

Women Entrepreneurs Problems in Pakistan (A Study of District Mardan)

Ismail Shahid^{1*}, Luis Antonio Bittar Venturi²

Institute of physical Geography University of Sao Paulo Brazil

ABSTRACT : The aim of this study is to discover different problems faced by women entrepreneurs in district Mardan Pakistan. For this research 40 questionnaires were distributed among the respondent using a simple random sampling method to collect information about women entrepreneurs who work in different areas of district Mardan. The results are presented in the form of a pie chart, Bar Graph and interpreted using the simple average method. Like most developing countries, women entrepreneurs in Pakistan and Mardan face particular gender discrimination and suffer from scarcity and poor access to resources. The lack of information about the product market, education and training, assistant to government agencies, etc., without the encouragement of male family members, and inadequate network mechanisms are other problems faced by women entrepreneurs

Keywords : Women, entrepreneur, female entrepreneurship, Mardan, Pakistan, business problems.

Submitted: 07-08-2022 ; Revised: 16-08-2022 ; Accepted: 27-08-2022

***Corresponding Author :** ismailshahid203@gmail.com

INTRODUCTION

The term "entrepreneur" was recognized in the nineteenth century, and as time progressed and progressed steadily in the idea of "entrepreneurship", many writers and researchers followed this unique idea. The traditional definition is "the risk of buying something at certain prices and then selling at unconfirmed prices" (Schumpeter, 2000). According to Ahmed & Sammour (2008) argued that modern meanings (for entrepreneurship) also included the concepts of "innovation and disruption" to describe entrepreneurship. Research began in this context in the mid-nineteenth century, but it was associated with "male ability", while the role of women in entrepreneurship was reduced to the 1970s (Pines & Schwartz, 2008). Richard Cantillon (1680 - 1734) was the first writer to recognize the entrepreneurial part. The future, taking into account profits and losses "(Cantillon, 1775 - First Edition, 1755)

In Pakistan, development of entrepreneurship is presently a vital subject associated with economic progress in the countries. According to the economic growth theory in entrepreneurship stated that a country can increase its economic growth by increasing entrepreneurial activities. There are a few researchers who kept up the investigation on female entrepreneurs who experience various restrictions. These incorporate an empirical consideration from one perspective (Gatewood et al., 2003), a deficiency of hypothetical establishment (Bush, 1992), the inattention of "structural, historical and cultural factors" (Chell & Baines, 1998; Nutck, 1996), the utilization of measurement standards as for men (Moore, 1990; Stevenson, 1990) the "absence of a power point of view" and the nonappearance of "Feminist" investigation (Reed, 1996; Mirchandani, 1999; Ogbor, 2000).

In Pakistan, the development of entrepreneurship today is a vital topic linked to countries' economic progress. According to the theory of economic growth in entrepreneurship, a country can increase its economic growth by increasing business activities. There are some researchers who have continued to investigate women entrepreneurs who face several problems. This includes empirical considerations from a perspective (Gatewood et al., 2003), lack of attention to "structural, historical and cultural factors" (Chell & Baines, 1998; Nutck, 1996) and the use of measurement criteria for men (Moore, 1990; Stephenson, 1990) "The absence of a power point of view" and the absence of "feminist" research (Reid, 1996; Merchandani, 1999; Ogbour, 2000) . Pakistan's Gender Profile at the World Bank criticizes the fact that the status of women in Pakistan is one of the lowest in the world (World Bank, 1999) UNDP (1996) Explained, where women are limited.

Inside the house and inside the house, the curtain is incorporated into the tradition. It restricts women's access to education, employment, training

opportunities and social services. Social illegitimate workforce of women working outside the home translates into something hidden in women. Although they are increasingly involved in family and agricultural affairs, their paid work is seen as a social duty and not as an economic contribution (Samina, 1997). Stiglitz (1998) said that "gender regretted Pakistan's weak signal compared to other developing countries". Women entrepreneurs didn't operate in isolation. They work under the same macro, regulatory and institutional framework as their male counterparts in a free market mechanism in Pakistan. It is necessary to deepen the understanding of gender biases embedded in society that limit mobility, interactions, women's active economic participation and access to business development services. The business environment for women in Pakistan reflects the complex interplay of many factors, which fall into two main categories. The first consists of social, cultural, traditional and religious elements. This aspect of the environment has taken shape over the centuries. The hurdles faced by women entrepreneurs differ from culture to culture and county to country. Even though abundant studies have been conducted on the context of women entrepreneurship worldwide, but there is lack of such study in Pakistan. There are limited studies that study the experience of precisely women entrepreneurs in Pakistan. This study's intention is to cover up that research gap via Qualitative Research strategy to get insights of this notion

