Why Entrepreneurship Graduates Do Not Launch Ventures: A Comparative Institutional Analysis

Abstract

Purpose – Despite growing investment in entrepreneurship education, a persistent gap remains between post-graduation intention and actual venture creation. This study examines the institutional barriers preventing entrepreneurship graduates from starting businesses, comparing the contrasting contexts of Pakistan and the United Kingdom (UK).

Design/Methodology/Approach – Grounded in Scott's tripartite institutional framework, the study adopts a qualitative design using semi-structured, in-depth interviews with purposively and snowball-sampled entrepreneurship graduates from each country. Data were analysed using the Gioia methodology, generating first-order concepts, second-order themes, and aggregate dimensions through systematic iterative coding.

Findings – Three aggregate dimensions were identified. Regulative barriers included bureaucratic obstruction destroying the entrepreneurial window, restricted finance access, and temporally misaligned support mechanisms. Normative barriers encompassed employment expectation pressure, social shame of venture failure as a collective reputational mechanism specific to the Pakistani context, and collectivist family obligation reinforced by material dependency. Cultural-cognitive barriers comprised structural erosion of entrepreneurial self-belief at graduation, risk aversion paradoxically reinforced by analytical education, and internalised illegitimacy of self-employment.

Practical Implications – Educators must invest in resilience-based pedagogy and post-graduation transition preparation. In collectivist contexts, culturally sensitive failure-reframing approaches are essential given the collective and reputational nature of venture failure shame. Pakistan policymakers should reform registration processes and develop graduate-specific financial products. UK policymakers should realign support mechanisms to the immediate post-graduation period.

Originality/Value – This study is among the first to apply Scott's tripartite framework comparatively to the post-graduation intention-action gap, advancing it from a static typology to a dynamic account of cross-pillar interaction. Four original contributions emerge, including the collective shame mechanism of failure and the risk-deepening paradox of entrepreneurship education, with direct implications for educators, policymakers, and university support practitioners in both emerging and developed economies.

Keywords Graduate entrepreneurship, Institutional barriers, Intention-action gap, Entrepreneurship education, Comparative institutional analysis, Qualitative-Gioia methodology

Paper type Research Paper

1. Introduction

Entrepreneurship education has experienced unprecedented global expansion over the past three decades, with universities worldwide offering dedicated programmes designed to cultivate entrepreneurial mindsets and capabilities (Nguyen Thi *et al.*, 2026; Packham *et al.*, 2010). This growth reflects recognition that entrepreneurship serves as a critical engine for economic development, particularly in contexts characterised by youth unemployment and economic transition (Hasan *et al.*, 2017; Subotic *et al.*, 2026). Whilst existing research confirms that entrepreneurship education positively influences students' intentions, self-efficacy, and knowledge acquisition (Nabi *et al.*, 2018; Wasim *et al.*, 2024), a troubling paradox persists: graduate venture creation rates remain stubbornly low even among those who have completed entrepreneurship programmes and expressed strong entrepreneurial intentions during their studies (Martins *et al.*, 2023; Ruiz-Rosa *et al.*, 2022).

This intention-action gap, whereby individuals with genuine entrepreneurial aspirations fail to translate these into actual venture creation, represents a critical blind spot in entrepreneurship education research (Hameed and Irfan, 2019; Saoula *et al.*, 2025). The temporal disconnect between university education and post-graduation entrepreneurship creates a period during which intentions dissipate, barriers emerge, and alternative career paths become entrenched (Narmaditya *et al.*, 2026). Existing studies predominantly adopt single-country designs, limiting understanding of how institutional environments, cultural norms, and economic conditions shape the intention-action gap differently across diverse settings (Halalsheh *et al.*, 2026; Sandhu *et al.*, 2011).

This study addresses these gaps by examining institutional barriers preventing entrepreneurship graduates from pursuing venture creation, employing a comparative qualitative design across two distinct contexts. Pakistan, representing an emerging economy, is characterised by institutional voids, weak regulatory enforcement, collectivist cultural norms, and limited formal venture financing infrastructure (Shah and Soomro, 2017; Soomro *et al.*, 2024). The UK, representing a developed economy, offers comprehensive regulatory frameworks and

established ecosystem support structures, though with its own institutional challenges including rigid employment norms and risk-averse societal expectations (Nabi *et al.*, 2018). The focus is specifically on graduates who completed entrepreneurship-related programmes, expressed entrepreneurial intentions during their studies, yet had not launched ventures within two to five years post-graduation.

Two research questions guide this investigation:

- *RQ1:* What institutional barriers prevent entrepreneurship graduates from translating their intentions into venture creation in Pakistan and the UK?
- *RQ2:* How do formal and informal institutional contexts shape these barriers differently across both countries?

Institutional theory serves as the theoretical lens. Scott (1995) conceptualises institutions through three pillars: the regulative pillar, the normative pillar, and the cultural-cognitive pillar. Data were collected through semi-structured in-depth interviews, enabling participants to articulate post-graduation experiences in their own terms whilst allowing structured thematic exploration across both national contexts. Analysis followed the Gioia methodology (Gioia *et al.*, 2013), proceeding through informant-centric first-order coding, abductive second-order thematic analysis, and aggregation into theory-grounded dimensions, ensuring rigorous data-to-theory connections. The study contributes the first cross-national qualitative account of post-graduation institutional barriers and advances Scott's (1995) framework from a static typology to a dynamic system of cross-pillar interaction, with original theoretical and practical contributions.

Whilst this study examines the specific pathway from entrepreneurial intention to venture creation, it does not position new venture creation as the sole productive outcome of entrepreneurship education, nor does it treat alternative post-graduation pathways as failures. Graduate employment, intrapreneurship, and social enterprise each represent legitimate and valuable outcomes of entrepreneurship education. The focus is specifically on graduates who expressed clear venture creation intentions at or near graduation yet did not act upon them, examining the institutional barriers that explain this specific gap rather than making a broader claim about the purpose or value of entrepreneurship education.

The paper proceeds as follows: Section 2 presents the literature review; Section 3 details the research methodology; Section 4 presents findings; Section 5 offers discussion, contributions and implications; Section 6 concludes with limitations and future research directions.

2. Literature Review

2.1 Entrepreneurship Education Effectiveness

Entrepreneurship education has been widely studied as a driver of entrepreneurial intention, with broad consensus that it positively shapes students' attitudes, self-efficacy, and intentions. Li *et al.* (2022) and Widjaja *et al.* (2022) both confirm a significant positive relationship between entrepreneurship education and entrepreneurial intention, with self-efficacy as a key mediating factor. However, Li *et al.* (2022) note that actual course provision remains below student demand in China, whilst Widjaja *et al.* (2022) highlight that lecturer competence and facilitating conditions are critical prerequisites for effective delivery in Indonesia. Turker and Selcuk (2009) demonstrate that structural and contextual support, rather than education alone, are critical determinants of entrepreneurial intent, suggesting that effectiveness is inseparable from the broader institutional environment in which programmes operate.

Gender and culture introduce further complexity. Krishna and Agrawal (2026) and Hassan *et al.* (2022) find that intention pathways differ significantly across gender and cultural contexts, with subjective norms exerting stronger influence in collectivist societies, reflecting the weight of familial expectations. Al-Tekreeti *et al.* (2024) further demonstrate that motivation and external institutional environment shape entrepreneurial outcomes beyond what education alone can explain. Perhaps most critically, Nabi *et al.* (2018), in a longitudinal study at a British university, revealed that entrepreneurship education can in some cases reduce entrepreneurial intentions by heightening students' awareness of real-world risks. This directly challenges prevailing optimism in the literature and raises serious questions about whether intention measured at graduation reliably predicts future entrepreneurial behaviour.

Contextualising this further, Jones *et al.* (2013), drawing on a global survey of 97 educators across 35 countries, found that the majority of entrepreneurship students were not seeking to start a business during their studies, nor immediately following graduation. Their typology distinguishes between value creators, those students oriented towards new venture creation, estimated at only 10 to 20 per cent of typical cohorts, and non-value creators, who represent the majority and engage with entrepreneurship education primarily as a vehicle for employability and mindset development. Critically, Jones *et al.* (2013) argue that enrolment in an entrepreneurship programme carries no inherent indication of start-up intent, a finding that reframes the intention-action gap as a more selective phenomenon than much of the existing literature assumes.

