Entrepreneurial Ecosystem in Pakistan

An Outline of Existing Entrepreneurial Landscape & Strategy for Collective Endeavours for its Development
This paper was written as the first of a proposed series of reports that would be compiled through the data collected during primary research as the suggested first phase of understanding and helping develop the entrepreneurial ecosystem of Pakistan. It is also suggested that all relevant stakeholders are approached through an organized structure that works as an on-ground body to continually create and reform the efforts to work as a united platform to streamline entrepreneurial activities at various levels.
Abstract

While ‘entrepreneurship’ has existed as a practice since ancient times, the term only gained popularity in the recent years. More people are now inclined towards exploring entrepreneurship as a career option and there has been a rapid increase in new businesses in both developed as well as some developing countries. Pakistan has a large percentage of youth population that the industries with job opportunities are unable to absorb. This has led to awareness at several fronts regarding the need to explore avenues other than conventional job-seeking. At the same time it is imperative to understand the existing entrepreneurial status and to develop the entrepreneurial ecosystem of the country with structured processes engaging all stakeholders that can play a major role in moving forth with a significant ecosystem in a manner that would be beneficial for all communities.

This paper presents a well-defined picture of the current scenario in the context of entrepreneurship, the contributions of various segments of the business community, as well as the impact that a well thought-out and implementable strategy to develop it further can have. It also focuses on stakeholders such as the academia that can play an important role through cross-disciplinary courses and various initiatives like incubators/accelerators to name a few. It also points out that there has been a lack of interest and involvement from the public sector and how it has resulted in less successful attempts to develop the entrepreneurial system in the country with isolated endeavours from the start-up communities, a small segment of the private sector, and entrepreneurship supporting organizations.
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Section 1: Focus of the Report & Current Entrepreneurial Landscape/Existing Practices

Introduction

The most common way to determine economic growth of a nation in a year is to calculate the Gross Domestic Product or GDP. GDP is the value of everything – all the goods and services which are produced in a respective economy within a given year. What, in essence does the GDP represent? It signifies two things: whether the country is getting richer or poorer, and if the country’s economy is getting better or worse. Hence, more goods and services produced by a nation will eventually increase or raise the standard of living in that country. This is simply because when a plethora of goods and services are available in the market, it means two things: there are more people who are employed in producing these goods and services and are able to sustain a livelihood, and secondly there are a number of opportunities available for people i.e. consumers to choose from. This scenario automatically has a positive impact on the standard of living and lives of people in that country.

Two Important Questions

a) Where does Pakistan stand in this scenario?
   b) Is there a lack of potential for growth?

Where does Pakistan stand?

We have a growing semi-industrialised economy that relies heavily on agriculture, manufacturing and remittances. According to the observations of The Institute of Policy Reforms (IPR) and the Social Policy and Development Centre (SPDC) on the contents of the Economic Survey (PES) of 2013-14; the GDP growth rate was 3.5%, which is the lowest in four years.\(^1\) The business climate in the country does not seem inviting, as private investment fell by 1.6% in March 2013-14 and investment in the manufacturing sector fell by 27%.\(^2\) In addition, the large scale manufacturing sector is showing negative growth.


Is there a lack of potential for growth?

Something seems to be significantly amiss, and there has been a history of isolated and largely unsuccessful attempts to develop a collective quantifiable approach. According to a British economist, Jim O’Neill, in his book ‘The Growth Map’, Pakistan has the potential to become the world’s 18th largest economy by the 2025. More than half of the country’s population is under 20 years and more than 60% is under 30 years, the youth population is now taking its education more seriously than ever, and youth literacy is around 70% where students are graduating from college and universities at a higher rate as compared to their Indian counterparts in the 15+ age group.

Pakistan’s economy is growing at a rate of 2.9% since 2007-08. However, it needs to grow by 7% in order to absorb two million new entrants in the job market. The problem of unemployment is further exacerbated as our debt burden increases, causing macroeconomic instability, low economic growth and eventually poverty. This has dire consequences on the investment climate in the country, as rising unemployment decreases prestige and leads to dwindling interest of global and local investors.

The dichotomy is evident – Pakistan has potential, but it unable to meet that potential. The objective of this paper is to present a solution to this problem with the hope that the gap between potential and its maximum and effective utilization can be attained.

Increasing GDP

A strictly logical solution on how to increase GDP would be based on:

a) Creating more opportunities for people to work so that production can increase, and

b) Helping people work more efficiently so they are able to produce goods and services which aptly match and meet the demand present in the market.

Hence, an increase in GDP based on this solution would be dependent on four factors:

Let us look at each facet to understand how these factors contribute to the growth of the GDP. The objective here is to understand what kind of environment is most conducive for economic growth.


1) Availability of, and investment in human capital

This is termed as any skill, talent, education or ability that the human workforce possesses, and the value that these things bring to the market place. Hence, we may conclude that the literacy level of a nation has a huge impact on the quality and capacity of human capital. Nations which invest in the development of their human capital will have workforce available which can produce more goods and services. The more training people receive, the more in position they are to think creatively and innovate existing ways of doing things.

According to a report on Pakistan Employment Trends, 2011:

“The limited number of decent or quality jobs combined with a rapid growing labour force in Pakistan might become problematic especially for people who lack, skills, social networks and know-how, to market themselves as potential valuable wage and salaried workers. They could be left behind, joining the growing number of people who are forced to accept work under inferior conditions, or move into the informal economy. Knowledge and skills can be seen as driving forces of economic growth and social development, since higher levels of educational attainment push productivity, increase levels of entrepreneurship and therefore improve the economic context of decent work.”

2) Availability of and investment in capital goods

These are all the goods which are required to produce goods and services in an economy. The more capital goods a country has, the more potential it has to further create goods and services, which henceforth helps to improve the GDP. Money here should not be treated as a capital good; it is simply a medium of exchange or a by-product of economic activity.

3) Availability of natural resources

Pakistan is abundant in natural resources, and has a strong advantage over other countries that need to import natural resources to produce required goods. The effective utilisation and exploitation of natural resources helps to create a pool of raw-material which is locally available. This hence helps to bring down the cost of production for many good and associated services that are created.

4) Entrepreneurship

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6 Pakistan Employment Trends 2011 – Ahmad, Sohail & Cheema, M. Arif
Entrepreneurship is taking a risk to produce a good and service at certain prices and then selling them at uncertain prices in the market. It is based on the appetite for two things – risk taking and innovation. Both of these things can be practiced effectively if the person is well-informed, or enlightened, or educated and trained to handle the demands of running a business. Hence, the quality of human capital greatly determines whether people will end up choosing entrepreneurship as a career or not. According to the Global Entrepreneurship Monitor, becoming an entrepreneur is usually a need-based and not an opportunity-based decision in Pakistan stemming from a slow growth rate in industries and rising unemployment.

