

## **Problems and Prospects of Women Entrepreneurs: A case study of Quetta-Pakistan**

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### **Abstract**

*Entrepreneurship is a rapidly rising concern of a modern competitive economy and its contribution in economy is viably recognized worldwide. But the point to ponder is the fact that it is generally perceived as a male-gendered concept in Pakistan. And the women who start up their businesses have to face some teething problems. This research paper attempts to analyze and highlight their problems and prospects. It is a case study of Quetta City in Balochistan province of Pakistan. A sample of 100 women entrepreneurs was surveyed by using a structured questionnaire. The results of the investigations by using descriptive statics identified various problems and issues confronted by women entrepreneurs. Furthermore, the research revealed a rank order of factors affecting them based on the opinions of respondents. Family, self and societal factors are ranked highest while factors like financial and economic, political and environmental and marketing and mobility are ranked as second, third and fourth respectively.*

**Key words:** Women Entrepreneurs, Women Entrepreneurship, Problems, Prospects

### **1. Introduction**

#### **1.1 Background of study**

Entrepreneurship is a rapidly rising concern of a modern competitive economy and its contribution in an economy is viably recognized worldwide. Pakistan being a developing country is still on its way to understand the need of self-employed people who can serve the nation rather than being served by it. In the last decade the idea of self-employment has really increased up and many SMEs have emerged in Pakistan and contributing to its economic growth & development.

This process of development requires equal participation of all citizens regardless of gender. But the matter to ponder is, entrepreneurship is viewed as a male-gendered concept in Pakistan. Women constitute more than 50% of the total population of Pakistan and this huge portion of population if provided with the proper training and education can play an overwhelming role in growth of the overall economy of Pakistan. But unfortunately only 16% of more than 50% of the population is involved in activities aiming at increasing the revenue of the country. About 60% of the women entrepreneurs in the country choose traditional businesses like Beauty parlors, bakeries, handicrafts and boutiques etc.

Balochistan as a specific province of Pakistan is not an exception, women in Balochistan are marginalized and unfortunately, the situation of women entrepreneurship in Balochistan is also not pleasing. Therefore realizing their colossal potential and understanding their problems and prospects are needed.

## 1.2 Problem statement

The fundamental problem encouraging this research is the crucial need to develop an understanding of the nature and problems faced by women entrepreneurs and their prospects on the very issue of their entrepreneurship. The study attempts to have full-scale research that is statistically significant and could answer the following major question:

- What are the major problems and prospects of women entrepreneurs of Quetta city?

## 1.3 Research Objectives

The vital aim of this research is to

- Develop a theoretical model that can help understand, construe, investigate and analyze the problems faced by women entrepreneurs managing their enterprises in Quetta city and also to reveal their prospects.
- To suggest strategies to effectively overcome problems.

## 1.4 Significance of Research

Because the research is a rigorous study based on primary and secondary data, therefore it is significant in many aspects; it will not only investigate and highlight the problems faced by female entrepreneurs but also divulge their perspectives regarding involvement of women in the business activities. No research on the very topic has yet been conducted so it may also lead the policy makers to devise sound policies based on the gaps identified by this study. In addition, it will also encourage the female population of Balochistan in general and Quetta specifically to be engaged in self-employment by understanding all of pertinent issues.

## 2. Research Methodology, Sample and Instrument

The nature of this study is to explore and describe the major problems of women entrepreneurs and to surface their perspectives. The Survey method was used to collect data and structured questionnaire was used as a tool to gauge views of respondents. Semi structured interviews were also conducted of those respondents who showed difficulties in completing the questionnaires. The questionnaire was divided into five sections; the first section was to assess the general profile of the respondents while the rest of the sections were divided into four subsections including i) Family, self and societal ii) Financial and Economic iii) Political and Economic and iv) Market and mobility. A sample comprising of 100 respondents from almost all areas of the city was approached by using the "snow ball" sampling technique. The respondents were requested to furnish the names and addresses of other women entrepreneurs they know.

## 3. Literature Review

### 3.1 Entrepreneurship

Many authors have defined entrepreneurship in different ways. Hafizullah et al (2012) viewed entrepreneurship as bringing and implementing novel ideas or modifying the old ones, to bring innovations into businesses that have the ability to create value. Tambunan (2009) described an entrepreneur as a self-employed person. Entrepreneurs are considered as vital factors in initiating and providing social and fiscal development. According to a research the countries having hefty number of entrepreneurs are more urbanized and are on route for advance compared to those countries which have less percentage of the entrepreneurs (Rao, Rao and Suri Ganesh, 2011).

