



# Global University

ENTREPRENEURIAL SPIRIT STUDENTS' SURVEY

GUESSS PAKISTAN REPORT 2020-21



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# Acknowledgement

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## **Executive Summary**

With participation of 58 countries, and a total of 266,943 responses, the 9<sup>th</sup> edition of GUESSSS has become more international. From Pakistan, 896 students across 18 different public and private sector universities participated in the survey. The key findings are summarized below.

### **Regarding Students' (Entrepreneurial) Career Choice Intentions**

- 27.5% students intend to become entrepreneurs right after their studies. There is around 56% increase in students' intention to become an entrepreneur right after their studies.
- 36.5% students intend to become entrepreneurs after 5 years of completing their studies.
- Pakistani students follow the same pattern as followed across 58 countries i-e “first employee, then entrepreneur”.
- Looking at the intention level across 58 countries in the GUESSSS 2021, Pakistan's standing has little improved above the average level by 11.9% as compared with GUESSSS 2018 suggesting an overall entrepreneurial climate in the country.

### **Regarding Influencing Factors**

- Favorable climate in university, government policies, and developing entrepreneurial ecosystem in the country are instrumental in determining the entrepreneurial intentions and entrepreneurial activities among Pakistani students.
- Males are dominating the field of entrepreneurship locally as well as internationally with their active presence in starting or owning ventures shortly after completing their formal education.
- The recent initiatives of Pakistani government, like provision of training and skill development to youth, and interest-free loans to seed innovative business startups are among the factors that influence higher increase in student's intentions to start new venture right after studies.

### **Other Important Findings**

- 37.2% student owners want to start their business with at least one co-founder and among them 22.4 % want to have at least one female co-founder.
- In Pakistan, majority (19.9%) want to start their new venture in Advertising / Design / Marketing.
- More than 41.2% students indicated that they have not yet participated in any kind of entrepreneurship workshop/course/programs at their universities.
- There is 1.2% decrease in active student entrepreneurs in Pakistan as compared to results of GUESSSS 2018.

# 1. Introduction

Global University Entrepreneurial Spirit Students' Survey (GUESSS) is an international project that was initiated in 2003 by Swiss Research Institute of Small Business and Entrepreneurship, at the University of St. Gallen (KMU-HSG). The main purpose of study is to assess the entrepreneurial intentions, attitudes and activities of students in participating countries. The data is collected through an online quantitative survey after every two years.

In the 9<sup>th</sup> edition of GUESSS conducted in 2020/21, around 58 countries participated and a total of 266,943 responses were generated. This is the 3<sup>rd</sup> time Pakistan participated in GUESSS; the first time Pakistan participated in the 7<sup>th</sup> edition of the GUESSS in 2016.

## **GUESSS aims at achieving the following basic goals:**

- Systematic and long- term observation of entrepreneurial intentions and activities of Students
- Identification of antecedents and boundary conditions in the context of new venture
- Creation and entrepreneurial careers in general
- Observation and evaluation of universities' activities and offerings related to the Entrepreneurial education of students

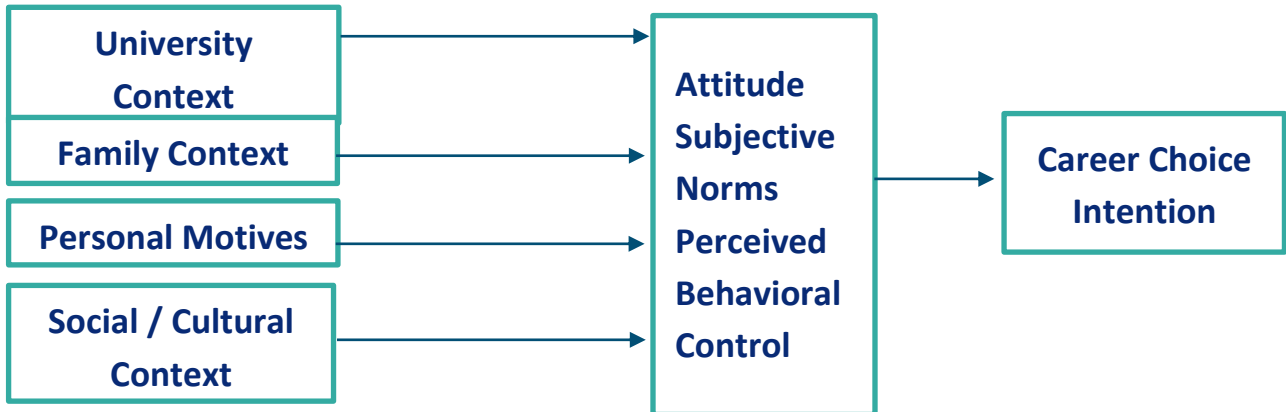
## **In broader perspective, GUESSS has some objectives to achieve that are mainly for stakeholders:**

- Participating countries generate insights on their respective basic conditions for entrepreneurship in general.
- They learn more about the entrepreneurial power of the students.
- Participating universities are enabled to assess the quantity and quality of their offerings in the context of entrepreneurship.
- Politics and public are sensitized for entrepreneurship in general and new venture creation in particular, and hopefully identify need for action.
- Students can benefit from the implementation of respective actions in the long term.
- Overall, GUESSS is maybe the largest entrepreneurship research project in the world.
- We seek to further increase its global scope in the future and aim for an even stronger impact on research and practice.

## 2. Theoretical Framework

The underlying theory behind the theoretical foundation of GUESSSS project is the Theory of Planned Behavior (TPB). According to this theory, there are mainly three factors that generally influence the intentions to perform a specific behavior: attitude toward the behavior, subjective norms, and perceived behavioral control.

*Figure 1: Theoretical Framework*



## 3. Research Methodology

From each participating country, one university was selected to represent country lead for the survey. Data was collected using online questionnaire across all the universities and all the participating universities used the same questionnaire. These universities forwarded the questionnaire to their students. The questionnaire was originally developed in English, and the leading university in each country was made responsible for translating the questionnaire into local language if needed. Hence, in Pakistan, the questionnaire was used in English language without making any changes into it.

Sukkur IBA University led the GUESSSS research study project for the 3<sup>rd</sup> time, and data was collected from the 1<sup>st</sup> week of the January, 2021 till the last week of June, 2021. In this regard, more than 30 universities were invited; out of which 19 universities (refer Table 1) agreed to participate in the GUESSSS survey, while in 2018, the number of universities participated in the GUESSSS survey was 17. The online survey received 18,733 responses, while in 2018 GUESSSS received 2385 responses. This resulted more than 785% increase in response rate.

**Table 1: Universities and Representative Participated in GUESSS 2021 - Pakistan**

S.No	Representative	University
1	Dr. Muhammad Afzal Chhajro	Sindh Madressatul Islam University, Karachi
2	Dr. Faisal Nawaz	Comsats University Islamabad
3	Mr. Zafar Iqbal	University of Kotli, AJK
4	Mr. Ghulam Jilani	Comsats University Islamabad, Lahore Campus
5	Engr Safdar Ali Abro	The Benazir Bhutto Shaheed University of Technology and Skill Development, Khairpur Mirs
6	Mr. Manan Aslam	MNS-University of Agriculture, Multan, Pakistan
7	Tayybah Safdar	Sardar Bahadur Khan Women's University
8	Dr.Zeeshan Bhatti	University of Sindh, Jamshoro
9	Dr. Adnan Manzoor	QUEST,Nawabshah
10	Mr. Shafqat Ali Bhutto	Shaheed Zulfiqar Ali Bhutto Institute of Science and Technology (SZABIST), Larkana Campus
11	Dr. Ali Faisal Murtaza	University of Central Punjab, Lahore
12	Mr. Muhammad Imran Muanwar	University of Agriculture, Faisalabad
13	Dr. Saeed Ijlal Haider	Quaid-e-Azam University Islamabad
14	Dr. Syed Muzamil Bokhari	University Of Balochistan
15	Dr. Altaf Hussain	Sukkur IBA University
16	Dr. Mushtaque Jariko	University of Sindh
17	Dr. Samina Rajper	Shah Abdul Latif University, Khairpur
18	Dr. Muhammad Nawaz Tunio	Greenwich University, Karachi
19	Mr. Abdul Moeed Qureshi	Foundation University Islamabad

## 4. Participants' Characteristics

### 4.1. Age

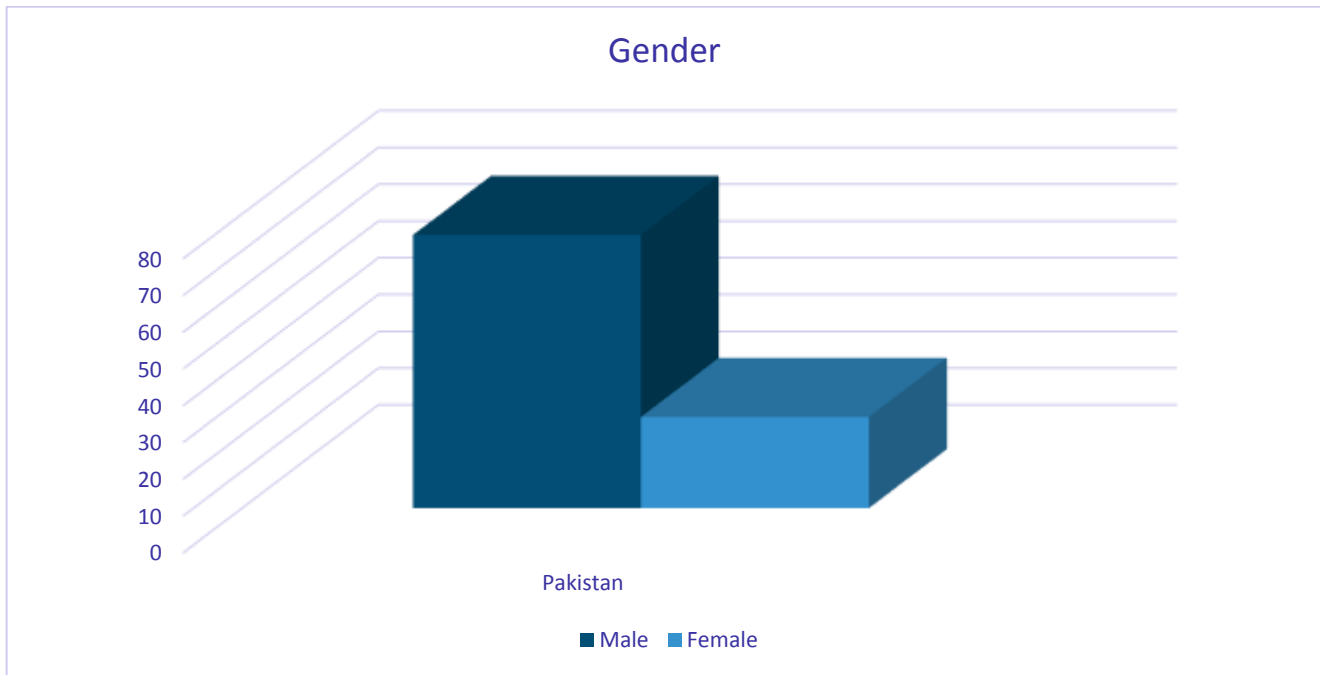
According to the results of 2018 GUESSS survey, the average age of a survey participant from Pakistan was 22 years (median = 21.93 years).