THEORETICAL REVIEW

The creation of dynamism and wealth of a country depends on the competitiveness of its companies, and this is fundamentally based, in its turn, on the capacities of the entrepreneurs and managers (Cuervo et al., 2008). The entrepreneurship is one of the fields with the most rapid evolution in economy, management, finance and even in legislation (Baron and Henry, 2010). More than 40 years ago, Bomol noted, "Trying to hide a business person without a company is like trying to understand Shakespeare without Hamlet." Although there is no unanimously accepting a unanimous definition of a business or business plan, experts are critical to economic growth (Nagy Atal, 2010).

The four main factors that determine economic growth are resources, capital, labor and entrepreneurship. According to Harrich & Peters (1989), "business/entrepreneurship ability is the process of creating something of value, allocating the necessary skills, time and effort, and managing the financial and, sometimes, physical and social risks that come with it." As a result of rewards and personal satisfaction, today, entrepreneurship is becoming increasingly important. Individual, social and environmental factors directly affect the

business process, its motivation, innovation, continuity and expansion (Bagrao, 1994).

"Entrepreneurship" is considered an effective means of creating jobs in any particular country, and Women entrepreneurs play an important role in any nation. According to the theory of professional economic growth it has been stated that a country can increase its economic growth by increasing entrepreneurship activities. Recently, "Women Entrepreneurial "has expanded its research. It replicates the expansion of" female entrepreneurs "around the world. Despite the growing number of women entrepreneurs (Boyd, 2005), Wheeler and Bernasic (2001) suggested a study this woman's entrepreneurship acumen has only recently begun to emerge. In this context, another scholar argues that most organizations today have claims and control in any case, in many countries the government is trying to force women to start their own businesses (McGowan et al., 2012). Government organizations encourage women to start business activate in the sense of "Entrepreneurship". Insights show that there are several companies that claim women it is spreading. As Wilson, Marlino and Kikol (2004) point out; there are currently more than 6 million firms in different companies that are possessed by female in the United States of America.

Thomas and Cofflin (2002) stated that 38% of organizations in the United States claim to be women. For women, the process of thinking behind becoming a business visionary can be the same as that of men. Women simply the suitability of their male partners may result in a lack of autonomy and financial benefits (Davis and Long, 1999). McGowan et al. (2012) suggested that women make more progress towards becoming entrepreneurs to help create harmony between the family and the workplace and domestic duties. An investigation that focused on why women quit their jobs to start their own business, because it was revealed that there are some explanations for this, some of which are freedom, great opportunities, adaptation to work by yourself, adaptability of time and more financial gain (Bennett and Dean, 2000).

The ratio of women entrepreneurs is relatively not as high as that of men around the world. Global Entrepreneurship Monitor (GEM) is a central organization that measures entrepreneurial movements around the world. Gender differences changes from place to place. There are nations where both sexes (men and women) have the same proportion companies, for example, Singapore, Thailand, Jamaica, Panama, Switzerland, Guatemala, Venezuela and Brazil (GEM Report, 2012). As the GEM publication (2010) shows, in Ghana, 55% of women are involved in commercial activities (GEM, 2010). According to the GEM report, the number of women is high doing business in South America and the Caribbean. In contrast, countries of countries the number of women entrepreneurs in the Middle East and South Asia is very low. While Wossenber

(2013) announced that Pakistan and Iran have a lower proportion of women entrepreneurs in the world.

