TO PROMOTE ENTREPRENEURSHIP: FACTORS THAT INFLUENCE THE SUCCESS OF WOMEN ENTREPRENEURS IN PAKISTAN

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ABSTRACT

Women entrepreneurs are considered a leading building block of the economy as they create jobs, develop themselves, and contribute to national economic progress. Since Pakistan is a developing country, entrepreneurship is still in its infancy, and women are underrepresented in the economy. Women's economic opportunities and participation in Pakistan line up 143rd out of 144 countries in the Global Economy (2016). This study aims to identify and explore the factors affecting the success of female entrepreneurs in Pakistan. In Pakistan, more than 300 female entrepreneurs were selected for a quantitative study. Its primary objective is to investigate and describe the nature and growth of Pakistani women's entrepreneurship about the political, economic, and cultural factors of the nation that affect these women's entrepreneurial life. To investigate and examine a wide range of factors and provide an understanding of Pakistan women's entrepreneurship in a whole-of-life context rather than as a discrete business activity, it was necessary to use a multidisciplinary approach because this is one of the first studies on Pakistani women entrepreneurs in SMEs. It is mainly complicated governmental policies and financial institution procedures that prevent them from achieving their entrepreneurial goals. Women entrepreneurs face several obstacles: a lack of confidence, low education, market awareness, double roles, fewer negotiation capabilities, and vigour hindrances. The results show that Pakistani women entrepreneurs successfully manage, build, and balance a variety of cutting-edge firms as well as their personal and familial connections. This study will help policymakers develop strategies and policies to support women entrepreneurs.

Keywords: women entrepreneurship, success, challenges, Pakistan, business growth

JEL classification: L26, M13, L20, M10

Paper type: Research Article


INTRODUCTION

In many fields, including entrepreneurship, women are underrepresented in the workforce, despite representing about half of the economically active population. According to McKinsey, less involvement may economically damage nearly $28 trillion in dormant gains by 2025, holding down global GDP at $108 trillion. The Desjardins (2018) report estimates that a fair representation of women’s business enterprises by 2025 will boost GDP by about $136 trillion. In developing countries, self-employment accounts for up to 70 per cent of employment, especially among low-income households. Women are not discriminated against in entrepreneurship since it aims to create new businesses while managing all the risks associated with profit generation.
Entrepreneurship involves a series of activities individuals undertake through maintaining values as they accept the opportunities available (Minniti and Naudé, 2010; Ismail, 2016). Entrepreneur means 'to undertake' in French, which is the root of the word entrepreneur. According to Gartner, 2005, entrepreneurship is the act of innovating and creating an organization. Sathya & Vithyapriya (2016) elaborate on entrepreneurship, which emerged in the 20th century as women ran their businesses to support their families. According to past research, women can significantly contribute to national economic development and entrepreneurship. Participating in the workplace and taking on leadership roles demonstrate women's empowerment by gaining control and access to corporate resources (Awwal Sarker, 2006; Sarfaraz et al, 2014). For women, entrepreneurship provides the best opportunity to fulfill their dual responsibilities of running their homes and businesses as it is free and time-bound. Historically, women have been underrepresented in business due to fewer opportunities for pure decision-making. In the world, women are increasingly becoming business owners. According to Global Economy, 2017, the UK, Denmark, Sweden, and Germany are among the top five countries for women's entrepreneurship.

Globally, entrepreneurship is becoming a swiftly growing distress in a competitive economy. Since Pakistan is still a developing country, it is still learning how important it is to have self-employed people rather than relying on government support. Over the past decade, self-employment has contributed significantly to Pakistan's economic growth. Self-employment and paid employment are possible for women, but they come with risks and problems that discourage women from pursuing them (Singh et al, 2012).

Rao & Suri Ganesh (2011) elaborate that the primary challenges relate to family issues, such as ensuring the family has adequate time together and fulfilling family responsibilities. Roomi and Parrot (2008) reported that women are mainly motivated to be homemakers. Hafizullah et al (2012) state that female entrepreneurs struggle with mobility, business participation, and market interaction because of male dominance in culture. According to the research, women entrepreneurs in Pakistan must deal with both traditional and contemporary environments to run their businesses. Sociocultural and religious aspects fall under the traditional category, while constitutional structure, policy-making, and other institutional mechanisms fall under the contemporary category (Badjanova et al, 2018; Jarmusevica et al, 2019). Female entrepreneurs also experienced problems due to a poor economy and a stereotyped society. Female entrepreneurs in Pakistan are being studied and identified to identify and examine the factors that affect their success.

