



LUNDS
UNIVERSITET

Lund University Master of Science in

International Development and Management

August, 2023

Where There's a Will There's a Way:

Self-efficacy and Resilience in the Creation and Consolidation of Micro-enterprises Owned
by Victims of Forced Displacement in Colombia.

Author: Ana Duzán

Supervisor: Maria Andrea Nardi

Table of Contents

1. Introduction

2. Background

- 2.1. Victims of Forced Displacement: The Armed Conflict in Colombia
- 2.2. The Government's Duty to victims of the Armed Conflict
- 2.3. Microenterprises as an Income Strategy for Victims of the Armed Conflict
- 2.4. Micro-enterprises in Colombia

3. Literature Review

- 3.1. Micro-enterprises as a Development Intervention
- 3.2. Creation and Consolidation of Micro-enterprises
- 3.3. Micro-enterprises in Conflict Settings
- 3.4. Relevance of this Thesis for International Development

4. Theoretical Approach and Conceptual Framework

- 4.1. Resilience
- 4.2. Self-efficacy

5. Methodology

- 5.1. Research Design
- 5.2. Data Collection and Sampling
- 5.3. Data Analysis
- 5.4. Positionality
- 5.5. Ethical Considerations
- 5.6. Limitations

6. Findings

- 6.1. Characterization of the Participants
- 6.2. Self-efficacy and Resilience in the Creation of the Micro-enterprises
- 6.3. Self-efficacy and Resilience in the Perceived Benefits from Owning a Micro-enterprise
- 6.4. Self-efficacy and Resilience in the Perceived Challenges from Owning a Micro-enterprise

7. Discussion

8. Conclusion

9. References

10. Appendix

Acknowledgements

And, just like that, these two amazing years at LUMID are over. This thesis is the final bow to this master's degree that provided me with immense new knowledge and skills, and most importantly, incredible and supportive peers.

This thesis is the result of months of hard work that would not have been possible without the help of many. First of all, I would like to thank the people that decided to be interviewed for this thesis. Getting the opportunity to meet you and learn from your experiences has been an honor, and I only wish the best for your future and great success for your enterprises.

The arduous process of this thesis was made a little easier by my thesis support group, that helped me organize my time, provided me with infinite tips and feedback, and was always there with a nice fika pick-me up when things got hard.

To my parents and brothers, thank you for your constant support, for caring about my thesis and wanting to understand more about development issues, constantly asking questions to understand what I was writing about.

To Gabriele, you have been invaluable throughout this process. For your constant support, your feedback, and for always being there with the best attitude, thank you.

Finally, I would like to thank my thesis supervisor, Maria Andrea Nardi. Thank you for your constant feedback, your patience and your help throughout this whole process. This has been an amazing learning opportunity and it would not have been the same without your guidance.

List of Abbreviations

- **DANE:** Departamento Administrativo Nacional de Estadística (National Administrative Department of Statistics of Colombia)
- **GEM:** Global Entrepreneurship Monitor
- **RUV:** Registro Único de Víctimas (Unique Victims Registry)
- **SENA:** Servicio Nacional de Aprendizaje (National Learning Service)

“During adverse times, personal factors matter greatly for the pursuit of entrepreneurship” (Walsh, 2020).

Abstract

In the past decade, micro-enterprise development has gained popularity as an intervention in the Global South, including Colombia, a country where more than 90% of businesses are micro. For decades, this country has endured an internal conflict that has left millions of victims of forced displacement, who live in vulnerable situations and, in many cases, resort to creating micro-enterprises to make a living. Creating and consolidating these businesses can be complex, and this thesis will explore how non-cognitive skills, particularly self-efficacy and resilience, can be involved in this process. Analyzing the answers of semi-structured interviews made to 11 victims of forced displacement in Colombia who are also micro-enterprise owners, it was found that self-efficacy and resilience can be involved in the decision process when starting a microenterprise. Results also reveal that the benefits experienced from owning a micro-enterprise can strengthen participant’s self-efficacy and resilience. On the other hand, it was found that the challenges they experienced could weaken these skills. However, it was noticed that participants usually found solutions to overcome these challenges, potentially using skills like self-efficacy and resilience. It is concluded that micro-enterprise development interventions should also focus on strengthening non-cognitive skills that can be crucial in the entrepreneurship process.

1. Introduction

Microenterprises play an important role in Latin America, where they represent more than 80% of businesses, and are relevant for employment in the region (Correa et al., 2020). In the last decade, many Latin American countries have seen a surge in micro-enterprise development programs with the goal of both creating new micro-enterprises and ensuring the sustainability of existing ones (Karides, 2015; Padilla-Angulo et al, 2023). One of the countries that has had these types of programs is Colombia, where, for decades, governments have had a positive attitude towards the formulation of policies to support these types of businesses (Varela Villegas, 2016). Since the country has also experienced decades of violence from an internal conflict, many of these programs have focused on victims of the armed conflict, who need income-generating opportunities after being displaced¹.

Microenterprises can be viewed under an economic lens: How effective are they as a tool to get people out of poverty? Supporters claim that these types of businesses are important for the creation of new jobs, knowledge and information (Contreras, 2022). Their detractors claim they are placing the responsibility to get out of poverty on people through their entrepreneurial skills, while ignoring the structural conditions that cause poverty in the first place (Feldman, 2019). These debates can sometimes lack the perspective of the micro-enterprise owners themselves, even though their experiences are important to understand this phenomenon fully (Maca and Molina, 2017).

For the owners, the process of micro-enterprise creation and consolidation requires not just financial resources and knowledge, but also certain non-cognitive skills (Kothari, 2019). This

¹ Some of these programs include:

- Mi Negocio: Program aimed at promoting and strengthening enterprises for vulnerable populations, including victims of the armed conflict (Unidad para las Víctimas, 2021).
- Núcleo E: Program aimed at promoting early stage enterprises in vulnerable communities and victims of forced displacement (Ministerio de Comercio, Industria y Turismo, 2019).
- Mujeres más productivas: Capacity building in finance and customer attention for women victims of the armed conflict who own their own shops (Colombia Productiva, 2023).

thesis will focus on two of these, self-efficacy and resilience, and their relevance in the entrepreneurship process. These skills were chosen because, on one hand, self-efficacy can play an important role in the success of microbusinesses (Srimulyani and Hermanto, 2022), and, on the other, resilience can be relevant for entrepreneurs, as a key factor to overcome situations of adversity and an uncertain future (Ayala and Manzano, 2014). Additionally, in conflict settings, like Colombia, these two skills can play a role in the decision of individuals to start their own businesses (Bullough et al., 2014).

Crucial to this thesis is the term “micro-enterprise”, which does not have a unified meaning. There are usually two ways to categorize businesses as “micro”: in terms of annual revenue, or by number of employees (Contreras, 2022). In some cases, micro-enterprises are defined as businesses with less than 10 employees (Alattar, Kouhy and Innes, 2009; Gebreeyesus, 2011), while in others they are defined as businesses with less than 5 (Midgley, 2008; Deller, 2010). For this thesis, micro-enterprises will be defined as businesses with less than ten employees, considering that is the official categorization done by The National Administrative Department of Statistics of Colombia (DANE) (DANE, 2023). It is also important to highlight that when referring to micro-enterprises, they can be used as synonyms to micro-businesses (Jones, 2004; Manzur and García, 2016; McCulloch, 2017).

This thesis will focus on understanding how self-efficacy and resilience can be present in the experience of victims of forced displacement in Colombia who own a micro-enterprise. To do so, I will focus on three main areas in this process: 1) Understanding why the participants decided to open their microenterprise in a specific economic activity, 2) Understanding what benefits they have gained from owning a microenterprise, and 3) Understanding the challenges they have faced in this process. Using the data from 11 semi-structured interviews with victims of forced displacement in Colombia who own microenterprises, analyzed under a self-efficacy and resilience lens, this thesis aims to answer the following research questions:

- 1) How are non-cognitive skills involved in the creation and consolidation of micro-enterprises among victims of forced displacement in Colombia?

- 1.1) How are self-efficacy and resilience involved in the choice of a micro-enterprise economic activity for victims of forced displacement in Colombia?
- 1.2) How are the perceived benefits and challenges from owning a micro-enterprise related to the owner's self-efficacy and resilience?

