

## A Fresh Perspective on Female Entrepreneurship: An Insight from Pakistan

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**Abstract** *This research explores the dynamics of women entrepreneurs in the context of Khyber Pakhtunkhwa (KP), Pakistan. Underpinning on contemporary literature on drivers and barriers of women entrepreneurs, this research argues that literature and empirical evidences on negotiations is scarce and underdeveloped. Therefore, capitalizing on an interpretive qualitative assumption, this research collected data through semi-structured interviews and analyzed through thematic analysis. Conceptually, this research provides a fresh and novel perspective by providing interesting inside from empirical evidences. This research concludes that women entrepreneurs in Peshawar, Pakistan cultural and social constraints. However, personal motivation and family support helped them to negotiate with these constraints.*

### Key Words

Entrepreneurship, Women Entrepreneurship, Developing countries, Pakistan

### Introduction

Women play an imperative role in strengthening the economy. Women entrepreneurship revolves around women who thrive to bring new perspectives in terms of innovation, imitation and adoption. To understand a country's competitiveness, the policies related to entrepreneurship should be taken in account. The more entrepreneurship friendly policies, the more likely it is for the country to prosper (Vita, Mari, & Poggesi, 2014).

Women entrepreneurs along with economic development and job creation bring diversity to the field of entrepreneurship and they are regarded as platform providers of avenues for women expression and potential fulfillment (Jamali, 2009). Women entrepreneurship is subject to the country-specific constraints. The common barriers which women entrepreneurs came across are; structural dimensions, culture and value system. The intersection of the combination of the factors such as gender and ethnicity create new entrepreneurial trends and offer more innovation in these trends (Vita, Mari, & Poggesi, 2014). Therefore, it is vital to explore problems and negotiation power to handle the entrepreneurship related barriers.

### Literature Review

Until recent times entrepreneurship was regarded as a male dominated activity. However, with the emergence of the term women entrepreneurship, the significance of contribution of women to this field was realized. Scholastic literature on the female entrepreneurship is saturated in the advanced countries. Although, its impact in developing countries is same but the focus of researches is not very extensive (Vita, Mari, & Poggesi, 2014). Research activities are intensive in the developed countries. The theoretical framework and standards of success of women entrepreneur are generally derived from them; however, in developing countries limited knowledge is available. The influential factors on the women entrepreneurs of developing countries differ from that of developed countries in terms of family, social structure and work. However, their role in modernization and developing economies is vital. As the theories have emerged from the knowledge of developed countries, it is necessary to contextualize it when applying in developing countries. Thus, there are significant individual effects on performance of entrepreneurs from developing countries (Jamali, 2009).

In the developing countries only small size entities are owned by women entrepreneurs due to the cultural barriers (such as knitting, dress making, and retail trading). Unlike developed countries, women owned small businesses are most likely to be operated and controlled from home. Hence, being home based businesses are overlooked and most international theories cannot be applied on them. They are termed as invisible entrepreneurs (Mead & Liedholm, 1998). A challenge for the entrepreneurs of developing countries is religion that is most under-searched factor influencing entrepreneurship. However, religion cannot be overlooked and it is part of every individual's daily life. Globalization has played a significant role in drawing attention towards this matter. Thus, it is crucial for the exclusion of gender from entrepreneurial context through inter-sectionalism (Caroline & Yvonne, 2009).

In developing countries, women entrepreneurs face a series of challenges such as: unsupportive society, nurturing family, hindered access to capital and restricted interaction with men. The intensity of their challenges is more as compared to men entrepreneurs (Roomi & Parrott, 2008). For instance, in Nigeria the major challenge faced by women entrepreneurs is micro financing. The main reason of failure for women entrepreneurs is the inability to access finances (Jamali, 2009). Similarly, in Kenya the major challenge faced by women entrepreneurs is low start up and working capital. Women entrepreneurs are held back by huge collateral conditions of banks for financing. Other challenges include: licensing difficulties, finding skilled labor, marketing and transportation costs (Mwobobia, 2012). Women entrepreneurs in the third world spend their earnings mainly on the basic human rights of their families such as nurturing their children (Blumberg, 1988). The main challenge women face is the clash of family and business responsibilities, which are compromised at the cost of business success (Vossenbergh, 2013). It causes double work burden in women who manage business side by side with their family lives. Women in the eastern context are broadly fixed in the image to look after the children. To accommodate this issue women entrepreneurs choose to setup their businesses in the premises of their houses. Instead of this being a strategy to cope up the negative relationship of children and business success, it in return brings another challenge in the shape of compromised legitimacy in the eyes of customers and creditors. Women entrepreneurs face many challenges but their main challenge is poor financial support from family. Due to which they stick only to small size businesses. Thus, there is a need for research in the developing countries on how to establish support for women entrepreneurs to cope with these challenges.

