

Barriers Towards Entrepreneurship Inclination by Women Entrepreneurs in Islamabad, Pakistan

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Abstract

To spur economic growth and overcome unemployment, female entrepreneurship has gained attention in developing countries like Pakistan. Past research has shown that barriers faced by women towards entrepreneurship differ across different countries. Past studies have also shown inconsistent results. Barriers to entrepreneurship by women are prevalent in Pakistan. The purpose of the study was to examine the barriers faced by women towards entrepreneurship in Islamabad, Pakistan. This study will examine the effect of family support, entrepreneurship education, and entrepreneurial training on women's entrepreneurship inclination. This is a quantitative study, and the target population was women in Islamabad. The sample size was 300 respondents. Multiple regression testing was done to test the hypothesis. The results showed that all three predictors had a significant direct effect on entrepreneurial intention. The findings further revealed that family support has the highest impact on the entrepreneurial intention of women. Lack of family support can deeply affect entrepreneurship intention among women. Therefore, a supportive family, education, and training can act as catalysts to improve the entrepreneurial intention of women in Pakistan. This will further support the economic development and lower the unemployment rate.

Keywords: *Family Support, Education, Training, Female Entrepreneurship, Entrepreneurial Intentions, Pakistan, Barriers to Entrepreneurship.*

1.0 Introduction

Focus on women's entrepreneurship as it contributes to economic growth and the creation of jobs to lower the unemployment rate (Kelley, Bosma, & Amoros, 2010). However, as reported by the World Bank We-Fi program in Pakistan, there are only one percent of entrepreneurs in Pakistan. In addition, women entrepreneurs face a lot of challenges that include legal barriers that prevent them from establishing a business, and to lack of access to loans and financial know-how (WeFi, 2020). Despite the importance of women entrepreneurs, several barriers hinder women from achieving entrepreneur success (Torres-Ortega, Errico, & Rong, 2015). This is due to the interaction of socio-cultural factors, religious, and family structures (Roomi, 2013). In Pakistan, Pakistan has a traditional and masculine culture and women face inequalities and discrimination (Roomi, Rehman, & Henry, 2018).

Past studies have identified several barriers that affect the entrepreneurial intention of individuals (Khan et al., 2021; Mehtal et al., 2017). For instance, a study by Mehtap et al. (2017) revealed that a strong supportive education system can decrease the perception of potential barriers to entrepreneurship to some extent. Another study by Khan et al. (2021) revealed that internal factors that encompass the need for achievement, risk-taking, and self-confidence and external factors that include economic factors and socio-cultural factors are positive and significant predictors of entrepreneurship. Cultural differences also can affect the perceptions and the entrepreneurial intentions of men and women (Sharma, 2018). Other past studies identified predictors like government policies, access to finance, cultural differences and regulatory requirements (Muhammad et al., 2017), risk-taking behaviour and motivation (Abd Rani & Hashim, 2017), lack of business skills (Muhammad, McElwee, & Dana, 2017), and family support, self-confidence, and motivation (Azmi, 2017). Past studies have also revealed that men are more inclined toward entrepreneurship than women (Díaz-García and Jiménez-Moreno, 2010). The results from past studies clearly show that the findings are inconsistent, and it is not clear what are some of the key barriers to the entrepreneurship intention of women.

However, in Islamabad, Pakistan, there is a clear disparity in women's participation in entrepreneurial activities. Women's inclination towards entrepreneurship remains significantly lower than that of their male counterparts. There can be cultural differences in Islamabad that can affect the types of barriers to entrepreneurship that women in Islamabad encounter. Therefore, the objective of this study is to identify and examine the multiple barriers that hinder women's entrepreneurial inclination in Islamabad, Pakistan. Specifically, this study will examine the effect of supportive family, education, and training on the entrepreneurial intention of women in Islamabad. The results of this study contributed to the existing literature. The results of this study contributed to the dearth of literature that is currently available on perceived barriers and entrepreneurial intentions that focus on women in Pakistan. A supportive family, education, and training have the potential to influence female participation in the entrepreneurial domain. This will reduce unemployment levels and spur the economic growth of Pakistan.

2.0 Literature Review

2.1 Entrepreneurship Inclination

The entrepreneurship inclination has a wide range of meanings and has been discussed among academics, educationists, analysts, and strategy makers since the beginning of the 1700s. Bae et al. (2014) defined entrepreneurial intention is defined as the desire to own or start a business. Scholars believe that the intention to start a business is a necessary precursor to engaging in entrepreneurial behaviour (Fayolle et al., 2006). Intentions represent a mental orientation such as desire, wish, and hope that influence a person's decision to engage in entrepreneurial activity (Peng et al., 2012). Intentions are known to be the best indicator of actual behaviour (Ajzen, 1991). Intentions are sometimes used interchangeably with inclination. Timmons (1989) describes entrepreneurship inclination as the capacity to make something from virtually nothing, including the start-up, implementation, and development of a company. The intention can be explained by the Theory of Planned Behaviour (Ajzen, 1991) and the model proposed by Shapero and Sokol (1982). The Theory of Planned Behavior explains intentions using attitudes, perceived behavioural control, and subjective norms as the predictors of intention. The model provided by Shapero and Sokol (1982) explains entrepreneurial intention based on perceived desirability, perceived feasibility, and action propensity. Shapero and Sokol (1982) perceived desirability and perceived feasibility correspond to Ajzen's (1991) attitudes and

perceived behavioural control, respectively. However, in the two models, intentions are explained by willingness and capability.