Even though the reason for stepping into entrepreneurship may be the need to make a living, growing unemployment rates is actually creating a strategic window. More and more people are opting towards setting up their own enterprises; this in turn helps to create more jobs in the market. Therefore, rising unemployment turns out to be a blessing in disguise for the growth of entrepreneurship in Pakistan.

The more entrepreneurs a country has, the more people it has in the industry who will produce goods and services, and this increase will cause GDP to grow in a year. However, what we need is sustainable growth so the country’s economy and market can create jobs and opportunities for growth for an increasing population. If we look at it, everything that has been mentioned i.e. human capital, capital goods and natural resources – they all feed into the purpose and growth of entrepreneurship. Surprisingly both sides of the coin tell the same story. On the one hand you need more enterprises to start to develop entrepreneurship, and on the other hand, the country needs to develop its entrepreneurial ecosystem to help develop human capital, increase investment in capital goods and encourage effective utilisation of natural resources.
Section 2: Pakistan’s Entrepreneurial Ecosystem & the Six Domains

Understanding Entrepreneurial Ecosystem

Before we delve into what Pakistan’s entrepreneurship ecosystem is composed of, it is important to understand what an entrepreneurial ecosystem really is. To put it simply, this ecosystem is like a macrocosm with several microcosms operating with it. The survival and expansion of this macrocosm is totally dependent on how its parts function individually and collectively.

Daniel Isenberg, Professor of Entrepreneurship Practice, Babson College, defines an entrepreneurship ecosystem as a system comprising of individual, organisational and institutional elements, which are separate from the individual entrepreneur. These elements create an environment which is conducive to or inhibits the choice of a person to become an entrepreneur and his/her success following the launch of an enterprise.

Isenberg believes that these ecosystems are composed of six domains with each domain having its own elements⁷:

1. Culture
   a. Success stories
   b. Societal norms
2. Policies and Leadership
   a. Leadership development
   b. Government
3. Finance
   a. Financial Capital
4. Human Capital
   a. Educational institutions
   b. Labour (skilled and unskilled)
5. Markets
   a. Customers
   b. Entrepreneurs networks
6. Support systems
   a. Infrastructure
   b. Supporting professions
   c. Non-government institutions

Based on Isenberg’s definition, a simple structure of Pakistan’s ecosystem would look like the figure below:

What is it like to start a business in Pakistan?

Pakistan’s ranking on the list of ‘Ease of Doing Business’ has slipped from 127 to 128 on a list of 189 economies. A deeper look in the ranking reveals the following:

- It can take up to a day to reserve a company name online via the Securities and Exchange Commission of Pakistan (SECP) E services website, and cost Rs 200.
- One must then pay the name reservation and incorporation fees at Muslim Commercial Bank and this usually take a day as well.
- One must then obtain a digital signature from National Institutional Facilitation Technologies (NIFT) system of SECP. Associated costs are PKR 837 (certificate charges) + PKR 163 (sales tax at 19.5%) + PKR 500 (validation charges).
- The entrepreneur is required to Complete online registration on the Securities & Exchange Commission of Pakistan (SECP) e-portal, this takes 2 days and associated costs include PKR 8,500 registration fee + PKR 2,400 filing fees of Form 1, Form 21, Form 29, and Copy of the memorandum and articles of association
- Apply for a national tax number (NTN) and register for income tax, this is free of charge and takes about 2 days.
- The next step is to apply for a Sales Tax Number (STN) at the tax facilitation centre of the Regional Tax Office (RTO) of the Federal Board of Revenue (FBR) in Karachi, this procedure take a day as well and bears no cost.
- One must register for Professional Tax with the Excise & Taxation Department of the District. This takes about a week and is also free of charge.
- The business must register with the Employees Social Security Institution (ESSI) of their respective city, this process take eleven days and there are no associated costs involved.
- Registering with the Employee Old Age Benefit (EOBI) is important and takes about eleven to twelve days, there are no associated costs.
The business must finally register under the West Pakistan Shops and Establishment Ordinance 1969 with the Labour Department of the District, and can take about a week to register at no cost.  

One may ascertain that it takes almost a month and a half, (provided finances are available) to start a business in Pakistan.

The Six Domains of Ecosystem

1. Culture

Culture here represents how much entrepreneurial motivation is present within a society. The media, government, educational institutions, social organisations and professional organisations all play an important role in shaping perspectives about entrepreneurship. Business plan competitions are taking place at university level; however, business graduates look forward to working for a multinational instead of starting their own business. There is little encouragement or motivation for entrepreneurship at school level because this discipline still is not considered to be as important as other subjects taught in school. It is a popular topic of discussion at conferences and seminars, but things fail to pick up momentum, because all brainstorming seems to be limited to these social bubbles. It is rare to find collective effort being taken in this regard by all elements which influence our culture.

With respect to entrepreneurship specifically, most entrepreneurial activity in the country is necessity-driven and the rate of enterprises established as a result of opportunity motivated entrepreneurship is much lower. The attitude towards entrepreneurship is Pakistan is generally not that favourable, however, aspirations for entrepreneurship are high, and people residing in metropolitan cities perceive that they have the skill set and knowledge required to start off a venture. 46% of adults in Pakistan perceive entrepreneurship to be a good career choice, and 31% of this piece of the pie is apprehensive to start because they have a severe fear of failure. In general there is low tolerance for risk and failure in Pakistan’s culture. As a society, we are bombarded with paradigms and teachings which overstate the importance of success, it rare to find parents, teachers or mentors emphasizing that there is much to earn from failure as well.

Additionally, critical thinking is not encouraged in schools. We are a traditional society, and people would rather stick to the rules than stand out as a sore thumb. This is of course not the best kind of environment or setting for creativity, and without creativity coming up with innovative solutions is next to impossible. However, the traditional mindset is now being challenged by the youth population, who are interested in changing the system for the better.

Entrepreneurship will only get the strategic visibility it deserves, when we start discussing Pakistan’s entrepreneurs in our classroom at school, college and university level. Without due mention to these success stories, it will get increasingly difficult to fashion thinking at a

8 http://www.doingbusiness.org/data/exploreeconomies/pakistan#starting-a-business
9 http://m.gemconsortium.org/entrepreneurship/pakistan/
young age, which views entrepreneurship as a feasible career choice. We cannot stimulate entrepreneurial zeal in students by teaching them about entrepreneurship using examples from the west. The examples need to be more relevant and in context to Pakistan’s environment.

