

Entrepreneurial Skills of Microentrepreneurs in Kerala

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ABSTRACT

Background: Entrepreneurship is the process of opening new ventures in response to the opportunities identified and pursuing them on the basis of the resources under control and introduces something novel to the world, whose market is associated with uncertainty. Entrepreneurship development is considered as the engine for transforming the society. Globalization and the information technology explosion directed Indian economy to enter into a new economic era. Entrepreneurs are the centre of every industrial activity specifically; the economic landscape of India is being altered through the development of micro small and medium enterprises. Entrepreneurship is the practice of starting new organisations in response to identified business opportunities. The individual performance of micro entrepreneurs in Kerala means the improvement in their business skills. The analysis of business skills developed by the micro entrepreneurs in Kerala has been made by reckoning variables, such as leadership, management, knowledge, and marketing skills.

Aim: The present study has been undertaken to evaluate the entrepreneurial skill and development of micro enterprises in Kerala with special reference to Malappuram district.

Materials and methods: The scope of the study is limited to the evaluation of entrepreneurial skills possessed by the male micro entrepreneurs in Malappuram district of Kerala. The respondents of the study were 50 male micro manufactures in Malappuram District. The data were suitably classified and analyzed based on the objective of the study. Statistical tools like percentages, chi-square test, and Friedman repeated measures analysis of variance on ranks have been applied for analyzing the data. Analysis was done via statistical software SPSS 21.0.

Results: The mean rank comparison of leadership skills developed by the micro entrepreneurs in Malappuram district revealed that 'I am able to manage a team solely' (3.80) is the most important leadership skill developed by them after becoming an entrepreneur. 'I am able to give technical advice to my employees/others' (3.39) was the most important knowledge skill developed by the micro entrepreneurs of Malappuram district in Kerala. Based on the mean rank, it is observed that 'I am able to retain all my customers' (4.37) was the most important marketing skill developed by the micro entrepreneurs in Malappuram district. Based on the mean rank, it was found out that 'I can set clearly defined goals' (4.517) was the most important management skill developed by the micro entrepreneurs of Malappuram district in Kerala.

Conclusion: The data analysis revealed that a majority of the micro entrepreneurs fall under the age group of 20 to 60 years. Muslims were more involved in entrepreneurship in Malappuram district. Compared to General and SC/ST category, OBC category were more involved in entrepreneurship in Malappuram district. Majority of the micro entrepreneurs in Malappuram district did not have higher educational qualification. Most of the families of the micro entrepreneurs in Kerala were nuclear in nature and the place of birth of the majority of the micro entrepreneurs was rural. The results revealed that there is a significant difference in the entrepreneurial skills of micro entrepreneurs and their entrepreneurial activities helped them to develop entrepreneurial skill to a greater extent in Malappuram district of Kerala.

Key words: Micro enterprise, entrepreneurial skill, Entrepreneurship, Friedman Repeated Measures Analysis of Variance.

INTRODUCTION

Economic development invariably means a process of upward change which results in the increase in real per capita income over a long period of time. Entrepreneurship emerges from an individual's creative spirit in to long-term business ownership, employment creation, capital formation and economic security. Development of entrepreneurship culture and qualitative business development is the major requirements for industrial growth. Entrepreneurs are the centre of every industrial activity .They play a vital role in the economic development of a country. MSME Sector will provide new opportunities to the entrepreneurs to grow. Entrepreneurial skills are essential for the industrialisation and for alleviation of mass unemployment and poverty.

The micro units are considered as the respiratory system of Kerala's industrial sector as it facilitates the development of industries with limited capital and manpower .Those having adequate entrepreneurial abilities can run their unit successfully and introduce new products to the market. These entrepreneurial skills helped the entrepreneurs to ensure the establishment, expansion and modernisation of micro units in Kerala.

REVIEW OF LITERATURE

Ngugi (2014)¹ revealed that the technical,managerial and personal skills of entrepreneurs were the key factors detrmning the performance of the Micro and small Petroleum Enterprises . The results showed that there was a positive correlation between entrepreneurial skills and MSE growth in Kenya's petrolum sector.

