



# Flourishing Despite Adversity

**Resilience & Self-belief from Entrepreneur,  
Anadil Khan**

This case was written by Professor Amanda Bullough and her graduate student, Aynsley Dunham, at the University of Delaware. It is intended to be used as the basis of class discussion rather than to illustrate either effective or ineffective handling of a management situation. The case was compiled from published sources and interviews with the business leader.

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## Abstract

Anadil Khan is an entrepreneur from Karachi, Pakistan, who has worked in the textile sourcing industry and the Pakistani women's apparel industry since 2000. This case explores the dangers she faced in Karachi during the height of Pakistan's political turmoil and struggles with terrorism. It further explores how she overcame these issues by changing her company's focus to a related industry that was less affected by the political tensions of the time. As a result, Anadil ultimately reopened, redefined, and rebranded her company successfully.

## Learning Outcomes

By the end of this case, students should:

- Learn an example of an entrepreneur operating in a very adverse environment.
- Understand how a female entrepreneur reevaluated her business, made difficult decisions, and reinvented her business.
- Apply the lessons of self-efficacy and resilience to overcome obstacles in business.

## Challenge

Anadil Khan sighed as she listened to the news in her home in Karachi, Pakistan. A powerful political party with a base in Karachi had been fighting to destabilize the government. This led to dangerous disturbances and the closure of businesses, paralyzing the city. "Many times, they would shoot and kill if you disobeyed. It was hazardous to get out of the house to go to work." All factories were ordered to remain closed the next day, meaning another day of production was lost; no one would risk opening their doors, despite the order. After all, there was a real threat of violence from government supporters against those suspected of attempting to work despite the order. This shutdown was one of many in recent months. It had taken a tremendous toll on Anadil's company, and she did not know what to do.

Anadil's company, SAM International, sourced textiles for companies in Europe and the United States. The violence and political instability that interrupted textile production was an existential threat to her company: The loss of production meant it was nearly impossible for Anadil to fulfill orders for her clients promptly, and even when she could, the overall political instability made it challenging to ship her orders reliably. The instability was also raising the price of her goods, and she was losing her competitive edge in the market. But what could she do? Should she shut down the company? Was it even feasible to stay open? If she shut down, what would she do to earn a living? This was a very complicated decision for Anadil, and she knew she had to tread carefully: her future depended on her next steps.



## Founding SAM International

Anadil established SAM International in 2000 after several years of learning about the textile industry on the field. Although she had a Master's in Physiology, Anadil had always been passionate about fabrics and clothing. So, when a friend approached her to ask for help starting a knitwear factory, she agreed. Although she was unsure of herself, her friend had absolute confidence in her ability to learn about the industry and use her knowledge to make the business profitable, and Anadil quickly proved him right. Next, Anadil went to factories across the city to observe the processes, equipment, and materials needed for a textile factory. She also learned how to buy goods and sell the finished fabrics. From there, she made contacts and began SAM International as a textile-sourcing house for clients abroad.

## Political Instability and Setbacks

Industrial production in Karachi was dangerous work. Struggles between political parties had marred Pakistan's history, with much of the tension coming to a head in 2007 and causing waves of national protests. Terrorist activities of religious extremist groups like al-Qaeda have also been a problem. Karachi, a major city in Pakistan, was highly affected by this turmoil. The city was known for its high homicide rate from the 1990s, peaking in 2010 and finally beginning to decline. This was due to turf wars between street gangs funded by political parties that used the power of these gangs to further their political agenda. These agendas often negatively affected businesses; among those affected, one of the worst hits was textile factories. (Khan, 2020)

From 2006 through 2007, due to efforts to destabilize the government, anti-government political parties ordered factories to close regularly to exert power. People who attempted to go to work or were suspected of attempting to go to the factories faced retaliation. Demonstrators threw stones, shot at them, damaged their cars, and more. The shutdowns hurt many people's livelihoods, but it was too dangerous to risk disobeying the shutdown orders. Even on days when the factories were open, the doors sometimes had to be locked to protect the workers from protesters or gang members coming inside and hurting them.

