

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

In the name of Allah, Most Gracious, Most Merciful.

No Business Setup by Women Entrepreneurs In the Remote Areas

P R O J E C T D O C U M E N T A T I O N

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DEDICATION

We dedicate this project to our parents. Because of their prayers and encouragement we have been able to complete this project.

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Last but not the least, UMT to whom we owe well almost everything.

Executive Summary:

In Pakistan, the women have always been a remained a deprived group of individuals. They have never been given importance in the national economy. In many rural areas of Pakistan, women are doing the private businesses at their homes. It is traditional perception that if women will run business, that business will not grow. This traditional thinking has to be changed. The women entrepreneurs are carrying on their businesses from many years but their businesses are not showing any pace. The Women Entrepreneurs are of much importance for the national economy, and ignoring their struggle will be an unjustified affair. They make a meaningful percentage of our total population and without upgrading their entrepreneurship will not lead to economic growth. The purpose of our research study is to explore on the area that why the women entrepreneurs are unable to setup their own businesses in the remote areas, and to back up the current status of women entrepreneurs by inquiring about the problems which are currently being faced by the women entrepreneurs in the remote areas of Pakistan. The identification of the problem will be helping hand for us to develop strategies for the growth of private businesses of the Women Entrepreneurs. The growth of the women entrepreneurs will upgrade the social status of the women in the society and the overall morale of the women will also promote, eventually it will help in boosting of our national economy.

Introduction:

Women entrepreneurs play an important role in the entrepreneurial economy, both in their ability to create jobs for themselves and to create jobs for others. Women's entrepreneurship is dependent on demand side i.e. political and institutional framework, family policy and market sources and supply side factors which includes the availability of suitable individuals to occupy entrepreneurial roles. In all the countries women still represent a minority of those that start new firms, are self-employed, or are small business owner-managers. Obviously, this economic resource, if not untapped, has not been successfully explored yet.

Women entrepreneurs from low income groups are a subgroup of the larger entity known as home based working women. Basically a woman entrepreneur works for herself. Unlike the piece-rate worker, the women entrepreneur is supposed to own her own plant or tool, to get work done or she works at her own place which may be rented space or her own home, buys her own raw material, is independent in deciding which item to produce or process and finally does her own marketing. In Pakistan's peculiar male dominated society, the woman entrepreneur may get substantial help from the family for her contracts with the marketplace. Yet ideally it should be the women entrepreneur herself who will have complete control over her income.

The role of a lower middle class woman entrepreneur in the traditional Pakistani society is new and revolutionary. Otherwise as Alavi has said,

“It might be said that urban is new among the most oppressed of women in Pakistan being confined to the ‘purdah and chardiwari’ or the four wall of their home”.

Women form more than ¹half of the population of our country, which has not been, provided equitable share in the process of the economic development. Lack of knowledge, skills and economic independence has resulted gender subordination and other forms of oppression. **No business setup by the women entrepreneurs residing in the remote areas in Pakistan** ²highlights “information Gaps” marketing channels and poor networking” as major supply-side constraints to the growth of Women Entrepreneurs businesses.

¹ www.zafcointl.com/wow

² www.win.org.pk

The choice of marketing modes and limited geographical coverage also indicate lack of knowledge and related skills on part of Women Entrepreneurs (WEs) and dysfunctional supply-side institutions unable in effectively reaching out to their clients. They appear to be either unaware of modern marketing concepts that could fetch better returns on the same products or remain restrained to the local markets due to a number of problems associated with their mobility. By one reason or the other they remain remote from lucrative domestic and international markets, not only geographically but also in terms of their knowledge and awareness of what and where these markets are and their actual ability to access and competitively sell in those markets.

In Pakistan, woman is handicapped in the society. Therefore they face many challenges, as they do not enjoy the same opportunities as men. The segregation of the sexes starts early and becomes a way of life. 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 problem, limited access to the essentials of life under mines their capabilities, limits their ability to secure gainful employment and income, poverty, and social exclusion. Their ambitions and aspirations are suppressed.