Entrepreneurship is considered as a wealth creation technique by the majority; ‘follow your passion’ is slightly unheard of at the level of the grass-root community. Their social and financial exclusion instigates them to start a business as simply a means of earning a livelihood. The situation is different when one moves up the social-class ladder. Members of the middle, upper-middle class after having identified their field of interest and passion, with their degrees and diplomas, feel better equipped to start a business in response to a market need.

2. Policy

Whether or not entrepreneurship will thrive in a particular society is dependent on the extent to which innovation and risk taking is encouraged in that society. Entrepreneurial aspirations may be high in Pakistan, but the reason people are apprehensive about starting something of their own is because the regulatory framework in the country offers very little support to start-ups. The government’s role is considered intrusive, rather than supportive. Excessive government intervention has directed investment towards rent-seeking rather than innovation.

There are no incentives offered by the government in the shape of subsidies or tax-holidays given to entrepreneurs who have just started their business. Policies in the country have always been tipped in the favour of the higher class. These policies help in the growth of large-scale firms in the industrial sector. In addition, regulations and policies are pro-investor, but it is simply ironic to see that the government has done very little thinking to develop opportunities, open for investment. The ethos behind government regulation should be to create ease for aspiring entrepreneurs who wish to start a venture. Regulations should be established which decrease the cost of starting a business venture; in addition tax regulations should be softened for start-ups. One may conclude that the government has been terribly myopic when developing a regulatory framework for the growth of entrepreneurship in the country.  

When one talks of industrialisation in the context of Pakistan, it is often assumed that the industrial sector only constitutes of large plants and factories employing a large number of workers. The informal and small scale sector is usually forgotten when it is primarily this sector which dominates are lives. Both of these sectors have been continuously ignored in our economic policies.  

3. Finance

A fall in GDP has several consequences. Investment climate deteriorates; business opportunities are lacking and foreign direct investment falls. As a result, industries and

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businesses are unable to expand, hence hiring is frozen and the net effect is that poverty in the country increases.

Pakistan is going through a similar experience right now. As a result of the shrinking job market, more members of the youth are pushed to start their own ventures. It can becoming increasingly difficult to start an enterprise, is there is a lack of access to finance. Funding is extremely important in the initial stages of a business. The money is required to rent a premises, hire staff, purchase capital goods or fund any other expenditure necessary for starting a business.

The World Economic Forum carried out a global survey in 2013 of active entrepreneurs from 43 countries. Pakistani entrepreneurs rated funding and access to finance at the bottom of the list with only 22% identifying it as being available.\(^\text{12}\)

--- Micro-finance:

The philosophy of micro-financing is different from commercial lending. Micro credit programs don’t rely on checking credit history, income sources or bank balance. This is primarily character based lending. Micro financing plays a pivotal role in the development of micro-enterprises.

Pakistan ranked first in Asia and third in the world for a healthy microfinance business environment according to a survey held by the Economist Intelligence Unit. According to EIU’s survey, Pakistan ranked number 1 in regulatory frameworks and practices. It ranked at number 5 in supporting institutional framework.

Currently eight large Microfinance Banks are operating in Pakistan namely Khushali Bank, The first Micro Finance Bank, Tameer Microfinance Bank, Network Microfinance Bank, Pak-Oman Microfinance Bank, Kashf Bank, NRSP Bank, and Rozgar Microfinance Bank. The top three microfinance banks have registered an annual increase of 35% in growth. The government of Pakistan has set a target of reaching at least 10 million microfinance borrowers till the year 2015. In order to further this aim, the State Bank of Pakistan is revising its regulations, easing frameworks and trying to assist microfinance institutions.\(^\text{13}\)

The microfinance industry infrastructure is expanding, and the sector is becoming strategically visible due to the commencement of branchless banking initiatives. Leveraging telcos, postal networks and mobile phone technology providers, the financially excluded have been given access to baking services.\(^\text{14}\)

There are a total of 175 districts in Pakistan; there is MFB presence in 94 of these districts. That is almost a 54% penetration rate. Although the country’s microfinance industry is showing fast growth, it currently has only 2.2 million customers. According to the Pakistan Economic and Social Review, the total potential of the microfinance market is 25 to 30

\(^\text{14}\) http://www.microfinanceconnect.info/assets/articles/5cfb122011df790b3f0a13791b75373d.pdf
million borrowers, so one can imagine that with just 2.2 million borrowers at the moment, MFIs haven’t even scratched the surface.\textsuperscript{15}

The basic purpose of microfinance banks is to provide ease of access to loan facilities to the poor. However, the socio-economic conditions including high inflation, power shortages and prevalent law and order situation has hampered the repayment ability of micro-entrepreneurs and potential borrowers, forcing majority of the microfinance banks to consolidate their operations and focus on recoveries.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>Q1</td>
</tr>
<tr>
<td>Number of Branches/Units</td>
<td>2,889</td>
</tr>
<tr>
<td>Number of Districts Covered</td>
<td>94</td>
</tr>
<tr>
<td>Penetration Rate (%)</td>
<td>11.47</td>
</tr>
<tr>
<td>Active Borrowers</td>
<td>3,144,199</td>
</tr>
<tr>
<td>Gross Loan Portfolio (PKR Millions)</td>
<td>61,103</td>
</tr>
<tr>
<td>Number of Loans Disbursed</td>
<td>897,309</td>
</tr>
<tr>
<td>Disbursements (PKR Millions)</td>
<td>25,373</td>
</tr>
<tr>
<td>Average Loan Size (PKR)</td>
<td>28,277</td>
</tr>
<tr>
<td>Number of Savers</td>
<td>7,323,209</td>
</tr>
<tr>
<td>Value of Savings (PKR Millions)</td>
<td>37,880</td>
</tr>
<tr>
<td>Average Saving Balance (PKR)</td>
<td>5,172</td>
</tr>
<tr>
<td>Number of Policy Holders</td>
<td>3,329,085</td>
</tr>
<tr>
<td>Sum Insured (PKR Millions)</td>
<td>45,651</td>
</tr>
</tbody>
</table>

The table given above shows that the number of savers has gone up, because banking services and saving products are now more readily available to customers. The question is if MFB are successful in penetrating markets, why is the micro, small and medium community of entrepreneurs having trouble with access to finance?

Given bellow is a list of Micro-finance providers in the country. So we can ascertain that there is presence, yet a gap exists between the finance providers and beneficiaries. Most of the micro-financing is available in the urban centres of the country, excluding the rural community. MFIs are averse to the thought of lending to the rural community particularly because payback is an issue. MFIs need to develop their networks. Areas where these microcredit lenders are not available, most microfinance borrowers have to opt for borrowing from relatives or other money lenders who lend to them at very high interest rates. These small borrowers have excluded from the business matrix of commercial banks as they do not have proper collateral or a way out. This becomes a problem for most microfinance borrowers who cannot provide adequate and relevant collateral, without which any bank, large or small is reluctant to lend. In addition, most of these clients are not properly educated, henceforth formalization and paper work becomes a problem creating further obstacles in access to funding. It’s a vicious cycle, their development has never been on the forefront of policy making in the country, henceforth they do not have the capability to manage finances and this causes difficulty in accessing finance.