Whilst entrepreneurship education serves broader outcomes including intrapreneurship; this study focuses specifically on graduates for whom new venture creation was a stated post-graduation aspiration. It is further acknowledged that students embark on entrepreneurship programmes for varied reasons, including employability, skills development, and general business knowledge, rather than venture creation alone, and that intentions may shift considerably between programme entry and graduation.

2.2 The Intention-Action Gap and Barriers to Venture Creation

Whilst entrepreneurship education broadly raises intentions, translating those intentions into actual venture creation remains a persistent and largely unexplained challenge. A summary of the key empirical studies informing this review is provided in **Table 1**. Sandhu *et al.* (2011), studying Malaysian postgraduate students, found that lack of social networking, limited resources, and risk aversion collectively explained over 31 per cent of the variation in entrepreneurial inclination, and explicitly called for qualitative research, a limitation that directly informs the present study's design. Shambare (2013) demonstrated that family influence, limited social exposure, and inadequate institutional support suppress graduate entrepreneurial action in South Africa, confirming that the intention-action gap cannot be explained by individual psychology alone. In the Pakistani context, Aslam and Hasnu (2016) found that MBA graduates were deterred primarily by unfavourable government policies and an unsupportive economic environment, locating primary barriers within the formal institutional environment. Soomro *et al.* (2024) reinforce this, finding that fear of failure, resource constraints, and weak social networks negatively affect entrepreneurial inclination among Pakistani female students.

It is acknowledged, however, that not all studies confirm the dominance of institutional barriers in explaining the intention-action gap. Krueger (2000) and Liñán *et al.* (2011) demonstrate that individual factors including personality traits, human capital, and perceived behavioural control play a significant independent role in shaping post-graduation entrepreneurial behaviour, suggesting that institutional barriers alone offer an incomplete explanation. Furthermore, some graduates may rationally and productively choose not to start a venture, reflecting a deliberate recalibration of aspirations rather than a barrier-induced failure (Jones *et al.*, 2013).

'[insert table 1 about here]'

Across these studies, a consistent pattern emerges: individual intention is necessary but insufficient for venture creation, and the institutional environment plays a decisive role in enabling or suppressing entrepreneurial action. Yet the majority of studies adopt single-country quantitative designs and measure outcomes during the university period, leaving the post-graduation period largely unexplored. No comparative study has examined how institutional barriers shape the intention-action gap differently across an emerging economy such as Pakistan and a developed economy such as the UK, a gap that this study directly addresses.

2.3 Institutional Theory

North (1990) defined institutions as the rules of the game in a society, comprising formal constraints such as laws and regulations and informal constraints such as social norms and cultural conventions. Scott (1995) extended this by identifying three pillars: the regulative, normative, and cultural-cognitive dimensions, which together constitute the institutional environment within which entrepreneurial behaviour is embedded. This tripartite framework directly informs the analytical structure of the present study. In entrepreneurship research, Baumol (1990) demonstrated that institutions determine whether entrepreneurial talent is channelled into productive venture creation or diverted into unproductive outcomes, directly relevant to Pakistan where weak formal institutions may suppress graduate entrepreneurial ambitions (Aslam and Hasnu, 2016; Shah and Soomro, 2017). Welter (2011) advanced this by arguing that context matters fundamentally, helping explain why entrepreneurship education produces similar intentions across countries yet very different venture creation rates (Packham *et al.*, 2010; Hameed and Irfan, 2019). Stenholm *et al.* (2010) caution that even well-functioning formal institutions do not guarantee entrepreneurial activity if informal institutions remain unsupportive, pertinent to the UK context (Nabi *et al.*, 2018).

It is further noted that institutional theory, whilst powerful in explaining environmental constraints, has been critiqued for underweighting individual agency and the capacity of entrepreneurs to navigate, circumvent, or transform institutional barriers (Welter, 2011). This study acknowledges this limitation whilst maintaining that institutional barriers represent the primary analytical focus, given the consistent pattern of constraint identified across both national contexts.

Despite its explanatory power, institutional theory has rarely been applied to the intention-action gap among entrepreneurship graduates specifically. Sesen (2013) found that environmental factors exert a stronger influence on entrepreneurial intentions than personality

traits, further justifying institutional analysis. Linan *et al.* (2020) demonstrate that whilst education positively affects entrepreneurial intention, the strength of this relationship varies significantly depending on the broader institutional environment in which graduates are embedded, a finding that directly supports the comparative design adopted here.

2.3.1 Regulative Barriers: Formal Institutional Constraints

The regulative dimension encompasses formal rules, regulations, and enforcement mechanisms governing economic activity, including business registration, access to finance, intellectual property protection, and government support (Rasmussen and Sorheim, 2006). Where these are weak or inconsistent, they deter even highly motivated graduates from pursuing venture creation (Turker and Selcuk, 2009; Hameed and Irfan, 2019). In Pakistan, weak regulatory enforcement, bureaucratic complexity, and limited venture financing create a hostile environment for new ventures (Shah and Soomro, 2017; Soomro *et al.*, 2024). Aslam and Hasnu (2016) found that unfavourable government policies were the primary deterrent for Pakistani MBA graduates, whilst Barba-Sanchez and Atienza-Sahuquillo (2018) demonstrate that without adequate institutional support mechanisms, even students with strong entrepreneurial intentions struggle to convert those intentions into action. In the UK, regulative institutions are considerably more supportive, yet access to early-stage finance and the financial risks of leaving stable employment remain meaningful challenges (Nabi *et al.*, 2018; Ruiz-Rosa *et al.*, 2022).

2.3.2 Normative Barriers: Social Norms and Expectations

The normative dimension captures social norms and expectations that shape behaviour through social pressure rather than legal enforcement (Yar *et al.*, 2008; Rasmussen and Sorheim, 2006). In Pakistan, collectivist cultural values prioritise family obligations over individual ambition, with family pressure towards stable employment representing a pervasive constraint (Shah and Soomro, 2017; Hassan *et al.*, 2022). Soomro *et al.* (2024) highlight that Pakistani female graduates face compounded normative constraints where gender expectations amplify cultural pressures, making the social cost of entrepreneurial failure particularly acute. Nguyen Thi *et al.* (2026) further demonstrate that parental support significantly shapes entrepreneurial intentions, confirming that family approval functions as a powerful normative enabler or inhibitor. In the UK, expectations around graduate employment and career prestige discourage entrepreneurial action even among graduates with strong intentions (Nabi *et al.*, 2018; Wasim *et al.*, 2024). Solesvik *et al.* (2013) note that entrepreneurial mindsets developed through

education are frequently neutralised by the normative environment graduates return to after graduation. Ruiz-Rosa *et al.* (2022) add that triggering events in graduates' post-university lives can either activate or permanently suppress latent entrepreneurial intentions.

2.3.3 Cultural-Cognitive Barriers: Shared Beliefs and Mental Frameworks

The cultural-cognitive dimension captures shared beliefs and taken-for-granted assumptions through which individuals perceive opportunities and constraints (Scott, 1995; Yar *et al.*, 2008). In Pakistan, deeply embedded beliefs about education, employment, and the illegitimacy of failure lead graduates to unconsciously filter out entrepreneurial opportunities (Aslam and Hasnu, 2016; Shah and Soomro, 2017). In the UK, risk aversion and the cognitive framing of entrepreneurship as precarious present distinct barriers (Nabi *et al.*, 2018; Sesen, 2013), with Nabi *et al.* (2018) finding that entrepreneurship education sometimes reinforced cognitive barriers by heightening awareness of real-world risks. Linan *et al.* (2020) confirm that subjective norms and perceived behavioural control play a structurally important role in determining whether entrepreneurial intentions are sustained or abandoned after graduation. Where institutional environments persistently signal that entrepreneurship is risky or socially inappropriate, self-efficacy weakens accordingly, further widening the intention-action gap (Sandhu *et al.*, 2011; Shambare, 2013).