The crude activity rate (% labor force in total population) for women in rural areas is 10.7% and 6.3% in urban areas) and the defined activity rate) % of labor force in population of person having 10 years of age and above) is for women in rural areas is 16% and 8.8% in urban areas. In rural areas even where top positions are filled by women entrepreneurs most of the opportunities are diverted towards enhancing the skills of men. Women are essentially performing house hold, responsibilities and helping in their family in the fields. This hampers their growth, as there is not time due to domestic chores taking precedence over anything else. Many women are learning skills such as embroidery, sewing, knitting, for income generation but lack of conducive environment to embark on such a journey of developing their career. 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. They do not only lack the financial resources but also lack awareness for facilities available to develop their skills. However, economic necessity is forcing more and more women engage in sort of employment, without relieving them of their traditional roles, there is a potential envisaged to develop the handicraft sector and

create income generation measures for these women as they possess the talents and aptitude for entrepreneurial development.

Background Information of Problem:

State on 14th August 1947

When Pakistan came into being in 1947, Country was lacking in those resources which may make available the employment as well as earning opportunities for its human resource. The number of industries which became the part of Pakistan were very low as compared to India, this leads us to the evidence that how the government could arrange job opportunities for its men power. The individuals in the country, which became empty hand due to separation, were suffering a lot, this was the time when the trend towards home based industry originated as a source of income generation.

By and large those individuals felt that there were no factors in their environment that acted to encourage them to start and run their own business. However, they have positive views on the idea about start-up allowance in connection with setting up a business, as long as the allowance is granted to the "right" people.

Political Transformations and Development Plans:

Over the period political transformations took place in the country along with the involvement of international community, which led to provision of support for the formation of different sectors and then to upgrade the economy of Pakistan.

Development planning in Pakistan has generally remained hostage to the welfare approach which makes women the passive recipients of the various programmes. The gender aspects of development planning can be divided into different phases. The first phase started with the first five year plan (1955-60) and continued with a short break (the Transition phase 1973) until the sixth five year plan (1983-88). In the first phase development treated woman as the passive recipients of interventions such as training and income generation. No significant progress was made through small initiatives as the government programmes focused on teaching traditional skills such as sewing, embroidery, or knitting. Such as primarily aimed at enhancing women's domestic role and had little relation to market demand and employment prospects.

Transition Phase of 1973

The Transition phase started in 1973 with the advent of a secular and socialist democratic regime. Medium term planning (5years plans) remained absent from the national scene during these years and only annual development plans were formulated and implemented. The Transition phase differed from the first phase in that it was less conservative and a more liberal attitude was maintained towards women.

There was another major policy shift in the sixth Five-Year Plan (**1983-88**), which had a positive bias to women. For the first time a special chapter on women in development was included in the five-year plan. This chapter reflected the findings of a working group of 28 professional women and emphasized the importance of an integrated approach to improving the status of women. The Seventh (**1998-93**) and Eighth Five-Year Plans (**1993-98**) also stressed the full integration of women into society. A number of measures such as the establishment of a special unit for women (later upgraded as the Ministry of Women Development) and a National Commission on the Status of Women have been taken but the lack of commitment in implementation means that there has been little change in the status of Pakistani women.

The Ten-Year Perspective Development Plan (**2001-11**) and the Three-Year Development Programme (2001-04) of the Government of Pakistan emphasize micro-credit as the main approach to improving the conditions of Pakistani women entrepreneurship with their increasing market Integration.

Below is the Male and Female participation in activity is indicated



Specific Objective:

Women entrepreneurs have always been a neglecting group in Pakistan, The growth of businesses carried by women residing in remote area is still a question, so the objective of our study is as under,

- To identify the Problems which are creating hurdles in the development of Women Entrepreneurs who are working in the remote area of Pakistan.

Statement of Problem:

With reference to the economic recession in Pakistan, there is a pressing need to empower women economically and to create employment opportunities and income generating activities to enable them to survive, prosper and provide support for their families. For the development of women-to-women business potential, women entrepreneurs require support in the form of training in strategic business development, access to credit funds, and assistance with marketing skills, product design and development. Women entrepreneurs do not 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 dig deeper to understand the gender biases embedded in society which limit women's mobility, interactions, 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 basic categories which are the first, is made up of social, cultural, traditional and religious elements.

