Analyzing the Impact of Youth Entrepreneurial Perspective on Sustainable Socio-Economic growth to achieve SDGs in Karachi

Salman Ahmed Khatani [*]   Khalid M. Iraqi [†]   Shams Hamid [‡]

Abstract: *Youth and entrepreneurship are the two most legit formulations to cater to the ever-changing needs of today's mode of production. Youth always bring innovation, improvisation, and creativity into society. At the same time, businesses foster all the relevant factors for the sustainable development of people and the community to accomplish Sustainable Development Goals (SDGs). New jobs, economic well-being, and equal distribution of wealth for the millions could only be possible if stakeholders listen to youth preferred stories to cater to and resolve local and global challenges for creating green economic opportunities. Therefore, entrepreneurship is considered a vital force, especially for developing countries sustainable social and economic development. The current research study investigates the impacts of the entrepreneurial perspective on sustainable socio-economic growth in Karachi. For this purpose, the data was collected and analyzed based on the quantitative research approach. The analysis is conducted through PLS-SEM techniques which determine the instrument's reliability, the convergent and discriminant validity, and finally, the regression results through path analysis. The results revealed that all the hypotheses are accepted and declared that financial factors, personal factors, governmental factors, and social factors are significant contributors to the youth entrepreneurial perspective.*

Keywords: *Youth; Entrepreneurial Perspective; SDGs; Developing Countries; Pakistan*

Introduction

The growth of entrepreneurship is a significant contributor to the country's development. It can lead to sustained economic development and a rise in economic growth and employment levels. In economic development, business creation is beneficial for entrepreneurship, and there are two elements of business creation, i.e., opportunity and necessity (Fairlie & Fossen, 2018). Entrepreneurial activities, long-time success, and economic development need the participation of multiple factors such as adequate finances, social support, and enabling policies by the state (Ribeiro-Soriano & Kraus, 2018). In the structural frameworks, modern business start-up arises as modern beings in a corporate body. For business innovation, entrepreneurial proficiency in recognizing and influencing opportunities is the main decision. Moreover, the social environment and specialized education that enables

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[*]PhD scholar, Department of Public Administration, University of Karachi, Pakistan.
   Email: salmankhatani@gmail.com

[†]Vice Chancellor, University of Karachi, Pakistan. Email: dr.kmiraqi@uok.edu.pk

[‡]Faculty of Arts, Fashion Design, Education and Social Sciences, Iqra University, Karachi, Pakistan.
   Email: dr.shams@iqra.edu.pk

the entrepreneurial intentions among individuals facilitate the process of business creation (Lackéus & Middleton, 2015).

With a population of around 211.17 [1] million people, Pakistan is among the growing economies of Asia [2] expecting to establish 2.1 million middle-income households by 2025 [3]. The country advanced its connectivity by including 3G/4G in telecommunications, while the digital services sectors is also rising. Moreover, the surge in the E-commerce market is evidenced [4]. Subsequently, the entrepreneurial activities rushed as the new ventures entered the market to satisfy the public's unmet needs across the country. The startup activities are promoted with the introduction of incubators by the government at the national and provincial levels; also, the tax relief of 3 years is introduced to promote the local venture capital firms and the investors to initiate their businesses in the country. In addition, the private sector is also facilitating the growth through the incubators and accelerators, initiated with the support of foreign organizations, for instance, Google's Nest I/O, with the local venture capital.

Though, the growth of startups in Pakistan is slow compared to its peer countries, associated with a smaller amount of funding and a few startups, unlike the countries such as India, Nigeria, and Bangladesh. Hence, the government and the private sector must incorporate several significant changes to encourage entrepreneurial activities. Therefore, it becomes essential for Pakistan to activate its weak pillars, including the enabling policies at the government level, investment, funding structure, and the activation of all startup ecosystem players. Furthermore, the private and the government sector must collaborate to gain the benefits from the country's full potential. In the same manner, the private sector can facilitate terms of value creation and funding. Jointly, both entities can create opportunities to unleash the country's potential in terms of entrepreneurial development to achieve and accelerate sustainable development goals (SDGs). In recent years, the biggest funding agreements have taken place in Pakistan, as shown with the examples in exhibit 1 that highlighted the attention of investors and provided a ray of hope for the local startups.

