

## A Survey of Experts and Home Business Owners in Rural Areas of Isfahan Province (Challenges and Barriers)

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The purpose of this article is to examine the barriers and challenges of home-based businesses from the perspective of experts and home-based business owners using the Delphi method and confirmatory factor analysis. The first group included experts from the Department of Cooperatives, Labor and Social Welfare and the Department of Cultural Heritage, Handicrafts and Tourism. The sample size for the first group was selected using snowball or chain sampling of 28 people, and the second group based on the statistics of about 1,000 people in villages with large household jobs with a subset of more than 4 people in rural areas of Isfahan province. In the quantitative part, using confirmatory factor analysis, 5 factors were individualized: economic, managerial and structural, weakness of laws and comprehensive policy, research and information, and human-nature related factors.

**Key Words:** *home jobs, challenges and barriers, rural areas, Isfahan province.*

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### Introduction

In any country, the employment rate and unemployment are among the main components of economic development. From a macroeconomic point of view,

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employment includes various aspects such as income generation, production, entrepreneurship, development of knowledge and technology, and from a social point of view, it gives a person dignity, social status and self-confidence (Ahmadpour, 2004). One of the reasons for the backwardness of rural areas is their limited economic development options (Nair & Whitelaw, 2015).

Employment in this century is one of the most important challenges and issues in all countries. Given the problem of employment in the world, countries today use a variety of methods to improve it (Saeedi Mobarakeh, 2014). Starting and developing small businesses is one of these methods. The employer creates a business in their place of residence using the available facilities and creates employment for themselves and others (Altenburg & Meyer-Stammer, 2012). Home-based businesses have been very effective in reducing unemployment due to their unique benefits (York, 2012), and the countries that have used them to boost these jobs numbers have achieved remarkable positive results (Najafi & Safa, 2009). Starting a business with a small initial capital, the possibility of working part-time, the existence of short-term training courses, no need for significant space are undeniable capabilities that home and family businesses have and require attention.

Today, the focus of economic development policies on expanding small rural businesses is considered a solution to achieve rural development (Markeson & Deller, 2012). Home businesses have the advantage of high flexibility (Heimonen, 2012), require less capital, use simpler technologies (Dare Kolawole, 2012), use local resources and investment in the production process (Schumacher, 1973). Domestic jobs in rural areas are an essential factor in reducing poverty, increasing productivity and competition (Bouraoui, 2015). These businesses, which are less expensive and less risky, can bring countless benefits to rural areas (Distelberg & Adrian, 2010). They are often considered a privilege because it saves time otherwise spent in daily commuting while also enabling working from the comforts of one's home, thereby providing more family and personal time (Courtney, 2020).

Most households in Iran do not practice sharing domestic chores and housework in a gender-neutral manner (Deshpande & Kabeer, 2019). Given that the population of rural communities is about 35% (Statistic Centre of Iran, 2016), home-based jobs can be one of the best solutions to get rid of many problems because home-based businesses do not impose high costs on families and can be a solution to creating employment in rural areas (Taghibaygi et al., 2014).

The average annual growth rate for home-based businesses is 16%, while the average annual growth rate for small businesses is 11%. In a survey (Walker & Webster, 2004), about 90% of home business owners expressed a desire to grow and develop their business, while only 55% felt they were growing (Walker & Webster, 2004). From a rural economic development perspective, advances in home-working have much to offer, yet "studies related to home-working and rural economic development are limited" (Whitacre et al., 2014: 56). Literature suggests, however, that it provides opportunities for rural businesses, including supporting local income growth (Whitacre et al., 2014), opening up new markets

(Huggins & Izushi, 2002) and helping to overcome the friction of distance and other challenges associated with rural areas including “isolation from markets, relatively less networking and support provision (Galloway et al., 2011: 71).

According to World Bank studies (Clemens & Kremer, 2016) one of the major causes of long-term unemployment in developing countries is barriers to doing business. These barriers have poured liquidity into the intermediation sector, resulting in reduced output and increased inflation. There is an evident need to assess the obstacles in order to correct the problems of the first requirements and make a constructive step towards improving production, increasing the number of job opportunities, and simplifying the flow of capital in this sector (Duening & Sherrill, 2006). Based on the field research conducted of home-based businesses and, in particular rural businesses, it was observed that the development of these businesses provides a set of factors and contexts and removes a set of barriers and deterrents (Ivus & Boland, 2015). On the other hand, due to the correlation of economic, cultural and social factors with the development of such jobs, especially in rural areas, it is impossible to provide an accurate perspective of development strategies based on existing research.

