



RESEARCH PAPER

Fueling Achievement: Revealing the Driving Forces for Success among Women Entrepreneurs in Sindh's Home-Based Businesses

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ABSTRACT

This study examines success factors impacting women entrepreneurs in Sindh and their contribution to business success. Using a quantitative approach, primary data is collected via a closed-ended questionnaire from 200 women entrepreneurs with registered businesses in Sindh. The study considers four independent variables (Need for Achievement, Economic factors, Risk taking, and Socio-Cultural aspects) and success as the dependent variable. Data validity and reliability are assessed through convergent validity and composite reliability tools using SMART-PLS 3 software. Results demonstrate statistically valid and reliable data, showing moderate to strong correlations between each factor and women entrepreneurs' success. Regression analysis in SPSS software confirms the relationship between variables. Findings highlight the significant and positive impact of Need for Achievement, Economic factors, and Socio-Cultural aspects on women entrepreneurs' success. These insights are valuable for aspiring women entrepreneurs and organizations such as SMEDA and financial institutes in approving loans for women-led businesses.

KEYWORDS Boost Economy, Risk Taking, Sindh Home Based Business, Socio Economic Factors, Women Entrepreneurial

Introduction

In last two decades women entrepreneurs have been actively participating in entrepreneurial businesses and growing worldwide. Women entrepreneurs not only contribute in economic growth of the country but also work as main source of bringing diversity in entrepreneurial businesses (Williams et al, 2018). Unlike in Pakistan, women entrepreneurs faced a lot of barriers to develop and implement their business idea as they lack financial support and recognition in contribution to economy of the country. In Pakistan, women entrepreneurs are accused by misperception stereotypes narrated as; women cannot work in business, family status of women as housewife made her less likely to manage business and socio cultural factors make it inappropriate to start and run women owned entrepreneurial businesses (Khan et al, 2021). Researchers argued that no any action strategy is formulated in Pakistan which must encourage, promote and support women entrepreneurship as well as elevate business status of women at climax where they will be working parallel with men. The development of economy requires consistent and considerate efforts to support entrepreneurial businesses irrespective of gender, family status, social and cultural differences (Khan et al, 2021).

Literature Review

The success factors selected for success of women entrepreneurs derived from two theories explained below:

Upper Echelons Theory

This theory is based on the propositions that performance of business organizations is highly affected by background characteristics of employees working at top level hierarchy of management. Echelons theory further asserts that external factors i-e economic, socio-cultural and environmental and internal factors i-e Risk taking nature of an individual and need for achievement not only affect the personality of individuals but determine their strength to cope with challenges in business environment and achieve objectives of the corporation. Individuals interpret changes and challenges in the environment and these interpretations are based on their individualized perceptions. This theory assesses top management abilities in business enterprises which are based on their shared experiences, values and perceptions. These abilities form individualized perceptions about strategic circumstances of the enterprise (Hambrick & Mason, 1984).

Managing Strategic Change Framework

This framework describes that strategic behaviors in the organization are affected by personality traits of the managers and executives. (Hermann and Nadkarni, 2014) stated that strategic change framework specifically addresses personality traits of women entrepreneurs which affect strategic decisions in the corporations because women traits are different based on gender differences. The personality traits are narrated as; self confidence, need for achievement and ability to bear risk are factors which have influence on strategic decisions. Strategic change involves two levels: First, initiation of the strategic change and second its performance consequences. Initiation of the strategic change involves major changes in current strategy of the corporation in response to environmental changes. These pivot changes will identify the need for change and develop ground for implementation of that change.

Determinants of women entrepreneurs' success

Need for Achievement: The process by which individual efforts are concentrated and directed towards achieving a desired goal. This drive is intrinsic in form that triggers an individual for desired action. The need for achievement helps individuals to become successful in competition and boost their efforts to achieve goals of the business. Individuals achieve task by bearing risk because that task is backed by praise and rewards for success (Khan et al, 2021).

Risk Taking: As entrepreneur recognizes opportunity and starts a new business, risk taking is inevitable. An individual who is risk averter cannot be called an entrepreneur as risk taking is explicitly linked with entrepreneurial business (Khan et al, 2021).

Economic factors: Economic factors affect the financial stability of the entrepreneurial business and it is equally important like other factors because it determines sustainability of an entrepreneurial business. Economic aspect help entrepreneurs to expand their business which is subject to economic strength of the enterprise (Al-Kwafi et al, 2019).

Socio-Cultural: Set of norms and beliefs adopted from socio-cultural environment affect the entrepreneurial business success too. These factors may shape the personality of an individual entrepreneur who work for growth and development of entrepreneurial business to achieve desired goals and objectives in effective manner (Al-Kwafi et al, 2019).