### 4.2. Gender

The collected data showed a huge gender difference between male and female participants. It was observed that the number of male participants from Pakistan was higher (74.3%) than that of female respondents (24.8%). The detailed comparison is presented in Figure 2 (a).

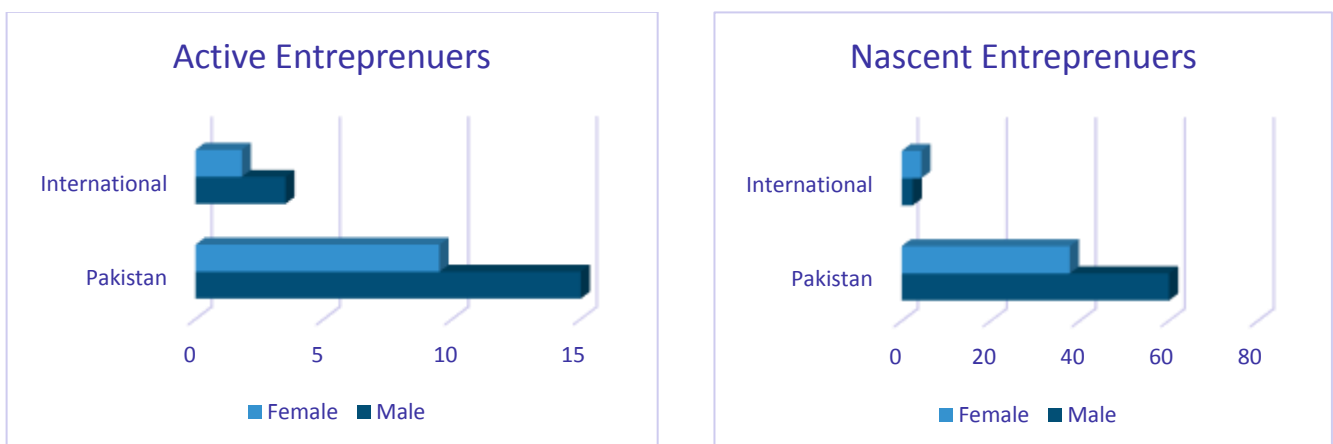


**Figure 2(a): Gender**



When the results of 2021 GUESSS survey are compared, it can be concluded that the Gender gap also exists between the nascent and active entrepreneurs in Pakistan and Internationally. The percentage of total sum who are already running their own business in Pakistan and are active entrepreneurs is 13.5%: out of which 15% are male and 9.5% are female participants. Whereas, the percentage of total sum who are currently trying to start their own business and are nascent entrepreneurs is 54.1%: out of which 60.1% and 37.8% are male and female participants respectively. Further Figure 2 (b) illustrates the gender gap comparison as follows:

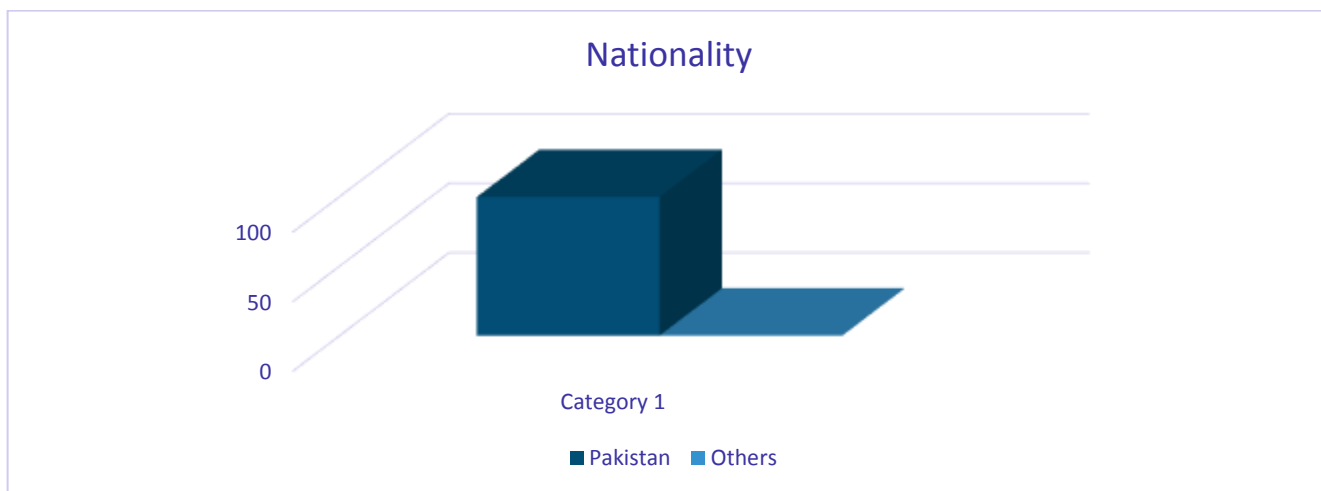
**Figure 2 (b): Gender Comparison for Active & Nascent Entrepreneurs – Pakistan vs. Internationally**



### 4.3. Nationality

99.7% respondents for this survey were from Pakistan, followed by few others i.e. 0.03%.

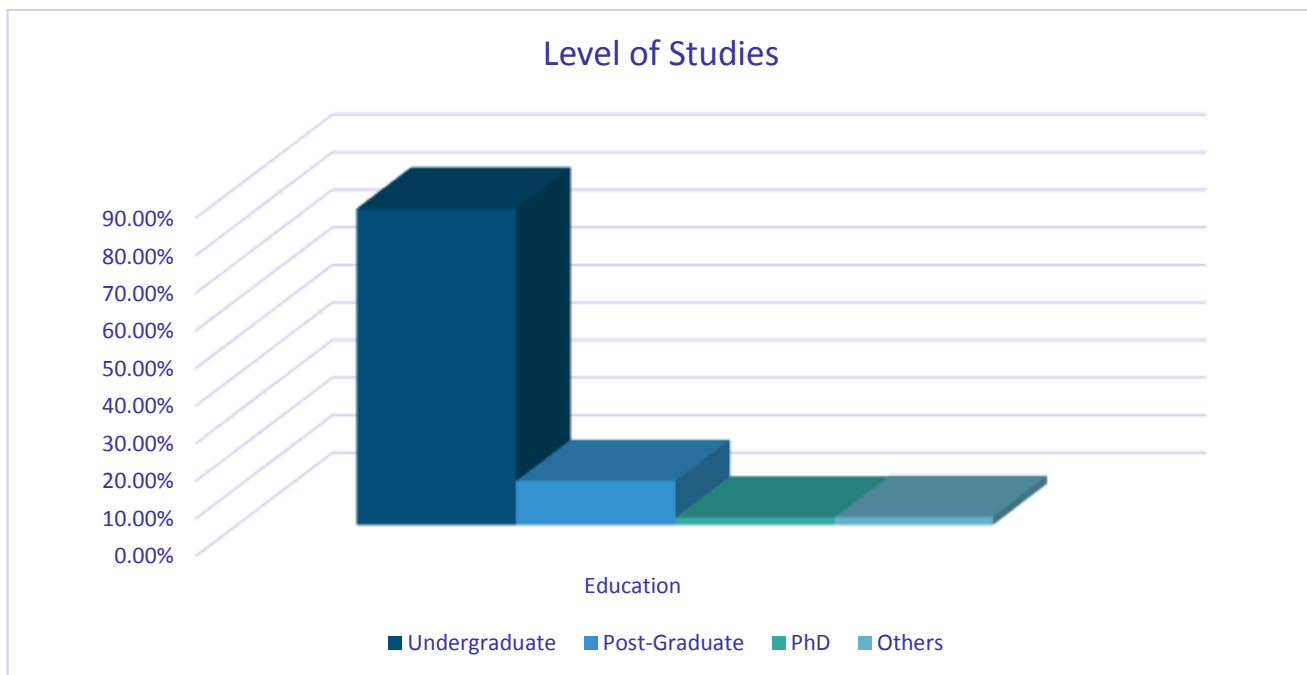
**Figure 3: Nationality of the Respondents**



### 4.4. Level of Studies

The results suggested that 84.2% of respondents were undergraduates, 11.7% were postgraduates, 2% were PhD, and remaining 2.1% were of other level of studies e.g: MBA, etc.

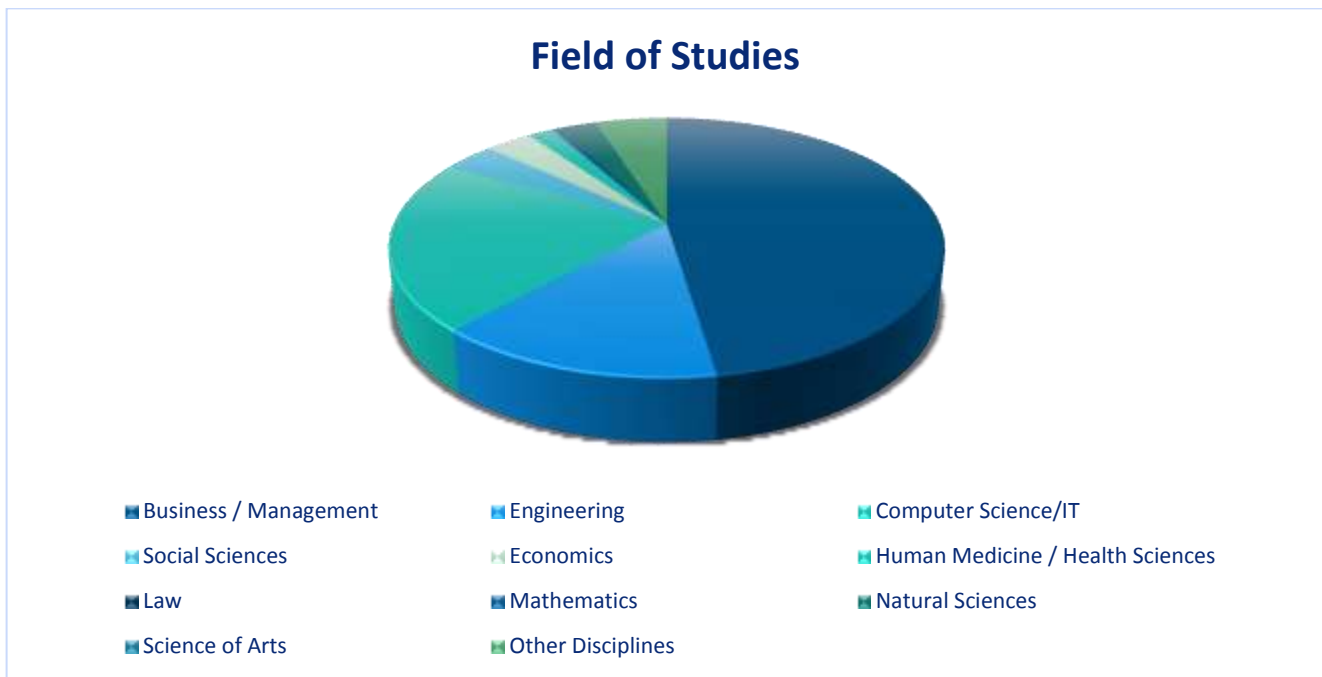
**Figure 4: Level of Studies of the Respondents**



## 4.5. Field of Studies

The result indicated that the participants of the survey in Pakistani universities belonged to different fields of studies. Majority of the respondents were enrolled in the Business / Management related degree programs (47.1%), followed by Engineering (14.1%), Computer Science/IT (21.2%), Social Sciences (3.6%), Economics (3.2%), Human Medicine / Health Sciences (1.8%), Law (0.1%), Mathematics (0.7%), Natural Sciences (2.2%), Science of Arts (0.1%), and (4.9%) in other disciplines.