2.2 Relationship between Family Support and Entrepreneurial Inclination

Family support is a significant predictor of entrepreneurial intention in previous research and literature (Pham and Le, 2023; Xu et al. 2023). Research has shown that entrepreneurial intentions are positively and significantly influenced by family support (Soula et al. 2023). The Soula et al. (2023) quantitative study gathered information from 334 students at Malaysian institutions of higher learning. According to the study based on the Theory of Planned Behaviour, family support significantly and favourably affected people's intentions to start their businesses. When someone has less preference for work-home segmentation, this is significant (Soula et al. 2023). Research has additionally demonstrated that the association between entrepreneurial alertness and intention is moderated by family support. This suggests that the influence of some predictors on the intention to start a business can be enhanced by family support (Suhartanto, 2022). Family business self-efficacy is influenced by family support. This has an impact on someone's decision to participate in family business succession. Previous research has indicated the significance of familial support in enhancing entrepreneurial intentions. The subsequent hypothesis was formulated for additional examination:

H1: Family support has a significant and direct impact on women's entrepreneurial inclination in Islamabad.

2.3 Relationship between entrepreneurship education and Entrepreneurial Inclination

Studies have shown that there is a positive association between entrepreneurship education and entrepreneurial intentions (Sahputri et al., 2023). Individuals who possess higher entrepreneurial passions are more likely to have greater entrepreneurial intentions. A study by Khan and Khan (2023) revealed that entrepreneurship education is an important predictor of entrepreneurial intentions among students. The results by Khan and Khan (2023) suggested that entrepreneurship education plays a critical role in enhancing entrepreneurial intentions. In another study by Pham and Le (2023), the relationship between entrepreneurship education and entrepreneurial intention was partially mediated by entrepreneurial self-efficacy, and family support moderated the effect of entrepreneurship education on entrepreneurial self-efficacy and start-up intention. In a study by Do Nguyen and Nguyen (2023), entrepreneurship education had a positive impact on students' entrepreneurial intentions. In this study, the students' entrepreneurial capacity served as a partial mediator in the relationship between entrepreneurship education and their entrepreneurial intentions. Therefore, entrepreneurship education enhances the entrepreneurial mindset of individuals which strengthens their entrepreneurial intention (Sun et al., 2023). The following hypothesis was developed for further testing:

H2: There is a significant and direct effect of entrepreneurship education on the entrepreneurial intention of women in Islamabad.

2.4 Relationship between Entrepreneurial Training and Entrepreneurial Inclination

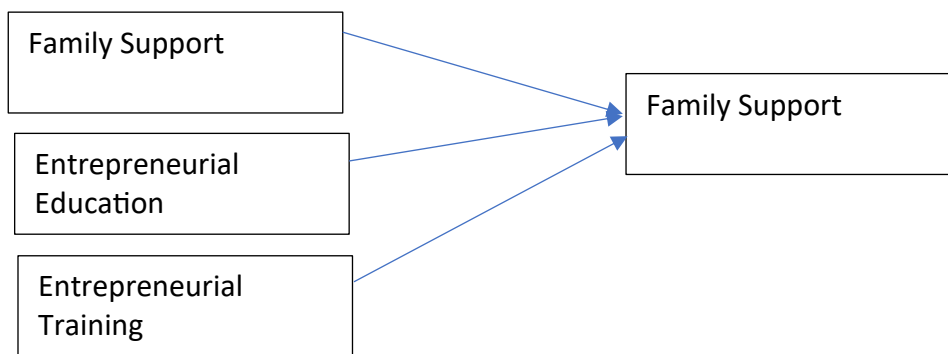
Studies have shown that entrepreneurial training is a positive predictor of entrepreneurial intention (Alcivar et al., 2023). The study by (Alcivar et al., 2023) revealed that entrepreneurial training has a significant positive influence on entrepreneurial intention. This means that more extensive training leads to greater entrepreneurship intention. Similarly, another study by Muttaqien et al. (2023) involving students found that entrepreneurship training has a positive

effect on entrepreneurial intention. The results of another study by Boukamcha (2015) highlighted the importance of entrepreneurial training in the development of entrepreneurial cognitions. In this study which was based on 240 respondents from four business incubators, the interaction between the entrepreneurial cognitive patterns was validated. However, the entrepreneurial intention was only predicted through entrepreneurial desirability. Feasibility and self-efficacy were insignificant in predicting entrepreneurial intention. The following hypothesis was developed for further testing:

H3: There is a significant and direct effect of entrepreneurial training on the entrepreneurial intention of women in Islamabad.