Most of the emerging ideas and prescriptions for the success of female entrepreneurship were derived from a growing body of knowledge based on studies carried out in developed countries (Lerner, Brush and Hasrich, 1997). One of the main reasons for this is the lack of research on the subject in developing countries (Allen and Truman, 1993).

The rate of women employers in Pakistan has not changed in the last ten years. However, the number of self-employed women increased during the same period. There are women in Pakistan mainly in autonomous units, as well as in other countries in the region, (Tamboon, 2017). The business status domain is still in the search process, as is the focus of recent research business start-up, organizational structure, operational measures and related parameters only business environment, etc. At the individual level, women's entrepreneurship is exploited demographics, personal goals, incentives and reasons to prioritize business over salaries work (Brush, 1992) and unit level research includes business structure, business / marketing strategies,(Gatewood et al., 2003).

United States, Canada and the United Kingdom are among the countries in which female entrepreneurship develops. The productive role of women, especially in business activities, is to empower them economically and to enable them to play a greater role in the overall development and social and political development of their country. However, in many societies like Pakistan, women are not playing a significant role in this regard.

METHODOLOGY

This research is the current aspect of women entrepreneurs. Was developed to cover all aspects related to women entrepreneur. When designing the research for this purpose, we remembered that it should serve a practical purpose and should be in line with the objectives of the study. This research is a cross sectional study in which data will be gathered only once over a period.

The interview-assisted questionnaire collects data from people working in various fields. The questionnaire was analyzed using the simple average method and presented in a pie chart to present specific and accurate information. In addition to the primary data, secondary data will be used to conduct this research and make it effective. Secondary data will be obtained mainly from the Internet, articles, newspaper and economic survey.

RESULTS

The research problem is “what challenges faced to women entrepreneur in District Mardan Pakistan? We distribute 40 questioners among Women Entrepreneurs working in different fields in District Mardan Pakistan. These women entrepreneurs give us a lot of knowledge and help us understand the various factors that cause problems.

The business start-up movement? [a) Necessity b) Market opportunity]

From the research question, we want to know the motivation for starting the business in District Mardan Pakistan. What factors influence then to start your own business? In general, women start or enter a business for two main reasons: Market opportunity and market need. 63.6% respondents said that they start business due to market opportunity while 36.4 % respondents said they start business because they want to support their family out of 40 Respondents.

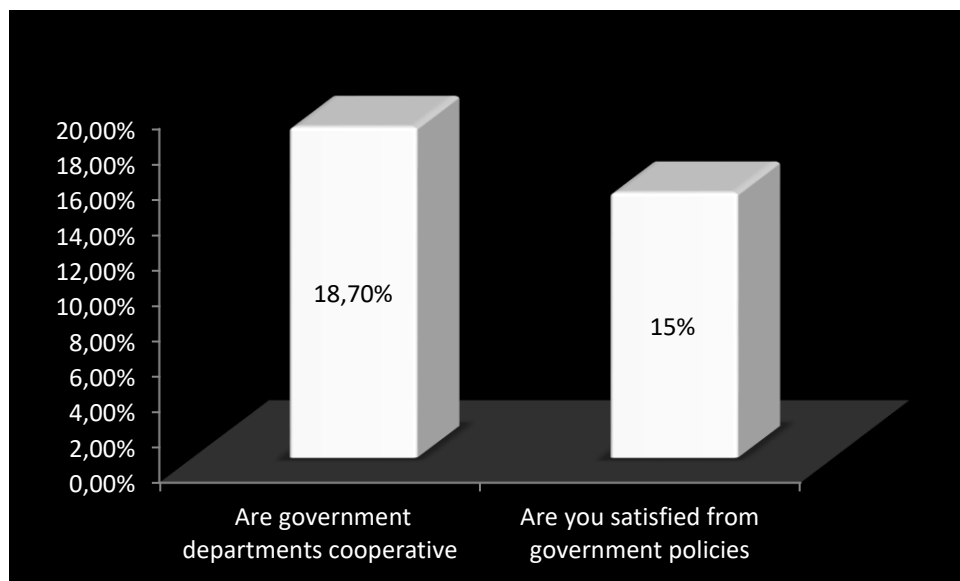


Figure 1 : The motivation for starting the business in District Mardan Pakistan.

