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An Analysis of the Women's Entrepreneurial Intentions and Participation in Informal Economy: A Case Study of Quetta, Pakistan

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Abstract

The study highlights the women's involvement in the informal economy with their issues and intentions in becoming entrepreneurs. The study was conducted in Quetta, Balochistan by using a mixed-method research design to determine the reasons for the low women's entrepreneurship rate and women's preference to be part of the informal economy. To achieve study objectives, 22 women entrepreneurs were interviewed using purposive sampling, and 200 non-entrepreneur women were surveyed using convenience sampling. The findings of the study indicated that the main problems in starting a business are access to capital, lack of proper training, and lack of knowledge about starting a new business. Cultural norms and family support are the key factors influencing women's intention to be entrepreneurs. The study recommends that women's involvement in socio-economic activities is crucial for a country's prosperity and progress and the government must devise policies for facilitating and promoting women's entrepreneurship in the region with a special focus on encouraging women-led small and medium enterprises.

Keywords: Women Entrepreneurship, Entrepreneurial Intentions, Informal Economy, Mixed Method, Quetta-Pakistan.

Introduction

Entrepreneurship is establishing, developing, and running a new business while accepting all risks to generate profit, and it is gender-free (Ismail, 2016). There is no exact definition of entrepreneurship. Higgins (1954) defines the entrepreneurship function as looking for investment and production opportunities, arranging an enterprise to start a new production process, increasing capital, hiring labor, arranging the supply of raw materials, finding the site, introducing a new technique, discovering new sources of raw material acquisition and recruiting managers for day-to-day operations of the enterprise. The role of entrepreneurship has extensively been documented as a significant endeavour of self-employment and job creation which ultimately helps in

economic development (Siddiqui et al., 2021). Promoting entrepreneurship, its role in society, and the opportunities offered for personal gain mainly facilitate economic growth. The strong link between entrepreneurship and economic growth suggests that governments should make every possible effort at every level to introduce people to the opportunities available through entrepreneurship. Most firms are established and managed by men, with the highest entrepreneurial activity among those aged 25-34. Overall, men are twice as likely to be engaged in entrepreneurial activity than women. Increasing the participation of women in entrepreneurship is essential for long-term economic success (Reynolds et al.,1999). The study of women's entrepreneurship began by scholars and authors in the 1970s when women began to join the professional labor force in more significant numbers than in previous years. However, women's entrepreneurship remains a neglected segment in most of the underdeveloped societies (Parker,2010).

Tambunan (2009) classified women entrepreneurs into three categories: chance, forced, and created, and these categories classify how women initiate their businesses. The study contends that women who do not have a clear purpose or goal when starting a business fall into the chance category because, over time, their business develops with their hobbies. In the forced entrepreneurship category, women start businesses due to unavoidable circumstances. Women who start their businesses through the encouragement or motivation of others are classified as created entrepreneurs. The presence and investment of international and local investors in Pakistan have increased significantly in recent years (Machin & Van-Reenen, 2007). According to GEDI (Global Entrepreneurship Development Institute), Pakistan has been ranked 122 out of 137 countries globally— it is the second-lowest score in Asia–Pacific and tailed from all the countries of North Africa and the Middle East (Global Entrepreneurship Index 2017). Pakistani business faces several challenges, access to funding and financing remains the biggest challenge. As of 2017, only nine Pakistani start-ups received funding (ILO, 2018). According to the GEDI 2016-18 ranking, during the last three years, the average funding per capita in Pakistan has been 6 cents per capita, while Bangladesh has 7 cents per capita (World Bank, 2018). In developed countries like the USA and UK, universities play a crucial role in developing start-up talent. The University of California, Berkeley, gives start-ups access to world-class research facilities; invest up to US $100,000 in return for 5% equity (Pat, 2010). In Pakistan, private-sector universities are promoting entrepreneurial culture while public universities, which produce the most graduates, still lag in providing education and facilitation related to entrepreneurship (Kale, 2018). For the youth of Pakistan, the government is focused on providing and creating employment and financial inclusion. The youth is vital in enhancing Pakistan's global market position. The government has launched the Prime Minister's "Kamyab Jawan Youth Entrepreneurship Scheme" and "Prime Minister's Hunarmand Programme-Skills for All." The Government of Pakistan has launched these programs to improve employment opportunities for the youth (Pakistan Economic Survey 2020-

2021). Moreover, in 2012, the government of Pakistan started a Women Business Development Center (WBDC) under SMEDA to create awareness about business start-ups (SBP, 2015).