*Figure 5: Field Of Studies of the respondents*



## 4.6. Summary

As per survey results, most of the survey participants' age was below 26 years. The male participation rate was around 74.3%, while the representation of female respondents was 25.7% of the total survey responses. Most of the participants in the survey were Pakistani nationals. The majority of the respondents were undergraduates and belonged to different fields of studies: Business / Management background being the first one followed by Engineering, and Computer Science/IT.

## 5. Career Choice/Entrepreneurial Intentions

The main theme of this survey was to identify the level of the entrepreneurial intentions among the currently enrolled students and to know their attitude towards considering entrepreneurship as a full-time career choice along with understanding the level of efforts they are taking to initiate their own business. The questions were considered like-“What career path will they choose after studies?” or

“What career path are they expecting to have after five years?” In order to facilitate the analysis, four broader categories of respondents were created. Those who want to be employees are placed in category of “employee”; those who want to start their own business come under “founder” category; those who succeed in their family business or those who do not belong to family come under ‘successor’ category, while “other” category is for those who don’t know.

### 5.1. Career Path Right after Studies

The findings of GUESSSS 2021 survey showed that in Pakistan 27.5% students wants to be the founder of their own business (wanted to be an entrepreneur) upon completion of their education. While the results of GUESSSS 2018 showed that in Pakistan, 71.7% students wanted to be an employee of any firm right after their studies, while the year 2016 GUESSSS results suggested that 78.1% students right after their studies wanted to be an employee of any firm. Whereas 15.6%, and 11.3% of the surveyed students wanted to be entrepreneur in years 2018 and 2016 respectively.

Overall, these statistics suggest that from 2018 to 2021, there is around 56% increase in students’ intention to become an entrepreneur right after their studies. There might be several reasons behind this increase in the trend of becoming an entrepreneur. One of the possible reasons might be due to the increasing efforts of Pakistani government to foster entrepreneurship in the country. For this, the Federal government has taken various initiatives like provision training and skill development of youth, and provision of interest-free loans to seed innovative business startups. Another reason might be the unavailability of jobs and an increasing trend of unemployment caused by the Covid-19 pandemic. In this regard, a large number of workforce in Pakistan lost their jobs due to downsizing in the organizations caused by pandemic. Due to uncertainty in the job market and unavailability of suitable jobs, people are increasingly looking towards starting their own businesses instead of looking for jobs.

The common trend that majority has indicated right after studies indicated in Figure 6 (a,b).

**Table 2: Career Path Right after Studies**

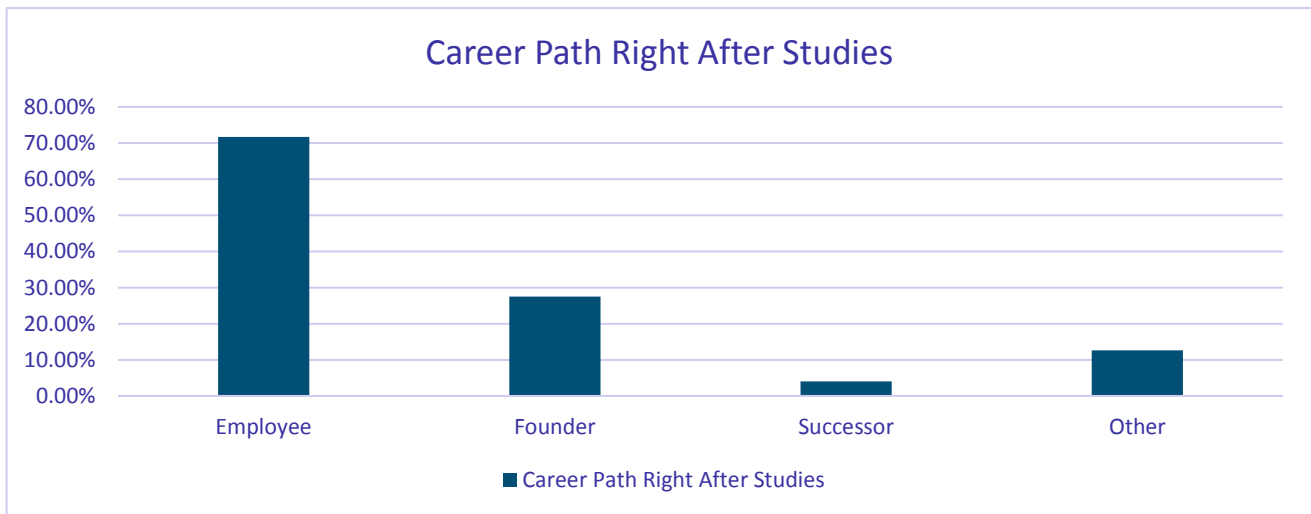
<b>Career Path Right After Studies</b>	<b>Pakistan 2016</b>	<b>Pakistan 2018</b>	<b>Pakistan 2021</b>
an employee in a small business (1-49 employees)	<b>6.7%</b>	<b>10.5%</b>	<b>4.5%</b>
an employee in a medium-sized business (50-249 employees)	<b>13.1%</b>	<b>10.5%</b>	<b>6.8%</b>
an employee in a large business (250 or more employees)	<b>22.5%</b>	<b>19.8%</b>	<b>17.9%</b>
an employee in a non-profit organization	<b>3.9%</b>	<b>3.1%</b>	<b>1.7%</b>

an employee in Academia (academic career path)	17.5%	12.1%	9.6%
an employee in public service	14.4%	15.7%	11.7%
a founder (entrepreneur) working in my own business	11.3%	15.6%	27.5%
a successor in my parents' / family's business	2.5%	2.4%	3.8%
a successor in a business currently not controlled by my family	0.8%	3.1%	4.0%
Other / do not know yet	7%	7.2%	12.6%

**Figure 6 (a): Career Path - Pakistan (Questions)**



**Figure 6 (b): Career Path - Pakistan (Collective Categories)**



## 5.2. Career Path after 5 Years

The GUESSS 2021 survey indicated that after 5 years of completion of their studies, majority of students want to launch their startup within next 5 years. The comparison of Table 2 and Table 3 suggest a change in intention to become an entrepreneur over the period. In Pakistan, intention to become entrepreneur after 5 years of completing their studies showed that 27.5% of the students want to start their own business immediately after their education whereas, 36.5% want to start their business in next 5 years.

**Table 3: Career Path after 5 Years**

<b>Career Path after 5 Years:</b>	<b>Pakistan 2016</b>	<b>Pakistan 2018</b>	<b>Pakistan 2021</b>
an employee in a small business (1-49 employees)	3.1%	3.9%	4.2%
an employee in a medium-sized business (50-249 employees)	3.7%	3.9%	3.8%
an employee in a large business (250 or more employees)	13.7%	12.9%	13.1%
an employee in a non-profit organization	4.1%	2.7%	1.3%
an employee in Academia (academic career path)	13.9%	7.3%	7.3%
an employee in public service	14.4%	12.0%	12.6%
a founder (entrepreneur) working in my own business	32.0%	37.3%	36.5%
a successor in my parents' / family's business	2.9%	2.7%	3.6%
a successor in a business currently not controlled by my family	4.3%	7.0%	7.8%
Other / do not know yet	7.4%	10.5%	9.8%

**Figure 7 (a): Career Path after 5 Years - Pakistan (Questions)**



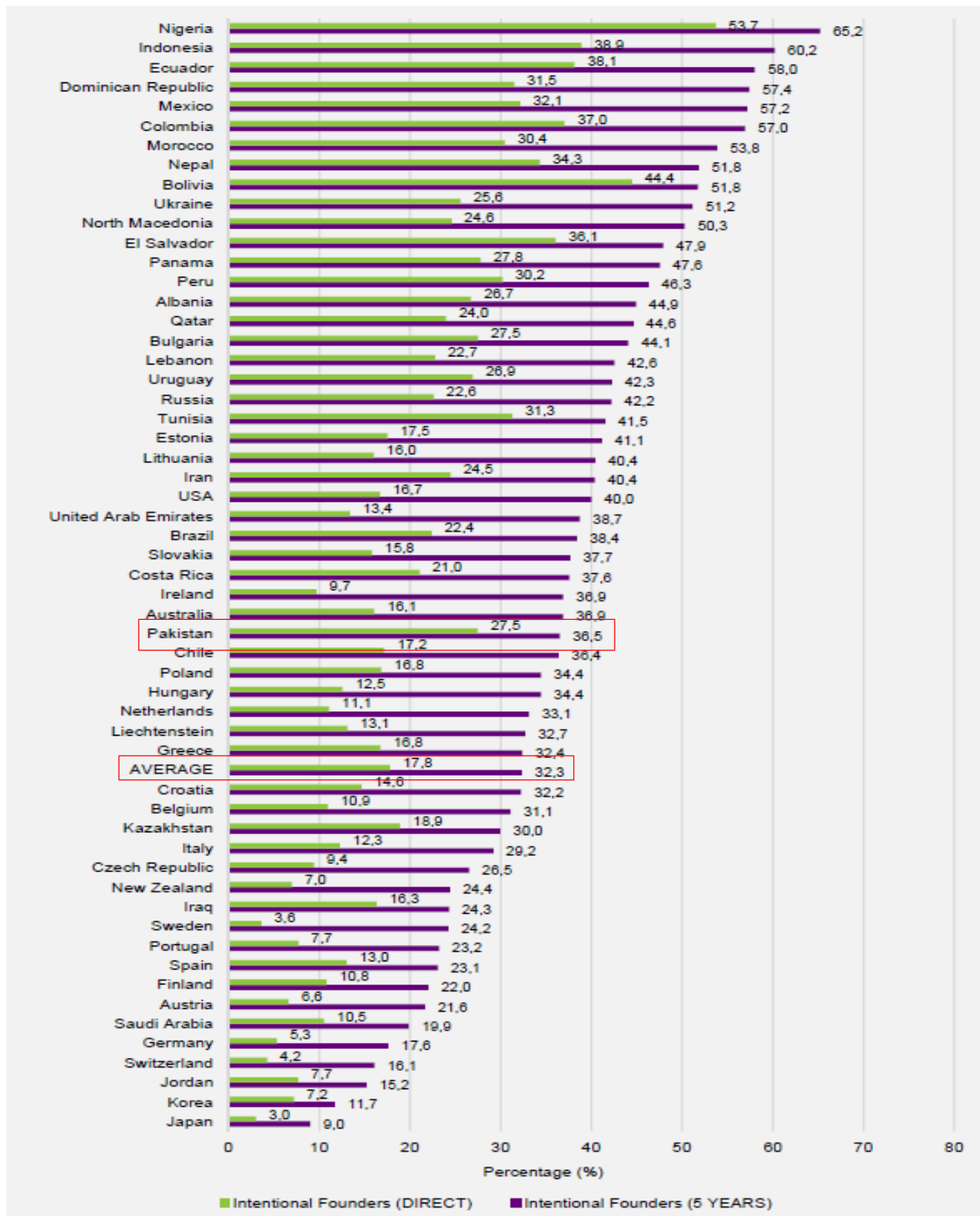
**Figure 7 (b): Career Path after 5 Years Pakistan (Collective Categories)**



### 5.3. Intention across the Countries

Looking at the intention level across 58 countries in the GUESSSS, we found that Pakistan’s standing has improved to above average level. The finding indicated that 27.5% students want to be entrepreneur right after studies while 36.5% students want to be entrepreneurs after 5 year of studies as indicated in the figure below. Comparing these results with GUESSSS 2018 survey, we also found that during past three years, the number of students intend to start business right after studies has improved. However, in the year 2018, the number of students intended to start their business right after their studies was 15.6% and those who intended to start business in coming 5 years was 37.3%. Hence, it suggests that during past three years, this number is improved by 11.9%.

