

# Psychological Determinants Influencing Women's Entrepreneurial Orientation in Assam: The Significance of Self-Efficacy and Risk-Taking

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## ABSTRACT

Entrepreneurship has become a global trend in today's world. Fundamentally, a collection of psychological traits that allow people to take measured risks and overcome losses is what drives entrepreneurship. It has been stated in prior studies that entrepreneurs are mostly seen to have self-efficacy and risk-taking propensity. Assam, a thriving state in northeastern India, is becoming more acknowledged for its entrepreneurial spirit as a catalyst for job creation, economic expansion, and cultural preservation. In Assam, India, women entrepreneurs are becoming a significant force for empowerment, social transformation, and economic growth. The present study observes the relationship between self-efficacy, risk-taking, and entrepreneurial orientation among registered women entrepreneurs of Assam under the UDYAM registration portal. 346 samples were collected from two districts of lower Assam (Bongaigaon and Barpeta). Correlation and regression analysis state that both self-efficacy (SE) and risk-taking (RT) have a positive influence on women's entrepreneurial orientation (EO). Studies on this subject that take into account the region and the people are quite few. Because this study only looks at women entrepreneurs, it will be beneficial for the government and scholars to concentrate on women's empowerment in Assam. Even though the government has put in place many programs specifically for female entrepreneurs, very few of them are aware of them. Operating a firm requires more than just financial backing; it also requires the ability of business owners to successfully use their business acumen even in the face of reduced funding.

**Keywords:** Self-efficacy; risk-taking; entrepreneurial orientation; psychological attributes; women entrepreneurs

## INTRODUCTION

Being an entrepreneur is a challenging and competitive industry with ups and downs, hazards and successes (Fisher et al., 2017). A successful entrepreneur must be driven by a desire to succeed, adaptable, self-assured, socially conscious, resilient, and willing to take risks (Rajalakshmi, 2020). Because entrepreneurship is generally associated with newcomers to markets, the entrepreneurial process and entrepreneurial orientation (EO) are more tightly linked (Alexandrova, 2004). The multifaceted concept of entrepreneurial orientation (EO) has a big impact on competitive advantage and organisational success. Entrepreneurially oriented-rich firms have inherent characteristics that encourage innovation and risk-taking, thereby promoting entrepreneurial activities. According to (GEM India Report 2022/23, 2024), the total entrepreneurial activity (TEA) of India in the year 2022-2023 had 11.5% value with a rank of 24 out of 49 other nations. In India, the percentage of male and female entrepreneurs engaged in total early-stage entrepreneurial activity rate is approximately equal (11.6% for male TEA and 11.4% for female TEA). This indicates that the Indian entrepreneurial ecosystem has a high degree of gender parity, which is encouraging for the nation's social and economic advancement.

Women entrepreneurs interact with their surroundings in order to take advantage of possibilities and overcome obstacles in their business environments. According to Mahanta (2016), it has been acknowledged that women's

entrepreneurship contributes significantly to economic progress. One of the best ways for women to become self-sufficient and reduce poverty in a nation where jobs are not guaranteed is via entrepreneurship. Women's participation in business ventures would guarantee the efficient use of work, the production of revenue, and ultimately an increase in living standards. Women-owned and operated firms account for 25.8 to 28.1% of all businesses worldwide, making them the dominant force in entrepreneurship (Amrita et al., 2017). India and Assam have seen significant improvements in the number of women in business. Beginning in the 1980s, the northeastern part of the nation saw the emergence of the contemporary idea of women entrepreneurs. In contrast to the widely held belief that women in North East India are still regressive, they have made significant progress and are today prosperous businesswomen both inside and outside of India. The women from the Northeastern area have started their businesses on a modest scale, primarily from home, just like the majority of Indian women entrepreneurs. They started in traditionally female-focused industries like post-harvest products, beauty, cosmetics, handicrafts, weaving, handloom, etc., mostly without any formal education or strict corporate framework (Mahanta, 2016). The majority of women entrepreneurs in Assam work in the Small-Scale Industries (SSI) sectors, with relatively few of them holding large business positions (Saikia, 2017).