There are around 140 million people in Pakistan who belong to the age bracket of under 25 years. It is considered the 6th most populous country globally and possesses the fifth largest population comprising youth [5]. Similarly, the consumption of households contributed 80 percent to the annual GDP, and the spending is projected to grow 5 percent in the impending years with the expansion of the middle class, as shown in exhibit 2. Therefore, in line with discussed facts, Pakistan should not lack in the startups. Still, significant challenges are experienced by the countries with large youth populations, such as Pakistan, which impedes the opportunities. The major challenge is resources and unemployment (Bruton, Ahlstrom, & Li, 2010).

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[1]National Institute of Population Studies the estimated population of Pakistan in 2019.
[2]Centre for International Development at Harvard University, HSBC The World in 2030.
[3]City Scope database covers the 33 largest cities in Pakistan
[4]Express Tribune article: "Pakistan's e-commerce market size set to cross US1b this year"
[5]World Factbook

Figure 1
Examples of Venture Capital Funded Pakistani Startups
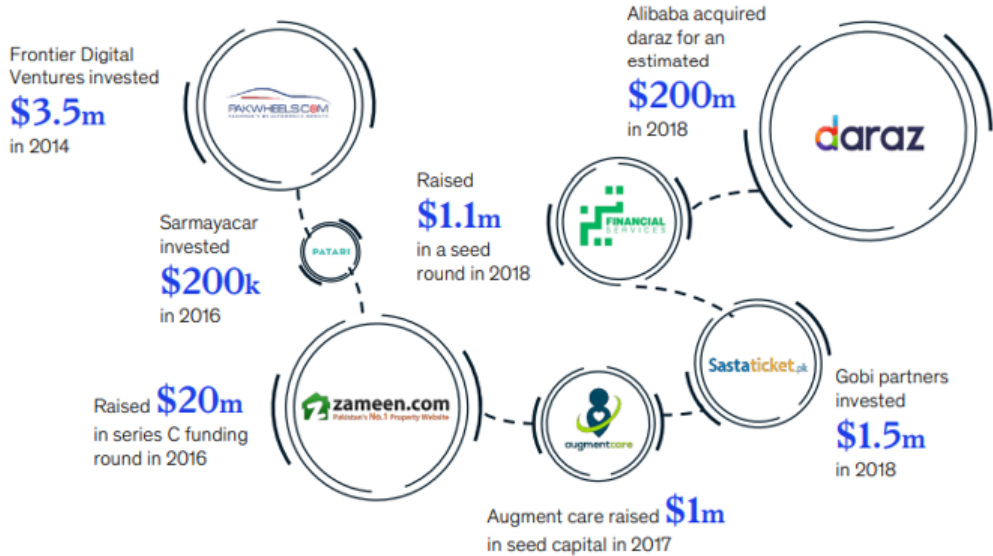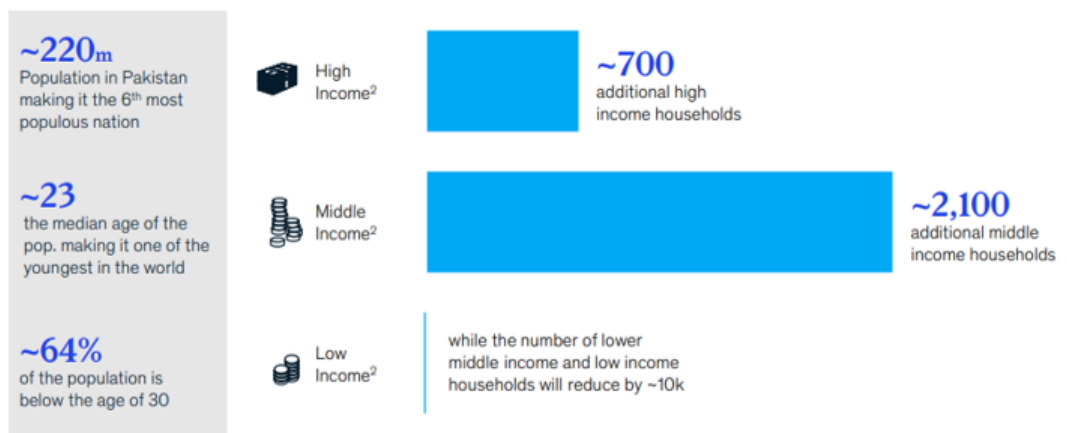Source: McKinsey Pakistan-tech-summit-2020-at-draper-university

