Entrepreneurs in Dark Ages: Persistence of Females Entrepreneurs in Afghanistan

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Abstract
In dangerous war-zone environments, which female entrepreneurs survive and persist? We investigated the antecedents of persistence of firms led by female entrepreneurs in a high dangerous business environment (Afghanistan), the first of such effort in Afghanistan. We collected survey data from 162 female entrepreneurs in two different points of time and found that female entrepreneurs with a high level of internal locus of control have higher resilience in a war zone. In addition, under the condition of perceived danger, family –to- business supports plays a crucial role in enhancing the women-led businesses persistence. We contribute to the fast-growing literature of female entrepreneurship by showing how psychological (internal locus of control), social (family–to-business support) and environmental factors (perceived danger) interact together to shape the entrepreneurs’ resilience.

Keywords: female entrepreneur, intention to exit, internal locus of control, family support, danger environment, Afghanistan

“It is our conviction and we believe that both men and women are created by the Almighty. Both have equal rights. Women can pursue an education, women can pursue a career, and women can play a role in society – just like men.”

Ahmad Shah Massoud (Anti-Taliban resistance Leader), 2001
**Introduction**

Which personal and social factors enhance the female entrepreneurs’ resilience in a physically dangerous operating environment? Identifying the most resilient entrepreneurs is important because it significantly impacts on the firm and the economy (DeTienne 2010). It is important for females to stay on their established business, because starting a business not only helps them to achieve economic parity with men in the society (Lerner, Brush, and Hisrich 1997), they also create several jobs for others and help to reduce poverty, which eventually leads to the country economic growth and development (Stel, Carree, and Thurik 2005).

Bloodshed occurs frequently in Afghanistan and the country has been considered as one of the war zone areas in the world. By interviewing eight female entrepreneurs in Afghanistan, (Holmén, Min, and Saarelainen 2011) found that the lack of security during operations is one of the main challenge faced by entrepreneurs in Afghanistan. Besides getting support from family members for starting or continuing a business, female entrepreneurs necessitate a certain level of courage, risk-taking, and self-confidence to face verity of unexpected hazards in a physically dangerous operating environment. Therefore, social, personal and environmental level factors are essential for understanding better the female entrepreneurs’ behavior in the context of Afghanistan.

A recent line of research in the entrepreneurship literature emerged and it emphasizes that the behavior and the strategic decision of entrepreneurs should be studied in the operating business context (Welter 2011; Welter and Smallbone 2011, 2008; Shepherd et al. 2018). A specific set of
contextual factors may generate more entrepreneurial opportunities or present more boundaries and challenges for entrepreneurs. For instance, a business managed by a female is an uncommon and almost rare economic activity in Afghanistan, mainly because of two reasons: the country is among the most religious countries in the world (ranked ten in 2015). According to the World Religion Day report, more than 97% of Afghanistan population considered themselves religious. Furthermore, Afghanistan has an extreme man-dominated society (patriarchal society). The strict tribal norms and religious values are common and gender discrimination against females is high. Both of these socio-cultural factors strongly diminish the engagement of women in economic activities. In such extremism religious and conservative context, females are almost unable to start a company and continue their business without receiving moral, emotional, and financial support from their male family members (husband, father, brothers, and sons). For instance, the founder and the owner of the business should frequently meet and communicate with customers, salespeople, suppliers, and government officials (most of these peoples are men) if they want to run a successful business. The Islamic religion presents several restrictions for women to speak with non-Mahram men (strangers) (Padela and Rodriguez del Pozo 2011; Al Lily 2011). In this situation, women who have the male family members’ support are able to handle this issue more effectively (Sgibnev 2015).

In this paper, we have studied the effect of family support on female entrepreneurs’ resistant to exit under condition perceived danger.
According to (Jennings and Mcdougald 2007), for having a more clear explanation in regard to entrepreneurs’ strategic decisions and behaviors, the researchers should include family dimensions. Families and business are not distinct social institutions (Aldrich and Cliff 2003). Therefore, the entrepreneurial decision and behavior have to investigated within the context of the entrepreneur’s personal life (Justo, DeTienne, and Sieger 2015). The influence of family on entrepreneurs decisions (from starting a business to the exit) becoming increasingly important when we study the entrepreneur's behavior in a less developed country, such as Afghanistan. In a traditional economy, Afghanistan has highly family-oriented people in general (Dupree 2004). Family support is fundamental throughout women’s life, from education, marriage, employment to starting an independent business(Spink 2005). Therefore, the family role is crucial to understand better the female entrepreneurs’ decision and behavior.

