

Urban Female Entrepreneurs: An Empirical Evidence from Pakistan

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ABSTRACT

Although women constitute nearly half of Pakistan's population, female entrepreneurship continues to face substantial personal, social, and financial challenges. Limited access to professional networks, regulatory constraints, and institutional barriers significantly impedes the growth and sustainability of women-owned businesses in the country. In response, this study empirically examines the effects of personality traits, push and pull motivations, institutional environment, perceived access to finance, professional networks, and government and NGO assistance on Female Entrepreneurial Activity (FEA). Using a quantitative research design, data were collected through a survey employing simple random sampling from 400 urban female entrepreneurs. The data were analyzed using SmartPLS. The findings reveal that most determinants have a positive and significant influence on FEA, while access to formal networks, opportunity-driven motivation, and risk-taking propensity do not show significant effects. These results indicate that entrepreneurial behavior among urban women is shaped by complex contextual and individual dynamics, challenging some conventional assumptions in entrepreneurship literature. From a policy and research perspective, this study offers valuable insights for government and development stakeholders in formulating targeted urban policies aimed at effectively harnessing female entrepreneurial potential. While existing research predominantly emphasizes rural female entrepreneurship, this study addresses a critical gap by focusing on the urban context. By doing so, it contributes meaningfully to the literature on female entrepreneurship in Pakistan and provides an evidence-based foundation for inclusive and sustainable urban economic development.

Keywords: Necessity-Based Entrepreneurship, Perceived Access to Finance, Institutional Environment, Access to a Formal or Professional Network, Government and Non-Government Organization Support, and Female Entrepreneurial Activity.

1 INTRODUCTION

In a deeply entrenched country like Pakistan, entrepreneurship is male-oriented, and women are less emphasized because of economic, financial, social, cultural, educational, and human capital barriers. In sum, traditional civilization places several barriers on women entrepreneurs, especially among rural female entrepreneurs (Zhang, et. al, 2025). According to the Global Entrepreneurship and Development Institute (GEDI), Pakistan got the 30th rank among 30 countries and ranked in the bottom five after Bangladesh (Gitanjali Jain, 2018) because of the Purdah (Veiling), Izzat (honor), Mobility issues, Lack of Self-Confidence, Unbalance life, Travelling problems, and Legal formalities (Tan & Zhou 2025). Likewise, inadequate finance, lack of information, poor networking, duty towards family, lack of education & skill, lower risk-taking ability, poor access to the market, lack of management and leadership skills, and work-life imbalance are the major concerns (Kabbara, 2025).

Conversely, urban entrepreneurship is the engine of economic growth in emerging countries like Pakistan, which may give a partial result. The literature indicates that female entrepreneurial activity can help gain real benefits from the positive spillovers of urban female entrepreneurship and will help to build up a certain level of knowledge (Porter, 1990). It reflects that there is a causal relationship between female entrepreneurial activities and economic growth. Urban female entrepreneurs have a sizeable educational background, training institutions, accessible banking institutions, better public services, and better health facilities administered by proper rules and regulations with more employment opportunities and good income. In this paper, researchers aim to create a supportive environment and identify the constraints faced by urban female entrepreneurs in Pakistan. It explains how discrimination impedes urban female entrepreneurs' involvement in entrepreneurial activities. Prior studies have found that entrepreneurial behavior can be applied to urban life for economic development (Wallis & Wright, 2019). However, urban female entrepreneurship has been neglected in the literature, drawing attention towards the need for a contemporary entrepreneurial framework.

This study extends the understanding of urban entrepreneurship, particularly among women, by examining how it contributes to financial well-being, poverty reduction, and employment creation. It explores the key barriers and challenges faced by urban female entrepreneurs through a comprehensive conceptual model that includes personality traits, push and pull motivations, institutional environment, perceived access to finance, professional networks, and support from government and non-governmental organizations (NGOs). Hence, the study specifically investigates women entrepreneurs' perceptions of these determinants and identifies the critical challenges they face in urban settings. By doing so, the paper addresses significant gaps in existing urban entrepreneurship literature through the development and application of an integrated conceptual entrepreneurial framework. Furthermore, this study is conducted in Pakistan, thereby providing valuable context-specific insights and expanding the scope of current literature.