One of the primary obstacles women entrepreneurs face in Quetta is inadequate access to capital. Women often struggle to secure the necessary funding to start and sustain their ventures, as they face gender-based discrimination from financial institutions or lack the collateral required for traditional loans (Jabeen et al., 2021). The lack of formal support systems and training programs tailored to the needs of women entrepreneurs in Quetta hinders their ability to develop the necessary skills and knowledge to manage and grow their businesses effectively. In a study on female entrepreneurship in Khyber Pakhtunkhwa, Pakistan, "women face enormous challenges in trying to accomplish their entrepreneurial dreams" due to a lack of opportunities and support structures (Yunis et al., 2018).

The informal economy is defined as a hidden, untaxed, or undocumented segment of the economy. Many studies have been conducted to explore women's participation in Pakistan’s economy. Mubeen, Quddus, and Shahid (2021) identified the problems of rural women in Punjab provinces, field harassment, and lack of credit as the key reasons for the lack of women entrepreneurship in Punjab. A study highlighted the presence of infants and toddlers in a household decreases the likelihood of a woman working outside the home therefore majority of such women prefer to be part of the informal economic system rather than starting a business in the market. Traditional socio-economic norms and values systems of Pakistan also promote women’s participation in the informal sector more than men (Kemal & Mahmood, 1998). Gender has been considered a determinant in determining the degree of informality as compared to men, women entrepreneurs mostly prefer to be part of the informal economy (Williams 2009). Most newly established businesses are unofficial and were founded by women (Small Business Council, 2004).

Several studies (Masood & Masood, 2023; Batada, 2022; Khan; 2023; ADB & SMEDA, 2023; SBP & World Bank Report, 2022) have been done in Pakistan; few studies have been conducted in Balochistan (Anjum et al., 2012; SMEDA report, 2019; Syed, 2019; Ahmed, Saleem, Fatima, 2019; Ashfaq & Ali, 2018; Mengal, Malik, & Kakar, 2024) to investigate the problems of women entrepreneurship. Women's participation in the economy and business world, especially in Balochistan, is quite low; most women, prefer to be part of the informal economy but no study in Balochistan or Pakistan has ever been conducted to highlight the problems of women entrepreneurs in connection with the informal economy. Further, very limited studies have been conducted recently to unfold entrepreneurial intentions concerning women (Sarwar et al., 2021; Gohar et al., 2022; Muhammad et al., 2019; Hussain & Malik, 2018; Jan et al., 2023). This study thus emphasizes determining the significance of family support, training, cultural norms, availability of loan facilities, and legal and administrative requirements in shaping women's entrepreneurial intentions and their participation in the informal economic landscape of Quetta, Pakistan.

Significance of the Study

This study is critical because it seeks to identify the challenges to women's entrepreneurship in Quetta by allowing the voices of women entrepreneurs to be heard. The findings and recommendations will help women entrepreneurs in Quetta, the government of Balochistan, the Balochistan Private Sector, the Quetta Chamber of Women Entrepreneurs, and other stakeholders to introduce measures to promote gender equality in entrepreneurship, resolve the negatives to promote women's entrepreneurial intentions and their participation in the informal economy. The study results will also add to the existing body of knowledge on gendered entrepreneurship, serving as a reference to researchers with similar research interests in the region, particularly in developing countries.

Research Objectives & Questions

This study aims to explore the reasons for the lower rate of women's participation in entrepreneurial endeavours and to highlight the primary obstacles women face in starting their businesses. The study also answers the following questions.

- Why do most women entrepreneurs prefer to be part of the informal economy?
- Why women are less likely to become entrepreneurs in Quetta?
- What are the barriers a woman faces in starting her own business?

Literature review

The economic potential of women entrepreneurs is not being realized as women lack access to capital, land, business premises, information technology, training, and agency support (Roomi & Parrott, 2008). Women entrepreneurs are the key drivers of the nation's economic development. (Alexandre-leclair, 2014). However, despite a sustainable contribution to GDP, emerging economies pay less attention to women entrepreneurs. (Kelley et al., 2010). In Pakistan's traditional and masculine society, the role of women has been the subject of debate. Women face gender inequality due to inequality and prejudiced gender power relations (Roomi et. al, 2018).