Figure 2
Pakistan - young country with a growing middle class
Source: City Scope Database 3.0; World Bank

Likewise, entrepreneurship is primarily focused within the urban, minor hierarchy industries and micro-enterprises in Pakistan. Due to cultural, socioeconomic, religious, and structural problems, entrepreneurship is somehow prohibited in the rural regions of the

province of Sindh (Muhammad, McElwee, & Dana, 2017). In the ease of doing business category, Pakistan is ranked 138 out of 189 countries because of the challenges of small entrepreneurial activities related to other Asian countries such as Sri Lanka, Bangladesh, and India (Shabbir, Shariff, Alshaibani, Faisal, & Salman, 2018).

Therefore, given the discussed importance of entrepreneurial growth, the objective of this paper is to analyze the factors that affect the intentions of youth towards entrepreneurship as their career choices. In this way, the research also seeks the perspective of youth on entrepreneurship and its potentially positive impact on the government's current policies for eradication of poverty and reduction of unemployment to achieve sustainable goals (SDGs 1,2,5,8,9,10,11 and 13) in Karachi, Pakistan. This research analyzes the youth's perceptions, risks, challenges, and obstacles limiting their opportunities and creating hurdles for the startups.

Followed by the introduction that demonstrated that policymakers need to understand the lack of entrepreneurial activity in Karachi, the rest of the study is focused on a literature review, highlighting the existing findings on the factors responsible for the entrepreneurial intentions among youth. Finally, a survey was developed with findings discussed in the methodology section that provides the basis for data analysis. The interpretation and the results obtained from the data analysis provided the evidence to formulate the conclusion, and through such evidence, the suggestions to the designated authorities have been made.

Literature Review

An entrepreneur is a French-language word that means 'the one who undertakes' or 'in-between taker'. A person's professional preference to work for himself results in the efforts to produce possible businesses, and entrepreneurship is evolving the construction of the modern entity (Estrin, Mickiewicz, & Stephan, 2013). The entrepreneur has the potential to carry the risk of buying at certain and selling at uncertain prices (Stevenson & Jarillo, 2007). By achieving something new and varied as an objective of establishing wealth for the individual, entrepreneurship amplifies its importance to society. Under uncertainty, entrepreneurs govern and deploy resources to develop a creative network of organizations for growth (Maitlo, Memon, & Shaikh, 2020). Encompassing the interactions of behavior, personal norms, and anticipated control behavior on personal intentions, entrepreneurship activity is established on the hypothesis of intended behavior (Lu & Wang, 2018).

The literature emphasizes that entrepreneurship can contribute to accomplishing sustainable development goals, and its implementation can transform the initiatives. For example, the millennium development goals were replaced by sustainable development goals in 2015; these goals are centered on eradicating poverty and hunger, developing peaceful societies, empowering women and girls, and protecting the planet [6]. Similarly, these SDGs promoted a wide range of actions in the public and private sectors through which economic growth can be fostered in new and innovative ways. Indeed, multiple sustainable development goals can be covered by entrepreneurial activities, and this fact highlights the

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[6] United Nations. (2015). Transforming our world: The 2030 agenda for sustainable development (No.A/RES/70/1). New York, NY: United Nations.

role of institutional factors that influence entrepreneurial talent and socioeconomic growth (Urbano, Aparicio, & Audretsch, 2019). Therefore, entrepreneurship can be a transformational factor, offering the provision for accomplishing the SDGs even as powering economic growth is directed by sustainable development principles. Also, within the sustainable development domain, Entrepreneurship is advocated as the vehicle for empowerment, and it is considered an enabling element of economic development, alleviation of poverty, and enhancement of social values (Kaijage, 2013).

