

Cultural Factors and Role of Pakistani Women in Growth of SME

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Keywords	Abstract
Women SME's, Cultural Factors, Growth of SME, Gender Role, Pakistan	<i>Women play a significant role in entrepreneurship though female contribution in SME is lesser than male contribution in SME's. On the other hand, the distance between both gender contribution rates in entrepreneurship varies country to country for the reason that sway of disparate parts and stereotypes on commercial activities. For understanding that dissimilarity, this study inspects the gap between female and male role in small medium enterprises in Pakistan from a cultural perspective with different EU and North American countries. By using simple random technique the data was collected and from 5 Pakistan's main cities including Karachi, Lahore, Islamabad, Peshawar and Faisalabad. 250 women were randomly selected who are associated with SME's business in Pakistan. The results reveal that Women are facing much more hurdles and difficulties in establishing and running an independent business specifically a rural lady for whom getting business opportunities in Pakistan are very difficult. Findings show that the Pakistani women contributed small portion in SME growth of Pakistan.</i>

1. INTRODUCTION

The trend of females own small businesses in large number of quantity has increasing considerably across the world. However, study into the understanding of small business holder remains focused on relatively small number of established markets. This paper seeks to examine the contexts and experiences of women entrepreneurs engaged in small businesses in Pakistan. Women's owning businesses are nowadays considering a significant means for entitling women empowerment (Syed, 2010). According to Shaikh, (2007) study, 33% of the women in Pakistan are associated with small businesses comes between 20-39 ages. Women of Pakistan are considerably playing their part in development of Pakistan's economy. 67% of business women were homemakers before starting their business (Shaikh, 2007).

The SME's are generally characterized as the essential bone of entrepreneurship. It produces the best atmosphere empowering business ladies to implement their expertise and skills to its best and to accomplish the objectives, targets and goals they have positioned. It is seen in all developed economies that small and medium business owners are important for expansion, employment generation and community growth. The merits of small businesses are now acknowledged almost worldwide (Benjaminet et al., 1994). SMEs are also considered as the rapidly emerging sector of Pakistan's economy at the time that government is trying hard to create awareness about small and medium enterprise businesses (Survey-2005-06). In order to enhance on export and increase foreign exchange Pakistan have to initiate as many as SMEs business (Shaikh, 2007).

A country's economy flourishes when female population obtains equal chance as male. On the other hand, women associated with small businesses in Pakistan have to face lots of hurdles to initiate and developing their business. Pakistani women belonging to middle class of the society are very anxious about their clan and they try to put in raising the earnings of home. In order to accomplish the objective they connect themselves in different activities through which they can earn even with high uncertainty. These circumstances jointly lay high pressure and strain on those ladies and lead to many psychological problems (Taib, 2014). According to the survey more than 50 percent of the population of Pakistan is consisted of female gender and they are playing a constructive and productive role in socio-economic sector. Pakistan is also on the right path to encourage women in SMEs business and other small level businesses to make use of and build up high-quality talent for the trade to thrive Pakistani business situation. Pakistan is considering very prospective market for SMEs and can thrive economy within very short time (Amin 2016; Khursheed et al., 2019).

Over the past several years, it has turned out to be gradually more apparent that, SMEs certainly share in to livelihood and economic enlargement (Wube, 2010). On the other hand, the observed studies shows that, a major figure of these businesses were owned by men as compare to women ownership of businesses universally particularly in the developing economies like Pakistan (Ali et al., 2015). Like many other developing countries, work on researches and scholarly studies about the SME sector in Pakistan are done in very limited amount (ODINGA, 2012). In developing economies and countries females are facing complex provocations, it will affect the women entrepreneurs in variety of way, choice of activities, resource availability, support system, marketing channels, availability of raw materials. Classification of women entrepreneurs will itself revolutionize (Crane et al., 2019; Albotmeh, & Irsheid, 2013).

1.1. Objective of the Study

The research study focuses at achieving the following objectives:

1. To examine women role in growth of SME industry.
2. To study whether the cultural factors or gender stereotype effect women entrepreneurs' performance.

1.2. Research Question of the Study

This study focuses at finding the answers of the below mention questions.

RQ1: Does the women entrepreneurs of Pakistan plays a significant part in expansion and growth of SME industry?

RQ2: Does cultural factors create barriers in career development of business women in Pakistan?

RQ3: Does the gender stereotypes restrict women inside house and become most challenging in business startups?

