

CHALLENGES FOR WOMEN ENTREPRENEURS IN PAKISTAN: AN EMPIRICAL APPROACH

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Abstract

In the present era, entrepreneurship is regarded as a significant driver of economic development by enhancing the core economic dynamics such as innovation, productivity as well as employment creation. In such a phenomenon, women are recognized as successful entrepreneurs through their strong desire, qualities and capabilities for the robust development of entrepreneurship. Due to such an important contribution of women in entrepreneurship, we propose to investigate the major challenges that faced by women entrepreneurs in Pakistan. On the basis of such purpose, we developed a conceptual framework in which such challenges are connected through various independent variables. A survey questionnaire is a design to get such the objective. We distributed 500 surveys among women entrepreneurs who have owned a small business or her own venture. A sample random technique and stratified sampling are allied for getting the responses. In the initial stage, we collected 246 samples as rough data with a response rate of 49.2%. After data cleaning and screening, 236 valid cases have been applied for final analysis. By applying SPSS and AMOS version 25.0, we found that the factors such as lack of management experience, lack of access to technology and finance, lack of government support, lack of access to networking opportunities, lack of gaining acceptance, un-access to land and inadequate access to training are the major challenges for women entrepreneurs in order to run their micro business easy and smoothly. The outcomes of the present study may be supportive for policymakers, planners and economic agents to handle the major challenges of women

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entrepreneurs in Pakistan. Furthermore, by pursuing the outcomes of the study, the government of Pakistan may strengthen the women entrepreneurs by providing suitable training programs about entrepreneurship, micro-credits in easy terms and conditions/ instalment, and a pro-business and entrepreneurial environment where women can earn for breaking the trap of poverty, unemployment as well prosperity in future.

Keyword: Economic Development, Women Entrepreneurs, Major Challenges, Poverty, Unemployment, Prosperity, Entrepreneurship.

INTRODUCTION

Globally, in the small business' the number of women is promptly increasing significantly with an ownership of business entering small business ownership (see e.g., Ericksen, 1999; Hughes, 2003; Fielden and Davidson, 2005). However, research in the domain of small business proprietors remains focused on a relatively small number of established markets. Entrepreneurship is a more appropriate profession for women than regular employment in private as well as sectors since they have to accomplish dual roles. Progressively, female entrepreneurs are well thought-out as essential for economic development of the country. Not only have they made a contribution to the multiplicity of entrepreneurship in the economic process but also contribute to employment generation and economic development through their growing numbers. From a perspective of gender equality, Pakistan is a country where male-controlled customs and practices appear to be inflexibly entrenched in the workplace as well as society (Syed et al., 2009). Nonetheless, in spite of such challenges, the appreciation of women as employees and business owners is just ahead crushed. According to International Labour Organization (ILO) of 150 women, entrepreneurs in Pakistan found 39 per cent of women involved in small enterprises (employing less than 100 workers) and 9 per cent

in medium-size enterprises (employing between 100 and 250 workers) (Goheer, 2003). The study further pointed out that women entrepreneurs in the SME sector deliver greater employment to women, with female-owned businesses with an average of eight female employees and seven male employees. Women's entrepreneurship in Pakistan is frequently an issue linked to social class. But, the majority of women entrepreneurs incline to work in traditional sectors, jewelry, parlors and bakeries, handicrafts, boutiques, and other related businesses. A potential of women regarding economic activities is not being appreciated due to intensely rooted discrimination of socio-cultural traditions and values, entrenched mostly in the institutional sustenance mechanisms in Pakistan (Roomi, 2005a). Definitely, economic need is compelling more and more women to involve in some sort of employment, without relieving them of their traditional roles. Though, it must be recognized that the situation is also refining because of women's marvelous determination as well as courage (Khatoon, 2002). To address the challenges of women entrepreneurs, we tried to investigate the major challenges of women entrepreneurs in Pakistan empirically. Through the outcome of such the study, the government of Pakistan may facilitate the technological innovation, finance and management accesses as well as other challenges explored by our study. Such provisions may deliver significant opportunities for the development of new ideas and skills; women entrepreneurs of Pakistan.

