

LEADERSHIP FACTORS AFFECTING THE SUCCESS OF TECHNOPRENEURS IN THE UNITED ARAB EMIRATES



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LEADERSHIP FACTORS AFFECTING THE SUCCESS OF TECHNOPRENEURS IN THE UNITED ARAB EMIRATES

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UNIVERSITI TEKNIKAL MALAYSIA MELAKA

DECLARATION

I declare that this thesis entitled "Leadership Factors Affecting the Success of Technopreneurs in the United Arab Emirates" is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.



APPROVAL

I hereby declare that I have read this thesis and in my opinion this thesis is sufficient in terms of scope and quality for the award of Doctor of Philosophy.



DEDICATION

I would like to dedicate this thesis to my beloved family and my parents, who have been the source of inspiration and gave me strength. There is no doubt that without their continual support, moral, spiritual, and financial support I would not have completed this piece of work.



ABSTRACT

Technopreneur's activities have contributed to both economic development and digital transformation. Nowadays, business firms are urged to play a proactive role in the issue of digital transformation through technopreneurship. In the UAE, digital entrepreneurship is at its infancy stage, in which most of the entrepreneurs regard digital transition as something new and they are not eagerly participated in it. Thus, as an initial step in developing a model of leadership factors affecting the success of technopreneurs in the UAE, this study was geared towards investigating the leadership factor's intention towards successful technopreneurs. By integrating two popular intention-based models, the Transformational Leadership Theory and Theory of Planned Behaviors, this study attempted to explain the formation of intention towards leadership factors through digital enablers and entrepreneur skills. A conceptual model with six hypotheses were constructed to guide this study. This study employed a quantitative research method, in which questionnaires were used to collect data from 313 respondents among technopreneurs from the Innovation and Entrepreneur Centre, in Abu Dhabi. To empirically validate the model, the data were analysed statistically using Structural Equation Modelling (SEM). It was found that all the three variables, leadership factors, digital enablers and entrepreneurial skill have strong effect on the success of technopreneur, particularly the entrepreneurial skills have the strongest effect. It was also found that digital enablers have partial mediating effects, while the entrepreneurial skills have moderating effects on the relationship between the leadership factors and the success of technoprenuers in the UAE. As for the leadership factors, the devolved decision making, collaborative achievement, agility, purpose and direction, and authenticity were proven significantly and positively related to the success technopreneurs. Theoretically, these findings support the Transformational of Leadership Theory and Theory of Planned Behaviors that both digital enablers and entrepreneurial skills influenced the effect of leadership factors on the individual's intention to become successful technopreneurs. This model is a useful guidance especially for the government of UAE that are undergoing a series of digital transformation process to become the next technology start-up hub by the year 2030.