Hypotheses Development

Narayanan and Salvaraaj (2022) studied effect of economic factors on success of women entrepreneurs. Data was collected through questionnaire, target population and sample was 122 women entrepreneurs in India. Data was analyzed using SMART PLS-3. Study concluded positive and significant effect of economic factors on success of women entrepreneurs. (Janovac, et al, 2021) also researched effect of economic factors on success of women entrepreneurs in Serbia. Study concluded positive and significant effect of economic factors on success of women entrepreneurs. Likewise (Cho, et al, 2020) did study effect of economic factors on success of women entrepreneurs in south korea. 173 south Korean women entrepreneurs participated in the study, results concluded positive and significant effect of economic factors on success of women entrepreneurs.

Taking above research studies into consideration, H1 is developed as;

H1: Economic factors have positive and significant effect on success of women entrepreneurs in Sindh.

In order to study the effect of need for achievement on success of women entrepreneurs, (Khan, et al, 2021) used survey questionnaire to collect data from 180 SME's owned by women entrepreneurs in Pakistan. Study concluded positive and significant effect of need for achievement on success of women entrepreneurs in Pakistan. Likewise (Zeb and Ihsan, 2020) collected data through closed ended questionnaire from 261 women entrepreneurs who have registered entrepreneurial businesses in Pakistan also concluded positive and significant effect of need for achievement on success of women entrepreneurs. In addition (Kaciaka and Welsh, 2020) studied women entrepreneurs in Jordan and (Laudano, et al, 2018) women students of entrepreneurship in Italy, both studies concluded positive and significant effect of need for achievement on success of women entrepreneurs.

Considering these research studies H2 is developed as;

H2: Need for achievement has positive and significant effect on success of women entrepreneurs in Sindh.

Two more factors i-e Risk taking factor and Socio-cultural factors also have positive and significant effect on success of women entrepreneurs. In this context, (Khan, et al, 2021) confirmed positive effect of both factors as well as (Rafiki and Nasution, 2019) did research on success factors of women entrepreneurs too. Both factors were important and significant for women entrepreneurial businesses. (Narayanan & Selvaraj, 2022) also concluded positive and significant effect on success of women entrepreneurs in India.

Considering above studies H3 and H4 are developed as;

H3: Risk taking factor has positive and significant effect on success of women entrepreneurs.

H4: Socio-Cultural factors have positive and significant effect on success of women entrepreneurs.

Research Framework

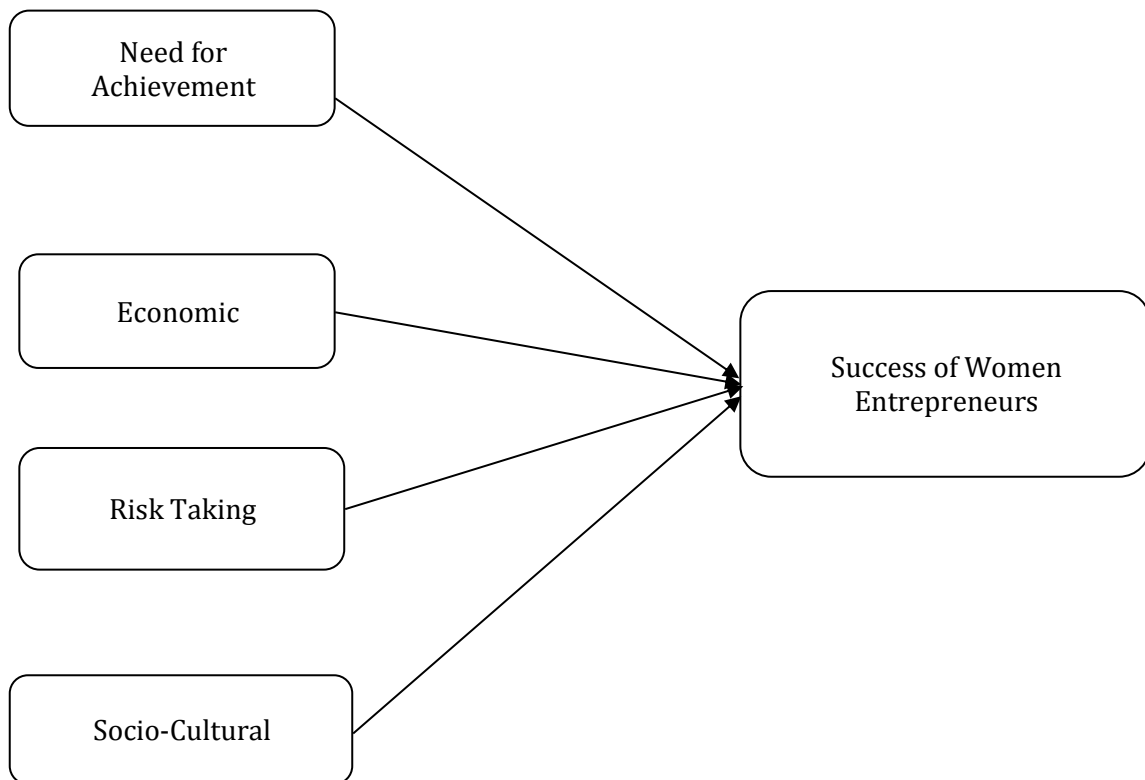


Figure 1 Source: (Al-Kwifi, et al., 2019) & (Khan, et al., 2021)