By applying Scott's (1995) tripartite framework comparatively across Pakistan and the UK, this study examines how graduates experience regulative, normative, and cultural-cognitive barriers in the post-graduation period, generating contextually grounded qualitative insight that directly addresses RQ1 and RQ2.

3. Research Methodology

This study adopts a comparative qualitative research design to examine how institutional barriers prevent entrepreneurship graduates from translating intentions into venture creation across Pakistan and the UK. A qualitative approach is appropriate because the research questions demand in-depth understanding of how graduates perceive, experience, and navigate post-graduation institutional barriers, insight that quantitative instruments are ill-equipped to generate (Creswell, 2013; Denzin and Lincoln, 2011). The study is situated within an interpretivist philosophical position, treating social reality as constructed through individual experience and meaning-making, significant given the culturally embedded nature of institutional barriers (Creswell, 2013). An inductive approach is adopted, allowing theoretical insights to emerge from the data, consistent with the Gioia methodology (Gioia *et al.*, 2013;

Magnani and Gioia, 2023). The comparative dimension is deliberate: contrasting two institutionally distinct contexts enables findings that are both contextually grounded and analytically transferable.

The selection of Pakistan and the United Kingdom as comparative contexts was deliberate and theoretically grounded. Pakistan represents an emerging economy characterised by institutional voids, weak regulatory enforcement, and collectivist cultural norms, whilst the UK represents a developed economy with established regulatory frameworks, entrepreneurial ecosystem infrastructure, and individualist cultural norms (Shah and Soomro, 2017; Nabi *et al.*, 2018). This pairing was selected to maximise institutional variation across all three of Scott's (1995) pillars, enabling systematic examination of how barrier form, intensity, and social consequences differ across emerging and developed economy contexts. No prior comparative qualitative study has examined the intention-action gap across these two specific national contexts, making this pairing both analytically productive and an original contribution to the comparative entrepreneurship literature.

3.1 Sampling Strategy and Participant Selection

Purposive sampling was employed to select participants who could provide the richest and most relevant insights in relation to the study's research questions (Patton, 2002). In Pakistan, participants were identified through university alumni networks and snowball referrals across Lahore, Islamabad, Karachi, and Peshawar. In the UK, participants were recruited through university entrepreneurship society alumni networks and LinkedIn outreach targeting entrepreneurship graduates across Manchester, Leeds, London, Edinburgh, and Birmingham. All potential participants were screened against the three eligibility criteria prior to inclusion. Three criteria guided eligibility: first, completion of an entrepreneurship-related undergraduate or postgraduate degree programme; second, clear entrepreneurial intentions at or near the point of graduation; and third, no launched venture within two to five years of graduating. This third criterion focuses analytical attention on the post-graduation intention-to-action gap that existing research has largely overlooked. Snowball sampling was additionally employed in Pakistan, where initial participants recommended peers meeting the selection criteria through trusted alumni and professional networks (Patton, 2002).

This sampling design directly addresses a concern raised by Jones *et al.* (2013), who caution that entrepreneurship education research risks assuming venture creation intent where none exists. Their global survey evidence demonstrates that the majority of entrepreneurship

graduates, estimated at over 80 per cent, enter the post-graduation period with employability rather than venture creation as their primary orientation. By restricting eligibility to graduates who had expressed clear entrepreneurial intentions during their studies, this study examines the intention-action gap among those for whom it is analytically meaningful, avoiding the conflation of non-starters by circumstance with non-starters by institutional constraint. Whilst the eligibility criteria encompass a range of entrepreneurship-related programmes, all selected participants had completed degrees with substantial entrepreneurship content, including dedicated modules, assessed entrepreneurship projects, and business planning components, ensuring meaningful and comparable engagement with entrepreneurship education across the sample.

A total of ten participants were selected: five from Pakistan and five from the UK, drawn from different cities in each country to ensure geographic diversity. Both male and female graduates were included to capture potential gender-related variation. Participants ranged in age from 25 to 31 years, held degree titles spanning undergraduate to postgraduate awards, and graduated between 2020 and 2023, ensuring sufficient post-graduation experience whilst maintaining reliable recall. Critically, none had launched a start-up since graduating. **Table 2** presents the full participant profile.

‘[insert table 2 about here]’

A sample of ten participants is consistent with established conventions of interpretive qualitative research. Creswell (2013) argues that five to twenty-five participants are appropriate for interpretivist qualitative studies, and Patton (2002) argues that what matters in qualitative inquiry is the richness of information, not its volume.

The comparative design of this study, drawing five participants from each national context, further strengthens the analytical sufficiency of the sample by ensuring balanced and symmetrical representation across Pakistan and the UK, enabling systematic cross-national comparison of institutional barriers. Additionally, the interview duration ranging from 47 to 74 minutes per participant generated substantial depth of data across all three institutional dimensions examined, with each account contributing rich, contextually grounded insight that extended and confirmed the emerging analytical framework rather than merely repeating it.

3.2 Interview Instrument

Data were collected using an open-ended semi-structured interview guide developed from the institutional theory framework. Semi-structured interviews were selected because they combine the consistency of a predetermined topic guide with the flexibility to pursue emerging themes (Patton, 2002). The guide was organised around three thematic areas corresponding to Scott's (1995) tripartite framework: regulative experiences (covering access to start-up finance, business registration complexity, and government support effectiveness); normative influences (covering family expectations, social attitudes, cultural pressures, and gender); and cultural-cognitive dimensions (covering self-belief in entrepreneurial capability, attitudes towards risk and failure, and cognitive framing of entrepreneurship). The guide was piloted with two participants, one per country, enabling refinement of question wording and cultural appropriateness. Follow-up probing questions were employed throughout all interviews to encourage elaboration.

3.3 Data Collection

Interviews were conducted between June and September 2025. All five Pakistani interviews were conducted online via Zoom, given the geographic spread of participants across Lahore, Islamabad, Karachi, and Peshawar, a method well established as a legitimate qualitative approach offering comparable richness to in-person encounters (Deakin and Wakefield, 2013). All five UK interviews were conducted face-to-face across Manchester, Leeds, London, Edinburgh, and Birmingham, to maximise relational depth. Interviews ranged from 47 to 74 minutes in duration. All were audio-recorded with explicit participant consent, transcribed verbatim, and returned to participants for member checking where requested, consistent with Lincoln and Guba's (1985) trustworthiness criteria. Field notes were maintained throughout. Theoretical saturation was confirmed independently in both national contexts when no new first-order concepts emerged from the final two interviews in each country, consistent with Fusch and Ness (2015), who demonstrate that saturation is a function of data richness and purposive sampling precision rather than a fixed numerical threshold.

3.4 Data Analysis and Ethical Considerations

Analysis followed the Gioia methodology (Gioia *et al.*, 2013; Magnani and Gioia, 2023), a systematic approach to inductive concept development that balances discovery-oriented theory building with academic rigour. The methodology recognises that social phenomena are co-constructed and that informants are knowledgeable agents whose accounts deserve to be taken seriously (Gioia *et al.*, 2013). Analysis proceeds through four interconnected stages.

- *Stage 1 (First-Order Analysis):* Transcripts were read repeatedly and coded using participants' own terminology, producing informant-centric first-order codes. Examples include: 'the bank wanted three years of trading history before they would even speak to me', 'my family saw no job as a failure', and 'I kept thinking about what would happen if it did not work out'. Initial open coding generated approximately 50 raw codes (**Figure 1**), subsequently refined to 27 first-order concepts that faithfully preserve informant language.

