



# Small Business Entrepreneurs in Odisha: A Study on their Seriousness and Persuasion Skills

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**Abstract.** The success of an entrepreneurial venture depends on the seriousness of the entrepreneur. Willingness to learn, expand business, take risks, investment in new technologies, implementing new marketing strategies, focus on long-term relationships, and openness to feedback reflect the seriousness of an entrepreneur in pursuing their venture. The present study tries to determine the seriousness of the entrepreneurs of small businesses in Odisha. It also focuses on how these entrepreneurs use strategic persuasive communication in their day-to-day activities. The survey findings show that the respondents were serious about their business ventures. They were willing to implement new technologies and marketing strategies, take risks and expand their business. They opined that selling products and dealing with clients required persuasive communication skills.

**Keywords:** Entrepreneurial seriousness, Small Businesses, Willingness to learn, Expanding business, Persuasive Communication Skills, New Technologies.

## 1 Introduction

Odisha, located in the eastern India, has had numerous trade relations with different countries. Odisha has moved from one of India's poorest states to an 'investment hotspot' as per ASSOCHAM [16]. Mining, manufacturing, IT, hotels, hospitality education, etc, are the primary industries to have attracted investments. The Government of Odisha is taking many initiatives to promote entrepreneurship. It has acted as a nodal agency for building the startup and innovation ecosystem since 2016. Gradually, there has been an improvement in the entrepreneurial mindset among the people of Odisha. There has been a rise in entrepreneurial initiatives from women, youth and other sections. As the ambience for entrepreneurship grows, more entrepreneurs become visible in Odisha. During the COVID times, many people have got into the mode of starting their businesses. An entrepreneur is a person who can recognize opportunities and use them for his business. His perseverance and implementation of the right strategies helped him in attaining success. Small private enterprises mushroom each year, but only a few can thrive. It calls for a strong sense of motivation among entrepreneurs that

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can act as an essential antecedent to success in their ventures. Effective strategic persuasive communication and entrepreneurial seriousness are the most crucial parameters of entrepreneurial performance. The paper aims to study these two parameters as necessary requisites for entrepreneurs of small businesses in Odisha.

## 2 Review of Literature

The review of the literature shows various studies on entrepreneurship in Odisha. [12] observed that private universities provided more exposure to their students to develop entrepreneurial intent than their government counterparts. Family background, educational qualification, and gender matter greatly for entrepreneurial intent. The technical expertise of the SME entrepreneur played a vital role in the success of the SMEs, as stated by [14] in their study. In their research, [15] surveyed the small traders of Odisha and emphasized the need for expertise, learning ability, managing complexity, etc., for carrying out business smartly. [4] have studied the problems of rural entrepreneurship in Mayurbhanj, a district of Odisha. [17] suggested that infrastructure development, academic culture, innovative ideas, etc., would help establish a robust startup ecosystem in Odisha. [18] have made a study similar to ours on the seriousness of the entrepreneurs in Odisha among small businesses.

Some research has also been conducted on the characteristics and skills required by entrepreneurs in general. [6] observed that entrepreneurship contributed to society by meeting customers' specific requirements by implementing proper customer relationship management models. [11] observed that honesty, willingness to work hard, keeping promises, orderly administration, offering prayer, paying zakat and alms, and having a leadership spirit have helped SME entrepreneurs in Indonesia to attain success. [2] observed that venture growth depended on goals, self-efficacy, and communicated vision. As per [10], an increase in entrepreneurs' relations is directly proportional to their increased grip over the organization.

Strategic persuasive communication is essential for business managers and leaders as business requires the recipient to be persuaded and convinced of one's proposal [19]. Personal success within organizations also depends on decision-making and persuading skills [2]. An entrepreneur, being a leader, should cultivate a style that believes in participation, collaboration and persuasion [8]. He should have the persuasive skills to counsel employees to accept responsibilities, recruit the right members and finalize deals [5].

There is limited research on entrepreneurial seriousness and persuasive communication relevance in India. The present paper attempts to analyze these two significant parameters for the success of small businesses in the context of Odisha.

### 3 Objectives of the study

The objectives of the present study are

- To review the applicability of strategic persuasive communication for small businesses in the context of Odisha.
- To explore entrepreneurial seriousness as a significant contributing factor to the success of small businesses in Odisha.

