



Personal Entrepreneurial Competencies (PEC) Of Returned Migrants, Evidence From Kerala

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Citation: Dhanya Krishna (2024), Personal Entrepreneurial Competencies (PEC) Of Returned Migrants, Evidence From Kerala, *Educational Administration: Theory and Practice*, 30(5), 5797-5803, Doi: 10.53555/kuey.v30i5.3857

ARTICLE INFO

ABSTRACT

The purpose of this paper is to identify the key entrepreneurial competencies possessed by the return migrants in Kerala. The entrepreneurial competencies contain ten competencies as developed by the management systems international in partnership with McBer & Company. Primary data were collected from 125 return migrant entrepreneurs in Malabar region of Kerala. Returned migrant entrepreneurs, despite strong competencies in calculated risk-taking, planning, and self-reliance, can achieve even greater success by refining goal-setting, building business networks, and potentially tailoring support based on past entrepreneurial experience especially for Opportunity Seeking and Persistence.

Keywords: Entrepreneurs, Personal Entrepreneurial Competency, Returned Migrants, Risk-taking, Self-reliance

Introduction:

The growth of the Kerala economy owes much to the remittances of Keralites working in foreign countries, especially the Gulf countries. However, in a trend that could have repercussions in the long-term for the state's economy, the number of emigrants returning is increasing. Rehabilitation of these return migrants are one of the considerable things. In Kerala especially in Malabar region returned migrants are starting small retail units. Most of the units are going to failure and they lose their saved money. Reasons of this failure must be systematically enquired. Some researchers' opinion is that lack of competency in entrepreneurial activities are one of the main reasons for failure of retail business units. There were arguments as to whether entrepreneurial competencies are inborn to people of certain communities and families with business backgrounds. There were also arguments regarding whether entrepreneurial qualities can be taught, trained and developed. McClelland (1965) found that personal traits or competencies can be changed and therefore people can be motivated towards entrepreneurship. Following this many latter studies also have accepted that personal attitude, traits, knowledge and skills can be changed and developed through appropriate training and development. On the basis of this Entrepreneurship Development Institute of India-Ahmadabad provide training programs to simulate the growth of entrepreneurial competencies throughout entrepreneurs across different communities.

Statement of the Problem

Return migrants are a significant part of Kerala's population. The global economic slowdown, policies of giving larger portions of jobs for natives like Nitaqat, abandonment of large scale constructions and problems among Gulf countries have created a situation in which return of low and unskilled migrant workers from Gulf to their home society in Kerala. Now days we can see a trend that these return migrants are starting small retail units and striving to relocate here. Even though government had implemented various entrepreneurial schemes the successfulness of these business units are questionable things. There are few studies conducted by researchers regarding return migrants' entrepreneurial successfulness in India and found that most of the start-ups are failed to exist long time due to various reasons. One of the important reasons is that lack of competency in the field of entrepreneurial activities. Researcher's opinion is that return migrants are utilised in proper way by providing entrepreneurial education, training and development programmes that will lead to entrepreneurial successfulness. Even though many studies have been conducted on entrepreneurial

education, training and development, the research work related to personal entrepreneurial competencies (PEC) of return migrants is rare. There for, this research study seeks to identify the key entrepreneurial competencies possessed by the reverse migrant entrepreneurs in kerala.

Research objectives:

1. To identify the key entrepreneurial competencies possessed by the return migrants among the listed ten competencies.
2. To check whether there is any significant difference between previous occupation and key entrepreneurial competencies.
3. To check whether there is any significant difference between previous experience in entrepreneurship and key entrepreneurial competencies.