The economic, social, religious, cultural, and psychological elements that are prevalent in a culture have a significant impact on the rise of entrepreneurs in that community (Saikia, 2017). Self-efficacy and risk-taking are two of the major psychological attributes of entrepreneurs. Similarly, women entrepreneurs in Assam have these two psychological traits, but they are lagging due to various factors like no financial support, lack of family background, lack of support from the government, lack of education, etc. Especially, women entrepreneurs from rural area suffers the most despite having these traits. There is also very little research that has been done on this topic based on this geographical location. Women entrepreneurs in Assam are registered under the UDYAM registration portal, which is an official Indian government portal launched by the Ministry of Micro, Small & Medium Enterprises (MSME) for all kinds of enterprises. The Ministry of Micro, Small & Medium Enterprises (MSME Dashboard) 2023 reports that 2,45,484 entrepreneurs in Assam have registered through the UDYAM registration site. However, only a small portion of them are female entrepreneurs, and their success rate is not satisfactory. Henceforth, this specific study will help the researchers, the policy makers, entrepreneurs, and all the individuals associated with this field understand how these two traits are influencing their entrepreneurial orientation and what further steps can be included for their success in the business.

Despite more women in Assam engaging in entrepreneurial activities, surprisingly little research has focused on the psychological antecedents driving entrepreneurial orientation. What research is available largely focuses on outcomes related to firms or big-picture scenarios, with little consideration given to psychological antecedents on a more local, gendered level. In particular, little has explicitly explored about the interrelation between self-efficacy and risk-taking in its effects on women entrepreneurs in lower Assam.

## Research Question

1. Does self-efficacy influence women's entrepreneurial orientation in Assam?
2. Does risk-taking influence women's entrepreneurial orientation in Assam?

## LITERATURE REVIEW

### Entrepreneurial Orientation

The entrepreneurial process and the entrepreneurial orientation are more closely related since the term "entrepreneurship" usually refers to new market entrants (Alexandrova, 2004). Entrepreneurial orientation is a word used to characterise the decision-making and operational processes of businesses that participate in entrepreneurial activity (Lumpkin & Dess, 1996). Aggressive, innovative, proactive, risk-taking, and autonomy-seeking procedures, methods, structures, and/or behaviours are its defining characteristics (Zgheib & Kowatly, 2011). The performance of entrepreneurial operations, as well as the selection of strategies, procedures, and modes of decision-making, are all components of an entrepreneurial orientation (Okhomina, 2010). Different entrepreneurial orientations may exist within organizations, and they can range across a broad spectrum (Avlonitis & Salavou, 2007). Entrepreneurial orientations, which may be thought of as a firm-level strategy-

making process, can carry out the organisational purpose, preserve their vision, and generate competitive advantages in their operations (Lumpkin & Dess, 2015). The course that each gender takes in terms of their entrepreneurial tendencies is influenced by how they view themselves. An ambiguous identity that places equal emphasis on femininity and masculinity is the crucial component of an entrepreneurial mindset. If given the right conditions, entrepreneurship may thrive in both male and female identities (Goktan & Gupta, 2015). Along with having accommodations for an entrepreneurial mindset, women business owners who own small companies also make significant contributions to the expansion and advancement of the economy (Erogul & Quagraine, 2018). Part of an entrepreneurial orientation is knowing how to capitalise on sources of business success as well as expansion. It covers issues related to acting entrepreneurially, including particular protocols and techniques for making decisions. Furthermore, an emphasis on entrepreneurship dispels antiquated ideas about how companies should run and encourages new, creative, and risk-taking financial conduct (Alexandrova, 2004).