This study emphasizes understanding the importance and necessity of identifying home business development strategies in rural areas as an underlying factor for developing employment-generating projects in rural areas taking into account a comprehensive perspective. By gaining a correct understanding of these indicators and how they affect setting up and developing home-based businesses, the authors can provide groundbreaking suggestions for decision-making to facilitate the process. Also, in the rural parts of Isfahan province, no research has been conducted with the current title with the present range of indicators and variables, and so far, the existing jobs and their products have not been able to improve the economy and living conditions of the community. Accordingly, the present study seeks to answer the question of what are the challenges and obstacles of rural home-based jobs from the perspective of experts and business owners and what are the most important ones.

Home businesses are activities formed by a family member or members in the residential space in the form of a business plan without disturbing the tranquillity of neighbouring residential units and lead to the production of services or goods that can be offered to the outside market (Ivus & Boland, 2015). Home-based businesses are often part of very small businesses and are commonly used to refer to as a business activity that is primarily located in a residential area or is concentrated in the home (Farahani & Alvandi, 1999). In Iran, home-based jobs, despite a long history in the field of handicrafts, is a new issue that has been given special attention in the working charter of the Ministry of Labor and Social Affairs (Mokhtari, 2014).

Based on field research conducted in 1994 in 21 countries by the Bank Westminster England, the main problems small and medium industries faced gravitated towards fiscal concerns, due process and the long-circulating laws, labour laws, marketing and sales of products, wear and tear of machinery, lack of skilled workforce, poor management, non-implementation of laws, lack of

international protection for small industries, inconsistent laws that hinder the development of small industries, taxes and lack of information development of small industries, and the lack of efficient information systems.

Although the establishment of rural industries in developed and some developing countries is more than four decades old, in recent decades, some countries, including in Southeast Asia, have taken successful steps in this field (Long et al., 2009). Alsop et al. (2005) show that removing barriers play an important role in the development of home-based businesses. Nawaz (2009) also show that normative, legal and cognitive factors are the most critical ones affecting the development of rural home jobs. Research in Indonesia shows capital shortages, difficulty in sourcing raw materials, lack of access to reliable business information, marketing and distribution problems, low technology capabilities, and high transportation costs. Communication problems, tedious and costly bureaucratic problems, especially in obtaining licenses and ultimately policies and laws that cause the market to stagnate, have been among the obstacles to small business development (Tambunan, 2008). Chadwick (2007) believes that the nature and pattern of industrialization, both in small-scale industries and in handicrafts, is a function of raw materials and human resources in local and regional dimensions.

Hassanpour & Sabili (2019) have examined the development strategies of start-up businesses, entrepreneurship and home-based businesses in rural areas (case study of Urmia city) and the results showed that five factors (financing, informing, supporting, credit and organizations strengthening) explain about 71.5% of the total variance of home-based entrepreneurial home business development strategies. Emami (2015) examined the opportunities and threats of home-based businesses in e-business, the results of which showed that today home-based businesses are considered as an important way to create employment and income. The ability to do this type of business at home creates many benefits for their employees, including balancing women's family responsibilities and employment, eliminating shopping costs, renting workshops, and commuting. Using the labour force of other family members and creating grounds for family work, he mentioned the possibility of transferring experiences through informal education in a teacher-student manner between family members.

The results of Golrod (2019) concluded that home-based jobs cause women to be at home, and the absence of women outside the home reduces the problems caused by their multiple responsibilities and mothers. They can perform their motherly duties and simple structure, quick return, and low need for capital. Tipple (2016) shows that women in societies with a predominant Islamic and Hindu culture have a greater tendency to do business at home. More than 70% of women working in these communities work from home or have a home-based business. In this study, women's home-based jobs have been studied in a very general way. Walker et al. (2008) seek to explore self-employment through home-based business ownership as a potential solution to the inter-role conflict experienced by women attempting to balance dual work and family roles. Self-employment is more about using personal capital, borrowing from relatives and

family members and friends. Women in this country have limited access to bank finance and rely on the home bank for financing. In this study, only one factor in women's entrepreneurship, which is the issue of social protection, has been mentioned, which needed to be considered other elements and effective factors that the author in this study has examined all the factors. Walker et al. (2008) seek to explore self-employment through home-based business ownership as a potential solution to the inter-role conflict experienced by women attempting to balance dual work and family roles.

