



## Cultural impact on female entrepreneurship in Lahore

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### ARTICLE INFO

#### Article history:

Received: 8 November 2012;

Received in revised form:

18 April 2013;

Accepted: 24 April 2013;

#### Keywords

Entrepreneurship,  
Motivational Factor,  
Social Culture.

### ABSTRACT

The aim of this paper is to inspect the dares of female entrepreneurship in Lahore (n=150). Through a questionnaire, major obstacles are found among women on jobs and those who running their traditional business like; boutiques, parlor and embroidery. Descriptive analysis and Factor Analysis Model is used for data analysis. The results are proposed that females want to work and can manage their business self-sufficiently but due to social culture issues they are not taking any initiative to start a new business. Government does not support the female's entrepreneurship and does not take action for providing the basic education to the females. The female entrepreneurship development is not only due to dearth of financial resources but also lack awareness for facilities available to develop their skills.

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### Introduction

There is an old Chinese saying: "Women hold half the sky" Female entrepreneurship is the basic need for our country development. It has a significant impact on organizations and economic activity. Recent research shows 40 to 50 percent of enterprises in developing countries are owned and run by women (Schlein, 2008). According to the World Bank report, released in 2011, the population regarding female (% of total) in Pakistan is 49.7 in 2010. They are not only deprived of financial resources but also lack access to basic needs such as education, health, clean drinking water and proper sanitation. Limited access to the essentials of life undermines their capabilities, limits their ability to secure gainful employment, and results in income, poverty and social exclusion. Their ambitions and aspirations are suppressed. In current situations, there are many females whose purpose is to earn money for family due to poverty. They are not focusing to build their status to improve economy. Some females do not run their own business due to lack of incentive and promotion activities by the government. On the other hand there is less awareness and policies, and our government and Educational Institutions agencies are doing little to promote entrepreneurship amongst women particularly. 2008-09 literacy rate was the 57.4 percent, in which 69.3 percent males and 44.7 percent were females. Some females cannot run their own business due to the financial problems. That is all due to dynamic environment and also the recession of our economy. Due to technological underdevelopment and culture factors, the pressure becomes even worst upon females to start a new business. Many women are learning skills such as embroidery, sewing, and knitting for income generation. But due to poor conducive environment it is difficult to embark such a journey to developing their careers. This is because of the restrictions placed on them by the society which does not allow them to receive formal training and to enter the market place. In Pakistan, women fall victim to traditional practices that violate their human rights. Due to custodial and domestic violence the female are physically and non-physically tortured. According to

Human Rights Commission of Pakistan (HRCP), 400 cases of domestic violence were reported in a year. Small and Medium Enterprise Development Authority (SMEDA) and Women Business Development Centers (WBDC) Women Business are providing the facilities to the females regarding Exhibition/Display facility and Business Development Services (including training programs) are being offered to Women Entrepreneurs (WEs) under one roof.

### Literature Review

Female entrepreneurs have "double tasks"; they spend half of a day in house to tend their babies and also give some time to their business. Due to the more responsibility female entrepreneurs spend a limited time on their business (Loscocco, 1991; Tigges and Green, 1992). Male have more experience rather than female entrepreneurs that's why male and female differ with respect to experience and education (Brush, 1992). According to the size of the business the female entrepreneurs have smaller businesses than men. These small female entrepreneurs have low profit margin, high competition in market and lesser opportunities to enter the target market. Small start-up amount is required for that smallness business. (Van Uxem and Bais, 1996). Entrepreneurs may meet several hitches when starting a new business like unexpected competition, delayed collection period of payment from customers, borrowing from bank and getting financial capital is a major problem for entrepreneurs (Hughes and Storey, 1994; EIM, 1998; OECD, 1998).

Females work half time in a day but male work full-time with more energetic for the growth of business (OECD, 1998). On a global level, a 2005 report has stated that women represent more than one third of all people involved in entrepreneurial activity (Minniti et al. 2005). Barriers to gender entrepreneurship can have an adverse impact on a country's competitiveness, productivity, and growth potentials (Bardasi et al. 2007). Carr & Sequeira (2007) found that exposure of family give the opportunity to the female for to do a business.

Benzing, Chu and Kara (2009) suggest that the motivational factors can be divided into four categories i.e. (1) financial factors, (2) freedom, (3) internal gratification, and (4) personal and kinfolk or family security. Due to poverty, high inflation and political instability, less people are motivated to start a new business in Pakistan.

### Objectives

1. To examine that male domination is the hurdle for women entrepreneur
2. To examine that woman can independently manage the business

### Methodology

It was a community-based analytical study, undertaken from February 2012 to April 2012. The purpose of this study is to confer the effects of social factors on women to start the business in Pakistan. For the collection of data authors have developed a questionnaire, to know the hurdles which effect on the women entrepreneurial development. Non-random convince sampling technique was used in our survey. The data is gathered by survey in Lahore from 160 females but we receive 150 questionnaires so our respondent rate is 93.75%. Total questions were 13, in which 12 were closed-ended questions and 1 was open-ended question. First twelve questions were about the awareness & social factors (culture & family, gender domination and educational institutions. Question 13 was about the general view of women regarding women entrepreneurship. After data collection in form of questionnaire, we entered data in SPSS 17. For analysis, the KMO and Bartlett's Test have been applied.