Figure 8: Intention across the Countries





## 6. Drivers of Entrepreneurial Intentions

This part of the GUESSS focused on the main drivers behind entrepreneurial attitude and intention of the students during their studies to start their own business.

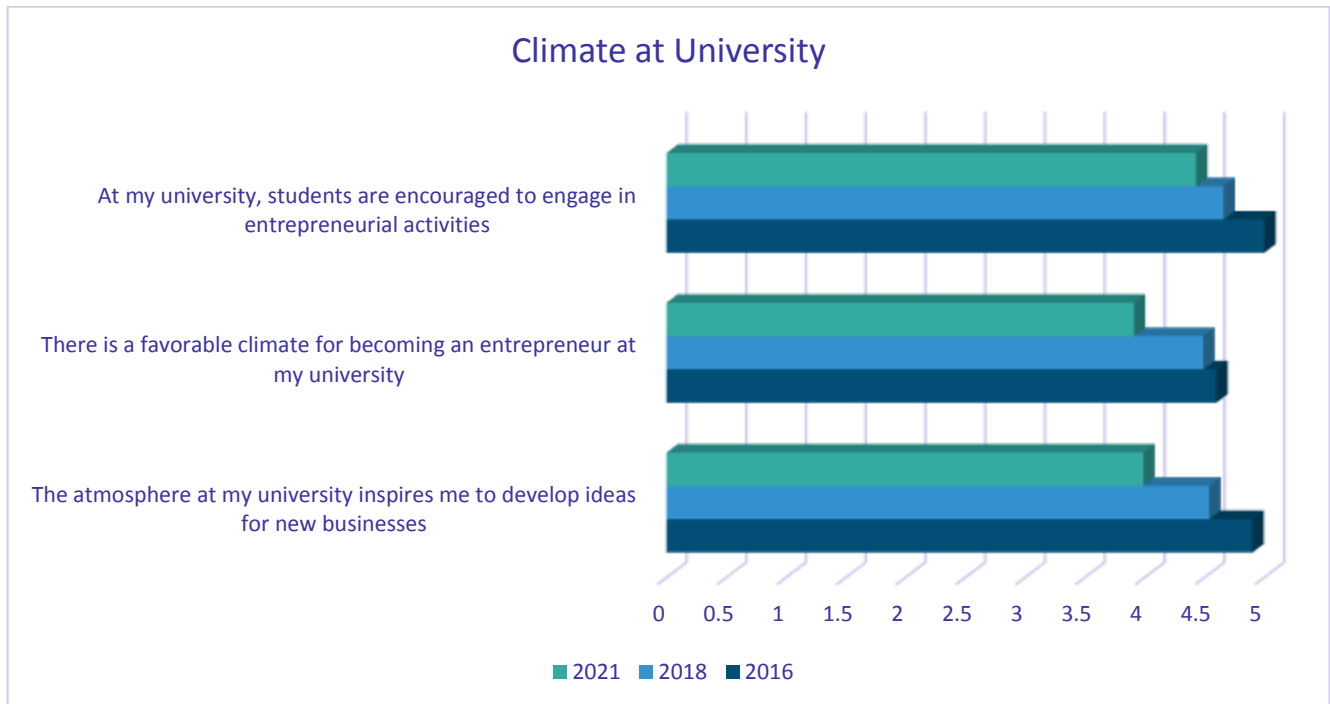
### 6.1. University Context

#### 6.1.1. Entrepreneurial Climate at University

Studies suggest that there is higher probability of students aiming to become future entrepreneurs if such desirable climate is provided at the university (Keat, Selvarajah, & Meyer, 2011). In that context, certain questions of interest i.e.: “The atmosphere at my university inspires me to develop ideas for new businesses”; “There is a favorable climate for becoming an entrepreneur at my university”; “At my university, students are encouraged to engage in entrepreneurial activities” were asked from the survey respondents to know how much the university have an environment to promote entrepreneurship for the students.

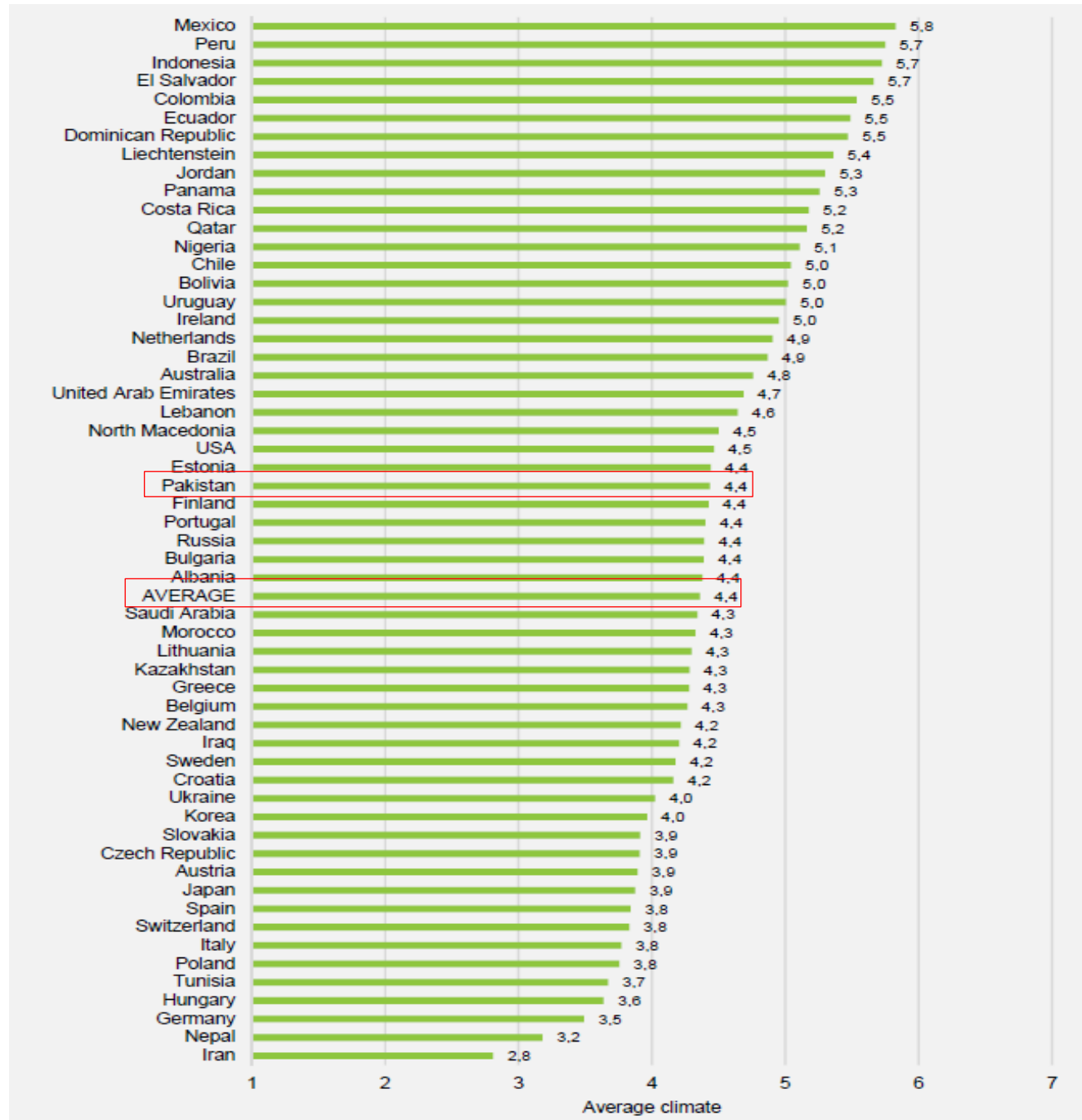
Consistent with previous GUESSS surveys of 2016 and 2018, GUESSS 2021 data suggest a decline in favorable climate to become an entrepreneur at university (mean of 4.11, 4.49, and 4.6 in years 2021, 2018, and 2016 respectively).

*Figure 9 (a): Climate at University*



It is found that the level of the favorable entrepreneurial climate at the universities in Pakistan has declined. In the year 2018, the level of entrepreneurial climate at universities was 4.6 on the scale of 1-7. Whereas, in 2021, this figure is declined from 4.6 to 4.4, which is equal to global average of 4.4. There is also a decline in the ranking of Pakistan in university entrepreneurial climate ranking. In 2018, Pakistan stood on 23<sup>rd</sup> number out of 54 whereas, in 2021 Pakistan stands on 26<sup>th</sup> out of 58. Figure 9 (b) highlights the average university entrepreneurial climate across countries.

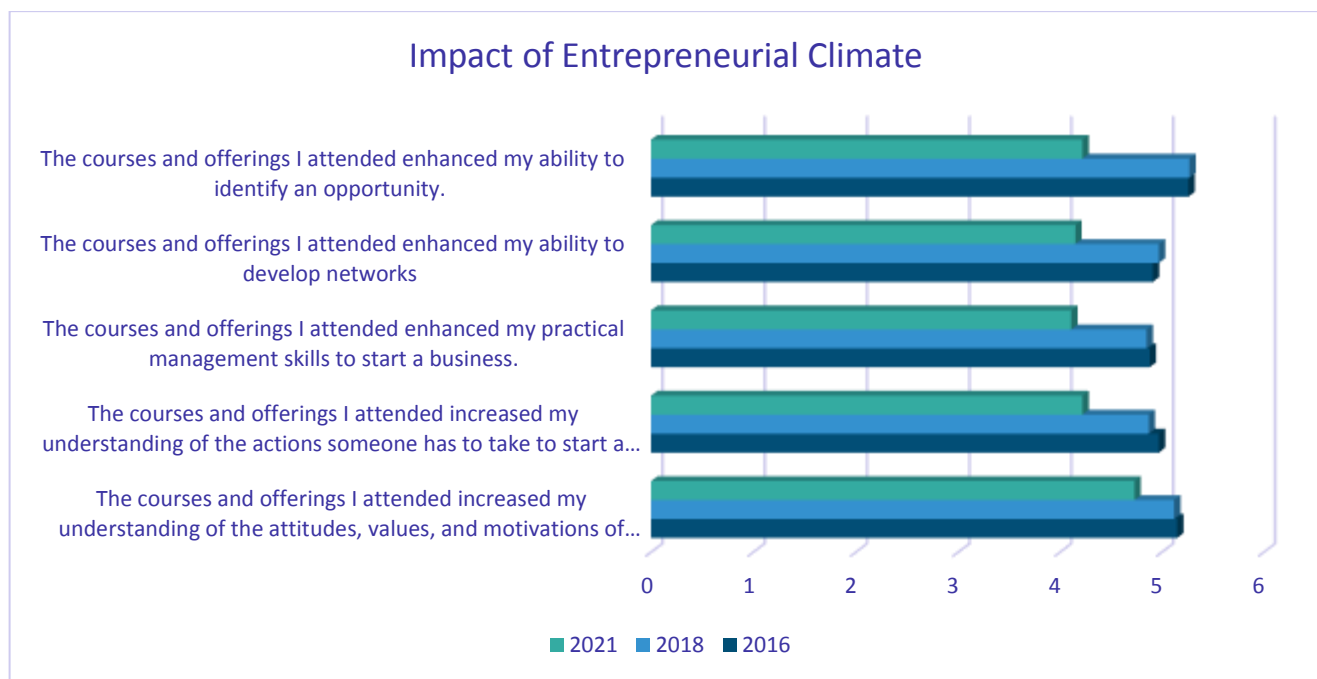
**Figure 9 (b): Average University Entrepreneurial Climate across Countries**



### 6.1.2. Impact of Entrepreneurial Climate at University

The result indicates that the climate for promoting entrepreneurship at university affects positively on students' intentions for starting business. In GUESSS 2021, it was found that a number of courses being offered at different degree programs in universities enhanced students' understanding about values and motivations to be an entrepreneur, actions required to be an entrepreneur, practical and management skills to start a business, ability to develop networks, and ability to identify an opportunity. Figure 10 shows the mean of factors highlighting the impact of entrepreneurial climate at university across the years 2016, 2018, and 2021.