### 4 Discussion

The various parameters for entrepreneurial seriousness were selected in consultation with some successful entrepreneurs, academicians, and published literature from various sources. The parameters found common have been discussed below:

- **Willingness to learn:** Knowledge is the key to success in this dynamic and competitive business world. A serious entrepreneur is always open to learning new things. This attribute helps him keep abreast of recent market developments and plan his strategies accordingly. He/She will tend to acquire more information about the overall business environment and his /her work area. The willingness to learn is also reflected in the participation in the training programmes organized by the government or private bodies [12]. One can benefit from entrepreneurial training by developing problem-solving abilities, improving social interactions, and seeking and processing information for effective decision-making, planning, and communication. Such training can help individuals recognize and capitalize on commercial opportunities, boost their self-esteem, and enhance their knowledge and skills [9].
- **Investing in new technologies:** For entrepreneurs seeking to ensure the ongoing success of their enterprise and compete with larger entities within their industry, investment in new technologies is an essential strategy. Using the latest advancements in technology is key to the longevity of any flourishing business. Selecting appropriate technology can enhance a company's flexibility and profitability, streamline operations, facilitate adaptation to shifts in the marketplace, and, as a result, maintain its relevance to its target audience. A variety of new technologies, including cybersecurity, virtual reality, productivity software, and apps, are currently receiving investment.
- **Implementing new marketing strategies:** Marketing strategy is the key a business success. It helps boost growth and increases the number of consumers for a business. What is more important is the flexibility to adapt to the changes in the business market and frame new marketing strategies, taking into account the requirements and demands of the consumers. Even when a business provides the best products and services, people need to know about it. It provides information to consumers and makes them aware. Company reputation improves leading to higher trust among the stakeholders.

- **Willingness to expand:** When an entrepreneur attains a certain level of success, the business needs to be expanded. Expansion has apparent advantages, provided it is done with all care and precautionary steps. Expansion can help reach out to new groups of customers, specifically when the expansion involves introducing new products and services. The expansion allows for offering a diverse range of products, thereby leading to the diversification of the revenue stream. It also enhances the scope for better brand recognition.
- **Focusing on long-term customer networking:** A serious entrepreneur always strives to maximize sales and revenues. Moreover, one relevant factor contributing towards this is maintaining a long-term relationship with existing customers and acquiring new ones [6]. The relationship with the old customers helps bring in new customers through referrals. Another advantage of long-term relationships is that people across generations become customers. In the contemporary business market, technology has substantially boosted maintaining a healthy relationship [10].
- **Willingness to take risks:** The willingness to take risks in entrepreneurship refers to the decision-making capability and remedial actions in case of losses. Risks can be of various types, like business, financial, liquidity, and reputational risks. The entrepreneur embraces the dangers associated with a decision and manages it appropriately for growth. A serious entrepreneur is always willing to take risks as the capacity to do so significantly enhances the rate of success.
- **Openness to feedback:** Feedback for the entrepreneur is one of the most important pillars of success. An organization that makes changes based on the inputs from the stakeholders, including employees, customers, suppliers, etc., improves continuously. Setting up a proper feedback mechanism and making changes is crucial for an entrepreneur's survival and success.

## 5 Data and Methodology

A survey was undertaken in different cities of Odisha to understand the seriousness and use of strategic persuasive communication for small businesses. The questionnaire was given to 270 entrepreneurs across different cities of Bhubaneswar, Cuttack, Puri, Bherampur, Jatni, Bhadrak, Jajpur etc. Small Businesses include traders, retailers, food suppliers, hotels, small IT firms, coaching centres, beauty clinics, handicraft manufacturers, distributors, boutiques, etc., where sole proprietors mostly privately own these firms, and the number of people employed is less than 50. The survey was mailed to 150 individuals and distributed in person to the remaining individuals. Out of the mailed surveys, 20 were completed and returned, while 66 of the in-person surveys were completed and returned.

The survey consisted of three sections. The first section focused on gathering information about the participants' profiles, considering their gender, age, educational qualifications, entrepreneurial experience, industry type they belonged to, and organization size. The second section had 15 questions on the Likert scale to evaluate their entrepreneurial seriousness. In the final section, the respondents were asked to respond to 10 statements on the Likert scale regarding the extent of persuasion in various aspects of their business. The respondents had to rate these statements on a five-point scale. In the scale "1" indicates "Strongly Disagree" and "5" indicating "Strongly Agree".

## 6 Survey and the Results

**Table 1.** Profile of respondents.

Characteristics	Category	Distribution
Gender	Male	71%
	Female	29%
Age (in yrs.)	Below 30	19%
	30-39	35%
	40-49	29%
	50 and above	17%
Education	Secondary	19%
	Graduation	48%
	Post-Graduation	17%
	Professional	16%
Type of Industry	Services	24%
	Manufacturing	22%
	Construction	5%
	Trading	7%
	Retailing	33%
	Education	9%
Experience	Less than 1	16%
	"1-10"	27%
	"11-15"	17%
	"16-20"	22%
	More than 20	17%

Of the total 86 respondents, A majority (71 per cent) were male. Thirty-five per cent of the respondents were within the age group of 30 to 39 years. Only 17 per cent were

50 and above. Almost half (48 percent) were graduates, whereas only 17 per cent and 16 per cent were post-graduates and professionals, respectively. The individuals worked in different industries, such as retail, services, and manufacturing, which were more prevalent. Twenty-seven percent of the entrepreneurs had 1 to 10 years of experience, whereas 17 percent had more than 20 years of experience.