Furthermore, from a psychological approach—and considering the outcomes of person-situation interactions—we can explain better a personal decision and behavior (Shaver and Scott 1991). Conducting a business in a physically dangerous environment require a person with absolute self-confidence and courage who strongly believes themselves able to handle the environmental threats and hazards. Previous studies showed that entrepreneurs with an internal locus of control are more apt to have the courage to take risks in the workplace and their life (Miller and Le Breton-Miller 2017; Miller et al.
1982). Therefore, we considered female entrepreneurs differences in locus of control to understand their intention to exit their business in a dangerous war zone area.

The first contribution of our study provides a unique empirical evidence for female entrepreneurs’ behaviors in a physically dangerous operating environment. Due to mainly lack of personal safety, the Afghanistan context has been widely neglected by international scholars (Bullough and Renko 2017; Bullough, Renko, and Myatt 2014). As a less developed country, several factors e.g. religious belief, man-dominated society and lack of security restricted the women involved to the economic activities. Despite the growing number of females in governmental sectors—e.g. education, health, defense, and parliament—only 800 private economic activities are led by women in throughout of Afghanistan in 2016. The female entrepreneur are economics saviors of Post-Taliban Afghanistan and our study help to understand which personal and social factors assist these entrepreneurs to stay on their businesses. Therefore, our study contributes to the advancement of multifaceted entrepreneurial phenomenon especially in the context of less developed countries.

Second, our study contributes to the fast-growing literature of female entrepreneurship by showing how psychological (internal locus of control), social (family ‒to- business supports) and environmental factors (perceived danger) interact together to shape entrepreneurs resistance to exit. This is one of the first empirical studies to explicitly
test the antecedents of entrepreneurs’ intention to exit in a physically
dangerous business environment. Understanding which factors
enhance entrepreneurs resilience to exit becoming much more
important because the world getting incrementally less peaceful and,
according to latest Institute for Economics and Peace’s (IEP’s) report,
among the 162 countries only 11 were not involved in a conflict of
one kind or another.

**Literature review**

**Intention to exit**

In our study, entrepreneurial exit refers to the process whereby the
founder of a privately-held enterprise remove himself/herself from the
primary ownership of the firms and from the decision-making
structures of the firm as well (Wennberg et al. 2010; DeTienne 2010;
Collewaert 2012). Therefore, by leaving voluntarily or involuntarily, an
entrepreneur loses the financial ownership of the firm (Wennberg et
al. 2010).

Entrepreneurial exit has been considered as a fundamental
component of the entrepreneurial process (DeTienne 2010) and,
someday, even the most successful entrepreneurs will leave their own
established businesses (Decker and Mellewigt 2007). Therefore,
exploring the driver of entrepreneurs intention to exit is important
because, we will have an incomplete understanding of the
entrepreneurial process without considering which factors enhance or
decrease such intention (DeTienne 2010).
According to previous studies—which mostly has been done in physically safe operating condition—several individual, firm and institutional level factors accelerate the entrepreneurial exit. In the personal or individual level, the entrepreneur’s human capital (Wennberg et al. 2010), with prior start-up experience (DeTienne and Cardon 2012), gender, marital status, and family situation (Justo, DeTienne, and Sieger 2015) contributes to entrepreneurs intention to exit. Among the firms level factors, the scholars found that conflict with investors (Collewaert 2012), business and family interference (Hsu et al. 2016), firm poor performance (Wennberg et al. 2010) may lead to entrepreneurial exit. Lastly, among institutional factors, a high rate of technological progress (Crifo and Sami 2008) and income tax (Gurley-Calvez and Bruce 2008), and finding alternative opportunities (Bates 2005; Gimeno et al. 1997) are important factors.

Perception of danger
Following (Bullough and Renko 2017; King et al. 1995), in our study, the perceived danger refers to female entrepreneurs’ personal judgments regarding the several threats and hazards in their daily life e.g. being fired on or being near gunfire in the street; hearing bombs and gunfire in the distance; seeing persons wounded, killed, or mistreated; experiencing arrest and torture; and being exposed to death and mutilation. Exposure to such harmful and exceptionally abusive violence influence the entrepreneurs’ perceptions of business
opportunities and their propensity to undertake entrepreneurial activity (Llussá and Tavares 2011).