### Self-efficacy

The belief that one can acquire the resources, abilities, and knowledge required to finish a task and achieve the intended result is known as a high feeling of self-efficacy (Bandura, 1997). It is self-assurance in one's ability to succeed (Peterson, 2017). Higher levels of self-efficacy raised the chance of wanting to start your own business, both generally and particularly. Higher self-efficacy did not guarantee success, but it did make people more likely to persist with a task until it became clear that it was worthwhile. On its own, self-efficacy is hardly a magic bullet for starting businesses. Rather, it serves as the driving force for goal-oriented business owners to advance (Densberger, 2014). Research has indicated that individuals with high levels of self-efficacy in entrepreneurship are more likely to establish businesses with an entrepreneurial orientation than those with low levels of self-efficacy (Poon et al., 2006). One of the most significant aspects of entrepreneurial cognition is entrepreneurial self-efficacy, which has been consistently acknowledged as a major determinant of entrepreneurial orientation. It is particularly vital in the identification of new business opportunities for enterprises as well as in the strategic decisions and behaviours that stem from them (Jiatong et al., 2021; Neneh, 2022). According to a study that used resource-based theory as a general theory and competency theory as a particular theoretical framework, conducted in Pakistan, the relationship between psychological factors like self-efficacy and entrepreneurial orientation was found to be significantly positive (Javed et al., 2018). The self-efficacy of female entrepreneurs has been found to be a significant factor in determining their entrepreneurial orientation, according to a study conducted in Indonesia (Angeline, 2022). Also, a Malaysian study (Alias et al., 2021) showed that both computer and internet self-efficacy have a significant relationship with individual entrepreneurial orientation. Entrepreneurial self-efficacy among Chinese workers also has a positive and significant correlation with entrepreneurial orientation (Peng et al., 2023). A few other studies provided empirical evidence supporting the favourable correlation between self-efficacy and entrepreneurial orientation (Simsek et al., 2010; Chaston & Sadler-Smith, 2012; McGee & Terry, 2024; Mohd et al., 2014; Zouhayer, 2013).

Entrepreneurial orientation represents the individual's tendency to pursue innovative, proactive, and entrepreneurial actions in uncertain business environments, making self-efficacy a crucial psychological antecedent of entrepreneurial actions. Based on social cognitive theory, self-efficacy influences the individual's appraisal of challenges, resource mobilization, and persistence in the face of obstacles, which are all important determinants of entrepreneurial decision-making. Existing literature has consistently revealed that individuals with high self-efficacy tend to possess greater potential for identifying opportunities, taking actions, and using innovative strategies, thus displaying a stronger entrepreneurial orientation.

This relationship is more evident in the case of women entrepreneurs, who often face additional social, cultural, and structural barriers. In a geographical location such as Assam, where women entrepreneurs face limited access to financial resources, institutional support, and market exposure, self-efficacy plays a significantly important role in improving their confidence, autonomy, and resilience. Based on sound theoretical underpinnings and existing empirical evidence, it is expected that high self-efficacy would have a positive impact on entrepreneurial orientation among women entrepreneurs in Assam, thus leading to the development of the first hypothesis.

H<sub>1</sub>: Self-efficacy significantly influences the entrepreneurial orientation among the women entrepreneurs of Assam.

## Risk-taking

The idea that one would benefit from a situation if they succeed in it is what determines a person's predisposition for taking risks, but in order to accept the consequences of failure, one must first be willing to bear the pain of failure. The alternate scenario offers fewer benefits and less severe repercussions than the one that is being suggested (Brockhaus, 1980). In fact, riskier circumstances involving ability rather than luck render entrepreneurs more vulnerable to risk than the general public. It is plausible that the degree to which entrepreneurs are ready to take risks is influenced by their perception of risk. Due to the expertise of those responsible for making judgments, business endeavours include some level of risk (MacKo & Tyszka, 2009). So, there is a positive correlation between entrepreneurship and the inclination to take risks (Ahmed, 1985; Kothari, 2013). According to research, women company owners who exhibit a positive shift in their risk attitude, that is, a higher willingness to accept risks, will see a 78% increase in business expansion (Garba, 2011). In a Swedish study focusing on family businesses, risk-taking is shown to be an important aspect of entrepreneurial orientation (Naldi et al., 2007). A cross-sectional study conducted in Pakistan among microbusinesses involved in the food industry revealed that the inclination towards taking risks had a considerable impact on entrepreneurial orientations, with non-psychological elements acting as a moderator of the connection (Javed et al., 2018). In EFU Hemayah Takaful Company of Pakistan (Safdar & Urooj, 2021) 101 employees were surveyed, where risk-taking played a significant role in influencing employees' entrepreneurial orientation. A favourable correlation between them has also been discovered in other research (Gürol & Atsan, 2006; Rauch et al., 2009).