Aschalew Mulugeta et al.(2016)² analysed the skills possessed by the entrepreneurs in Ethiopia. The study revealed that entrepreneurial,technical, interpersonal, and business skills were the major skill possessed by them. The study pointed out that abilty to use network technology in the business and updatation of technological skills were below average for both

successful and unsuccessful entrepreneurs in Ethiopia.

Namrata and Niladri (2016)³ identified five major skills viz. leadership, communication, human relation, technical,and in born aptitude skill which were acted as driving agents for measuring entrepreneurial performance and success in Jharkhand region.The study showed that, in contrast to literatures studied,technical skill did not have any effect on the success of the enterprises which was still in its nascent age of development

Significance of the Study

Entrepreneurial skill support the process of innovation, enhances productivity and channelize the growth and ensures better performance in all relevant areas of business. Entrepreneurs should develop a strong skill base in order to support the process of entrepreneurial development in India .This enable them to sustain from the start up stage to the level of growth and maturity. The present study aims to draw a frame work on the entrepreneurial skills and entrepreneurial development in Malappuram district which would help to know the entrepreneurial skills developed by the male micro entrepreneurs after becoming an entrepreneur. In this context, the present study titled Entrepreneurial Skills of Micro entrepreneurs in Kerala assumes greater significance.

Scope of the study

The present study has been undertaken to analyze the entrepreneurial skills of micro entrepreneurs in Kerala with special reference to Malappuram district. The assessment has been made by considering the perception of male micro manufacturing entrepreneurs who were in the business at least for a period of five years in Eranad taluk of Malappuram district in Kerala. .The details of the entrepreneurs were collected from the data base maintained by the District Industries Centre, Malappuram.

Objective of Study

To study the skills developed by the male micro entrepreneurs through entrepreneurship in Malappuram district of state of Kerala.

Hypothesis of the study

H₀₁: There is no significant difference among the Knowledge skill developed by the micro entrepreneurs through entrepreneurship in Malappuram district.

H₀₂: There is no significant difference in the Leadership Skill of Micro Entrepreneurs in Malappuram district of Kerala

H₀₃: There is no significant difference in the Marketing skill of Micro Entrepreneurs in Malappuram district of Kerala.

H₀₄: There is no significant difference in the Management skill of Micro Entrepreneurs in Malappuram district of Kerala.

RESEARCH METHODOLOGY

Selection of sample

A sample of 50 entrepreneurs in Eranad taluk, Malappuram district of Kerala was selected by adopting convenience sampling method. The respondents of the study include male micro manufacturing entrepreneurs registered their unit with the District Industries Center, Malappuram and they were in the business at least for a period of five years.

Data Collection

For analyzing the skills of micro entrepreneurs both primary and secondary data were used. The primary data were collected by using well- structured interview schedule. The secondary data were collected from books, journal, and various websites.

Tools of Analysis

The collected data were analysed through SPSS 21 by using various statistical tools like Percentages and Friedman repeated measures analysis of variance on ranks etc.

Entrepreneurial Skills of Micro entrepreneurs in Kerala –Analysis

Table 1 Age of the Micro entrepreneurs in Malappuram District

Age (in years)	Frequency	Percentage
Less than 20	-	-
20-40	25	50.0
40-60	19	38.0
60 and above	6	12.0
Total	50	100

The study revealed that 50 per cent of the micro entrepreneurs in Malappuram district fall under the age group of 20-40 years and 38 per cent of them belong to the age group of 40-60 years. Thus it can be concluded that Overall, a majority of the micro entrepreneurs (>88%) fall under the age group of 20 to 60 years (Table 1).