A danger war zone influences entrepreneurial activities in several ways. For instance, it enhances the risk of new investment and yield to the postponement of long-term investments, reduces the returns to investment, and hurts foreign finance (Meierrieks and Gries 2013). By starting a new business, the entrepreneurs experience a high risk of losing the entire capital.

In the context of Afghanistan, due to the devastating and costly war between different political parties and the intense inflation rate, most of the families are below the poverty line. On the other hand, conducting a business is the most common route out of poverty for female entrepreneurs (Branzei and Abdelnour 2010) to provide a higher standard of living for their family (Ayadurai and Sohail 2006) in a physically dangerous operating environment.

**Hypothesis development**

**Family support and intention to exit**
The family-to-business support refers to the entrepreneurs’ experiences of their family (husband, parents, adult children and close relatives) support in the entrepreneurial setting (Powell and Eddleston 2013). The family to business support can be fruitfully conceptualized as the amount of funding the family provides for starting a business (Steier 2003), developing social and business network (Brush 1992) and providing information about the market
(Steier 2007; Rogoff and Heck 2003), mentoring during startup process (Sullivan 2000) and moral and emotional support after starting a business (Rodriguez, Tuggle, and Hackett 2009).

Previous studies state that family support is vital when entrepreneurs start up a business (Edelman et al. 2016) and, most importantly, the financial, physiological or social support from family members increases the entrepreneurs’ likelihood of remaining in entrepreneurship (Bird and Wennberg 2016; Brush, de Bruin, and Welter 2009). Thus, it deserves greater attention of entrepreneurship scholars (Aldrich and Cliff 2003). Most importantly, in comparison with men, (Powell and Eddleston 2013; Jennings and Mcdougald 2007) found that the family-to-business support is more important for the success of women entrepreneurs’ businesses.

Afghanistan has a traditional economy and highly family-oriented people (strong family ties) in general (Dupree 2004). In most cities, females are allowed to appear in public only if they are accompanied by a male relative. Comparing with Afghan men, such social isolation makes it hard for females to identify and exploit economic opportunities. In such context, family plays a critical role throughout women’s life, from education, marriage, employment to starting an independent business (Bullough, Renko, and Myatt 2014). By providing financial and human capital, social and emotional support, family male members help female entrepreneurs to start and continue their initial business (Bullough and Renko 2017).
Female businessmen relay more on family members to protect them when the business environment and market becomes unsafe. During such a crisis, people usually look for assistance from trustworthy individuals and family members are the first persons who can help reducing the threats and hazards of dangerous situations.

Strong gender stereotypes exist in Afghan society which makes much more difficult for females to enter and stay in entrepreneurship activities. In this regard, (Thornton, Ribeiro-Soriano, and Urbano 2011) believe that family plays a crucial role in supporting or discouraging the entrepreneurial behavior. In a physically dangerous environment, a positive encouragement of family members is increasingly important to make it longer their stay in the business.

**H1: family support negatively moderates the positive relationship between danger and intention to exit**

**Locus of control and intention to exit**

Locus of control has been considered as one of the instrumental psychological traits in explaining entrepreneurs behavior and decision (Mueller and Thomas 2001). An entrepreneur with high internal locus of control strongly believes that the outcomes of given events determine not the external events but also his/her own capacities, effort, or skills (Rotter 1966). Such person strongly believes that he/she is able to even influence the external events encountered in the person’s life.

Entrepreneurs’ difference in locus of control has been used to explain their firms’ outcomes. For instance, a survey study from 168 Chinese
SMEs showed that the venture growth is greater among those founded by entrepreneurs with high internal locus of control (Lee and Tsang 2001). Even though the new firms established by entrepreneurs with high internal locus of control exhibit much better financial performance than firms established by entrepreneurs with high external locus of control (Begley and Boyd 1987).