'[insert figure 1 about here]'

- *Stage 2 (Second-Order Thematic Analysis):* The 27 first-order concepts were grouped into 9 second-order themes through an abductive process combining emerging data patterns with existing theoretical concepts (Magnani and Gioia, 2023). Several themes emerged inductively from the interview data, including 'social shame of venture failure', 'graduate employment expectation pressure', and 'perceived illegitimacy of self-employment', representing original conceptual contributions. Other themes connected directly to established constructs, including 'weak regulatory enforcement' and 'collectivist family obligation', providing theoretical anchoring.
- *Stage 3 (Aggregate Dimensions):* The 9 second-order themes were synthesised into three aggregate dimensions corresponding to Scott's (1995) tripartite framework: regulative barriers, normative barriers, and cultural-cognitive barriers. The resulting data structure (**Figure 2**) assembles first-order concepts, second-order themes, and aggregate dimensions into a coherent visual framework (Gioia *et al.,* 2013).

'[insert figure 2 about here]'

- *Stage 4 (Grounded Model):* The data structure was transformed into a dynamic grounded model illustrating how regulative, normative, and cultural-cognitive barriers interact and compound within each country context, and how these configurations differ systematically between Pakistani and UK graduates. Cross-country comparative analysis was conducted by examining similarities and differences in barrier configurations between the two participant groups, directly addressing both research questions. Analytical rigour throughout all four stages was ensured through reflexivity, a full audit trail of analytical decisions, and thick description of both national contexts (Lincoln and Guba, 1985; Miles *et al.,* 2014).

Ethical approval was obtained from the relevant UK institutional review board prior to data collection. Participation was entirely voluntary, anonymity was maintained through pseudonymisation, and data were stored on password-protected institutional servers. Audio recordings were deleted following transcription in compliance with the General Data Protection Regulation (Nazir *et al.*, 2025). Interview questions were reviewed for cultural appropriateness prior to piloting, and the online format for Pakistani participants was selected in part to ensure candid engagement. These procedures are consistent with Creswell's (2013) guidance on responsible qualitative inquiry and Lincoln and Guba's (1985) trustworthiness criteria.

4. Findings

This section presents the findings of the ten semi-structured interviews conducted with entrepreneurship graduates from Pakistan and the UK. Analysis followed the Gioia methodology (Gioia *et al.*, 2013; Magnani and Gioia, 2023), proceeding through first-order coding, second-order thematic analysis, and aggregation into three overarching dimensions grounded in Scott's (1995) tripartite institutional framework. The findings are organised around three aggregate dimensions: regulative barriers, normative barriers, and cultural-cognitive barriers. Across all three dimensions, the data reveal a consistent and troubling pattern: graduates who entered the post-graduation period with clear entrepreneurial intentions encountered overlapping institutional constraints that, individually challenging and collectively compounding, rendered venture creation an increasingly remote prospect. The data structure presented in **Figure 2** maps the full analytical journey from informant-derived first-order concepts to theory-grounded aggregate dimensions.

4.1 Regulative Barriers

Scott (1995, p. 35) defines the regulative pillar as comprising rule-setting, monitoring, and sanctioning activities that enable and constrain behaviour through formal mechanisms including laws, regulations, and enforcement systems. In this study, regulative barriers emerged as the most immediately visible dimension of institutional constraint, manifesting through three second-order themes: *bureaucratic obstruction and registration complexity*, *restricted access to start-up finance*, and *inadequate government support mechanisms*. Whilst both Pakistani and UK graduates encountered regulative barriers, the form, severity, and origin of these barriers differed markedly across the two national contexts.

4.1.1 Bureaucratic Obstruction and Registration Complexity

Bureaucratic obstruction was most acute among Pakistani participants, for whom the formal process of registering a business was experienced not as a one-off administrative step but as a prolonged, unpredictable ordeal that depleted motivation and consumed the critical window of post-graduation intent. Rather than functioning as a neutral administrative system, the registration process acted as an active filter that disproportionately disadvantaged less-resourced or less-connected graduates. P4, a male graduate from Peshawar, described the registration experience in terms that captured both the practical obstruction and the deeper disillusionment it produced:

> "I spent nearly four months trying to register the business. Each time I visited the office, they asked for something that had not been mentioned before. By the time I had everything in order, I had already lost my co-founder and most of my initial drive." **(P4, Pakistan)**

This account was echoed by P2, a male MBA graduate from Islamabad, who described how the opacity and inconsistency of formal registration processes created an environment in which entrepreneurial persistence was systematically eroded before a single transaction had taken place:

> "The process is not designed for someone starting from scratch. Every step reveals a new requirement. By the time you meet one condition, two more appear. It is not bureaucracy – it is a maze that tells you at every turn that you do not belong here." **(P2, Pakistan)**

4.1.2 Restricted Access to Start-Up Finance

Financial exclusion constituted a second and closely related regulative barrier, operating through the formal requirements of banking and lending institutions that structurally excluded post-graduation entrepreneurs from the capital they required to launch ventures. Across both national contexts, participants described financial systems calibrated for established businesses rather than early-stage ventures, with eligibility criteria that presupposed a trading history graduates could not possess. P2 articulated this contradiction with particular force, describing a banking encounter in which educational preparation was entirely disregarded in favour of collateral:

> "The banks in Pakistan operate as if entrepreneurs are a liability. I had a detailed business plan and a market analysis – everything my MBA had taught me to

> prepare. But what they wanted was collateral and three years of trading history. I had neither." **(P2, Pakistan)**

P1, a female graduate from Lahore, described a related mechanism in the Pakistani context, in which informal financial networks that might have provided an alternative to formal banking were themselves blocked by normative expectations around family obligation, leaving graduates without viable capital pathways:

> "Even borrowing within the family was complicated. It came with conditions – get a job first, prove you are serious, then we will consider it. The money was never freely available for something as uncertain as a business idea." **(P1, Pakistan)**

In the UK context, the same structural exclusion operated through different institutional channels. P9, a female MSc graduate from Edinburgh, described an encounter with formal lending institutions in which her postgraduate qualification was entirely irrelevant to the assessment of her eligibility:

> "I approached two banks in Edinburgh with a fully developed business plan. They were polite but the answer was always the same — come back when you have been trading for at least two years. I had a master's degree in innovation and entrepreneurship and it counted for nothing in that conversation." **(P9, UK)**

4.1.3 Inadequate Government Support Mechanisms

Inadequate government support mechanisms constituted the third regulative barrier and were notable for the distinct form they took in each national context. In the UK, support mechanisms existed in principle but were inaccessible in practice due to temporal and structural mismatches with the specific needs of post-graduation entrepreneurs. P6, a male graduate from Manchester, described an experience that reflects a systemic failure to connect available support to the moment of greatest entrepreneurial readiness:

> "The start-up loan scheme existed but no one had explained it to me during my degree. I found it six months after graduating, applied, and then waited another five months for a decision. By that point I had started a job and the window had closed." **(P6, UK)**

P8, a male graduate from London, articulated a related dimension specific to the UK context, in which the visible presence of entrepreneurial infrastructure paradoxically reinforced a sense

of exclusion, as available support was calibrated for ventures with existing traction rather than graduates at the idea stage:

> "I assumed London would be full of support for young entrepreneurs. There are incubators and accelerators, but they want to see traction, a prototype, customers. As a graduate with an idea and a business plan, I did not fit anywhere." **(P8, UK)**

In Pakistan, the barrier took a more fundamental form. Rather than temporal mismatch, Pakistani participants described an institutional environment in which formal government support for graduate entrepreneurs was largely absent or inaccessible in practice. P3, a female graduate from Karachi, described an experience in which the gap between officially available support and its practical accessibility rendered government mechanisms effectively non-existent:

> "I looked into what the government offered for young entrepreneurs. There were schemes mentioned on websites but when you actually tried to access them, either the application process was impossible to navigate or the programme had already closed. It felt like support existed on paper but not in reality." **(P3, Pakistan)**

Taken together, these three second-order themes reveal that regulative barriers in Pakistan are rooted in institutional opacity, bureaucratic inefficiency, and structural exclusion from formal financial systems, whilst in the UK they operate through temporal mismatch and misalignment between available support and the specific stage of graduate entrepreneurship. In both contexts, the regulative environment failed to provide the enabling conditions that post-graduation venture creation requires, confirming the central relevance of the regulative pillar in explaining the intention-to-action gap (Scott, 1995; Aslam and Hasnu, 2016).