Risk-taking is generally acknowledged as an important factor of entrepreneurial orientation and a characteristic of entrepreneurial behaviour, as entrepreneurial activities involve uncertainty, failure, and risk-taking in decision-making. People with a higher propensity for risk-taking are more likely to engage in new opportunities, innovative ideas, and uncertain markets, thus reinforcing entrepreneurial orientation. Empirical research in various settings shows that entrepreneurs who are ready to take calculated risks tend to be more proactive and innovative. For women entrepreneurs, risk-taking is of even greater importance, as they often face financial difficulties, limited access to credit, and social norms that do not favour risk-taking behaviour. In the case of Assam, where women entrepreneurs face a relatively tough and dynamic business environment, risk-taking and risk management as a factor of entrepreneurial orientation become highly important. Based on sound theoretical justification and empirical support, it is hypothesized that risk-taking has a significant impact on the entrepreneurial orientation of women entrepreneurs in Assam, thus justifying the second hypothesis.

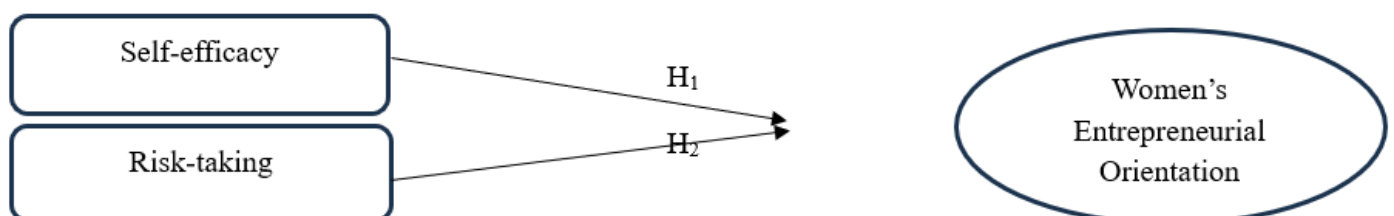
H<sub>2</sub>: Risk-taking significantly influences the entrepreneurial orientation among the women entrepreneurs of Assam.

## Objectives

1. To examine the influence of self-efficacy on women's entrepreneurial orientation in Assam.
2. To examine the influence of risk-taking on women's entrepreneurial orientation in Assam.

## Conceptual framework

Based on the literature review and hypotheses framed the following conceptual framework is represented in Fig. 1:



**Figure 1:** Conceptual framework based on the hypotheses framed by the authors

## RESEARCH METHODOLOGY

The present study is based on the influence of self-efficacy and risk-taking on the entrepreneurial orientation of the registered women entrepreneurs under UDYAM registration. This study is based on a cross-sectional research design and is descriptive in nature. A sample size of 346 has been taken for the study from two districts of Assam, namely Barpeta and Bongaigaon, as the population of the study is 3242 registered women entrepreneurs under the UDYAM registration portal. The data has been collected physically by the researchers. The purposive sampling technique has been used for collecting the data. A structured questionnaire had been used in the collection of the responses. The questionnaire consisted of two sections, where the first section recorded the demographic profile of the respondents (*age, educational qualification, marital status, annual income, no. of family members, work experience, and year of starting the business*) and the second section included pre-validated scales for the variables of various authors. Additionally, all respondents gave their informed agreement before any data was collected, and participation in the study was entirely voluntary.

### Measuring Instrument

A total of 24 items were in the questionnaire. For measuring the self-efficacy variable, Schwarzer & Jerusalem's, (1995) scale was adopted, which consisted of a total of 10 items. The scale for risk-taking had been adopted from Anwar & Saleem, (2019) for measuring, and it had 5 items. Lastly, for the variable entrepreneurial orientation, the scale of Covin et al., (2020) had been adopted, consisting of 9 items. All the items for the given variables were scored on a 5-point Likert scale, where the values range from 1 (represented “*strongly disagree*”) to 3 (represented “*neutral*”) and 5 (represented “*strongly agree*”). Regarding the variables self-efficacy, risk-taking, and entrepreneurial orientation, the respondents were asked to assess how much they agreed with the statement that best reflected their response.