Furthermore, the literature examination showed that business could turn into the driving and characterizing power of youth's monetary turn of events (Kasim, Zulkharnain, Hashim, Ibrahim, & Yusof, 2014; Ong, Shang, Chandra, Hamidi, & Wahab, 2021). Newly industrialized Southeast Asia, including South Korea, Malaysia, and Taiwan, have inspired and built up their childhood populace with an innovative methodology that has added to a quick accomplishment of practical financial growth. Geldhof et al. (2014) saw that financial advancement generally depends on shrewd business visionaries' dynamic and energetic cooperation in the monetary cycle. A few researchers have shown that a business venture is not just advantageous yet vital for a sound economy (Aggarwal, 2018; Sergi, Popkova, Bogoviz, & Ragulina, 2019). Edward Lazear likewise stresses that "business venture is the absolute most significant part in a cutting edge economy" (2005, p1). Because of the contentions outlined in these references, it is sensible to expect that the pioneering empowering arrangements make work through which youth (known to be flighty) acquire mental, monetary, and social solidness towards a safe future. Monetary development typically went with an adjustment of disposition, advancement, innovativeness, and hazard taking, all of which assist adolescents with going about as reasonable vote based residents and an essential source in developing the economy as beneficial human resources and adding to financial manageability (Carree & Thurik, 2010).
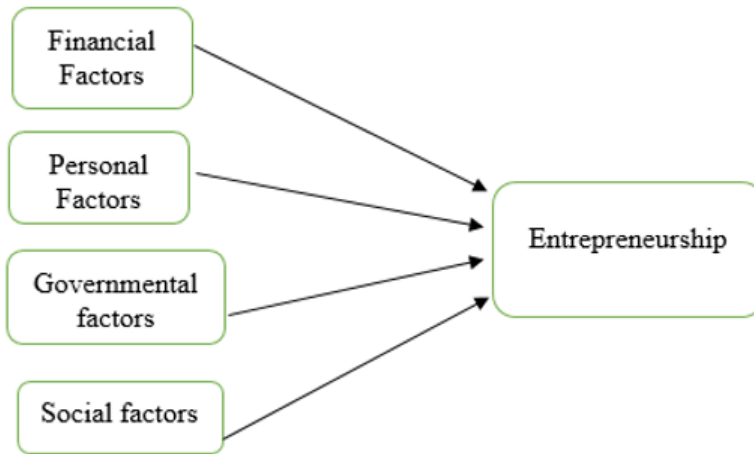
Exploration uncovers that business is currently the absolute most significant factor for the financial turn of events (Acs et al., 2006). An exploration study completed by the Kauffman Foundation on MIT graduated class uncovers that these alumni made many organizations that utilize over 1,000,000 experts and have yearly world deals of about $2 trillion, delivering what could be compared to the eleventh biggest economy on the planet (Fairlie, 2010). The enterprising viewpoint of these alumni shifted the customary direction of advancement among youth and accomplished a soundtrack of financial development. Malaysia today represents 86.5 percent of the complete cutting-edge fares of the Islamic world and is positioned 10th on the planet in this classification, in front of numerous European countries. This development happened due to a pioneering approach and the environment for business that was created there (Koltai, 2016). These raw numbers show the force of an enterprising point of view to support and help to accomplish feasible financial development quickly. For Karachi, the business might be the way to progress.

This exploration is worried about the mentality of youth toward business ventures. Following the discoveries, the exploration is centered around the impression of youth about the elements that will advance the business venture alongside the issues that obstruct them in seeking new companies. This study is significant because the writing upholds an end that young are less disposed towards business ventures due to exceptionally unsure conditions about the course of day-by-day business, helpless lawfulness, and financial emergencies

(The World Factbook, 2015). These add to vulnerability about the eventual fate of their professions and the city's fate. While Government approaches do not take into account tending to these worries, government arrangements should screen and figure the strategies that would work with business visionary training, business backing, and admittance to assets for youth to help accomplish feasible financial development of Karachi. This analysis is generally the contention advanced by the new writing on the significance of making enterprising biological systems to help add to the stable support of youth in the public arena and, along these lines, political steadiness in slacking economies (Stough, 2016).