4.2 Normative Barriers

North (1990, p. 37) argues that normative institutions comprise the informal rules, conventions, and social obligations that shape behaviour through expectations of appropriate conduct rather than through legal enforcement. In this study, normative barriers emerged as the most emotionally powerful dimension of constraint, operating through three second-order themes: *graduate employment expectation pressure*, *social shame of venture failure*, and *collectivist family obligation and disapproval*. Whilst normative barriers were evident across both national

contexts, their intensity, form, and social consequences were substantially more pronounced among Pakistani participants.

4.2.1 Graduate Employment Expectation Pressure

Graduate employment expectation pressure operated in both countries but carried qualitatively different weight. Among Pakistani participants, the expectation of salaried employment following graduation was not merely a social preference but an institutionalised cultural script that left little legitimate space for entrepreneurial deviation. P1, a female graduate from Lahore, described an experience in which parental support was conditional on a temporal sequence that effectively deferred entrepreneurship indefinitely:

> "My parents did not oppose the idea outright. They simply kept delaying it. Get a job first, build some experience, then we will talk about your business. That conversation never happened, because once I was earning, everyone's expectations shifted and the business idea became the thing I used to want." **(P1, Pakistan)**

P3, a female graduate from Karachi, encountered a sharper version of this normative constraint, in which entrepreneurship was interpreted not as ambition but as evidence of academic or professional failure:

> "In my family, starting a business straight after university signals that something went wrong. It means you could not find a good job. When I mentioned my idea in food and beverage, my mother asked me what had happened during my studies." **(P3, Pakistan)**

In the UK context, employment expectation pressure was present but less coercive, operating through implicit social norms rather than explicit family instruction. P7, a female MA graduate from Leeds, described an environment in which the graduate employment pathway carried an unspoken legitimacy that entrepreneurship did not:

> "My parents were never against it in principle. But there was always this unspoken expectation that I would get on the graduate scheme ladder first. Entrepreneurship was treated like something you do when you are established, not when you are twenty-five with no track record." **(P7, UK)**

4.2.2 Social Shame of Venture Failure

Social shame of venture failure emerged as one of the most significant inductive findings of this study and was identified exclusively among Pakistani participants. Unlike the fear of financial loss, which was present across both contexts, the social dimension of failure in Pakistan operated through collective mechanisms that extended beyond the individual to their family and community network. P5, a female MBA graduate from Lahore, articulated this burden with particular clarity:

> "There is a fear here that is hard to explain to someone from outside. If the business fails, it is not just your failure. Your parents feel it; your siblings feel it. People in the community talk. Your marriage prospects can suffer. I was not willing to put that weight on my family." **(P5, Pakistan)**

P4, a male graduate from Peshawar, described how the prospect of this collective social cost shaped his decision-making long before any venture had been attempted, functioning as a pre-emptive deterrent that made risk-taking feel socially irresponsible rather than entrepreneurially courageous:

> "In Peshawar, failure is not a private matter. The whole extended family hears about it. I thought about that more than I thought about whether the business idea was good. The social risk was bigger than the financial risk in my mind." **(P4, Pakistan)**

4.2.3 Collectivist Family Obligation and Disapproval

Collectivist family obligation and disapproval constituted the third normative barrier and was particularly pronounced in the Pakistani context, where family expectations carried binding social authority that constrained individual entrepreneurial agency. Participants described family systems in which the obligation to contribute financially to the household following graduation took precedence over personal entrepreneurial goals. P3, already identified in relation to employment expectation pressure, described how family disapproval operated as a decisive constraint:

> "My family's disapproval was not just emotional – it was practical. I relied on them for housing and financial support whilst I was trying to get started. When they made clear they did not support the business idea, continuing became almost impossible." **(P3, Pakistan)**

P9, a female MSc graduate from Edinburgh, extended this account into the UK context by foregrounding the role of peer comparison in generating a subtler but nonetheless constraining form of normative pressure, demonstrating that even in a developed economy setting, social reference can be sufficient to deflect entrepreneurial intent:

> "I watched my peers from the same programme take jobs at consultancies and banks. There is nothing wrong with that, but I started to feel like choosing entrepreneurship was choosing to fall behind. That feeling was more powerful than I expected, and I had not been prepared for it." **(P9, UK)**

Across the three second-order themes within the normative dimension, the findings confirm that social forces constitute a structured system of constraint that shapes graduate decision-making with force comparable to formal regulatory mechanisms. The social shame of venture failure and the collectivist family obligation that characterise the Pakistani context represent qualitatively distinct normative mechanisms with no direct equivalent in the UK setting, underscoring the importance of cross-national comparison in understanding institutional barriers to graduate entrepreneurship (North, 1990; Scott, 1995; Soomro *et al.*, 2024).

4.3 Cultural-Cognitive Barriers

Scott (1995, p. 40) describes the cultural-cognitive pillar as comprising the shared conceptions and interpretive frameworks through which individuals make sense of their experience and determine what is possible, legitimate, and worth pursuing. In this study, cultural-cognitive barriers operated through three second-order themes: *erosion of entrepreneurial self-belief post-graduation*, *risk aversion reinforced by education*, and *perceived illegitimacy of self-employment*. Unlike regulative and normative barriers, which originate in the external institutional environment, these themes were present across both country contexts, suggesting that cognitive barriers may represent a more universally shared dimension of graduate entrepreneurship failure.

4.3.1 Erosion of Entrepreneurial Self-Belief Post-Graduation

The erosion of entrepreneurial self-belief post-graduation emerged as one of the most consistent and unexpected findings of the study. Participants across both countries described a sharp decline in entrepreneurial confidence in the period immediately following graduation, a collapse that occurred not as a result of a specific negative experience but through the accumulated weight of institutional encounters, social pressure, and the absence of a structured

support environment. P10, a male BA graduate from Birmingham, described this process with particular vividness:

> "My final year was the most entrepreneurial I have ever felt. I had the business plan, the energy, the belief. But something happened between handing in that plan and stepping into the real world. The confidence just did not survive the transition. It was not one thing that did it." **(P10, UK)**

P6, a male graduate from Manchester, described a parallel experience in which the theoretical preparation provided by his degree became a source of cognitive dissonance rather than empowerment when confronted with post-graduation reality:

> "I had studied entrepreneurship for three years. I knew the lean start-up methodology, the business model canvas, the pitch deck structure. But sitting alone six months after graduation with no co-founder, no funding, and no customers, none of that knowledge felt usable." **(P6, UK)**

In the Pakistani context, the same pattern of confidence erosion was evident, compounded by the additional weight of family expectation and social pressure. P5, a female MBA graduate from Lahore, described how the absence of the university environment gradually dismantled the entrepreneurial certainty she had carried through her studies:

> "During my final year I was certain I would start something. I had the idea, I had done the research, I believed in it completely. But after graduation, without the university environment around me, that certainty just faded. Every week that passed without progress made it harder to hold onto the belief that I could actually do it." **(P5, Pakistan)**

4.3.2 Risk Aversion Reinforced by Education

Risk aversion reinforced by education was an inductive finding that challenges a fundamental assumption in the entrepreneurship education literature, namely that entrepreneurship programmes cultivate the confidence and risk tolerance necessary for venture creation. Pakistani participants described educational experiences that, despite being nominally designed to cultivate entrepreneurial intent, paradoxically deepened their awareness of failure risk and narrowed their sense of what was realistic. P2, a male MBA graduate from Islamabad, reflected on this tension between educational content and practical entrepreneurial readiness:

> "The MBA taught me about disruption and innovation but it did not teach me how to handle the moment when everything feels uncertain. I knew the frameworks but I did not know how to keep believing in the idea when nothing was working and everyone around me had moved on." **(P2, Pakistan)**

P3, a female graduate from Karachi, articulated a cognitive dimension that illustrates the interconnection between educational experience and post-graduation confidence. The absence of relatable entrepreneurial role models within her educational context reinforced a cognitive framework in which entrepreneurship was something that happened to other people in other places:

> "At university we studied successful founders. But no one talked about what happens in the two years after graduation when you are sitting alone and doubting yourself. That gap in the education was loud. It made the uncertainty feel abnormal, like something was wrong with me." **(P3, Pakistan)**

4.3.3 Perceived Illegitimacy of Self-Employment

Perceived illegitimacy of self-employment constituted the third cultural-cognitive theme and was closely linked to the normative pressures discussed above. However, where those barriers involved external social disapproval, this theme concerned the internalisation of those norms as a private conviction that entrepreneurship was not a legitimate or credible path. P5, a female MBA graduate from Lahore, described how external normative messages eventually became internalised as a cognitive frame that shaped her own self-perception:

> "After a while, the external pressure becomes internal. You stop thinking about it as others not believing in you and start thinking of it as you not having what it takes. The boundary between what they told me and what I came to believe on my own disappeared." **(P5, Pakistan)**

P10, a male graduate from Birmingham, described a similar process of internalisation in the UK context, in which peer comparison, rather than family disapproval, provided the cognitive reference point that rendered entrepreneurship feel like an illegitimate deviation from an expected career trajectory:

> "All my friends were getting offers, starting careers, building something visible. And I was still trying to figure out how to turn an idea into a business. After a

while, I started to question whether I had what it takes rather than questioning whether the system was making it too hard." **(P10, UK)**

Across the three second-order themes within the cultural-cognitive dimension, the findings reveal that internal cognitive barriers are not independent of the external institutional environment but are actively produced by it. Regulative encounters erode confidence; normative pressures become internalised as convictions about legitimacy; educational experiences that emphasise analytical risk awareness without providing emotional or practical resilience leave graduates more aware of the reasons not to act than the reasons to proceed. The cultural-cognitive dimension therefore represents the endpoint of a cumulative institutional process rather than an isolated psychological phenomenon, confirming the systemic nature of graduate entrepreneurship failure (Scott, 1995; Krueger, 2000; Liñán *et al.*, 2011).

Across all three aggregate dimensions, the findings reveal a coherent and mutually reinforcing system of institutional barriers operating across formal, social, and cognitive registers simultaneously. Regulative barriers created practical obstruction and depleted material and temporal resources. Normative barriers generated social pressure that narrowed the perceived range of acceptable post-graduation choices and attached significant social costs to entrepreneurial failure. Cultural-cognitive barriers eroded the internal confidence and cognitive legitimacy that entrepreneurial action requires. The comparative analysis further demonstrates that whilst all three dimensions were operative in both national contexts, their intensity, social form, and institutional origin differed systematically between Pakistan and the UK, with regulative and normative barriers exhibiting the greatest cross-national divergence and cultural-cognitive barriers demonstrating the greatest convergence.

5. Discussion

This section interprets the findings against Scott's (1995) tripartite institutional model and the extant empirical literature on institutional barriers to entrepreneurship. Each aggregate dimension is addressed in turn, followed by analysis of key second-order themes, before synthesising the theoretical contributions and practical implications of the study.

5.1 Regulative Barriers

The regulative dimension encapsulates the formal rules, procedures, and enforcement structures governing economic action (Scott, 1995). Regulative barriers operated through three interconnected mechanisms: bureaucratic obstruction, restricted access to finance, and

inadequate support mechanisms. In the Pakistani context, bureaucratic obstruction was experienced not as a single administrative inconvenience but as a prolonged and unpredictable engagement with a registration environment that disclosed requirements retrospectively, consumed the critical post-graduation window, and in several cases led to the dissolution of co-founder relationships before any commercial activity commenced. Aslam and Hasnu (2016) identify unfavourable government policies as the primary deterrent for Pakistani MBA graduates, and Shah and Soomro (2017) demonstrate that perceived behavioural control is substantially shaped by formal institutional encounters. This study extends these accounts by demonstrating that the temporal dimension of obstruction is decisive: the destruction of the entrepreneurial window through regulatory friction represents a mechanism that the existing literature has not adequately theorised.

Restricted access to finance operated in both national contexts through different institutional mechanisms. In Pakistan, formal lending institutions required collateral and multi-year trading histories that post-graduation entrepreneurs could not possess, confirming Khanna and Palepu's (1997) concept of institutional voids. An emerging finding is the specific cognitive consequence of this exclusion: the juxtaposition of professional educational preparation with financial institutions that entirely disregard that preparation generated institutional incommensurability, undermining entrepreneurial confidence alongside capital access. In the UK, available instruments required trading evidence that graduates at the start of the post-graduation period cannot possess, confirming Barba-Sanchez and Atienza-Sahuquillo's (2018) account of conversion barriers. Inadequate government support mechanisms compounded these effects in both contexts, with UK graduates encountering support structures that were temporally misaligned, existing in principle but inaccessible at the moment of greatest entrepreneurial readiness, as Turker and Selcuk (2009) anticipate but do not examine in the post-graduation period.

5.2 Normative Barriers

The normative dimension encompasses informal social expectations through which behaviour is shaped by social approval and disapproval (Scott, 1995). This study identifies normative barriers as the most emotionally consequential dimension of institutional constraint. An important finding is the temporal activation of employment expectation norms: subjective norms that appear broadly supportive during the university period transform into binding post-graduation constraints as social enforcement of employment expectations becomes immediate

and practically inescapable. Shah and Soomro (2017) measure this during the university period; this study demonstrates that the same norms function as a binding temporal veto in the post-graduation environment, confirmed across both national contexts, albeit through different registers: direct family authority in Pakistan and unspoken legitimacy hierarchies in the UK (Nabi *et al.*, 2018; Solesvik *et al.*, 2013).

The most distinctive contribution within this dimension is the identification of social shame of venture failure as a collective institutional mechanism specific to the Pakistani context. The existing literature, including Hassan *et al.* (2022) and Soomro *et al.* (2024), treats fear of failure as an individual psychological phenomenon amenable to confidence-building interventions. This study advances that account by demonstrating that in a high-context collectivist society, failure risk is not individual and private but collective and reputational, extending to family standing, community networks, and social positioning in ways that conventional treatments do not capture. This represents an original contribution with direct implications for how fear of failure is theorised and addressed in non-Western institutional contexts. Collectivist family obligation further reinforced this normative architecture, with material dependency on family resources making family disapproval structurally binding regardless of individual motivation (Soomro *et al.*, 2024). In the UK, peer career choices at graduation emerge as a specific and under theorised normative trigger that suppresses entrepreneurial action through horizontal social comparison, extending Sandhu *et al.*'s (2011) and Ruiz-Rosa *et al.*'s (2022) accounts of peer and triggering event influences.

5.3 Cultural-Cognitive Barriers

The cultural-cognitive dimension captures the taken-for-granted beliefs and interpretive frameworks through which individuals assess what is possible and legitimate (Scott, 1995). The erosion of entrepreneurial self-belief post-graduation was experienced across both national contexts and constitutes an original finding: participants described a rapid and systematic decline in entrepreneurial confidence in the immediate post-graduation period, not triggered by any specific adverse event but produced by the structural removal of the university environment. This pattern was consistent across both Pakistani and UK participants, though its character differed across the two national contexts. In the UK, self-belief erosion was produced primarily by the structural removal of the university environment and the cognitive dissonance between theoretical preparation and post-graduation reality. In Pakistan, the same erosion was compounded by the additional weight of family expectation and social pressure, accelerating

the decline in entrepreneurial confidence and narrowing the perceived space for entrepreneurial action more rapidly than the institutional encounter alone could explain. Narmaditya *et al.* (2026) and Krueger (2000) treat self-efficacy as a relatively stable construct; this study demonstrates that entrepreneurial self-efficacy is acutely vulnerable at the point of university exit, when the relational and institutional scaffolding provided by the university is removed without an adequate substitute, a structural discontinuity that existing education research has not theorised.