Furthermore, because all of the measurement scales were taken from previously validated studies, construct validity was backed by empirical data, and the current study's main objective was to evaluate internal consistency reliability.

## DATA ANALYSIS AND RESULTS

The data were checked for missing values and suitability for statistical analysis before inferential analysis was performed. To make sure that the responses were consistent, reliability analysis and descriptive statistics were used. It was determined that the data were suitable for additional regression and correlation analysis.

### Descriptive Statistics and Reliability of Constructs

There are consistency and reliability in the scale with 24 items. The items' enough alignment with one another to be regarded as internally consistent for assessing the relevant construct is confirmed by the Cronbach's Alpha score of 0.803 (SE), 0.769 (RT), and 0.752 (EO). To provide further insight into the study's constructs' reliability and their descriptive statistics, table 1.1 outlines them below.

**Table 1.1: Reliability Statistics**

Sl. No.	Constructs	Mean	Std. Deviation	Cronbach Alpha
1	Self-Efficacy (SE)	3.011	0.45352	0.803
2	Risk-Taking (RT)	2.9942	0.81214	0.769
3	Entrepreneurial Orientation (EO)	2.9942	0.82098	0.752

Source: Author's data analysis, 2024

The value for SE reveals that the respondents possess moderate self-efficacy (Mean: 3.011; S.D. = 0.45352). The moderate value for RT reveals that respondents exhibit moderate risk-taking (Mean: 2.9942; S.D. = 0.81214). The moderate value for EO reveals that respondents exhibit moderate entrepreneurial orientation (Mean: 2.9942;

S.D. = 0.82098). The reliability values reveal that the reliability tests performed satisfactorily. The reliability values lie in the moderate to good range. Moreover, reliability values exceed 0.70. Therefore, the reliability of the scales is appropriate. The values of reliability alpha lie in the range of 0.803, 0.769, and 0.752, which means the Cronbach's alpha coefficient for all the items of the variables was between the range of 0.7 and 0.8, which is acceptable for the reliability test.

### Demographic Characteristics of the Respondents

Frequency, percentage, and cumulative percent (Table 1.2) analysis are used to identify the various types of respondents and their backgrounds. Specifically, women entrepreneurs from two districts in Assam, India, Barpeta and Bongaigaon, were the responders to a standardised, structured questionnaire that was used to gather data from primary sources.

**Table 1.2: Demographic profiles of the women entrepreneurs**

Items	Frequency (N)	Percent (%)
<b>AGE GROUP (in years)</b>		
Below 20	3	0.87
21-40	185	53.5
41-60	155	44.8
61 and above	3	0.87
<b>EDUCATIONAL QUALIFICATIONS</b>		
Under Metric/HSLC	114	32.9
Metric passed	66	19.1
HS passed	91	26.3
Graduated	61	17.6
Post Graduated	14	4.0
<b>MARITAL STATUS</b>		
Single	41	11.8
Married	267	77.2
Divorced/Separated	10	2.9
Widow	28	8.1
<b>ANNUAL INCOME (INR)</b>		
Up to Rs 2,50,000	254	73.4
Rs (2,50,001-5,00,000)	59	17.1
Rs (5,00,001-7,50,000)	18	5.2
Rs (7,50,001-10,00,000)	5	1.4
Rs (10,00,001-12,50,000)	5	1.4
Rs 15,00,000 above	5	1.4
<b>WORK EXPERIENCE (in years)</b>		
0-10	191	55.2
11-20	98	28.3

21-30	50	14.5
31 and above	7	2.0
<b>YEAR OF STARTING THE BUSINESS</b>		
1990-2000	38	10.98
2001-2010	58	16.8
2011-2020	151	43.6
2021 and present	99	28.6
<b>FAMILY MEMBERS' NO. s</b>		
1-5	305	88.2
6-10	35	10.1
11-15	4	1.2
16 and above	2	0.6

Source: Author's data analysis, 2024

The demographic characteristics of the respondents are presented in Table 1.2. From the age distribution, it is evident that the dominant group of respondents belonged to the age group of 21-40 years (53.5%), followed by the 41-60 years category (44.8%). Respondents belonging to the age group below 20 years and 61 years and above comprised 0.87% each. In terms of educational qualification, the largest proportion of respondents (32.9%) had educational qualifications below matriculation/HSLC, followed by 19.1% who had completed matriculation, 26.3% who completed higher secondary, 17.6% who were graduates, and 4.0% who were postgraduates. In terms of marital status, the sample was predominantly married (77.2%), with singles (11.8%), widowed (8.1%), and divorced/separated (2.9%).