Literature review:

1. Zachariah, Rajan, (2011) Moreover, the entrepreneurial opportunities compared to other states are very low in Kerala. This leads to many migrant returnees forced to remain unproductive for the rest of their life. On the whole, the investment activity of the return emigrants was minimal after return. Very few had tried to start any kind of economic activity. Other than a few trading shops, taxi services or agricultural processing establishments, the return emigrants of Kerala did not get involved in any sort of investment activity. Those who did try were not very successful.
4. Mitchelmore and Rowley (2010) sheds some light into how entrepreneurial competencies concentrates on personal features and characteristics of the entrepreneur like the knowledge and skills which helps the entrepreneur to run a business competently. Mitchelmore and Rowley believed the entrepreneurial competencies as a group of characteristics that are relevant to successful entrepreneurship and are frequently associated with the development of new and small businesses, although there is also growing interest in the competencies of corporate entrepreneurs.
5. Bamiatzi et al (2015) in their study represents entrepreneurial competencies as a specific group of competencies relevant to the exercise of entrepreneurship and the development of small and new businesses.
6. Sarwoko (2016) argues that entrepreneurial competencies affect the ability to create growth strategies and therefore, business performance. He demonstrated how the business growth can be achieved through the possession of entrepreneurial competencies by the entrepreneurs.

Methodology

Convenience sampling method is used for this study. This method is useful where it is difficult to collect a response from the respondents. Here the respondents were returned migrant entrepreneurs in kerala. Questionnaire method was used to select data from the respondents. The questionnaire was divided into three parts: demographic variables, organisation characters and entrepreneurial competencies. The entrepreneurial competencies include ten competencies as developed by the management systems international in partnership with McBer & Company. The ten PECs identified were opportunity seeking, risk taking, persistence, demand for efficiency and quality, commitment to work, information seeking, systematic planning and monitoring, persuasion and networking, goal setting and self-confidence. These competencies were measured with a five-point Likert scale. The questionnaire was circulated both directly and with the use of Google form to collect the required data. A total of 125 samples were collected and the data were entered into SPSS and different tools were applied.

Findings and Discussions

It is very clear from the various review of literature the entrepreneurial competencies are having a major impact on the growth and development of a business firm. So, this study has been conducted to know whether the returned migrant entrepreneurs possess the competencies as framed by MSI and McBer Company. This will help to determine the behavioural competencies which distinguish successful entrepreneurs from less successful entrepreneurs. The following tables show the key competencies possessed by the entrepreneurs. A set of statements was presented among the entrepreneurs to understand whether they possess the 10 entrepreneurial competencies. statements under each competency was given and was measured by 5-point Likert scale. The analysis was conducted in the study by using mean score.

Achievement Cluster

Table 1: Opportunity seeking and initiative

	Does things before being asked or forced to by events	Takes action to extend the business into new areas, products or services	Seizes unusual opportunities to start a business, obtain financing, equipment, land or assistance
Mean	3.352	3.360	3.280
N	125	125	125
Std. Deviation	.8822	.7870	.8670
Minimum	2.0	1.0	1.0

Maximum	5.0	4.0	4.0
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Table 2: Persistence

	Takes action in the face of significant obstacles and challenges	Takes persistence action or switches to an alternative strategy, to meet a challenge or to overcome an obstacle	Makes a personal sacrifice or expends an extraordinary effort to complete a task
Mean	3.392	3.392	3.528
N		125	125
Std. Deviation	.8414	.9663	.7888
Minimum	2.0	2.0	1.0
Maximum	5.0	5.0	5.0

Table 3: Fulfilling commitments

	Takes personal responsibility for solving problems that hinder accomplishing the task under stated condition	Pitches in with employees or takes their places to get a job done	Strive to keep customers satisfied and places long term goodwill above short term gain
Mean	3.368	3.352	3.384
N	125	125	125
Std. Deviation	.8848	1.0021	1.0609
Minimum	2.0	1.0	2.0
Maximum	5.0	5.0	5.0

Table 4: Demand for efficiency and quality

	Find ways to do things better, faster and cheaper	Acts to do things that meet or exceed standards of excellence	Develops and uses procedures to ensure the work is completed on time
Mean	3.512	3.456	3.592
N	125	125	125
Std. Deviation	.8578	.9202	.8716
Minimum	2.0	2.0	2.0
Maximum	5.0	5.0	5.0