Another study by Hisrich et al. (2007) found that the main barriers to home business development are the lack of expertise, information barriers, funding, understating the law and the lack of a business plan. Also, legal barriers to these businesses include the uncertainty of insurance umbrellas for people covered by home-based businesses and tax laws. In this study, the author only deals with indicators and barriers to home business development and does not mention how to be entrepreneurial and optimal development of home businesses.

## **Methodology**

Many researchers suggest complementary approaches or a combination of quantitative and qualitative approaches in research methods. The present research consists of two phases, qualitative and quantitative.

In the qualitative phase, the target group included experts from the Department of Cooperatives, Labor and Social Welfare and the Department of Cultural Heritage, Handicrafts and Tourism, and the second group were home-based business owners. According to various studies, if the number of statistical samples in the Delphi technique is more than 15 people, the reliability of the questionnaire will be higher than 0.8 (Roberts, 2004). This study used snowball or chain sampling. At this stage, the experts were asked who is more knowledgeable about the subject under study. Snowballs got bigger and bigger when asking a larger number of experts. In the first phase of Delphi Technique, a questionnaire containing an open-ended question regarding the identification and determination of barriers to home-based businesses was provided to experts and specialists (30 people). Finally, 28 home business experts from Isfahan (7), Kashan (3), Nain (3), Aran and Bidgol (2), Feridan (2), Golpayegan (1), Khansar (2), Semrom (1), Shahreza (2), Najaf Abad (2), Khomeini Shahr (1), Falavarjan (2) answered. Unfortunately, it is not easy to control the validity and reliability of Delphi, as Delphi has been severely criticized for lacking evidence of reliability. In other words, if the same information or questions are given, the same results will not be achieved, although Delphi users have confirmed the technical accuracy. In the qualitative phase, the Delphi approach was used to study and extract the major challenges facing home-based businesses. The method is designed to establish a proper interaction between people's real opinions. It is a group process that aims to reach a consensus based on experts' answers to a particular issue or problem (Rifford & Croom, 2010). In fact, the questionnaire is

a means for experts to communicate and influence each other. In practice, the Delphi method is a series of questionnaires or consecutive rounds with follow-up feedback that seeks to reach a consensus among a group of experts on a particular topic. After the results obtained in the qualitative phase, the obtained categories were prepared by experts in the form of a questionnaire and prepared in the form of a five-level Likert scale (low = 1 to very high = 5) and entered the quantitative phase.

In the quantitative phase of the research, the statistical population includes rural home business owners who, according to data from the Statistical Center of Iran (2018) about 1,000 people in villages with large home businesses with a subset of more than 4 people in rural areas of Isfahan province (194), Kashan (83), Nain (83), Aran and Bidgol (56), Faridan (56), Golpayegan (28), Khansar (56), Semrom (28), Shahreza (56), Najafabad (56), Khomeini Shahr (28), Falavarjan (278) which was determined based on Cochran's formula. The factor analysis method was used to identify the basic variables or factors to explain the correlation pattern between the observed variables. This method plays a vital role in identifying hidden variables or the same factors through observed variables.

46.4% of the men and women with home-based businesses had a bachelor's degree, 32.1% had a master's degree, and 21.1% had a doctorate. The mean age of the respondents was approximately 43.5 (standard deviation 7.54) years, the youngest of whom was 32 years old, and the oldest of whom was 58 years old. 85% of them were men, and 15% were women. The average service record of the respondents was 17.92 years, which indicates that they have the necessary background and experience to comment on the field under study. The field of study of 25% of the respondents was rural development, 17.9% management, 28.6% geography and rural planning 7.1% entrepreneurship.

In the first stage Delphi technique, a questionnaire containing an open-ended question regarding the determination of barriers to home-based businesses was provided to experts and specialists. After receiving the answers and reviewing the views of the experts, a closed questionnaire was given to the experts, and they were asked to rank the existing obstacles extracted using the Likert scale. In the third stage, the experts agreed or disagreed with each of the obstacles, until finally a consensus was reached on the obstacles.

Cronbach's alpha was used to calculate the quantitative phase reliability: managerial and structural, legislative, human-related/personality, research and information, financial and economic respectively equaled 0.88, 0.87, 0.81, 0.79, and respectively 0.83. According to the obtained values, all indicators have appropriate reliability.