In relation to annual income, the largest proportion of respondents (73.4%) earned up to ₹2,50,000 per annum, followed by 17.1% who earned between ₹2,50,001 and ₹5,00,000, and smaller proportions in higher income groups. With respect to work experience, 55.2% of the respondents had work experience of 0-10 years, 28.3% had 11-20 years, 14.5% had 21-30 years, and 2.0% had more than 31 years of experience. In relation to the year of business initiation, 43.6% of the respondents initiated their business in 2011-2020, followed by 28.6% who initiated their business in 2021 or later. Finally, the largest proportion (88.2%) reported that they had 1-5 family members, with a small proportion reporting larger family sizes.

### Correlation Analysis

By averaging the items on each scale, composite scores for risk-taking, entrepreneurial orientation, and self-efficacy were calculated. Regression and correlation analyses were conducted using these composite scores. The three variables EO, RT, and SE, and their relationships are displayed in the correlation matrix (Table 1.3). The strength and direction of the correlations are evaluated using the Pearson correlation coefficients ( $r$ ) and significance levels that are supplied.

**Table 1.3: Correlation Matrix**

		SE	RT	EO
SE	Pearson Correlation	1	.261**	.337**
	Sig. (2-tailed)		.000	.000
	N	346	346	346
RT	Pearson Correlation	.261**	1	.378**

	Sig. (2-tailed)	.000		.000
	N	346	346	346
EO	Pearson Correlation	.337**	.378**	1
	Sig. (2-tailed)	.000	.000	
	N	346	346	346
**. Correlation is significant at the 0.01 level (2-tailed).				

Source: Author's data analysis, 2024

Table 1.3 shows the Pearson correlation coefficients between self-efficacy (SE), risk-taking (RT), and entrepreneurial orientation (EO). The results clearly show that self-efficacy is positively and significantly correlated with entrepreneurial orientation ( $r = 0.337$ ,  $p < 0.001$ ), which means that female entrepreneurs with high self-efficacy are likely to have high entrepreneurial orientation. Similarly, risk-taking is positively and significantly correlated with entrepreneurial orientation ( $r = 0.378$ ,  $p < 0.001$ ), which implies that female entrepreneurs with high risk-taking propensity are likely to have high entrepreneurial orientation. Furthermore, self-efficacy is positively correlated with risk-taking ( $r = 0.261$ ,  $p < 0.001$ ), which implies that female entrepreneurs with high self-efficacy are likely to have a high risk-taking propensity. All the correlation coefficients are of moderate strength and are statistically significant at the 0.01 level, which implies that there are no multicollinearity problems among the variables. Overall, these findings form a preliminary basis for supporting the proposed hypotheses and hence the appropriateness of using multiple regression analysis to investigate the effect of self-efficacy and risk-taking on entrepreneurial orientation.

### Multiple Regression Analysis

Multiple regression analysis was used to evaluate the two hypotheses ( $H_1$  and  $H_2$ ) that were created in this study in order to examine the significant association between the independent factors, the dependent variable, and the other variables. Multiple linear regression analysis was used to determine the effect of self-efficacy (SE) and risk-taking (RT) on women's entrepreneurial orientation (EO). EO was set as the dependent variable, while SE and RT were entered as the independent variables.