2. LITERATURE REVIEW

Pakistan is considering as very potential market for small and medium enterprises and if government and authorities launched it in efficient manner, the economy can boost in very short time. In a province of Sindh there are substantial benefits in some fields, which require to be demonstrated rapidly to obtain the remuneration of exports. Such remunerations can raise foreign exchange rates very optimistically to build up a constructive structure in all areas of development (Annual Reports-2005-06-EPB).

The knowledge in the fields like fishing, tutoring, fruit, crops, fashion, cotton ginning, sugar cane, dates ginning, wood, automobile and many more fields are the fundamental startups for most people. This study demonstrates the fundamentals of few areas and awareness of how these areas can put in approaching Pakistan's economy by raising the convertibility rates. The ministry of planning and product development should invent some plan to propose realistic policies with the collaboration of stakeholders (Shaikh, 2007).

A study done by the International Labour Organization (ILO), of 150 business women in Pakistan observed 39% of women associated with small enterprises (employing less than 100 employees) and 9 per cent in medium-size enterprises (employing between 100 and 250 employees) (Syed, 2010).

The study reveals that women owned businesses in the SME division offer employment to females in larger amount, with female entrepreneurs having an average of eight ladies employees and seven gents' employees. Also, it suggests that women's free enterprise in Pakistan is usually a problem interrelated to community. For example, elite class, highly skilled and educated females are usually much competent to starting up their own small and medium businesses because those women acquire both the funds and awareness to do so. Women in metropolitan cities are in much healthier condition to promote businesses because of easy contact to information and opportunity and facts and figures. The study revealed that 73 per cent of the women entrepreneurs initiated their business from personal savings and over 50 per cent belonged to upper grade of education. However, the majority of women entrepreneurs tend to work in traditional areas, such as fashion boutiques, salons and culinary, craft work, jeweler and other alike businesses (ibid.).

SME's playing an important role in growth and development of Pakistan's economy. The study can assist in increasing business oriented women and facilitate them to build business environment in a more resourceful and efficient means (Hasan, 2010). Pakistani women are not liberally associated in all sectors, but in recent times many women move towards with mainly in progress of SME sector in Pakistan. They affianced in producing precious items and it is major cause of their continued existence and these all efforts bring Pakistan in emerging markets of world (Shaikh, 2007).

The position of Pakistani women is not parallel as the annex of masculinity and femininity with other type of ruling out in society (MacGregor, 2010). Religious instructions, cultural standards and following linked with women's status and position differ extensively and are every so often conflicting. Furthermore, feudal, capitalist and social customs can limit the operation of female business owners all through their functioning lives (Dahlerup, 2018). Debatably a woman's

state, in contrast to a man's, is one of complete inferiority resolute by the forces of patriarchy. These practices very much limit the accessibility of work-related opportunities open to women all over Pakistan (Sakha & Shah, 2019).

The scale to which the nation have optimistic point of view regarding small and medium businesses and concerning about creative and inventive belief to generate worth is resolute by traditions, moral values, beliefs and customs of a country (NuriaEsteban-Lloret, 2016) Cultural and social factors also consists of psychological problems includes 1) Social Isolation, 2) Harassment, 3) Depression, 4) Social Discrimination, 5) Motivation. These psychological problems become one of the most severe obstacles for Pakistani women to gain and work in SME. On other hand motivation factor, poor infrastructure, work life balance these all are also different barriers. Women entrepreneurs who are married face more provocations to retain work life balance. Single business ladies face communal and ethnical constraints on working lengthy hours away from home and family (Ahmed et al. 2015).

Male business person do not facade much difficulties in finding better opportunities and platforms in initial stage of their businesses but regrettably in our societal setup women entrepreneurship is facing difficulties and is not have deserved importance. Pakistan is a male dominating society and here women faced much more difficulties in order to establish herself as compare to man.

The constrained communication of business woman with male associates of society restricts the chances to obtain business administration and technological skills, as there are only some institution/organizations provide business trainings for female entrepreneurs. They also face strict contest when get on on gaining admittance to the market. Males are capable to progress more freely in the society and relate with their associates. In the broader areas of society such as management and government organization, men relay to women in a different way than they relate to their male colleagues. Females are frequently buoyant to keep on longer when they are part of executive meetings, consequential in preventable delays in getting reactions to their queries (Roomi, 2008).