2 | LITERATURE REVIEW

Entrepreneurship begins with the opportunity recognition process over time (Chen et al., 2025; Johnston & Blenkinsopp, 2017), where the entrepreneur is an individual who focuses on creativity and profit creation for sustainable growth and development (Yu et al., 2020). The concept of women entrepreneurship

is defined as those women who recognize business ideas by utilizing resources and developing businesses through the provision of leadership and making it a commercial success to capture the dramatic height (Kiran Kumar, 2021). These women Entrepreneurs attempt to develop new or creative products or services by capturing opportunities and taking various risks (Huang et al., 2019). In previous literature, the differences in urban female entrepreneurship were defined in only two perspectives. One is resources, and the other is skills. However, economic and social resources failed to explain the micro-level differences observed in entrepreneurship. Moreover, income and ethnicity have different effects on the success of female entrepreneurial activities in an urban setting in Pakistan (Ziyae, 2018). In such ways, restrictions on women's success in micro-enterprises, including lack of personality traits, poor access to finance, poor access to professional networks, poor Government and NGOs assistance, poor motivation, unsupportive regulations, and other barriers, need to be taken into account when designing the plans to enhance the establishment of urban female businesses in Pakistan.

2.1 | Determinants of Urban Female Entrepreneurship in Pakistan

Prior research conducted among vocational students revealed that education enhances one's internal locus of control and need for achievement, which leads to a robust perception of higher orientation towards entrepreneurial activity in Pakistan (Ndofirepi, 2020). The need for achievement refers to choosing persistent activities by holding a chance of success (Zeffane, 2013). Studies also support that female are willing to utilize resources in a risky project where there are reasonable chance of costly failure (Miller & Friesen, 1982). Likewise, internal locus of control is concerned with one's perception of control of an individual (Kundu & Rani, 2004). Literature also supports that self-efficacy is positively related to entrepreneurial activities (Strauss, 2005). Similarly, factors such as psychological traits lead to the realization of business activities (Shabbir & Gregorio, 2017). Moreover, emotional or psychological factors such as personality traits and motivation for significant employment (Turley, Ryan, & Doyle, 2025). Past studies also endorse push and pull motives for an entrepreneurial initiatives (Tajeddini, Ratten & Denisa, 2017).

2.2 | Opportunity / Necessity-based Entrepreneurship

From the opportunity perspective, the intention of the individual to secure income is an important motive to start a new business (Wange et al., 2025). A growing body of research indicates a strong and consistent association between a country's level of entrepreneurial activity and household income (Kautonen, Kibler, & Minniti, 2017). This motivation is based on an intrinsic desire for Monetary gain, to gain a higher status. Such outcomes emerge when suitable incentives attract individuals toward effective goal accomplishment (Ismail et al., 2021). On the other hand, necessity-based entrepreneurship refers to those who initiate female entrepreneurial activity by owning a business and is sometimes called self-employment (Acs, 2006). Biancone et al. (2020) call it primarily a new venture created for shelter, food, or survival. Conclusively, these factors compel individuals to start businesses or take the initiative to start a business (Dzananovic & Tandir, 2020). With time, necessity-based entrepreneurs feel less stressed since their psychological needs are satisfied, where pull factors are more prevailing than push factors (Gruber, et. al., 2019; Benzing & Chu, 2009). In sum, the traits of the regional environment influenced necessity-based entrepreneurship as opportunity entrepreneurship (Hassan, 2020).

2.3 | Perceived Access to Finance

A study in Bangladesh documented that, among other factors, perceived access to finance plays a prominent role in women's success in female entrepreneurial activity (Khanum et al., 2020), especially in developing countries like Pakistan, where struggle to get financial resources, resulting in instability in start-ups (Ike, 2013). The urban female has unique challenges in obtaining financial resources, despite availability of financial institutions (Alene, 2020; Aliyu et al., 2019). Moreover, it is found that perceived access to finance influence individual's ability to recognize the opportunities involving entrepreneurial activities (Anselme Andriamahery and Qamruzzaman, 2021). Likewise, Khaleque (2018) found that the positive linkage between perceived Access to finance and female entrepreneurial activity. Chamani et al. (2017) claim that perceived access to finance increases the success of female entrepreneurial activity. It is also evident in literature that women face more challenges in obtaining external finance for their business start-ups than men in common Pakistani societies (Lindvert et al., 2017). The reasons are many, including limited ownership in the property and social mobility, etc. (Nziku, 2012).