Table 2: Religion of the Micro entrepreneurs in Malappuram District

Religion	Frequency	Per cent
Christian	2	4.0
Hindu	19	38.0
Muslim	29	58.0
Total	50	100.0

Table 2 shows that 58 per cent of the micro entrepreneurs in Malappuram district are Muslims, while 38per cent are Hindus. Thus it can be concluded that compared to Christians and Hindus, Muslims are more involved in entrepreneurship in Malappuram district.

Table 3: Category of the Micro entrepreneurs in Malappuram District

Category	Frequency	Per cent
General	3	6.0
OBC	46	92.0
SC/ST	1	2.0
Total	50	100.0

Table 3 manifests that the percentage of micro entrepreneurs who belong to OBC (92%) category is higher than that of other categories. It is also observed that only 2 per cent of micro entrepreneurs in Kerala belong to SC/ST category. Thus it can be concluded that when compared to General and SC/ST category, OBC category are more involved in entrepreneurship in Malappuram district.

It is evident from Table 5 that 52 per cent of the micro entrepreneurs in Kerala are SSLC and 22 per cent are below SSLC and only 6 per cent are post graduates. Thus

it can be concluded that majority of the micro entrepreneurs in Malappuram district do not have higher educational qualification.(Table 4)

Table 4: Educational qualification of the Micro entrepreneurs in Malappuram District

Educational qualification	Frequency	Percent
Below SSLC	11	22.0
SSLC	26	52.0
Plus Two	3	6.0
Degree	7	14.0
Post Graduation	3	6.0
Total	50	100

Table 5: Marital status of the Micro entrepreneurs in Malappuram District

Marital status	Frequency	Percent
Married	48	96.0
Unmarried	2	4.0
Total	50	100

The data presented in Table 5 shows that the majority of the respondents (96%) are married. Only four per cent of micro entrepreneurs in Kerala are unmarried/separated.

The majority of the families (84%) of the micro entrepreneurs in Kerala are

nuclear in nature (Table 6). 8 per cent of the micro entrepreneurs are from joint families.

Table 6: Nature of family of the Micro entrepreneurs in Malappuram District

Nature of family	Frequency	Percent
Joint family	8	16.0
Nuclear family	42	84.0
Total	50	100

Table 7 : Place of birth of the Micro entrepreneurs in Malappuram District

Place of birth	Frequency	Percent
Urban	1	2.0
Semi-urban	7	14.0
Rural	42	84.0
Total	50	100

It is observed from Table 7 that the place of birth of the majority of the micro entrepreneurs in Kerala is rural (84%). For 14 per cent it is semi-urban and for the remaining 2 per cent of the micro entrepreneurs, the place of birth is urban.

H₀₁: There is no significant difference in the Knowledge skill of Micro Entrepreneurs in Malappuram district of Kerala.

Table 8: Knowledge skill of the Micro entrepreneurs in Malappuram District

Knowledge skills	Mean Rank	Chi-Square Value	P value
I possess modern technological skills	2.48	29.172	<0.001**
I can apply latest technology in my business	2.58		
I am able to maintain my books of accounts properly	3.20		
I am able to solve my technological problems with my knowledge	3.35		
I am able to give technological advice to employees / others	3.39		

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards knowledge skill of the micro entrepreneurs in Malappuram district, since P value is less than 0.01. Therefore, **the null hypothesis H₀₁ is rejected at 1 per cent level.**

The analysis of the knowledge skill of the micro entrepreneurs revealed that (Table 8) shows that ‘I am able to give technical advice to my employees/others’ (3.39) is the most important knowledge skill developed by the micro entrepreneurs of

Malappuram district in Kerala, followed by ‘I am able to solve my technical problems with my knowledge’ (3.35), ‘I am able to maintain my books of accounts properly’ (3.20), ‘I can apply latest technology in my business’ (2.58) and ‘I possess modern technological skills’ (2.48) .

It is revealed from the study that the micro entrepreneurs in Malappuram district are able to develop excellent knowledge skill in providing technical advice to employees and others after becoming an entrepreneur.