Material and Methods

Research Approach and Purpose

This research is quantitative in nature involves collection of numerical data and analyze that data through different data analysis tools. Survey questionnaire is used in quantitative research to collect the data. (Williams & Kedir, 2018) also used quantitative research to determine the effect of need for achievement, economic, risk taking and socio cultural factors on success of women entrepreneurs. The main purpose of research is explanatory as it determines the cause and effect between independent variables i-e Need for achievement, economic, risk taking and socio-cultural on dependent variable i-e success of women entrepreneurs. (Merlunzi and Burt, 2021) discussed that explanatory research objective involve investigations which can be studied through developing link, cause and effect relationship between variables and these type of studies were not thoroughly studied in past.

Target Population and Sample

Population refers to group of people or specific community who is chosen for getting their opinion particular course of research study (Kikula, 2018). This research includes women entrepreneurs in sindh province as target population. As the exact figure of women population is very difficult to know therefore researcher uses one of the non-probability sampling methods i-e Convenience sampling as it will be accessible for researcher to approach target population in Sindh Province only. Two hundred women entrepreneurs are included as sample size.

Research Instrument

Questionnaire is an instrument used to collect data in response to questions asked given in the instrument (Goode and Hatt, 1953). The questionnaire is prepared using seven points Likert scale.

Table 1
Name????

S#	Variable	No of Items	Scale	Source
1	Success of women Entrepreneurs	4	Seven Points Likert Scale	(Al-Kwifi, et al, 2019)
2	Need for Achievement	4		
3	Risk Taking	4		
4	Economic Factors	4		(Khan, et al, 2021)
5	Socio- Cultural Factors	4		

Research Model and Framework

$$WES= c + \beta_1 (NFA) + \beta_2 (RT) + \beta_3 (EC) + \beta_4 (SC) + e$$

Whereas, constant (c), Women Entrepreneur Success (WES), Risk Taking (RT), Economic (EC), Socio Cultural (SC), Need for Achievement (NFA) and error (e).
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Results and Discussion

Table 2
Convergent validity and composite reliability

Average Variance Extracted (Convergent Validity)			Composite Reliability	
S #	Variable	AVE	No of items	Alpha value
1	Need for Achievement	0.866	4	0.801
2	Economic Factors	0.781	4	0.778
3	Risk Taking	0.751	4	0.835
4	Socio- Cultural Factors	0.812	4	0.715
5	Success of Women Entrepreneurs	0.725	4	0.890

In table 2, the AVE (Average Variance Extracted) value of independent variables i-e Need for achievement is 0.866>0.50, Economic Factors is 0.781>0.50, Risk Taking is 0.751>0.50, Socio Cultural is 0.812>0.50 and dependent variable i-e Success for women entrepreneurs is 0.725>0.50. The AVE value of all variables is statistically significant confirms the validity in the data. In table 2, the composite reliability of all four independent variables and one dependent variable is between 0.715 and 0.890 which is >0.70 confirms the reliability in the data.

Table 3
Correlation Coefficient R

		NCA	EC	RT	SC	SWE
NAC	Pearson Correlation	1	.708**	.708**	.671**	.671**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	200	200	200	200	200
EC	Pearson Correlation	.708**	1	.897**	.690**	.740**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	200	200	200	200	200
RT	Pearson Correlation	.708**	.897**	1	.740**	.690**

	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	200	200	200	200	200
SC	Pearson Correlation	.671**	.690**	.740**	1	.649**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	200	200	200	200	200
SWE	Pearson Correlation	.671**	.740**	.690**	.649**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	200	200	200	200	200

Correlation coefficient is a statistical tool used to measure the strength of relationship between variables. Its values range from -1 to +1, refers perfect negative to perfect positive correlations. The correlation R values below.30 refers weak, between 0.30 to 0.70 refers moderate and >0.70 show strong correlation (Bryman, 2015).In table 3 the correlation among independent variables ranges from 0.671 to 0.708, moderate to strong correlation among predictors. The correlation of Need for Achievement, Risk taking and Socio cultural factors with Success for women Entrepreneurs is moderate as it is less than 0.70 however Economic factor is strongly correlated with Success for women entrepreneurs.