Literature Review and Conceptualization

Entrepreneurship is famous for the dynamic process of generating incremental wealth. Such wealth is earned by individuals who undertake the major risks in terms of time, equity as well as career commitments of providing values for a certain product or service. The products/services may not be a unique or new but value must be filled by the entrepreneur by acquiring and assigning the essential skills and resources. Ahl (2006) identified a neo-liberal

thought is a factor that dominantly influences a political change. In such a condition, politicians have handed over the welfare state's responsibilities to the market and they inspire entrepreneurship to women entrepreneurs. In regard to women entrepreneurs, the scholar further revealed that the economic factors such as lack of access to the market; competition in the market; poor infrastructure; lack of business training; lack of capital or finance; lack of access to raw material; inadequate power supply; deficiency regarding marketing awareness, privation of production as well as space for storage are seriously affect the women entrepreneurs entry in business and entrepreneurship. In addition, having limited contacts outside prejudice and class bias; lack of social acceptability; relations with the workforce; attitude of other employees; and society looks down are the stronger social challenges to opt entrepreneurship by women. In the same domain, Gemechis (2007); Hisrich (2005); ILO (2009) strongly recommended factors such as barriers to access technology; cultural and social attitude to youth entrepreneurship; organizational and governing agenda; entrepreneurship education; and business support and maintenance are critical factors that distress entrepreneurial success of the women entrepreneurs. The ILO (2006), reported an awareness and practice pertaining to women entrepreneurship is basically a 1980's phenomenon that was acknowledged about women entrepreneurship in practice as well as research, which made its attention completely on men. A diversity of research studies have exposed that enterprises owned by women experience the same challenges as those possessed by men; though convinced features are typical for many women-owned firms.

According to ILO (2008, p.13), "Many entrepreneurs and, in particular women, tend to steer clear because of lack of information, and conditions such as high transaction costs and interest rates averaging above 35 per cent per annum". However, entrepreneurship is attractive and more and more significant foundation of employment for women throughout many nations.

The status of female participation in the entrepreneurship activity, but, is still meaningfully lower than that of men. An individual's perceptual constructs have a vital effect on the entrepreneurial propensity of women and interpretation for much of the modification in entrepreneurial activity between the genders. Definitely, it is brought into being that women incline to perceive themselves and the entrepreneurial milieu in a less promising light than men across all nations in the sample and irrespective of entrepreneurial motivation (Langowitz and Minniti, 2007). Particularly in an industry, the productive activities of women economically empower them as well as support them to contribute more to overall development (UNIDO, 2001).

In the perception of Panda (2018), in developing countries, restrictions confronted by women entrepreneurs are rise due to a work-family conflict, gender discrimination, lack of infrastructure, trouble in floating capital, unbalanced business, economic and political environments, personality differences and lack of training and education. Moreover, it was suggested that to financial constraints, unstable business environments essential to be addressed as top significances. Among ten Irish women business owners a qualitative study conducted by Humbert and Brindley (2015) through interviews. The design of the study proposed to stimulate data about how socio-economic context and gender and the impacted the risk. As a result, the risk is exposed as a perilous concept which requires to be extended to suit the experiences of women entrepreneurs and the effects of the gender prospects of care dictated by the socio-economic environment. In a similar way, in Turkey successful women entrepreneurs were designated as being determined and strong-minded, enduring, emotionally strong, innovative and visionary. The outcomes of the study demonstrated that abusing exclusive chances in the environment of business, contributing for the wellbeing of society and being self-determining in one's choices and activities are the foremost constructs behind Turkish women entrepreneurs' choice to become entrepreneurs. In

opposite to it, discovering and handling capital arisen as the most significant problem for women entrepreneurs in such context in spite of the presence of numerous support devices. In the last, results indicated that tradition modes such as financial support in terms of non-governmental and governmental support appliances and banks used by the majority of women entrepreneurs. Business partners, as well as family members, are the other reliable causes of financial sustenance that may also offer moral/ethical support to women entrepreneurs of Turkey (Maden, 2015).

To investigate the challenges confronted by women entrepreneurs in Botswana, by applying qualitative and quantitative methods Ama et al. (2014) collected 319 samples of women using an amalgamation of the snowball techniques and systematic sampling method. The outcomes of the study revealed that the major constraints faced by the women traders were long hours of travel, delays at the borders, time away from their homes and inflexible accomplishment with other traders. In addition, informal cross-border trade was exposed to be highly profitable for the women entrepreneurs. In a study by Bianco et al. (2017), gender ideas were manifested in the shape of interconnected organizational barriers that delimited women entrepreneurs' access to resources. Social connections signified spaces in which gender philosophies were strengthened, nevertheless also spaces women applied to generate changes through confrontation and accommodation policies.