Locus of control is one of the major entrepreneurial personality in the startup process (Korunka et al. 2003). We expected that female entrepreneur with an internal locus of control may show more persistence to exit their business in a danger environment. They imbued with a high level of self-confidence and possess a penchant for action (Begley and Boyd 1987) which may assist them to overcome environmental threats. Supporting this, longitudinal data from 90 small business owner-managers showed that entrepreneurs with an internal locus of control perceive less stress in the same situation than entrepreneurs with an external locus of control (Anderson 1977). Additionally, internally entrepreneurs exhibit a higher level of achievement orientation (Brockhaus 1982), they set up a higher level of goals (more difficult goals) (Phillips and Gully 1997), and they persist more on their strategic goals and decisions (Gatewood, Shaver, and Gartner 1995) which eventually may result to continue their business in any circumstance. Continuing a business in a physically dangerous operating environment is a way for female entrepreneurs to express and prove the success of their difficult goals.
Exiting the business by closing or selling is among the first available options for a person to choose in a physically dangerous business environment. Those entrepreneurs, who are characterized by internality, believe that events are under their own control, they are more certain and confident about their decisions (Bastié, Cieply, and Cussy 2011); therefore, they will have more strategic choices than those entrepreneurs who have an external locus of control (Mitchell et al. 2009). Especially, there are some unique benefits for female entrepreneurs in physically dangerous business environment, e.g., the frequent physical threats may drive some competitors out of the industry and, therefore, the remaining entrepreneurs may enjoy a lower level of competition, which enhances their market power (they are able to raise the market price of a good or service). By conducting a business in such a unique conflict zone, entrepreneurs are able to identify unexploited business opportunities easier and take some advantages as well (Cusack and Malmstrom 2010). Since, internality entrepreneurs are high achievement-oriented (Brockhaus 1982); they may be the last person to leave their business.

H2: internal locus of control negatively moderates the positive relationship between danger and intention to exit

Research context
Afghanistan has been considered as one of the world’s most war-torn countries in last decades. The country faced nine years of war with the Soviet Union from 1979 to 1989. A few months after the Soviet withdrawal from Afghanistan, the civil war between different local groups resulted in the emergence of Taliban regime as one of radical
Islamism. The country was under the control of Islamic fundamentalism of the Taliban from 1996 to 2001 (Misra 2002). During these years, females had experienced extreme social exclusion because the Taliban regime was banned all of them (Muslim and non-Muslims) from education, doing business and employment (Hirschkind and Mahmood 2002; Moghadam 2002). Therefore, Afghan women had a limited role in the society and country economy (Rashid 2000) and they have been living under the constant threat of violence (Bullough and Renko 2017). After longstanding battles, Taliban were ousted in 2001 from the majority of Afghanistan territory by US-led troops. Currently, they controlled over 4 percent of country territory and threaten about 66 percent of the country.

Afghanistan is among the less developed countries in the world. The unemployment rate among eligible workers varies between 25 to 40 percent. The mortality rate of Afghan children less than five years old is an alarming 26%. Islam is the first religion of Afghanistan (99.7% of the population) and, in terms of the Islam's Sharia law, female have the right to educate, right to work, and ability to marry by own self-choice. However, the personal opinion of family members (especially the elders) would finally determinate the level of female members economic activity, education, marriage, and public involvement.

As an Islamic country, Afghanistan has low levels of political openness and high levels of political instability. The development of the private sectors has been considered as a key to economic growth by the new government (Jalali 2006). The government makes the business easier by setting up new laws on investment, trade regulation, taxation of income, reducing the level of corruption and enhancing the social security (Cusack and Malmstrom 2010). Still, lack of systematic data on private business founders and owners by either
male or female in Afghanistan, our understanding about business context of Afghan society is limited.

**Research methodology**

**Sample**
In this study, we surveyed 162 female business founders in three main cities of Afghanistan; Kabul, Herat, and Kandahar. During the research period In 2017, the three provinces were under the control of the government but suffered from major attacks. In 2017, about 1000 Afghan civilians were killed or injured each month, based on the data from UN (CITE). One truck bomb by Islamic State (IS) group militants injured and killed At least 450 people in Kabul. In the year of the study (2017), fear for personal safety in Afghanistan increased by 0.9 percentage points (Akseer et al. 2017).