The following is the conceptual framework for this study:

Figure 1: Conceptual Framework



3.0 Research Methodology

Research philosophy encompasses beliefs and assumptions concerning knowledge generation and expansion. It encompasses axiology ontology and epistemology which is knowledge (Saunders et al., 2019). This study is based on the positivist philosophy which is the stance of the natural scientist. The research approach refers to the strategy and methods for data collection, analysis, and interpretation. The two primary research approaches are deductive and inductive. The deductive approach tests hypotheses derived from existing literature, while the inductive approach develops hypotheses from data analysis (Saunders et al., 2019). This study is based on the deductive approach. In this quantitative study, primary data was collected using a survey strategy. The time horizon was cross-sectional. The target population was potential women entrepreneurs in Islamabad, Pakistan. As there was no sampling frame available, convenience sampling was used and the survey questionnaire was distributed electronically and by hand to respondents, ensuring convenient access and efficient data collection. Data analysis aimed to understand the data, assess its quality, and test hypotheses (Sekaran, 2016). Descriptive analysis and reliability tests were conducted using SPSS to examine central tendencies, and dispersions, and measure reliability. Inferential statistics, such as correlation and regression tests, were used to test hypotheses and draw conclusions based on the sample data.

3.1 Research Instrument & Data Collection

To conduct this study, self-administered questionnaires were used. The questionnaire was divided into two sections. Section A collected demographic information about respondents,

including marital status, age, and education level. Section B assessed respondents' views on barriers affecting women's entrepreneurial inclination in Islamabad, Pakistan. All survey questions were measured on a Likert scale ranging from (1) strongly disagree to (5) strongly agree. To enhance the credibility and authenticity of the questionnaire, the questions were adapted from past studies. The questions for entrepreneurial intention and education were adapted from a study by Linan and Chen (2009). The questions on entrepreneurial education were from a study by Adekiya and Ibrahim (2016).

Sampling is essential for practicality and time-saving when collecting data from a population. In this survey, questionnaires were used as the data collection method. Sampling is categorized into two main types: probability and non-probability sampling. In this analysis, non-probability sampling was chosen for practical reasons. The sample size was determined using an equation established by Green (1991). For this study, the sample consisted of women in Islamabad, the capital of Pakistan. The calculated sample size exceeded 100. Convenience sampling methods were employed to select potential participants for this research study. This involved selecting respondents who were easily approachable and accessible for survey completion (Saunders, 2019). Data analysis was done by using the SPSS system. Data analysis includes descriptive analysis, reliability tests, and inferential statistics like correlation and multiple regression to test hypotheses related to barriers affecting women's entrepreneurship in the region.

4.0 Results and Analysis

4.1 Participants

In this study, there were 300 respondents. Most of the respondents are from the age group of 26-35 which is 40%. Another 36% were in the 36 and above group. The rest were in the less than 25 years old group. According to the educational background, the respondents were mostly from the undergraduate category (55%). Most of the respondents to the survey were married which is 60.5%. Another 39.5% of respondents were singles.

4.2 Reliability Analysis

Reliability analysis pertains to the notion that the construct being assessed must accurately embody a scale. A significant concern revolves around the internal consistency of the scale. This relates to the extent to which the constituent items of the scale cohere together. Cronbach's alpha coefficient is one of the frequently employed measures of internal consistency. Ideally, a value ranging between 0.6 and 0.8 is deemed exceptional and satisfactory, while a value below 0.6 indicates that the data is undependable and unsatisfactory (Pallant, 2001). Nevertheless, the Cronbach alpha values are highly sensitive to the number of items in the scale. In this particular investigation, all the Cronbach alpha values surpassed the threshold of 0.6.

4.3 Hypothesis Testing

There was one dependent variable and multiple regression analysis was performed to determine if there was a statistically significant relationship between independent variables and the dependent variable in this study. As shown in Table 1, the R-square value is 0.646, showing that 64.6% of entrepreneurial intention can be explained by all four independent variables, namely family support, education, and training. (Pallant, 2001). The three independent variables reliably predicted the dependent variable.

Table 1: R-square

Multiple R	.646
Coefficient of Determination (R Square)	.417
Adjusted R square	.405
Standard Error of Estimate	.6545

The multiple regression results are shown in Table 2. As shown in Table 2, all the predictors namely family support, education, and training have a positive and significant impact on the entrepreneurial intention of women. The results indicate that family support has the highest impact on the entrepreneurial intention of women (Beta value of .367, $P < 0.05$). This is followed by entrepreneurial training (Beta value of .341, $P < 0.05$). The lowest but positive and significant impact came from entrepreneurial education (Beta value of .195, $P < 0.05$). Therefore, all three hypotheses were supported.