According to a labor force study conducted in 2021–2022, out of 20 million home-based workers, 12 million are female, and 74% of women work in the informal non-agricultural sector. Pakistan, which ranks 107th out of 140 nations on the Gender Development Index (GDI), has no laws about home-based workers (Khan, 2017). Khan (2017) suggested guidelines for unorganized women workers that should consider illness, fair pay, and warnings before dismissal. With 163 million workers, 48 percent of whom are women, Pakistan is the sixth most populous country in the world. Female informal laborers are not included in the statistics since they work from home or in secret locations (Satpathy et al., 2017).

Lim's (2015) research on labor in six nations, including Pakistan, women comprise 36% of the labor force, with only 4% of men working in urban home-based jobs. Women are discriminated against in the unorganized sector, and traditional beliefs and cultural doctrines also deter women from working. To address the concerns of women employed in Punjab's informal rural economy, Ali and Hamid (1991) gathered information from eight districts of women workers and conducted surveys in five villages within each district. According to the survey, most women are employed in the informal sector as compared to men. Women are a vital component of the labor force in every home, according to a research study that focused on the issues facing the women's labor force in Punjab's rural informal sector. Researchers randomly chose five villages from Punjab's eight districts—Attock, Bahawalpur, Jhang, Kasur, Layyah, Multan, Sargodha, and Sialkot—and interviewed 30 to 40 women from each village. According to the survey's findings, a significant portion of the population is female and works in the informal economy; the contributions of women's labor in the informal sector are not included in the national income, and women in rural Punjab's informal economy earn less than those in formal employment and face challenges like illness, malnourishment, and lack of education and training (Ali & Hamid, 1991).

A household study of 124 women employed in the cottage industry in the rural and urban areas of southern Punjab was carried out by Gillani et al. (2014). To alleviate poverty and provide bread and butter to their family, women engaged in cloth needlework. To expand the scale of the domestic sector, the report recommended increasing government contributions for skill upgrades and human capital investments. The government expands credit availability to the unorganized sector, grants market access for the sector's growth, and establishes connections with the unorganized sector. In many nations, the majority of rural migrants—most of whom are women—are employed in the informal sector in metropolitan cities (Bakeine, 2009).

Hassan and Azman (2014) investigated prejudice against women in Pakistan's informal household economic units. The study employed a mixed methodology, with primary data being gathered by purposeful sampling from specific household women in industries including Punjab’s soccer stitching, carpet weaving, clothing manufacturing, and Chunri (local dress) making. Two hundred respondents were chosen via snowball purposive sampling, and quantitative data was obtained from them using a structured interview schedule. The quantitative data was then confirmed through focus group discussions. According to the study's findings, women in the informal economy bear the dual burden of working from home and for businesses; they also experience harassment, inequalities, and limitations on their mobility, as well as a lack of training and skill diversification. Another study conducted by Khan (2017) explored the amount that women contribute to the household budget, the method of contribution calculated, and the proportions of labor in the unregistered sector vary by region are all considered. The primary highlighted the more significant contribution and representation of women in the ladies' clothing business. It is common for women in Bahawalpur to work informally as lady dressmakers. The research found that married women, women who are the head of the household, women who own property, women who are in good health, and women who live in nuclear families all make more extraordinary contributions to their household budget after examining the factors that affect this contribution. Contribution determinants differ across urban and rural areas. Bari et al. (2020), using a mixed-method approach to data collection, examined the extent to which women employed in the informal sector were vulnerable to the socio-economic consequences of the COVID-19 epidemic. Women were more negatively impacted than men by the COVID-19 pandemic's effects on informal workers. The Pakistan Bureau of Statistics reports that tiny, home-based companies with less than ten workers make up the informal market. For various reasons, women participate differently in the formal and informal sectors.

In the last few years, self-employment gained importance in Pakistan by initiating business ventures. The government of Pakistan has also taken some initiatives to boost entrepreneurship in the region by establishing financial and non-financial small and medium enterprises support units like Sarhad Small Industries Development Board (SSIDB), Punjab Small Industries Corporation (PSIC), Sindh Small Industries Corporation (SSIC), Directorate of Industries (Baluchistan), Small and Medium Enterprise Development Authority (SMEDA), First Women Bank Limited (FWBL) and Women Fora's and other networking organizations. Over the last six decades, growth, employment, and poverty alleviation in Pakistan have been treated as the main goals of economic policies and policymakers. Research highlights that development and economic growth need an institutional backup of a stable legal framework, market regulation, easy access to information, and autonomous institutions (Goheer, 2007). According to Kemal (2005), entrepreneurship in Pakistan is experiencing a "rent-seeking culture" without benefitting society. In Pakistani society, few influential individuals earn their prosperity by reversing the environment instead of generating profit via trade. However, these individuals restrict the governmental policies and procedures to for-profit divisions and other entries in the market. Hence, this brings about a gloomy culture, especially for less privileged individuals in Pakistani society, including women. Most women entrepreneurs in Pakistan strive hard with their lesser incomes to stand against male dominance (Saeed et al., 2014).