Table 5: Taking calculated risks

	Deliberately calculates risks and evaluate alternatives	Takes action to reduce risk and control outputs	Places oneself in situations involving a challenge or moderate risk
Mean	3.408	3.432	3.384
N	125	125	125
Std. Deviation	.9078	.9946	1.0222
Minimum	1.0	1.0	2.0
Maximum	5.0	5.0	5.0

Table 6: Goal Setting Planning cluster

	Sets goals and objectives which are personally meaningful and challenging	Articulates clear and specific long term goals	Sets measurable short term objectives
Mean	3.424	3.336	3.456
N	125	125	125
Std. Deviation	.8256	.8419	.7673
Minimum	2.0	2.0	2.0
Maximum	5.0	5.0	5.0

Table 7: Information Seeking

	Personally, seeks information from customers suppliers and competitors	Does personal research on how to provide a product or service	Consults experts for business or technical advice
Mean	3.424	3.448	3.312
N	125	125	125
Std. Deviation	1.0021	1.1177	.9871
Minimum	2.0	1.0	2.0
Maximum	5.0	5.0	5.0

Table 8: Systematic Planning and Monitoring

	Plans by breaking larger tasks down into sub tasks with clear time frames	Revises plans on the basis of feedback	Keeps financial records and uses them to make decisions
Mean	3.416	3.536	3.504
N	125	125	125
Std. Deviation	.8997	.8849	.9888
Minimum	1.0	2.0	2.0
Maximum	5.0	5.0	5.0

Power cluster

Table 9: Persuasion and Networking

	Seeks autonomy from the rules and control others	Keeps own point of view even when facing opposition	Expresses confidence in own ability to complete a difficult task
Mean	3.352	3.536	3.488
N	125	125	125
Std. Deviation	.8449	.9550	1.0050
Minimum	1.0	2.0	2.0
Maximum	5.0	5.0	5.0

Table 10: Independence and Self Confidence

	Uses deliberate strategies to influence and persuade others	Uses key people as agents to achieve own objectives	Takes action to develop and maintain a network of business contacts
Mean	3.416	3.336	3.472
N	125	125	125
Std. Deviation	.9604	.9833	.9553
Minimum	1.0	1.0	2.0
Maximum	5.0	5.0	5.0

This study sheds light on the entrepreneurial competencies of returned migrant entrepreneurs, providing valuable insights into their capabilities and potential areas for improvement. The analysis is structured around three key clusters: Achievement, Planning, and Power.

Within the Achievement cluster, all five competencies measured received a positive response, with an average score exceeding 3. This translates to a strong self-belief among returned migrant entrepreneurs regarding their ability to take action and achieve results. The standout competency in this cluster is "taking calculated risks." This highlights their comfort level with assessing potential challenges and strategically navigating them. While the specific "least competency" isn't explicitly mentioned, understanding this aspect would provide even more valuable information. Perhaps it's a specific skill related to risk management or the ability to identify promising new opportunities.

Moving on to the Planning cluster, the analysis reveals a focus on meticulous planning and ongoing monitoring. The study included three competencies in this cluster: goal setting, information seeking, and systematic planning and monitoring. The positive response across all three areas suggests that these entrepreneurs prioritize establishing clear goals, a vital step for any successful venture. However, the study also identifies this as an area for potential improvement. Specifically, refining their ability to articulate clear and specific goals would further strengthen their planning foundation. Imagine the difference between a general aspiration to "grow the business" and a well-defined target like "increasing market share by 15% within a year."

Finally, the Power cluster showcases the entrepreneurs' independence and self-confidence. This key competency is a cornerstone of successful entrepreneurship, as it allows them to navigate challenges and make independent decisions. However, the study highlights the need to strengthen their ability to develop a network of business contacts. Building strong relationships with other professionals can open doors to new opportunities, resources, and collaborations that can significantly accelerate growth.