Multiple Regression Analysis

As the research study incorporates four independent variables and one dependent variable. If regression analysis use more than one independent variables and one dependent variable then we use multiple regression analysis (Bryman, 2015).Regression analysis is used to determine the relationship between independent and dependent variables as well as it measures the cause and effect relationship between predictors and constant, i-e independent and dependent variables (Bryman, 2015).

**Table 4
Model Summary**

R Square	Adjusted R	Std. Error	F Statistics	Sig F Change	Durbin Watson
0.608	0.580	0.3981	75.562	0.000	1.591

Table 4 shows R square value i-e 0.608 means 60% change in success of women entrepreneurs explained by Need for Achievement, Economic, Risk taking and Socio-Cultural determinants. The significant p value on F statistics 75.562 is 0.000<0.05 indicates the research model is best fit. Durbin Watson measures auto correlation among residuals not included in the model. Its value 1.591 < 2.00 shows the residuals not included in the model show positive correlation with one another.

**Table 5
Coefficients (Hypotheses Testing)**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	.883	.321		2.756	.006	.251	1.516
NAC	.235	.069	.232	3.388	.001	.098	.372
EC	.512	.105	.509	4.868	.000	.304	.719
RT	-.079	.111	-.079	-.712	.477	-.298	.140
SC	.201	.070	.201	2.860	.005	.062	.339

a. Dependent Variable: SWE

H1: Need for achievement has positive and significant effect on success of women entrepreneurs in Sindh.

In table 5, the beta value of Need for Achievement (NCA) is positive i.e .235 and significant p value is $.001 < 0.05$ which is statistically significant. Hence H1 is accepted.

H2: Economic Factors have positive and significant effect on success of women entrepreneurs in Sindh province.

In table 5, the beta value of Economic Factors (EC) is positive, i.e .512 and significant p value is $.000 < 0.05$ which is statistically significant. Hence H2 is accepted.

H3: Risk Taking has positive and significant effect on success of women entrepreneurs in Sindh province.

In table 5, the beta value of Risk taking (RT) is negative i.e -.079 and p value is $.477 > 0.05$ which is statistically insignificant. Therefore H3 is rejected.

H4: Socio-Cultural has positive and significant effect on success of women entrepreneurs in Sindh province.

In table 5, the beta value of Socio-Cultural (SC) is positive i.e .201 and p value is $.005 < 0.05$ which is statistically significant. Hence H4 is accepted.

Above results analyze the regression model and statistical relation between independent and dependent variables. Convergent validity and composite reliability results are statistically significant which confirms no any validity or reliability issue in the observed data. Correlation coefficient results indicate moderate to strong correlation among independent variables and with dependent variable. Regression analysis model summary indicate 60% change in success of women entrepreneurs explained by Need for Achievement, Economic, Risk Taking and Socio-Cultural factors. The significant P value on F statistics is $.000 < 0.05$ indicate regression model is best fit. Coefficients show beta value and significant p value of three alternate hypotheses is positive and significant however Risk taking has negative and statistically insignificant effect on success of women entrepreneurs. These findings are in line with (Al-Kwafi, et al, 2019) and (Khan, et al, 2021) who also concluded positive and significant effect of selected determinants on success of women entrepreneurs.

Practical Implication

This research study is valuable insight for women aspiring to start entrepreneurial business and seeking to grow and develop it on desired levels. Women who became specialized in kind of innovative product or service, this study help them to understand how to convert the idea into reality and achieve desired objectives in effective manner. This study is also a guiding tool for Small and Medium Enterprise Development Authority as they support individuals in starting and managing new ventures successfully. Management of SMEDA can review these updated research findings which had been a vacuum of knowledge about women entrepreneurial businesses in Sindh. This study will also help to review proposals submitted to avail Small and medium scale business loans from Micro Finance institutions and other creditors.

Conclusion

Women entrepreneurs are equally important in economic growth and development of the country. This study not only highlights the importance of women in entrepreneurial businesses but also assess main factors contributing success in novel business ideas. Skilled

women with innovative ideas can start their entrepreneurial business and made it successful with main determinants of success, i-e Need for Achievement, Economic and Socio-Cultural factors. These determinants meet intrinsic as well as extrinsic needs of women to grow and develop entrepreneurial businesses which will uplift the economy of Sindh in particular and Pakistan as a whole. (Khan, et al., 2021) also concluded that selected factors have positive and significant effect on success of women entrepreneurs, as well as (Al-Kwifi, et al., 2019) also concluded that economic and socio-cultural factors have positive and significant effect on success of women entrepreneurs.

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