\textsuperscript{16} http://www.microfinanceconnect.info/assets/articles/4f454c2503afb84d931ce0afc2b93ca.pdf
Other sources of funding such as venture capital, angel investors and private equity firms are available but they are relatively new to for majority of the population to understand completely.

<table>
<thead>
<tr>
<th>Category</th>
<th>MFP</th>
</tr>
</thead>
</table>
| MFB | Apna MicroFinance Bank Ltd. (AMFB)  
FINCA Microfinance Bank (FINCA)  
Khushhali Bank (KB)  
National Rural Support Programme Bank Ltd. (NRSP-B)  
Pak-Oman Microfinance Bank Ltd. (POMFB)  
Tameer Microfinance Bank Ltd. (TMFB)  
The First MicroFinanceBank Ltd. (FMFB)  
Waseela Microfinance Bank Ltd. (WMFB) |
| MFI | Akhuwat (AKHU)  
ASA Pakistan (ASA)  
Asasah (ASASAF)  
Badisaan Enterprise Development Forum (BEDF)  
Community Support Concern (CSC)  
DEEP Foundation  
Development Action for Mobilization and Emancipation (DAMEN)  
Farmers Friend Organization  
Jinnah Welfare Society (JWS)  
Kashif Foundation (KASHF)  
Micro Options (MO)  
MOIAZ Foundation  
Naymet Trust  
Orangl Charitable Trust (OCT)  
SAFCO Support Foundation (SSF)  
Soon Valley Development Program (SVDP)  
Wasif Foundation (WASIF) |
| RSP | Ghazi Barotha Tarangiat Idara (GBTI)  
National Rural Support Programme (NRSP)  
Punjab Rural Support Programme (PRSP)  
Sarhad Rural Support Programme (SRSP)  
Sindh Rural Support Organization (SRSO)  
Thardeep Rural Development Programme (TRDP) |
| Others | Association for Gender Awareness and Human Empowerment (AGAHE)  
BRAC Pakistan (BRAC)  
National Rural Development Programme (NRDP)  
Organization for Participatory Development (OPD)  
Rural Community Development Society (RCDS)  
Sungi Development Foundation (SDF)  
Support With Working Solutions (SWWS)  
OIBX Leasing Pakistan Ltd. (OLP) |

- **Angel Investors:**

Some of the prominent names among Angel Investors are Yusuf Jaan, Zafar Khan, Afzaque Ahmed, Jamali Khan, Nadeem Elahi, Atif Khan, Shabana Khan – but we went through much trouble in trying to create a list of all angel investors present. The dilemma is we have prominent names, public figures the entrepreneurial fraternity is aware of, but there is no consolidated list, or forum which can help provide a complete number of Angel investors which are present. Without a proper platform for investment, looking for potential angel investors is like shooting in the dark.

17 [http://www.microfinanceconnect.info/assets/articles/4f454c2503afb84d931cec0afc2b93ca.pdf](http://www.microfinanceconnect.info/assets/articles/4f454c2503afb84d931cec0afc2b93ca.pdf)
- **Venture Capitalists:**

There is no organised platform that can link beneficiaries to VCs; however there are some organisations in Pakistan which are also acting as investors. Some of the names in the list are KIMA Ventures, Frontier Digital Ventures, SEED, Draper Fisher Jurvetson, ePlanet Ventures, Rocket Internet, P@sha Fund, Arpatech, Cloud9 Startups, Jumpstart Pakistan.

4. **Human Capital**

There are 135 universities (public and private) in Pakistan, and a large number of students graduate each year from these universities. The question is how well-equipped are these graduates to fit into the market. It is unfortunate that a huge gap exists between the industry, the developing business clusters and universities.

They may be producing individuals with degrees, but do these individuals possess the skills that are required by the market? Can they start ventures in industry sectors that are slowly beginning to pick up pace around the world?

In an article titled ‘The human capital debacle’ – Dean, NUST University, Dr. Ashfaque Khan states:

“By 2050, Pakistan’s population is likely to increase to 350 million from the current level of 184 million, of which over 235 million will be of working age (15-64 years). Most importantly, Pakistan has over a hundred million youth today and this number will keep on rising as we move forward in time. Pakistan stands to benefit from its large population provided that it transforms them into productive citizens by investing in education and health (popularly known as the demographic dividend). Pakistan stands to lose enormously if it fails to invest in its people because the large population, particularly the youth, will then serve as high-octane fuel, igniting repeated cycles of social and political instability (popularly known as demographic disaster).”

In light of the above, unless investment is not made in health and education, it is unlikely that conditions will improve as population increases. The economy is growing at the rate of 3% each year; in contrast the labour market is growing by 3.5%. This means that more than one-half of the new entrants in the market will be out of jobs and will join the league of the unemployed. These numbers will keep on increasing unless there is some form of intervention to mobilize entrepreneurial aspirations among this group.

Encouraging entrepreneurial zeal is not enough, it is also important that the right kind of policies and frameworks are present which can help young graduates start their own enterprises rather than work for someone else. A helicopter view of the situation will probably reveal that Pakistan is still stuck somewhere in the middle with respect to turning its humans into ‘human capital’. A highly indebted nation is so busy implementing stabilisation policies that it has forgotten to take care of the one factor that can make all the difference – its human capital.
If we look specifically at business education in the country, a number of universities in Pakistan are offering a degree in business management:

### ISLAMABAD

1. FAST School of Business (FSM), Islamabad, Pakistan.
2. Air University, **Faculty of Administrative Sciences**, Islamabad
3. Bahria University, Islamabad
4. International Islamic University, **Faculty of Management Sciences**, Islamabad, NU FAST
5. Muhammad Ali Jinnah University, **Faculty of Management & Social Science**, Islamabad
6. National University of Sciences and Technology, "NUST Business School", Islamabad
7. Quaid-i-Azam University, **Quaid-i-Azam School of Management Sciences (QASMS)**, Islamabad (www.facebook.com/qasms)
8. Riphah International University, **Faculty of Management Sciences**, Islamabad
9. Foundation University Islamabad
10. COMSATS Institute of Information Technology, Islamabad Campus (FACULTY OF MANAGEMENT SCIENCES)
11. Shaheed Zulfiqar Ali Bhutto Institute of Science and Technology
12. Hamdard University, Islamabad Campus (HIMS)
13. National University Of Modern Languages, Islamabad
14. FAST School of Business (FSM), Islamabad, Pakistan.