**Table 2.** Results of the survey on entrepreneurial seriousness

Parameter	Statements	N	Mean	STD
Willingness to learn	I consult the experts in the industry to keep myself abreast of the recent developments to understand the business better.	86	4.08	0.785
	I go through news related to my sector by following newspapers and magazines specific to my industry.	86	3.98	0.826
	I participate in various training programmes organized by private organizations or government bodies.	86	3.65	1.015
Preparedness to invest in new technologies	I am aware of the technologies available for various purposes like payments, stock, billing, etc. and willingly use them.	86	4	0.84
	I use these technologies in my business.	86	3.79	0.813
Keeness in implementing new marketing strategies	I have implemented new marketing strategies like providing home delivery, booking on the telephone, online marketing, etc.	86	3.99	0.775
	I have employed marketing consultants to improve my sales and increase my industry presence.	86	2.53	1.154
Willingness to expand and take risks	I am willing to set up new stores and branches in other cities.	86	4.2	0.838
	I am willing to invest more money and diversify my product line.	86	4.12	0.846
	I am willing to undertake risks in business.	86	4.08	0.755
Focusing on long-term customer networking	I collect the mobile numbers of my customers.	86	4.17	0.77
	I maintain a record of the transactions with my customers and provide them with reward points.	86	3.99	0.804
	I send my customers regular information about my products, services and schemes.	86	3.92	0.829
Openness to feedback	I talk to my customers to collect feedback and identify areas for improvement.	86	3.78	0.887
	I talk to my employees and seek their feedback to improve sales.	86	3.48	1.082

Table 2 shows that the entrepreneurs' willingness to learn through newspapers and other sources is higher than the training programs organized by various agencies. The

reason for non-attendance in the training programmes could be due to the need for more awareness, programme structure or timing. The entrepreneurs are interested in learning if the company provides doorstep training or materials. Most entrepreneurs agreed that they knew the technologies available and attempted to use them in their business. The means of both statements hovered around 4 and 3.79. The majority of the entrepreneurs replied that they had implemented new marketing strategies. However, regarding the employment of marketing consultants to improve sales, the mean was around 2.53. The reason could be the consultants' high cost or the business's localized nature. As far as the willingness to expand and take risks is concerned, most of the respondents answered uniformly. The means of the three statements were above 4. They expressed willingness to set up new stores and branches, invest more money, diversify the product line, and take risks. The respondents collected information about their customers and sent them regular information about products and services. It shows that the willingness to establish long-term networking with customers is essential for business success. Most of the respondents were more open to feedback from customers than employees.

**Table 3.** Results of the survey on the extent of use of persuasion in entrepreneurship

Statements	N	Mean	Std. Deviation
Persuasion is extremely important for selling a product or service	86	4.4651	0.50171
Effective persuasion is required for successful advertisement of products or services.	86	3.9767	0.82572
Persuasive communication helps in better handling of clients and customers.	86	4.5116	0.5028
Persuasion is required for both hiring and retaining employees.	86	4	0.84017
Counselling the staff requires a lot of persuasive strategies.	86	3.7907	0.81336
Unlike sales, persuasive techniques are not commonly used in the marketing area.	86	2.407	1.07788
Except for collections, persuasion are not commonly used in communicating in finance.	86	3.1047	1.31085
Expertise in persuasive communication enhances business writing skills.	86	3.8488	0.93955
Effectiveness in strategic persuasive communication skills helps in preparing better business proposals	86	3.3372	0.90242
The art of persuasion in general significantly increases an entrepreneur's credibility in the market.	86	4.0814	0.75483

From Table 3, it is evident that almost all the respondents have either agreed or strongly agreed with the statement "Persuasion is extremely important for selling a

product or service" and "Persuasive communication helps in better handling of clients and customers". The means were 4.46 and 4.5 respectively. This result confirms the findings of Kim and Tay (1993), who performed a similar survey on Singapore entrepreneurs. Most agreed that effective persuasion was required to advertise products and services successfully. They also said that persuasion was required for both hiring and retaining employees.

Similarly, the response tended to "agree" with the statement "Expertise in persuasive communication enhances business writing skills." Most of them either disagreed or remained neutral regarding using persuasive techniques in the marketing area except for sales and the finance area, except for collections. Most respondents did not feel that strategic persuasive communication helped prepare better business proposals as it was beyond the scope of their business. They believed that the art of persuasion generally increased the entrepreneur's credibility as the mean to this statement hovered around 4.08.

## 7 Conclusion

The paper's findings reveal that the small business entrepreneurs of Odisha believe in the importance of strategic persuasive communication and entrepreneurial seriousness for business success. It was found that the respondents were serious in their business endeavours and were willing to implement technologies and new marketing strategies, expand the business and take risks. They held selling products and dealing with clients as the activities that required persuasion the most. They also agreed that the art of persuasion significantly increased the entrepreneur's credibility in the market, thereby enhancing his business prospects.

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