Findings reflect that self-efficacy and resilience can be present in the participant's decision process when choosing which economic activity to start their microenterprise in. Once this enterprise is running, participants encounter certain benefits and challenges. In the case of the perceived benefits, it is found that they can strengthen participant's self-efficacy and resilience, which in turn can reinforce participant's commitment to their enterprise. Regarding the challenges, findings reveal that they can weaken participants' self-efficacy and resilience, which could diminish their commitment to their business. However, it was noticed that in many cases participants found solutions to overcome these challenges, potentially using skills like self-efficacy and resilience. Considering forced displacement continues to be a problem in Colombia, and, for many displaced victims, micro-enterprises might be the only way to make a decent living, it is concluded that micro-enterprise development interventions should focus not just on ensuring people have the right economic resources and knowledge to run their businesses, but in strengthening non-cognitive skills that can be crucial in the entrepreneurship process.

This thesis will first introduce an overview of Colombia as a conflict scenario, explaining the situation of victims in the country and the importance of micro-enterprises for the country's economy. It will be followed by a literature review on micro-enterprises as a development alternative and by the main conceptual framework, focused on self-efficacy and resilience. Later, the methodology will be presented, and afterwards the main findings will be addressed. Finally, it will offer a discussion of these findings, focused on how they can influence the development sector, and ending with a conclusion.

2. Background

2.1. *Victims of Forced Displacement: The Armed Conflict in Colombia*

Since the 1960s, Colombia has been immersed in a violent internal conflict. As of April 2023, 9,492,472 official victims of the armed conflict have been registered in the “Registro Único de Víctimas” (RUV), the national registry for victims of the armed conflict (Unidad para las Víctimas, 2023). According to the Truth Commission Report (2022), of the total amount of victims, at least 500,000 lost their lives, 9 out every 10 were civilians, and most were from the rural areas of the country. The great majority, 8,452,997, suffered internal forced displacement (Unidad para las Víctimas, 2023).

Internal forced displacement has been the most common victimizing fact suffered by victims of the armed conflict in Colombia (Unidad para las Víctimas, 2023). According to the Guiding Principles on Internal Displacement of the United Nations, internally displaced persons are

“persons or groups of persons who have been forced or obliged to flee or to leave their homes or places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalized violence, violations of human rights or natural or human-made disasters, and who have not crossed an internationally recognized State border” (United Nations, 1998 : 5).

According to Manzur and García (2016), displacement in Colombia is characterized as a long-lasting phenomenon, where displaced victims do not follow a specific profile, but rather belong to a diverse set of races, ethnicities and social and religious groups. Most of the displaced people in Colombia moved internally to other cities in the country, and only a small percentage emigrated out of the country (Aliaga Sáez et al., 2017). Colombia’s largest cities, Bogotá, Medellín and Cali, were the main receptors of the displaced population (Agudelo et al., 2019). Displacement in this context is a multidimensional process that does not end when the person arrives to their new home, but rather continues shaping their future (Meertens,

2005). In this situation, it is crucial to identify displaced victims as people with agency, who actively shape their future (ibid.).

The effects of displacement on people are many. In Colombia, on average, displaced victims have very low levels of education, low attendance to education centers and high levels of illiteracy, even when compared to the urban poor (Ibáñez and Moya, 2007; Castiblanco-Castro, 2020). They also have a disadvantage when they arrive to cities, where their rural knowledge, like agricultural abilities, is unappreciated (Agudelo et al., 2019). Consequently, they find themselves in a new and unknown place, without the skills necessary to successfully integrate there, and doing functions they might not be familiar with (Juárez and Guerra, 2011; Correa Montoya *et al.*, 2018). They also seem to show post-traumatic stress disorder, and other mental disorders related to the attack that took place (Juárez and Guerra, 2011).

Being forced to flee their homes leaves people in a vulnerable state, since in the process they might have lost their family nucleus, their support community, and their physical assets, like their lands and their house (Ibáñez and Moya, 2006). This makes them face additional challenges in their pursuit of a formal and stable job in the new places they arrive to (Alianza para la Inclusión Laboral, 2022). In fact, displaced victims in Colombia on average have higher unemployment rates than the rest of the population (Silva Arias and Sarmiento Espinel, 2013). Since it is hard for displaced victims to find formal jobs, many times they end up working in the informal sector (Pareja and Parra, 2019). In this scenario, trying to create their own businesses can become the only possibility to get an immediate income (Khan and Sepulveda, 2022).

Although in 2016 a peace deal was signed between FARC, the biggest guerrilla group in the conflict, and the government, the violence has continued, since many of the territories that used to be controlled by FARC were invaded by new armed groups interested in drug trade (Turkewitz and Rios, 2022). Due to this, many Colombians have continued to suffer victimizing events. For example, between January and October of 2022 more than 70.000 people were internally displaced in the country (Human Rights Watch, 2023), showing how programs to help victims are still very much needed.

2.2. The Government's Duty to Victims of the Armed Conflict

In 2004, Colombia's Constitutional Court declared the country had continuously failed to secure the rights of the people that were being displaced due to the internal conflict (Corte Constitucional de Colombia, 2004). In this ruling it specified that one of the minimum rights that the state had to guarantee these victims was the support for their self-sustenance, through socioeconomic stabilization (Guzmán, 2020). As a result of this sentence, in 2011, Law 1448 was enacted and approved by the Colombian Congress. This law provides a national definition for "victim of the armed conflict" and stipulates the duties of the government to ensure their reparation (Cortés, 2013). In this law, victims are recognized as

"Those people that individually or collectively have suffered a damage due to events that have occurred on or from the 1st of January of 1985, as consequence of infractions to International Humanitarian Law or serious and manifest violations of human right international laws, occurring within the internal armed conflict" ² (Congreso de Colombia, 2011).

For the purpose of this thesis, victims of the armed conflict will be those that are encompassed within this definition.

Central to this law are victim's rights, mainly their rights to truth, justice, and reparation (Congreso de Colombia, 2011). The government, therefore, has the duty to guarantee these rights. In practice, the implementation of this law has been challenging, and until November of 2022, only 14% of the victims of the armed conflict had received reparation (Human Rights Watch, 2023). In fact, the Colombian government recently announced that, with the large amount of victims and the current budget designated to the peace process, it would take Colombia 125 years to provide compensation to all victims (El Espectador, 2023).

² Author's translation

Regarding the duties of the government in relation to the creation of employment opportunities, Law 1448 of 2011 states that the government must design special programs and projects for the creation of rural and urban employment for victims of the armed conflict, with the goal of supporting their self-sustenance. The Decree No. 4800 (2011) regulates this law, and it states that the programs aimed at providing employment opportunities for victims will focus both on employability processes and on the creation and support of enterprises. According to Guzmán (2020) since then, the public policy towards victims has focused on socioeconomic stabilization, trying to increase their income and reduce the unemployment rates of the displaced population. He states this goal has not been met.

2.3. Microenterprises as an Income Strategy for Victims of the Armed Conflict

With the mandate from Law 1448 different programs have been implemented to achieve the socioeconomic stabilization of victims. Some of these have focused on the strengthening and creation of micro-enterprises as income generating activities for victims of the armed conflict, focusing on different aspects of the enterprise process, from training to financing opportunities (Maca and Molina, 2017). These programs are implemented by different government agencies, under the coordination of the Unidad de Víctimas (Victims Unit) (Ladino, 2021).

For financing opportunities, one of the programs that supports enterprises is Fondo Emprender, coordinated by the National Learning Service (SENA). This program focuses on supporting citizens that have an enterprise that has been legally constituted for a maximum of five years, by providing payable funds so they can invest in their enterprise (Fondo Emprender, 2022). This program encourages “vulnerable populations”, in which victims are included, to participate as beneficiaries. However, between 2016 and 2019, only 32 victims of the armed conflict, out of the 383,477 that resided in Bogotá at the time, accessed it (Ortiz Molano, 2020).

For the strengthening of enterprises owned by victims, different state entities have implemented their own programs. For example, the Ministry of Commerce, through

partnerships with the private sector, created programs like “Mujeres más productivas” in 2023 and “Vivimos pacíficamente” in 2018 to provide training on micro-enterprise improvement (Colombia Productiva, 2018; MinComercio, 2023). The Ministry of Labor, on the other hand, has also implemented its own programs, like “Somos Rurales” and “Emprendiendo Sueños”, which were implemented between 2016 and 2022 in partnership with the United Nations Development Program (UNDP, 2023). For commercialization opportunities, the SENA held “Sembradores de Paz”, a nationwide fair where victims of the armed conflict could sell their products (SENA, 2022).