Table 2: Coefficients

Model	Unstandardized coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.543	.305		1.780	.077
Family support	.324	.057	.367	5.707	.000
Entrepreneurial Education	.203	.068	.195	2.978	.003
Entrepreneurial Training	.354	.069	.341	5.104	.000

5.0 Discussion

The first hypothesis tested in this study was to examine the association between family support and women's entrepreneurship inclination in Islamabad, Pakistan. According to the regression analysis, the P-value between lack of family support and entrepreneurship inclination is < 0.05 . and the beta value is .367. The result illustrates that there is a constructive and important connection between family support and barriers towards women's entrepreneurship inclination in Islamabad, Pakistan. Past analysis has examined the relationship between family support and barriers to female entrepreneurship inclination and found a positive and significant association (Pham and Le, 2023; Xu et al. 2023). Research has shown that entrepreneurial intentions are positively and significantly influenced by family support (Soula et al. 2023). Family support was also found to have the strongest impact on entrepreneurial intention. Therefore, the greater the family support, the greater will be the entrepreneurial intention.

The second hypothesis tested in this study was to examine the association between entrepreneurial education and women's entrepreneurship inclination in Islamabad, Pakistan. According to the regression analysis, the P-value between lack of family support and entrepreneurship inclination is < 0.05 . and the beta value is .195. Past analysis has examined the relationship between entrepreneurial education and female entrepreneurship inclination showing that there is a positive association between entrepreneurship education and entrepreneurial intentions (Sahputri et al., 2023, Khan and Khan, 2023). Therefore, women who possess higher entrepreneurial passions are more likely to have greater entrepreneurial intentions. Similarly, the study by Khan and Khan (2023) also revealed that entrepreneurial education is an important predictor of entrepreneurial intentions. However, the impact of this variable was the lowest among the three predictors.

The third hypothesis tested in this study was to examine the association between entrepreneurial training and women's entrepreneurship inclination in Islamabad, Pakistan. According to the regression analysis, the P-value between lack of family support and entrepreneurship inclination is <0.05 . and the beta value is .341. Past analysis has examined the relationship between entrepreneurial training and female entrepreneurship inclination and has shown a positive association between entrepreneurship education and entrepreneurial intentions (Alcivar et al., 2023; Muttaqien et al., 2023). Similarly, the study by (Alcivar et al., 2023) revealed that entrepreneurial training has a significant positive influence on entrepreneurial intention. This means that more extensive training leads to greater entrepreneurship intention. Therefore, women who possess higher entrepreneurial training are more likely to have greater entrepreneurial intentions.

5.1 Implication of Findings

From the theoretical perspective, the results of this study will assist in filling the knowledge gap in the entrepreneurship intention field of study. Some previous studies may have looked at the determinants and barriers to entrepreneurial intention, but there is a dearth of research that focuses on women in Pakistan. Therefore, this study can provide insights by providing a holistic view of family support, entrepreneurial education, and entrepreneurial training, and their impact on entrepreneurial intention. These findings closed the gap and provided some new insights such as the high significance of family support. Furthermore, by applying the Theory of Planned Behaviour (Ajzen, 1991) and the model proposed by Shapero and Sokol (1982), the results provide a much broader perspective on barriers to the entrepreneurial intention of women. There are also practical implications, The results of this study provide a better understanding of the barriers to entrepreneurship intention of women to academicians, women, and policymakers. The results clearly stated the important role of family support. This may be related to culture and may take more time to change. Focus should also be placed on entrepreneurial training by the authorities and policymakers. This study raised awareness about women's entrepreneurship inclination and barriers towards it. Furthermore, this study will benefit the female entrepreneurs and those women who want to become entrepreneurs in the future. It can also help the media, authorities, policymakers, government, and support agencies to ensure better access to business advancement for women which will result in the integration of female entrepreneurs into the mainstream economy.

5.2 Limitation of Study

There are some limitations of this study. Firstly, this study focused only on entrepreneurial intention and not actual entrepreneurial behaviour. Future studies should consider focusing on both entrepreneurial intention and entrepreneurial behaviour. Secondly, this study did not examine the moderating role of categorical variables like age. The inclusion of categorical variables can provide a better understanding of this phenomenon. Thirdly, this study only focussed on women. There can be differences between men and women. Therefore, future studies should consider doing a comparative study between men and women. Lastly, this study was quantitative. To get rich data relating to entrepreneurial intention, it is recommended that future studies consider in-depth qualitative studies where rich data is collected for analysis of the patterns and themes.

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