Isfahan province is a province in central Iran, with its capital being Isfahan. It is the sixth-largest province and the third most populous one in Iran. The province, with an area of about 10,676km<sup>2</sup>, has 25 cities. According to the latest statistics, it contains more than 3,300 villages, of which approximately 1,500 are uninhabited, and about 1,800 villages with a population of about 711,000 live in rural areas (Statistics Center of Iran, 2016).

## Results

In the first stage, using an open-ended question, experts and specialists were asked to describe the obstacles and challenges of home-based businesses. The results of this stage of Delphi technique are presented in Table (1).

After collecting the first stage questionnaire, the answers were categorized and formed the basis of the second stage questionnaire. At this stage, the experts' agreement with the challenges presented in terms of importance was examined through the Likert scale (from very low to very high), the results of which are shown in Table 2.

**Table 1.** Barriers to home-based businesses from the perspective of experts (n = 28), first stage

Standard deviation	Average of (5)	Barriers to home-based businesses	Standard deviation	Average of (5)	Barriers to home-based businesses
0.803	4.14	Need of a guarantor	0.263	4.92	Low income of owners and stability
0.831	4.1	Insufficient payment facilities	0.262	4.92	No guarantee of sale of goods
0.758	4.1	Improper packaging	0.262	4.92	Limited domestic production
0.838	4.03	Lack of funds and timely allocation	0.262	4.92	Inability to compete with large industries
0.881	4.03	Job insecurity	0.416	4.86	No access to urban markets
0.816	4	Low productivity of active units	0.356	4.85	Lack of skilled and experienced manpower
0.720	4	Low variety of products	0.475	4.82	Lack of financial resources
0.881	3.96	Traditional management	0.390	4.82	Ignoring their economic valuation
0.881	3.96	Considering home-based businesses a second job	0.440	4.75	Lack of participation of local people
0.881	3.96	Infrastructure for the export of products	0.460	4.71	Extra-organizational incoherence
0.899	3.92	Economic instability	0.628	4.60	Poverty and dependence on agriculture
0.766	3.92	Paying unqualified staff	0.566	4.60	Lack of accurate statistics
0.772	3.82	Lack of standard location	0.638	4.5	Multiple decision centers
0.772	3.67	Lack of proper promotion	0.772	4.32	Lack of proper training inside formal education
0.916	3.6	Lack of insurance coverage	0.896	4.28	Existing policy towards the private sector
0.857	3.6	High interest rates on loans	0.751	4.25	Numerous changes in the management system
0.878	3.57	Cumbersome banking rules for repaying loans	0.751	4.25	Home business tax laws
0.634	3.57	Lack of self-confidence	0.686	4.21	Lack of cooperation in sales
0.835	3.57	Lack of risk-taking spirit	0.669	4.17	Lack of enough motivation
0.787	3.57	Rules regarding the import of goods similar to existing ones	0.772	4.17	Lack of creativity and innovation
			0.722	4.17	Lack of training classes

Source: Research Findings, 2020

**Table 2.** The importance of challenges and barriers to home-based businesses from the perspective of experts (n = 28), second stage

Standard deviation	Average of (5)	Barriers to home-based businesses	Standard deviation	Average of (5)	Barriers to home-based businesses
0.803	4.14	Need of a guarantor	0.263	4.92	Low income and stability
0.831	4.1	Insufficient payment facilities	0.262	4.92	No guarantee of sale
0.758	4.1	Improper packaging	0.262	4.92	Limited domestic production
0.838	4.03	Lack of funds and timely allocation	0.262	4.92	Inability to compete with large industries
0.881	4.03	Job insecurity	0.416	4.86	Lack of access to urban markets
0.816	4	Low productivity of active units	0.356	4.85	Lack of skilled and experienced manpower
0.720	4	Low variety of products	0.475	4.82	Lack of financial resources
0.881	3.96	Traditional management	0.390	4.82	Ignoring their economic valuation
0.881	3.96	Considering home-based businesses a second job	0.440	4.75	Lack of participation of local people
0.881	3.96	Lack of appropriate export infrastructure	0.460	4.71	Extra-organizational incoherence
0.899	3.92	Economic instability	0.628	4.60	Poverty and dependence on agriculture
0.766	3.92	Payment to unqualified people	0.566	4.60	Lack of accurate statistics
0.772	3.82	Lack of standard location	0.638	4.5	Multiple decision centers
0.772	3.67	Lack of proper promotion	0.772	4.32	Lack of proper training classes
0.916	3.6	Lack of insurance coverage	0.896	4.28	Existing policy towards the private sector
0.857	3.6	High interest rates on loans	0.751	4.25	Numerous changes in the management system
0.878	3.57	Cumbersome banking rules	0.751	4.25	Home business tax laws
0.634	3.57	Lack of self-confidence	0.686	4.21	Lack of cooperatives in sales
0.835	3.57	Lack of risk-taking spirit	0.669	4.17	Insufficient motivation
0.787	3.57	Rules regarding the import of goods similar to existing ones	0.772	4.17	Lack of creativity and innovation
			0.722	4.17	Weak entrepreneurship, innovation and creativity