In this study, the respondents were asked whether they founded and owned a business. Following (Gras and Nason 2015), in the survey we defined a business in the following manner: “each business consists of an activity you conduct to earn money, where you are not someone's employee”. Three research groups of locally trained research assistants help us in the data collection process. For increasing the number of participants and obtaining their trust, we included one female in each research assistant group (Holmén, Min, and Saarelainen 2011). Furthermore, we have received a supporting letter (Maktoob) for our research from a local university as well (Herat University). The level of education required for including in the final sample was basic literacy. In a few cases, the local assistants clarified
and explained some items to some participants. Another criteria for choosing the sample was that the selected firms have to be owned by a single firm founder (Wennberg et al. 2010).

The participants in the study started businesses in a wide range of business common in Afghanistan, e.g. beauty & cosmetics, tailoring, wool processing and silk production, food processing and canning (kitchen accessories), handicrafts and furniture, livestock (farming, breeding, and livestock products and poultry products), agriculture & agribusiness, and traditional retail (apparel, crafts, hobby, etc.).

**Data-collection**
In order to strengthen the inference of causality (Podsakoff 1986; Podsakoff et al. 2003; Chen and Nadkarni 2017), we collected our data on two different time points. At the time first, the female entrepreneurs answered control, independent and moderator variables. Three months later, they filled the dependent variable question items. Using the temporal separation helped to alleviate common method bias (Podsakoff 1986; Podsakoff et al. 2003) as well. We applied the back-translation method to translate the English version of the questionnaire to Dari and Pashto: Afghanistan official languages; (Kock and Krysher 2010). Before sending the questionnaires, the instrument was pre-tested with two different samples; first, with 35 undergraduate and postgraduate Afghans, and second with 10 female afghan entrepreneurs (not included in final analysis). During these processes, we have asked them to think aloud while filling out the questionnaire. Consequently,
any ambiguous, sensitive, or difficult questions have been revised (Grichnik et al. 2014).

We have checked the nonresponse bias by comparing early respondents (first 25%) with late respondents (last 25%) on individual level control variables (Armstrong and Overton 1977). The T-tests showed that there is not any significant difference between early and late respondents in the respondent age, education, experience, and marital status. Lastly, we run Harman’s single-factor test by including all major constructs (independent, moderator and dependent constructs). The factor analysis resulted in four distinct factors with Eigenvalues more than 1.0, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy was 0.802 and Bartlett’s test revealed a significant chi-square of 1757.740 (p < 0.001). These four factors explained 72% of the total variance and the first-factor account for 25% of the variance.

**Measurement**

**Intention to exit**

We used two items (Collewaert 2012) to measure entrepreneurs intention to exit their venture. The first item asked entrepreneurs about “How long do you intend to remain with your company?” on a 7-point scale ranging from more than 5 years to less than 1 year for the first item. The second items asked respondents about “If you have your own way, will you be working for this organization three years from now?” on a 7-point scale ranging from (1) definitely yes to (7) definitely no. A higher score reveals higher entrepreneurs intention to
exit their business. The Cronbach’s alpha values for the intention to exit were 0.94.

Locus of control
Following Thomas & Mueller, (2000) and Mueller & Thomas, (2001), we used modified (Rotter, 1966) I-E Scale to measure female entrepreneurs locus of control. Internal locus of control describes the ability of female entrepreneurs to influence the events in their life. A high internal locus of control means that you believe that fate and fortune are within your personal control (Mueller & Thomas, 2001). The scale contains 10 items. The example items include “Whether or not I am successful in life depends mostly on my ability” and “I feel in control of my life.” A higher score indicates a more internal locus of control, and a lower score on this scale indicates a more external locus of control. The Cronbach Alpha value for the locus of control was 0.956.

Family-to-business support
We adopted four items from Powell & Eddleston, (2013) to measure the level family-to-business support perceived by female entrepreneurs in Afghanistan. The four items are: (1) “When I'm frustrated with my business, someone in my family tries to understand” (2) “My family gives me useful feedback about my business ideas,” (3) “Family members often go above and beyond what is normally expected in order to help my business succeed,” and (4) “Family members often contribute to my business without expecting to be paid”. The response options for these four items
ranged from “strongly disagree” (1) to “strongly agree” (7). The Cronbach’s alpha value for family support indicated excellent reliability (0.905).

**Perceived danger**
We have used 10 items from (Bullough and Renko 2017) to measure the level perceived danger by female entrepreneurs in Afghanistan. The response options for these items ranged from “strongly disagree” (1) to “strongly agree” (5). The example items include “Sometimes, I feel I will never survive” and “I am afraid of encountering a bomb, landmine, or explosion”. The Cronbach’s alpha value for perceived danger indicated excellent reliability (0.94).