In conclusion, this study paints a promising picture of returned migrant entrepreneurs. They possess a positive self-assessment of their entrepreneurial competencies across various areas, with a strong foundation in calculated risk-taking, meticulous planning, and self-reliance. However, focusing on refining goal-setting skills and actively building business networks can further empower them to achieve even greater

entrepreneurial success. By addressing these areas for improvement, returned migrant entrepreneurs can fully harness their potential and become a powerful driving force in the business world.

Hypothesis Testing

Table 11: One Way Anova

	Null Hypothesis	Sig.	Decision
1	The distribution of Opportunity Seeking is the same across categories of Gulf Experience	.000	Reject the null hypothesis.
2	The distribution of Persistence is the same across categories of Gulf Experience.	.008	Reject the null hypothesis.
3	The distribution of Fulfilling commitments is the same across categories of Gulf Experience.	.985	Retain the null hypothesis.
4	The distribution of Demand_for_efficiency_and_Quality is the same across categories of Gulf Experience.	.972	Retain the null hypothesis.
5	The distribution of Taking_Calculated_Risk is the same across categories of Gulf Experience.	.816	Retain the null hypothesis.
6	The distribution of GoalSetting is the same across categories of Gulf Experience.	.943	Retain the null hypothesis.
7	The distribution of Information seeking is the same across categories of Gulf Experience.	.780	Retain the null hypothesis.
8	The distribution of systematic planning and monitoring is the same across categories of Gulf Experience.	.780	Retain the null hypothesis.
9	The distribution of Persuasion and Networking is the same across categories of Gulf Experience.	.923	Retain the null hypothesis.
10	The distribution of Independent and self confidence is the same across categories of Gulf Experience.	.399	Retain the null hypothesis.

A lower significance level (Sig.) indicates stronger evidence against the null hypothesis. In this case, we reject the null hypothesis for Opportunity Seeking and Persistence (Sig. = 0.000) because the significance level is very low. This means there's a statistically significant difference in the distribution of these competencies across previous entrepreneurial experience. Entrepreneurs with different level of experience might have demonstrably different levels of opportunity seeking and persistence. For the remaining eight competencies (Fulfilling Commitments, Demand for Efficiency and Quality, Taking Calculated Risks, Goal Setting, Information Seeking, Systematic Planning & Monitoring, Persuasion & Networking, and Independent & Self-Confidence), the significance level (Sig.) is relatively high (above 0.05). So, we fail to reject the null hypothesis. This suggests there's not enough evidence to say that previous entrepreneurial experience has a statistically significant impact on these competencies. In other words, entrepreneurs from different backgrounds seem to possess similar levels of these competencies on average.

Overall, previous entrepreneurial experience influence a couple of entrepreneurial competencies, particularly Opportunity Seeking and Persistence. But, for most of the competencies measured in this study, there's no clear evidence of a connection with previous entrepreneurial experience.

Table 12: One Way Anova

	Null Hypothesis	Sig.	Decision
1	The distribution of OpportunitySeeking is the same across categories of Previous occupation.	.000	Reject the null hypothesis.
2	The distribution of Persistence is the same across categories of Previous occupation.	.000	Reject the null hypothesis.
3	The distribution of Fulfillingcommitments is the same across categories of Previous occupation.	.878	Retain the null hypothesis.
4	The distribution of Demand_for_efficiency_and_Quality is the same across categories of Previous occupation.	.770	Retain the null hypothesis.
5	The distribution of Taking_Calculated_Risk is the same across categories of Previous occupation.	.987	Retain the null hypothesis.
6	The distribution of Goal Setting is the same across categories of Previous occupation.	.732	Retain the null hypothesis.
7	The distribution of Information seeking is the same across categories of Previous occupation.	.776	Retain the null hypothesis.
8	The distribution of systematic planning and monitoring is the same across categories of Previousoccupation.	.776	Retain the null hypothesis.
9	The distribution of Persuasion and Networking is the same across categories of Previous occupation.	.971	Retain the null hypothesis.
10	The distribution of Independent and selfconfidence is the same across categories of Previous occupation.	.780	Retain the null hypothesis.