The constant closings of the textile factories were a significant blow to SAM International. When production was delayed, Anadil's orders were delayed; as she often had deadlines to meet, this was a problem. She sometimes had to ship orders using express shipping to meet deadlines, which was much more expensive and raised her costs. In addition, as India, Vietnam, and Bangladesh became influential in the textile industry, her company struggled. She was no longer as competitive in the global market.



Additionally, the production delays often left the companies working late into the night—when the industrial sector became even more dangerous, especially for women. Sometimes, Anadil ignored the possibility of being assaulted or killed at any time and had to stay at the factory, hoping for the best while orders were completed. Eventually, between the violence, production delays, and increased foreign competition, Anadil decided to close SAM International in 2008 temporarily.

### **A New Direction**

A year after Anadil closed SAM International, a new opportunity arose courtesy of a former client in Holland. Her client, who was in the textile business, contacted her for help with performing factory inspections. He would pay Anadil to go to the factories and inspect the goods being produced and to either sign off on the items or provide him with her detailed findings from the inspection. Anadil needed the income, so she accepted the work; this allowed her to maintain some contacts in the textile industry. She has continued this work till today. Anadil has also been creating traditional Pakistani women's clothing, a hobby at first.

Anadil's passion for fabric and clothing manifested as a desire to create traditional Pakistani clothing, especially for women. She loved the silks, chiffons, and patterns of the clothing and began designing and producing her own as a hobby while running SAM International. After SAM International closed, she had more time to work on her creations, and she soon realized that she would like to turn this hobby into a new business opportunity.

While factory closures had shut down SAM International as a sourcing business, creating apparel would become a much more stable business. Since she was no longer brokering between numerous factories and international clients, factory closures would have less of an impact on her ability to meet deadlines. Additionally, Anadil would no longer be the intermediary with little control over factory production and her ability to meet her clients' deadlines. She could set deadlines with clients according to her production abilities and with the political climate taken into account. Moreover, Anadil would not need to risk her safety by spending so much time in the dangerous industrial area of Karachi because her presence in factories would not be required consistently. She had a handful of contractors she trusted to work with on a contractual, as-needed basis, so she could also control where she went for work. Overall, it would be a safer and more predictable business opportunity for her.

With her mind made up, Anadil began to network in search of brokers who would sell her apparel abroad. She eventually connected with businesswomen in the United States and Australia and began exporting her clothing for sale. Anadil continued curating her network of international brokers, and soon enough, she reopened SAM International with a focus on apparel. SAM International was redefined and rebranded from formerly sourcing textiles from



around Karachi for companies in Europe and the United States into a producer of finished apparel for export.

## **SAM International Today**

The political climate in Pakistan has stabilized, with the homicide rates dropping precipitously from 2013 to present. Overall, crime and violence have decreased significantly, as well. Karachi went from the world's 6th most dangerous city in 2014 to 93<sup>rd</sup> in 2020. (Ali, 2020)

Anadil secured entrepreneurship training in 2014,<sup>1</sup> and as of June 2020, SAM International is still in operation. The primary business offering of SAM International remains traditional Pakistani women's clothing. Anadil Khan's clothing offerings include several lines, with the Bridal and Pret lines available for purchase through her website. She has also returned to sourcing home textiles and apparel for other businesses, including Vadotex BV in Holland. Anadil sells her items to clients worldwide, with her primary customers in the USA, Europe, and Australia. (Khan, n.d.).

Through her work, SAM International has helped women earn an income through what Anadil considered an excellent opportunity close to her heart and a good fit for her business experience in textiles. Unfortunately, the COVID-19 pandemic slowed business and hurt SAM International in a little way. Still, it also freed up time for Anadil to engage in volunteer work and fundraising to help underprivileged people in the community that were hit hardest by the pandemic.

She has also become involved with a business named "The Sew Story." She helps underprivileged women in the slums and outskirts of Karachi to earn an income by leveraging their talents for handmade embroidery, which is then sold on Amazon and other places internationally, including products like kitchen towels, aprons, cushions, and so on. These women can work from home while earning money to pay school fees to support their children's education. Anadil says, "It's a great feeling."

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<sup>1</sup>WomenX: Multiplying the Power of Women Entrepreneurs in Pakistan. Retrieved October 2020: <https://www.worldbank.org/en/news/feature/2018/11/01/womenx-multiplying-the-power-of-women-entrepreneurs-in-pakistan>



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