2.4 | Perceived Access to Professional Network

In today's competitive business landscape, female entrepreneurs require networks to access resources, information, and opportunities to start a business (Zeb & Kakakhel, 2018). Such development of formal relationships and robust institutional networks comprising stakeholders in Pakistan, such as First Women Bank Limited, Women's Chambers of Commerce, Women Business Development Centers, Small and Medium Enterprise Development Authority (SMEDA), etc., is essential to organize and coordinate a network between females and organizations for business start-up. The formal network and alertness of urban females are positively correlated with start-ups (Xie & Lv, 2016). The close relationship to formal networks positively affects innovation, especially when gender awareness is high (Fuentes et al., 2017). Within the urban female entrepreneurship context, these networks may provide a moral, emotional prop to start business activities. Furthermore, higher involvement in the formal network may create impediments due to obligations as well (Mozumdar et al., 2019).

2.5 | Institutional Environment

In developing literature, an institutional approach to analyze the success of female entrepreneurship in urban Pakistan has been overshadowed due to weak governance and an improper regulatory environment, leading to unplanned and poorly managed urbanization in Pakistan (Bui et al., 2018; Ellis & Roberts, 2015). There are three dimensions of the institutional environment characterized by cognitive, normative, and regulative structures (Scott, 2007). The first cognitive dimension refers to the mindset or thought pattern that could be derived from the social environment in different stages of life (Scott, 2001; Hoffman et al., 2002). In short, it socially constructs the cognitive environment, assumptions, and interpretations of specific situations (Hoffman et al., 2002). It represents the knowledge, skills, and education perceived by females in the successful development of female entrepreneurial activities (Busenitz, Gomez & Spencer, 2000). The second dimension is a normative environment, which refers to the cultural norms, traditions, and religion describing female roles (Chell & Baines, 1998). It is essential to consider gender and norms issues when looking into entrepreneurial activity in urban areas (Ratten, 2016). The third dimension is the regulatory environment, which refers to the government's policies and rules that affect urban entrepreneurship. The

regulatory dimension promotes or inhibits the new venture through supportive or unsupportive policies in starting a new business (Baumol & Strom, 2007) and impacts access to resources (Busenitz et al., 2000).

2.6 | Government and Non-Government Organization Assistance

Institutional theory provides a suitable framework for explaining the role of government and NGO support in fostering entrepreneurial activities (Rehman et al., 2018). Prior studies indicate that government assistance is a key determinant of the success of female entrepreneurship (Chittithaworn et al., 2011) and is particularly critical for the growth and sustainability of women-owned micro and small enterprises (Hansen, Rand, & Tarp, 2009). Effective government support can significantly reduce the structural, financial, and socio-cultural barriers faced by female entrepreneurs.

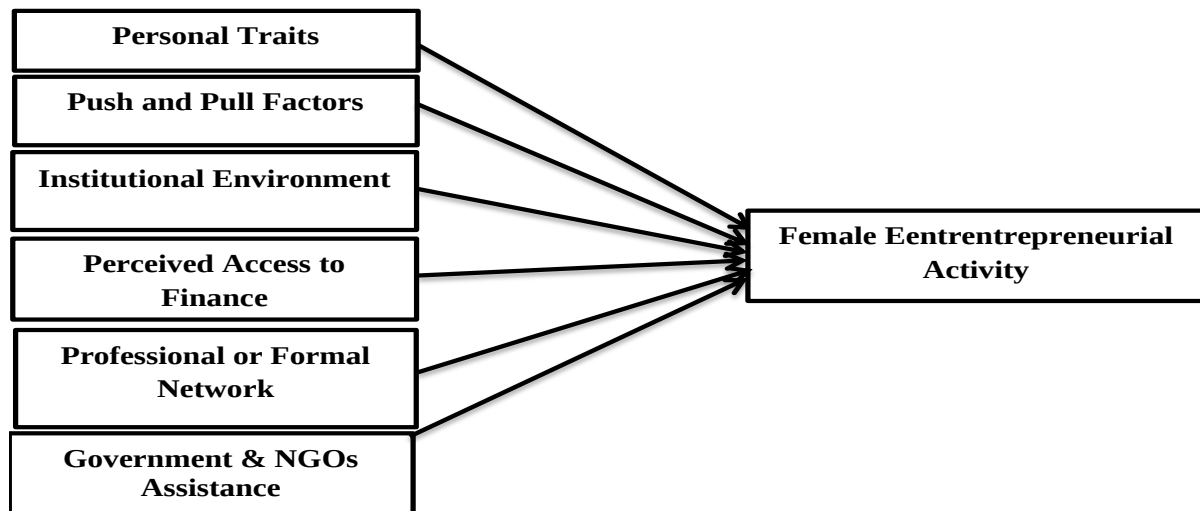
In the context of urban female entrepreneurship in Pakistan, government assistance is primarily delivered through institutions such as First Women Bank Limited, Women Chambers of Commerce, Women Business Development Centers, Women Development Departments, and the Small and Medium Enterprise Development Authority (SMEDA), which provide financial services, training, and capacity-building support for women-led small and medium enterprises (Indarti & Langenberg, 2004). While government agencies offer both financial and technical assistance in urban areas, NGO-led financing remains particularly important for informal female enterprises in developing countries (Rehman et al., 2018). In Pakistan's urban settings, NGOs complement government efforts by offering diversified support through targeted programs. Empirical evidence further suggests that access to finance facilitated by NGOs plays a crucial role in enabling women entrepreneurs to successfully initiate and expand their entrepreneurial activities (Boamah & Alam, 2016).