Recognizing the barriers faced by women entrepreneurs, it is important to understand how women manage and negotiate these hurdles. In the negotiation process there are always two parties involved. They face a shared subject matter which is equally important to both. Position wise, one party is weak and the other is strong. They interact with each other in order to encounter the issue faced. Despite of the dominant position of the superior party, the weaker party still gets some share in the subject under communication is regarded as negotiation the power. Negotiation is a state where issues are resolved through communication. It is a situation where the weaker party is expecting to lose, it will avoid negotiation at all costs. While the stronger party does not feel the urge to negotiate, it simply takes away what it wants (Zartman & Rubin, 2000). Negotiation is an essential part of the business cycle. But women entrepreneurs face additional issues while negotiating. The negotiation process goes through five stages empowering women entrepreneurs to negotiate rather than going for never-to-ask approach. First, focus should not rely on the positions of the negotiating parties. Second, the problem negotiated should have nothing to do with individuals involved in the negotiating process. Emotions and other communication barriers are to be strictly eliminated from business deals. Third, the negotiating parties should keep eye on the interests as being a valuable outcome. Fourth, keep options of mutual benefit create a win-win situation. Fifth, use a clear objective and procedures do not conceal facts. Hence to end up in a successful negotiation, women entrepreneurs should follow these five steps (Amatucci & Swartz, 2011).

The first area that provides a leverage to women entrepreneurs in the third world countries to negotiate is the income as the income of the house rises due to her business this makes her more independent economically hence increasing the negotiation power (Blumberg, 1988). Women can negotiate by responding in relevance with the traditional feminine stereotypes. Women entrepreneurs who choose a masculine way to respond often lead to being disliked by the society. These issues can be best dealt with entrepreneurial leadership, a suitable response according to the situation. This process is known as management of multiple gender identities (Agarwal, 2018).

Negotiating with respect to religion in a country like Pakistan, women entrepreneurs try to revise Islam solving cultural raised restrictions on women in the name of religion, as most obligations come from hadith and not from Quran (Essers & Benschop, 2009). In order to deal with the business related problems and survive against all odds women entrepreneurs should be better skilled with a strong negotiation power. In the countries where women face problems at every stage of their business learns to negotiate and head forward is the proof that the sense of independence and decision making power comes from the income she generate herself, the more money she has in her hand the more easier it gets to stand firm rather than packing up the business (Blumberg, 1988). Unlike the West, in developing countries barriers on women to enter corporate or labor market are higher than that of

developed countries. As a result, women turn toward small businesses backed by low investments. From the negotiation factor they turn towards their own ventures for survival than wasting time on breaking the barrier to job market (Nichter & Goldmark, 2009).

A number of challenges are fought by women entrepreneurs in third world countries like Pakistan where previously women were not heard and are now actually participating in economic activities. The change has been noticed highly in the last few decades. When overall changes were brought in politics, society, technology and economics in return it has setup a new social structure. This helped many women come out of their houses to public arena. With more women involved in entrepreneurship brings them social acceptability gradually. These conditions are not as favorable as the developed world but it helped women entrepreneurs as compared to the record of past few decades (Rehman & Roomi, 2012).