**Table 1.4: Model Summary of Multiple Regression Analysis**

Model	R	R Square	Adjusted R-Square	Std. Error of the Estimate
1	.451 <sup>a</sup>	.204	.199	.49491
a. Predictors: (Constant), RT, SE				
b. Dependent variable: Entrepreneurial Orientation (EO)				

Source: Author's data analysis

**Table 1.5: ANOVA Results for Multiple Regression Model**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.501	2	10.750	43.891	.000 <sup>b</sup>
	Residual	84.013	343	.245		
	Total	105.514	345			
a. Dependent Variable: EO						
b. Predictors: (Constant), RT, SE						

Source: Author's data analysis

The model summary (Table 1.4) shows that there is a moderate correlation between the independent variables and entrepreneurial orientation ( $R = 0.451$ ). The model explains 20.4% of the variance in entrepreneurial orientation ( $R^2 = 0.204$ ). The adjusted  $R^2$  (0.199) suggests that the model still has a strong explanatory power after being adjusted for the number of predictors. The ANOVA table (Table 1.5) shows that the regression model is statistically significant ( $F = 43.891, p < 0.001$ ), suggesting that self-efficacy and risk-taking together predict women's entrepreneurial orientation.

**Table 1.6: Regression Coefficients Predicting Entrepreneurial Orientation**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.450	.263		5.520	.000		
	SE	.274	.053	.256	5.130	.000	.932	1.073
	RT	.370	.059	.311	6.230	.000	.932	1.073
a. Dependent Variable: EO								

Source: Author's data analysis

The regression coefficients shown in Table 1.6 reveal that self-efficacy and risk-taking positively and significantly influence entrepreneurial orientation. Self-efficacy, in particular, is found to significantly predict entrepreneurial orientation ( $\beta = 0.256, t = 5.130, p < 0.001$ ), which implies that women entrepreneurs with high self-efficacy tend to have a higher entrepreneurial orientation. Risk-taking, too, is found to have a significant positive influence on entrepreneurial orientation ( $\beta = 0.311, t = 6.230, p < 0.001$ ), and it is also found to be a stronger predictor among the two independent variables.

Multicollinearity tests do not reveal any problems, as the VIF values are well below the acceptable level. Therefore, both hypotheses are confirmed, and it is concluded that self-efficacy and risk-taking are significant predictors of women's entrepreneurial orientation.

Hence,  $H_1$  and  $H_2$  are confirmed, and they show that self-efficacy and risk-taking are significant psychological predictors of women's entrepreneurial orientation.

## DISCUSSION

There's a positive and significant influence of self-efficacy on women's entrepreneurial orientation in Assam (for both Bongaigaon and Barpeta districts), according to the results of the present study. Being very self-efficient empowers oneself to take calculated chances and make important decisions, both of which are essential elements of an entrepreneurial orientation. Entrepreneurs are more inclined to adopt creative strategies and seek new projects when they have confidence in their skills (Khedhaouria et al., 2015). An attitude that is favourable to creativity and invention is fostered by self-efficacy. Higher self-efficacy entrepreneurs are more likely to try out novel concepts and experiments, which strengthens their entrepreneurial orientation (Alam et al., 2015). The confidence an owner-manager has in carrying out company activities is measured by their self-efficacy level. Proactive and creative behaviour is made possible by high levels of self-efficacy, which reinforces the relationship between self-efficacy and entrepreneurial orientations. The degree of self-efficacy motivation affects the decision to take on and carry out entrepreneurial activities, which in turn affects entrepreneurial orientation (Mohd et al., 2014). A manager's confidence is boosted by entrepreneurial self-efficacy (ESE), which encourages them to take more initiative and make creative judgments that fit with an entrepreneurial mindset. This assurance promotes experimenting and taking risks, two essential elements of entrepreneurial orientation. However, managers with lower levels of self-efficacy typically choose cautious approaches and shun risks, which can make it more difficult for their companies to adjust to changing conditions (McGee & Terry, 2024). These results align

with previous research that found a positive correlation between entrepreneurial orientation and self-efficacy (Mohd et al., 2014; McGee & Terry, 2024).

Furthermore, based on the findings of this study, risk-taking also has a positive and significant influence on the entrepreneurial orientation of Assam. Entrepreneurs are known for being risk-takers, which sets them apart from employees who usually want to stay out of the unknown (Gürol & Atsan, 2006). When it comes to entrepreneurial orientation, taking risks entails taking big chances, going into uncharted territory, and investing a lot of money in questionable endeavours. For businesses looking to develop and expand, this quality is crucial (Rauch et al., 2009). Businesses that take risks tend to be more inventive and able to investigate new markets or technology that competitors with lower risk aversion would steer clear of. This readiness can result in major advantages over competitors, especially in sectors that are evolving quickly (Corrêa et al., 2022). By taking risks, businesses can increase their chances of grabbing opportunities before rivals do, strengthening their position in the market (Brettel et al., 2015). Risk-taking in the context of an entrepreneurial orientation represents a more comprehensive strategic approach to navigating competitive marketplaces and seizing opportunities rather than just being a calculated measure. Likewise, the favourable impact of taking risks on the entrepreneurial orientation is consistent with earlier studies carried out in various settings (Rauch et al., 2009; Gürol & Atsan, 2006).