All of these are recent examples of the different efforts the national government has done to strengthen the enterprises of victims. Despite this effort, the results have not been as expected, since many of them still lack market sustainability (Martínez *et al.*, 2022). This could be explained by the fact that the State seems to focus on providing support in the initial phases of creating a business, however not many programs focus on the strengthening, growth and sustainability of the organizations created by victims (*ibid.*).

2.4. *Micro-enterprises in Colombia*

For this thesis, it is also important to understand the importance of micro-enterprises for Colombia’s economy. In 2021, Colombia had around 5,704,308 businesses (DANE, 2022). Of these, 98% were micro-businesses, 1.4% were small businesses, 0.3% were medium businesses, and only 0.1% were big businesses (Table 1). Additionally, the microbusiness sector in Colombia has grown in the past years. DANE stated in a report that between 2021 and 2022, the quantity of micro-businesses in the country increased 8.3%, the amount of people employed in these types of businesses increased by 8.5%, and their income grew 28% (DANE, 2023).

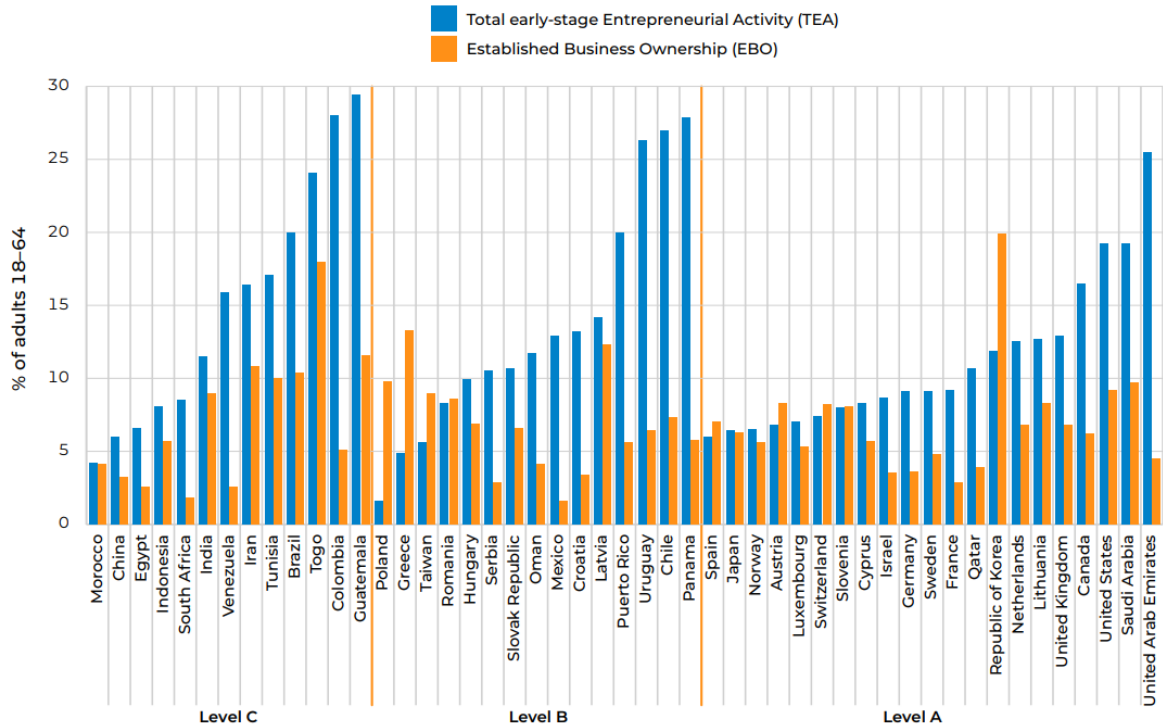
Table 1: Total businesses in Colombia in 2021, categorized by size (DANE, 2022)

Size of business	Number of businesses (2021)	Percentage of total businesses
Micro (Less than 10 employees)	5,597,316	98%
Small (10 to 50 employees)	81,725	1.4%
Medium (51 to 200 employees)	19,1	0.3%
Big (More than 200 employees)	6,167	0.1%

DANE's data is stated in terms of businesses, so they do not differentiate between entrepreneurship and established businesses. The Global Entrepreneurship Monitor (GEM), a research project that monitors entrepreneurial activity across the world, does make this distinction. They divide businesses between Total early-stage Entrepreneurial Activity (TEA) and Established Business Ownership (EBO). TEA refers to businesses that have paid salaries for less than 42 months, and EBO refers to businesses that have paid wages beyond this time (Global Entrepreneurship Monitor, 2023).

In their most recent report, Colombia was the second-highest country among the 49 countries monitored in terms of proportion of adults starting or running a new business (Global Entrepreneurship Monitor, 2023). Colombia's case is particular in that it has high rates of TEA, around 27% of adults surveyed between ages 18 and 64 have a new enterprise, however only 5% of the adults surveyed have an established business, as can be seen in Figure 1. This supports the findings reported by Confecámaras (2016), which state that although Colombia is a country where many businesses are created each year, 70% of new businesses fail before reaching five years of existence.

Figure 1: Percentage of adults between 18 and 64 years old that own a TEA or an EBO, by country (GEM, 2023).



In conclusion, statistics point to Colombia as a country characterized by large early-stage entrepreneurial activity, with low levels of established business ownership, that has increased its percentage of entrepreneurial activity in the past few years, and that has hopeful entrepreneurs who wish to employ people in the future. It is also a country where microbusinesses are currently an important part of the economy and employment.

3. Literature Review

The following section will present a summary of some of the research that has been conducted around micro-enterprises. Since micro-enterprise research encompasses a wide array of topics, due to the scope of this thesis, this literature review will first start with the main discussions surrounding the effectiveness of micro-enterprises as a development intervention, followed by the specific role they can play in conflict settings, and ending with a justification on why this thesis can provide some new insight into micro-enterprises, particularly with victims of the armed conflict.

3.1. Micro-enterprises as a Development Intervention

Micro-enterprises appeared as a solution to poverty in the Global South in the late 1970's (Jones, 2004). As past development interventions met some limitations, micro and small scale enterprises became the new alternative for achieving sustainable economic development (Dignard, 2021). Summarized, micro-enterprise development focuses on providing “small loans, business training and technical assistance to people starting very small businesses” (Jones, 2004, p. 1).

Despite its start in the 70's, only until recently has entrepreneurship become central in the international development agenda, despite critiques and limitations (Lee, 2023), mentioned below. This new relevance is evident, for example, when considering that the Millenium Development Goals, established in the year 2000, did not mention entrepreneurship, however, the current Sustainable Development Goals do, in targets 4.4 and 8.3³ (ibid.).

Micro-enterprise development programs were originally designed by international organizations to support women's self-created businesses in the Global South (Karides, 2015), but quickly evolved to be present worldwide and included in national policies for economic growth and eradication of poverty (Strier and Abdeen, 2009; Karides, 2015). These types of programs also captured the attention of most development actors, like the United Nations, governments, and non-governmental organizations (Karides, 2015). For example, organizations like the World Bank and the Interamerican Development Bank officially recommended microenterprises to countries as a strategy for economic growth (Macías, 2012).

³ SDG Target 4.4: “By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship” (United Nations, 2016a).

SDG Target 8.3: “Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services” (United Nations, 2016b).

In the field of entrepreneurship, most entrepreneurs are divided into two groups, according to Lippman (2005): necessity-based entrepreneurs, referring to people that open an enterprise out of lack of other options to find work, usually with little to none financial capital, and opportunity-based entrepreneurs, referring to those that open it when they identify an opportunity in the market, and usually have high financial capital. It is believed that there are higher rates of necessity-based entrepreneurship in the Global South, since people lack employment opportunities and engage in self-support (Koster and Rai, 2008). When opening their microenterprise out of need, many times individuals choose an existing business model, usually based on people's daily needs, for example selling food or selling clothes, and replicate it, considering it a low-risk option (Socorro and Reyes, 2020).