Women entrepreneurs do not operate in isolation, as they work under the same framework as their male counterparts. Pakistani society is a male-dominant society that restricts women's mobility and participation in the growth and development of business ventures (Khan, 2014). Hence, the situation of the business environment for Pakistani women shows the complicated interplay of various factors like social, cultural, traditional, and religious variables that depict a lower status for women in Pakistan. Syed et al. (2009) explained that male-controlled practices and traditions are rooted in Pakistani society. The Economic Census of Pakistan reports that 2.4 percent of small business ventures of 3.2 million businesses are run by womenfolk in Pakistan (FBS, 2006). However, most women-owned businesses are smaller, with a turnover of less than 1 million Rupees and an investment of fewer than 0.5 million Rupees (Amjad, 2007). The International Finance Corporation (2007) report reveals that SMEs generate vast employment opportunities for women in Pakistan with female-owned businesses, with an average of eight females and seven male employees (Asif et al., 2015; IFC, 2007).

Previous research studies highlight that women entrepreneurs in Pakistan face challenges such as less education, lack of finances, a male-dominant society, gender discrimination, and lack of entrepreneurial training (Roomi & Parrott, 2008; Shabbir, 1995). The female literacy rate of 36 percent in Pakistan is also worrisome, restricting women's entry into businesses. Worldwide, 50 percent of low-income people are women (World Bank, 2018). However, in the last few decades, countries have realized the importance of self-employment and how it can be 352 beneficial for overall economic progress and development. Hence, women throughout the world are utilizing their capabilities in entrepreneurial activities. In developed countries such as the USA, 25 % of entire businesses are owned by the womenfolk, whereas in Canada and France, women-owned business ventures have increased remarkably. In Asian countries, women comprise 40 % of the workforce, whereas, in China and Japan, women dominate the menfolk, which tends to give rise to the neologism "Entrepreneurship Mentality" (Rao, 2012). In line with this, Haque (2006) reveals that the economic policy of Pakistan conventionally influenced the leading formal sector, whereas the informal sector runs small business enterprises. The political crises have severely affected socio-economic growth, and this scenario has influenced the progress of women's entrepreneurship in Pakistan (Zaidi, 2005). Ahmad (2011) stated that women in Pakistan face various challenges due to gender discrimination, dependency on menfolk for finances, and mobility. In a developing country like Pakistan, strong family policies are needed to support women as entrepreneurs and encourage them to opt for entrepreneurship as a noble profession to overcome the issues related to subordination. Hence, women's entry into the field of entrepreneurship will bring societal revolution and act as a silver bullet for the economic progress and development of the country (Amutha, 2011; Noor, Md & Mohd, 2019; Noor & Isa, 2020).

Low education levels can also be a significant reason for low productivity in Pakistan. (Khan, 2016). Higher skills are essential in the production process; as highly educated workers respond more to new technologies such as ICT than less-educated workers. (Machin and Van Reenen, 2007). The prevailing literacy rate significantly impacts the education of Pakistani women about their rights. (Shah, 1986). These statistics show the level of education in Pakistan, is very low as only 6.56% are intermediate, 4.38% are bachelors, and 1.58% are masters. (Machin & Van Reenen, 2007). The study by Roomi and Parrott (2008) confirmed that women with higher education are most likely to become entrepreneurs.

In Pakistan, the lack of access to funds is one of the prime hurdles, particularly for women entrepreneurs, who find it difficult to have adequate funds to run their businesses properly (ILO, 2003). The study by Roomi and Parrott (2008) reveals the major challenges faced by start-ups are:

access to capital, lack of business management skills, and government regulations while in the growth stage access to finance followed by the availability of the market and lack of technical expertise are named most crucial stages. Women often do not know how to obtain formal funding, which restricts their access to formal capital. Financial institutions do not consider their needs because women use informal financing sources and are frequently unaware of how to receive funding through existing chains. Pakistani women have limited access to and control of capital, land, and commercial properties as compared to men (Roomi, 2006). Women entrepreneurs find it difficult to advertise their products (ILO, 2003). According to Dodge and Robbins (1992), marketing issues and capital acquisition are common problems in the early stages of business development (Aslam et al., 2013). In Pakistan, women entrepreneurs face various administrative challenges, including high tax rates, corruption, bribery, and slow administrative procedures (Raheem, 2013).