2.7 | Exploiting the Business Opportunity

Exploiting opportunity is about seeking a new market or innovative product to satisfy the need (McMullen and Shepherd, 2006). It is all about decisions and business activities based on evaluation and information processing about opportunities (Kirzner, 1983). Positive synthetic choice of entrepreneurial judgment about information is viewed as an exploitation of opportunity (Wood, McKelvie, Haynie, 2014). Consequently, it formed the opportunity evaluation and opportunity belief (McMullen and Shepherd, 2006). Finally, the decision to exploit an opportunity or not depends on individuals' confidence and their positive inclination toward initiating new entrepreneurial activities, which is a critical prerequisite for successful entrepreneurial engagement (Dimov, 2011).

Figure 1

Proposed Research Model



3 | METHODOLOGY & DESIGN

3.1 | Research Design

This research is quantitative and cross-sectional to measure the relationship between the defined variable using structured data collection methods. Thus, this research involved a deductive approach (Mark, Philip, and Adrian, 2009), and the data were collected using a survey questionnaire. In this regard, female entrepreneurs were assisted through the help of family and friends for the purpose of filling the survey questionnaire.

3.2 | Sampling Size

In this study, data were collected from 03 urban cities of Sindh province with a total of 400 female entrepreneurs, making it a justified sample size for the study. The data were collected through a closed-ended questionnaire and analyzed through Smart PLS based Structural Equation Modeling approach. From the viewpoint of the ethical considerations, females were contacted earlier for collecting the data, and only after their consent did, they participate in the survey.

3.3 | Instrument Selection

In this study, five-point Likert scale was used to increase the response rate with the aim of increasing the quality and to increase respondents' certainty. Moreover, the narrow personality traits included 20 tested items from earlier research (Koh,1996), Motivation included 15 items adopted from (Birley, 1989; Birley and Westhead,1994; Gatewood et, al.,1995), The perceived access to finance scale included 5 tested items adopted from Phan Tan Luc (2018), The access to professional network scale included 5 tested items adopted from Arooj Zeb and Shahid Jan Kakakhel (2018). The government assistance is measured by testing 6 items adapted from Indarti, Langenberg & Yusuf (1995); Hansen, Rand & Tarp (2009), Rashid (2012). Likewise, 5 items measure the NGOs' assistance, and 4 items are adapted from Hosseini, Bakhtiari, and Lashgarara (2012), and 01 adapted from studies of Taghizadeh et. al. (2019). The institutional environment is measured by 13 items, five items in the regulatory environment, 4 items in the cognitive environment, 4

items in the normative environment. The entrepreneurial activity is measured by 6 items adapted from (Mom et al., 2009).

4 | RESULTS AND ANALYSIS

4.1 | Demographic Data Analyses

The demographic profile analysis represents the contribution of female respondents. It shows that the majority of females were young at the age of 18-25, with a frequency of 280, and only 126 females were 26-30. In terms of education, most females had intermediate education, with a frequency of 166 at the top, 100 females were Masters, 66 females had matriculation education, 10 females had primary education, 48 had graduation, and 10 were MPhil graduates. Moreover, 233 female fathers had owned their businesses, 120 had government jobs, and 47 were in private jobs. With reference to respondents' marital status, 235 females were single, 144 were married, and the remaining 21 were divorced. In terms of ethnicity, most females were Punjabi with a frequency of 120, and 80 were Sindhi, 70 were Urdu speaking, 40 were Saraiki, and 90 were Balochi.