Risk aversion reinforced by education represents a further emerging finding that challenges a foundational assumption of the entrepreneurship education literature. Educational content that foregrounds analytical risk frameworks without commensurately developing resilience and uncertainty-navigation skills can deepen graduates' awareness of failure conditions without equipping them to act despite that awareness. This provides the first detailed empirical specification of the paradoxical mechanism identified but unexplained by Nabi *et al.* (2018) and extends Zollo *et al.*'s (2017) demonstration that educational environmental perceptions shape post-graduation attitudes.

Jones *et al.* (2013) offer a complementary pedagogical explanation for this mechanism, demonstrating that traditional business plan pedagogy concentrates analytical attention on risk identification and financial projection rather than resilience or assumption testing, inadvertently deepening risk consciousness among the majority of students who are not oriented towards investor-supported venture creation. This aligns directly with the present study's finding that analytical curricula deepened graduates' awareness of failure conditions without equipping them to act despite that awareness, suggesting that the risk-deepening paradox identified here has a specific pedagogical origin in how risk is framed and assessed within entrepreneurship programmes.

Finally, perceived illegitimacy of self-employment emerged as the cognitive endpoint of normative exposure: the point at which external institutional signals are so thoroughly internalised that entrepreneurship ceases to feel personally appropriate without external enforcement being required. Liñán *et al.* (2011) and Wasim *et al.* (2024) both confirm the role of perceived behavioural control in sustaining post-graduation intentions; this study identifies the internalisation process through which that control is progressively eroded as a cognitive rather than a social phenomenon, representing an original contribution to theorisation of the intention-action gap.

5.4 Theoretical Contributions

This study makes three interconnected theoretical contributions. First, it advances an institutional account of the intention-action gap as a systemic and predictable outcome rather than an individual psychological failure. The convergence of regulative obstruction, normative pressure, and cultural-cognitive erosion across ten graduate accounts, spanning two national contexts, demonstrates that the gap reflects the institutional architecture graduates enter after graduation, extending the comparative institutional arguments of Aslam and Hasnu (2016) and Soomro *et al.* (2024). This reframing carries significant implications: if the intention-action gap is institutionally produced rather than individually driven, then interventions targeting graduate motivation or confidence alone are structurally insufficient.

Second, the study extends Scott's (1995) tripartite framework from a static typology to a dynamic account of cross-pillar interaction. The compounding of regulative financial exclusion with normative family obligation, the reinforcement of cultural-cognitive risk aversion by educational content, and the internalisation of normative illegitimacy as private cognitive conviction each illustrate mechanisms of pillar interaction that the existing literature has not articulated.

Third, four second-order themes represent original theoretical contributions. The temporal destruction of the entrepreneurial window by bureaucratic obstruction advances beyond prior accounts of registration complexity by theorising the irreversibility of motivational depletion over time. The collective and reputational character of venture failure shame in collectivist societies reconceptualises fear of failure from an individual psychological construct to a socially distributed mechanism with communal consequences, absent from Western-dominated entrepreneurship literature. The structural fragility of educationally constructed entrepreneurial self-efficacy at the point of graduation challenges assumptions that university-period confidence persists into the post-graduation environment, with this study further demonstrating that in the Pakistani context this fragility is compounded by family expectation and social pressure, accelerating confidence erosion beyond what institutional encounters alone can explain.

Finally, the paradoxical risk-deepening effect of analytical entrepreneurship education provides the first detailed empirical specification of the mechanism observed but unexplained by Nabi *et al.* (2018), with Jones *et al.* (2013) offering complementary pedagogical grounding

by demonstrating that traditional business plan pedagogy deepens risk consciousness without building the resilience graduates need to act upon their intentions.

5.5 Practical Implications

For entrepreneurship educators, the most urgent implication is the need to prepare graduates explicitly for the post-graduation institutional environment rather than treating university-period confidence and intention as sufficient conditions for action. This is particularly critical in collectivist cultural contexts such as Pakistan, where the erosion of self-belief post-graduation is compounded by family expectation and social pressure, requiring educators to develop culturally sensitive transition support that addresses both institutional and social dimensions of confidence erosion. Programme content must be audited for the paradox of risk amplification, and pedagogical investment in resilience, uncertainty tolerance, and post-graduation transition preparation is essential. In collectivist cultural contexts, educators must develop approaches to failure that acknowledge its collective social dimension rather than applying individualised failure-tolerance frameworks inadequate to the institutional realities graduates face.

For policymakers, the findings point to different priority interventions in each national context. In Pakistan, structural reform of registration processes, financial products calibrated to graduates without trading histories, and support mechanisms that minimise social visibility of early-stage ventures are the primary requirements. In the UK, the principal design failure is temporal: support mechanisms must be actively communicated and accessible within the first weeks of graduation rather than after lengthy application processes that outlast entrepreneurial motivation. For university administrators and careers services, the findings call for structural changes that extend post-graduation support into the transition period, establish entrepreneurship as institutionally legitimate alongside employment in all graduate communications, and develop alumni mentoring networks that maintain the relational infrastructure of the university environment at the critical moment of exit.

6. Conclusions

This study set out to investigate why entrepreneurship graduates fail to translate post-graduation intentions into venture creation. Framed around two research questions, the study employed a qualitative, Gioia-methodology design drawing on in-depth interviews with ten graduates across Pakistan and the UK. Through systematic open coding, thematic analysis, and

application of Scott's (1995) tripartite institutional framework, the findings reveal that the intention-action gap is not a failure of individual motivation but a predictable outcome of interlocking regulative, normative, and cultural-cognitive barriers that compound one another at precisely the moment graduates are most ready to act.

The study contributes four original theoretical findings: the temporal destruction of the entrepreneurial window by bureaucratic obstruction; the collective and reputational character of venture failure shame in collectivist societies, a mechanism absent from prior literature; the structural fragility of educationally constructed entrepreneurial self-efficacy at the point of graduation, compounded in the Pakistani context by family expectation and social pressure that accelerate confidence erosion beyond what institutional encounters alone can explain; and the paradoxical risk-deepening effect of analytical entrepreneurship pedagogy. Taken together, these findings reframe the intention-action gap as an institutional problem requiring institutional solutions. It is further acknowledged that new venture creation represents one of several legitimate and valuable outcomes of entrepreneurship education, and that the barriers identified here apply specifically to graduates for whom venture creation was a genuine and stated post-graduation aspiration. Graduates do not fail to start ventures because they lack ambition; they fail because the systems surrounding them were not designed to support them at the critical post-graduation juncture.

6.1 Limitations and Future Research Directions

This study is subject to several limitations. The cross-sectional design introduces potential recall bias, as participants reflected on post-graduation experiences retrospectively. The study does not capture pre-course entrepreneurial intentions, and a before and after comparison of how many students intended to start a business upon enrolment versus at graduation remains an avenue for future longitudinal research. Findings are limited to graduates from entrepreneurship and business programmes, and their applicability to other disciplines remains untested. The specific institutional configurations of Pakistan and the UK may not transfer to other national contexts, particularly emerging economies with distinct cultural traditions. It is also acknowledged that some graduates may have consciously chosen not to start a venture, and future research could usefully explore graduate decision-making frameworks alongside institutional barriers. The exclusive focus on non-starters means that enabling conditions supporting successful post-graduation entrepreneurship lie outside the scope of this inquiry.

Future research should address these limitations through longitudinal designs tracking graduates from their final year through the first three post-graduation years, capturing the temporal dynamics theorised retrospectively here. Large-scale quantitative studies operationalising the barrier constructs identified, particularly collective failure shame and educational risk amplification, would test their predictive power across larger populations. Comparative studies extending the analysis to additional emerging economies would assess the broader applicability of the collective shame mechanism, whilst intervention-focused research examining resilience-based pedagogical designs would translate the theoretical contributions into actionable educational practice.