What family / social issues do you face?

- a) Family responsibility
- b) Non supportive family
- c) Time management between family and work.
- d) Children were carelessness

Through this question, it is estimated that women entrepreneurs in District Mardan face family or social problems and what kind of family / social problems they are facing in business. 35.3% respondents faced problems in time

management between family and business, 31.2% respondents face problem in family responsibilities, 17.3% face carelessness children and 16.2% face family problems that they do not support in out of 40 Respondents.

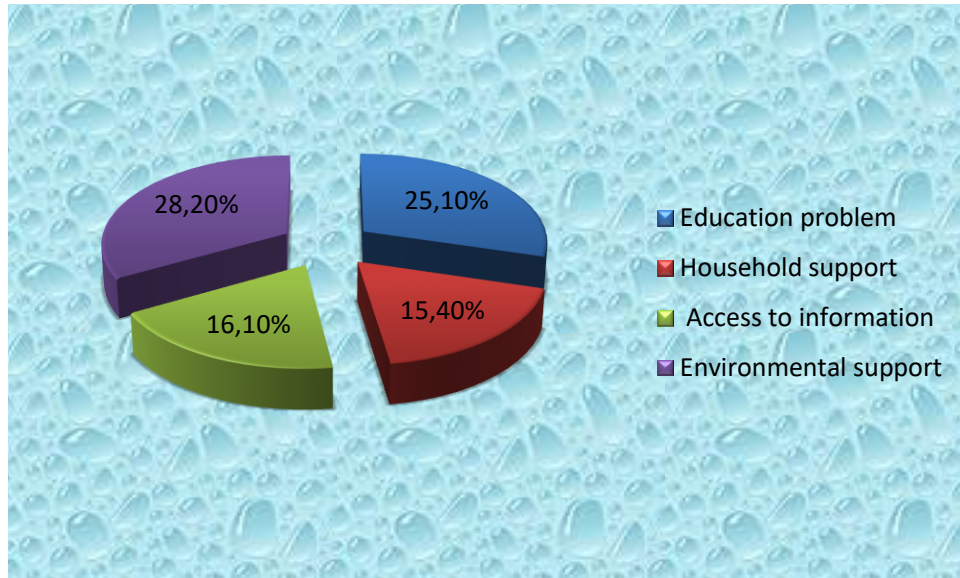


Figure 2 : What family / social issues do you face?

Problems encountered during commercial operation

- 1) Education
- 2) Household support
- 3) Access to information
- 4) Environmental support
- 5) Financial/Economic

We asked the question about what problems they faced in this business. It usually detects the types of problems that occur during the business operations, which are lack of education, Household support, lack of access to information, environmental support and financial problems. We asked from 40 respondents, 25.1% respondents face problem of lack of education, 15.4% face problem household support, 16.1% face problem of access to information, 28.2% respondents face problem of environmental support and 15.2% respondents face financial/economic problems.