The results of this study demonstrated that self-efficacy as well as risk-taking are very important factors determining women entrepreneurs' entrepreneurial orientations in Assam. In many studies, self-efficacy and risk-taking have both been cited as essential characteristics of entrepreneurs. Self-confidence and self-assurance are essential for an individual to take risks in any kind of business, as well as to make vital decisions. Even though the outcome may not be fruitful all the time, these psychological attributes have shown positive results most of the time. The first issue is that sometimes self-confidence leads to overconfidence, which can lead to the demotion or degradation of the success of your business. Secondly, if calculated risks are not taken at the right time, there might be losses in the business too. Therefore, using these characteristics in a fair manner can help entrepreneurs gain success in their business.

## CONCLUSION

The study highlights the importance of self-efficacy and risk-taking in determining women entrepreneurs' entrepreneurial orientations in Assam. Self-efficacy empowers entrepreneurs to take calculated risks and make important decisions, which are essential elements of an entrepreneurial orientation. Entrepreneurs with higher self-efficacy are more likely to adopt creative strategies and seek new projects. Managers' confidence is also influenced by self-efficacy, which encourages proactive and creative behaviour. However, managers with lower self-efficacy tend to choose cautious approaches and avoid risks, making it difficult for their companies to adapt to changing conditions. Risk-taking is also positively influenced by women's entrepreneurial orientation, as entrepreneurs are known for being risk-takers. Risk-takers are recognised for taking large, calculated risks and making significant initial investments in their businesses. This attribute is essential to firms that want to grow since it lets them be more creative and investigate new markets or technological advancements. This strategy can provide benefits over rivals, particularly in industries that are changing quickly. In an entrepreneurial mindset, taking risks is a calculated move that helps you navigate markets that are highly competitive. This quality is crucial for businesses looking to develop and expand, as it allows them to explore new markets and technology that competitors with lower risk aversion would steer away from. By adding more psychological variables or using longitudinal designs, future studies may build on current work.

## Suggestion

More knowledge of psychological traits and their critical application is required for aspiring business owners. In particular, the government ought to provide more training programs for aspiring female entrepreneurs, as research indicates that they lag behind their male counterparts in terms of experience and skills. Although most rural women entrepreneurs are seen to be highly engaged in their profession and desire to succeed more, they have not received the appropriate support or training. As a result, they have not received the attention they need. However, they are registered in the UDYAM portal, yet most of them are unaware of the schemes and policies. It has been observed that women entrepreneurs have a passion to work hard, even though with less financial support, but are lacking behind because of an appropriate supportive environment. Therefore, the government

and policymakers need to devise appropriate plans, policies, and training programs for them and also need to educate them about it.

### Implications of the study

It has been observed that the majority of business owners place greater importance on financial assistance. However, some business owners manage to make effective use of their psychological traits even in the absence of significant financial support. As a result, this study can assist researchers and aspiring entrepreneurs in understanding how psychological traits like risk-taking and self-efficacy can be a game-changer when applied correctly. In addition, as no prior research has been conducted on the subject, this study only focuses on women entrepreneurs of Assam. As a result, it will once more assist scholars in gaining a general understanding of the state of these women entrepreneurs.

### Limitations of the study

In the present study, only two districts (Bongaigaon and Barpeta) of Assam have been covered due to the lack of time, so future research can be done on the other districts of Assam or any other districts from the North East India, as very few studies have done on this topic. Secondly, only one gender has been considered in the study, and thus, a comparative study on both genders can be done in the future. Thirdly, some of the women registered businesses in the UDYAM portal are run by the male members of the family. Also, due to a lack of proper contact details of the respondents, it was challenging for the researcher to collect data.

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