Enterprise Performance and Owner's Gender: Analysis of ASUSE data 2023-24

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ABSTRACT

Self-employment has become an essential aspect of the employment landscape, encompassing both entrepreneurial self-employment, driven by innovation and opportunity, and necessity-driven self-employment, undertaken for survival. While structured datasets have enabled extensive research on opportunity-driven enterprises, unincorporated non-agricultural enterprises (UNAE) remain relatively underexplored despite their critical role in employment generation, particularly for vulnerable workforce segments. A notable increase in self-employment among rural and urban women as observed from India's recent labour force surveys, underscores the need for a gendered lens in analysing enterprise dynamics. This study utilizes data from ASUSE 2023–24 to systematically examine self-employment patterns in India, focusing on entrepreneur and enterprise characteristics and gender disparities in enterprise performance. The monthly Gross Value Added (GVA) is the key performance indicator and the regression model analyses whether entrepreneurial and firm-level factors impact male- and female-led enterprises differently, allowing for variations in intercepts and slopes. It is found that female proprietors diverge from male entrepreneurs primarily in hiring patterns, business location, and industry choice, while education and social background have relatively uniform effects across genders. By integrating gender-specific effects, this approach uncovers sources of gender disparities in productivity of UNAEs assessed from the perspective of entrepreneur's gender while data limitations have permitted only minimal assessment on the role of hired worker's gender. .

Key words: Unincorporated non-agricultural enterprises, Enterprise productivity, Gendered performance, Self-employment.

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