Source: Research Findings, 2020.

In the third stage, in order to reach a consensus on the challenges encountered, experts were asked to agree or disagree on them (Table 3).

As shown in Table 3, the priorities obtained in the third stage are almost the same as in the second stage, so there is no need to repeat the research process because a consensus was achieved on the extracted challenges. Based on research findings, 17.5% had a bachelor's degree, 35% a diploma and 47.5% a post-diploma. The mean age of the respondents was approximately 41.5 (standard deviation 7.54) years, the youngest of whom was 22 years old and the oldest of whom was 63 years old. 58% of them were men and 42% were women.



**Table 3.** Barriers to home-based businesses from the perspective of experts (n = 28), third stage

% of agreement	Barriers to home-based businesses	% of agreement	Barriers to home-based businesses
76.5	Need of a guarantor	100	Low income and lack of stability
76.5	Insufficient payment facilities	100	No guarantee of sale of goods
76.5	Improper packaging	100	Limited domestic production
76.5	Lack of funds and of timely allocation	100	Inability to compete with large industries
76.5	Job insecurity	100	Lack of access to urban markets
76.5	Low productivity of active units	100	Lack of skilled and experienced workforce
76.5	Low variety of products	100	Lack of financial resources
76.5	Traditional management	100	Ignoring their economic valuation
76.5	Considering them as a second job	100	Lack of participation of local people
76.5	Lack of export appropriate infrastructure	94.1	Extra-organizational incoherence
76.5	Economic instability	88.2	Poverty and dependence on agriculture
76.5	Payment to unqualified people	88.2	Lack of accurate statistics
72.4	Lack of standard location	88.2	Multiple decision centers
72.4	Lack of proper promotion	88.2	Lack of proper training classes
72.4	Lack of insurance coverage	88.2	Existing policies for the private sector
72.4	High-interest rates on loans	82.4	Numerous changes in the management system
72.4	Cumbersome banking rules	82.4	Home business tax laws
72.4	Lack of self-confidence	82.4	Lack of powerful cooperatives in sales
72.4	Lack of risk-taking spirit	82.4	Not having enough motivation
72.4	Rules regarding the import of goods that have similar interior	82.4	Lack of creativity and innovation
		76.5	Lack of training classes

Source: Research Findings, 2020.

**Table 4.** The main factors of research, specific value and percentage of the variance of each and cumulative percentage

factors	component	% of variance	Cumulative %
Managerial and structural	6.175	19.09	19.09
Financial and economic	3.72	18.13	37.2
Legislative	3.11	16.22	53.44
Research and information	2.87	13.11	66.55
Individual-personality	2.31	12.18	78.33

Source: Research Findings, 2020.

In the quantitative phase of the research, the factor analysis method was used to find the underlying variables or summarize a data set. However, the Bartlett test and the KMO index were used for the necessary competence of using this method. Its range is between zero and one, and the closer it is to one, the more appropriate the data. According to the findings, the amount of KMO is equal to 0.754. Also, the value of Bartlett is equal to 0.386. After ensuring the appropriateness and performing factor analysis, Varimax rotation was used to obtain significant factors. These factors together explain 78.73% of the relevant variance.

Factor loading status is followed by rotation based on the placement of variables with a factor load greater than 0.5 (Table 5).