In the context of Pakistan, outcomes confirmed the major barriers perceived by women entrepreneurs can be eradicated by women-only training. Such the strategy may allow participants to improve competencies as well as capital. Larger clarity about learning effects desired and attained by women entrepreneurs in an Islamic socio-cultural context can be a base for scheming better education and training programs, in a vision of economic empowerment of women (Roomi and Harrison, 2010). As a consequence, the above-related literature witnessed a variety of

factors which may create restrictions for women entrepreneurs to be successful in business in various contexts. Therefore, on the basis of literature support, we proposed the following conceptual model (Figure 1) for investigation among women entrepreneurs in Pakistan.

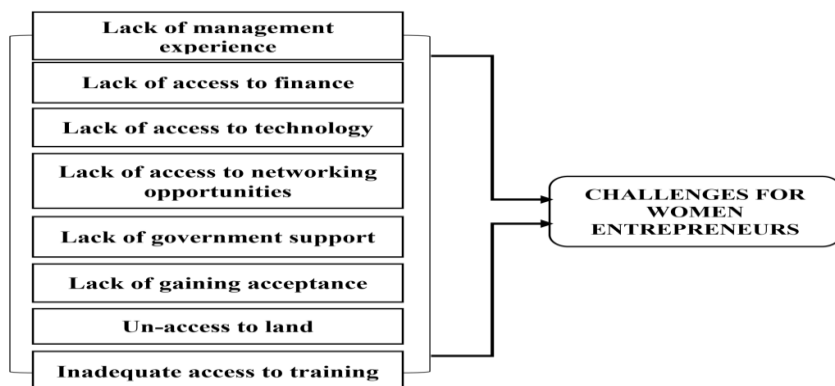


Figure 1: Conceptual model developed by the researchers

In the above literature, we found a positive and significant associations among lack of management experience; lack of access to finance; lack of access to technology; lack of access to networking technology opportunities; lack of government support; lack of gaining acceptance; un-access to land; inadequate access to training and challenges for women entrepreneurs. On the basis of such positive relationships, we developed the following hypotheses for investigation among the women entrepreneurs of Pakistan.

- H1: Lack of management experience is positively and significantly associated with challenges for women entrepreneurs in Pakistan.
- H2: Lack of access to finance is positively and significantly associated with challenges for women entrepreneurs in Pakistan.
- H3: Lack of access to technology is positively and significantly associated with challenges for women entrepreneurs in

Pakistan.

- H4: Lack of networking opportunities is positively and significantly associated with challenges for women entrepreneurs in Pakistan.
- H5: Lack of management experience is positively and significantly associated with challenges for women entrepreneurs in Pakistan.
- H6: Lack of gaining acceptance is positively and significantly associated with challenges for women entrepreneurs in Pakistan.
- H7: Un-access to land is positively and significantly associated with challenges for women entrepreneurs in Pakistan.
- H8: Inadequate access to training is positively and significantly associated with challenges for women entrepreneurs in Pakistan.

RESEARCH METHODOLOGY

Survey Tool and Validation

This descriptive study which was conducted in the context of the Islamic Republic of Pakistan. A survey questionnaire was applied to get the responses from the respondents. The items of such questionnaire were adapted from the literature in perspective of different challenges faced by women entrepreneurs. Before getting a response from the respondents, a pilot study was conducted so as to confirm the assumptions of the validity of the survey tool. We got the data from 34 respondents for such a validation. With regard to the reliability of the instrument, it was confirmed through Cronbach's alpha reliability (α) that is the frequent practice of survey research (Zikmund, 2003; Hair et al., 2006). In addition, the language, design and association of items with factors were verified through getting opinions of different universities professors to validate the questionnaire. Along with a side of such method, we

also confirmed from the respondents by getting comments regarding the language and objectivity issues. As a result, a reliable and valid survey questionnaire was launched for the main study.

Survey Procedure and Responses

We employed a sample random technique and stratified sampling in a combined way for getting the responses. Women entrepreneurs who have owned a small business or her own venture were major targets of our objective. In addition, we focused the educated respondents for the validity of filling of the questionnaire. We distributed 500 surveys all over Pakistan. In the initial stage, we collected 246 samples as rough data with a response rate of 49.2%. After data cleaning and screening, 236 valid cases are applied for final analysis.

