

# Examining barriers to entrepreneurship among young people in Afghanistan

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## Abstract

Entrepreneurship is an effective strategy for the employment of the large population of young people and graduates and economic progress. The purpose of this research was to examine the barriers of young people entrepreneurship in Balkh province in the tendency to establish an independent business enterprise. This research is applied research in terms of its purpose and the research method is descriptive-analytical in terms of nature and content. Research has carried out in the framework of analogical-inductive arguments. In this way, the theoretical foundations and background of the research have done through library studies, articles and sites in a comparative format and collecting information in a field and inductive manner. The statistical population included university students and entrepreneurs of Balkh province who had created a free business by establishing a company. The research tool was a questionnaire, the opinions of experts, experts, and supervisors have used to check its validity, and Cronbach's alpha method has used to measure its reliability. Descriptive and inferential statistics have used with the help of SPSS software to analyze statistical data based on descriptive analysis of independent research variables and results obtained from t-test to rank factors, components of lack of education, entrepreneurial skills, and lack of resources. Finance, lack of positive social and cultural attitudes towards entrepreneurship, lack of access to knowledge and technology, weakness of government policies and support programs, lack of market openness, rules, and regulations, lack of security, etc. were the most important barriers for young people entrepreneurship.

**Keywords:** young people entrepreneurship, barriers to entrepreneurship and entrepreneurship

## Introduction

Today, entrepreneurship is one of the most important issues that have attracted the attention of many nations and scientific societies. Governments, especially in developing countries, for different reasons, such as the increasing population growth, budget restrictions, policies to limit the public sector, the inability to hire new workers, and the lack of management strategies with a huge unemployment crisis of people, especially young graduates Universities and women are facing. The International Labor Organization estimates that 47 percent of the unemployed people in the world are young people increasing youth unemployment will be one of the most difficult challenges facing the world (Askov 2006).

The changes and transformation of the social/economic system of the present era is rooted in the progress and changes in science and technology, therefore, ensuring the life and survival of the country requires innovation, creation and creation of new products and services. Such an event is not possible except by people who can achieve

this by creating transformations in organizations or establishing new organizations and companies, so these people called entrepreneurs or creators of work (Bishmi and Valai, 2010).

The new age is the field of competition for resources and capitals. The big industrial countries that are the winners of this field have put the efficiency of resources and capitals at the top of their agenda and in the light of the presence of educated and expert people, they have set the wheels of growth and development in motion. Inventions and innovations have achieved. Access to these innovations that have revived the economy of developed countries depends on entrepreneurship (Imani, Hasanloui and Pashaei, 2006).

The development of the private sector can undoubtedly be important and vital for the long-term viability of the Afghan government. Business development can provide a much-needed and reliable source of sustainable tax revenues to meet the financial needs of a country that relies more on foreign aid than any other country in the world. Getting Strengthen the private sector can lead to creating employment and increasing income for people who are worried about the risk of unemployment and poverty equal to insecurity.

**The general concept of entrepreneurship**

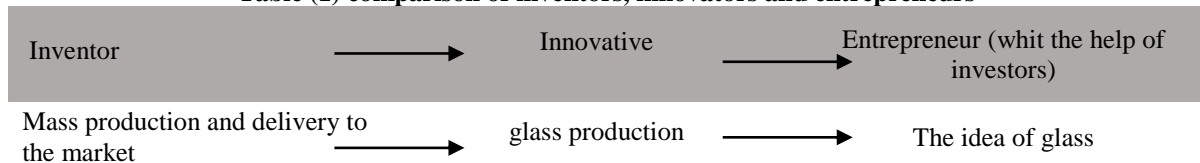
Entrepreneurship refers to a process during which an entrepreneur uses her or his creativity to innovate and exploit economic opportunities that hidden from the eyes of others. Her or his personality traits, which include independence, responsibility, self-belief and perseverance, make her accept all kinds of risks from starting a new business and endure its social consequences. Entrepreneurship is a process or a concept during which an entrepreneur with new, creative ideas and identifying new opportunities by mobilizing resources to create new businesses and companies, new and innovative growing organizations. This accompanied by the acceptance of risks, but it often leads to the introduction of products or services to the society (Vahidi and Falah, 2008).

Various motivations are effective in starting a business, including the need to succeed, the need to earn money and wealth, the need to have fame, and most importantly, the need to feel useful and independent.

**Definition of entrepreneur**

An entrepreneur is an individual with a new idea and thought, who offers a new product or service to the market through the creation of a business with the use and coordination of resources, which accompanied by financial, social and reputational risk. Entrepreneurs are people who understand opportunities and see gaps. The understanding of opportunities by these people may achieved through shopping (communicating with the living environment, market, etc.) or communicating with people (in meetings) or watching TV, media, internet, etc. It called an entrepreneurial view (or a searching view, an opportunistic view, hunting for opportunities, etc.). The gaps in the market need to well seen with an entrepreneurial perspective and it is a motivation to start a business.