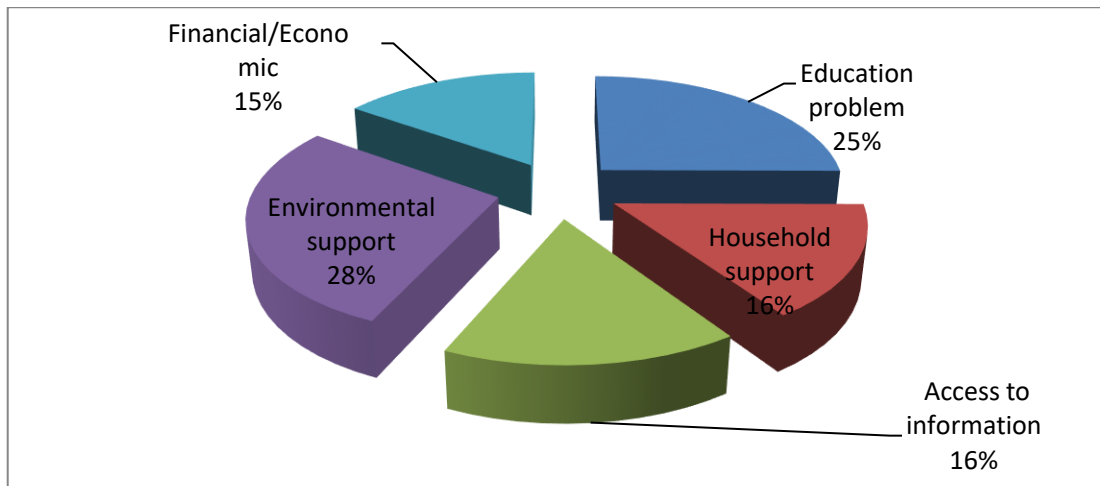


Figure 3 : Problems encountered during commercial operation

An analysis of the question above makes it clear that almost all women entrepreneurs in District Mardan, Pakistan face difficulties in business, either in the beginning or in the future. Most women face environmental assistance/support and lack of education, financial difficulties and access to information to run a business.

Is the women entrepreneur facing ineffective market behaviour?

This question suggests that women entrepreneurs today face unfair treatment in the market. 75% of the respondents answer is Yes, they are facing unfavourable market behaviour while 25% of the respondents are saying No i.e. that they are not facing unfavourable market behaviour.

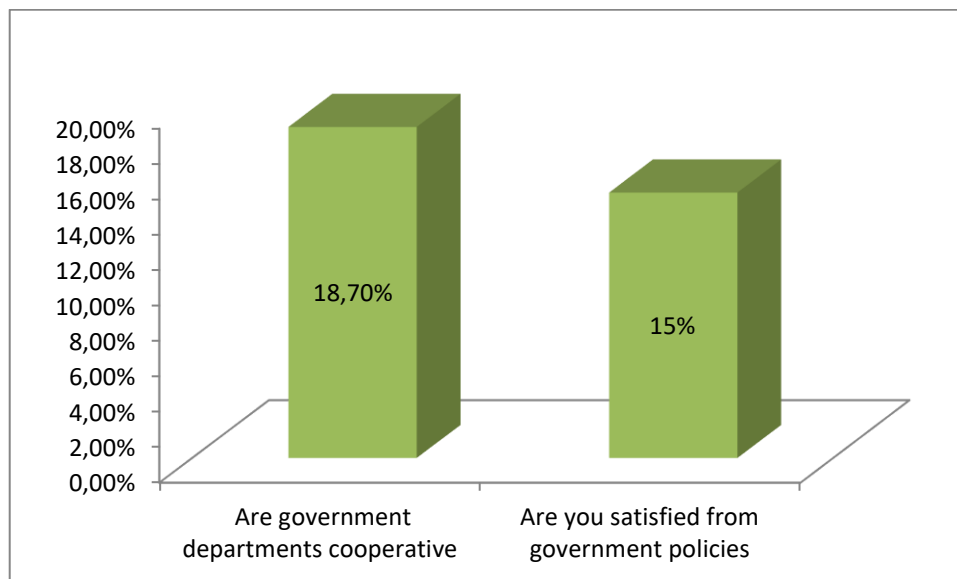


Figure 4 : Women entrepreneurs today face unfair treatment in the market.

What financial problems do women entrepreneurs face?

- a) Lack of commercial capital
- b) Lack of funds for expansion business
- c) Other _____

The above question helps us to find out the main financial problems which face to women entrepreneurs in district Mardan Pakistan. We asked from 40 Female entrepreneurs in District Mardan region and 40.6% respondent told us to face lack of commercial capital in her Business, 44% respondents face problem of Lack of funds for expansion business and 15.4% face problem of different financial like, difficulties in debt collection, taking advantage of loans from financial institutions etc.