Authors that advocate for microenterprise development focus on the importance of these businesses for the economic growth of countries, since they can create new jobs, knowledge, and information (Contreras, 2022). Deller (2010) expands on this point, claiming how, in theory, microenterprises can serve as a powerful tool for employment generation because they rely on human rather than physical capital, which can make lay-offs rarer, and since many of these businesses are built among families, there are additional ties that keep the enterprise together. Microenterprises are also attractive as they are perceived as more flexible and adaptable to outside shocks than larger firms due to their small size (Deller, 2010). They can also be important for the economic development of countries, by enhancing competition, innovation and contributing to productivity (Beck et al., 2005), and they can benefit the economy by expanding consumption (Strier and Abdeen, 2009).

In contrast, there have been critics towards this approach as a solution to poverty. Feldman (2019) states that the valorization of entrepreneurial culture has resulted in policies that encourage entrepreneur identity among the poor, which can place the expectation on the individual to solve their situation of poverty through their own entrepreneurial skills, rather than addressing the larger social problems and structures that cause poverty. Additionally, micro-enterprise development means an increased reliance of the poor on low paying and informal labor to cover the lack of formal wage opportunities worldwide (Karides, 2015). In a middle ground, Midgley (2008) argues that microenterprises can be a valid resource against

poverty, however not by themselves, but as part of a wider policy. Kolade (2018) also argues that in order for small enterprises to reduce poverty, they have to move past necessity-based entrepreneurship, and towards one that is characterized by innovations and creation of economic value.

Research on micro-enterprises has mostly revolved around the growth of these enterprises and the reasons that lead a person to start their own micro-enterprise (Vivarelli, 2013). More than simply viewing micro-enterprises in an economic light, discussing whether they are an effective method to reduce poverty and encourage economic development, other authors have focused on the importance of people's social and psychological resources in the entrepreneurial process. Owning an enterprise entails facing certain challenges, and Baluku et al (2018) argue that not only tangible resources are important when understanding entrepreneurial success, but rather, intangible resources like psychological and social resources, are also relevant. Among these resources, self-efficacy and resilience seem to play an important role. For example, Mamun et al (2016) found that out of a series of entrepreneurial competencies, self-efficacy and the ability to take risks were key factors that could affect the performance of micro-enterprises. Additionally, Rábago et al (2004) studied a group of women entrepreneurs in Argentina and determined that they exhibited a high level of perception of self-efficacy. In the case of resilience, it is a broad term that has been studied closely in relation to entrepreneurship, showing how it can be an important characteristic in the entrepreneurship process (Korber and McNaughton, 2017). These two terms will be explained more in depth in the theoretical framework section.

3.2. Creation and Consolidation of Micro-enterprises

An important part of entrepreneurship literature is focused on why people decide to start an enterprise (Bullough et al., 2014). In Global South countries, quantitative studies have pointed towards “increasing their income”, as the main reason for people to open their businesses, followed by “satisfaction and personal growth” (Benzing and Chu, 2009). Vivarelli (1991) studied both the economic and psychological and social determinants for opening one's own firm, and concluded that aspiration to a higher income and the desire to

be independent were the key reasons. He highlighted the relevance of considering psychological and social factors when understanding the creation of new firms, not just the economic ones.

Apart from deciding to open an enterprise, deciding in which sector it will be opened is also important, since sectors that are growing more might make it easier to attract new customers, and some sectors might need more resources than others to open a new business (Global Entrepreneurship Monitor, 2023). Regarding this, Hipsher (2021) studied microenterprises in Laos related to tourism. When studying the factors that led the microentrepreneurs to open their businesses, he found that although most did it due to a lack of more formal employment opportunities, others claimed it was because it fit better with their preferred lifestyles. Naituli et al. (2008) interviewed women in rural Kenya who owned microenterprises and determined their main reasons to start a business in a specific area were: because it was easy both to start and to run it, because there was a demand for those products or services, and because they had the skills that were required.

Once micro-enterprises have been created, they can impact owner's lives. Less research has been done on exploring these impacts than on understanding the reasons for creating a micro-enterprise. Kantor (2002) states how, in both Global South and Global North countries, the microenterprise development literature has primarily focused on economic outcomes of the microenterprises, including their profitability, their turnover levels, their level of sales and how much employment they produce. However, Hurst and Pugsley (2010) argue that non-monetary benefits for small-scale business owners must also be considered. Since there is evidence on how being an entrepreneur does not usually pay in monetary terms, non-monetary benefits for going into entrepreneurship, like greater autonomy, being able to utilize more skills, and having the possibility to pursue your ideas, should be considered (Benz, 2009).

For example, when studying the impacts of microenterprises on people's lives, Kazungu et al (2014) concluded that small-scale businesses contributed to availability of goods, shelter, access to health services, and access to education in the lives of the business owners. Hipsher

(2021) focused on the perceived benefits the microenterprises owned by his participants had on their communities, which included pride in their culture and an increased concern over environmental issues.

3.3. Micro-enterprises in Conflict Settings

To understand micro-enterprises as an income-generating activity for displaced people in Colombia, it is also relevant in this thesis to analyze what has been researched on micro-enterprises in conflict settings and adverse situations. Kibris and Nelson (2021) argue that individuals that have experienced direct traumatizing violent events in midst of a conflict are more likely to create their own business. Additionally, Bullough et al (2014) conclude that in war settings, individuals might develop intentions to start an enterprise “if they are able to grow from adversity (resilience) and believe in their entrepreneurial abilities (entrepreneurial self-efficacy)” (p. 473). Once again, psychological resources, like resilience and self-efficacy are mentioned as important when understanding entrepreneurship.

In Colombia’s particular case, Martínez et al (2022), when studying micro-enterprises owned by victims of the armed conflict in a specific region of the country, highlighted how individual and collective resilience can be present in the accumulation of technical and human resources that are necessary to face the difficulties and challenges that arise from owning an enterprise. Therefore, they related the success in these enterprises to people’s mentality, not only with their capacity to make these ideas happen. They also identified the importance of resilience of the participants that were interviewed for the achievements of their organizations.

3.4. Relevance of this Thesis for International Development

Considering the involvement of the international community and Colombia’s national government in micro-enterprise development, it is important to understand how these programs can be improved and adapted, to satisfy entrepreneur’s needs. Maca and Molina (2017) claim there is a need in the entrepreneurship literature to study enterprises from the experience of entrepreneurs themselves. Understanding their experiences from their point of view is crucial, since a lack of focus on this aspect can lead to an over-focus on the goals and

concerns of international agencies and governments, rather than the beneficiaries themselves (Grigsby et al., 2015). Although there is an ongoing debate about whether micro-enterprise development is effective in its goal of reducing poverty, there is limited knowledge about the benefits and challenges encountered by their owners (ibid.). Considering Colombia's particular case, Rodríguez (2015) establishes that the analysis of entrepreneurship in Colombia has a wide window of opportunity to explore this topic and broaden its scope. Non-cognitive skills, like self-efficacy and resilience, can serve to further analyze micro-enterprises as vehicles to improve people's lives, particularly after suffering a traumatic event, like forced displacement.

4. Theoretical Approach and Conceptual Framework

This thesis will use a conceptual framework that combines self-efficacy and resilience, two important non-cognitive skills, to understand how they might be related to the motivations that lead victims of forced displacement in Colombia to open a microenterprise in a specific economic activity, and the benefits and challenges they have perceived from owning these enterprises. These two concepts interact in different ways in the entrepreneurship process and they can positively influence entrepreneurial success (Paul and Devi, 2018). In adverse situations, self-efficacy and resilience enable entrepreneurs to persevere (Bullough et al., 2014), and, combined, self-efficacy and resilience can multiply the person's individual power (Bullough and Renko, 2013).

Self-efficacy and resilience gain relevance in a context that appreciates the importance of non-cognitive skills. Although for many years it was believed that economic and social outcomes of individuals depended on their cognitive skills, for example their IQ score, recent literature has found that non-cognitive skills are also important (Rattana-ananta, 2014). Non-cognitive skills are defined differently throughout the literature, but, broadly, they involve "thoughts, attitudes, and behaviors that enable individuals to successfully interact with others and work productively towards things that they value while managing challenges and stressful life events." (Roy et al., 2018, p. 2).