The paper is outlined as follows. In Section 3, we have elaborated on research on factors influencing the success of women's enterprises in Pakistan. Next, section 4 presents entrepreneurial success factors for women, and Section 5 highlights the methodology. Lastly, Section 6 concludes the entire manuscript.

LITERATURE REVIEW
The role of entrepreneurship as an agitator for product progress and industrial development is complicated and multi-layered. The concept of the entrepreneur was elaborated on in detail by J.A Schumpeter (Sexton and Upton, 1990). The term "women entrepreneurs" refers to women who start their businesses using their skills.
and resources. Being financially independent involves all kinds of risks for women entrepreneurs. The path to economic independence and fulfillment of domestic needs for women after a long struggle is paved with many challenges (Anwar & Rashid, 2012; Nagarajan, 2016). The idea that women's entrepreneurship makes a smaller contribution to economic advancement is debunked by this study. The businesses owned and operated by women span a variety of industries, including retail, services, IT, Facebook online sales, cosmetics, and tailoring. Transitional economies have experienced profound economic, social, and governmental changes due to the conversion process (Ramadani & Dana, 2013; Hughes et al, 2012). Vossenberg (2013) reveals that women entrepreneurs drive economic upgrowing and development. The contribution of women to social and economic development is also extensively discussed by Latif et al (2011).

According to Herron and Robinson (1993), Smith and Cantillon were the first economists to examine entrepreneurship in the 18th century. The idea of combining elements to create something new was incorporated into advanced definitions of "Entrepreneurship". Ahmad and Symour (2008) argue that "innovation and disruption" have become central concepts in modern definitions of entrepreneurship. It has been said by Venkataraman (1997) states that "entrepreneurship is the intersection of two phenomena: ambition and an open door. Furthermore, Shane (2003) defines "entrepreneurship" as "the process of finding, assessing, and exploiting open doors that lead to the presentation of various products and services.

Markets, procedures, and crude materials must be sorted out differently. A woman's commitments and family issues can impede her business success. In addition to managing a household and running a business venture, few women have time to handle all of their duties effectively (Santhiya, 2016).

Hasan and Almubarak (2016) have also mentioned work-life balance as a hurdle for female entrepreneurs. Therefore, rural women can participate in economic activities and innovate new ideas. Developed countries organize technical workshops with investors to enable rural women to start new businesses. A masculine Islamic society presents significant challenges to women because of a lack of time, gender prejudices, customs, and family obligations (Rehman & Azam Roomi, 2012).

**METHODOLOGY**

In order to achieve the objective of this study, which is to provide a better understanding of women’s entrepreneurship in Pakistan, this thesis heavily relies on primary data; A concurrent triangulation strategy was used to collect and analyze data. Thus, while the 300 questionnaire survey to collect quantitative data was mailed out, Qualitative data was collected through in-depth interviews to gain deeper insight into Pakistani women entrepreneurs and develop a clear image of them.

**HYPOTHESES**

In this study, we observed the elements affecting females' accomplishment in Pakistan in this study; we test the following hypotheses:

H1: The success of Pakistani women entrepreneurs influences their motivations for becoming entrepreneurs.
H2: The success of Pakistani women entrepreneurs is related to their personality characters.

H3: The success of Pakistani women entrepreneurs is associated to their reduction in problems.

**Factors That Influence the Success of Women Entrepreneurs**

The component that impacts the achievement of women entrepreneurs has been elaborated in the following sections; figure 1 highlights the elements that influence the triumph of businesswomen.

**Internal Factors**

They include the factors that provoke the urge for achievement from one’s inner self.

**MORALE**

Every person needs self-confidence and self-esteem to succeed in any field, regardless of gender. Especially in women, self-reliance gives them the confidence to work hard and devote themselves to their work.

![Diagram of Factors Influencing Women Entrepreneurs Success]

**AUDACITY**

It is the ability to take risks and be bold. Being bold and daring, along with self-confidence or arrogance, regardless of one’s safety and other restrictions, is synonymous with audacity. With the urge to achieve, the female entrepreneurs in Pakistan pave their paths towards success after knowing that their destination demands them to come towards it by crossing all the hurdles audaciously.

**DESIRE TO ACHIEVE**
It can also be taken as the need for achievement. It is the main reason behind anything we do for something we want to do or accomplish but might not have control over the situation. A strong desire for success is a 100% commitment to achieving the goal. If you want it so badly, then quitting is not an option. It is a journey between hopping, knowing, and achieving. Pakistani women are more ambitious and hardworking as compared to Pakistani men. They are way more dedicated to their goals. To establish an independent business in Pakistan, Pakistan women must be self-confident, take risks, and be driven by a sense of achievement.