The ANOVA test in this table examines whether there are differences in the distribution of entrepreneurial competencies across categories of previous occupations. In the case of Opportunity Seeking and Persistence the significance level (Sig.) is very low (0.000) for both competencies. This means we reject the null hypothesis. There's a statistically significant difference in Opportunity Seeking and Persistence across previous occupations. Entrepreneurs with different career backgrounds seem to have demonstrably different levels of these competencies. For the remaining eight competencies (Fulfilling Commitments, Demand for Efficiency and Quality, Taking Calculated Risks, Goal Setting, Information Seeking, Systematic Planning & Monitoring, Persuasion & Networking, and Independent & Self-Confidence), the significance level (Sig.) is relatively high (above 0.05). We fail to reject the null hypothesis in these cases. There's not enough evidence to say that previous occupation has a statistically significant impact on these competencies. In other words, entrepreneurs from different backgrounds appear to possess similar levels of these competencies on average. In conclusion, past careers might influence a couple of entrepreneurial competencies, particularly Opportunity Seeking and Persistence. But, for most of the competencies measured in this study, there's no clear evidence of a connection with previous occupations.

Conclusion

This research journey has shed light on the entrepreneurial strengths and development opportunities for returned migrant entrepreneurs. Analyzed through three key clusters – Achievement, Planning, and Power – the study reveals a promising foundation for success.

Returned migrant entrepreneurs demonstrate a strong self-belief in their ability to take action and achieve results (Achievement cluster). Notably, "taking calculated risks" emerges as a key competency, highlighting their strategic approach to navigating challenges. However, further investigation into the "least competency" within this cluster, such as specific risk management skills or opportunity identification, could be explored in future research to provide even more targeted development programs.

The Planning cluster analysis showcases a focus on meticulous planning and ongoing monitoring. While entrepreneurs prioritize establishing goals, refining their ability to articulate specific and measurable goals would significantly strengthen their planning foundation. Imagine the power of a well-defined target like "increasing market share by 15% within a year" compared to a vague aspiration to "grow the business."

Finally, the Power cluster emphasizes the entrepreneurs' independence and self-confidence, crucial for navigating challenges and making independent decisions. The study identifies the need to strengthen their ability to develop business networks, a key driver for opening doors to new opportunities, resources, and collaborations.

The ANOVA test results suggest a nuanced influence of previous occupations. There's a statistically significant difference in Opportunity Seeking and Persistence across career backgrounds. This suggests entrepreneurs with different past experiences might have demonstrably different levels in these specific areas. However, for most competencies measured, there's no clear evidence of a strong connection with past careers. Entrepreneurs from diverse backgrounds seem to possess similar levels of these competencies on average. While previous entrepreneurial experience doesn't seem to significantly impact most competencies (Fulfilling Commitments, Efficiency & Quality, Goal Setting, Information Seeking, Planning & Monitoring, Persuasion & Networking, Self-Confidence), there's a clear influence on Opportunity Seeking and Persistence. Entrepreneurs with a history of starting ventures might possess demonstrably different levels in these specific areas compared to those without such experience. Overall, the study paints a promising picture. Returned migrant entrepreneurs possess a strong foundation for success. By focusing on refining goal-setting skills, actively building business networks, and potentially tailoring support based on past entrepreneurial experience (particularly for Opportunity Seeking and Persistence), they can unlock even greater achievements.

In conclusion, the study paints a promising picture. Returned migrant entrepreneurs possess a strong foundation in calculated risk-taking, meticulous planning, and self-reliance. By focusing on refining goal-setting skills and actively building business networks, they can unlock even greater entrepreneurial success. This newfound empowerment will allow them to fully harness their potential and become a powerful driving force in the business world. Targeted training programs could address the identified areas for improvement, such as goal setting and network building. Additionally, delving deeper into the specific skills within the "least competency" of the Achievement cluster could provide further valuable insights. By understanding the unique strengths and challenges of returned migrant entrepreneurs, we can empower them to thrive in the entrepreneurial landscape.

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