There is a growing interest in the international development sector in using psychological and sociological concepts in different interventions (Camfield, 2015). Central to the importance of non-cognitive skills is the different outcomes in employment when individuals have the same cognitive skills. Non-cognitive skills appear as an explanation to this difference in outcomes. When understanding the process of micro-enterprise creation and consolidation, in a population that is in a particular vulnerable state, non-cognitive skills are important to understand, to evaluate their human capital (Heckman and Rubinstein, 2001).

As important skills related both to entrepreneurship and adversity, self-efficacy and resilience will be further developed in the next two sections, where they will be conceptualized for this thesis. Self-efficacy and resilience will be understood under an approach that views them as non-static, but rather fluent processes that can change within individuals (Benight and Cieslak, 2011; Schwarzer and Warner, 2013; Netten and Van de Donk, 2018), and are influenced by the individual's environment and context (Ungar, 2012; Hobfoll *et al.*, 2021).

4.1. Resilience

The term resilience has gained popularity in the field of development (Tanner *et al.*, 2015), being used frequently in the past years by international organizations, governments and scholars, however there has been no consensus about its exact definition (Ifejika Speranza, *et al.*, 2014). Although definitions differ, in essence, resilience captures those factors that can enable someone's functioning under difficult conditions (*ibid.*). Generally, resilience has been regarded as the ability to “bounce back”, referring to the ability of an individual, household, community or ecosystem to return to previous conditions, following shocks and stresses, with the least possible amount of damage and disruption (Tanner *et al.*, 2015).

Originating in the field of psychology, observing children who did very well despite their adverse circumstances (Hart *et al.*, 2016), resilience theory has experienced four main waves, as explained by Masten (2015). The first wave focused on trying to define resilience and how it could be measured, while the second wave focused on the processes that lead to resilience. The third wave studied how resilience could be promoted through interventions, and the

fourth wave started understanding resilience in a dynamic, system-oriented approach, highlighting the importance of people's contexts when analyzing it, turning it into a multi-disciplinary concept (Masten, 2015).

Instead of viewing resilience as a trait inherent to individuals, Van Breda (2018) proposes to understand it as a process. In this line, Netten and Van de Donk (2018), argue that understanding resilience as a personal trait does not leave much room for action, but understanding it as a dynamic process that can be influenced by several factors, at an individual and community level, leaves space for support. Rutter (2012) explains how resilience is a process that operates before, during and after adverse experiences. In this sense, resilience focuses on those processes that allow positive outcomes to occur in the face of adversity (Van Breda, 2018).

In the context of violent conflict, Bullough et al (2014), define resilience as an ability to grow from adversity. Resilience is an important process faced by victims of an armed conflict, due to the difficulty of coping with the situation (Netten and Van de Donk, 2018). Bautista Calderón (2022) argues that when displaced victims manage to adapt to the new customs of the new place where they are living, they strengthen their resilience, which makes them develop strategies to face their situation and resume their life and professional projects, which can aid in overcoming the traumatic event.

During this process, the agency of the people that have faced adversity, plays a very important role, highlighting their ability to transform their situation (Peltier-Bonneau et al., 2019). When viewing individuals and communities that have suffered traumatic events, Wessells (2011) proposes resilience as an approach that does not view them as passive victims, but rather as agents that can overcome these adverse conditions through coping and adaptation. Instead of only viewing resilience as a "way back" to how things were, Hart et al (2016) propose an emancipatory function to the term, based in a social justice discourse, by proposing that, when overcoming adversity, individuals can even change or transform aspects of that adversity.

Understanding resilience as a process influenced both by the individual and their context, Ungar (2012) provides an in-depth explanation of this relation, which will be crucial for this thesis. He defines resilience as "a set of behaviors over time that reflect the interactions

between individuals and their environments, in particular the opportunities for personal growth that are available and accessible” (Ungar, 2012, p 14). He argues that the resilience process involves 1) a person doing actions that promote their well-being to recover from the traumatic event, and 2) an environment (physical and social) that shapes and provides these opportunities. Highlighting the importance of the environment takes away the blame that could be directed to individuals because they could not better their situations (Ungar, 2013). Therefore, resilience also depends on the opportunities that families, communities and governments provide to individuals who have faced adversity.

In this process presented by Ungar (2012) individuals demonstrate resilience when they take advantage of the opportunities they have, however they can also engage in a process of “negotiation” with these opportunities, changing what they are. In this scenario, culture is central, since it determines the expectations around what are the appropriate ways to deal with adverse events that influence the interactions between the individual and their environment (Ungar, 2013). This view of resilience is shared by Van Breda (2018) who defends that resilience occurs at multiple levels in the social ecology of the person, not just at an individual level.

In this thesis, I define resilience in the social ecological way proposed by Ungar (2012) and Van Breda (2018), viewing victims of the armed conflict as active agents who have the power to change their future, as understood by Wessels (2011) and Heart et al (2016). Resilience is understood as a process, rather than an outcome or an inherent skill, that mediates the individual’s decision-making after facing adversity, and results in better-than expected outcomes. This view of resilience considers the importance not just of 1) the individual’s internal capacity to cope in these situations, but of their 2) physical and social environment to provide and shape the opportunities to better this situation.

4.2. *Self-efficacy*

Self-efficacy refers to a person’s beliefs in their own personal capacities to achieve a goal or complete a task (Bandura, 1997). These beliefs work in a cycle: People with higher levels of self-efficacy tend to be more ambitious and show more persistence in the face of difficulties,

and in this process they have more opportunities for experiencing success, which, when achieved, increases self-efficacy beliefs, thus continuing the cycle (Schwarzer and Warner, 2013).

When analyzing self-efficacy in relation to entrepreneurship, Chen et al (1998) found a positive effect of self-efficacy on their participant's likelihood of being an entrepreneur. They argue that, since self-efficacy is close to an individual's actions, it can be used to study their choices, persistence and effectiveness. Entrepreneurship is highly challenging and risky, and it is in these types of situations where self-efficacy and its relationship with people's behaviors is best evidenced (Chen, Greene and Crick, 1998; Sánchez García, 2010). Sánchez (2010) argues that self-efficacy is one of the fundamental personality aspects that determine the entrepreneurial behavior of individuals. He states that the relation between self-efficacy and entrepreneurship is found when people choose vocations that they feel capable to do, and self-efficacy then can be viewed as a particular trait of entrepreneurs, in comparison to other jobs. Vecchio (2003), argues how those with a high perception of entrepreneurial self-efficacy tend to view situations as opportunities, while those with low levels tend to view them as obstacles. For Martínez (2018), the importance of self-efficacy as possible factor explaining the entrepreneurship intents of individuals, relies on it being a construct that determines the belief of people in their capacity to successfully reach a goal. Self-efficacy, then, could be associated with why people become microenterprise owners instead of pursuing other jobs.

This thesis will understand self-efficacy under the lenses of Bandura (1997) and Hobfoll et al. (2021), since they offer a view of self-efficacy that mixes both the individual's personal beliefs, but also the role of their environment in this process. Self-efficacy here will be understood by Bandura's (1997) definition, referring to self-efficacy as a person's beliefs in their own personal capacities to achieve a goal or complete a task. Hobfoll et al (2021) present two crucial aspects related to an individual's self-efficacy, apart from having the belief that they can achieve their goals: 1) People must have certain behaviors and skills on which they base their beliefs of being able to reach their goal, and 2) They must have the resources necessary to achieve it. Considering how, after events like displacement, people lose most of their resources, restoring them can impact people's self-efficacy, and aid in their recovery.

In conclusion, for this thesis, self-efficacy will be understood not only as a person's belief that they can achieve their goal, but also as the resources, behaviors and skills that will help them act on those beliefs. Self-efficacy will not be viewed as a stagnant trait, but rather as a fluid characteristic that can mutate through the individuals interaction with their environment (Benight and Cieslak, 2011).

Together, self-efficacy and resilience operate within individuals, yet they are not fixed personality traits, they can be influenced by outside factors from people's environment, both negatively and positively (Bullough and Renko, 2013). Understanding these two terms in their fluidity and their constant relation to people's environment is crucial for the analysis in this thesis. When analyzing micro-enterprises, it is important to understand that a key difference with larger corporations is that usually the decision to adopt a strategy relies on the micro-entrepreneur (Qureshi and Kamal, 2008). Considering this, it is relevant to study self-efficacy and resilience and their relation to the decisions taken by the individual, both when starting their enterprise, and when they have experienced certain benefits and dealt with the challenges.