**EXTERNAL FACTORS**

**Socio-cultural Factors**

They include the following factors:

<table>
<thead>
<tr>
<th>Factor</th>
<th>Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-workers Support</td>
<td>The community within which you work, especially being a woman, greatly influences your way to success and establishing your own business. Co-workers help a lot in accessing different obstacles.</td>
</tr>
<tr>
<td>Family Support</td>
<td>If you have a supportive family dealing in good financial conditions, then all you have to worry about is maintaining the profit and loss equation. If your family is not supportive and in low-income family conditions, achieving success becomes a mandatory task for you. Most families in Pakistan are not supportive, so women here have to deal with all these external obstacles.</td>
</tr>
<tr>
<td>Religion</td>
<td>In Pakistan, Muslims are in the majority, and the most significant belief of the people is Almighty Allah. Women establish their businesses under Islamic laws and boundaries.</td>
</tr>
<tr>
<td>Tradition</td>
<td>Women entrepreneurs in Pakistan are not supported traditionally.</td>
</tr>
<tr>
<td>Myths</td>
<td>Many myths and ignorant facts are associated with working women, but ambitious women do not abide by them.</td>
</tr>
</tbody>
</table>

*Source: Table compiled by us based on primary data*

<table>
<thead>
<tr>
<th>Factor</th>
<th>Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to Finance</td>
<td>The budget includes all her investments and finances to start her business.</td>
</tr>
<tr>
<td>Resources</td>
<td>For starting a business, a sufficient number of resources are required. If she has enough resources for opening a business, then the issue of resources for business is resolved.</td>
</tr>
</tbody>
</table>
She should also know about the market demand to keep the profit and production equation balanced. All these factors collectively influence the success of women entrepreneurs in Pakistan.

Table 3. Descriptive Statistics of Participants Profile

<table>
<thead>
<tr>
<th>Provinces</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punjab</td>
<td>140</td>
<td>46.7</td>
<td>46.7</td>
</tr>
<tr>
<td>Sindh</td>
<td>87</td>
<td>29.0</td>
<td>75.7</td>
</tr>
<tr>
<td>KPK</td>
<td>27</td>
<td>9.0</td>
<td>84.7</td>
</tr>
<tr>
<td>Baluchistan</td>
<td>18</td>
<td>6.0</td>
<td>90.7</td>
</tr>
<tr>
<td>Gilgit Baltistan</td>
<td>28</td>
<td>9.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>300</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4. 300 Female Entrepreneurs Age Profile

<table>
<thead>
<tr>
<th>Description</th>
<th>Participants</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22 – 28</td>
<td>74</td>
<td>25%</td>
</tr>
<tr>
<td>29 – 37</td>
<td>129</td>
<td>43%</td>
</tr>
<tr>
<td>38 - 46</td>
<td>58</td>
<td>19%</td>
</tr>
<tr>
<td>Above 46 years</td>
<td>39</td>
<td>13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status</th>
<th>Participants</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>129</td>
<td>43</td>
</tr>
<tr>
<td>Married</td>
<td>152</td>
<td>51</td>
</tr>
<tr>
<td>Divorce</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>Widowed</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>300</td>
<td>100%</td>
</tr>
</tbody>
</table>

On average, these Pakistani women business owners were married, and 51% of them had 2 to 5 kids. Of them, 43% were single, 8% were widowed, and 11% were separated from their spouses or divorced. Women entrepreneurs in Pakistan differ little from women entrepreneurs in other countries regarding their marital and maternal status and ethnic identity.
An effort was made to find tools for data analysis that covered the maximum number of women entrepreneurs possible. Hence, the adopted scale with 31 items was distributed through email. The sample size of this study was women entrepreneurs from all the provinces of Pakistan. The majority of the inquiries were to gather numerical information. A total of 340 questionnaires were sent through emails selected for this research. Only 300 authentic answers were reached through proper emails from the women entrepreneurs.

This study uses a quantitative approach by positivist philosophy. Deductive reasoning is used to derive the hypothesis from theory, express it in operational terms, draw and test a large sample of data, and accept or reject it. The principle of qualitative inquiry applies to this investigation, as explained in the preceding paragraphs.

**Research Strategy**

A statistical inference study ascertained the participants' qualities. Regression analysis evaluations on the effectiveness of female enterprises were carried out to investigate the connection between entrepreneurship, innovation, and entrepreneurial performance. Version 20 of the Statistical Package for Social Science was used for data analysis (SPSS).