Statistical Analysis and Results

We applied two main software such as Statistical Package for Social Sciences (SPSS) and Analysis of Moment Structure (AMOS) version 25.0 for windows. The necessary statistical test was conducted for getting validated results of data. The relevant and appropriate tests were conducted through such the software. Before jumping to hypotheses estimation, we completed the processes of data cleaning and screening proper way.

Respondents' Demography (n=236)

The demography of respondents revealed a majority of 46.61% (n=110) respondents were in between 16-25 years of age. While 33.90% (n=80) were in between 26-35 years of age. Pertaining to the education of respondents, 38.13% (n=90) and 22.89% (n=54) respondents had the graduate and above education. Only 2% (n=0.85) were illiterate. Similarly, 59.32% (n=140) were married while only 8.48% (20) was the widow. As 37.29% (n=88) respondents had three children or dependent. On the other hand, 4.23% (n=10) of respondents have five children. In the last, 72.3% (n=170)

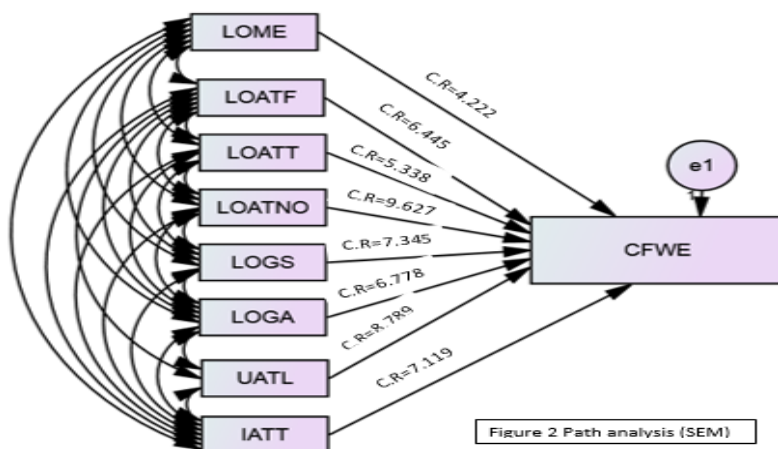
participants were earning 500-2500 rupees per day. Whereas, only 5.09% (n=12) were earning 7001 and more money in a day (Table 1)

Table 1 Demography of respondents

	Category	Frequency	Percent (%)
<i>Age</i>	16-25 years	110	46.61
	26-35	80	33.90
	36 and above years	46	19.49
	Total	236	100.0
<i>Education</i>	Illiterate	02	0.85
	Less than 10 th	50	21.19
	10 th	90	38.13
	12 th	40	16.94
	Graduate and above	54	22.89
	Total	236	100.0
<i>Marital status</i>	Unmarried	40	16.95
	Married	140	59.32
	Widow	20	8.48
	Divorced	36	15.25
	Total	236	100.0
<i>No. of children</i>	Non	22	9.32
	1	28	11.87
	2	58	24.58
	3	88	37.29
	4	30	12.71
	5 and above	10	4.23
	Total	236	100.0
<i>Income per day</i>	500-2500	170	72.03
	2501-5000	30	12.71
	5001-7000	24	10.17
	7001 and more	12	5.09
	Total	236	100.0

Hypotheses Assessment

We applied Structural Equation Modeling (SEM) to confirm the association between predictors and dependent variable (challenges for women entrepreneurs). Our path outcomes emphasized (H1=S.E=0.023; C.R=4.222; $p < 0.01$) (Figure 2 and Table 2); (H2=S.E=0.011; C.R=6.445; $p < 0.01$) (Figure 2 and Table 2); (H3=S.E=0.029; C.R=5.338; $p < 0.01$) (Figure 2 and Table 2); (H4=S.E=0.054; C.R=9.627; $p < 0.01$) (Figure 2 and Table 2); (H5=S.E=0.234; C.R=7.345; $p < 0.01$) (Figure 2 and Table 2); (H6=S.E=0.389; C.R=6.778; $p < 0.01$) (Figure 2 and Table 2); (H7=S.E=0.862; C.R=8.789; $p < 0.01$) (Figure 2 and Table 2); (H8=S.E=0.891; C.R=7.119; $p < 0.01$) (Figure 2 and Table 2) a positive and significant relationship of lack of management experience; lack of access to finance; lack of access to technology; lack of access to networking technology opportunities; lack of government support; lack of gaining acceptance; un-access to land; inadequate access to training and challenges with challenges for women entrepreneurs in Pakistan.