Theoretical Framework:

A theoretical framework is theoretical model of how one theorizes or makes logical sense of the relationship among the several factors that have been identified as important to the problem. This theory flows logically from documentation of previous research in the problem area. The problems which will become part of our study will show their impact on the women entrepreneur business growth. The problems scanned through literature survey are,

1. Micro Financing / loans
2. Education and Skills
3. Scarcity of resources
4. Cultural restrictions
5. Religious restrictions

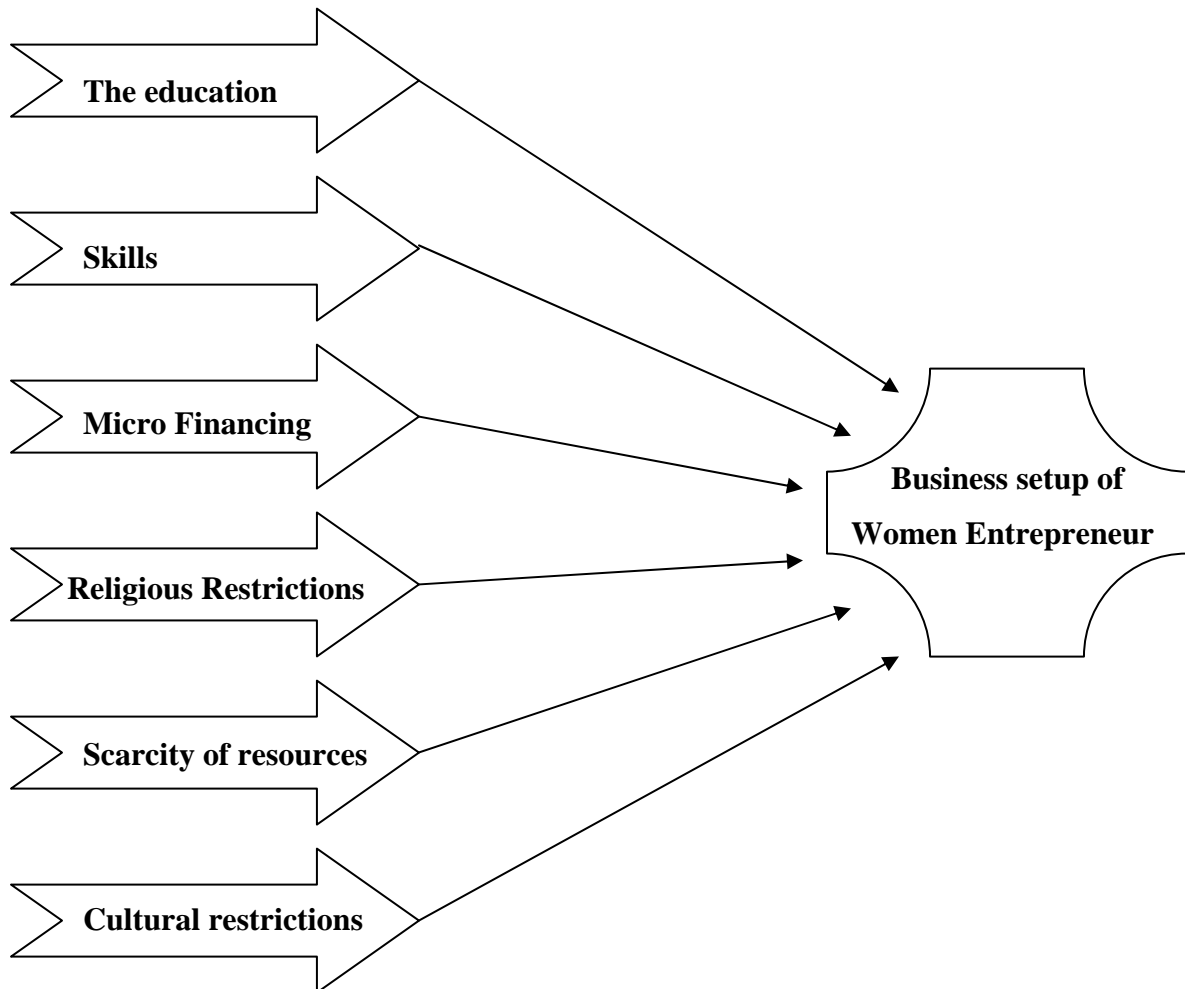
Significance of Studies:

The Problem “No Business setup by the women entrepreneur in the remote areas” undergoing our research, studies will identify those factors which are having direct and indirect impact on the development of women entrepreneur. Considering more on to this we will come across the facts which are related to perfection in businesses conducted by women entrepreneur leading to economic progress and indeed these facts will help the national higher institutions of social development, to develop the strategies for improvement in this area. The need of the time is to divert the attention of national and international community towards advancement in women entrepreneurship as this area is still considered an expense in most of the developing countries due to which the women entrepreneurs are still a vulnerable group in the community.