“Push” and “ Pull” factors are associated with entrepreneurship. Push factors mainly are lack of employment opportunities, dissatisfaction of working under supervision and unsupported governmental activities; on the other hand pull factors are the desire for self-fulfillment and attainment of personal goals ( Singh et al. , 2011). That is why; jobseekers are now turning into job creators (Palaniappan, Ramanigopal and Mani, 2012).

### **3.2 Women Entrepreneurship**

Female who play an intriguing role by frequently interacting and actively adjusting herself with socio-economic, financial and support spheres in society is called women entrepreneur (Pareek, 1992). Tambunan (2009) divided women entrepreneurs into three categories of chance, forced and created and these categories are based upon the fact that how they started their businesses. He argues that women, who do not have any clear objective or goal in their mind at the time of initiating business, fall in the chance category as with time their businesses evolve from their hobbies. While forced entrepreneurship is the category for such women who start their businesses being constrained by circumstances. Whereas the women who start their businesses by being motivated or encouraged by others fall in the category of created entrepreneurs.

Women entrepreneur are further divided into three categories based on the areas of their engagement , the micro sphere, where female’s economic empowerment is affected by intra -familial associations. The second sphere is institutional also called meso-sphere; it includes organizations other than family ones, for example schools, NGOs and other businesses. The last sphere is macro, this is the environment in which one lives and carry on one’s work, it includes international and national dynamics, regulatory authorities, credit availability, sources of finance and other factors of internal and external environments (Jones, 2004).

### **3.3 Problems & Prospects of Women Entrepreneurs**

On view of the world, 1.4 billion poor people 70% are anticipated to be women. In the last few decades women had started to realize the value of self-employment and they are now utilizing their capabilities in entrepreneurial activities. And it is noted that there has been a rapid upsurge in self-employed women in the developed nations. In USA, 25% of the total business is owned by women and almost same patterns are being identified in Canada and France where one-third and one-fifth small businesses are owned by women respectively. Whereas in Asia, women comprise 40% of the total workforce. However, in China women are dominating the men at least by two fold and similar inclinations are observed in Japan (Rao, Rao and Suri Ganesh, 2011). And it is the scarceness of employment opportunities that tend to raise neologism i.e. “Entrepreneurship Mentality” (Ahl, 2006).

Women can either be self or paid employed. But both of the employments are prone to risks and problems that discourage females in both domains (Singh et al., 2012). Researchers claim that family issues such as giving proper time and fulfilling family culpabilities are the chief issues confronted by them (Rao, Rao and Suri Ganesh, 2011). Another inquiry supported the findings that women are mainly impelled to be the home makers (Roomi and Parrot, 2008). Whereas Hafizullah et al (2012) highlighted that male dominance in culture creates problems for female entrepreneurs in terms of limiting their mobility, business participation and market interactions. The further arguments of the research revealed that women entrepreneurs of Pakistan have to face both environments; traditional and contemporary in order to run their enterprises. Traditional category includes socio cultural and religious elements while contemporary category is a sub category of above mentioned factors and includes constitutional structure, policy making and other institutional mechanism. Furthermore, they recognized poor economy and stereotyped society as other factors liable of causing glitches for female entrepreneurs.

The geo-political crisis has adversely affected Pakistan’s socio-economic growth and such a jeopardized scenario has also affected women entrepreneurship. The major factors that restrain women from business are gender-based discrimination, lack of communal support, limited access to information, inadequate education & training facilities, absence of trust in one’s capabilities and access to resources (Afza, Hassan and Rashid, 2010). These arguments are supported by the findings of another research that says that the lack of proper leadership, planning and inadequate financial resource allocation is some other difficulties that women usually face during execution of their businesses (Palaniappan, Ramgopal and Mani, 2012).

Besides all the problems women also face some challenges and significant of them are uncloaked guidelines, challenging interactions due to gender, dependence upon their male counterparts for transactions and extra restrictions imposed on them as compared to their gender counterparts (Ahmad, 2011).