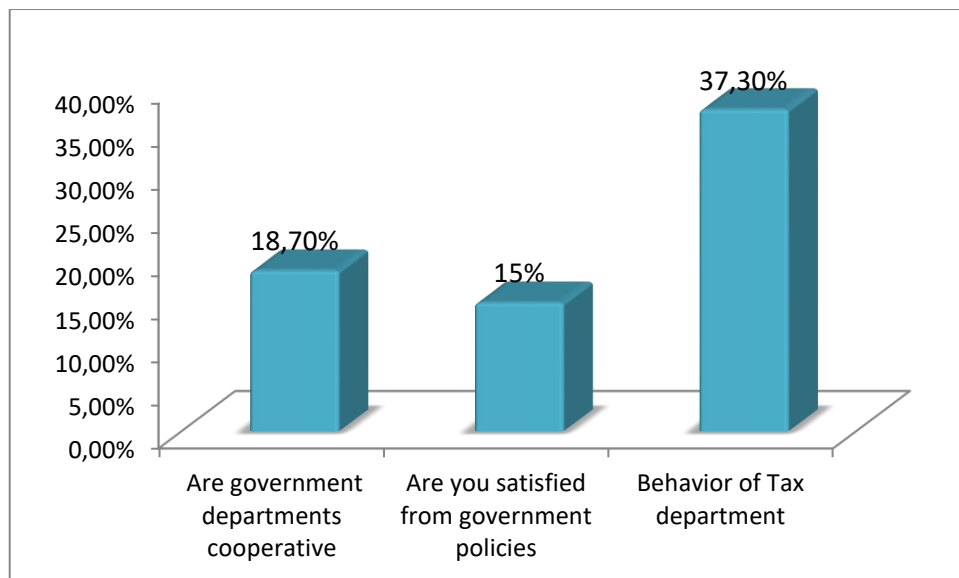


Figure 5 : the main financial problems which face to women entrepreneurs in district Mardan Pakistan.

Government related issues you face?

- a) Are government departments cooperative?
- b) Are you satisfied from government policies?
- c) Behavior of Tax department?
- d) Corruption
- e) Any Other _____

We asked the above question from 40 respondents because by this question we known about government related issue which face to women entrepreneur in district Mardan so, 18.7% told us that the government departments were not cooperative and didn't resolve their issues and help

them, 15% said that the government policies regarding business is strict not friendly, 37.3% face pestering by Tax department, 29% women entrepreneur face problem of corruption in government related issues.

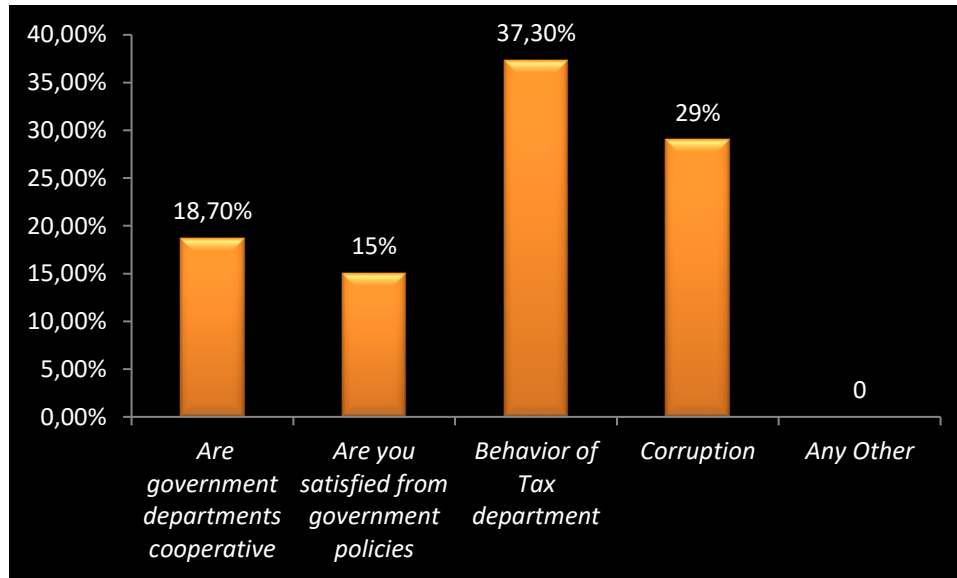


Figure 6 : Government related issue which face to women entrepreneur in district Mardan.

In your opinion, does lack of education seriously affect women entrepreneurs? And the education level of respondents?

We asked the above question from 40 respondents so the level of education of respondents were shown in the below table.