Start-up businesses face barriers to getting funding from banks that require security and track records (Deakins et al., 2010). According to the global gender gap report 2018, women in Pakistan, mainly in rural areas, hardly get their share from their inherited property (Li et al., 2019). Women without land or other property find it difficult to get finance (Boateng & Poker, 2019). The lack of support from family members and the patriarchal structure of society in Quetta make it challenging for women to navigate the entrepreneurial landscape and dedicate the necessary time and resources to their businesses (Khan et al., 2019). Quetta's cultural and societal norms present significant hurdles, as women are sometimes discouraged from pursuing entrepreneurial endeavors or are burdened with disproportionate household responsibilities that limit their time and resources for business activities (Afroze et al., 2015).

Women face issues when it comes to business, and the key factors that positively impact the success of women entrepreneurs in small companies are social ties, inner motivation, and family support (Alam et al., 2011). A study by Jabeen and Ahmad (2018) found that most respondents said culture is an essential aspect that ultimately influences the decision of a woman who wishes to start a business in Pakistan. Stereotypes and cultural norms are women entrepreneurs' most significant obstacles (Jamali, 2009). A study conducted by USAID in Pakistan shows that females are not permitted to participate in business affairs because it is a matter of "family dignity and honor" (Goheer & Penska, 2007). According to Wilmerding (2006), women who run their businesses have the flexibility to succeed in their careers, making their children and married lifestyle realistic, although this option usually leads to conflict.

Running a business while also caring for a family is difficult for women, especially those with children (Wilmerding, 2006). Although to succeed in meeting family and job requirements, women tend to make complex decisions and work hard at any cost to keep their families happy and meet their business requirements. Other researchers report that women are negatively affected by the collective pressures of family and work (Jabocs & Garson, 2004). Regardless of all the social and cultural issues, the landscape for women to work is different as very limited women overcome these barriers and actively participate in economic activities (Kamal, 1997).

The hurdles women entrepreneurs face in Quetta are complicated and deeply rooted in the region's social, cultural, and economic fabric. Addressing these challenges requires a concerted effort from policymakers, financial institutions, and the community to create a more inclusive and supportive environment for women-led businesses to thrive (Noor & Isa, 2020). To boost an entrepreneurial mindset, the aspects and decision-making processes that lead individuals to be entrepreneurs are crucial to understanding (Markman et al., 2002). Entrepreneurial intention is an intellectual procedure that triggers an individual to start his or her own business at some time in the future rather than focusing on a job hunt (Teixeira & Forte, 2017). Entrepreneurial intentions can be accounted as a reliable predictor of an individual’s tendency toward starting their own business (Siddiqui et al., 2021). Hence, based on the research objectives and support of literature, the following hypotheses have been formulated for this study.

H1. Family support has a significant impact on women's entrepreneurial intentions.

H2. Training skills have a significant on women's entrepreneurial intentions.

H3. Cultural norms have a significant on women's entrepreneurial intentions.

H4. Loan facilities have a significant on women's entrepreneurial intentions.

H5. Legal and administrative requirements have a significant impact on women's entrepreneurial intentions.

Methodology

The study employed a mixed method research design; quantitative and qualitative data were used to achieve study objectives. For the study's first objective, qualitative data was collected through semi-structured interviews with the saturation point of twenty-two women entrepreneurs of Quetta City using purposive sampling. As the study's first objective is based on the predefined theory of informal economy, the themes are based on a theory-driven approach. The qualitative methodology is directed content analysis, where already defined themes allow the incorporation of the verbatim interview data. Pseudonyms were used to protect the participant's confidentiality and ensure the transcription exactly represents the participant's words. The questionnaire measured the issues related to the women entrepreneur's intentions.

The sample size was calculated using the g power method and software for quantitative data. G* power describes the sample size using a method that provides an elastic and vigorous approach based on the parameter and study design (Kang, 2021; Nanjundeswaraswamy & Divakar, 2021). Structured survey questionnaires were used to collect data from 200 women from Quetta City. Non-probability convenience sampling was used in the study. The Likert scale from strongly agree to disagree strongly is used to analyze the responses as it helps collect respondents' opinions and attitudes. Quantitative data was analyzed by using SPSS software.