### PUNJAB

1. Lahore University of Management Sciences
2. Hailey college of banking and finance, University of Punjab
3. Lahore Business School, University of Lahore
4. COMSATS Institute of Information Technology Faculty of Management Sciences
5. Bahauddin Zakariya University, **Institute of Management Sciences**, Multan
6. Institute of Modern Arts & Languages (IMAL 360), Multan
7. Fatima Jinnah University, **School of Management Sciences**, Rawalpindi
8. Foundation University, **Institute of Engineering & Management Sciences**
9. University of Faisalabad, **College of Management Studies**
10. University of Management and Technology
11. FAST University
12. University of Central Punjab
13. Islamia University Bahawalpur
14. University of Management and Technology

### BALOCHISTAN

1. Iqra University
2. University of Balochistan
### KPK
1. University of Peshawar
2. Agricultural University (Peshawar)
3. Abasyn University
4. Hazara University
5. Al-Khair University
6. Gomal University
7. Preston University
8. University of Malakand

### Sindh
1. Karachi School for Business and Leadership, Karachi
2. Iqra University, Karachi
3. Bahria University, Karachi
4. Greenwich University
5. Hamdard University, Karachi
6. Institute of Business Administration, Karachi
7. Sukkur Institute of Business Administration
8. Institute of Business Management
9. Isra University, Hyderabad
10. Mohammad Ali Jinnah University
11. Preston University, Karachi
12. Shah Abdul Latif University, Khairpur
13. Tabani’s School of Accountancy (TSA), Karachi
14. Shaheed Zulfiqar Ali Bhutto Institute of Science and Technology, Karachi
15. University of Karachi
16. University of Sindh, Jamshoro

### Gilgit Baltistan and Azad Jammu Kashmir
• Mohi-ud-Din Islamic University, *Faculty of Management Sciences & IT*, Nerian Sharif

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### 5. Markets

The Global Competitiveness Report 2010 places Pakistan poorly in terms of competitiveness and domestic commerce measures: business sophistication, goods market efficiency as well
as property rights protection. Pakistan ranks lowest when compared to other Asian countries including India, Indonesia, Thailand, Malaysia and China. \textsuperscript{18}

Entrepreneurs can come up with novel solutions to existing market needs however our existing infrastructure does little to protect an original idea from piracy or infringement. This poses a weakness in the system and can discourage new market entrants.

Whether or not entrepreneurs would be willing to start a venture in a certain market is also dependent on the rate of early adoption of new goods and services which are being produced by them. It is also dependent on the kind of environment present, and whether or not it is conducive for innovation. Macroeconomic conditions, policy frameworks and the availability of infrastructure create a business climate which enables or inhibits innovation. \textsuperscript{19}

There is a lack of innovativeness in our markets and it is not just because of ill-planned policies, insufficient resources but also the lack of a supportive culture. \textsuperscript{20}

Present day customer in Pakistan is far more aware of what is happening in the market as compared to consumers who were present about a decade ago. Their decision when choosing between two brands of products is based on their perception of the value that is provides to them. Customers in Pakistan may have a large appetite for innovative solutions to their problems but they would not be willing to adopt unless they see it adding some real value to their lives. If entrepreneurs want to establish a strong presence in the market they need to look into customer satisfaction, customer relationship management and building their image in the market place. This is the age of customer relationship management, and if new businesses want customers to adopt good and services produced by them, they must build the element of warranties and after-sales-service in their business.

Purchasing behaviour is changing, and more and more customers are logging on to the internet to make purchases. There is a chance that in the next ten years brick and mortar facilities will become redundant and outdated. The current size of the e-commerce market in Pakistan is $16 million. The customer profile includes members of the urban and semi-urban population, and belongs to both genders. These findings need to be part of any offering that is being designed by entrepreneurs. \textsuperscript{21}

6. Support Systems

Telecommunications:

When a new business venture is in the making, the efforts of the owner are concentrated on ensuring that is operates efficiently and effectively. Does a start-up in Pakistan have this ease of mind that his /her business venture will operate efficiently once it has been established? Our macro-economic conditions are unpredictable; there are security issues,

\textsuperscript{18} http://www.pc.gov.pk/feg/PDFs/conceptual_framework_2.pdf
\textsuperscript{19} http://www.pide.org.pk/psde/pdf/AGM27/Mahreen%20Mahmud.pdf
\textsuperscript{20} http://www.pc.gov.pk/feg/PDFs/study_of_entrepreneurship_n_innovation.pdf
\textsuperscript{21} http://www.slideshare.net/WorldStartupReport/pakistan-startup-report
and power shortages. These factors form the base-line for any infrastructure, their lack and scarcity can make it very hard for entrepreneurs and industries to operate.

This is the age of the internet, and the communication revolution has taken the world by a storm, Pakistan being no exception. In a population of 184 million, 34 million people are using the internet, and 136.5 million people have mobile subscriptions. Having said this access to communication networks in Pakistan is not hard, and actually helps to decrease distribution and communication costs for start-ups.22

The recent auction of 3G and 4G spectrums in April 2014 is expected to grow broadband users to between 25 and 45 million by 2020 or a potential high-speed internet penetration of 21%.23 In the presence of unstable macro-economic conditions, political instability, an energy short-fall, and still developing physical infrastructure – telecommunication offers solace and opportunity to aspiring and existing entrepreneurs.

The Internet has changed the way things work, and as we move through this age of technological innovation; information or products, in fact anything that is manufactured and can be sold is available to customers at the click of a button or to put it more aptly the touch of a screen. Zahir Rahimtoola, CEO Labels (a fashion retail chain) says “To be in the e-commerce business, it is important to be as good as any international competitor, so your seamless process and the level of consumer friendliness have to meet the level of any international business, otherwise why would a foreign consumer buy from you? If you fail to meet the standards of after sales service or reliability that this foreign target market is expecting of you, you’re will soon fade into obscurity.”24

- Support Systems Available for Entrepreneurs

Business ventures need support at three points in their life cycle.
1) Initiation
2) Mid-stage
3) Growth

At each stage different kinds of support is required, because the business has different needs at each development stage.

Initiation:

This is the stage when an idea is born. Having said that, not every idea conceived, is worthy of execution. But there is always room for improvement. This improvement cannot be brought about in isolation and what the start-up needs here is someone – an organisation, or a team of experts to help him/her prune and chisel their idea to perfection i.e. when it is ready to launch in the market as a viable business venture.

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22 http://www.slideshare.net/WorldStartupReport/pakistan-startup-report
23 http://www.worldstartupwiki.org/page/Pakistan%20Overview
24 www.thepakineur.com
Most start-ups at the initiation stage are struggling with their business plans and elevator pitches, and what they require is someone to set them off in the right direction. Places most relevant to offer such kind of support are termed as incubators.