Table 1

Demographics of Study

Categories	Frequency	%
Age		
18-25	280	70
26-30	120	30
31-36	00	00
Marital Status		
Single	235	58.7
Married	144	36
Divorced / Separated	21	5.25
Father's Occupation		
Owned Business	233	58.25
Government Job	120	30
Private Job	47	11.75
Education		
Primary	10	2.5
Matric	66	16.5
Intermediate	166	41.5
Bachelors	48	12
Masters	100	25
M. Phil.	10	2.5
Ethnicity		
Sindhi	80	20
Panjabi	120	30
Urdu	70	17.5
Saraiki	40	10
Balochi	90	22.5

4.2 | Measurement Model

The measurement model presents that the latent variables are measured through observed items. It presents the factor loadings, reliability, and validity before hypothesis testing. It includes key indicators such as Cronbach's Alpha, average variance extracted, and composite reliability, ensuring that the construct accurately and consistently represents the underlying concepts. In this measurement model, all the items have qualified the sufficient thresholds for further analysis.

Table 2

Measurement Model

Constructs	Short form	OL	Cronbach Alpha	AVE	Composite Reliability	No. of Items
Need for Achievement	NACH3	0.746	0.891	0.749	0.922	04
	NACH4	0.899				
	NACH5	0.922				
	NACH6	0.886				
Internal Locus Of Control	ILOC1	0.863	0.861	0.516	0.879	07
	ILOC2	0.621				
	ILOC3	0.731				
	ILOC4	0.740				
	ILOC5	0.799				
	ILOC6	0.684				
	ILCO7	0.545				
Propensity to take Risks	RTP2	0.525	0.773	0.4635	0.836	07
	RTP3	0.632				
	RTP4	0.777				
	RTP5	0.745				
	RTP6	0.768				
	RTP7	0.609				
Push Factors	PUSH2	0.739	0.654	0.500	0.792	04
	PUSH3	0.721				
	PUSH4	0.777				
	PUSH6	0.550				
Pull Factors	PULL5	0.696	0.681	0.499	0.792	04
	PULL6	0.788				
	PULL7	0.688				
	PULL9	0.648				
	PAF2	0.681				
	PAF3	0.891				

Perceived Access to Finance	PAF4	0.709	0.808	0.635	0.873	04
	PAF5	0.885				
Access to Network	ATNET1	0.762	0.775	0.595	0.854	04
	ATNET2	0.713				
	ATNET3	0.802				
	ATNET4	0.806				
Government Assistance	GASST1	0.554	0.816	0.490	0.847	06
	GASST2	0.526				
	GASST3	0.714				
	GASST4	0.785				
	GASST5	0.834				
	GASST6	0.724				
Non –Government organization Assistance	NGOASST2	0.723	0.743	0.5631	0.837	04
	NGOASST3	0.760				
	NGOASST4	0.748				
	NGOASST5	0.769				
Institutional Environment	INSTENV3	0.646	0.805	0.529	0.851	09
	INSTENV4	0.644				
	INSTEN5	0.500				
	INSTEN6	0.721				
	INSTENV7	0.662				
	INSTENV8	0.608				
	INSTENV10	0.454				
	INSTENV12	0.787				
Female Entrepreneurial Activity	FEA1	0.794	0.625	0.571	0.571	03
	FEA 3	0.769				
	FEA6	0.702				

4.2.1. Fornell-Larcker Criterion

The Fornell–Larcker criterion is used to assess discriminant validity. According to this criterion, the square root of the AVE for each construct should be greater than its highest correlation with any other construct (Hair et al., 2014). The results presented in Table 3 indicate that all constructs meet the required thresholds, thereby confirming adequate discriminant validity.