5. Methodology

5.1. Research Design

This research is approached under a constructivist paradigm, understanding paradigms as sets of beliefs that guide action (Guba, 1990). Knowledge is then understood not as something that is discovered, but rather constructed by transforming information, creating ideas, and making decisions, usually based on previous knowledge (Brandon and All, 2010). Under this perspective, the importance of people's subjective meaning of their experiences is recognized, making it crucial to rely on how interviewees view their own situation (Creswell, 2007).

To answer the research questions, this thesis will use qualitative methods, using a case study approach to analyze the situation of victims of forced displacement who own micro-enterprises, in a specific bounded setting (Stake, 2003), Colombia. Case studies are used to

understand the interpretations and descriptions of participants within the specific issue being researched (Stake, 1995). Since a case study methodology seeks to explore an observed phenomenon, rather than to confirm a hypothesis (Hancock and Algozzine, 2006), it is the ideal method to explore the process of micro-enterprise creation and consolidation and its relation to the owner's non-cognitive skills.

Data was collected through semi-structured interviews, using an interview guide designed beforehand (Appendix I). To explore and understand the issue, questions were kept broad, since open-ended questions are important in this type of research (Creswell, 2007). The questions were designed to listen to the unique stories and experiences of participants (Stake, 1995). Since, when the interviews were conducted, a theoretical framework had not yet been developed, the questions touched upon several themes of interest to understand the main issue to be studied: micro-enterprises owned by victims of the armed conflict in Colombia.

5.2. Data Collection and Sampling

First of all, it is important to emphasize that, in the following sections, microenterprises will be understood as businesses with 10 or less employees. For the purposes of this thesis, semi-structured interviews were conducted on a sample of 12 displaced victims of the armed conflict that own micro-scale enterprises. 9 of the interviewees were women and 3 men. They lived in different cities around the country, and their microenterprises were in different sectors. Their full characterization is in Table 2 in the Findings section.

The interviewees were accessed through Fundación Texmodas, a foundation that focuses on strengthening the employment opportunities for victims of the armed conflict in Colombia. One of their programs focuses on the development of the skills necessary to run a micro-enterprise, and all participants of this thesis had participated in this program beforehand. As facilitators, Fundación Texmodas established the first contact with their participants, explaining them of the purpose of my thesis, and I was given the permission to contact only those that agreed to participate. This reflects a process of convenient sampling, since participants were within easy reach for me to contact them and they followed the characteristics necessary for this study (Etikan et al., 2016). Working in collaboration with

this foundation, I was asked to provide them with a report of all my findings after completing my thesis, where I had to include some findings on the trainings these participants had received from the foundation. Because of this, in the interview guide, at the end, some questions will refer specifically to these trainings.

Since the conditions to enter the program of the foundation were being a victim of the armed conflict and owning a micro-enterprise for more than three months, in the sample there were people with micro-enterprises that had existed for a year and others that had had them for 15 or 18 years. However, even those who had their businesses for 15 or 18 years still regarded themselves as entrepreneurs.

The semi-structured interviews were conducted from January to March 2023 using the interview guide constructed beforehand. During the interview, the main questions in the guide were asked, but whenever the participant mentioned something that was related to the objective of this thesis, more questions were asked so they could further explain. These interviews were all transcribed afterwards for their analysis. Before conducting the interviews, an informed consent was requested from the participants. To handle their personal data, their names were anonymized, so they could not be linked to their answers. All the information was stored only on my computer, which had the only key to which number belonged to which participant, ensuring the protection of their data.

Since the interviews were conducted through Zoom, my main worry was that all the participants would have stable internet connection. Throughout 11 of the 12 interviews this was not a problem. Only the last one had poor internet connection, therefore half of the interview was conducted through Zoom, and afterwards the remaining questions were answered via WhatsApp. On average, the interviews lasted 45 minutes. They were conducted in Spanish, and no interpreters were necessary, given my native knowledge of the language.

Out of the 12 interviews, only 11 were used for this thesis, since in one of these interviews, the participant's enterprise consisted of an association of around 30 people that produced

handicrafts. Due to this not being in line with the delimitation of micro-enterprise for this research, this interview was not used.

5.3. Data Analysis

The transcripts of the interviews were analyzed in two rounds of a thematic analysis approach, first in an inductive way, followed by a deductive round. Thematic analysis is useful to understand the themes that emerge from the collected data to understand a specific phenomenon (Fereday and Muir-Cochrane, 2006). Before conducting the interviews, I had no preconceived theory that shaped the questions, however I knew that I wanted to understand the reasons that lead participants to start their enterprise and the benefits and challenges they had experienced from this process. Therefore, on the first round of analysis, an inductive thematic analysis was applied. Using Nvivo as a coding tool, in the first round, common themes among the participant's answers were identified, coded, and categorized into the three categories of interest: 1) reasons for opening a microenterprise in a specific sector, and 2) benefits and 3) challenges of owning said microenterprise. These main themes can be found in the tables in the Findings section, where it is indicated which participants referred to each of the themes in their answers, reflecting which were more frequent than others.

Once I had the main themes, I developed my conceptual framework to analyze them. This framework was built around self-efficacy and resilience, since, when reviewing the literature on micro-enterprises, these two terms had been studied as important non-cognitive factors when understanding the entrepreneurship process. After developing this framework, the main themes were analyzed under a self-efficacy and resilience lens. In the case of self-efficacy, those themes related to the resources, behaviors and skills that could help participants act on their beliefs and meet their goal of owning and running a microenterprise (Hobfoll *et al.*, 2021), were analyzed under this concept. In the case of resilience, the themes that related to the participants decisions to overcome their situation and promote their well-being after a traumatic event occurred, in this case forced displacement, combined with the opportunities their environment provides (Ungar, 2012), were analyzed under this concept. It was found that some themes were related both to participant's self-efficacy and resilience. In the first

category, reasons for opening a microenterprise in a specific sector, it was analyzed how self-efficacy and resilience could play a role in these choices. In the other two categories, benefits and challenges related to owning a microenterprise, it was analyzed how the benefits and the challenges that arise from owning an enterprise could relate to the owner's self-efficacy and resilience.

5.4. *Positionality*

Research is not objective, and understanding where one is coming from, is crucial for understanding fully the research process. Positionality can influence the choice of topic to be studied, how research is conducted, and its results (Darwin Holmes, 2020). Through self-reflection, positionality allows the researcher to understand how their identity can affect the relation with the participants and the research being conducted, where power dynamics can be involved (Öz and Timur, 2023). Therefore, it is important that I recognize my own biases and identity in relation to the research I am conducting (Hancock and Algozzine, 2006).

For this thesis, my reflection revolves mainly around my relation to the victims of the armed conflict in Colombia. I am also from Colombia, and I have experienced how the internal conflict has affected the lives of people around me. With such a long conflict almost no one's life in the country has been untouched by violence, and even though I have been affected by it through events that happened to my family before I was born, I am not a direct victim. Understanding this is key, particularly to not revictimize the participants. In the past I have worked at government institutions that provided assistance to victims of the armed conflict that were displaced to Bogotá. In this job, I worked closely with victims, mostly of forced displacement, and learned about their strength and their desire to overcome their situation. Reflecting on this, I acknowledge that, being from Colombia and seeing the situation of millions of victims has been a key factor in choosing the central topic for my thesis, as I know there is still a lot to be done to repair victims. Understanding where I am coming from was crucial for this entire research process.

5.5. *Ethical Considerations*

When working with vulnerable populations that have been victims of violence, it is very important to consider how to minimize harm to respondents, ensure their safety, protect their privacy and confidentiality, and minimize their distress (Ellsberg and Heise, 2005). To avoid this, participant's answers were anonymized to ensure their safety and protect their privacy. Also, since the focus of this study is not the events suffered by victims of the armed conflict, but rather their micro-enterprises, none of the questions I asked were directly about them being victims or the events they suffered. The questions revolved around their micro-enterprises and around the support they had received. However, without me asking directly, in some instances when participants would answer the questions, they would mention their victimizing event, mostly talking about their displacement, but rarely in detail. When this happened, I did not dive deeper into this fact, to avoid touching upon a sensitive topic, but rather continued with the other questions in the interview guide.