Table 9: Leadership Skill of the Micro entrepreneurs in Malappuram District

Leadership skills	Mean Rank	Chi-Square Value	P value
I am able to manage a team solely	3.80	12.933	0.024*
I am able to learn together	3.63		
I can get work done through others effectively	3.28		
I have the ability to bring together all my subordinates	3.17		
I am able to take criticism from the employees positively	3.55		
I am able to get the work done at the expected level	3.57		

H₀₂: There is no significant difference in the Leadership Skill of Micro Entrepreneurs in Malappuram district of Kerala.

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards Leadership Skill of the micro entrepreneurs in Malappuram district, since P value is less than 0.05. Therefore, **the null hypothesis H₀₂ is rejected at 5 per cent level.**

The mean rank comparison of leadership skills developed by the micro entrepreneurs in Kerala (Table 9) reveals that ‘I am able to manage a team solely’ (3.80) is the most important leadership skill developed by them after becoming an

entrepreneur, followed by ‘I am able to learn together’ (3.63), ‘I am able to get the work done at the expected level’ (3.57), ‘I am able to take criticism from the employees positively’ (3.55), ‘I can get work done through others effectively’ (3.28) and ‘I have the ability to bring together all my subordinates’ (3.17).

It is observed from the Table that all the micro entrepreneurs in Malappuram have developed excellent leadership skills after entering the business.

H₀₃: There is no significant difference in the Marketing skill of Micro Entrepreneurs in Malappuram district of Kerala.

Table 10: Marketing skill of the Micro entrepreneurs in Malappuram District

Marketing skills	Mean ranks	Chi-Square Value	P value
I have the skill to understand the tactics of the competitors	3.24	37.294	<0.01**
I can successfully introduce a new product in the market	3.80		
I am able to retain all my customers	4.37		
I am able to sell my product easily in the market	3.40		
I am able to achieve a greater share in the local market	2.89		
I am able to sell my product in different market	3.30		

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards marketing Skill of the micro entrepreneurs in Malappuram district, since P value is less than 0.01. Therefore, **the null hypothesis H₀₃ is rejected at 1 per cent level.**

Based on the mean rank ,it is observed that ‘I am able to retain all my customers’ (4.37) is the most important marketing skill developed by the micro entrepreneurs in Malappuram district, followed by ‘I can successfully introduce a new product in the market’ (3.80), ‘I am able to sell my product easily in the market’ (3.40) ‘I am able to sell my product in

different markets’ (3.30) ‘I have the skill to understand the tactics of my competitors’ (3.24) and ‘I am able to achieve a greater share in the local market’ has the lowest mean rank of 2.89.

The mean rank show that the major marketing skill developed by the micro entrepreneurs in Kerala after becoming an entrepreneur is the ability to retain all their customers (Table 10).

H₀₄: There is no significant difference in the Management skill of Micro Entrepreneurs in Malappuram district of Kerala.

Table 11: Management skill of the Micro entrepreneurs in Malappuram District

Management skills	Mean rank	Chi-Square Value	P value
I Can set clearly defined goals	5.57	160.169	<0.01**
I Can manage business efficiently in uncertain situation	4.61		
I Can effectively implement new policies	3.62		
I can effectively manage the financial affairs of the unit	4.71		
I Can do anything without proper planning	1.45		
I can manage changing situations	3.60		
I can understand the needs of my customers /employees	4.44		

The Friedman chi-square test result revealed that, there is a significant

difference among mean ranks towards Management skill of the micro

entrepreneurs in Malappuram district, since P value is less than 0.01. Therefore, the null hypothesis H_{04} is rejected at 1 per cent level.

Based on the mean rank, it is found out from Table 11 that 'I can set clearly defined goals' (4.517) is the most important management skill developed by the micro entrepreneurs Malappuram district, followed by 'I can effectively manage the financial affairs of the unit' (4.71), 'I can manage my business efficiently in uncertain situation' (4.61) 'I can understand the needs of my customers/employees and can manage the business accordingly (4.44), 'I Can effectively implement new policies (3.62)', 'I can manage changing situations' and 'I Can do anything without proper planning'(1.45)

It is understood from the Table 11 that micro entrepreneurs in Malappuram district have developed the skill of setting clearly defined goals, but not developed the skill of doing anything without proper planning after entering the business.