Typical reliability above 0.80 was considered acceptable for the studies; the instrument's reliability was also checked. Appendix A shows the Cronbach alpha results, which are acceptable (Souza et al., 2017). The convergent validity was checked; Appendix B presents the AVE, Factor loading, and composite reliability results above the 0.50 and 0.70 thresholds (Hair et al., 2019). The study uses the Hetrotrait Monotrait ratio (HTMT) to measure the discriminant reliability; the values were less than 0.90, and CR values represent the consistent construct (Fornell & Larker, 1981). The results of these tests indicated that the credibility and robustness of the construct applied to the study validate the application for further analysis.

It is supported by the CR values indicating that the constructs consistently measure the targeted variables. According to (Fornell and Larcker,1981), the evaluation of AVE values was used to test the supremacy of the measurement model, and in this study, all constructs surpassed the recommended value greater than 0.50 (Sarstedtet al., 2023). Overall, 50% of the indicator variation is attributable to the factors.

Analysis

The qualitative data analysis is divided into a demographic and a qualitative analysis. The demographic analysis for the study is presented in Table 1. The age group between 30 and 45 is more likely to operate a business. Sixty-eight percent of women under 45 operate a business, which indicates that young and mature women are more inclined towards entrepreneurship. The government offers entrepreneurship education to the youth through higher and technical education institutes, including loan schemes, NAVTTC, and B-TEVTA (Khan et al., 2023; Returns, 2019). Most businesswomen are educated, but only 18 percent of the women running businesses are not educated. The locals or the native people are relatively few, whereas Persians, Urdu-speaking Persians, and other ethnicities are more involved in the business. The native women Baloch, Brahvis, and Pashtoons are less involved in business activities due to cultural and social barriers (Raja et al., 2020).

Table 1: *Demographic Analysis*

Variables	Categories	Frequency	Percentage
Age	15 – 30	5	22.72
	30 – 45	10	45.45
	45 – 60	5	22.72
	Above 60	2	9.02
Education	Uneducated	4	18.18
	Matric	5	22.72
	Inter	3	13.63
	Graduates	4	18.18
	Masters	6	27.27
Marital Status	Single	6	27.27
	Married	10	45.45
	Divorce/Widow	6	27.27
Language	Brahvi	4	18.18
	Balochi	2	9.02
	Pashtu	4	18.18
	Punjabi	3	13.63
	Urdu	3	13.63
	Persian	5	22.72
	Other	1	4.70
Business	Beautician	4	18.18
	Garments/Stitching	7	31.82
	Restaurants/Food	4	18.18
	Handicrafts	3	13.63
	COsmatics/Retails	1	4.55
	Online	2	9.02
	Others	1	4.55
Registration	Registration	5	22.73
	Un-registered	17	77.27
Formal Accounts	Maintain Formal Accounts	2	9.02
	Not Maintain Formal Accounts	20	90.98
Tax Payment	Pay Tax	2	9.02
	No Pay Tax	20	90.98
Employment Contracts	Formal Written	1	4.45
	Informal Written	3	13.63
	Verbal	18	81.82

Due to their livelihood, married, divorced, and widowed people are more inclined toward entrepreneurship, whereas single women are less involved in business activities. This is due to the low number of women's independence, family structures, and social systems. Women are involved only in a few sectors, mostly running garment businesses, stitching, beauticians, and the food sector; the data indicated that women are far away from the manufacturing, industry, retail, services, and other sectors (Khizar & Farrukh, 2020; Shahzad et al., 2023). Qualitative data indicated that most of the women working in the Informal sector, as their businesses are not registered with any authority, do not pay taxes to government agencies, do not maintain formal accounts, and there is no practice of employment contract. Demographic analysis Table 1 indicated that only 23 percent of businesses are registered, 9 percent maintain formal financial accounts, 9 percent pay taxes, and 4 percent have written employment contracts. Most of the women who participated in the study were between 20 and 30 years of age, primarily females who were educated and unmarried. 46 % of the respondents said they were willing to start a business but were not allowed by the families. Similarly, 53% of the women responded that due to the conservative family system, they are not entrepreneurs. There is no family support for the majority of the women in Quetta. Some women had family responsibilities, which prevented them from starting any business.