Note: CFWE=challenges for women entrepreneurs; LOME=lack of management experience; LOATF=lack of access to finance; LOAT=lack of access to technology; LOATNO=lack of access to networking opportunities; LOGS=lack of government support; LOGA=lack of gaining acceptance; UATL=un-access to land; IATT=inadequate access to training.

Table 2 Regression weights

<i>H.No</i>	<i>Dependent Variable</i>	<i>Path</i>	<i>Independent Variables</i>	<i>Estimate</i>	<i>S.E.</i>	<i>C.R.</i>	<i>P</i>	<i>Decision</i>
H1	Challenges for women entrepreneurs	<---	Lack of management experience	0.234	0.023	4.222	***	Accepted
H2	Challenges for women entrepreneurs	<---	Lack of access to finance	0.293	0.011	6.445	***	Accepted
H3	Challenges for women entrepreneurs	<---	Lack of access to technology	0.203	0.029	5.338	***	Accepted
H4	Challenges for women entrepreneurs	<---	Lack of access to networking opportunities	0.570	0.054	9.627	***	Accepted
H5	Challenges for women entrepreneurs	<---	Lack of government support	0.322	0.234	7.345	***	Accepted
H6	Challenges for women entrepreneurs	<---	Lack of gaining acceptance	0.257	0.389	6.778	***	Accepted
H7	Challenges for women entrepreneurs	<---	Un-access to land	0.387	0.862	8.789	***	Accepted
H8	Challenges for women entrepreneurs	<---	Inadequate access to training	0.417	0.891	7.119	***	Accepted

DISCUSSION AND CONCLUSION

In the present time, an entrepreneurship has a good reputation in terms of economic development through the different sources such as employment creation, productivity, innovation and many more. To some extent, women are recognized as successful entrepreneurs through their strong desire, qualities and capabilities for the robust development of entrepreneurship. To access such the important domain of entrepreneurship, we propose to examine the major challenges that faced by women entrepreneurs in Pakistan. A conceptual framework was developed on the basis of such challenges. A survey questionnaire was developed for getting the responses from the women entrepreneurs about the challenges which were faced by a majority of entrepreneurs. In this way, we dispersed 500 surveys among women entrepreneurs who have owned a small business or her own venture. We applied to tow

valid data collection modes such as random and stratified sampling techniques. In the initial phase, we collected back 246 samples as rough data. The response rate was observed at 49.2% respectively. Only 10 invalid questionnaires were dropped/excluded due to certain reasons (missing and outliers cases). Finally, we applied 236 valid cases for final analysis. Our results found a positive and significant association of lack of management experience, lack of access to technology and finance, lack of government support, lack of access to networking opportunities, lack of gaining acceptance, un-access to land and inadequate access to training with challenges for women entrepreneurs in Pakistan. Such the positive relationship between these factors are accorded with various scholars such as UNIDO (2001); Hisrich (2005); Ahl (2006); Gemechis (2007); ILO (2009) Langowitz and Minniti (2007); Ama et al. (2014) Bianco et al. (2017); Maden (2015); Panda (2018) who proved such the challenges of women entrepreneurs in different regions and time. However, Roomi and Harrison (2010) strongly recommended the major barriers perceived by women entrepreneurs can be eradicated by women-only training in Pakistan.

In conclusion, our final results highlighted that lack of management experience; lack of access to finance; lack of access to technology; lack of access to networking technology opportunities; lack of government support; lack of gaining acceptance; un-access to land; inadequate access to training are the major challenges that were confronted by the women entrepreneurs of Pakistan. The consequences of the current study may be supportive for policymakers, planners and economic agents to grip the significant challenges of women entrepreneurs in Pakistan. It is recommended on the ground realities of present study that the government of Pakistan may empower the women entrepreneurs by offering appropriate training programs about entrepreneurship, micro-credits in easy terms and conditions/ instalment, and a pro-business and entrepreneurial environment where women can earn to break the trap of poverty, unemployment as well prosperity in future.

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