



# "Exploring Entrepreneurial Behaviour and Performance of Women Entrepreneurs Associated with the Kudumbashree Mission: An Analytical Study"

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## Abstract:

The Kerala model exemplifies the transformative power of women's empowerment in fostering progressive development. Central to this model is Kudumbashree, the State Poverty Eradication Mission, acclaimed for its initiatives in poverty alleviation and women's empowerment. Despite Kudumbashree's promotion of women's entrepreneurship, challenges among micro-enterprises persist, necessitating an exploration of factors influencing their performance. This study examines the entrepreneurial dynamics within Kudumbashree, focusing on how entrepreneurial behaviour and competency impact micro-enterprise performance. Findings indicate that innovativeness, opportunity recognition, and business skills significantly drive revenue growth, while the roles of initiative, risk-taking, and management skills need further study. Recommendations include fostering innovation, encouraging initiative, offering risk management training, and enhancing management and business skills. The study highlights the need for targeted interventions to empower women entrepreneurs, promoting economic empowerment, gender equality, sustainable development, and community empowerment in Kerala.

**Key Words:** Entrepreneurial behaviour, Entrepreneurial competency, Women entrepreneurs, Kerala, Micro-enterprises, Revenue growth, Kudumbashree Mission, Economic empowerment, Gender equality, Sustainable development

## I. INTRODUCTION

Kudumbashree, the State Poverty Eradication Mission of Kerala, is a key component of the state's development model, empowering women and fostering entrepreneurship since 1998. Recognized globally as a best practice for poverty eradication and women's empowerment (Devika & Thampi, 2007), Kudumbashree has made significant strides in socio-economic development. Despite

these efforts, many micro-enterprises face challenges, leading to varying outcomes. This study explores why some micro-enterprises succeed while others fail within the Kudumbashree framework. The central questions are: 1) Are specific entrepreneurial factors responsible for performance differences among Kudumbashree-supported micro-enterprises? 2) What internal factors affect the performance of Kudumbashree's women micro-entrepreneurs? 3) How do entrepreneurial competency and behaviour influence these women entrepreneurs?

## II. LITERATURE REVIEW

The first major study on Kudumbashree micro enterprises, conducted by John (2009) under the Planning Commission, identified several challenges: intense competition, inadequate support, poor marketing skills, subpar product quality, limited advertising, and lack of teamwork. Over 60 percent of micro enterprises were deemed unsustainable but continued to operate to access government subsidies. SHG members lacked essential entrepreneurial traits.

Narayana & Gopakumar's (2013) State Government-sponsored study highlighted further issues: insufficient professional training, limited risk-taking capacity, low capitalization, preference for home-based activities, and poor financial management skills. Kannan and Raveendran (2017) underscored the need for better financial management and branding services to sustain micro-enterprises.

Despite extensive research, there is a gap in understanding the entrepreneurial behaviour and competency of Kudumbashree women micro entrepreneurs and their impact on performance outcomes. Contemporary studies reveal evolving challenges and opportunities, influenced by socio-economic contexts. A nuanced understanding of these factors is essential to address the needs of women entrepreneurs in Kerala. Exploring diverse behaviours and performance metrics is crucial for uncovering success factors, informing strategies to



support women entrepreneurs, and promoting inclusive economic growth in Kerala.

### III. OBJECTIVES

1. To investigate the influence of entrepreneurial behavioural factors on the entrepreneurial performance of women micro entrepreneurs within the context of Kudumbashree.

### IV. METHODOLOGY

#### 4.1 Operational definitions of Concepts

1) Performance: The dependent variable of this study, defined by conventional financial metrics, refers to the efficiency of a microenterprise in utilizing financial resources to generate profits and sustain growth (Mahmood, 2010)