FAKTOR KEPIMPINAN YANG MEMPENGARUHI KEJAYAAN TEKNOPRENUER DI EMIRIAH ARAB BERSATU

ABSTRAK

Kegiatan teknoprenur telah menyumbang kepada pembangunan ekonomi dan transformasi digital. Kini, firma perniagaan digesa memainkan peranan proaktif dalam isu transformasi digital melalui teknokeusahawanan. Di UAE, keusahawanan digital berada di peringkat awal, di mana kebanyakan usahawan menganggap peralihan digital sebagai sesuatu yang baharu dan mereka tidak berminat untuk menyertainya. Oleh itu, sebagai langkah awal dalam membangunkan model faktor kepimpinan yang mempengaruhi kejayaan teknousahawan di UAE, kajian ini mengkaji niat faktor kepimpinan terhadap teknousahawan yang berjaya. Dengan menyepadukan dua model berasaskan niat yang popular, Teori Kepimpinan Transformasi dan Teori Tingkah Laku Terancang, kajian ini cuba menjelaskan pembentukan niat terhadap faktor kepimpinan melalui pemboleh digital dan kemahiran usahawan. Model konseptual dengan enam hipotesis telah dibina untuk kerangka kajian ini. Kajian ini menggunakan kaedah kajian kuantitatif, di mana soal selidik digunakan untuk mengumpul data daripada 313 responden dalam kalangan teknousahawan dari Pusat Inovasi dan Usahawan, di Abu Dhabi. Untuk mengesahkan model secara empirikal, data dianalisis secara statistik menggunakan Model Persamaan Struktur (SEM). Kajian mendapati bahawa ketiga-tiga pembolehubah, iaitu faktor kepimpinan, pemboleh digital dan kemahiran keusahawanan mempunyai kuat terhadap kejayaan teknousahawan, khususnya kesan yang kemahiran keusahawanan mempunyai kesan yang paling kuat. Kajian juga mendapati bahawa pemboleh digital mempunyai kesan pengantaraan separa, manakala kemahiran keusahawanan mempunyai kesan moderasi terhadap hubungan antara faktor kepimpinan dan kejayaan teknousahawan di UAE. Bagi faktor kepimpinan pula, keputusan yang diturunkan, pencapaian kolaboratif, ketangkasan, tujuan dan hala tuju, dan keaslian terbukti mempunyai hubungan positif yang signifikan dengan kejayaan teknousahawan. Secara teorinya, penemuan ini menyokong Teori Kepimpinan Transformasi dan Teori Tingkah Laku Terancang bahawa kedua-dua pemboleh digital dan kemahiran keusahawanan mempengaruhi kesan faktor kepimpinan terhadap niat individu untuk menjadi usahawan teknologi yang berjaya. Model ini merupakan panduan berharga terutamanya bagi kerajaan UAE yang sedang menjalani satu siri proses transformasi digital untuk menjadi hab permulaan teknologi seterusnya menjelang tahun 2030.

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LIST OF ABBREVIATIONS

AF	-	Agility Factor
AT	-	Authenticity Factor
AVE	-	Average Variance Extracted
CA	-	Cronbach Alpha
CAF	-	Collaborative Achievement Factor
CR	-	Composite Reliability
СТ	AL MALAY	Critical Thinking Skills
DA	- EK	Digital Access
DC	-	Digital Commerce
DCM	A AININ	Digital Communication
DE	ىيا ملاك	Digital Enabler
DL	UNIVERS	Digital Literacy MALAYSIA MELAKA
DM	-	Devolved Decision Making
DV	-	Dependent Variable
ES	-	Entrepreneur Skills
GDP	-	Gross Domestic Product
HT	-	High-Technology
IS	-	Interpersonal Skills
IV	-	Independent Variable
KE	-	Knowledge-Economy

LF	-	Leadership Factors
PD	-	Purpose and Direction Factor
PLS	-	Partial Least Square
PLS-SEM	-	Partial Least Squares SEM
PS	-	Practical Skills
SEM	-	Structural Equation Modeling
ST	-	Successful Technopreneur
UAE	-	United Arab Emirates
VAF	-	Variance Accounted For
VC	-	Value Chain
VIF	AL MALA	Variance of Inflation Factors
	TERMIN	UTeM
	بيا ملاك	اونيۈمرسيتي تيكنيكل مليس
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Alkhoori, A.A., AL-shami, S.A., and Sedik, S., 2021. The Relationship between Leadership Factors and Successful Technopreneur through the Mediator Role of Digital Enabler. *Webology*, 18(Special Issue 02), pp.344–356.



CHAPTER 1

INTRODUCTION

1.1 Introduction

This thesis reports on a research that investigates leadership factors that influence the development of technopreneurs in the UAE. Specifically, this study examines the mediating effects of digital enablers on the relationship between leadership factors and successful technopreneurs. It also examines the moderating effects of entrepreneurial skills on the relationship between leadership factors and successful technopreneurs.