*Figure 10: Impact of Entrepreneurial Climate*

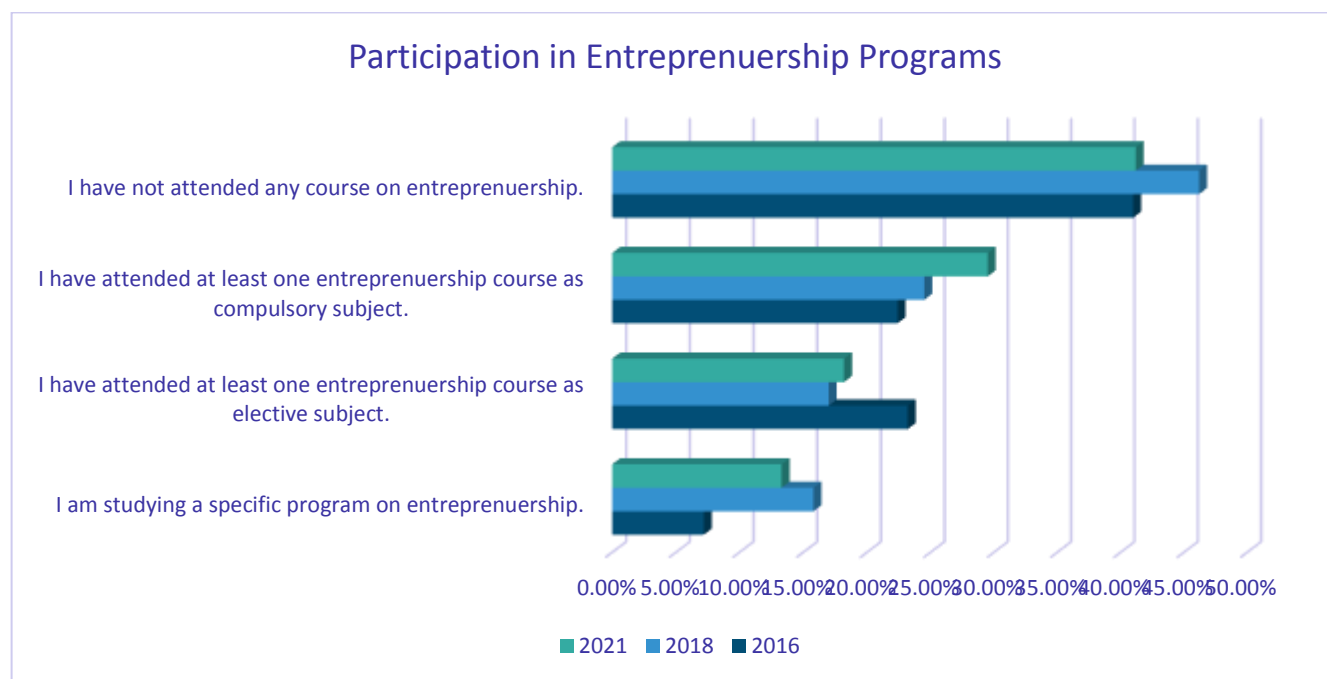


### 6.1.3. Participation in the Entrepreneurship Programs

When universities provide favorable climate at campus for entrepreneurship, students' ability to avail opportunities for opening their own business increases ( Keat, , Selvarajah, & Meyer, 2011). Universities offer different compulsory and optional entrepreneurship courses in various degree programs for creating environment to promote entrepreneurship attitude and intention among the students. The results suggested that 41.2% students have not attended an entrepreneurship course so far, 18.2% students have attended at least one entrepreneurship course as an elective subject, 29.5% have attended at least one entrepreneurship course as a compulsory subject, and 13.3% have studied in a specialized degree program on entrepreneurship. It reflects that in 2018 around 46.2% students had not attended any entrepreneurship program, whereas in the year 2016, this percentage was 56.1%. Similarly, in the year

2018, only 15.8% students studied specific program on entrepreneurship in Pakistani universities, and in 2016 it was 7.2%. Those who took entrepreneurship subject as an elective course were 17% and 23.2% respectively in the years 2018 and 2016. Those who studied entrepreneurship as a compulsory subject in the years 2018 and 2016 were 24.5%, and 22.4% respectively. Figure 11 (a) depicts students' participation in different entrepreneurship programs in Pakistan.

**Figure 11: Participation in the Entrepreneurship Programs**

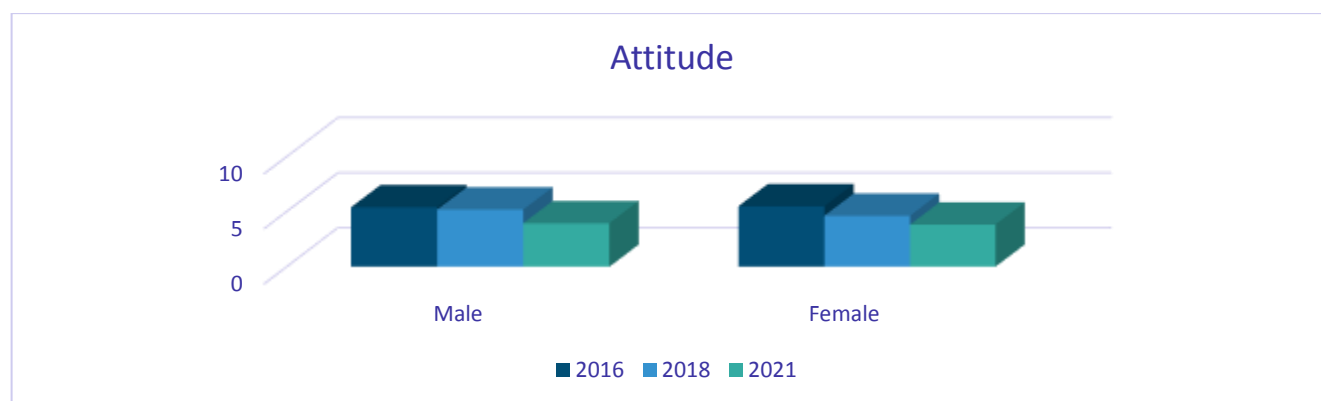


## 6.2. Locus of Control, Attitude and Entrepreneurial Self-Efficacy

### 6.2.1. Attitude towards Entrepreneurship

The data of GUESSS 2021 survey revealed a mean score of 3.95 for male and 3.83 for female respondents in Pakistan accordingly on a scale of 7 for having positive attitude for owning a business. The comparison of GUESSS 2021, 2018, and 2016 data is depicted in figure 12.

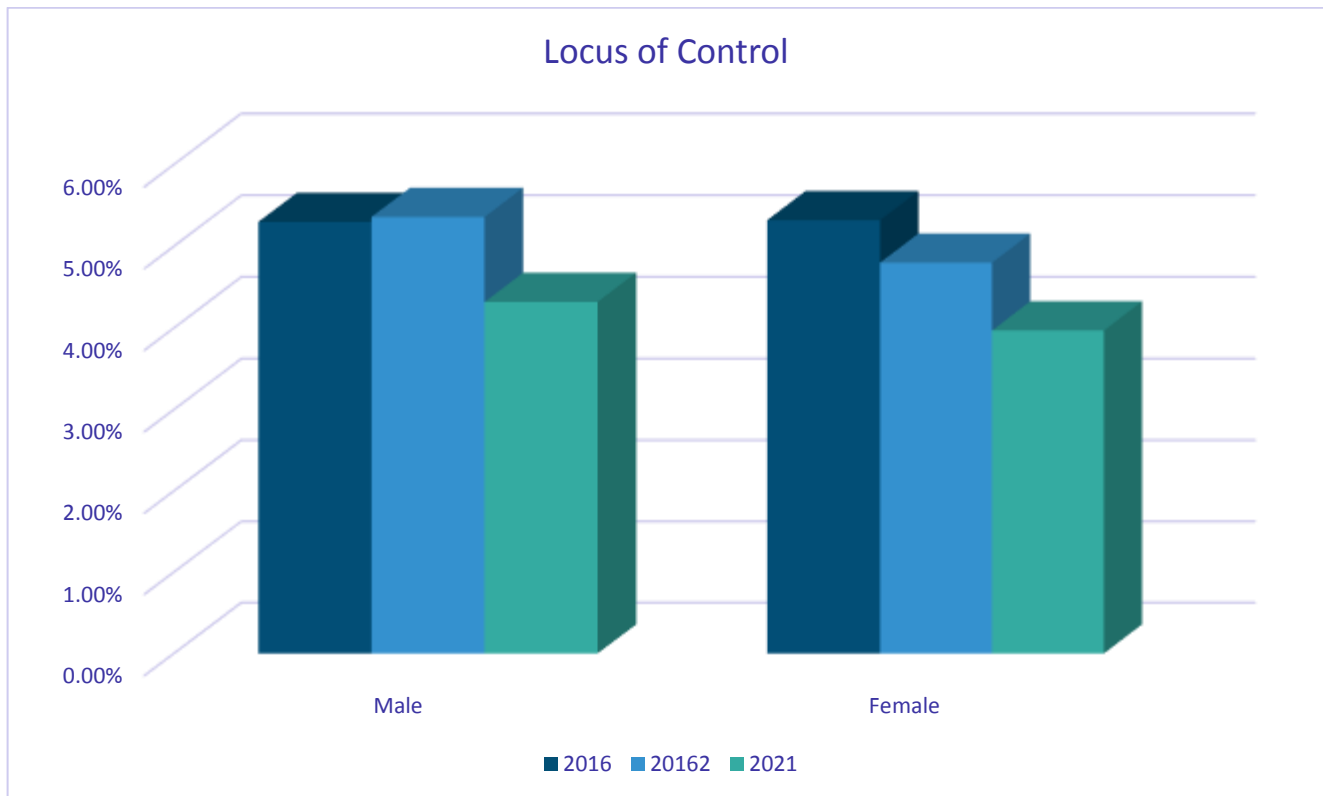
**Figure 12: Attitude (1-7 scale)**



### 6.2.2. Locus of Control

The findings regarding Pakistani respondents' locus of control to start their own business in future reveal a mean score of 4.32 for male participants and a mean score of 3.97 for female respondents on a scale of 7. The data further reveals that male respondents are more confident to start their business in future as compared to those of their female counterparts. Figure 13 presents a comparison between Pakistani respondents' locus of control over the years.