**Research Population**

This study's population comprises women entrepreneurs, small businesses, online workers (Fiverr, Upwork), etc. We interviewed and collected data from 300 females from different provinces of Pakistan.

**Data Analysis**

We recorded all the interviews on a device to ensure that we got all the important information when analyzing the opinions and thoughts of respondents. Even though transcription takes much time, it was essential to get product information from the interviews.
Reporting Result

Testing Hypothesis 1: The success of Pakistani women entrepreneurs influences their motivations for becoming entrepreneurs.

The entry approach was used to perform a standard multiple regression analysis using the factor-analyzed independent and dependent variables. This study investigates the relationship between the success of Pakistani women entrepreneurs and their reasons for beginning their businesses. Further, the research aims at how much of the variation in the dependent variable can be accounted for by the independent factors. In Table 5, this model explains a large proportion of variance in the independent variable to motivations of Pakistani women entrepreneurs. A linear function of motivation scales can explain .39% of the variation in success, based on the coefficient of determination (R square) of .39. There is also statistical significance in the ANOVA result ((F (3.237) = 25.779. p<0.001), suggesting that Pakistani women's motivation for business ownership is linear.

<table>
<thead>
<tr>
<th>Motivations</th>
<th>Person Correlation</th>
<th>Beta Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivators based on finances</td>
<td>.417 **</td>
<td>.277 **</td>
</tr>
<tr>
<td>Personal Motivations</td>
<td>.392**</td>
<td>.250**</td>
</tr>
<tr>
<td>Motivations for business</td>
<td>.309 **</td>
<td>.106</td>
</tr>
</tbody>
</table>

Source: The table is compiled based on our calculation

Table 5. Regression Model for success based on Motivational factors

Testing Hypothesis 2: The success of Pakistani women entrepreneurs is related to their personality traits. The second hypothesis was tested by employing multiple regression analysis with the enter method using scales previously developed for success and personality traits. The relationship between the personality traits of Pakistani women entrepreneurs and their success was examined using multiple regression analysis. Furthermore, the results showed how much variance the independent variables contributed to the success. The model built on the characteristics of Pakistani women entrepreneurs is depicted in Table 6, which may account for a significant percentage of the variance in the dependent variable. With a coefficient of determination of 0.83, personality characteristics can account for 83% of the variation in success. According to the ANOVA results, the independent and dependent variables have a substantial linear connection.

<table>
<thead>
<tr>
<th>Personality Traits</th>
<th>Person Correlation</th>
<th>Beta Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traits of achievement</td>
<td>.684 **</td>
<td>.631 **</td>
</tr>
<tr>
<td>Traits of responsibility</td>
<td>.471 **</td>
<td>0.059</td>
</tr>
</tbody>
</table>

Source: The table is compiled based on our calculation

Table 6. A regression model for success based on personality traits (R-Square = 839%, ** p<.001)
Testing Hypothesis 3: The success of Pakistani women entrepreneurs is related to their Reduction in problems.

The third hypothesis was tested by employing multiple regression analysis with the enter method using scales previously developed for success and reduction in the problem. A multiple regression analysis was conducted to determine how women entrepreneurs' feel a reduction in problems correlated with their success in Pakistan. Furthermore, the results showed how much variance the independent variables contributed to the success. The model based on the RP of Pakistani women entrepreneurs can explain a significant percentage of the variance in the dependent variable, as shown in Table 7. A decrease in the problem can account for 28% of the difference in success, according to a coefficient of determination of .28%. According to the ANOVA results, the independent and dependent variables have a substantial linear connection.

Table 7. A regression model for success based on personality traits (R-Square = .28%, ** p<.001)

<table>
<thead>
<tr>
<th>Reductions in Problems Variable</th>
<th>Person Correlation</th>
<th>Beta Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction Problems in Management</td>
<td>-.437 **</td>
<td>-.460**</td>
</tr>
<tr>
<td>Reduction Problems in Financial</td>
<td>-.181 *</td>
<td>.047</td>
</tr>
</tbody>
</table>