The study's conceptual framework is backed by the empirical findings and focuses on the factors that contributed to the success of entrepreneurship according to the perception of youth. The factors that have been included in the model are shown in the model below:

Figure 3
Research Framework

Operational definitions

Financial factors

It includes the elements such as financial literacy, financial resources, and access to financial capital.

Personal factors

It includes the attitude towards entrepreneurship, risk perception, fear of failure, and self-efficacy.

Governmental factors

It includes the elements such as government support, business regulations, license requirements, local and international trade regulations, and the policies for entrepreneurial star-

tups.

Social factors

It includes the elements such as social capital, social relationships, social local support environment, support from family, and social circle.

Hypotheses Development

Based on the empirical literature, the following research hypotheses have been developed to investigate the perspective of youth towards the factors that will hinder or encourage Entrepreneurship and its importance for the sustainable socio-economic growth of Karachi.

H1: There is a significant relationship between financial factors and Entrepreneurship that led to sustainable socio-economic growth.

H2: There is a significant relationship between personal factors and Entrepreneurship that led to sustainable socio-economic growth.

H3: There is a significant relationship between governmental factors and Entrepreneurship that led to sustainable socio-economic growth.

H4: There is a significant relationship between social factors and Entrepreneurship that led to sustainable socio-economic growth.

Methodology

In the present study, the research design is correlational, through which the relationship between perceived factors by the youth and entrepreneurship is explored. The degree of relatedness among the variables is determined through correlational analysis. The Pragmatic research design is selected as the research intends to provide a workable solution for the stated research hypotheses. Likewise, in the current research study, a sample of the youth population in Karachi composed of 15 to 29-year-old is targeted. Karachi is the capital of the Pakistani province of Sindh. It is the most populous city in Pakistan and the sixth-most populous city globally [7].

After collecting data, the data is analyzed through the Statistical Package of Social Sciences (SPSS). First, the data screening is done, and the process of outliers removal is done. Also, the demographic characteristics of respondents are analyzed through descriptive analysis. After the data cleaning, the data is analyzed through Partial Least Square Modelling PLS-SEM.

Structural equation modeling is the multivariate data analysis technique that is considered a second-generation technique and is introduced to overcome the limitations of the first-generation method. The technique of SEM is believed to possess more power

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[7] "Ten major cities' population up by 74pc". Retrieved 21 October 2017

for testing the multiple relationships among the variables. Moreover, the SEM technique can determine both the causal and the linear relationships of the research model. The PLS-SEM comprises two major components: the measurement model and the structural model. The primary function of the measurement model is an assessment of the validity and reliability of the items included to measure the variables. The confirmatory factor analysis is performed due to the adoption of already established scales. The construct reliability and validity are tested through scores of Cronbach alpha, composite reliability, and average variance. The construct is tested for both convergent and discriminant validity and reliability.

Likewise, the structural model is applied for testing the assumed relationships of the research framework through bootstrapping. The structural paths and the relationship between the variables are determined through the structural model, along with the nature of the relationship between the variables. It provides the significance or insignificance of the hypothesized relationship. In addition, the relevance of the research model is evaluated through the Q square value. At the same time, the predictive accuracy is determined through the R square value, which is obtained through blindfolding.

Data Analysis

The sample for the current study consisted of 200 young individuals. The demographic details of those respondents are shown in table 1. The table reflects that there were 113 males among the sample while there were 87 females. Also, the response of youth towards entrepreneurship is shown. The data from the survey shows that the number of youth who have a graduate degree is 20%, and the unemployed individuals were 9.4%. The number of individuals out of the labor force was 4.9%. The self-employed were 3.5%, while 10.6% of the youth were not working.

Measurement Model Assessment

The evaluation of the measurement model is performed for the examination of reliability, validity of the scale.

Construct Reliability and Convergent Validity

To determine the construct's reliability and validity, the study utilized the coefficient of reliability for measuring internal consistency. Also, the convergent validity is evaluated to check how well the variables are measured by their selected items. For checking the convergent validity, the scores of AVE are used. The results are stated in table 2, which reflects the individual factor loadings, which need to be greater than 0.55, as suggested in the studies of Tabachnick, Fidell, and Ullman (2007) and 0.7. Hence, it can be seen that the scores of composite reliabilities are as per the proposed criteria. Also, the values of Cronbach α are higher than the proposed value of 0.7, which indicates that the scale is reliable. In addition, the Fornell & larcker (1981) criteria were utilized to analyze

convergent validity. Therefore, the AVE scores should be higher than 0.5 for the fulfillment of the convergent validity requirement.