By keeping all of above cited problems, issues, challenges and societal set up the participation of women into economic growth through entrepreneurship requires strong family policies which are designed to support female's opportunities (Neegaard and Thrance, 2011). While Palaniappan, Ramanigopal and Mani (2012) are of the view that women can opt entrepreneurship as a Nobel profession to cope with the issues like subordination in their respective families and societies. Pakistan being the land of opportunity is a very productive place for new endeavors as it provides the idea situations for entrepreneurship. (Hafizullah et al., 2012). A societal revolution can be brought if appropriate part of women population comes forward in the field of entrepreneurship which can enhance their independence and self-confidence (Amutha, 2011).

#### 4. Results and Data Analysis

**Table 1: Categorical Profile Analysis**

Sample Size	Total	Scale of Business			Nature of Business		
		Very Small	Small	Medium-Large	Trading	Production	Services
	100	60	35	05	28	21	51
<b>Percentages</b>							
<b>Age</b>							
<i>20-30 years</i>	32	45	43	60	14	43	47
<i>31-40 years</i>	51	52	49	40	50	33	22
<i>41 and older</i>	17	3	8	--	36	24	31
<b>Total</b>	100	100	100	100	100	100	100
<b>Percentages</b>							
<b>Education</b>							
<i>Post-Graduate</i>	21	15	17	10	29	09	43
<i>Graduate</i>	56	68	31	60	43	53	51
<i>Higher Secondary</i>	19	05	26	20	21	33	04
<i>Secondary &amp; Less</i>	4	12	26	10	7	5	2
<i>No formal Education</i>		00	--	--	--	--	--
<b>Total</b>	100	100	100	100	100	100	100
<b>Percentages</b>							
<b>Marital Status</b>							
<i>Married</i>	87	62	60	80	46	82	86
<i>Unmarried</i>	12	32	40	20	39	18	14
<i>Divorced/Separated</i>	1	6	--	--	15	--	--
<b>Total</b>	100	100	100	100	100	100	100

Table 1 reveals that 60% of the sample is running very small enterprises employing 1 to 5 workers; 35% of the sample is managing small businesses comprising of a workforce of 5 to 10 while the tendency of running medium to large scale businesses employing 11 and above workers is observed the lowest i.e. 05% only. Furthermore, 51% cohort of them is involved in services related businesses and their engagements into trade & production related businesses are 28% and 21% respectively. 51% are aged between 31 to 40 years. In addition to this the data finds that 56% of them are graduated and a chunk of 87% of surveyed sample is married.

**Table 2: Factors affecting women entrepreneurs**

<b>Factors affecting women entrepreneurs</b>	<b>Percentage</b>
<b>1. Family, self and Social Domain</b>	<b>48%</b>
- Lack of family support & orthodoxies	10
- Family obligations	08
- Male dominance	06
- Hostility of society towards engagement of women in businesses	05
- Non-Cooperation of male counterparts	04
- Difficulty in dealing with males	03
- Weak bargaining position	05
- Harassment	04
- Lack of experience	02
- Lack of proper trainings	01
<b>2. Financial &amp; Economic Domain</b>	<b>19%</b>
- Poor credit facilities for women	07
- Lack of finances	06
- Heavy taxes/fee/ duties etc.	03
- Inflation	03
<b>3. Political &amp; Environmental Domain</b>	<b>16%</b>
- Stringent regulations and policies	06
- Red-tape/bribery etc.	03
- Lack of Governmental support	02
- Improper Training & Development Facilities	05
<b>4. Marketing &amp; Mobility</b>	<b>17%</b>
- Attracting customers	06
- Unavailability of sale points	04
- Difficulties to find appropriate markets	03
- Unfavorable market behaviors	04

**Table: 3 RankOrder Analysesof Factors Affecting Women Entrepreneurs**

<b>Factors</b>	<b>Mean</b>	<b>Rank</b>
-Lack of family support & orthodoxies	5.27	1
-Family Obligations	5.15	2
-Poor Credit Facilities	5.11	3
-Lack of Finances	4.97	4
-Male Dominance	4.62	5
-Stringent Policies	4.27	6
-Attracting Customers	4.13	7
-Hostile Society	4.02	8
-Weak Bargaining Position	3.98	9
-Improper Training & Development Facilities	3.82	10
-Harassment	3.78	11
-Non Cooperation of Males	3.63	12
-Unfavorable Market Behaviors	3.44	13
-Unavailability of Sale Points	3.09	14
-Difficulty in dealing with males	3.07	15
-Difficulties in finding Appropriate Markets	2.72	16
-Heavy Taxes/Fee & Duties etc.	2.56	17
-Inflation	2.52	18
-Red tape/Bribery	2.19	19
-Insufficient Governmental Support	2.01	20
-Lack of Experience	2.00	21
-Lack of Proper Trainings	1.91	22

Tables 2 elaborate the factors affecting female enterprise holders. These factors were generated through reviewing literature and were classified into four broader categories / domains of i) Family, Self and Social, ii) Financial and Economic, iii) Political and Environmental and iv) Marketing and Mobility. These domains were then further classified into sub factors as elicited in Table 2.