Source: The table is compiled based on our calculation

DISCUSSION

Women dominate Pakistan's population. In comparison to men, the overwhelming majority of this population segment is not eligible for education, empowerment, employment, or any other significant aspect of life. There are teething problems in almost all walks of life, and they lack behind. Balochistan's Human Development Index is the lowest among all provinces; the situation is not much different. Balochistan's sociocultural dimensions prevent them from actively seeking and participating in activities that would benefit their economic well-being. Entrepreneurs will face many difficulties if they attempt to be busy in business activities in such orthodoxies. They generate revenue for their families due to their low incomes and large families. In addition, social setup, education, awareness, and family support are key factors influencing their engagement and involvement in economic activities. The business owner's age is essential, and the likelihood of a new business decreases. Most business establishments are owned or operated by women between the ages of 31 and 40. In the beginning, their businesses will face specific challenges and problems. Insufficient finances and credit availability are the most significant problems. Several factors have contributed to the current situation, including a male-dominated culture, domestic responsibilities, random market behaviour, a lack of sales increase, aggressive attitudes, rigid policies, and insufficient education and training facilities. Women's morale is also undermined by such factors, which adversely affect enterprises. The success of a businesswoman contributes to economic uplift and social change. As a result of this change, more women may become
economically active, leading to a societal revolution. Consequently, unnecessary dependence on men may decline, along with their needless subordination to their families.

Our research contributes to the present research work in several ways. Over half of the 230 million citizens of the country are women (52%). The private sector has been the engine of Pakistan's growth, employing 65 per cent of its female labour force compared to 75 per cent of its male labour force. Furthermore, this study found that most of these women's businesses are small and medium-sized. According to research, women’s small- and medium-sized business ventures have created many diverse, productive businesses, contributing to Pakistan's economic growth. Small and medium enterprises enable women to participate more actively in Pakistan’s development because they empower them economically. Additionally, the study showed that women's entrepreneurial endeavors serve as resources for financial survival. And have positive societal effects on them and their surroundings. To fulfil Pakistan's goal of becoming an intermediate economy by 2020, if there is to be any sustainable progress, it cannot ignore this significant portion of its population. It is crucial to recognize, support, and understand these women to develop Pakistan and other developing economies.

Limitation and Directions
The limitations of this study's scope are time and funding. A sample of each province in Pakistan was taken for the study. According to the study, the results were limited by the degree to which respondents answered the survey instrument and the interviews honestly, carefully, and without bias. It is clear from this study that women entrepreneurs in Pakistan play an important contribution in creating jobs and innovating. Women entrepreneurs' roles in developing economies will be strengthened through future research. In this way, women from this part of the world can boost their self-esteem and self-image. They will be recognized not only for their ability to produce children and perform household chores; they will receive the appropriate recognition and appreciation for the significant contribution they make to the advancement of their communities and countries.

According to the information, research on women entrepreneurs has gotten less emphasis than studies on enterprise, in which male attitudes and conduct are typically dominant. To evaluate female entrepreneurship, research tools were mostly derived from studies examining the qualities and experiences of men, which may have excluded important and specific aspects of female entrepreneurship. By improving the entrepreneurial theory and adding to the body of information on female entrepreneurship, this study aimed to fill this knowledge gap. Through challenges, experiences, traits, motives, actions, problems, and triumphs, the entrepreneurial experience of women is examined and highlighted. Because it provides trustworthy and enhanced data, this study will be useful to future scholars looking into women's entrepreneurship and policy organizations trying to assist women's entrepreneurship. We must continue researching women's entrepreneurship to understand it better.

Developing economies around the world are particularly in need of such studies.
CONCLUSION
In Pakistan, the majority of people are women. Compared to men, the vast majority of this population segment is ineligible for employment, education, empowerment, and all other important facets of life. There are teething problems in almost all walks of life, and they lack behind. Balochistan's Human Development Index is the lowest among all provinces; the situation is not much different. Balochistan's sociocultural dimensions prevent them from actively seeking and participating in activities that would benefit their economic well-being. They encounter many difficulties when entrepreneurs attempt to enter commercial activities in such orthodoxies. The entrepreneurs generate revenue for their families due to their low incomes and large families. In addition, social setup, education, awareness, and family support are key factors influencing their engagement and involvement in economic activities. The business owner's age is essential, and the likelihood of starting a new business decrease with age. Most business establishments are owned or operated by women between the ages of 31 and 40. In the beginning, their businesses will face specific challenges and problems. Insufficient finances and credit availability are the most significant problems.

The current state of affairs results from several issues, including the predominance of men in society, family obligations, uncertain market behaviour, a lack of sales points, hostile attitudes, strict policies, and inadequate education and training facilities. Women's morale is also undermined by such factors, which adversely affect enterprises. The success of a businesswoman contributes to economic uplift and social change. As a result of this change, more women may become economically active, leading to a societal revolution. Consequently, unnecessary dependence on men may decline, along with their needless subordination to their families.

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All authors have read and agreed to the published version of the manuscript.

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References


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