Table 1 : Result the importance of education or to the extent that they are affected by lack of education.

Class Name of Respondents	Respondents Education %
Grade 01	11.5
Grade 02	7.23
Grade 03	7.0
Grade 04	14.76
Grade 05	32.54
Grade 06	7.17
Grade 07	1.50
Grade 08	14.1
Grade 09	1.1
Grade 10	3.1

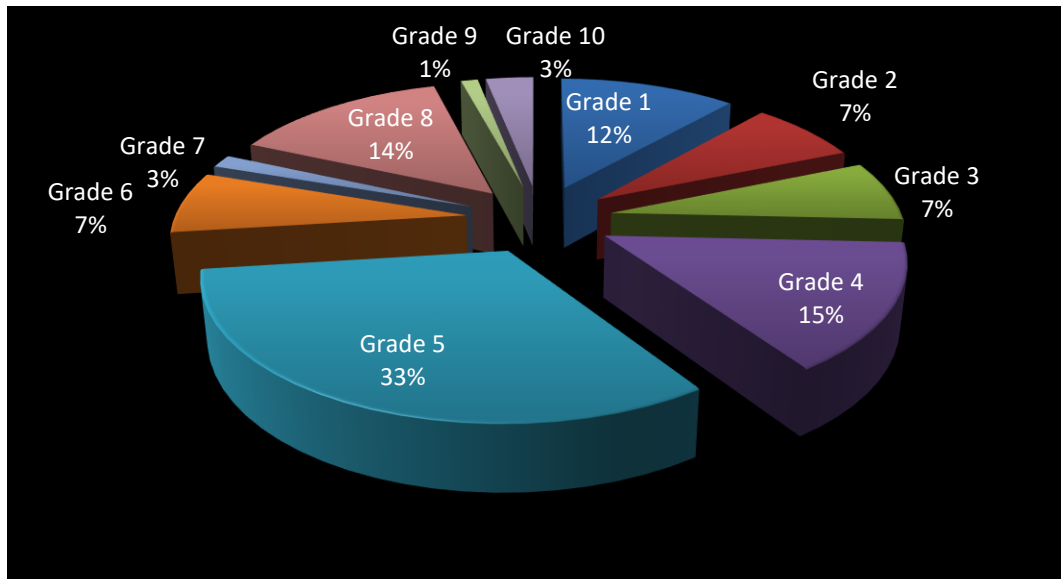


Figure 7 : The importance of education or to the extent that they are affected by lack of education.

CONCLUSIONS AND RECOMMENDATIONS

In Pakistan, and especially in the district Mardan KPK, women entrepreneurs face gender discrimination. In addition, business conditions are not conducive for women in a male-dominated society, as it is difficult for women to deal with men, lack of protection, and so on. Thus, women entrepreneurs in district Mardan need to be made aware of their rights. It is also important to change men's perceptions of women entrepreneurs. Women (over 60% of the population) should be encouraged to engage in commercial activities. They should be respected and trusted. Likewise, women need to be honest about their strengths and weaknesses in order to be entrepreneurial, and it doesn't matter what business they start in, because it is sometimes difficult to know our own strengths. If you are not sure what your hidden talents and abilities are, ask family and friends who know you. You still have the skills to be recognizable and marketable.

In addition, the media should play a key role in publishing or broadcasting the stories of successful women entrepreneurs, in which they will be portrayed as positive role models. This will not only have a positive impact on the rest of the women in our society to make decisions and choices about their careers, but it will also create a conducive environment for their family members to engage in business activities will be eligible to participate. Starting your own business will take time, energy and sacrifice. If they choose something they are not interested in, or worse, what they hate, it will be more difficult for them to succeed, for women to choose something. In which they are emotional. There are many new careers in which she can enter with a certificate instead of a diploma.

Certificates generally take less than a year to earn and, in some cases, only a few semesters.

Networking is a very important issue that must be discussed here. The network involves the active cultivation of relationships with people, companies, community leaders and others who present possible opportunities for their business. Networks are the main sources of knowledge about female entrepreneurship and this network is considered a valuable tool for the development and promotion of entrepreneurial culture in society. Likewise, this network is one of the best ways to market your business. To that end and to create more awareness in society, local media, for example, cable networks, print media, etc., can play an effective role.