It is essential to study the underlining factors of women entrepreneurs that push them forward and they take over to negotiate than to quit (Shabbir & Gregorio, 1996). First, believe in the idea and the attachment to it. By attachment they refer to the attitude of the entrepreneur towards economic development and self-reliance where these women want to stand out, develop and grow. Second, is the degree of acceptance of traditionally defined gender roles which holds them back. This is very crucial to survival of any women entrepreneur, the acceptance of the culture and values, the already known position of the women that is subordination to men. There is a far better life beyond this line. Mutual acceptance of genders that primarily will start with women as the society since a much longer time is dominated by men. In such case being able to sustain and progress rather than challenging the men counterpart they co-exist by giving the ultimate supremacy to men, the women entrepreneurs with conventional approach tend to take less pressure as they co-exist with their men counterpart. However, the women entrepreneurs who believe hard in their ideas tend to suffer more because of rejecting conventional roles. However, they have built upon their education and corporate experience where they already get the view of women sufferings and hence negotiate based on their experience. In the context of Pakistan a blend of both are taken side by side by the successful women entrepreneurs.

Despite of the huge debate on barriers faced by women entrepreneurs, the number of women entrepreneurs is increasing day by day. Unlike men, women entrepreneurs pursue this field for self-satisfaction, skill-based, usefulness and utilizing their talent. While for male entrepreneurs, it is opposite. Being self-driven already gives leverage for fighting against the odds. These are entrepreneurs who are educated. The family structure of these entrepreneurs is flexible and stands by their side in their ventures. Having family by their side reduces their barriers (Winn, 2005).

In developing countries for women entrepreneurs to negotiate all the odds there is phenomena called 'push and pull factors' that serve as a mediator/motivator. The push factors include job-dissatisfaction, financial situation and overall economic conditions. While the pull factors include an individual's internal drive to accomplish and achieve for self-fulfillment or improving economic conditions. For women to stand against the values which were traditionally considered unchallengeable the physiological strength is of significant importance to negotiate (Mohamad & Kasuma, 2016). Women entrepreneurs in India need to strategize all their business moves in order to negotiate timely. Women in this region of the world already have the attributes what are seen in a good entrepreneur and are raised in a male dominated society where a lot of negotiation is learned by them inherently. Some of the key traits that arise due to their early socialization includes: being collaborative, living with meager resources, inclusive and consultative. Women entrepreneurs as compared to men entrepreneurs seems more motivated as a fact of matter for their gender not everyone gets the chance to be an entrepreneur. Hence, the few of those who are, demonstrate high motivation for their work. For women of the third world countries the biggest motivation is their financial issues rather than the high sense of accomplishment. Being a collative society the high regards for family and protecting them from becoming a victim of financial instability and deprivation from basic rights keep the women entrepreneurs going, overcoming all the challenges in their way (Astutiningsih, 2017).

Women in developing countries generally and specifically in Pakistan are observed to have high value for family. They are perceived to have tendency to incline for their family matters then work when faced with it. Moreover they are obliged to observe the religious duties imposed on them. After all the restrictions on they are in field heading to their destinations. Hence, studying how this whole concept function is of immense importance and interest.

## **Methodology**

A qualitative research approach was used to discover and elaborate women entrepreneurship in KP (Muhammad, 2017). Women entrepreneurs are interviewed and most are engaged in small scale business. Nine women entrepreneurs were accessed in order to have business diversity. Their anonymity was promised in order to have a clear response on the desired themes.

<b>Title Code</b>	<b>Age</b>	<b>Marital Status</b>	<b>Education</b>	<b>Type</b>	<b>Startup Capital</b>	<b>Registration</b>
A	Mid 20's	Unmarried	MBA	Beauty Parlor	Personal Savings	N/A
B	Late 20's	Unmarried	Bachelors	Think-tank	Personal Savings	Registered
C	Late 20's	Married	Bachelors	Nonprofit organization	Personal Savings	Registered
D	Late 20's	Unmarried	Masters	Digital space	Personal Savings	N/A
E	Mid 40's	Married	Primary	Horticulture	Personal Savings	Registered
F	Early 20's	Married	Bachelors	E-business	Personal Savings	N/A
G	Mid 20's	Unmarried	Bachelors	Non-profit organization	Personal savings	Registered
H	Early 20's	Unmarried	Bachelors	Food business	Personal savings	N/A
I	Late 20's	Married	Bachelors	Food Business	Personal Savings	N/A

Thematic analysis was employed to analyze the interviews transcripts. This process starts with framing basic and fundamental themes leading to high level themes. Broadly, these themes show respondents perceptions, understanding and interpretations of different scenarios.