Theoretical Framework

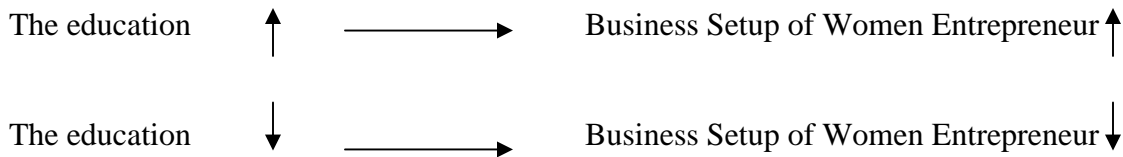
Diagram

Possible Problem



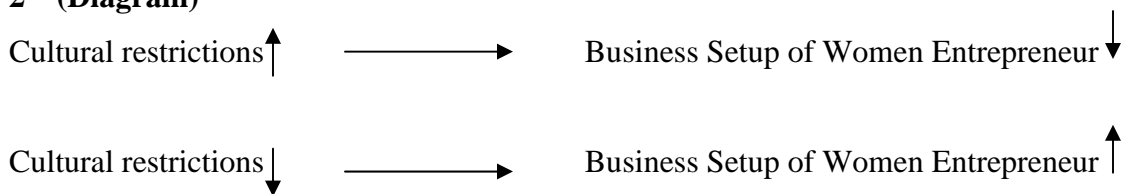
Relationship between Women Entrepreneurship and Problems

1st (Diagram)



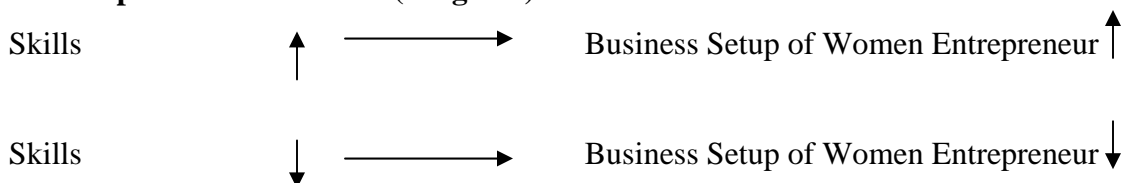
The education level has been identified as a problem and has direct impact on the WE Business Setup. The easy access of those woman entrepreneurs who have affordability, to the education will lead to improved education level and thus enabling the better business setup of Woman Entrepreneurs.

2nd (Diagram)



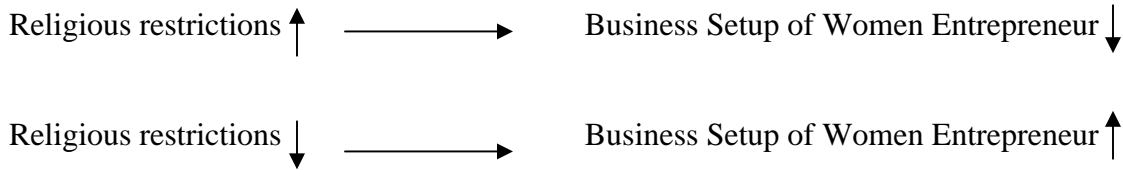
The cultural restrictions impact in a little different manner, which means that there is inverse relationship between the Cultural restrictions and business setup of women entrepreneurs, High cultural restriction leads to low business setup of WE, and vice versa.