Table 1
Demographic Analysis

Demographic Items	Frequency	Percentile
Gender		
Male	113	56.6
Female	87	43.4
Marital Status		
Single	110	55
Married	45	22.5
Widowed	4	2
Engaged	41	20.5
Age		
15-20	65	32.5
21-25	78	39
26-29	57	28.5
Education		
No Formal Education	40	20
Matriculation/O Levels	20	10
Intermediate/A Levels	22	11
Bachelors (14 Years)	48	24
Bachelors (16 Years)	26	13
Masters (16 Years)	28	14
Masters (18 Years)	15	7.5
Doctorate Program	1	0.5
District		
Central	66	33
East	28	14
West	26	13
South	62	31
Malir	8	4
Korangi	4	2
Kemari	6	3
Employment Status		
Student	84	42
Employed by a company	41	20.1
Not working and looking for work	18	9.4
Housewife (females only)	24	12
Unpaid Internship	26	13
Self-employed	7	3.5
Prior Business Education/ Training		
Yes	59	29.5
No	63	31.5
Maybe	78	39
Prior Business Experience		
No	133	66.5
Yes, One	19	9.5
Yes, more than one business	4	2
No, I do not want to	8	4
No, but I am planning to soon	36	18
Tried to secure funding		
Yes	87	43.5
No	69	34.5
Maybe	44	22

Discriminant Validity

For analyzing the discriminant validity, the evaluation of cross-loadings and AVE scores is done. It indicates how much the incorporated measures are unrelated to each other.

Fornell & Larcker Criterion

For the existence of acceptable discriminant validity, the square root of AVE must be higher than the correlations of the constructs. The correlation matrix is represented in table 3, which shows that the AVE square roots are higher for each of the constructs for each.

Table 2
Measurement model results

Construct	Items	Loadings	Cronbach's Alpha	Composite Reliability	Average Variance Extracted
FF	FF1	0.875			
	FF2	0.900	0.852	0.865	0.760
	FF3	0.838			
PF	PF1	0.875			
	PF2	0.861			
	PF3	0.856	0.822	0.858	0.720
	PF4	0.815			
	PF5	0.833			
GF	GF1	0.809			
	GF2	0.832			
	GF3	0.852	0.782	0.794	0.680
	GF4	0.806			
	GF5	0.823			
SF	SF1	0.885			
	SF2	0.671			
	SF3	0.873	0.898	0.925	0.714
	SF4	0.888			
	SF5	0.887			
ENT	ENT1	0.822			
	ENT2	0.860			
	ENT3	0.886	0.810	0.883	0.736
	ENT4	0.872			
	ENT5	0.847			

Table 3
Fornell-Larcker Criterion

Constructs	FF	PF	GF	SF	ENT
FF	**0.872**				
PF	0.695	**0.848**			
GF	0.666	0.663	**0.825**		
SF	0.473	0.461	0.621	**0.845**	
ENT	0.533	0.541	0.693	0.722	**0.858**

Analysis of Cross-loadings

This analysis is performed to check how the items in all the variables are cross-loaded against each other. The criteria according to which the loading of each item should be

higher on their respective constructs compared to its cross-loadings. Also, the differences in cross-loadings need to be larger than 0.1; hence all the given criteria are fulfilled, as shown in table 4.

Model Fitness

Determination of Predictive relevance through Blindfolding

While analyzing the fitness of the research model, it is essential to determine how much relevance lies in the prediction by the research model. Therefore, the function of blindfolding is applied to check the predictive relevance of the model. The relevance is evaluated through Stone-Geisser's Q^2 value . Such value is utilized as the criteria of evaluation. According to the suggested threshold, the value needs to be larger than 0, indicating that the incorporated research model is relevant and can predict the results. The model's fitness is assured. The results in table 5 show that the obtained value is greater than 0, reflecting that the research model is fit for prediction.