Major findings of the study

The data analysis revealed that a majority of the micro entrepreneurs (>88%) fall under the age group of 20 to 60 years. Compared to Christians and Hindus, Muslims were more involved in entrepreneurship in Malappuram district. Compared to General and SC/ST category, OBC category were more involved in entrepreneurship in Malappuram district. Majority of the micro entrepreneurs in Malappuram district did not have higher educational qualification. Majority of the respondents (96%) were married. The majority of the families (84%) of the micro entrepreneurs in Kerala were nuclear in nature. The place of birth of the majority of the micro entrepreneurs in Kerala was rural. The analysis of the knowledge skill of the micro entrepreneurs revealed that 'I am able to give technical advice to my employees/others' was the most important knowledge skill developed by the micro entrepreneurs of Malappuram district in Kerala.

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards Leadership Skill of the micro entrepreneurs in Malappuram district, since P value is less than 0.05. Therefore, the null hypothesis H_{01} is rejected at 5 per cent level. The mean rank comparison of leadership skills developed by the micro entrepreneurs in Malappuram district of Kerala revealed that 'I am able to manage a team solely' (3.80) was the most important leadership skill developed by them after becoming an entrepreneur.

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards knowledge skill of the micro entrepreneurs in Malappuram district of Kerala, since P value is less than 0.01. Therefore, the null hypothesis H_{02} is rejected at 1 per cent level. The analysis of the knowledge skill of the micro entrepreneurs revealed that showed that 'I am able to give technical advice to my employees/others' (3.39) was the most important knowledge skill developed by the micro entrepreneurs in Malappuram district of Kerala.

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards marketing Skill of the micro entrepreneurs in Malappuram district, since P value is less than 0.01. Therefore, the null hypothesis H_{03} is rejected at 1 per cent level. Based on the mean rank, it was observed that 'I am able to retain all my customers' (4.37) was the most important marketing skill developed by the micro entrepreneurs in Malappuram district of Kerala.

The Friedman chi-square test result revealed that, there is a significant difference among mean ranks towards Management skill of the micro entrepreneurs in Malappuram district of Kerala, since P value is less than 0.01. Therefore, the null hypothesis H_{04} is rejected at 1 per cent level. Based on the mean rank, it is found out that 'I can set clearly defined goals' (4.517) was the most

important management skill developed by the micro entrepreneurs of Malappuram district in Kerala.

CONCLUSION

The data analysis revealed that a majority of the micro entrepreneurs fall under the age group of 20 to 60 years. Muslims were more involved in entrepreneurship in Malappuram district. Compared to General and SC/ST category, OBC category were more involved in entrepreneurship in Malappuram district. Majority of the micro entrepreneurs in Malappuram district did not have higher educational qualification. Most of the families of the micro entrepreneurs in Kerala were nuclear in nature and the place of birth of the majority of the micro entrepreneurs was rural. The results revealed that there is a significant difference in the entrepreneurial skills of micro entrepreneurs and their entrepreneurial activities helped them to develop entrepreneurial skill to a greater extent in Malappuram district of Kerala.

List of abbreviations

SPSS Statistical Package for the Social Sciences

MSME Micro Small and Medium Enterprises

SC Scheduled Caste

SSI Small Scale Industries

ST Scheduled Tribe

OBC Other Backward Community

Authors' contribution

With the help of this study the researchers submitted a copy of the research work and they were able to communicate the skills the micro entrepreneurs possess in the study area and suggested the District

Industries Centre of Malappuram district of Kerala, India to implement or introduce new entrepreneurial support schemes which will help the micro entrepreneurs to explore their inborn capabilities, widen their dreams and work hard to materialise the dream of our nation i.e. the sustainable development of India as a whole.

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