In general, the term technopreneur emphasizes the combination of people with technology savvy and intelligence for the success of the venture. Technopreneur is recognized as a modern age entrepreneur who utilizes technology to produce something unique to generate income or commercialization. According to Lombardi et al. (2017), an entrepreneur who is technology savvy and practices toward producing strategic thinkers to prosper within a dynamic comprehensive environment are classified as a technopreneur. Consistent with the changing global landscape towards industrial revolution and digital economy, many researchers are recognizing technopreneurs as the engines of economic growth (Baron and Shane, 2008; Khin et al., 2010) because it is related to wealth generation,

competitiveness, and economic growth (Thurik and Wennekers, 2004). In this case, technopreneur has been considered as an important input to the economic growth of a nation.

Responding to the changing landscape towards the digital economy resulting from the advanced technological development, the UAE government has started to focus seriously on the development of technopreneurs. Further, the global widespread of the COVID-19 that requires businesses to be conducted digitally has further enhanced the need for developing technopreneurs. Technopreneur can be described as entrepreneurs who combine their passion for all things technology with business towards transforming UAE into a knowledge-based economy (Hamdan, 2019).

Technopreneur is the new generation for embracing the future into innovation and technology because the UAE is gunning to become the next big technology start-up hub; hence, developing technopreneurs have become the main national priority. In this respect, it is believed that entrepreneurs need to be transformed into technopreneurs because technopreneurs give an impact on the country's growth through the skills needed by the market demands that focus on technology and innovation capabilities for advanced long term economic ventures (Putri, 2019).

However, due to the lack of transformation of today's entrepreneurs into international leaders, the influence of technopreneurs in the UAE is still at its beginning level (Ewijk and Belghiti, 2019). Moreover, this dilemma occurs due to the digital economy, where the UAE has the highest level of entrepreneurs gaining their business digitalized. Recognizing that embracing digital technology will increase the speed of business and improve the quality of the economy (Kim et al., 2017), this study also contributes towards achieving the UAE national agenda in building a digital technopreneur society through efficient skills and digital resources.

As an introductory chapter of the thesis, this chapter is organized into eight sections. The first section presents the background of the study, followed by the problem statements in the second section. The third section outlines the objectives of the study and the fourth section outlines the research questions addressed in the study. Next, the fifth section describes the scope of the study and the sixth section presents the significance of the study. The seventh section describes the operational definitions of the constructs involved in the study, while the last section, section eight outlines the organization of the thesis.

1.2 Background of the study

Technopreneurship is an immense business idea for a technology enterprise, and its importance directly contributes to the growth of the digital economy globally. Many countries in the world are driving towards a digital economy based on digital technologies (Olstykh et al., 2020). The growth of the digital economy can be traced to the increasing growth of digital business and increasing digital transformation. For example, according to the Department of Commerce data (Gao et al., 2020), the digital business in the US has been steadily growing from 6.4 percent in 2010 to 16 percent in 2019, and it is expected to continue growing in the coming few years because of digital ability to track organization performance and analyze insights for optimizing the business for better results in the future. Similarly, based on a survey conducted by Technology Pro Research (Silberglitt et al., 2020) digital transformation strategy, 21 percent of business have completed the digital transformation, and 40 percent in the year 2019 focus on digital transformation worldwide. The growing trends show the increasing need for developing technopreneurs worldwide.

Technopreneurs are entrepreneurs who use technology-based industries for the innovative process of commercialization (Saberi and Hamdan, 2019). The typical inception of technopreneur is their ideas become commercially viable through constant learning and continuous improvement towards innovation that ventures through technology on emerging their digital business model (Sulianta and Sapriya, 2019). They operate with high leverage of knowledge and takes challenges to strive towards greater success through a learning experience that emphasizes continual improvement in the digital world. Technopreneurs are equipped with both business and technical skills that drive towards the digital economy with a high technology environment (Talib et al., 2018). Moreover, technopreneur will develop a new economy, and businesses are digitally driven for an inclusive economy. Furthermore,