**Table (1) comparison of inventors, innovators and entrepreneurs**



**Theoretical Foundations and Literature review**

The approach of most countries in the world in recent decades to the issue of entrepreneurship and its development has created a wave of entrepreneurship development policies in the world. The solution that different countries used to turned in the past three decades to overcome various economic and social problems. Researches show that the most important effective factor in the movement of entrepreneurship from strength to spirit is entrepreneurship in people through education, and the most suitable environment for cultivating entrepreneurs is educational environments, especially schools and universities.

Research findings in a study conducted on 129 American entrepreneurs showed that 34% of entrepreneurs had problems attracting investment and mentioned financial management as their second major problem. Also another study that were conducted through interviews with entrepreneurs participating in the entrepreneurship development training programs in Romania shows that most of them feel that the most important barriers that must be overcome at the beginning of the journey are internal barriers, including the fear of failure, Courage, support, spiritual support and the absence of a suitable role model. European governments have also given special support to activities that encourage entrepreneurship among young people. In America, entrepreneurship education has given much attention in the framework of university courses and by special institutions.

Canada and some Asian countries such as the Philippines, India and Malaysia have also taken major steps to support entrepreneurial activities. These supports include practical guidance, counseling, providing financial facilities and holding special courses regarding entrepreneurship in universities or outside them.

In the 20th century, some psychologists, including McClelland, professor of psychology at Harvard University, proposed the theory of psychology and economic development. McClelland believed that the main factor behind the economic backwardness of developing countries related to the lack of understanding of individual creativity; and he believed that there are three needs in man, which are the need for success, the need

for power, and the emotional need or sense of belonging. After conducting various studies and researches, he concludes that although the human spirit for success are formed in childhood, but at the same time, with a correct educational program, creative spirit and work mission can be created in people (Tafazuli, 1372).

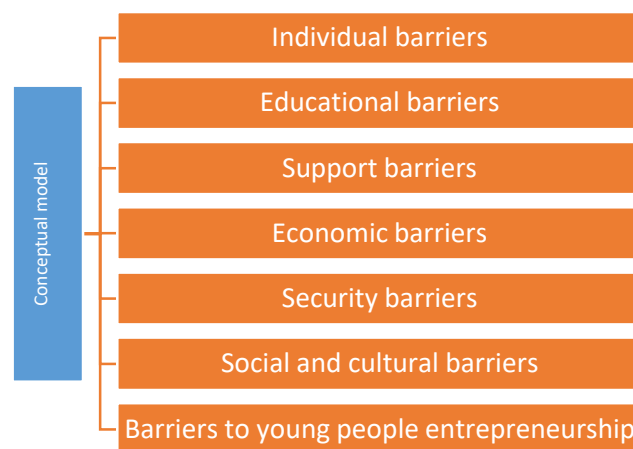
The Ministry of Science, Research and Technology has assigned the executive responsibility of the entrepreneurship development plan in the country's universities, which is called "KARAD" for short, to the country's education assessment organization. Since the end of the year (1379), this organization has been organizing entrepreneurship training in universities implementing the plan. (moqimi, 1381).

Mehran Avakh Kithami, in her research on the entrepreneurship of applied scientific technology, discussed the employment of graduates in 1974-1975-1976. Moreover, concluded that the average employment of applied science graduates is 75-76 and with internships in student centers, they acquire the skills of managing the labor market and related to a specific job field and by creating a suitable relationship between students and employers, job opportunities can have provided (Aukh Kithami, 2006).

### Research conceptual model

The conceptual model is a representation using constituent factors and the pattern of causal relationships between factors.

Figure (1) conceptual model of the research



### Research Methods

The research method is an exploratory effort that carried out systematically with special methods with the aim of discovering the unknown in order to expand the knowledge domain of humankind and the resulting knowledge has examples and us in return. This research has done in the framework of analogical-inductive arguments. In this way, the theoretical foundations and the background of the research have done through library studies, the articles of the websites in a comparative format and the collection of information in a field and inductive way.

#### Method of collecting information

The information gathering stage is the beginning of a process in which the researcher collects field and library findings and inductively compresses them through classification and then analyzes and evaluates the formulated hypotheses. Finally, he issues a verdict and finds the answer to the research problem by relying on them. Library, field and questionnaire methods have used in this research.

#### Population and statistical sample

##### Statistical Society

This is collection of all people, groups, objects, and events, which has one or more common characteristics. The number of members of the community called the size of the community and indicated by the capital letter N.

##### The statistical sample

It is a smaller group of the society that selected according to a certain rule for observation and analysis and should be representative of the society. The results of a sample that is not representative of the society, it cannot be generalized to the society. The number of sample members indicated by a lowercase letter n.