3rd Independent Variable (Diagram)



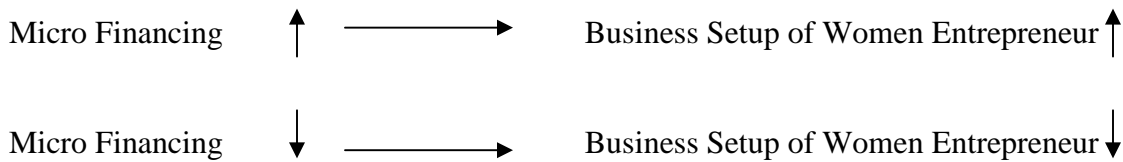
The Skills are directly proportional to Business setup of women entrepreneurs. Improved and up-to-date skills will be a helping hand for the WE Business Setup. But on the other side if the women entrepreneurs are not trained in their related fields, the women carried businesses cannot prosperous.

4th (Diagram)



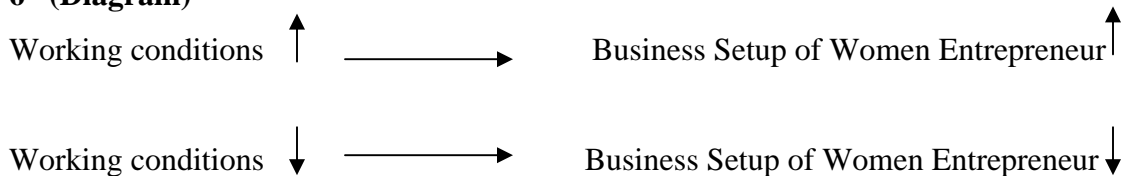
The Religious restrictions keep the women restricted from free market contact, which do not allow the women to measure the market demand and value of the goods produced, so the religious restrictions will do not allow the women to have proper market need analysis and thus the chances for good business setup by the women entrepreneurs will get lower.

5th (Diagram)



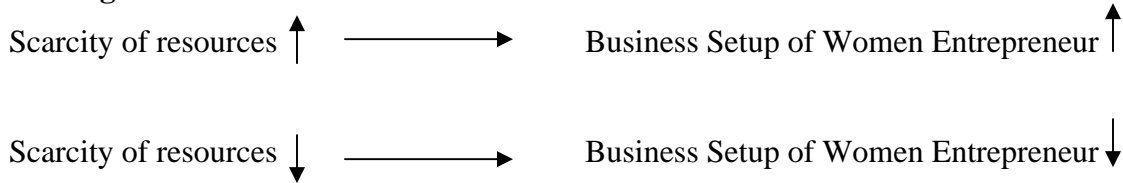
Micro financing is the base for the setup of the women entrepreneur, facilitating the micro finances for the women entrepreneurs will lead to better growth of private businesses of the women entrepreneurs in the remote areas, on the other hand Personal business setup of the women entrepreneurs can not be expected.

6th (Diagram)



The working conditions under which the women work are needed to be facilitated, because the facilitated work environment can make possible to develop stable personal business setup of the women entrepreneurs. So the working environment also has direct relationship with the business setup of women entrepreneurs.

7th Diagram



Scarcity of resources is directly proportional to the Business setup of the women entrepreneur, as when the resources will be limited; the Business will not grow, and will keep declining or stagnant.

Scope and Limitation of Study:

The Scope of research study is about the failure of Women Entrepreneur in setting up their business is that, we will come to explore on to those factors which are having direct or indirect impact on the Women Entrepreneur in the remote areas. Actually in our culture women have never been allowed to participate independently in the market where they can make their business contracts and explore the new ideas to enhance their capabilities of product improvement according to the changing need of consumers. So the research on the above mentioned problem will identify the ground realities which are becoming a cause of stagnant or declining Women Entrepreneur in the remote areas. Stepping forward the scope of research will supply us the information on to the following issues,

- Challenges are being faced by them
- Working conditions of home-based women workers in Pakistan
- Development of Women Entrepreneur

As far as the delimitation of the studies is concerned, it is obvious that researches are always surrounded by the bulk of factors which are the motives of the research problem, but due to time scarcity, as a primary data source and the articles, literature and journals will be the part of secondary data sources in our studies. The interviews will be conducted with the women residing in the remote areas and results obtained through interaction with the women entrepreneurs will be a helping hand for us in identification of problems which are the actual hurdles in the growth of the personal business setup of the women entrepreneurs,