5.6. *Limitations*

One of the main limitations of this study, that would require future research, involves how only people who had created a microenterprise that was still running were interviewed. Those people who created a microenterprise but had to close it might have different insights in the topics addressed by this thesis, which would also be useful for future research.

Additionally, since the participants lived in different areas of Colombia, and there were time and budget constraints, the interviews had to be conducted through Zoom, meaning other types of methods, like participant observation, could not be conducted. These methods could have enriched the data and provided additional information regarding the participants and their situation. Due to this I had to rely on participant's answers. For future research, this could be an interesting opportunity.

6. Findings

The following section presents the findings for this thesis, divided in four sections: 1) Characterization of the participants and their respective enterprises, 2) Reasons for creating their microenterprise in a specific economic activity, 3) Benefits resulting from owning their

microenterprise, and 4) Challenges they have faced as part of their microenterprise. As was mentioned in the methodology, these will be analyzed to understand how they might be related to the participant's self-efficacy and resilience.

6.1. Characterization of the Participants and their Microenterprises

The characterization of the 11 participants and their micro-enterprises can be found in Table 2. Most of the participants were female, and only two were male. Their microenterprises encompass different economic activities, from ice cream making to weaving bags. Most of them, 7 of the 11, have no employees, and the rest have two or more, with one participant having between 8 and 10, depending on the demand for their product. Most of the enterprises have existed between one and five years, although there are three exceptions. Three participants have had their microenterprises for 9, 18 and 15 years, respectively. Finally, most of them have opened their micro-enterprise in a place different from where they were born, due to forced displacement. Only one, Participant 11, opened it in the same place, since she moved abroad after displacement, and when she could return to Colombia, she went back to her hometown.

Table 2 – Characterization of the participants and their micro-enterprises

I.D.	Gender	Activity	# of employees	Birthplace	Place of enterprise	Years it has existed
Participant 1	Female	Hand-made accessories	0	<i>Not disclosed</i>	Ciénaga, Magdalena	2 years
Participant 2	Male	Woven traditional indigenous bags	0	La Guajira	Near Popayán	Between 3 and 4 years
Participant 3	Female	Customized cakes	0	Carmen de Bolívar	Medellín	3 years
Participant 4	Female	Garment making	0	Ipiales	Pasto	5 years
Participant 5	Female	Hand crafting rag dolls and custom pens	0	Carmen de Bolívar	Santa Marta	3 years
Participant 6	Female	Alpargatas (Traditional shoes)	5	Caucasia, Antioquia	Urabá Antioqueño	9 years
Participant 7	Female	Garment making	0	<i>Not disclosed</i>	<i>Not disclosed</i>	18 years
Participant 8	Female	Therapeutic pads	Between 8 and 10	Small town near Rionegro	Rionegro, Antioquia	5 years
Participant 9	Male	Ice cream shop	3	Saravena, Arauca	Medellín	15 years
Participant 10	Female	Thai fried ice cream	2	Putumayo	Pasto	1 year
Participant 11	Female	Tourism souvenirs	2	California, Santander	California, Santander	1 year

6.2. *Self-efficacy and Resilience in the Creation of the Micro-enterprise*

During the phase of creating their micro-enterprise, participants stated different reasons for choosing the specific economic activity they wanted to focus on. These answers were grouped in Table 3, by order of frequency of number of participants that mentioned that reason in their interviews.

Table 3 – Main reasons for choosing to open their microenterprise in a specific economic activity

I.D.	Activity	Love and talent for the activity	Additional income/ economic necessity	Difficult to find another job	Problem to solve / Innovation	Inspiration when traveling abroad	Need to take care of their children	Desire to “surgir” (Rise out)
Participant 1	Hand-made accessories	X	X				X	
Participant 2	Woven traditional indigenous bags	X	X					
Participant 3	Customized cakes	X		X				
Participant 4	Garment making	X						
Participant 5	Hand crafting rag dolls and custom pens	X	X	X				
Participant 6	Alpargatas (Traditional shoes)	X						
Participant 7	Garment making	X	X				X	
Participant 8	Therapeutic pads		X		X	X		
Participant 9	Ice cream shop		X	X				
Participant 10	Thai fried ice cream	X			X			X
Participant 11	Tourism souvenirs				X	X		
Total		7	6	3	3	2	2	1

The two most frequent reasons cited by participants for opening their micro-enterprise in their economic sector were: 1) Because they had a previous love, talent, or experience, with the activity, and 2) Because they needed an additional income, or they had economic necessity. In the case of previous love and talent for the activity, self-efficacy is reflected in participants knowing they are good at a certain activity, and knowing they possess the skills to succeed in it. Participant 5, for example, said that one of the reasons to open her microenterprise, where she built ragdolls from scratch, was because she liked and had been good at crafts since she was a child, stating that

“In general, I really like crafts. It’s like a gift I have had since I was a child, because I learnt how to do crafts since I was in school, literally in primary school. I learned how to embroider, so I always leaned towards crafts, and it is something that I have always liked very much”.

Another participant, number 2, who is part of an indigenous group, and started his microenterprise in traditional indigenous woven bags, explained how the knowledge on how to weave these bags is ancestral and passed down from generation to generation:

“(...) although on most occasions it is the woman the one who weaves, not the man, I learnt it from my grandmas. I had two grandmas, one from the side of an uncle and one from my mother’s side, so they taught me, I mean I learnt by watching them, and I used to weave in secret, without people seeing me. One of them noticed what I was doing, and she was blind, but I told her ‘Mamá Ocha, I want to learn how you do these things’, so she told me ‘alright, I am going to teach you, but you can never tell it was me who taught you’”.

Although for a while he stopped weaving bags, he came back, because, as he claims, “*blood pushes*”, referring to how weaving is in his blood, the knowledge is there, and he came back to it. He opened his micro-enterprise in this area for this reason, once again related to his self-efficacy beliefs, knowing he can do the craft. By participants knowing they are good at something, this reinforces their self-efficacy and their belief that they can take on the endeavor of a microenterprise, but not any microenterprise, one in the field they feel confident in.

In the case of deciding to open a microenterprise because there was a need for additional income, or because there was economic necessity in the household, resilience can be present in their decision to take agency to improve their situation. For example, Participant 1 had previous studies but decided to stop working to take care of her kids. After some time, she thought “*I have to start doing something, to generate an income and help my husband*”. That is when she started her micro-enterprise of hand-made accessories. She acted in a specific environment that shaped her possibilities, since she also claimed she wanted to have a job that allowed her to stay at home with the kids, and owning this micro-enterprise allowed her to do so.

The next two most frequent reasons stated by participants were 1) Because it was difficult for them to find another job, and 2) Because they found a problem they wanted to solve, or they wanted to innovate. In the first case, three participants claimed they had difficulties finding a job in the city they arrived to after being displaced. For example, Participant 3 mentioned how she was first displaced to Bogotá, where she quickly found a job, but due to threats she was displaced again, this time to Medellín, where it was very difficult for her to find a job. In her words, “*Instead I started my enterprise here because it was hard to find a job right away*”. Participant 9, on the other hand, found himself in Medellín also after

displacement, where he tried to get a job in construction, but it was impossible. In this situation, a friend told him of a corner shop they were selling that could be a good business, which he ended up buying. He claimed he later had to sell it, but that it was his first “school” in the enterprise world. Afterwards, he opened his current microenterprise, an ice cream shop. These two cases represent the resilience in these participants, who took agency to overcome their situation. As mentioned in the methodology, resilience is also related to the opportunities a person’s context provides them to choose from. Mainly, their environment seemed to provide participants with two choices for sustenance: either finding a job, which they tried but was difficult, or opening their own business, which they did.

Other participants claimed that they chose their specific microenterprise economic activity because they wanted to innovate, or that they wanted to solve a specific problem they had identified. For example, Participant 10 explained how she used to sell artisanal ice cream with her mother when she was little, however this product became very popular throughout the region and encouraged her to innovate:

“Throughout the years people started to come out with more and more of these types of ice cream and I said well it would be nice to innovate, bring something new, and that was when the idea appeared and I started to investigate new tendencies and I found the stir fried ice cream, or Thai ice cream”.

This shows how self-efficacy, particularly influenced by someone’s past skills and behaviors, can make them take action. This participant had the skills but lacked the resources to buy a machine for this type of ice cream, which for a while kept her from effectively opening her micro-enterprise. As will later be developed in the Challenges section, through the help from the Organization of Ibero-American States, she was able to buy her first machine, and then actually open her business. This is evidence of how both skills and resources are requirements so self-efficacy can allow people to effectively act towards their goals.