The population and statistical sample of this research are the entrepreneurs of Balkh province, youth and graduates of this province.

According to Roscoe's law, the minimum sample size for this research is 30 people, for whom the questionnaire distributed.

### Methods of analyzing figures

### Analysis method

In this research, the collected statistics was the first analyzed with computer programs and by creating tables and descriptive methods; and later, the relationship between the variables was evaluated using analytical methods; recently the research hypotheses have examined by the t-test.

### Validity

The tools used to collect data must have validity in the first stage and reliability or trust in the second stage. Validity means to what extent the method or tool used can measure the desired characteristic correctly. In order to check the validity of the questionnaire, it has used according to experts, experts and supervisors.

### Reliability of the questionnaire

Cronbach's alpha is the method that used to determine the reliability of the questionnaire. In this study, first, the questionnaire was distributed among 30 young students and entrepreneurs, and with the help of the information obtained from this preliminary sample, Cronbach's alpha was obtained using the software for the questionnaire, which is 0.891 which shows the high reliability of the questionnaire.

**Table (1)** Cronbach's alpha test

Cronbach's Alpha	N of Items
.891	25

**Table (2)** research variables

Hypothesis number	factor (variable)	object	Sig	Approval or rejection status
1	Individual	1	0.000	approved
		2	0.000	approved
		3	0.011	approved
		4	0.000	approved
		5	0.010	approved
2	educational (educational environment)	6	0.856	rejected
		7	0.493	approved
		8	0.030	approved
		9	0.000	approved
		10	0.000	approved
		11	0.001	approved
3	Environmental (government and laws)	12	0.002	approved
		13	0.000	approved
		14	0.000	approved
		15	0.002	approved
4	economic (financial)	16	0.000	approved
		17	0.000	approved
		18	0.003	approved
		19	0.000	approved
5	Social and cultural	20	0.006	approved
		21	0.003	approved
		22	0.000	approved
6	Security and support	23	0.000	approved
		24	0.000	approved
		25	0.000	approved

### Conclusion

What has seen today in many parts of the world, including in Afghanistan, is the lack of inclination of young people towards entrepreneurship. Unfortunately, most of the university graduates prefer to recruited by government offices and earn with less effort, even if there is a field of self-employment in them. Earn and remain in the employment of a government office for the rest of their lives, if in the current state of the country where government employment has practically reached zero, the advice of all experts to job seekers is to present and cultivate their mental ideas. Start entrepreneurship and start your own business. In this thesis, an attempt has made to mention the most important barriers that exist in the way of youth entrepreneurship. This research formed with the aim of identifying the barriers of youth entrepreneurship. Based on the obtained results, barriers such as lack

of training and entrepreneurial skills, lack of financial resources, lacked of social attitudes. In addition, a positive culture for entrepreneurship, the lack of access to technological knowledge, the weakness of government policies and programs, the lack of openness of the market and laws and regulations, respectively, are the most important barriers in the tendency to entrepreneurship and the establishment of new and independent business enterprises of young people Forms. These barriers have known as the factors in different socio-economic environments.

Laws and regulations related to business, such as company registration, tax laws, obtaining investment and operation licenses, patent regulations, trade law, banking laws and regulations, etc. could actually cause ease or administrative difficulties in the path of entrepreneurship and company formation. In the current research, laws and regulations considered as an obstacle in the direction of entrepreneurship from the point of view of the respondents, and this finding with the problem of capital supply and government policies were also introduced as the most important problems in starting a business.

### **Recommendations**

Students usually have an average level of entrepreneurial characteristics. Part of this issue influenced by the dominant culture of job hunting, instead of entrepreneurship Therefore, it seems necessary to pay attention to culture building in the context of changing the approach of young people from job search to entrepreneurship.

Establish of consulting centers and scientific entrepreneurship forums to learn about the details and implementation process of creating a business, especially in a specialized way.

Improving academic staff members from the perspective of entrepreneurship and holding entrepreneurship training courses for all academic staff members (in all fields) will be very useful to motivate students and develop their entrepreneurial personality.

Holding the best entrepreneurial festivals to identify and encourage the best academic entrepreneurs in order to create role models for the youth of the country to emulate these top academic entrepreneurs.

Inviting the world's successful entrepreneurs and managers of successful sites to give speeches and transfer their experiences and knowledge to young entrepreneurs in order to model and strengthen the personality traits of entrepreneurs.

Holding internet business plan, competitions for internet entrepreneurs to encourage and compete, which will strengthen the personality traits of trainers in entrepreneurs.

According to the income findings, most of the young families do not have a high income, Therefore, the consultations of the higher education system with the economic sectors of the government, and banks in order to support university entrepreneurs and pay facilities, and long-term loans to young people who have new ideas in the field of entrepreneurship are very effective.

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