Table 3

Fornell Larcker Criterion

	ATN	FEA	GA	ILOC	INST	NA	NGOS	PAF	PULL	PUSH	RTP
ATN	0.761										
FEA	0.573	0.782									
GASST	0.504	0.755	0.698								
ILOC	0.579	0.441	0.251	0.718							
INSTENV	0.474	0.643	0.448	0.351	0.682						
NACH	0.611	0.287	0.200	0.487	0.276	0.865					
NGOAST	0.476	0.574	0.204	0.456	0.566	0.610	0.780				
PAF	0.405	0.649	0.361	0.481	0.485	0.683	0.680	0.747			
PULL	0.366	0.388	0.280	0.541	0.552	0.600	0.398	0.519	0.790		
PUSH	0.590	0.507	0.330	0.421	0.612	0.490	0.556	0.497	0.539	0.720	

RTP	0.321	0.399	0.277	0.490	0.470	0.671	0.473	0.450	0.514	0.623	0.628
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4.3 | Structural Model

The path analysis presented in Table 4 illustrates the direct effects of various independent variables on Female Entrepreneurial Activity (FEA). The findings provide insight into which factors significantly influence FEA and which do not, allowing for an assessment of the related hypotheses. Out of the ten proposed hypotheses, seven were supported, while three were rejected, reflecting the differential impact of the examined factors. The first path, ATNET $\rightarrow$ FEA, shows a negative and statistically insignificant effect ($\beta = -0.0278$, $t = 0.3783$, $p = 0.7054$), leading to the rejection of Hypothesis 1. This indicates that attitudes toward networks did not have a significant influence on female entrepreneurial activity in the studied context. Similarly, PULL $\rightarrow$ FEA ($\beta = -0.0366$, $t = 0.6869$, $p = 0.4924$) and RTP $\rightarrow$ FEA ($\beta = -0.0722$, $t = 1.2331$, $p = 0.2181$) were also insignificant, resulting in the rejection of Hypotheses 8 and 10.

These results suggest that pull factors and regulatory or policy support were not strong determinants of entrepreneurial engagement among women, potentially reflecting gaps in institutional facilitation or the perceived effectiveness of government programs. In contrast, the majority of paths demonstrated significant positive effects, confirming the acceptance of several hypotheses. GASST $\rightarrow$ FEA ($\beta = 0.0700$, $t = 3.8146$, $p < 0.001$) indicates that government assistance and support significantly encourage female participation in entrepreneurship, supporting Hypothesis 2. Likewise, LLOC $\rightarrow$ FEA ($\beta = 0.0235$, $t = 0.3623$, $p < 0.001$), DNST $\rightarrow$ FEA ($\beta = 0.2063$, $t = 3.7918$, $p < 0.001$), and NACH $\rightarrow$ FEA ($\beta = 0.0817$, $t = 3.3943$, $p < 0.001$) were all positively associated with FEA, confirming Hypotheses 3, 4, and 5.

These findings highlight the importance of local networks, access to domestic support, and the achievement orientation of women as facilitators of entrepreneurial activity. Further, NGOS $\rightarrow$ FEA ($\beta = 0.1895$, $t = 3.2519$, $p < 0.001$) and PAF $\rightarrow$ FEA ($\beta = 0.2005$, $t = 3.7925$, $p < 0.001$) demonstrate that non-governmental organizations' support and personal factors are also significant contributors to female entrepreneurial engagement, confirming Hypotheses 6 and 7. Finally, PUS $\rightarrow$ FEA ($\beta = 0.1343$, $t = 4.5963$, $p < 0.001$) shows a substantial positive effect of push factors on entrepreneurial activity, validating Hypothesis 9.

Conclusively, the findings indicate that while structural support mechanisms such as government programs and institutional assistance are influential, individual traits, personal motivations, and local networks play an equally crucial role in shaping female entrepreneurship. The rejected hypotheses suggest areas where policies and interventions may require strengthening, particularly regarding attitudinal networks, pull factors, and regulatory frameworks. These results offer valuable insights for policymakers, stakeholders, and support organizations aiming to enhance female entrepreneurial activity, contributing to sustainable economic growth and empowerment.