Four themes for the deductive qualitative study were predefined from the United Nations' definition of the informal economy. First, any business unit that is not registered with any authority; second, it is not paying tax to the government; third, it is not issuing proper employment contracts with employees; and lastly, it is not maintaining formal accounts. The data was analyzed according to the predefined themes; most women worked in an informal economic setup. Most respondents are unfamiliar with the registration bodies, registration process, and benefits of business registrations. Some entrepreneurs work from home; they do not have business names or premises. They are home-based workers; most women working in embroidery are home-based workers in Quetta city. These women primarily earn selling the products from their homes and do not have access to markets. One of the respondents share the views as

> *"In almost every home of my Killi (Village side Quetta city), females used to do embroidery work on clothes, caps, and shawls. Residents of posh areas come to our homes and give us orders; we take orders; once the task is finished, they come to collect their products and pay the price." (Participant K)*

Similarly, another participant expresses the views about the work as:

> *"I have been running a beauty parlor for the last 8 years, and I do not need to register the business, maintain formal accounts, or pay any taxes. I employed and trained many women; they left me and started their own businesses. I never signed any employment contract with any employee; it was just a verbal agreement". (Participant B)*

Women entrepreneurs are mostly tax avoiders; one of the key reasons for tax avoiders is hidden home-based work. Many beauticians work from their homes; some are part-time workers, and women are not operating the business in malls, markets, and commercial areas. An interviewee responded when she was asked about the bank account.

> *"I do not think I need a bank account to maintain or keep any formal accounting system; my business is not a large business, and it will be a waste of resources to maintain and keep formal accounts. Sometimes, I receive payment through an EasyPasa account, which is enough for me." (Participant G)*

Loaning, micro-credit, and banking accounts are rare in women entrepreneurs, who primarily run their businesses with traditional business models. Women do not intend to take micro credits and bank financing for business (Tariq et al., 2024). The business models for home-based workers are mainly self-financed and with low investment. The businesses operated by the women are not registered as there are no government policies to register home-based workers, and there is a weak implementation of government policies regarding businesses. Interviewees express their views about the government policies:

> *"No government official ever came to my boutique, as it is located in two rooms of my home, and I will not allow anyone to come to my home. I am not working in any market or commercial area. If I register my business, they will ask me for heavy taxes every year". (Participant R)*

> *The government registration process is complex; it is difficult to register a business with an unfair tax amount. I registered my business after a complicated process, and in return, I did not get any benefit from the government. Officials take bribes in this process. There is not one central office of registration. The social welfare department, industries department, FBR, and another department all do the registration. (Participant M)*

A structured questionnaire was used to collect data for the study's second and third research objectives. Table 2 highlights the demographic characteristics of the data. The descriptive analysis of the quantitative data is provided in Table 3. Most women who participated in the survey are between 15 and 30 years old and between 30 and 45 years old. The respondents are mostly educated and not married. Whereas the participants belong to all ethnicities of Quetta, the study covers responses of every community living in Quetta city.

Table 3:

Variables	Categories	Frequency	Percentage
Age	15 – 30	98	49
	30 – 45	56	28
	45 – 60	36	18
	Above 60	10	5
Education	Uneducated	8	4
	Matric	21	10
	Inter	37	19
	Graduates	82	41
	Masters	52	26
Marital Status	Single	112	56
	Married	76	38
	Divorce/Widow	12	6
Language	Brahvi	38	19
	Balochi	19	9
	Pashtu	50	25
	Punjabi	28	14
	Urdu	22	11
	Persian	39	20
	Other	4	2

All the hypotheses were accepted as the P value is less than 0.05, with different R square values. Table 4 shows the regression analysis results of the hypothesis testing of the study.

Legal and administration policies explain 64 % of entrepreneurship intentions, whereas the cultural norms of Quetta city in different ethnic groups explain 49% of women's intentions to be some entrepreneurs. Training and skills development explain 47 %, whereas loan facility and family support explain 27 women's entrepreneurship intentions. A one percent change in the legal and administration policies increases the 0.80 change in women's intentions to start a business. At the same time, a one percent change in the cultural norms increases a 0.67 % change in women's entrepreneurship intentions.