2) Entrepreneurial Behaviour Factors: Entrepreneurship behaviour refers to the actions, decisions, and characteristics exhibited by individuals who are engaged in entrepreneurial activities. Entrepreneurial behaviour is a type of organizational behaviour (Bird, 1989). The construct of Entrepreneurial behaviour, as proposed by Covin and Slevin (1986, 1989), comprises three distinct dimensions: Innovativeness, Proactiveness, and Risk-Taking. These dimensions capture key aspects of an individual's behavioural tendencies and actions in the entrepreneurial context. Rauch and Frese (2000) and van Dam et al. (2010) conceptualized entrepreneurial behaviour as comprising three key dimensions: Opportunity Recognition, Taking Initiative, and Risk Management. Hence in this study entrepreneurial behaviour is operationalised into four dimensions, namely, Innovativeness, Proactiveness or Taking Initiative, Risk-Taking and Opportunity Recognition. Research by Huang et al. (2022) underscores the importance of innovative thinking among female entrepreneurs, highlighting its positive association with entrepreneurial performance. Proactiveness or 'Taking Initiative' has been conceptualized and defined by scholars such as Rauch and Frese (2000) and van Dam et al. (2010) in the context of entrepreneurship research. According to their conceptualizations, Proactiveness or 'Taking Initiative' reflects individuals' proactive engagement in entrepreneurial activities, their readiness to initiate action, and their ability to drive projects forward with determination and autonomy. Risk-taking entrepreneurial behaviour involves the willingness and propensity of individuals to engage in actions or decisions that involve uncertainty, potential losses, or the possibility of failure, with the aim of achieving long-term business success and growth (Miller, 1983). Opportunity recognition refers to the ability of individuals to identify and capitalize on emerging

business opportunities, market gaps, or unmet needs (Shane & Venkataraman, 2000).

#### 4.2 Research Design

For the case study analysis, a random sampling approach is employed to ensure an unbiased selection process. The study is conducted in Kolencherry Town, Ernakulam District, Kerala State, encompassing two Grama Panchayaths: Poothrikka and Aikkaranadu of Vadavukode Block. The sample size for this case study is set at 30 Women Micro Enterprises (WMEs) affiliated with Kudumbashree. The selection of enterprises is made randomly from the pool of eligible candidates within the study area. This approach aims to provide a representative sample that captures the diversity of sectors and experiences within the Kudumbashree framework. By utilizing random sampling, the study seeks to generate findings that are generalizable to the broader population of women micro-entrepreneurs associated with Kudumbashree, contributing valuable insights to the understanding of entrepreneurial behaviour, competency, and performance in this context.

This study utilized primary data sources. Primary data were collected directly from woman entrepreneurs to gather information on the significant variables outlined in the theoretical model. The primary data collection occurred over a period of three months, from September, 2023 to December 2023. For this study, the schedule method of data collection was employed. A structured questionnaire was administered to 30 respondents to gather relevant information for the research. The data collected from the sample were processed and analysed using IBM SPSS Version 23 (Statistical Packages for Social Sciences). Percentage analysis was employed to outline the profiles of the respondents. Descriptive statistical analyses, including mean and standard deviation, were utilized to describe the levels of all variables in the study. Additionally, correlations between revenue and various factors were examined to assess their relationships.

#### 4.2.3 Limitations of the study

The study focuses only on Kudumbashree-registered enterprises, excluding others. With a sample of 30 Women Micro Enterprises (WMEs) from a specific area, findings may not be broadly generalizable. Perceptions were measured at a single time point, without considering business stages or profit levels, which may affect results. Only correlation analysis was used, limiting insights into causality. More advanced statistical techniques could



provide a deeper understanding of factors influencing entrepreneurial performance.

## V. RESULTS AND DISCUSSION

### 5.1 Profile of Respondents

Regarding the sector of operation, 80% of the enterprises are engaged in production activities, while the remaining 20% are involved in the service sector. The age distribution of respondents shows that 20% fall in the age group of 35-40, 60% in the age

group of 40-45, and another 20% in the age group of 55-60. In terms of educational qualifications, 20% of the respondents have completed Upper Primary education, 60% have completed High School, and the remaining 20% have attained Higher Secondary education. The community distribution reveals that 20% of the respondents belong to the SC category, 40% to the OBC (Hindu), and another 20% to the OBC (Muslim/Christian). The remaining 20% fall into General category.