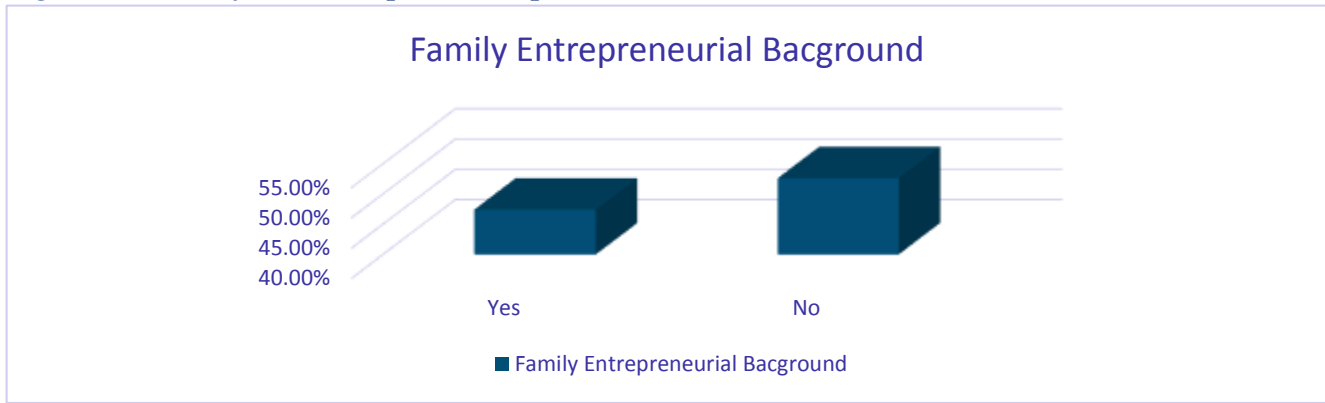
*Figure 13: Locus of Control (1-7 scale)*



### 6.3. Family Background

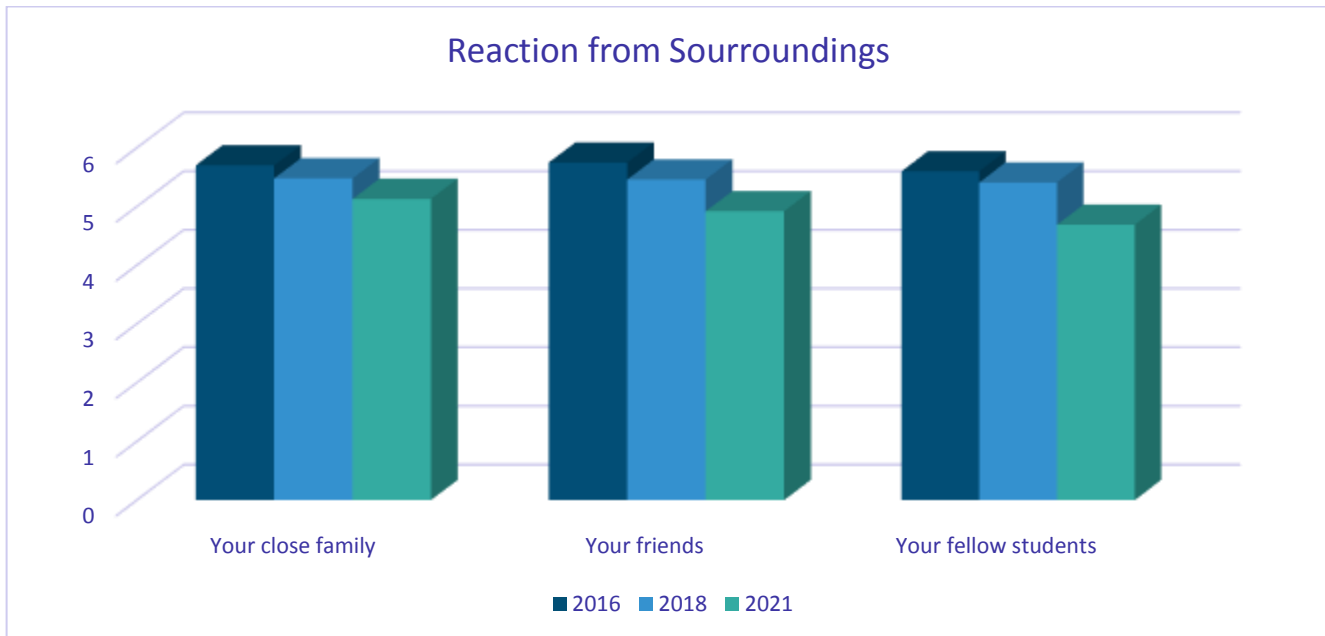
Family plays an incubation role for entrepreneurs and individuals, whose parents have entrepreneurial background, are very likely to become entrepreneur as they get good environment, guidance, and support to initiate the business. The results of GUESSS 2021 survey reveal that the ratio of participated Pakistani students' parents having some entrepreneurial background is only 47.4%, while 52.6% have no entrepreneurial background as mentioned in Figure 14.

**Figure 14: Family and Entrepreneurship**



The GUESSS 2021 data further reveals that the reaction on Pakistani students’ intention to their business by family members, friends and fellow students is found positive but it is relatively low as compared to findings of 2018, and 2016. Figure 15 presents a comparison between the reactions from surroundings across the years 2021, 2018, and 2016.

**Figure 15: Reaction from Surroundings**

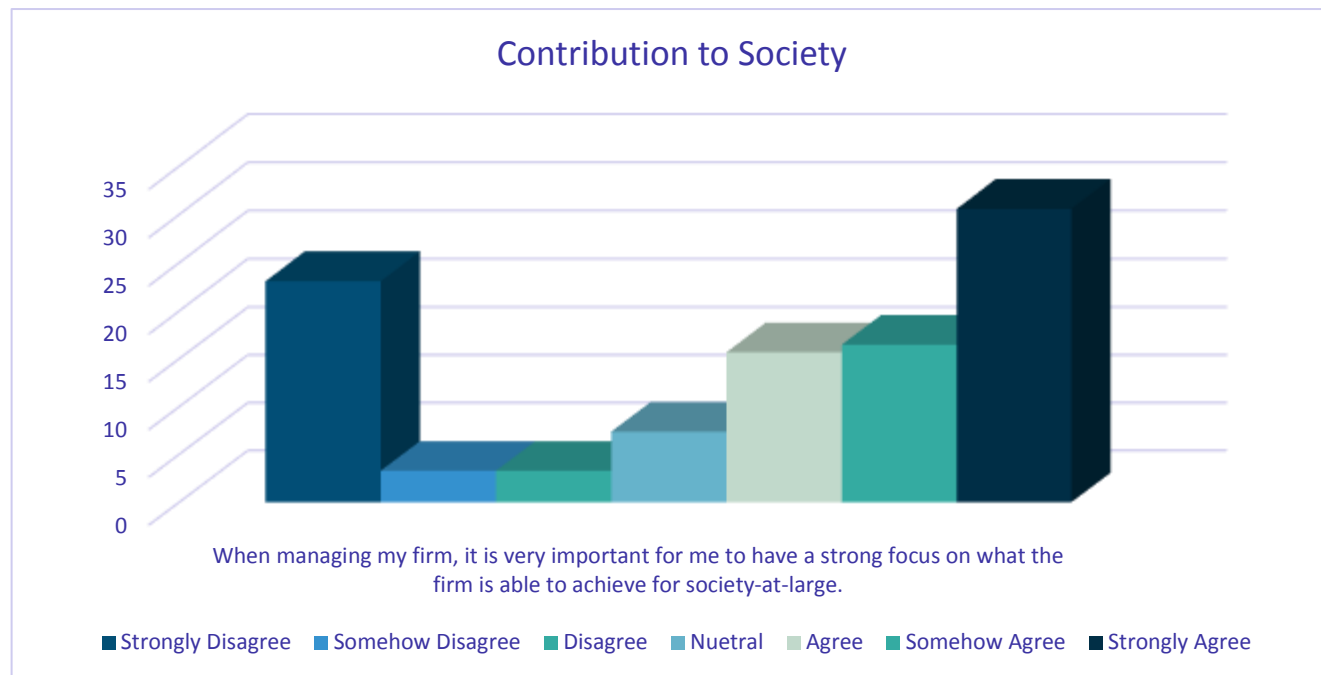


#### 6.4. Society as a Whole

Society is defined by Mariam Webster as; “people in general thought of as living together in organized communities with shared laws, traditions, and values”. The GUESSS 2021 findings suggest that students strongly believe that their business venture should have a strong contribution towards solving social issues of the society. In this regard, students were asked on a 7 point scale ranging from 1=strongly disagree to 7=strongly agree to indicate their level of agreement with the statement “When managing my firm, it is very important for me to have

a strong focus on what the firm is able to achieve for society-at-large”. A mean value of 4.61 was found suggesting that students have a strong belief that their firm should positively contribute to society.

**Figure 16: Contribution to Society**



## 7. Nascent Entrepreneurs

To get comprehensive results of the participants, further analysis was done to recognize what and how they are attempting to accomplish to start their own business.