**Table 5.** The main factors of the research and its related variables and their factor load

Factor	Barriers	Criterion
0.830	Lack access to urban markets	Managerial and structural
0.751	No guarantee of sale of goods	
0.725	Multiple decision centers in home business affairs	
0.715	Numerous changes in the home business management system	
0.666	Putting home-based businesses as a second job and being sidelined	
0.658	Improper packaging	
0.648	Low variety of products	
0.651	Traditional management	
0.602	Limited domestic production	
0.594	Extra-organizational incoherence	
0.578	Payment of home business facilities to unqualified people	Legislative
0.566	Inability to compete with large industries	
0.545	Lack of appropriate export infrastructure	
0.512	Lack of standard location of home business units	
0.509	Problem with lack of insurance coverage	
0.828	Cumbersome banking rules for repaying loans	
0.754	Home Business Tax Laws Home Businesses	
0.721	Job insecurity	
0.701	Existing policy towards the private sector	
0.655	Improper rules regarding the import of goods similar to domestic ones	
0.624	No guarantee of sale of goods	Financial and economic
0.612	Lack of proper policy and planning to promote home-based businesses	
0.599	Ignoring the economic valuation of home-based businesses	
0.545	Low productivity of active units in the field of home business	
0.514	Lack of powerful cooperatives to supply produced goods for sale	
0.745	Low income of home business owners and lack of stability and stability	
0.713	Lack of financial resources	
0.700	Economic instability	
0.675	High interest rates on loans	
0.615	Need of a guarantor to provide facilities and credit	
0.601	Residents' poverty and dependence on agriculture	Human-related/personality
0.578	Lack of funds and lack of timely allocation	
0.541	Insufficient payment facilities	
0.847	Lack of risk-taking spirit	
0.745	Lack of self-confidence	
0.714	Not having enough motivation	
0.540	Lack of participation of local people	
0.845	Lack of proper training residents for home-based jobs	
0.714	Lack of skilled and experienced manpower for home business owners	
0.654	Lack of creativity and innovation of villagers	
0.612	Lack of training classes for entrepreneurship, innovation and creativity	Research and information
0.514	Lack of accurate statistics regarding the number and type of employees	

Source: Research Findings, 2020.

## **Discussions**

### ***Identifying Challenges and Barriers to Home Businesses***

The final results showed that the existing obstacles to developing home-based businesses in rural areas of the province's cities are structural and managerial factors, policy-making, financial and economic factors, individual-personality, research and information. Based on this, it can be stated that various indicators are involved in the challenges in home businesses in the villages of the cities of Isfahan province, the most important of which are structural and managerial factors that the authorities have not taken appropriate measures about. Appropriate marketing and elimination of unpaid intermediaries so that the products of home-based businesses reach the consumer without a broker and the overall profit goes to the villagers are also very important. The products have a limited variety, but of course, not having enough income for the villagers and also their traditional work has destroyed many jobs, and the villagers do not have much hope to continue working, especially for the youth. Economically and financially, non-allocation of financial resources and loans and inability to repay it by the villagers, lack of participation of the villagers, lack of necessary training for the villagers to continue working and using up-to-date technologies in updating products.

Managerial and structural challenges alone account for 19.09% of the total variance changes and are a priority. Based on managerial and structural challenges, it can be concluded that despite the measures taken in the direction of an integrated and comprehensive coordination, moving from reliance on the private sector instead of the public sector brings forward are many obstacles to the development of home-based businesses in rural areas. Furthermore, authorities have not been able to regulate the jobs market. Many villagers in the distant past were engaged in home-based businesses and their products have provided them with an income that in the current situation due to the existence of intermediaries, rising inflation, reduced market and lack of government support for the allocation of private markets is no longer possible. Creating stable conditions for selling products permanently and managing rural units to develop and maintain products in managerial and structural challenges in the villages of Isfahan province has been that basic measures should be taken in this regard.

The studies of Ghiasvand (2009), Rudgar-Nejad & Kiakjouri (2010), Abdollahzadeh & Rahbari (2019), also indicate the weakness of the management sector. Seventeen (1993) examines the challenges and barriers of home business and states that home business is a challenging approach because it requires coordination of different public and private sectors, and private sector participation is low due to low economic returns. Ghiasvand (2009) concluded that lack of competition in this area is an important challenge. They also stated that this ability to compete reduces the motivation of the villagers, which causes harmful consequences again.