According to the views of respondents, the factors constituting Family, Self & Social domain are ranked highest among all other domain categories. 48% of the surveyed women entrepreneurs are of the view that issues pertaining to their families, themselves and their native societies are at apex on the domain paradigm. Financial & Economic domain is the second most affecting category, while the domains of Marketing & Mobility and Political & Environmental are ranked third and fourth according to the statistics of 19%, 17% and 16% respectively.

Table 3 compliments the findings presented in table 2 as it elicits the rank order of sub factors instituting above cited domains. All sub factors are arranged from highest to lowest on the basis of their respective means. Among the top 5 factors, 3 belong to the category of Family, self and social issues. This focuses the importance of these factors for women entrepreneurs. The 3<sup>rd</sup> and 4<sup>th</sup> ranks identify the difficulties that women face related to Finance & Economic issues. The table gives a clear picture of most to least affecting factors. The least ranked factors do not mean that they exert less adverse effects on women who are running their enterprises, in fact these factors are considered less contributory.

## 5. Discussion and conclusions

Women constitute hefty cohort of Pakistan's population. But this overwhelming population chunk faces inequalities in terms of education, empowerment, employment and all other significant aspects of life as compare to men in society. They lack behind and face teething problems almost in all walks of life. The situation in Balochistan is not much different; Human Development Index of the province is the lowest among all provinces. Women in Balochistan are more relegated. The socio-cultural dimensions of Balochistan do not allow them to actively seek and participate in activities related to their economic uplift. In such orthodoxies, if they endeavor to engage in business activities they encounter many problems. The literature and results of this study support this general perception. It is highlighted by the study that married and educated women are more inclined towards establishment of their businesses. Low income and large family setups are the prime reasons that compel them to engage in revenue generation for their families. It also finds out that their engagement and involvement into economic activities mainly depend upon the societal set up, level of education, awareness and family support. Age is another significant factor, the chances of starting new business falls as age grows. Women aged between 31 to 40 years are most likely to be involved in business establishment. Once, if they decide to start up their businesses, they are prone to certain problems and challenges. Credit unavailability and lack of finances are the chief issues. Male dominant society, family obligations unpredictable market behaviors, absence of sale points, hostile attitude of society, rigid system of rules, unrealistic policies and inadequate education and training facilities have worsened the situation. Such factors not only adversely affect the enterprises but also undermine the morale of women. A successful business woman not only contributes towards the economic development and uplift but also brings about social change. This change may result into societal revolution by bringing more women into economic sphere. It may cause a decline in unnecessary dependence upon men and their needless subordination to their families may fall.

## 6. Suggestions

- The policy makers should develop a comprehensive National Policy for Women by involving real stakeholders and its implementation should be ensured by provinces by devising Strategic Plan of Women Development and Social Welfare.
- Gender and poverty alleviation programs should be integrated through setting up of National Action Programs.
- Gender Mainstreaming should be done through initiation of various sectoral programs. Gender sensitization training and societal awareness and advocacy campaigns must be a pivotal part of such programs.
- Economic Empowerment of women must be ensured by starting small, medium and large scale projects.

- Women Study Centers should be established with a strong technical baseline. Arrangements should be made at these study centers to maintain a data base regarding gender statistics. These study centers must impart trainings, conduct capacity building programs and orientations for women.
- Legislations should be done regarding the family protection programs.
- Business incubation centers for women must be established to properly counsel and guide potential women entrepreneurs.
- Women entrepreneurs should be given more exposure to enlarge the scope of their businesses by providing them the chances to learn from the successful entrepreneurs of other regions/ countries. The concerned authorities must be held accountable for creating such occasions.
- Separate markets should be established for women entrepreneurs to encourage them. Transportation and other facilities of mobility should be ensured on subsidized rates.
- Women entrepreneurs must be given subsidies in various tariffs, taxes, fees and all other levies.

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