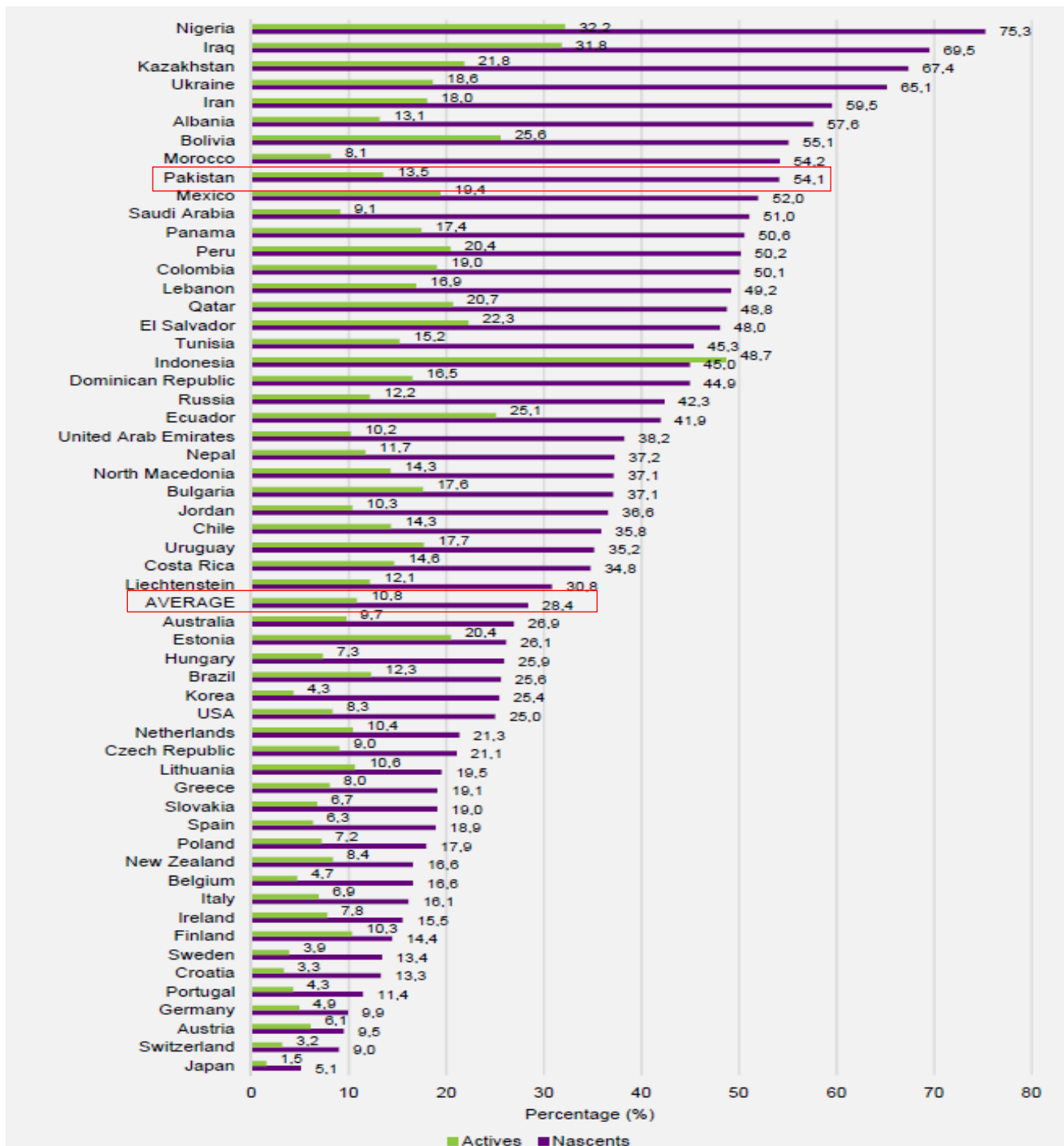
The findings of GUESSS 2021 suggest that 54.1% of students who participated in the survey tried to start their business venture in Pakistan, whereas in the year 2018, this figure was 59.4%. This comparison suggests a slight decline in the number of students who tried to start their business in the last three years.

The comparison of nascent and active entrepreneurs in Pakistan reveals that on average there are 4 nascent entrepreneurs for each active entrepreneur in Pakistan as compared to 2.6 nascent entrepreneurs for each active entrepreneur on average across 58 countries as shown in figure 17 (a). The university wise comparison of students who showed their interest in starting their venture is 17.7% from University of Central Punjab, 15.3% from MNS-University of Agriculture, 12% from Shah Abdul Latif University Khairpur, 10.7% from Sindh Madressatul Islam University, 9.1% from Sukkur IBA University, 7.8% from COMSATS University Islamabad Campus, 6.2% from COMSATS University Lahore Campus, 5.6% from Quaid-e-Azam University, 3.1% from Foundation University Islamabad, 2.9% from Benazir

Bhutto Shaheed University of Technology and Skill Development, Khairpur Mirs, 1.6% from Quaid-e-Awam University of Engineering Science and Technology, and 7% others respectively.

When they were asked about the ownership share they possess in the business, 29.8% responded they are minority share owner (0-49% of ownership 28%), 28.1% responded they have 50% of ownership, and the remaining 42.1% responded they are majority shareholders of the business (51-100%).

**Figure 17 (a): Active Entrepreneurs vs. Nascent Entrepreneurs**





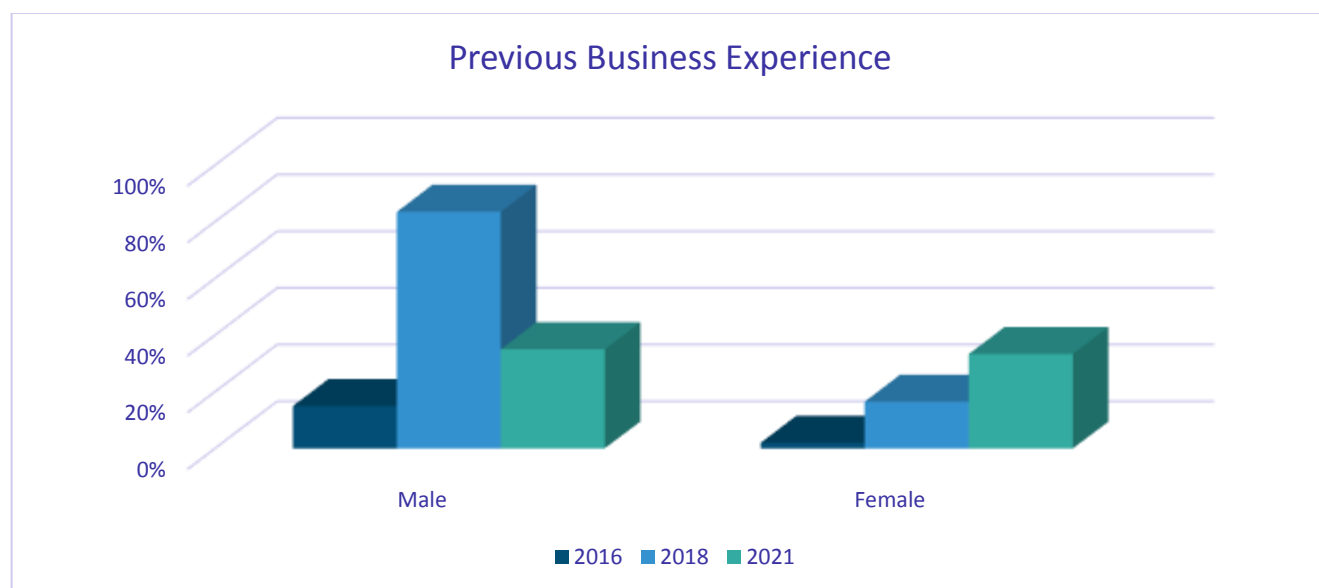
Nascent entrepreneurs were further asked how many co-owners they will need to find their business. The results suggest that 33.9% wants to start their business as a sole owner, while 37.2% wants to have one co-owner, 16.5% wants to have 2 co-owners, and 7.4% wants to have 3 co-owners, while remaining 5% wants to have more than 3 co-owners to start their business.

When students were asked how many female co-owners they want, we found some interesting facts about it. The findings suggest 52.6% of the respondents want no female co-owners in their team, while 22.4% want a female co-owner, 14.5% want 2 female co-owners, 5.3% want 3 female co-owners, and the remaining 5.3% want more than 3 female co-owners in their business.

Furthermore, respondents were asked how many co-owners they want to be their family members. The results reveal that 32.9% respondents want none of their relatives to be their co-owner, while 35.5% want at least one of their relatives as their co-owner, 18.4% want 2 of their relatives as co-owners, 7.9% want 3 co-owners from their relatives, and the remaining 5.3% want more than 3 co-owners from their relatives.

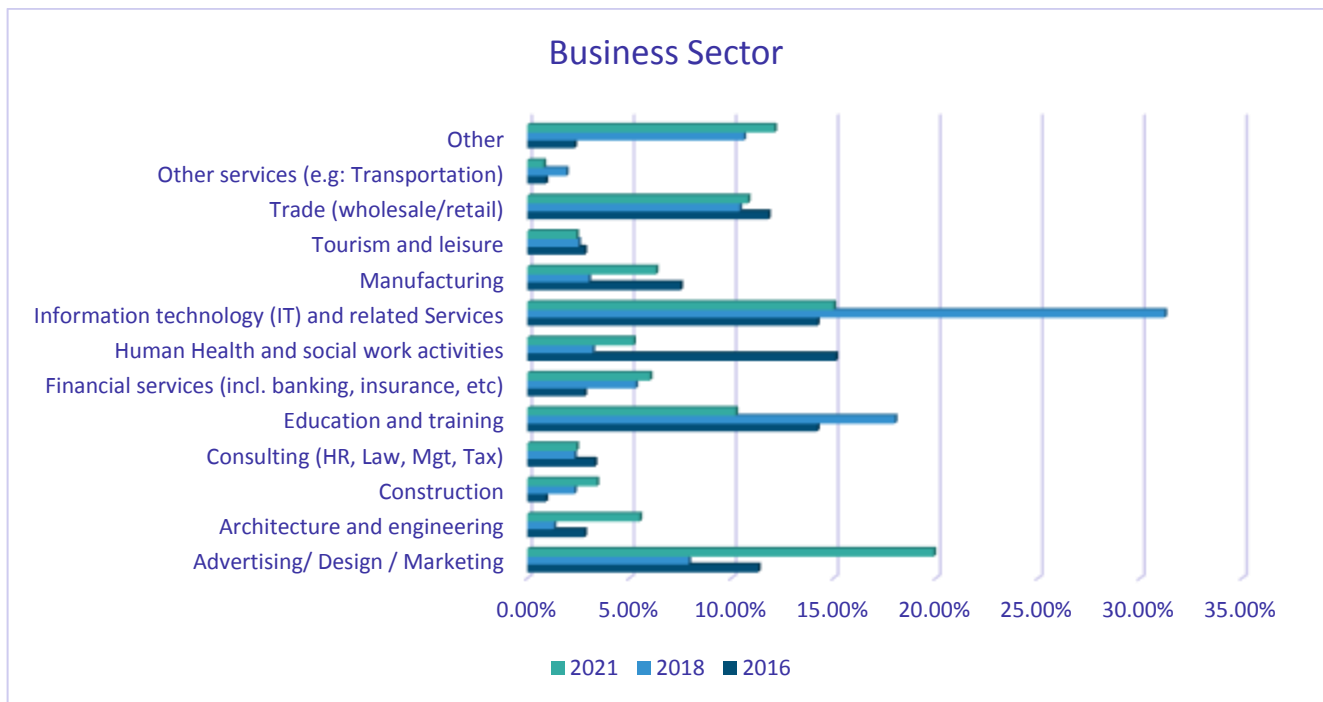
It was further revealed that in 2021, majority of nascent entrepreneurs in Pakistan who have experience of doing business in past are mostly males. Data suggests 35% of males had prior experience of doing business while 33.3% females had experience of doing business. In the year 2018, 83.5% experience was of males and 16.5% was of females respectively. Figure 19 presents the comparison of facts discussed above.

**Figure 17 (b): Created another Business Before**



When the nascent entrepreneurs were asked “In which economic sector will your business be active in?” In Pakistan, most of the students answered that their business will be active in Advertising / Design / Marketing sector (19.9%) as shown in Figure 18. In year 2018, Information Technology (IT) and related services was the most favorite business sector among Pakistani students for doing business. One the reason behind this shift from IT to Advertising / Design / Marketing sector could be that due to Covid-19 pandemic, a large number of people started working as a freelancer in domain of e-commerce and they perceive e-commerce as a part of Advertising / Design / Marketing sector.

**Figure 18: Economic Sector: Active Businesses**



### 7.1. Motivation

As per McClelland’s achievement theory, the motivators are non-inherent. Humans develop them within themselves over the course of time through surroundings, culture and experiences. There are many factors that internally drive nascent entrepreneurs to start or own a business, but on average their motivating factors are reflected through their responses to certain statements. A series of statements was given to students and they were asked to rank them on a 7 point Likert scale (ranging from 1=strongly disagree to 7=strongly agree). The statements were: I am ready to do anything to be an entrepreneur, my professional goal is to become an entrepreneur, I will make every effort to start and run my own business, I am determined to create a business in the future, and I have very seriously thought of starting a business. Figure 20 suggests the mean values of each statement.