**Findings**

The following themes emerged from every individual's stories:

**Themes**

<b>Initial</b>	<b>Secondary</b>	<b>Final</b>
1) Ideation of entrepreneurship	Positive impact	Personal growth
2) Role of family/friends	Positive impact	Encouragement
3) Role of culture	Negative impact	Business hurdles
4) Motivation	Positive impact	Personal trait
5) Negotiation of the problem	Positive Impact	Novel solutions for social approval

As expected, there are potential entrepreneurial difficulties that a female entrepreneur faces at every stage of her business while operating in a society with rich traditional values. Some of the difficulties overlapped in all nine cases. For instance, social discrimination, cultural and religious conservatism.

**Overlapping Findings**

- A "The society and cultural are more dominant, it oppresses me."
- D "Every day we face a new challenge being a woman in this society."
- H "Overall, the condition of this region is not safe for women entrepreneurs, let alone social entrepreneurs."

All respondents faced the same conservatism in this society, which leads to unsatisfied entrepreneurial environment. All agreed upon the lack of constructive criticism. They are held back by the society in the name of religion, culture and discrimination.

**Ideation of Entrepreneurship**

This is the most crucial time for women entrepreneurs when stepping into business. It requires massive amount of thinking and research to start with an idea. Entrepreneurs have a personal trait, a desire to grow. They keep thriving for the novel ideas to be introduced through their ventures in the market. The sample entrepreneurs have spent ample amount of their time in researching and thinking before starting their ventures.

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**Overlapping Findings**

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| F | “We need to think of indigenous models. We should always think of growth.”    |
| D | “Through my capabilities, I initiated this digital e-contact platform.”       |
| E | “One should always start a business with a lot of homework done prior to it.” |
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Hence, women entrepreneurs not only spend time in this stage to mitigate risk but also to bring novel ideas. They are culturally so oppressed that they thrive to make their venture successful. Because of the society pressure which tries to hold back women, their ventures are their ultimate source to stand out in the society and prove the traditional norms wrong.

**Role of Family**

Most of the sample mentioned that their immediate families were supportive while criticism was faced from extended family. In case of supportive families, most of criticism is handled by immediate family. Since, this is a collective society family support is high. Family support plays an important role in entrepreneurship. Those women entrepreneurs whose families were supportive were seen not only to be operating nationally but also internationally. Hence, family support has a positive impact on the growth of women entrepreneurs.

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**Overlapping Findings**

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| A | “All my uncles specifically called my dad and told him to support her, push her because she is doing really well.” |
| C | “Specially my family, if I tell you they are very supportive.”   |
| D | “My family has always supported me every time. I am really lucky to have a supportive and encouraging family.”     |
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In all of the cases where families were supportive had two underlying factors. Firstly, families were educated and gave daughters equal rights as their male children. Secondly, in the Pashtun culture it is matter of family pride to protect their daughter and do not let them face the back flash of their business alone. Families stick by their side and help them in professional growth. Hence, as a result all of such entrepreneurs operate both locally, nationally and internationally.

**Culture Constraints**

Culture is the main constraint faced by women entrepreneurs as they are working in an environment where they have to interact with men other than their blood relatives. It is troubling both ends, men as well as women. For men being always the dominant ones, it is difficult to accept women who demand equal rights. For women in a way that they have to take up an additional challenge other than business activities that is dealing with the pre-defined societal values.

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**Overlapping Findings**

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| C | “Every day we face a new challenge being a woman in this society. When I go into the market there I face harassment.”        |
| F | “I live in a society where women related initiatives are regarded as foreign agenda.”  |
| B | “It is very easy for people to shame her for being a female. Attacking the stigma to her and rule her and try to shred her.” |
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As seen above, culture has a negative impact on women entrepreneurs in this region. In Pakhtun society women's roles are strictly defined by the culture where a women belongs to her house only. Her initial duty includes family upbringing. She is often deprived of her basic rights let alone equal rights. This culture will create hurdles for her at every stage of her business. A woman is only respected when she bows down in front of men and accepts the cultural norms whole heartedly. Hence, there is still less social acceptability for women entrepreneurs.