### 5.2 Descriptive Statistics

	Minimum	Maximum	Mean	Std. Deviation
Innovativeness	1.33	5.00	3.3333	1.47196
Taking Initiative	2.67	4.67	3.6667	.84984
Risk Taking	2.33	3.67	3.1333	.60553
Opportunity Recognition	2.33	4.67	3.7333	1.14018
Revenue	2	4	3.40	.894

The mean score for innovativeness is 3.3333, indicating a moderate level of innovativeness among the respondents. The standard deviation of 1.47196 suggests some variability in the degree of innovativeness among the sampled enterprises. The mean score for initiative taking is 3.6667, suggesting a relatively favourable inclination towards taking initiatives among the respondents. With a standard deviation of 0.84984, there appears to be moderate variability in the extent of initiative taking among the enterprises. The mean score for risk-taking is 3.1333, indicating a moderate level of risk-taking propensity among the respondents. The standard deviation of

0.60553 suggests relatively low variability in risk-taking behaviour among the sampled enterprises. The mean score for opportunity recognition is 3.7333, suggesting a relatively high ability to recognize opportunities among the respondents. With a standard deviation of 1.14018, there appears to be considerable variability in the extent of opportunity recognition among the enterprises. The mean revenue score is 3.40, indicating moderate revenue levels among the sampled enterprises. The standard deviation of 0.894 suggests a notable degree of variability in revenue performance among the enterprises.

### 5.3 Correlation Analyses

		Correlations						
		Revenue	IVTOT	INTOT	RTTOT	ORTOT	MATOT	KBSTOT
Revenue	Pearson Correlation	.899	.883*	.877	.800	.882*	.704	.889*
	Sig. (2-tailed)		.014	.051	.104	.014	.184	.044
IVTOT	Pearson Correlation	.883*	1	.889*	.873	.960**	.885*	.869*
	Sig. (2-tailed)	.014		.011	.054	.010	.046	.020
INTOT	Pearson Correlation	.877	.889*	1	.810	.889*	.894*	.809
	Sig. (2-tailed)	.051	.011		.097	.044	.040	.097
RTTOT	Pearson Correlation	.800	.873	.810	1	.884*	.885*	.876*
	Sig. (2-tailed)	.104	.054	.097		.014	.046	.016
ORTOT	Pearson Correlation	.882*	.894**	.889*	.884*	1	.838	.899**
	Sig. (2-tailed)	.014	.010	.044	.014		.076	.008

\*. Correlation is significant at the 0.05 level (2-tailed).  
 \*\*. Correlation is significant at the 0.01 level (2-tailed).

• There is a strong positive correlation of 0.899 between revenue and innovativeness, which is statistically significant at the 0.05 level, indicating that higher levels of innovativeness are associated with higher revenue.

• A strong positive correlation of 0.883 is observed between revenue and initiative taking, although it does not reach statistical significance at the 0.05 level.



- Similarly, there is a strong positive correlation of 0.877 between revenue and risk-taking, which also does not reach statistical significance at the 0.05 level.

- The correlation between revenue and opportunity recognition is strong at 0.882, with statistical significance at the 0.05 level, indicating that higher levels of opportunity recognition are associated with higher revenue.

Overall, the analysis suggests that innovativeness and opportunity recognition are positively associated with revenue in women micro-enterprises associated with Kudumbashree. However, the relationships with initiative taking and risk-taking are less clear and require further investigation. Across all independent variables, a trend of positive correlations with revenue is observed, suggesting that higher levels of these entrepreneurial characteristics are generally associated with higher revenue in women micro-enterprises associated with Kudumbashree. The correlations vary in strength, with some variables exhibiting stronger correlations than others. For example, innovativeness and opportunity recognition demonstrate particularly strong correlations with revenue, indicating their potential significance in driving revenue growth.

## VI. FINDINGS

The findings suggest that certain entrepreneurial characteristics, such as innovativeness and opportunity recognition play significant roles in driving revenue growth in women micro-enterprises associated with Kudumbashree. These findings align with existing literature highlighting the importance of these factors in entrepreneurial success. However, the relationships between revenue and initiative taking, revenue and risk-taking are less conclusive and require further investigation. Overall, the findings provide valuable insights into the entrepreneurial dynamics of women micro-enterprises associated with Kudumbashree, contributing to our understanding of the factors that contribute to their success and revenue generation.

## VII. CONCLUSION

The study reveals that entrepreneurial characteristics like innovativeness and opportunity recognition significantly drive revenue growth in Kudumbashree-affiliated women micro-enterprises, confirming their importance in entrepreneurial success. However, the impact of initiative-taking and risk-taking on revenue remains unclear, warranting further research. These insights enhance our understanding of the factors contributing to the success and revenue generation of women micro-

entrepreneurs within Kudumbashree, providing valuable guidance for future support and development initiatives.

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