

Chapter 9

Involvement of Women in Islamic Finance in Pakistan: Challenges and Prospects

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ABSTRACT

The purpose of the study is to explore challenges facing by women and avenues of future prospects available for women in Islamic finance in Pakistan. To achieve the purpose of the study, in-depth interviews from women working in academia and industry associated with Islamic finance were conducted through purposive and snowball sampling. The findings revealed that women prefer to earn HALAL money as a source of income and they have an opportunity to work in Islamic bank rather than traditional bank. Unfortunately, due to male-dominated society, women face inequalities at the workplace as well. Along with having challenges, obstacles and gender stereotype issues, women are trying to overcome the barriers. The findings of this study may motivate women to get education in order to assess their future potential in both academics and industry of Islamic finance in Pakistan. Moreover, this study draws the attention of government and regulatory agencies to develop policies that support women, and increasing the proportion of women in the Islamic finance sector.

1. INTRODUCTION

Islamic finance has now become an increasingly important part of the global financial market. It is based on the values of Shariah law, rules and Islamic jurisprudence. Islamic banking is growing all around the

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world including Muslim and Non-Muslim countries and states as well. In relation to business innovation and corporate strategies, women are indeed a more dominant force (Gait & Worthington, 2015). Women are playing a significant role in the growth of Islamic banking and finance in different capacities including Islamic banking and industry (Shah, Che & Mohd, 2012).

Women must excel and shine in Islamic norms and business enterprises, that raise their position and status as well as their role and contribution must be appreciated along with their abilities (Mittal & Bhakar, 2018). Financial independence has a positive influence on the development of women as it effects the job and work opportunities (Azid & Ward-Batts, 2020). Women are always recognised as equal to men, with some important and core responsibilities relating to their decisions and the ability to resolve concerns and problems. (Arnez, 2010). It is well-evident that Muslim women perform a major role in the economic and social growth of their countries (Azid & Ward-Batts, 2020).

The advancement of women in Islamic finance is fueled by a number of factors, including business expansion, venture capital experience, and the business market. In Muslim societies, when women engage in economic activities, the community becomes uncomfortable. As a result, women are not encouraged to engage in economic activities. This misperception runs counter to Islamic beliefs. The educated women are increasing and involving in various aspects of life. Subsequently, getting a lot of coverage from intellectuals and academics in recent years (Maria, Raquel & Carlos, 2020). Women are becoming more informed, competent, and aware of investing opportunities (Aziz & Kassim, 2021). Women have skills and potential, but a few have progressed and got senior positions (Aziz & Kassim, 2021). (Nabi, 2019) also agreed that the role of women in Islamic finance is gradually increasing across the globe, as well as well-known roles within Islamic financial firms' supportive infrastructure. Mostly women in Islamic finance are strong, intelligent, talented and hardworking.

Women can play a crucial role in Islamic finance and trade in a slightly different manner. The wife of Prophet Muhammad (PBUH), Hazrat Khadijah, a wealthy, powerful, famous and esteemed business executive. It is noticeable that economic independence of women in Muslim societies should be reconsidered (Azmi, 2017). Today, Muslim women are expected to perform a momentous and significant share in the Islamic financial business, which will eventually need to respond to their needs (Gulzar & Munir, 2019). Few research have been performed on the role of women in Islamic business and their socioeconomic decision-making abilities (Shkodra, Ymeri & Ibishi, 2021). Women have been observed to be more capable in managing and dealing finance. Financial inclusion has been indicated to have a positive impact on motivation of women to obtain professional goals as well as get economic opportunities and benefits (Alam & Azad, 2021). However, there is a scarcity of research that examines the role of women in Islamic business and finance from a comprehensive perspective, taking into consideration many possibilities and difficulties that women face. This study aims to explore the women's involvement in Islamic finance by coping the challenge and opportunities in Pakistan.

2. LITERATURE REVIEW

The stupendous growth of Islamic banking operations demonstrates the huge turnover and revenue that occurs. As a result, some governments have started the developments and procedures in order to become prominent Islamic financial hubs. Likewise, Hong Kong, New York, and Singapore are doing momentous and outclass progress in cooperative Islamic finance. Bahrain and Dubai are famous for Islamic finance. These cities have strong powerful and comprehensive Islamic financial system. Islamic finance is swiftly

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