Policy class explains 16.22% of the variance. In this regard, it should be noted that many villagers who work in the field of home-based businesses are not able to develop and expand their jobs and need help and policy in this regard, which should be done with low-interest loans, which of course presently, some loans are made to individuals, which unfortunately do not reach many of those who actually need it. Also, many jobs have been created in villages without considering the market and the products efficiency, as well as measuring all its conditions, which has caused many of these units to decline and close after a while.

All in all, half a century later, the problems of cumbersome laws and misguided policies toward home-based businesses remain unresolved. As a result, the issuance of inappropriate directives, poor enforcement of laws or prolongation of the law enforcement process, lack of a well-written plan, and unclear legislation on the development of home-based businesses in rural areas are still a problem. In fact, although policies have been developed to address home-based businesses, the lack of coherent policy-making has created challenges and barriers to a coordinated approach to home-based business productivity. In this regard, the study of Saadi & Heydari (2013) also indicates that the lack of legal security, lack of attention of managers to the law and non-implementation of the law are the main challenges in this category. They also showed that home-based businesses had been challenged due to conflicting policies, role confusion, and a lack of interest in pursuing selective or selective enforcement law.

The financial and economic class explains 18.13% of the total variance. As mentioned, the villages of Isfahan province had several domestic jobs in a certain period, but in the current situation, due to economic and employment inefficiency and the lack of a proper market, they face destruction. The instability in the price of raw materials and the lack of financial support, especially in the field of loans and interest, result in many loans being unknown to many villagers active in this field who are even unaware of information in this field can be very useful.

Rural communities are heavily dependent on agriculture to meet their needs (Izadi et al., 2014). Agriculture is also in a specific season; in other words, it is a seasonal occupation, and farmers are unemployed for most of the year. This unemployment creates problems for rural communities, such as the cost of living. As a result, this structure in the pattern of rural livelihoods must be changed. Aghahi et al. (2012) has shown that poverty and dependence of rural communities on agriculture, lack of solutions to create alternative jobs for them, and neglect of economic valuation for home businesses are serious challenges. Lack of credit is also consistent, according to the studies of Mambola (2002). Most home-based businesses face a lack of financial resources, and on the other hand, the projected financial resources for home-based businesses may be spent on other activities such as infrastructure and structural programs. This process will lead to the implementation of home-based businesses and related projects in this field.

The factor of human-related/personality guarantee sustainability and importance in home businesses is twofold because issues related to home businesses are intertwined with the life of rural communities and the success of any activity depends on the individual and personality characteristics of the

people. Therefore, the role of people and their personal and personality traits in the development of home-based businesses is vital. In fact, the fit of a person's personality with his job affects his performance and job satisfaction. For many people today, especially young people, it seems complicated to start a home business, and this causes a decrease in the spirit of risk-taking among them and deprives them of motivation to continue their activities.

Research and information explain 13.11% of the variance changes. One of the important factors in the development of home-based businesses is that they should be following local cultural structures and customs, and research on the area and the conditions of the region should be done in order to decide if the business is suitable for that specific area. One of the most important elements in any activity is the use of research and information, and in the field of home-based businesses, it is necessary at any time that research on its efficiency and productivity be done and updated based on the results obtained.

Experts should always be in contact with entrepreneurs and people active in home-based businesses, and the latter should have the necessary training about the products and raw materials and how to operate them, and always use the creativity of villagers and their local knowledge. The low level of awareness of rural people about choosing a job and the type of activity related to the local conditions of the region due to the lack of necessary training is another major challenge for home-based businesses. This requires a bridge between information and research findings with the promotion and education of users. These results are consistent with the findings of Aghahi et al. (2012). This researcher has shown that poor communication between officials and local communities, lack of awareness or insufficient education and lack of information are among the challenges facing home-based businesses.

## **Conclusions**

Government financial support should be provided to create entrepreneurship so that the income status of the entrepreneur and the person with home-based jobs is at a desirable level. Training courses should be organized to promote home-based businesses, increase knowledge and support the home-based business entrepreneur, and use experts and experienced people in this field and follow the model of already successful businesses.

There is also a need to create and support employment laws and supportive insurance in order to improve the status of salaries and entrepreneurial laws on home-based businesses. The necessary knowledge in the field of individual, family, social and professional rights should be shared so that people involved in domestic jobs have a continuous and productive presence in trade unions, industrial and professional organizations and think about the optimal development of their jobs based on participation. Another important necessity is the to increase the development of new technologies because there is always the need to search and develop new approaches in creating new products.

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