female	25	1.16	1.179
	Male	507	1.77	1.358
Tax Administrations	Female	25	1.20	1.443
	Male	507	1.16	1.274
Business Licensing and Permits	Female	25	0.84	1.248
	Male	507	0.64	1.142
Political Instability	Female	25	3.08	1.187
	Male	507	3.04	1.118
Corruption	Female	25	2.76	1.234
	Male	507	2.82	1.345
Courts	Female	25	0.52	2.452
	Male	507	0.75	1.57
Occupational safety regulations	Female	25	0.64	1.254
	Male	507	0.40	1.092

Source: Author's own calculations based on the Enterprise Survey (ES) World Bank (2019-20)

Table 3 highlights the differences between firms where top managers are either male or female in terms of the obstacles, they faced during the COVID-19 pandemic. As the table reveals and similar to the previous table showing businesses, where the top manager is female, have found transport, customs, and trade regulations as threatening more than their male counterparts did. Contrary to the previous table results, firms, where females are top managers, didn't find the practices of competitors in the informal sector and access to finance to be as threatening as the male top managers did. Tax rates, corruption, and courts were scored highly by male top managers as an obstacle to entrepreneurship during the pandemic. Political instability was perceived by both genders as top managers as constraining.

The study's hypotheses were tested via Mann-Whitney U tests (see figures 2 and 3). Whilst only one null hypothesis was rejected indicating a significant difference in terms of tax rates between firms whose top managers are either male or female, two null hypotheses showed significant differences between firms owned by females versus their male counterparts.

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of How Much of An Obstacle: Tax Rates is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.017	Reject the null hypothesis.
2	The distribution of How Much of An Obstacle: Business Licensing And Permits is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.391	Retain the null hypothesis.
3	The distribution of How Much of An Obstacle: Corruption is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.695	Retain the null hypothesis.
4	The distribution of How Much of An Obstacle: Courts is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.721	Retain the null hypothesis.
5	The distribution of How Much of An Obstacle: Occupational safety regulations is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.507	Retain the null hypothesis.
6	The distribution of How Much of An Obstacle: Health and hygiene regulations is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.686	Retain the null hypothesis.
7	The distribution of How Much of An Obstacle: Environmental regulations is the same across categories of Gender of Top Manager.	Independent-Samples Mann-Whitney U Test	.405	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Figure 2 Hypothesis Test summary in terms of the gender of a top manager
 Source: Author's own calculations based on the Enterprise Survey (ES) World Bank (2019-20)

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of How Much of An Obstacle: Tax Rates is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.600	Retain the null hypothesis.
2	The distribution of How Much of An Obstacle: Business Licensing And Permits is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.000	Reject the null hypothesis.
3	The distribution of How Much of An Obstacle: Corruption is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.930	Retain the null hypothesis.
4	The distribution of How Much of An Obstacle: Courts is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.269	Retain the null hypothesis.
5	The distribution of How Much of An Obstacle: Occupational safety regulations is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.072	Retain the null hypothesis.
6	The distribution of How Much of An Obstacle: Health and hygiene regulations is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.075	Retain the null hypothesis.
7	The distribution of How Much of An Obstacle: Environmental regulations is the same across categories of Owner's Gender.	Independent-Samples Mann-Whitney U Test	.002	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Figure 3 Hypothesis test summary in terms of owner's gender

Source: Author's own calculations based on the Enterprise Survey (ES) World Bank (2019-20)

The Mann-Whitney U tests in figure 2 imply that differences only exist between the female owned and male owned businesses in terms of their perception of business licensing and permits as a constraint during the COVID-19 pandemic. Whereas when we compare firms that have their top manager as a female or male, the significant difference is evident in one obstacle which is "tax rates".