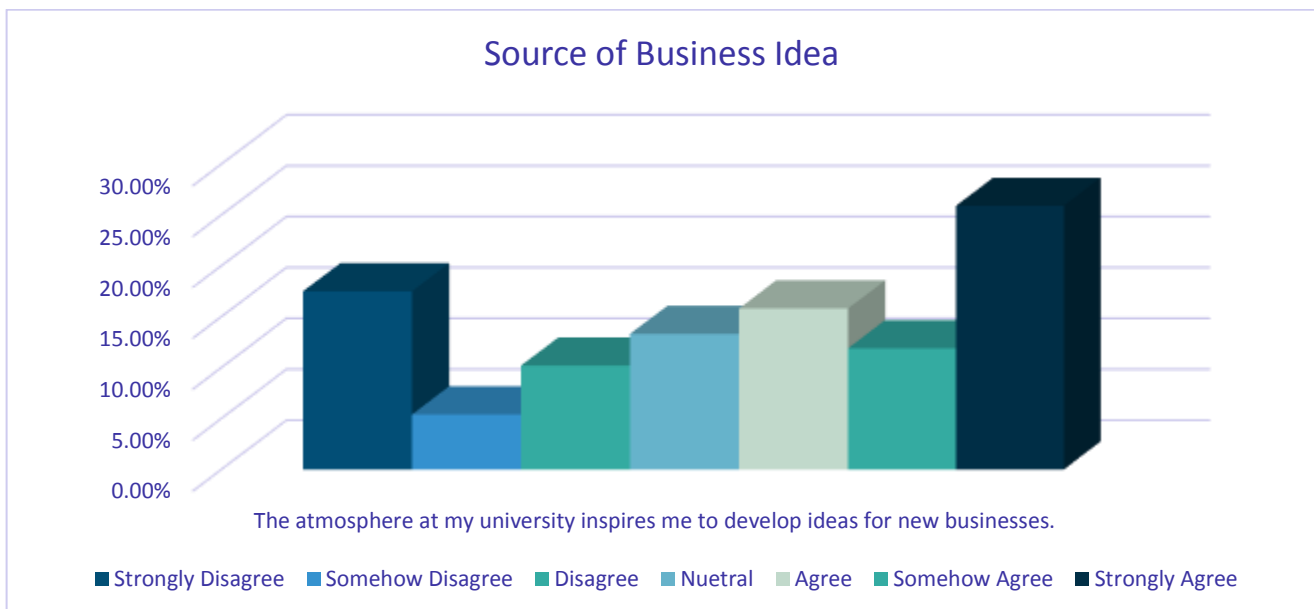
**Figure 19: Motivation to Start a Business**



## 7.2. Business Idea

Developing or finding ideas for new business is very important activity to start a venture. In Pakistan, majority of respondents suggested they develop new ideas for business at their university. The respondents were asked whether the atmosphere at their university inspires them to develop new business ideas. It was found that 25.9% strongly agreed that atmosphere at their university inspires them to develop new business ideas.

**Figure 20: Source of Business Idea**



## **8. Active Entrepreneurs**

The findings of GUESSS 2021 suggest that 13.5% of surveyed respondents in Pakistan are active entrepreneurs who are running their businesses. In the year 2018, the percentage of active entrepreneurs in Pakistan was 14.7%, which is 1.2 % higher than that of 2021, suggesting a decline in number of active entrepreneurs in Pakistan over the period of last three years. Among these active entrepreneurs, the ratio of male and female is 15% and 9% respectively.

The findings further reveal that 14% of active entrepreneurs in Pakistan do not have any employees in their business. The remaining 86% possess employees ranging from 1-483. The active entrepreneurs were further asked whether they want to continue their existing business as main occupation even after their graduation. It was found that 61.2% responded that they want to continue their business even after their graduation. In addition, active entrepreneurs were asked whether they have co-owners in their business or they solely own the business. It was revealed that 33.9% had no partner, 37.2% had 1 partner, 16.5% had 2 partners, 7.4 had 3 partners, and 5% had more than 3 partners.

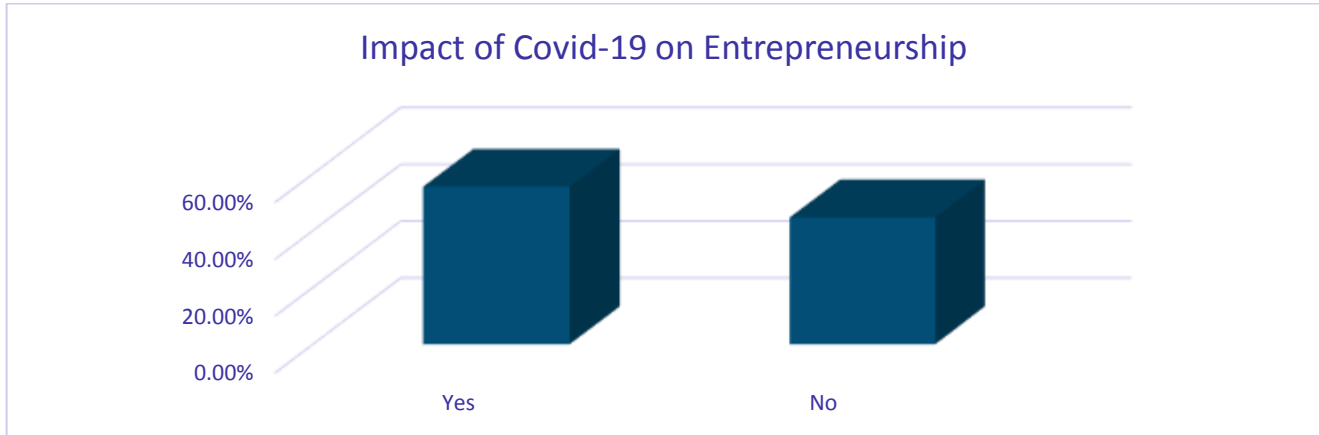
## **9. The Impact of Covid-19**

Since the last edition of GUESSS survey, the most crucial issue that is talk of the town is Covid-19 pandemic. As, we have seen above the significant differences between the entrepreneurial intentions in GUESSS 2021 and previous editions of GUESSS (i.e. 2018 and 2016), suggest that Covid-19 has impacted entrepreneurship and students' intentions to start their business.

Covid-19 has impacted the students' intentions to start the business. Overall, a trend of increase in intention, and a decline in attitude towards being an entrepreneur is observed in Pakistan. It might be because due to Covid-19 people have lost their current jobs and due to unavailability of jobs and an increase in unemployment rate, people tend to start their business instead of looking for jobs. However, due to unavailability of financial and technical resources caused by Covid-19, their intentions are not being converting into actual entrepreneurial behavior.

In GUESSS 2021, nascent entrepreneurs were asked whether they have started their business because of the implications of Covid-19. The data reveal that 55.4% of nascent entrepreneurs responded affirmatively that they have started their business because of the implications of Covid-19.

**Figure 21: Impact of Covid-19**



## 10. Key Findings

- The GUESSS 2021 survey findings received a 74.3% response rate from males, and 24.8% from females. Among them 84.2% were undergraduates, 11.7% were postgraduates, 2% were PhD, while remaining 2.1% were of other level of studies e.g: MBA, etc.
- The GUESSS 2021 results show more than 56% increase in the intentions of students to start their own business right after their studies while it also shows decline of around 19.6% in the students' choice of getting employment right after their studies as compared to GUESS, 2018.
- The GUESSS 2021 findings indicate that in Pakistan students' intention to become an entrepreneur after 5 years of completing their studies is at 36.5% as compared to the percentage soon after their graduation.
- The findings indicate that students found favorable environment in universities which enhance their ability to understand and develop entrepreneurial skills.
- The GUESSS 2021 results show more than 15% increase in the students who were part of any entrepreneurship workshop/course/program during their studies in university. However, more than 40% students indicate that they have not yet participated in any kind of entrepreneurship workshop/course/program in their universities.
- The GUESSS 2021 findings show that male respondents from Pakistan have more positive attitude for owning a business as compared to female students. Same finding was also observed for Locus of Control.

- Family members, friends and fellow students on average have shown more positive reaction on students' decision to start their own business in 2021 GUESS survey which depicts that overall Pakistani society has positive approach toward entrepreneurship.
- The GUESSS 2021 data suggests there is 56% increase in the number of students who start their business immediately after their studies than that of the students in GUESS 2018. This trend is an indicator of positive attitude of the students toward starting their own business in different universities of Pakistan.
- The GUESSS 2021 indicates that majority of surveyed students want to start their venture in Advertising / Design / Marketing as contrary to those in Information Technology (IT) and Communication in GUESSS 2018.
- The GUESSS 2021 findings suggest that majority of students believe that atmosphere at university inspires to develop new ideas for business.
- The findings of GUESSS 2021 show a decline of 1.8% in the number of active entrepreneurs in Pakistan as compared to the number of active entrepreneurs in GUESSS 2018.

## **11. Conclusion and Recommendations**

There is a noticeable increase in the trend of students who consider entrepreneurship as a possible choice career during and after completion of education in Pakistan. The findings further show an increase in the entrepreneurial intentions among the students. When these results are compared with GUESSS 2018 findings, it further reveals an increase in the number of students who select entrepreneurship as their career choice. However, despite this increase, the ratio of individuals who actually start their venture and choose entrepreneurship as their career is relatively low. More precisely, the conversion rate of entrepreneurial intentions into real business venture is very low. Therefore, there is a need to enhance students' first-hand insights about entrepreneurship as profession and career choice through offering entrepreneurship workshops, courses, and programs at universities and provide them real time work experience by offering them internships in business startup and enable them to benefit from entrepreneur's knowledge and advice.

Data also revealed that Covid-19 has impacted students' intention to become an entrepreneur. Due to unavailability of jobs and increasing unemployment ratio, students opted to start their business instead of looking towards availability of job. However, at the same time due to disruptions caused by Covid-

19, it was hard to get required financial and technical resources to start business. Therefore, there is need for a consolidated Covid-19 recovery plan to restructure the economy and foster the growth of small medium enterprises.

It is also observed that universities play a decisive role in shaping students' entrepreneurial intentions. They provide an atmosphere which inspires students to develop new business ideas. Hence, there is a need to provide an innovative learning environment to students where they can learn advanced business management skills through class room lectures as well as through business incubation process as per the requirements of local market. In addition to this, there is a need to provide the technical advice and infrastructure support to students in order to turn their entrepreneurial ideas into real business venture.

Universities, government and local industry are part of an ecosystem that is if aligned together generate entrepreneurial activity in the region. Consistent with this assertion, there is a need to bring industry, academia, and government to a same page by aligning all three in a way that form an ecosystem that promotes and fosters the growth to new business ventures. To do so, a link should be established among universities, local industry, and relevant government agencies (i.e. Higher Education Commission, Ehsaas Program, Kamyab Jawan Program, Federal and Provincial Education Ministries, etc.) in order to form collaboration to provide support and business incubation services to nascent entrepreneurs for further improving favourable entrepreneurial climate for students in universities.

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