Here is a list of business incubators operating in different cities of Pakistan.  

<table>
<thead>
<tr>
<th>Karachi - 10</th>
</tr>
</thead>
</table>
| **p@sha fund** | PASHA Fund for Social Innovation + P@SHA LaunchPad (Nationwide)  
  
pashafund.com | In partnership with Google. Rs. 50,000 to 850,000 grants for ideas with social impact. 12 companies awarded. Also starting a new incubator in 2014 |
| **SEED** | Seed Ventures / Incubation  
  
seedincubation.com | Mentoring, Incubation, Funding. 13 Portfolio companies. |
| **Cyan Capital** | Cyan Capital  
  
cyancapital.com | Private Equity Fund for large companies looking to raise more than Rs. 700 mn. Investments include hubpower.com and inboxbiz.com |
| **Arpatech** | Arpatech.com | Tech company + Early stage fund, 2-3 deals a year in US / Pakistan. Prefer majority stake and operational control. Portfolio includes Eatoye.pk. |
| **Breeze Angel Investments** | Breeze Angel Investments  
  
breeze.com.biz | Tech company + Early stage fund, 2-3 deals a year. Prefer majority stake and operational control. Portfolio includes Goodcoresoft.com and Facebook.com/TheGameLoop |
| **DYL Ventures** | DYL Ventures  
  
dyl-ventures.com | Mentoring and funding. No public portfolio companies. |
| **DotZero** | DotZero  
  
thedotzero.com/ | Industry events + Commercial co-working space for hire. Possible funding between $5,000-$250,000. No public portfolio companies. |
| **Mini Ventures** | Mini Ventures  
  
miniventures.co | Industry events + early stage mentoring and funding. No public portfolio companies. |
| **MIT Enterprise Forum Pakistan** | MIT Enterprise Forum Pakistan  
  
mitef-pakistan.org | Industry events + BAP (Biz Acceleration Program) with cash awards and exposure to US investors/market. |
| **IBA CED Accelerator Program (CEDAP)** | IBA CED Accelerator Program (CEDAP)  
  
ced.iba.edu.pk/accelerator programs.php | Entrepreneurship Development and Accelerator Programs. 5 portfolio companies. |

### Lahore - 5

<table>
<thead>
<tr>
<th>PLAN9</th>
<th>Pakistan’s top incubator. 1200 applicants, 47 incubatees, 20 grads including Peercloud, Eyedeus.com, Hometownshoes.com and Rocxial.com</th>
</tr>
</thead>
<tbody>
<tr>
<td>plan9.pitb.gov.pk</td>
<td></td>
</tr>
<tr>
<td>VenExel</td>
<td>Early stage mentoring and funding. Match-making with Technical Co-founders. No public portfolio companies.</td>
</tr>
<tr>
<td>venixel.com</td>
<td></td>
</tr>
<tr>
<td>LUMS</td>
<td>Incubator starting in 2014</td>
</tr>
<tr>
<td>lums.edu.pk</td>
<td></td>
</tr>
<tr>
<td>Business Incubation Centre, University of Veterinary and Animal Sciences</td>
<td>Space and mentoring. No public portfolio companies.</td>
</tr>
<tr>
<td>pvvas.edu.pk/centers/BIC/</td>
<td></td>
</tr>
<tr>
<td>SMEDA (Nationwide)</td>
<td>Commercial loans up to Rs. 2 mn.</td>
</tr>
<tr>
<td>smeda.org</td>
<td></td>
</tr>
</tbody>
</table>

### Islamabad - 7

<table>
<thead>
<tr>
<th>NUST Technology Incubation Center</th>
<th>Subsidized office space and business support. 13 incubatees including Tunacode.com and cricket.com</th>
</tr>
</thead>
<tbody>
<tr>
<td>nust.edu.pk/INSTITUTIONS/Directo rtes/TTC/Pages/default.aspx</td>
<td></td>
</tr>
<tr>
<td>Cloud 9 Startups</td>
<td>Free incubation space and seed capital up to Rs. 1 Million. Access to mentor network. 3 portfolio companies include Hybridiond.co, Meritaleem.com and Beeble.com</td>
</tr>
<tr>
<td>cloud9startups.com</td>
<td></td>
</tr>
<tr>
<td>The Indus Entrepreneurs - Islamabad Chapter</td>
<td>Industry events + access to angel investor network. No public portfolio.</td>
</tr>
<tr>
<td>islamabad.tie.org</td>
<td></td>
</tr>
<tr>
<td>Invest2Innovate (Nationwide)</td>
<td>Virtual Accelerator for Social Enterprises. $100k-$250k funding range. Equity/Profit mix, averaging 3% to 5% for-profit enterprises) 5 portfolio companies.</td>
</tr>
<tr>
<td>invest2innovate.com</td>
<td></td>
</tr>
<tr>
<td>ICT RnD Fund</td>
<td>Research and Development related grants for industry-academia partnerships. Several million rupees available depending on project type. Over 80 projects funded.</td>
</tr>
<tr>
<td>ictrdf.org.pk</td>
<td></td>
</tr>
<tr>
<td>Jumpstart Pakistan</td>
<td>Incubation space and see funding + mentoring. 1-2 companies per year. No public portfolio companies.</td>
</tr>
<tr>
<td>jumpstarbpakistan.com</td>
<td></td>
</tr>
<tr>
<td>COMSATS Incubation Centre</td>
<td>Incubation space and business support. 2 incubatees include Ramicautomation.com, intasol.biz</td>
</tr>
<tr>
<td>comsats.edu.pk/bic/Default.aspx</td>
<td></td>
</tr>
</tbody>
</table>
Other organisations working for the progress of entrepreneurship in the country are as follows:-

- **KITE-TIC** – Technology Incubation Centre, Karachi
- **Women Business Development Centre**, Lahore (042)-111-111-456
- Pakistani Junction
- **CIPE Incubation**, Karachi
- **Saif Centre for Innovation** - www.saifcenter.com
- **PSEB Smart Plug & Play Incubator** - (www.pseb.org.pk)
- **E-Magine Group** - www.e-magine.com - This Company is run by a Kellogg Alumni and provides an Incubator Space.
- **Askari Commercial Enterprises An AWT** (www.awt.com.pk), an initiative for the benefit of retired Army Officers located in Rawalpindi
- **Entrepreneurship Development Institute**, Islamabad - info@edi.com.pk
- **OPEN Karachi**
- **PIE- Pakistan Institute of Entrepreneurship** - http://www.pie.org.pk/
- **MDI- Management Development Institute**, Islamabad
- **Industrial Information Network** - http://www.iin.com.pk
- **Pakistan Industrial Development Corporation (PIDC).** http://www.pidc.com.pk
- **Pakistan Software Houses Association for IT & ITES (P@SHA)** - http://www.pasha.org.pk