Table 4: *Hypothesis Testing*

Hypothesis	Coef	R^2	Adj R^2	Std.Err	F	P value	Result
Family Support	.522	.273	.262	.50326	25.34	.000	Supported
Training & Skills	.685	.469	.461	.43022	59.991	.000	Supported
Legal & Administration	.797	.635	.630	.35647	118.426	.000	Supported
Loan Facility	.523	.273	.263	.50310	25.595	.000	Supported
Cultural Norms	.669	.489	.482	.42189	65.098	.000	Supported

Conclusion

Women entrepreneurs working in Quetta primarily work in the informal economy. Many of them are unaware of the registration process, registration authorities, and benefits of registration. These women entrepreneurs are not paying taxes to the state. Women entrepreneurs usually run small businesses and do not maintain formal accounting systems; these small businesses employ few people. There is no practice of written employment contracts among the women entrepreneurs of Quetta (Gillani et al., 2014; Malik et al., 2016).

An essential question in entrepreneurship studies is whether women entrepreneurs face specific problems in setting up a business significantly different from those faced by male entrepreneurs. Women. Entrepreneurs experience problems and issues greater than those faced by small businesspeople. Issues were divided into gender-neutral and gender-related categories to examine the extent of consistency with previous research studies (Boateng & Poku, 2019). The challenge is access to capital, credit guarantees, and investment capital; finances are a significant barrier to starting a business. It is not easy to get funds from the government. Because banks need security and most women do not have any property, it is difficult for them to get loans from banks (Cooper et al., 1995). It is followed by a lack of business management skills and restrictive government regulations while operating in the start-up phase. Female entrepreneurs had to overcome structural immobility issues imposed upon them through the preponderance of the practices of purdah and izzat. The restricted interaction of female entrepreneurs with male members of society limits the opportunities to acquire business management and technical skills, as very few institutions/organizations provide specific training for women. They also face severe competition when gaining access to the marketplace (Shahzad et al., 2023).

The respondents concurred that one of their most daunting challenges was dealing with a less educated male-dominated labor force. Some of them are rude, unsupportive, and unwilling to accept the authority of a woman. Therefore, female entrepreneurs had to be forthright in managing this type of labor to achieve their business objectives. Many males still possessed a schema of socio-cultural values, which prevented them from readily accepting instructions from a female manager. Therefore, female entrepreneurs had to work harder to convince customers, suppliers, and employees that they ran an effective and efficient business enterprise (Adeel et al., 2012; Shabbir, 1995).

Recommendations

The study suggests that many of the problems and challenges faced by Pakistani and particularly Balochistan women entrepreneurs originate from the structurally enforced inferior status of women within an Islamic society. They are underestimated as economic agents; gender bias is embedded in an Islamic society's regional, tribal, and feudal culture. (Hibri, 1982; Shah, 1986).

(Ahmed, 1992). (Jalal, 1991). The government must take a few steps to improve its access to finance using the First Women's Bank (a commercial bank for women operated by women), microfinance through the Pakistan Poverty Alleviation Fund; a need for more flexible banking policies, especially for women, to encourage the supply of collateral and support the development of their viable business plans. Business support institutions such as the EPB, FWBL, and SMEDA have to develop mechanisms to support women entrepreneurs and assist them in starting formal small businesses, accessing raw materials, and accessing markets.

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Appendix A

Hypothesis	Number of Items	Cronbach Alpha	Results
Entrepreneurial Intentions	9	.835	Excellent
Family Support	5	.923	Excellent
Training & Skills	5	.734	Good
Legal & Administration	5	.781	Good
Loan Facility	5	.945	Excellent
Cultural Norms	5	.853	Excellent

Appendix B

Item	EFA	AVE	Composite reliability
EI1	.721		
EI2	.703		
EI3	.680		
EI4	.649		
EI5	.738		
EI6	.696		
EI7	.627		
EI8	.687		
EI9	.717		
Entrepreneurial Intentions		0.691	0.860
FS1	.654		
FS2	.753		
FS3	.603		
FS4	.712		
FS5	.708		
Family Support		0.686	0.801
TS1	.605		
TS2	.732		
TS3	.741		
TS4	.698		
TS5	.674		
Training & Skills		0.690	0.816
LA1	.612		
LA2	.659		
LA3	.705		
LA4	.748		
LA5	.780		
Legal & Administration		0.700	0.871
LF1	.810		
LF2	.799		
LF3	.743		
LF4	.769		
LF5	.712		
Loan Facility		0.766	0.903

CN1	.821		
CN2	.802		
CN3	.794		
CN4	.697		
CN5	.723		
Cultural Norms		0.767	0.897