Disorganized political condition of the country is as well main issue for investment. Business persons of SME sector particularly women, who sprint on daily dealings; get extremely exaggerated also because of terrorist assaults and radicalism aspects such as bomb explosion and target assassination. Target killings have damaged businesses particularly small businesses vastly. Such actions and activities enforce gridlock in monetary activities of the country, parting trillions of money loss. Business person surveyed, responded law and order condition as the most serious issue in operating their businesses (Ahmed et al. 2015). Family's participation plays an important role in female entrepreneurship (Ali et al., 2015). In many cases families are really supporting to buildup business startup and strong networking b/w supplier and vendor, logistics etc results in smooth business growth.

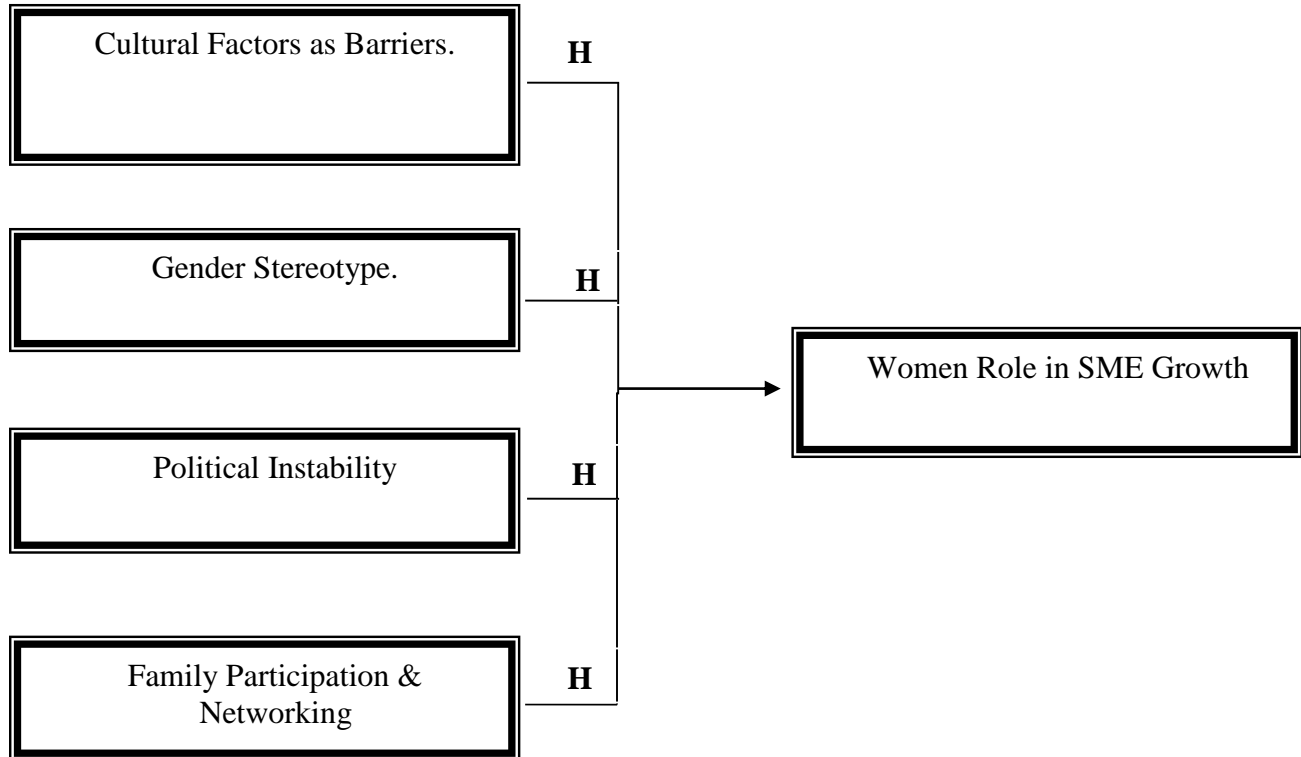
H1. Cultural factors don't affect role of women in SME growth.

H2. Gender stereotype doesn't affect role of women in growth of SME sector.

H3. Political Instability doesn't consider being a barrier in women participation in SME development.

H4. Family participation and strong networking doesn't affect women contribution in SME growth.

2.2. Conceptual Framework of Study



Source: This conceptual Framework is extract from the 15 literatures survey reviews considering of Dependent and Independent variables mentioned in the above chart. (Syed 2010, F.M.Shaikh 2007, Hasan 2010, Taib 2014, Odinga 2012, Ali et al., 2015, Wube 2010, Benjamin, 2010).