Table 4
Cross Loadings

Items	FF	PF	GF	SF	ENT
FF1	0.875	0.603	0.593	0.393	0.454
FF2	0.900	0.639	0.605	0.400	0.478
FF3	0.838	0.573	0.541	0.448	0.464
PF1	0.617	0.875	0.607	0.446	0.502
PF2	0.617	0.861	0.568	0.384	0.441
PF3	0.558	0.856	0.542	0.343	0.457
PF4	0.521	0.815	0.504	0.390	0.414
PF5	0.623	0.833	0.582	0.387	0.476
GF1	0.511	0.559	0.809	0.502	0.630
GF2	0.599	0.628	0.832	0.504	0.564
GF3	0.527	0.481	0.852	0.521	0.561
GF4	0.557	0.500	0.806	0.529	0.529
GF5	0.548	0.551	0.823	0.505	0.567
SF1	0.489	0.458	0.558	0.885	0.647
SF2	0.330	0.191	0.366	0.671	0.494
SF3	0.399	0.401	0.536	0.873	0.602
SF4	0.418	0.458	0.580	0.888	0.659
SF5	0.350	0.374	0.545	0.887	0.636
ENT1	0.461	0.450	0.505	0.535	0.822
ENT2	0.440	0.419	0.588	0.689	0.860
ENT3	0.440	0.481	0.573	0.634	0.886
ENT4	0.498	0.506	0.676	0.613	0.872
ENT5	0.445	0.458	0.613	0.623	0.847

Table 5
Construct cross-validated redundancy

Construct	SSO	SSE	Q^2 (=1-SSE/SSO)
ENT	1,625.000	1,030.065	0.366

Determination of Predictive power through R square

It is necessary to determine how accurately the research model can predict the changes in the dependent variable. For this purpose, the R square analysis is conducted. The value of R square indicates the level that how much contribution is done by the independent variables in explaining the dependent variable. This value is also known as the coefficient of determination. For example, in the present study, the R square of entrepreneurship is 0.553, which indicates that the selected independent variables explain 55.3% of the research model, and it is a moderate value, the threshold values of R square such as substantial = 0.67, weak = 0.19 and moderate = 0.33.

Assessment of the Structural Model

The structural model has assessed the predictive power of the research model. Furthermore, it provides evidence of acceptance/rejection of the developed hypotheses through the assessment based on path analysis. The obtained results of the structural model analysis are presented in table 6. To test the hypothesized relationships, the direct effects are presented.

Table 6
Path Analysis

Hypothesis	Path Coefficients	T Statistics	SRW	P Values	Remarks
H1	FF→ ENT	5.105	0.363	0.000	Supported
H2	PF→ENT	2.116	0.120	0.035	Supported
H3	GF → ENT	4.242	0.300	0.000	Supported
H4	SF→ ENT	2.443	0.171	0.015	Supported

Discussion

The table as mentioned above 8 shows the statistical significance of the regression path Financial factors → Entrepreneurship which provides the evidence for the acceptance of Hypothesis 1 at significance level (β=0.363, p<0.05). It examines the impact of financial factors on the growth of entrepreneurship. This is statistically proven that financial factors play a significant role in shaping youth entrepreneurial intentions and transforming intention into the actual startup. The results are consistent with the existing findings in the literature of Hulsink and Koek (2014); Oseifuah (2010), which assure that financial factors are the essential prerequisites for any new entrepreneurial venture. The results showed that one major component is financial literacy among the financial factors. When individuals lack financial knowledge and money management, they are more prone to startup failures. So, the knowledge of financial management is necessary for the growth of entrepreneurship among youth. In a country like Pakistan, there is a lack of academic support that provides financial knowledge to young students; they are less confident and avoid investing in new ventures. Another primary component in the financial factors is access to financial capital; entrepreneurship grows in those countries where the young individuals have multiple opportunities for getting the financial capital and where it is easy for them to attain

the investment from potential investors. Also, the microfinance facilities boost the new ventures. Thus, slow entrepreneurial growth in Pakistan is the difficult access to financial capital and a lack of financial support facilities.