Table 4

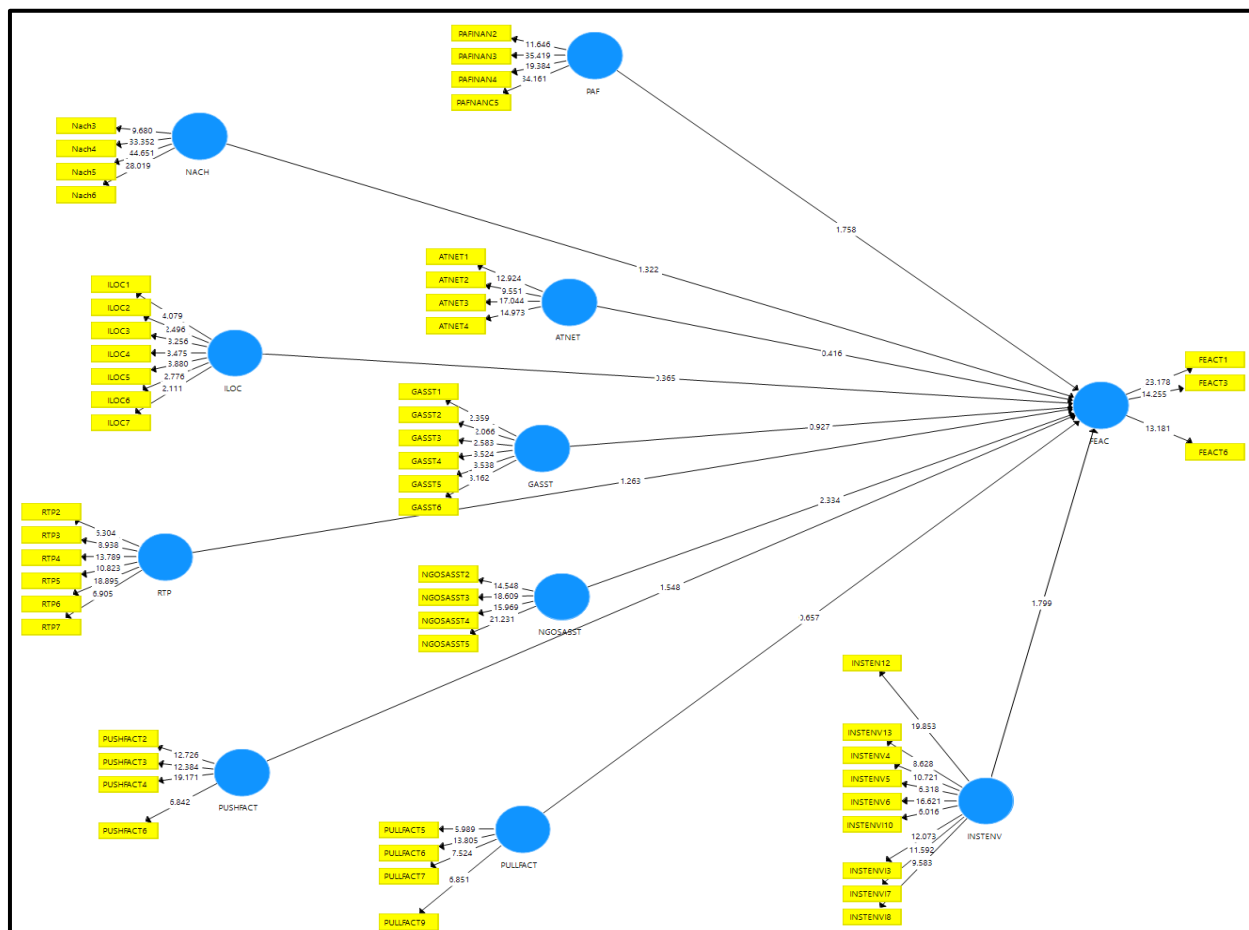
Path Coefficients (Direct Effects)

Direct Effect	Original	Standard	T-statistics	P values	Decision
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	Sample	Deviation			
ATNET → FEA	-0.0278	0.0734	0.3783	0.7054	Rejected
GASST → FEA	0.0709	0.0870	3.8146	0.000	Accepted
ILOC → FEA	0.0235	0.0648	0.3623	0.000	Accepted
INST → FEA	0.2063	0.1151	3.7918	0.000	Accepted
NACH → FEA	0.0817	0.0586	3.3943	0.000	Accepted
NGOs FEA	0.1895	0.0842	3.2519	0.000	Accepted
PAF → FEA	0.2005	0.1119	3.7925	0.000	Accepted
PULL → FEA	-0.0366	0.0533	0.6869	0.4924	Rejected
PUS → FEA	0.1343	0.0841	4.5963	0.000	Accepted
RTP → FEA	-0.0722	0.0585	1.2331	0.2181	Rejected

Figure 2

Structural Model



5 | DISCUSSION

The current study empirically examined the Female Entrepreneurial Activity (FEA) by analyzing the direct effect of attitudinal, institutional, motivational and support-related factors. The results of the study suggest that institutional and structural variables are more influential in shaping FEA than individual or psychological factors. This suggests that women's entrepreneurial engagement is largely driven by the enabling environment rather than personal disposition alone. The results reveal that Government Assistance, Institutional Support, NGO support, and perceived access to finance have a significant positive effect on Female Entrepreneurial Activity. These findings are consistent with prior literature, which endorses that women entrepreneurs often face financial and regulatory constraints more than men. However, improved institutional policies and better financial mechanisms decrease the entry barrier and increase confidence among women to initiate entrepreneurial ventures.