3. RESEARCH METHODOLOGY

The population of the study is women belonging to Small and Medium Enterprises (SME's). The research is exploratory in nature and based on quantitative data collected through a questionnaire from 250 female entrepreneurs from 5 major cities of Pakistan including Karachi, Lahore, Faisalabad, Peshawar, and Islamabad by using a simple random technique. Respondents to this study include 200 people associated with the boutique industry, 33 owners of saloons, 8 operators of catering businesses, 6 operators of jewelry businesses, and 3 operators of consulting businesses.

This study is cross-sectional. A structured questionnaire was used in this study for collecting data from entrepreneurs. The questionnaire used in this research is adaptive. Close-ended questions with Likert-style rating scale for questions included in the questionnaires. The study aimed in determining mean among different variables through one sample t-test among cultural factors, political instability, gender stereotypes and family participation and networking within

the context of female role in SME industry in Pakistan. Research hypothesis were tested with the help of statistical tool, SPSS 2017. The dependent variable is Women role in SME growth followed by 4 independent variable cultural factors as barriers, gender stereotyped, political instability and family participation and networking.

3.1. Reliability statistic

The researcher executed reliability test and found the Cronbach alpha value 0.780 which shows high internal consistency.

4. DATA ANALYSIS

4.1. Demographics

Table 4.1

	Frequency	Percent
Married	137	45.7
Unmarried	113	54.3
Total	250	100.0

The table shows the frequency and percentage of the married and unmarried female participants in the survey. It is found that 45.7% of the respondents are married females while 54.3% unmarried females participated in the survey.

Table 4.2

	Frequency	Percent
Boutique	200	86.3
Beauty Saloon	33	11.0
Catering	8	1.3
Jewelry	6	1.0
Consultant	3	.3
Total	250	100.0

The table illustrates that 86.3% of respondents are associated with Boutique business, 11.0% are running saloons, 1.3% are involved in catering business, 1.0% with jewelry and .3% were running their consultancy responses to this survey questionnaire.

4.2. Hypothesis Testing

Related to literature variables T test were made use to access the variable data. The following table shows nature of descriptive data, with sample size, mean, standard deviation and standard error mean. The standard taken here is 04 which is the agreed rank in designed questionnaire (Ali et al., 2015).

Table 4.4: Hypothesis testing using t-test

Variables	N	Mean	T	df	P
Cultural Factors	250	4.118	3.093	249	.000
Gender Stereotype	250	4.1656	4.193	249	.000
Political Instability	250	4.2187	5.72	249	.000
Family Participation & Networking	250	4.2	5.90	249	.000

In above table shows that there is no significant in all variables means such as cultural factors, political instability, gender stereotype and family participation and networking. Thus the mean of political instability and family participation and networking are higher than other two variables.

Independent sample t-test was used to test the four hypotheses of the study. The test of the first hypothesis shows that probability value is 0.00 which is less than alpha level of 0.5. It shows significant relationship between women role in SME growth and Cultural factors as Barriers. These findings suggest that cultural factors do affect Women role in growth of SME. T test for second hypothesis suggested p -value= .00 which is less than the alpha level=0.5. It means the factor of gender stereotype has effects on women in SME.

The third hypothesis was also tested using t-test. p value= .00 which is less than 0.5 shows significant difference. The woman political instability is directly related to women role in growth of SME. Results for the fourth hypothesis are also significant. P -value is .00 which is less than 0.5. The family participation and networking has strong relationship with the women in SME.

5. CONCLUSION AND RECOMMENDATION

All the hypotheses of the study were supported and null-hypotheses were rejected. The four variables show strong relationship with women participation and success in SMEs. Previous studies also found related results (Rubio-Bañón., & Esteban-Lloret, 2016).

As per the statistics, very few females are motivated and stand against the hurdles and come in this field in Pakistan. The female entrepreneurs are trying to grab their position in work in a patriarchal society and faced different psychological problems (Ali et al. 2015). Women participation is vital for economic development. They are the vital part of social wealth of a state (Taib, 2014).The findings propose that several challenges faced by Pakistani business women are due to the structurally imposed substandard status of women within a traditional society. They are considered as undervalue economic driving forces; the gender bias is rooted in the regional, tribal and feudal society. Female business personals have to conquer the considerable challenges (Roomi, 2008).

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