**Control variables:**
At the individual level, we controlled the entrepreneur age, education, marital status, number of children and experience. Previous studies showed younger entrepreneurs (Headd 2003), well-educated and experienced entrepreneurs (DeTienne and Cardon 2012), married and entrepreneurs with children (Justo, DeTienne, and Sieger 2015) have a higher chance of survival and less intention to exit their businesses. Entrepreneurs’ education was measured by one item in terms of five categories: (1), six years primary education, (2), three years Middle school or Maktabeh Motevaseteh, (3), three years secondary education or Doreyeh Aali, (4), four years Undergraduate, (5), two years Postgraduate or Master's Degree. Marital status of entrepreneurs was measured with 1= single, 2= married, 3= divorced, 4= widowed. We controlled entrepreneur experience
(Gruber, MacMillan, and Thompson 2008) by asking: what is a level of your management experience, marketing experience and technology experience on a five-point Likert scale from (1) very low, to (5) very high.

In the firm level, we controlled type of business; (1), Beauty & Cosmetics (2), Tailoring, wool processing and silk production (3), Food processing and canning (kitchen accessories) (4), Handicrafts and furniture (5), Livestock (farming, breeding, and livestock products and poultry products) (6), Agriculture & Agribusiness (7), Traditional Retail (apparel, crafts, hobby, etc.) (8), Education & Training (business and vocational training) (9), other businesses (e.g. Wholesale Distributors, Health Care Services). The firm past performance was controlled by asking respondents: was your business profitable last year? on a three-point scale (1), losing money (2), not profitable and not losing money, and (3) profitable (Lerner, Brush, and Hisrich 1997). The firm age was controlled by the number of years the firms, and firm size by using a number of employees.

The average age of female entrepreneurs were 32 years. On average, the firms had seven employees and about 6 years of operation. According to industrial affiliation, among respondents 12.9% were from beauty & cosmetics, 22.7% were from tailoring, wool processing, and silk production, 12.3% were from food processing and canning (kitchen accessories), 14.1% were from handicrafts and furniture,
2.4% were from livestock (farming, breeding, and livestock products and poultry products), 9.2% were from agriculture & agribusiness, 14.1 belong to traditional retail (apparel, crafts, hobby, etc.), 1.8% were from education & training (business and vocational training), and about 10.4% from other business (e.g. wholesale distributors, health care services). The information about participants’ educational level, marital status, and a number of children can be found in Table 1.

Table 1: Respondent distribution according to educational level, marital status, and number of children

<table>
<thead>
<tr>
<th>Primary education</th>
<th>Middle education</th>
<th>Secondary education</th>
<th>Undergraduate</th>
<th>Postgraduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1%</td>
<td>22.1%</td>
<td>39.3%</td>
<td>26.4%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Single</td>
<td>Married</td>
<td>Divorced</td>
<td>Widowed</td>
<td></td>
</tr>
<tr>
<td>25.8%</td>
<td>62.6%</td>
<td>7.4%</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td>no children</td>
<td>1 child</td>
<td>2 children</td>
<td>3 children</td>
<td>4 children</td>
</tr>
<tr>
<td>31.3%</td>
<td>11.0%</td>
<td>15.3%</td>
<td>16.6%</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

Findings

Table 2 shows descriptive statistics and correlations among all variables of the study. As we can see, the correlation among variables does not show any serious multicollinearity issue. Furthermore, the highest variance inflation factor (VIF) was 2.276 and under the value of 3 (Neter, Wasserman, and Kutner 1990). We mean-
centered the main variables to reduce the possibility of collinearity in
the interaction terms (Aiken and West 1991).