<table>
<thead>
<tr>
<th>Other Cities - 5</th>
<th>KPK Incubation Center, Peshawar</th>
<th>Incubation space and business support. Funding up to Rs. 1 Million. No public portfolio companies.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Technology Incubation Center (TIC), University of Engineering &amp; Technology, Peshawar</td>
<td>Incubation space and business support. 2 incubates include appfactor.net and hortonsden.com</td>
</tr>
<tr>
<td>Basecamp</td>
<td>Peshawar’s first co-working space has become a hub for the local tech community. Residents include Startupweekend Peshawar, TDL, Sweet Pixel Studios, Peshawar 2.0 and TEDx Peshawar.</td>
<td></td>
</tr>
<tr>
<td>Business Incubation Center University of Agriculture, Faisalabad.</td>
<td>Incubation space and business support. No public portfolio companies.</td>
<td></td>
</tr>
<tr>
<td>Sukkur IBA</td>
<td>The Center for Entrepreneurial Leadership &amp; Incubation, IBA, Sukkur</td>
<td>Incubation space and business support. 1 incubatee. Pakistan News Cloud pakistannewscloud.blogspot.com</td>
</tr>
</tbody>
</table>

KPKincubation.gov.pk
nwfpue.edu.pk/tic/tic.html
www.basecamp.pk
uaf.edu.pk/bic/bic_introduction.html
http://www.siba.edu.pk/CELInc/social.htm
Entrepreneurship Development Programmes which are running in the country are:

- Shell Tameer
- Incubating Potential Programme
- Mobilink Discover (in collaboration with NUST)
- Startup Weekend
- Lean Startup
- T2F Workshops
- Startup Cup
- P@SHA Launchpad
- Sheperds Pie
- LUMS Entrepreneurship Challenge
- IBA – DICE INVENT
- Startup Karachi
- Pak – China Business Forum

- Additional Support

United States of America remains one of Pakistan’s strongest supporter in its efforts to develop entrepreneurship in the country. It has provided funding avenues, and has also introduced a fund which will be used for small scale high impact programmes which will benefit entrepreneurs. The U.S. Embassy also recently unveiled an entrepreneurship program called Khushhali Ka Safar (Journey to Prosperity), which provides support to innovative Pakistani entrepreneurs by connecting them with American investors and mentors, particularly from the Pakistani-American Diaspora and academic institutions.26

Germany is also playing an active role, with a specific focus on women entrepreneurs. The Consul General of Federal Republic of Germany, Dr. Tilo Klinner has asked the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) to provide him the concrete proposals required for promoting and strengthening women entrepreneurship in Pakistan.27

There has been a surge in the number of entrepreneurship conferences which are being held, the primary objective is of course to create as much awareness as possible about the status of entrepreneurship in Pakistan, the gaps, and with the help of policy makers, legislators and opinion leaders come up with solutions which can benefit the entrepreneurial fraternity at all level.

The question is do these symposiums really help besides providing a great opportunity for networking? Does anything really come out of it? And if not then what are the core reasons behind it?

26 http://islamabad.usembassy.gov/pr_011013.html
Section 3: Strategy with Long-Term Impact

Understanding the nature of an ecosystem

The list is diverse, however it can be seen that majority of the efforts are being made in the cities of Karachi, Lahore and Islamabad. That leaves a major portion of the population with entrepreneurial aspirations and talent, unattended. Every organisation which has been listed above is working on one mandate – developing entrepreneurs and creating an environment conducive for the growth of entrepreneurship in the country. It is too early to measure impact, because the words ‘entrepreneurship’, ‘social innovation’, ‘business incubation and acceleration’ have in the last five years, become main stream.

Pakistan’s entrepreneurship ecosystem is plagued with the disease of isolation. To elaborate, let us use the human body as an analogy. Every body part has a prescribed function, and it must perform that function. However, every part of human anatomy has been built to operate in a chain of events, it does not operate in isolation, and it functions as part of the entire system, feeding back into the system. Can you imagine what will happen if even one body part isolates its self from the entire system? The body becomes sick, is vulnerable to diseases and one becomes unproductive.

Let us refer to the entrepreneurial ecosystem forthwith as E2 for ease of use.

• Policy makers, entrepreneurs, experts, students, all relevant stake holders must recognise that no tow ecosystems in the world are the same. Similarly Pakistan’s E2 is unique, it has taken shape over a period of time fashioning itself to the stimulus it received from our micro and macroeconomic environment. What works in Silicon Valley, may not necessarily work for us, and the sooner we come to this realisation the better. Pakistan’s E2 may have all or some components of the six domains listed by Isenberg, but it is not necessary to have all the components. It is however important that we have what is required to function with reference to our context. It is also important that we identify the catalysts in our systems, individuals or organisations which can play the role of opinion leaders and change agents to help provide momentum to an entrepreneurial revolution. It is not necessary that entrepreneurs are driving the system.

• The role of the government is perceived to be intrusive and debilitating to innovation. Having said that, their role remains very important in the application of policies and regulations which can help further the mandate of entrepreneurship in the country. Once the six domains are strong enough, there will come a point when they are mutually reinforcing and public leaders will not have to do much to sustain
them. But then that is the objective is it not, to develop a system which is self sustaining, and is not dependent on support programmes.

- E2 does not and will not always need an iron hand for it to evolve, once the basics are corrected and put into place, it will adapt itself to an expanding entrepreneurial landscape.

- If E2 is to become self sustaining it is important that the motivational force behind different stake holders is kept in mind. For public official it may be better fiscal health of the country through job creation and tax revenues. For banks it may the expansion of their loan portfolio. For Universities it may be knowledge acquisition, generation, reputation and funding received from organisations for entrepreneurial development. We need to understand the motive of all stakeholders involved.²⁸

²⁸ https://hbr.org/2014/05/what-an-entrepreneurial-ecosystem-actually-is/
Government

- Fashion solution with reference to Pakistan’s context. The focus should be to employ home-grown solutions utilising whatever talent, resources, culture and support E2 is constituted of. The government must come up with a policy of venturing into industry sectors which have to-date remain untapped, it must also come up with a way to involve all members at all levels of the entrepreneurial fraternity i.e. from large businesses, medium and small size businesses and micro enterprises.
  - The private sector plays an important role in how markets function; they are closest to the consumers, producers, distribution channels and have

abundant knowledge on how markets are working. The government must involve members of the private sector right from the start of policy making. They must utilise their knowledge to understand what is really required in the market instead of wasting their resources on misdirected efforts.