5 Discussion:

It is certain that COVID-19 has shaped the future of businesses of all sizes, worldwide and especially in developing countries. This has been manifested in this study's results that go in line with (El Chaarani, 2022), who examined the negative effects of COVID-19 on developing countries. Similarly, the study asserted the role of the pandemic as an accelerator of the gender gap in many aspects such as entrepreneurship, which was confirmed in the study of Copley et al. (2020). The World Bank survey's results have indicated that the pandemic repercussions have been devastating in the country of Lebanon, a small-sized country in the Middle East that suffers from a plethora of crises, the most important of which is the political turmoil and unprecedented economic crises. As per the study's findings as well, the majority of the firms owned and led by females are in the retail industry which has been one of the most vulnerable ones during the pandemic. The study also confirms the findings of (Hattab, 2012), who discussed the women's entrepreneurial' challenges in the Middle East and North Africa region (MENA) despite having the same right as men to work and contribute to their country's economy. Additionally, in parallel to the existing literature on the differences between men and women when it comes to the obstacles they face in an entrepreneurship activity, this study's results agree with previous research (Villisca & Navío-Marco, 2020), (Bastian et al, 2018) and (Laffineur et al., 2018) on political instability, corruption, and access to finance as major constraints.

The study analysis implies that most affected businesses, especially those owned by female owners or led by female managers are large-sized enterprises in Lebanon (companies having 100 or more employees). This is perhaps due to the large costs incurred in such enterprises including staff costs and the fact that such enterprises are mostly battled by informal competition. In contrast to (Hewa-Wellalage et al., 2022) who hinted at favoring female entrepreneurs when requesting access to financing, the study has found no significant differences between female owned firms and their male counterparts in terms of access to finance during the COVID-19 pandemic.

6 Conclusions

During the last few decades, Lebanese entrepreneurs, especially those carrying the Phoenician blood and spirit for trade, have become known internationally for their creative business endeavors. Locally, entrepreneurship has been the gold mine of the Lebanese economic ecosystem. Nevertheless, and due to various crises, especially the COVID-19 pandemic, these enterprises have suffered, and many had to shut their doors. This study aimed at exploring the

myriad obstacles faced by Lebanese entrepreneurs during the COVID-19 pandemic. Moreover, the study attempted to examine the variances among female owned versus male owned business obstacles during the pandemic in Lebanon. Unfortunately, the COVID-19 pandemic has enlarged the gender gap in terms of increasing and intensifying gender inequality.

Unsurprisingly, the research findings have shown that the most threatening constraints facing enterprises are political instability, access to finance, and corruption. Similarly, the results have confirmed the negative effect and the importance of factors such as tax rates, practices of the informal sector, electricity, customs and trade regulations, business licenses and permits, and inadequate educated workforce and transportation in the sustainability of firms, especially during crises.

7 Implications and contributions

Due to the scarcity of research conducted on entrepreneurial endeavors in Lebanon at any time, not just during the pandemic, this research provides an added value to the existing literature on the topic. Furthermore, this study's importance is that it sheds light on the obstacles that face entrepreneurs while conducting their businesses during a pandemic. Since entrepreneurship is key to the economic nourishment and prosperity in Lebanon, it is vital to diagnose the possible obstacles in the hope of providing sustainable solutions to a macro-environmental factor of paramount importance. Lastly, this is one of the very few studies that highlight the gender gap that lies between female owned enterprises and male owned enterprises and therefore, constitutes a major contribution in that field. This is mostly important to policymakers in Lebanon for better handling of the results of pandemics.

8 Limitations and recommendations for future research

Our study is conducted based on the results of the World Bank's Enterprises Survey and therefore, a further study that would be qualitative in nature, is more than necessary to complement the World Bank study and provide in-depth data on the drawbacks of the pandemic on the entrepreneurship ecosystem in Lebanon. Furthermore, there is no evidence whether the closure of businesses regardless of the gender of their owners will be long or short-term. Therefore, further research can explore the sustainability of these businesses of all sizes. Other variables can be taken into consideration for a more comprehensive study such as the demographic and psychographic ones. Finally, any study in Lebanon currently will not be complete without taking into

consideration the effects of the political, economic, technological and environmental macro-environmental factors.

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