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The lived experience of female angel investors in a Saudi Arabian context

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Research Objective

This paper responds to the call for further investigation into female entrepreneurial finance in non-western contexts (Edelman et al., 2017; Serwaah & Shneor, 2021). Despite economic and socio-cultural differences across the world, most of the research into female angel investing has been conducted within the Western context. The paper aims to address this gap through its focus on female entrepreneurial finance within an economically wealthy country with restrictive social and cultural practices. Specifically, our underpinning research question explores entrepreneurial action (i.e., female angel investing) in Saudi Arabia.

Methodology

To guide our research, we focus on what constrains and enables the practices of female angel investing in the Saudi Arabian context. We use an interpretive phenomenological approach (Smith & Fieldsend, 2021) primarily based on qualitative data gained through interviews and observations. We focus on the angel investors and the angel investing support network around them to enable us to provide a rich picture of how women in Saudi Arabia learn to invest, as well as the impact of angel investing networks on female angel investing in the context, and visa versa.

The specific empirical setting for the research is Saudi Arabia, one of the fastest-growing markets in the world. Female entrepreneurship in Saudi is situated within unique contextual dimensions across macro, societal, firm, individual and family challenges (Hashim, 2023). This can impact on access to capital, as well as access to men's network (ibid). Saudi Arabia's setting is unique in the sense that it has very patriarchal roots (Alkhaled & Berglund, 2018; Hashim, 2023). Recently however there have been strides made in favour of diversifying the investment ecosystem (GEM, 2023). For instance, there have been regulatory policy changes that have facilitated the inclusion of women in starting entrepreneurial ventures.

The case study 'organisation' for this research is Female Arab Angels (FAA), a female angel investing network based in Riyadh, Saudi Arabia which was founded in 2014. The network offers an online and in-person platform for female angel investors to evaluate and invest in potential deals. In addition, it aims to build an inclusive ecosystem by educating and training female investors and founders. In 2024, Female Arab Career (FAC), a career growth platform for women, acquired FAA to enhance the opportunities for women to invest in the region and foster the growth of women-funded ventures.

For our case study, we are adopting the co-interviewing approach (Velardo & Elliott, 2021). With this approach, both researchers actively engage in the entire interview process by asking questions, probing, taking notes, and making observations. This approach will help us get a better understanding of the diverse perspectives involved. The first researcher brings contextual and cultural knowledge and experience, while the second, who is British, offers an additional interesting perspective for participants.

We have chosen a semi-structured interview format because it allows for natural conversation and provides a guide while also offering flexibility to ask questions, probe further, and follow up. After each interview, the researchers hold a debriefing session to discuss and reflect on their insights. We believe that including diverse perspectives and observing how they develop will enhance the dataset.

At the time of writing, only five interviews have been conducted, and two observations of a startup pitch attended. The expectation however is that we will have conducted much more data gathering activity ahead of the conference in September. Initial analysis of the data has already uncovered themes around 'learning to do' and 'learning to be' which we plan to expand on, given the much larger data set, at the conference.

Contribution

This research project responds to the calls of Harrison (2017) to contextualize entrepreneurship, and Edelman et al. (2017) and Serwaah and Shneor (2021) to further investigate non-western contexts of female entrepreneurial finance, particularly within the Saudi context (Alshareef, 2022; Danish & Smith, 2012). Specifically, our research project aims to contribute to the literature on female angel investing (Daou et al., 2022) by improving the understanding of what constrains and enables female angel investors and the angel investing support networks around them. In addition, our paper aims to contribute to the literature on the angel learning process (Botelho et al., 2023) by advancing our knowledge with regards to 'learning to do' and 'learning to be'. Our research aims to support initiatives that address both EDIA and Goal 5 of the UN SDGs to empower women constrained by restrictive socio-cultural norms and expectations.

Developments for Full Paper

At the BAM conference, we will present key themes coming out of our ongoing research around understanding what is enabling and constraining the practice of angel investing within the female Saudi Arabian context and thus make a contribution to the field of female entrepreneurial finance.

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