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Table 1: Summary of Previous Empirical Studies

Study	Research Background and Context	Empirical Findings	Research Method
Subotic *et al.* (2026)	Educational factors and entrepreneurial potential; EU and non-EU countries	Faculty environment and prior entrepreneurship education produce significantly different entrepreneurial potential profiles	Survey of 1008 students; canonical discriminant analysis
Krishna and Agrawal (2026)	Gender and culture in entrepreneurship education; India and China	Educational support enhances attitude and perceived behavioural control; pathways differ by gender and cultural context	Survey of 734 undergraduates; SEM
Al-Tekreeti *et al.* (2024)	Emotional intelligence, motivation, and creativity on entrepreneurial intentions; Jordan	Motivation and creativity significantly predict intention; emotional intelligence operates indirectly through motivation	Survey of 745 students; PLS analysis
Soomro *et al.* (2024)	Barriers faced by Pakistani female students; Pakistan	Fear of failure, resource constraints, and limited social networking negatively affect inclination; government support identified as critical missing enabler	Survey of 498 students; SEM
Shwedeh *et al.* (2023)	Entrepreneurship education and innovation among	Entrepreneurship education moderates' relationship between external institutional	Survey; SEM

	international students; UAE	environment and entrepreneurial innovation	
Widjaja *et al.* (2022)	E-learning and entrepreneurship education; Indonesia	Self-efficacy mediates education-intention relationship; lecturer competence and facilitating conditions are critical	Quantitative; partial least squares SEM
Hassan *et al.* (2022)	Psychological and contextual factors on entrepreneurial motivation and intention; India	Cultural support and education foster motivation; fear of failure reduces it; gender negatively moderates motivation-intention relationship	Survey of 329 students; CFA and SEM
Li *et al.* (2022)	Entrepreneurial intentions among Chinese university students	Entrepreneurship courses and social support significantly influence intention; course provision remains below student demand	National survey; binary logistic regression
Nabi *et al.* (2018)	Learning and inspiration in entrepreneurship education; UK	Entrepreneurship education has variable effects and can reduce intentions by heightening awareness of risks	Longitudinal survey and 49 student interviews
Zollo *et al.* (2017)	Behavioural and contextual factors affecting student entrepreneurship; Italy	Entrepreneurial intent shaped by attitude, risk-taking propensity, and perception of university environment	Survey of 272 MBA students; SEM
Shah and Soomro (2017)	Entrepreneurial intention among public	Attitudes and subjective norms positively predict intention; perceived	Survey of 385 students; regression analysis

	sector university students; Pakistan	behavioural control shows no significant relationship	
Aslam and Hasnu (2016)	Issues and constraints among MBA graduating students; Pakistan	Graduates intend to start businesses but are deterred by unfavourable policies and unsupportive economic environment	Structured questionnaire; statistical analysis
Shambare (2013)	Barriers to student entrepreneurship; South Africa	Family influence, social exposure, and institutional support are key barrier themes beyond individual psychology	Survey of 235 students; cluster analysis
Sandhu *et al.* (2011)	Entrepreneurship barriers among postgraduate students; Malaysia	Social networking, resources, and risk aversion explain 31.5% of variation in entrepreneurial inclination; qualitative research recommended	Survey of 267 students; regression analysis
Turker and Selcuk (2009)	Contextual factors affecting entrepreneurial intention; Turkey	Educational and structural support are stronger predictors of intention than individual characteristics	Survey of 300 students; entrepreneurial support model

Source(s): Authors' own creation

Table 2: Participant Profile

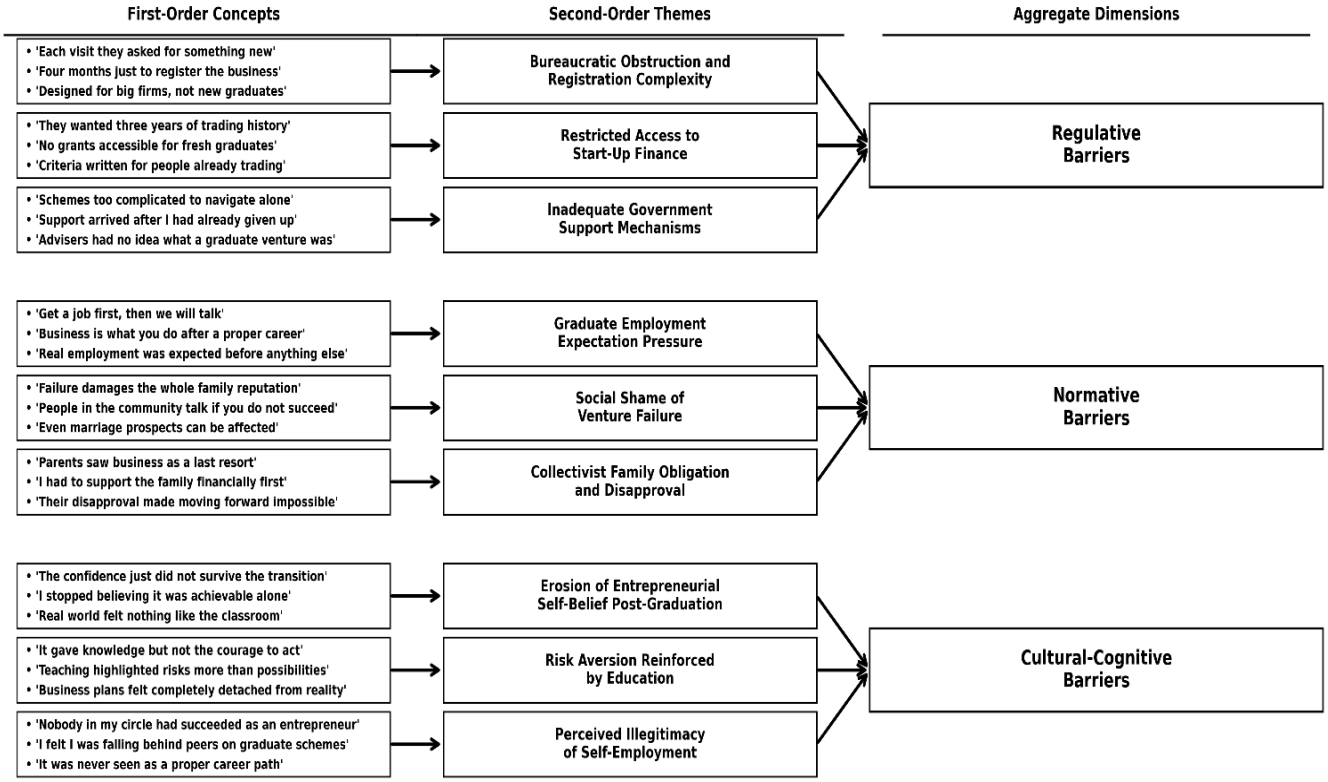
Code	Country	Gender	Age	City	Degree Title	Grad Year	Venture Created	Interview Mode	Interview Date	Duration (mins)
P1	Pakistan	Female	26	Lahore	BSc Entrepreneurship	2022	No	Online	5 Jun 2025	52
P2	Pakistan	Male	29	Islamabad	MBA Entrepreneurship	2021	No	Online	19 Jun 2025	68
P3	Pakistan	Female	25	Karachi	BBA Business Administration	2023	No	Online	8 Jul 2025	47
P4	Pakistan	Male	30	Peshawar	BSc Business Management	2020	No	Online	22 Jul 2025	71
P5	Pakistan	Female	28	Lahore	MBA Innovation and Enterprise	2022	No	Online	6 Aug 2025	59
P6	UK	Male	27	Manchester	BSc Entrepreneurship	2021	No	Face-to-face	14 Aug 2025	63
P7	UK	Female	25	Leeds	MA Entrepreneurship	2023	No	Face-to-face	27 Aug 2025	55
P8	UK	Male	28	London	BSc Business and Entrepreneurship	2022	No	Face-to-face	4 Sep 2025	66
P9	UK	Female	31	Edinburgh	MSc Innovation and Entrepreneurship	2020	No	Face-to-face	11 Sep 2025	74
P10	UK	Male	29	Birmingham	BA Business Management	2021	No	Face-to-face	18 Sep 2025	58

Source(s): Authors' own creation

Figure 1: Initial Open Coding

Source(s): NVivo word cloud

Figure 2: Data Structure – From First-Order Concepts to Aggregate Dimensions



Source(s): Authors' own creation