- Focus on all parts of the economic pyramid, not just its base. It is imperative that the government also focuses its efforts in develop high potential enterprises which cater to larger markets.
- Invest more in R&D, specifically for the purpose that it may have comprehensive information available about small and large business clusters operating in the country. This is the only way the government can get an understanding of potential clusters, high performing sectors and market areas which may not require immediate attention.
- If the objective is to expand the market place, there need to be substantial incentives in place by the state for people who wish to start their own ventures in the forms of tax benefits, ease in access to finance, free of cost training, linking to potential investors
- The government needs to make the market safer for a new idea to be implemented i.e. patent and copyright laws must be employed strongly.
- It must develop capacity and skill building in both urban and rural areas of the country and to do so can collaborate with social businesses and NGOS or other organisations that can provide these services.
- Streamline bureaucracy that impedes the development and growth of businesses

**Finance**

- The model for micro-financing has to be redefined in order to reach maximum number of beneficiaries.
- MFIs should expand its pool of Officers who can carry out field research and assess the industry, the loan size that are required in general, the potential for non financial services. They can then help MFIs come up with tailor made products (financial and non financial services) to cater to individuals and organizations, which are potential microfinance customers.
- Create a network in order to support crowd funding initiatives. Crowd funding is a great way to start social enterprises and bring together potential investors. It give people a reason to contribute to something that they care about, create conscientiousness at the community level about social problems and also lets the investors reap financial rewards out of this who activity.
- Online portals can be created where individuals or organizations can post their projects. Investors can select small projects based on their preferences and invest.
- Potential borrowers can go through a preliminary assessment, after that they can post their specific loan requirements i.e. size, interest rate and purpose. Loan sizes can be in denominations as low as Rs. 100. This can create a larger network of people who can invest in the project. A direct link can be created between the borrowers and the lenders through this system to improve dialogue and bridge the gap that exists in the microfinance sector.
• Financial Literacy: develop non financial services comprise of counseling, training, and education to train the borrowers on how to utilize their financial resources effectively. This is what makes micro financing different from charity. Micro financing is meant to create social economic empowerment.

- Developing/Utilizing Human Capital

The government, private and public enterprises must turn their attention towards curtailing this exodus and seek to manage Pakistan’s talent more effectively.

• Leading business and policy thought leadership at the macro level needs to infiltrate the young and upcoming middle-class segment of Pakistan’s population through media and technology. In order to empower the new generation of entrepreneurs, who, to a large extent, will instigate positive change within the economy, it is necessary to break the self-perpetuating cycle of top-down investment, and rather, focus on bottom up structured social investment targeted at multiple sectors.

• The brain drain being experienced by Pakistan needs to be managed in a systematic way. The government needs to conduct a comprehensive survey to determine the existing talent that is present in the country across a multitude of fields. In addition they need to assess the future talent gaps that may arise as a consequence of this brain drain and devise a strategy (workforce planning) of retaining that talent in the country.

• Incubation centres play an important role in supporting talent. The purpose of these incubation centres will be to provide aspiring entrepreneurs (regular or social) with a proper environment where they can develop on their idea, and find guidance, counseling and mentoring by industry experts, who can help to groom this talent.

• An online network of Pakistani entrepreneurs should be created to promote peer-to-peer support along with a national database of social entrepreneurs. This will help to keep a log of the existing talent pool in this specific sector in the country.

• A system of education needs to be developed that focuses on building practical and theoretical skills. A system that instigates lifelong learning and opportunities to enhance one’s existing skills. Such a system of education is necessary for both rural and urban areas. Vocational training programmes should be developed in collaboration with social enterprises with expertise in this area. In addition, investors, donor agencies and the government should try and fund organization that have a special emphasis on capacity building and skill development, to advance on this mandate. This will increase employability in these areas, when they can find work that matches their skill sets.

• Woman, people with disabilities, immigrants and older, more experienced professionals, represent an important resource and should be engaged and encouraged in all aspects of the development of talent.

- Education

Education focusing on entrepreneurship will build confidences, motivate progress, strengthen the entrepreneurial mindset, foster a desire to achieve and inspire action.

• The government should review its budget allocation with respect to education and introduce a policy; where by both public and private school in the country redefines their curriculum by introducing some elementary concepts of entrepreneurship.
• University level education should focus on entrepreneurial skills. Students should have access to training by industry experts on how to network, carry out creative problem solving, how to partner and collaborate, and how to deal with a corrupt bureaucracy.

• Entrepreneurship should not just be introduced as an individual course in universities; instead, there should be degree programmes that focus on all aspects of social entrepreneurship. The objective of these programmes will be train young people on identifying social issues, come up with innovative solution, how to create their pitch with potential investors. This can also help to assist them in understanding how they can contribute in adding to policy and planning with respect to specific social issues.

• Policy makers, legislators, educators, sponsors, and social entrepreneurs should share better practices on how to improve the standards of education for entrepreneurs, thinkers and visionaries.

• With better training and education, farmers can devise a better way of utilizing inputs and hence improve agricultural growth. In order to develop this critical human capital, better education and training is important. For the landless farmers and non-agri based rural population, training programmes should be developed which focus on capacity building and developing entrepreneurial acumen.

About SEED

SEED – Social Entrepreneurship & Equity Development – is a holdings company and all companies under its banner operate with a core mandate of creating a strong social impact through enterprise development and entrepreneurial facilitation in Pakistan. It also holds the unique status of being a repository of knowledge creating a sphere of a diverse range of information – be it academic, theoretical, practical and/or experiential – for visionaries and entrepreneurs, particularly those with a social mandate. SEED works tirelessly on Pakistan’s entrepreneurial ecosystem across rural, urban and semi-urban environments through incubation, acceleration and investments.

The company has a well-established presence in Pakistan, the UK, Sri Lanka and the Middle East with a diverse portfolio of businesses that focus on bilateral trade, developing socially responsible media strategies, promoting emerging Pakistani artists internationally, publishing, heritage preservation and socio-economic development.

Equity development is an important part of SEED’s agenda. This approach rests on two principles: the first principle emphasizes on creating and providing equal opportunities for people in the community to help them develop and enhance their skills and talents; while the second principle strongly reflects the fact that SEED is averse to an environment of extreme poverty. It believes in contributing to the development of a viable business idea so that the road from opportunity to outcome has lesser hurdles.
The company strongly believes in the potential of partnerships. It has revolutionized collaborations with the public and private sector by ensuring constant interaction with relevant stakeholders not as isolated processes for commercial purposes, but providing value proposition for all including the community through fruitful collaborations.

With a core team of experienced entrepreneurs, SEED aspires to bring dynamism to the field of entrepreneurship, and serves as a fulcrum for all relevant stakeholders engaged in the process of entrepreneurial endeavour.