Similarly, the regression path Personal factors → Entrepreneurship shows the statistical significance and provides the evidence for the acceptance of Hypothesis 2 at significance level ((β=0.035, p<0.05). The results of this hypothesis declared that personal factors, including the attitude of the young individuals and their perception of risk associated with entrepreneurship, also play a significant role in determining their entrepreneurial intentions. When the individuals have a more positive attitude towards the new self-ventures than the employment opportunity, there are more chances of involvement in entrepreneurial activities. Also, the level of competence possessed by the young entrepreneurs affects the growth of entrepreneurship, as stated by Wang, Wang, and Chang (2018). Moreover, the fear of failure they possess in their mind is the restraining factor that slows down the entrepreneurial growth in the developing country like Pakistan, where the people are highly risk-averse owing to unstable economic conditions and the instability in economic policies, where the fear of losing the investment among individuals is high.

The regression path of Governmental factors→Entrepreneurship is also statistically significant and infers that Hypothesis 3 is accepted at the significance level ((β=0.300, p<0.05). The acceptance of the hypothesis suggests that governmental factors are crucial in fostering entrepreneurial intentions among youth. The support from the government in the form of entrepreneurial enabling policies is essential in a country such as Pakistan, where the economic conditions are so volatile, and the individuals lack the funds and entrepreneurial opportunities. Also, the business regulations imposed by the government for the entrepreneurial setups are the contributing factor in shaping entrepreneurial intentions among youth. In a country like Pakistan, the policies are strict, and the procedures are complicated, which creates hurdles for young individuals in starting their new businesses.

In the same way, the statistically significant regression path is Social Factors→Entrepreneurship, which shows that Hypothesis 4 is accepted at the significance level ((β=0.171, p<0.05). The statistical significance of the hypothesis showed that social factors are important in building entrepreneurial intentions among youth. In Pakistan, the culture is collectivist and the people prefer to involve in those activities supported and favored by the family members and the social relationships. However, in Pakistan, family support is missing as people perceive that new ventures will face difficulties and cannot secure desired profits.

Conclusion

The current research study is based on investigating factors that affect the entrepreneurial intentions of youth. Entrepreneurship is an essential factor that can enhance the sustainable socio-economic development of any country. The developing country, i.e., Pakistan, is emphasized for the investigation. The survey is conducted on the youth population to analyze the factors that created the challenges for the young entrepreneurs, along with the factors that assisted them in starting their self-ventures. The data was collected and

analyzed based on the quantitative research approach. The analysis is conducted through PLS-SEM techniques that determine the instrument's reliability, the convergent and discriminant validity, and finally, the regression results through path analysis. The results revealed that all the hypotheses are accepted and declared that financial factors, personal factors, governmental factors, and social factors are the significant contributors to youth entrepreneurial intentions.

Policy Recommendation

The current research possessed recommendations for the governmental authorities responsible for the growth of entrepreneurship in Pakistan. Also, the research can be helpful in the identification of factors that can foster entrepreneurship in Pakistani society. Although the statistical results show that the policies and government support can play a significant role in fostering entrepreneurship, at the government level, many changes can be done at the government level that will minimize the challenges that the youth has faced in the country. Firstly, the financial factors need to be improved. Therefore, it is suggested that there should be financial platforms that offer access to capital and financial resources for the new entrepreneurial startups because the lack of financial resources is the biggest issue that deters the growth of entrepreneurship.

Furthermore, there is a need to enhance financial literacy among youth. The academic curriculum of business studies should integrate the courses on financial management so students can manage their startups without relying on external financial managers. Moreover, the business incubators for entrepreneurs will aid the entrepreneurial practices. Family support also plays a significant role in building entrepreneurial intentions. Thus, young individuals should be supported positively and encouragingly.

Recommendations for Future Studies

The current study focuses only on the specific factors that are the significant contributors to entrepreneurial intentions among youth. It is suggested that future studies should incorporate other underlying factors such as social entrepreneurship, family background, Green economy, awareness about the SDGs, and personal capability to determine entrepreneurial intentions. Also, the research can be conducted through the different statistical approaches that have been applied in the current research. In the same manner, future studies can alter the research sample; it can be conducted on specific populations such as business students and IT students.

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