**Motivation**

In these hard situations the key driver of women entrepreneurs is their own motivation and internal strength. Operating in a society where everything is against them needs strong nerves. All of these women were of the view

that motivation comes from within. There is no other force that can motivate you then you yourself wanting to improve and live a better life. Perhaps give your children a better live or be a role model for other young girls in this region who have dreams.

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#### Overlapping Findings

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| E | “In my hard times instead of frowning over my fate, I faced the circumstances. I precisely predicted my future.”         |
| C | “I love what I am doing. I will be doing this, no matter what career I am in since that is something I have grown into.” |
| I | “I have always been determined. And I always will be this is my motivation.”   |
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As seen in the responses, motivation has a positive impact on entrepreneurship. In the society which has less acceptability for women entrepreneurs the key factor which keeps them going is their personal motivation. It is seen that women entrepreneurs have an urge to prove themselves no matter how harsh the situation might be. Once they are established, the success is not only for them rather they are very passionate about helping other women. Their ultimate goal is making this society a better society for the coming time.

#### Negotiation

This society have bare acceptance for women entrepreneurs. In order to keep their businesses going they need to negotiate. There are different approaches women entrepreneurs use to deal with the unfavorable conditions. Personal traits, family support and education originate these responses.

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#### Overlapping Findings

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| B | “It’s a male dominating society. It’s not easy to run a setup without the help of males. I am thankful to those men who supported me, without them this idea would have been an abstract.” |
| H | “I really don’t negotiate I do what I am doing. People who criticize talk behind my back because they don’t have the guts to say it to me on my face.”                                     |
| G | “I handle the situation tactfully by being in line with the societal norms.”   |
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As seen in the responses, there were two kinds of negotiation approaches. Some negotiated by contemplating with the traditional roles. Giving men the supreme authority and operating under their shadow. While some negotiated by going against the society and coming forth solved their own problems. However, the later ones faced more criticism as a back flash of their rebellious step. Hence, it is concluded that negotiation has a positive impact on the ventures of the women entrepreneurs. They address their issues through dialogues and resolve them to a larger extent.

#### Discussion and Conclusion

Women entrepreneurship is a valuable asset in specific to developing countries (Muhammad, 2017). For Pakistan the findings are unfortunately opposite. Women entrepreneurs face a lot of backlash for their work. They face challenges in financing their businesses. Yet time management is their key challenge regarding their families. Other than this they face lack of formal education, trainings, unhealthy business practices and lack of career opportunities. Society serves as an unfavorable factor for them. It brings them cultural disapproval and discouragement. All of these factors contribute towards an exclusive entrepreneurship environment for women entrepreneurs of KP. As per our findings the environment is very complex for women entrepreneurs in KP. Culture repression hold them back; gender norms are imposed on women entrepreneurs through violence and extremism. Every women entrepreneur persistently faces discouragement forbidding them from operating their business. As a matter of nature, women entrepreneurs in this region suffer from societal pressure which leads to sense of insecurity and fear among them. However, interestingly women entrepreneurs despite of going through these pressures manages to move forward. For some their inspiration and motivators are their children who they want to give good future. For others its personal determination that pushes them forward. Hence, the family support helps them fight the odds of religion and culture. Thus, we conclude that culture and religion have a very strong negative impact on women entrepreneurs of KP. Moreover, we have shown how women entrepreneurs negotiate their problems. The factors which motivates them are very limited than the ones that encourage. Yet there is potential in these women for growth. Women entrepreneurs in this region constantly fight for their rights as part of their daily routine. In such situation where their physical security concern is highlighted by many researchers, mental security should be taken in account as well for their mental distress was found high during the interviews sessions. This research comprises

of the personal and environmental constraints faced by women entrepreneurs. All of the nine cases have different approaches to move in the extremely unfavorable business market from cultural point of view. All of the participants in this research asked for maintaining their anonymity as a concern of security.

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