Policy makers should promote the creation of networks of associations and encourage cooperation and collaboration between national and international networks to facilitate entrepreneurial ventures in the economy. In this context, chambers and different associations should play their role more prominently. In Pakistan, especially in KPK, there is no concept of training before starting a business. Therefore, in terms of business training and development, the government should increase the number of training centers to facilitate or provide legal training and marketing activities, as well as technical, administrative and business skills. In addition, exhibitions should be organized jointly to promote the business culture in our society.

In addition, access to resources is another important issue that needs to be addressed to seize opportunities in a timely manner. Considering the unavailability of guarantees and their inability to formulate possible business plans, more flexible banking policies are needed to grant easy payment options with minimal scheduling. Thus, the business community in KP province should be facilitated to raise operating funds from a window through formal sources of finance, not informal sources, as in most cases starting capital is easy for family and friends provided due to quick access and delivery, without any lengthy process and adequate security requirements.

This creates a gap for improving the role of aid agencies, such as First Women Bank etc. In addition, the time constraint during the loan must be reduced, so that an applicant can get the loan at the right time for use without any hassle. Procedures In this context, the government must formulate policies and ensure their implementation in favour of the business community in the province of KPK. Taxes should be reduced and loan approval procedures should be simplified. Women entrepreneurs need to have sufficient information about their business, skills, marketing knowledge and easy access to financial capital and to have a strong network and representation. So the business is providing more benefits.

REFERENCES

- Baron RA, Henry RA (2010). How Entrepreneurs Acquire the Capacity to Excel: Insights From Research on Expert Performance, *Strateg. Entrep. J.*, 4(1): 49-65.
- Cuervo Á, Ribeiro D, Roig S (2008). Entrepreneurship: Concepts, Theory and Perspective. Introduction, <http://www.uv.es/bcjauveg/docs/LibroCuervoRibeiroRoigIntroduction.pdf>
- Nagy Á, Peteù, Györfy LZ, Petru TP, Benyovszki A (2010). Percept privind antreprenoriatul activitatea antreprenoriala, 17(8): 15-26
- Gatewood, E. G., Carter, N.M., Brush, C.G., Greene, P.G., & Hart, M.M. (2003). Women Entrepreneurs, Their Ventures, and the Venture Capital Industry: An Annotated Bibliography. Stockholm: ESBRI
- Brush, C.G. (1992), Research on Women Business Owners: Past Trends, a New Perspective and Future Directions. *Entrepreneurship Theory and Practice*, 16(4), 5-30.
- Tambunan, T. T. (2017). MSMEs and Access to Financing in a Developing Economy. *Financial Entrepreneurship for Economic Growth in Emerging Nations*, 148.
- Vossenbergh, S. (2013). Women Entrepreneurship Promotion in Developing Countries: What explains the gender gap in entrepreneurship and how to close it. *Maastricht School of Management Working Paper Series*, 8, 1-27.
- Welter, F. (2011). Contextualizing entrepreneurship – conceptual challenges and Ways forward. *Entrepreneurship Theory and Practice*, 35(1), 165-184. <https://doi.org/10.1111/j.1540-6520.2010.00427.x>
- Samli, A.C. (2002). Entrepreneurship and small business development: the Necessary ingredient for economic progress. 11th World Business Congress, 10-14, 2002.

Schumpeter, J.(1950). *Capitalism, Socialism, and Democracy*. Harvard university Press,Cambridge, Mass.

Robb, Alicia M., and John Watson. "Gender differences in firm performance: Evidence from new ventures in the United States." *Journal of Business Venturing* 27.5 (2012): 544-558.

Bosma, Niels. "The Global Entrepreneurship Monitor (GEM) and its impact on entrepreneurship research." *Foundations and Trends® in Entrepreneurship* 9.2 (2013): 143-248.

Bardasi, Elena, Shwetlena Sabarwal, and Katherine Terrell. "How do female entrepreneurs perform? Evidence from three developing regions." *Small Business Economics* 37.4 (2011): 417.