Similarly, Internal locus of control (ILOC) and need for achievement (NACH) were found to significantly influence FEA, indicating that personal motivation and confidence are the fundamental drivers of entrepreneurial behavior. This is aligned with the behavioural and psychological theories that individuals with high self-efficacy and achievement orientation are more likely to pursue entrepreneurial activities. Furthermore, the significance of push factors implies that necessity-driven motivations such as unemployment, income instability, or limited career advancement continue to push women toward entrepreneurship, particularly in developing and emerging economies.

Conversely, other variables, including pull factors, attitude towards networking, and risk-taking propensity were found to have no significant effect on FEA. This contrasts with some studies where opportunity-driven entrepreneurship and networking plays a vital role. The insignificance of all factors suggests that women entrepreneurs in studies context may be more necessity-oriented rather than opportunity-driven. Likewise, the non-significant role of risk-taking propensity indicates that structural support may outweigh individual risk preferences in influencing the entrepreneurial decisions.

Overall, the findings of the study suggest that highlighting the institutional support system, improving access to finance, and strengthening collaborative efforts between government and NGOs are important for promoting female entrepreneurial activity. Hence, this study contributes to entrepreneurship literature by highlighting the context-specific nature of entrepreneurial drivers and underscores the need for inclusive policies that address both structural constraints and motivational factors to foster the female entrepreneurial growth and development in societies.

5.1 | Research Implications

5.1.1. Implications for Policy and Practice

This paper significantly enables the urban female entrepreneurs (FE) to utilize their talent more effectively, because female consists of half of the population of Pakistan. Secondly, it also provides a foundational framework for those women who want to start a business in urban areas successfully. Moreover, urban female entrepreneurs are encountering a number of challenges and barriers. Some of the hurdles and barriers can be resolved through state intervention by allocating resources and budget to

promote innovation, employment, and income, which is quite important for urban female entrepreneurs in Pakistan.

5.2 | SDGs Implications

The findings of the study support the United Nations Sustainable Development Goals, specifically supporting Gender Equality and Decent Work and Economic Growth. This research contributes to the achievement of the SDGs:

5.2.1. SDG 8 (Decent Work and Economic Growth)

Strengthening women led business through government and institutional support is a pathway towards decent work, job creation, inclusive economic growth, and contributing to sustainable and resilient economic development.

5.2.2. SDG 5 (Gender Equality)

Female Access to institutional support, government support, and other financial resources significantly promote the female entrepreneurial participation and, by minimizing the structural and social barriers, will increase equal opportunities in business. Moreover, encouraging female entrepreneurship contributes to narrowing the gender gap and advancing women's economic inclusion.

6 | CONCLUSION

This quantitative study concludes that urban female entrepreneurship in Pakistan is shaped by a complex interaction of socio-economic, institutional, and cultural determinants. Empirical findings indicate that although urbanization has introduced regulatory mechanisms and relatively better cognitive and educational environments, persistent challenges such as gender bias, family constraints, inadequate infrastructure, and weak financial management continue to hinder women entrepreneurs. Given that women constitute nearly half of Pakistan's population, their underutilization represents a significant loss to economic development in a traditionally male-dependent economy. The results further show that urban women increasingly perceive entrepreneurship and self-employment as viable survival and empowerment strategies, particularly due to the flexibility they offer in managing work-life balance. Quantitative evidence also supports that higher educational attainment and structural economic transformation have shifted employment away from agrarian activities toward blue- and white-collar occupations. These occupational changes have influenced household dynamics, including delayed marriages and smaller family sizes, enabling greater household investment in entrepreneurial ventures. Moreover, the findings confirm that lower regulatory entry barriers in informal markets, coupled with government assistance and NGO support, significantly enhance business start-up rates among urban women. The declining influence of feudal structures in urban settings further contributes to more stable professional choices and increased entrepreneurial activity. Overall, this quantitative research demonstrates that urban Pakistan provides a comparatively conducive environment for female entrepreneurship, which, if strengthened through targeted policy interventions, financial inclusion, and institutional support, can substantially contribute to inclusive and sustainable economic growth.

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