### Analysis

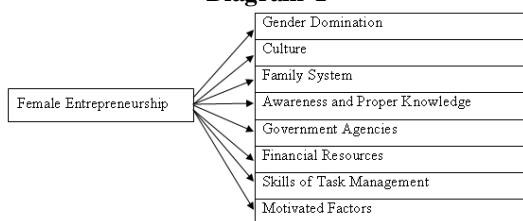
		Frequency	Percent
Valid	agree	72	48.0
	Partially Agree	45	30.0
	I don't agree	33	22.0
	Total	150	100.0

**Table 1** 48% females say that they have problem due to male domination in the market, so we can't work properly and efficiently.

		Frequency	Percent
Valid	yes	93	62.0
	no	57	38.0
	Total	150	100.0

**Table 2** 62% female's say that we can independently run the business and can be managed the labor handling issues.

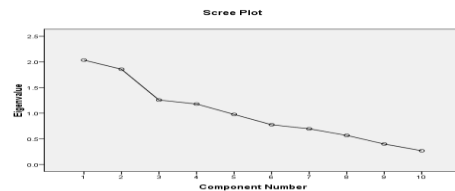
**Diagram 1**



**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.478
Bartlett's Test of Sphericity	Approx. Chi-Square	239.659
	df	45
	Sig.	.000

**Table 3**



**Graph (Table 3)**

Rotated Component Matrixa				
Component	1	2	3	4
Labor Handling issues	0.71	0.02	0.04	0.21
Domination	0.13	0.62	0.09	0.01
Knowledge	0.22	0.09	0.15	0.84
Promote	0.49	0.09	0.10	0.62
Start	0.06	0.63	0.30	0.21
Obstacles	0.63	0.36	0.28	0.09
Family support	0.42	0.46	0.58	0.30
Manage	0.72	0.04	0.09	0.19
Motivated Factor	0.02	0.00	0.90	0.16
Culture	0.06	0.75	0.20	0.08

**Table 4**

F1	F2	F3	F4
Self-sufficiently Bargaining with male	Social Factor	Motivation Factor	Awareness by Gov. agencies and Educational Institutions
Labor issues	Domination	Family	Knowledge
Obstacles	Start	Motivated	Promote
Manage	Culture		

**Table 5**

In table 3 Significant Level is less than 5% so, it means that culture influence on the female entrepreneurship development. In graph table 3 four factors are determined by analysis that shows women face problems due to social culture, motivational factor, bargaining with male and less knowledge.

We used the factor analysis because all females are not having equally skills to manage the business. Different factors directly effect on the female entrepreneur development like managing, cultural factor etc. For analyzing it, we have made four groups in which women entrepreneurs could perform more efficiently. In table 4 bold numbers in a column are representing those factors which all female can easily tackle.

Table 5; F1, F2, F3, F4 factors are scrutinizing on the basis of table 4 by bold numbers.

**F1:** shows that women can easily and independently manage their business and can deal with labor issues.

**F2:** shows that these women are not affected due to cultural factors and domination of the male. These can do work easily with the male.

**F3:** shows that women are supported and enthused by their family encouragement.

**F4:** shows that more females run their business due to proper knowledge delivering by government agencies like SEMEDA. Educational institutions enhance the female skills to manage the business independently and encourage them to start a business. Descriptive analysis proposed that female entrepreneurship development is reduced due to managing business independently and dealing with the labor issues is difficult and hampering, that is why in Pakistan it is not successful.

### Conclusion and Recommendations

Scarcity of financial resources is not the basic issue for the female entrepreneurship. Social culture is the major problem for females because before marriage family does not support her and after marriage husband does not give permission to do a job. Many women are earning from handmade products, manufacturing it at home. High illiteracy rate of females is also the cause of low female entrepreneurship development. Women have expertise but they have not proper understanding of the market that is why they are not taking the initiative to starting their own business.

In Pakistan females are doing job in just service zone to support the family, so the government should also give them incentives to start their own business. Government may fund them and impart appropriate knowledge to perform in market. Focus on women entrepreneurs from universities. Gender discrimination should be eradicated. Government should open a market where just women can do their business without any conflict of religious issues. There is great potential in the Women Entrepreneurship sector. Their development can only lead to greater economic growth.

### Limitations

Our study is just only focusing on the factors which create hurdles and take away the opportunities of female entrepreneurship development. Sample selection was too much inadequate because it was taken only from the Lahore. The data has not been collected from household females who make handmade products in house to earn money. Our further study will be more analytical by taken larger sample size from the various cities of Pakistan.

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