Table 2: Descriptive statistics and correlations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>S.D</th>
<th>1.00</th>
<th>2.00</th>
<th>3.00</th>
<th>4.00</th>
<th>5.00</th>
<th>6.00</th>
<th>7.00</th>
<th>8.00</th>
<th>9.00</th>
<th>10.00</th>
<th>11.00</th>
<th>12.00</th>
<th>13.00</th>
<th>14.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>32.7294</td>
<td>8.35399</td>
<td>1</td>
<td></td>
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</tr>
<tr>
<td>Education</td>
<td>3.0309</td>
<td>0.98070</td>
<td>-263*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Management Exp.</td>
<td>3.0864</td>
<td>1.17105</td>
<td>0.949</td>
<td>0.084</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>Marketing Exp.</td>
<td>3.2346</td>
<td>1.24682</td>
<td>0.028</td>
<td>-0.011</td>
<td>268*</td>
<td>1</td>
<td></td>
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<tr>
<td>Technology Exp.</td>
<td>2.7222</td>
<td>1.22728</td>
<td>-0.099</td>
<td>0.317</td>
<td>289*</td>
<td>-326*</td>
<td>1</td>
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<tr>
<td>Marital</td>
<td>1.8869</td>
<td>0.68706</td>
<td>0.515</td>
<td>-225*</td>
<td>0.035</td>
<td>0.060</td>
<td>-206*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. children</td>
<td>2.2593</td>
<td>2.15417</td>
<td>0.587</td>
<td>-210*</td>
<td>-173*</td>
<td>0.083</td>
<td>-0.088</td>
<td>595*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Firm age</td>
<td>5.8333</td>
<td>3.52850</td>
<td>0.574</td>
<td>-187*</td>
<td>-0.021</td>
<td>0.023</td>
<td>-0.088</td>
<td>261*</td>
<td>-403*</td>
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<td>0.078</td>
<td>0.001</td>
<td>0.013</td>
<td>0.033</td>
<td>226*</td>
<td>-491*</td>
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<td>0.098</td>
<td>-0.018</td>
<td>0.027</td>
<td>0.126</td>
<td>-0.109</td>
<td>-0.059</td>
<td>-0.093</td>
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<td>2.60090</td>
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<td>0.111</td>
<td>0.044</td>
<td>0.023</td>
<td>0.042</td>
<td>-0.057</td>
<td>-0.021</td>
<td>-0.110</td>
<td>-0.023</td>
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<td>1.69337</td>
<td>0.095</td>
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<td>0.197</td>
<td>0.178</td>
<td>0.165</td>
<td>0.078</td>
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<td>Locus of control</td>
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<td>0.066</td>
<td>0.028</td>
<td>0.073</td>
<td>0.292*</td>
<td>0.191*</td>
<td>-0.023</td>
<td>0.094</td>
<td>0.104</td>
<td>0.091</td>
<td>0.053</td>
<td>-0.063</td>
<td>365*</td>
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<td>0.022</td>
<td>-0.001</td>
<td>-0.066</td>
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<td>-0.131</td>
<td>0.024</td>
<td>-0.134</td>
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<td>1.92485</td>
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<td>0.003</td>
<td>-0.124</td>
<td>-0.232*</td>
<td>-0.181*</td>
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<td>-0.131</td>
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<td>-0.038</td>
<td>-190*</td>
<td>0.007</td>
<td>-286*</td>
<td>-190*</td>
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**p < 0.05 level (2-tailed)**

Table 2 presents the hierarchical multiple regressions (SPSS 24) of the
impact of the family on business support and locus of control on
entrepreneurs’ intention to exit. Model 1 shows the effects of
individual and firm level control variables on the entrepreneurs’
tention to exit. Accordingly, entrepreneurs with higher level of
marketing experience ($\beta = -0.287$; $p < 0.05$), with more children ($\beta = -0.178$; $p < 0.05$) and a profitable business ($\beta = -0.475$; $p < 0.05$) have less intention to exit their
businesses. Model 2 presents the direct effects of independent and
moderator variables on entrepreneurs’ intention to exit.

Table 2: Hierarchical Multiple Regression of entrepreneurs’ intention to
exit (N = 162)
Table 2, Model 3 shows the results of the test for the first hypothesis. The hypotheses predicted that under the condition of high danger perception, female entrepreneurs with more family-to-business support have less intention to exit their business. As we can see, the interaction coefficient of family support with danger perception is significant (β = -0.280; p < 0.001). Figure 1 presents the pattern of
the interaction effect of the first hypothesis. As a family-to-business support increases, the probability of entrepreneurs’ intention to exit decreases significantly when perceived danger is high.

Figure 1: effects of family-to-business support on entrepreneurs’ exit intention under the condition of high and low danger perception

Table 2, Model 4 shows the results of the test for the second hypothesis. The hypotheses predicted that, under the condition of high danger perception, female entrepreneurs with high internal locus of control have less intention to exit their business. As we can see, the interaction coefficient of locus of control with danger perception is significant (β = -0.499; p < 0.001). Figure 2 illustrates the pattern of interaction effect on the second hypothesis. When the perceived danger is high, in comparison with entrepreneurs with an external
locus of control, the entrepreneurs with high internal locus of control have less intention to exit their businesses.

**Figure 2: Effects of locus of control on entrepreneurs’ exit intention in high and low danger perception condition**

<table>
<thead>
<tr>
<th></th>
<th>Low Danger</th>
<th>High Danger</th>
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<tr>
<td>1</td>
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<td>7</td>
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</table>

**Discussion**
Due to years of war and conflict between different political parties, the business context in Afghan society has been left largely untouched by academicians. For an almost first time, by using a unique survey data from female entrepreneurs in Afghanistan, we examined the interaction between personal and environmental factors to explain the entrepreneurs’ intention to exit phenomenon. It is important to identify the factors that help women to stay as long as possible on their business. It is well accepted that women participation in the social and economic activities has a significant contribution to the further growth and development of emerging and developed countries (Valliere and Peterson 2009). By constituting about 50% of the population, their contribution to economic performance is
even more important in less developed countries (Boserup, Tan, and Toulmin 2007; De Vita, Mari, and Poggesi 2014).

Our results highlighted the importance of family support for increasing the resistance of women-led businesses in a physically dangerous operating environment. Multiple sources ranked Afghanistan as the worst and most dangerous place in the world for women. The daily threats for women, ranging from bombing, suicide attack to a girls school, violence, forced marriage, rape, dismal healthcare, “honor killings” and sale of daughters by fathers to settle the debt (Beath, Christia, and Enikolopov 2012). In such an unsafe situation, not all women have equal opportunities and chances to participate in fundamental economic and social activities (only 800 women-led businesses exist in Afghanistan in 2016). Without the strong instrumental and emotional support of family members (husband, parents and close relatives), it is almost impossible for women to start and stay in entrepreneurship activities.

To explain the heterogeneous behavior of people in the same situation, Brush (1992) believes that focusing on differences in individual characteristics. In this base, individual difference in locus of control has been considered as one of major entrepreneurial personality in startup process (Korunka et al. 2003) and the venture established by internality entrepreneurs shows greater growth (Lee and Tsang 2001) and exhibit much better financial performance (Begley and Boyd 1987). In line with this literature, our empirical evidence confirmed that those female entrepreneurs who were characterized by internality showed more
persistence to exit under adverse conditions in comparison with those female entrepreneurs who were characterized by externality.

In conclusion, entrepreneurs existence isn’t only due to the firms’ weak performance (Wennberg et al. 2010). Our result confirmed that those entrepreneurs who give high credence to “external” forces, such as destiny, or luck (Begley and Boyd 1987), and have received less family to business support, have more tendency to leave their businesses.

**Limitation and future research**

Our research has some limitations, which provide some unique opportunities for future studies. In terms of context, we have collected data from only three geographic locations (Kabul as Capital and the country's largest city, Kandahar as the second-largest city and Herat as the third-largest city of Afghanistan). This may affect the relationship under study or the generalizability of our result to other regionals. In this paper, we only focused on female entrepreneurs. Future studies may test our model with data from male entrepreneurs in a danger business environment e.g. Afghanistan. However, by considering one psychological treat and one social factor, our research provides a springboard for future studies in the context of Afghanistan to link other constructs and explores the underlying processes that decrease entrepreneurs’ intention to exit their business.
The implication for the context
Afghanistan is in a dark stage in terms of women in the society. Increasing the number of women participation in political parties will lead to a greater prevalence of females at all levels of education and a greater number of employed women in private and public sectors (even in top level of managerial position). This would gradually blur the traditional gender roles in family responsibilities. Female entrepreneurs can accelerate this transaction stage and speed up the country economic growth and social development (Kock and Krysher 2010). Supporting this argument, our study helps to identify and enrich factors for female entrepreneurs to persist in their businesses. Our results on the base of survey analysis highlighted the critical role of family supports for enhancing the resistance of women-led business in a physically dangerous operating environment. Female engagements in economic activities indeed provide several benefits for family members, on the other hand, the family encouragement and support is essential for a female to continue their business.

Reference