Two participants mentioned they got the inspiration for their microenterprise when they were abroad. Participant 11 explained how her inspiration to open her micro-enterprise, where they design and sell tourism souvenirs, came from the time she lived in Italy after being displaced, where they saw the importance of tourism souvenirs. According to her

“(...) that was when this type of enterprise caught our attention, this way of showing the culture was really cool to us. So, with time, when we returned to Colombia, to our land, we started to see that we had very nice things that we always used to miss there, the fauna, the flora, because here it is very different in Colombia to Europe, and we said, well why not do something similar to what is done there, but with our fauna, with our flora, with our culture, and apart from that give it an innovative technological edge, by adding QR codes that bring the person to a little information about the territory”.

The previous knowledge of this type of enterprise, and knowing it had been successful somewhere else, can shape their beliefs that these products might also work in a new context, powering their self-efficacy beliefs.

Another reason identified was opening a micro-enterprise to have a possibility to take care of their children. Two of the participants, both women, mentioned the need to take care of their children as an important reason for their decision. For example, Participant 7 said:

“After I got displaced I had another child, so I had to leave to work without having a family member with whom to leave them, leave them with other people and then being worried about my kids, with who they are with, so that made me say, okay, if I know how to do this (garment making), let’s do this. Well, if I know how to sew, then let’s sew and let’s take care of the children”.

In this case, working on a micro-enterprise that allowed her to stay at home and take care of the children became a priority, to ensure their safety. These women show both resilience and self-efficacy in these decisions, both by knowing their skills and how they can use them to make a living for their families, which reflects self-efficacy, but also being bounded by a specific environment, where they have children, they do not have trusted people or institutions to leave them with, and this shows their resilience, taking agency for their situation in a specific context.

Finally, one of the participants mentioned her desire to “surgir” as a reason for opening her micro-enterprise in that sector. “Surgir” is a colloquial term used in Colombia, which could be translated to “rise out” or “make it”, referring to someone’s desire, usually, to rise out of poverty. Participant 10 used this term constantly. She told the story of how, after being

displaced when she was little, her mom had to work a lot, but how, by selling artisanal ice cream, they started to “surgir”. She did not want to simply get a job at a company and earn minimum wage, therefore she started her micro-enterprise, and she said “*We are going slow, hoping to one day ‘surgir’*”. Showing this desire to make it is a sign of resilience, of taking action to overcome her situation, and although she knows she is bounded by outside factors that make her business grow in a slow manner, she hopes she can make it.

6.3. *Self-efficacy and Resilience in the Benefits Experienced from Owning a Micro-enterprise*

The second results of this thesis refer to the benefits perceived by the participants after opening and running their microenterprise. These benefits are analyzed to determine how they might relate to the participant’s self-efficacy and resilience processes, concluding they might work in a positive feedback loop. These benefits are presented in Table 4 and are organized from most frequent among participants to less frequent.

Table 4 – Benefits from owning a micro-enterprise

I.D.	Activity	Personal growth	Provides an income to live	Doing something they like as work	Time to take care of their family	Meeting other entrepreneurs and people	Deal with trauma	Provide employment opportunities for others	Adquisition of knowledge	Achievement of a dream / Pride
Participant 1	Hand-made accessories	X	X	X	X		X			
Participant 2	Woven traditional indigenous bags	X	X			X	X			X
Participant 3	Customized cakes					X	X		X	
Participant 4	Garment making									
Participant 5	Hand crafting rag dolls and custom pens			X		X			X	X
Participant 6	Alpargatas (Traditional shoes)									
Participant 7	Garment making		X	X	X			X		
Participant 8	Therapeutic pads	X	X		X					
Participant 9	Ice cream shop		X		X			X		
Participant 10	Thai fried ice cream	X		X		X				
Participant 11	Tourism souvenirs	X								
Total		5	5	4	4	4	3	2	2	2

The two most frequent benefits, both mentioned by 5 out of the 11 participants, are 1) The micro-enterprise has contributed to their personal growth and 2) The micro-enterprise provides them with an income to live. The answers categorized under “personal growth” refer

to the benefits stated by participants on how owning an enterprise has made them grow as a person, has made them get to know themselves better, and proof to themselves what they are capable of. For example, Participant 11 highlights how the complexity of an enterprise has resulted in her personal growth. She states how her micro-enterprise

“is something that helps one in a lot of ways, to also grow, not just as a person, but also in an economic, organized and administrative way. I mean that the enterprise, by being so complicated, teaches a lot of things for the personal life too”.

On the other hand, Participant 10 mentions how having an enterprise has benefited her personally: *“In the emotional part, I consider I have learnt to know myself. That us women are capable of achieving a lot of things. In no moment could I have imagined, because we come from a really low situation”.* These answers can relate to participant’s self-efficacy. Owning a microenterprise is very challenging, since it requires different skillsets. This process has increased participant’s sets of skills and beliefs, which can strengthen their levels of self-efficacy, of knowing they can continue with this endeavor.

The other benefit stated by most participants was how their micro-enterprises have provided them with an income to live. Participant 7 claims how owning an enterprise has helped her to survive, saying how it *“is something that allows one to cover one’s expenses and one’s children’s expenses. Yes, an enterprise helps you to survive, and sometimes it helps you to live comfortably”.* This answer can evidence how micro-enterprises can provide resources to live, however in some cases they might not be enough to get people past the point of working to “survive”. Participant 9 mentions how thanks to their micro-enterprise, *“well, we have our house, which we are paying, and obviously our small shop also, which we are paying”.* This answer is evidence of how their enterprise has given them the capacity to get indebted, grow, and own property. By providing participants with an income, these microenterprises might strengthen their resilience, by making them less vulnerable to outside shocks and by allowing them to “negotiate” with their environment and improve the opportunities it provides.

The next most frequent category of benefits is that owning their micro-enterprise has allowed them to work in something they like. 4 out of the 11 participants claimed that this was one of the benefits of owning their micro-enterprise. Participant 10 claims how *“the greatest benefit, well that we sustain ourselves with something we like”.* A similar answer is given by

Participant 1: *“For me, my enterprise means a lot because, first of all, I am doing something I like, because I really like it and enjoy it”*. And Participant 7 develops this answer more by stating how

“One falls in love with the job, at least for me, I do the job with such love, that at the end of the day, you did work, but you do not feel exhausted, so overwhelmed, because you are doing something you like to do”.

Working in something they like can improve participants self-efficacy by nurturing their personal resources, like motivation, to continue with their microenterprise.

The next category of benefits, stated by 4 out of the 11 participants, was how owning a microenterprise has allowed them to take care of their children. For example, Participant 1 claims that her microenterprise has allowed her *“to be the owner of my time. I manage my own time and I have availability to do my things, to dedicate myself to my daughters”*. Participants 7 and 8 echo this, claiming that having a microenterprise has allowed them to own their time and have time to dedicate to their children. This can benefit them personally, since they do not have to worry about other people looking over their children, and therefore they get motivated to continue in this micro-enterprise that allows them both to have an income and to take care of their kids, positively affecting their self-efficacy, knowing they can continue with the enterprise.

Since all the participants have been victims of displacement, some claimed in their answers how their micro-enterprises have served as a way of therapy for them. For example, Participant 3 stated: *“I started baking more than anything as therapy, the part of decorating the cake”*. After losing his son before the pandemic, Participant 2 highlighted the importance of weaving to process his grief: *“I focused more and more to not be thinking of his absence. So that was what helped me most during the pandemic, weaving”*. Doing manual things can serve as a therapeutic process for victims, and can in turn impact their resilience, by helping them overcome their situation and grief their losses.

Highlighting the importance of networks in the entrepreneurship process, some participants mentioned how having a microenterprise has allowed them to meet new people and other entrepreneurs. Participant 2 mentions how *“it is incredible to share and be in fairs, to meet other entrepreneurs, all of those things are beautiful, they help a lot”*. Participant 10 claims

how she has a network of other entrepreneur women with whom she shares any opportunity she finds. Participant 5 is in a network of entrepreneurs in her city, where they have challenges to grow their businesses. She claims how that has helped her a lot. Having a network can impact the self-efficacy and resilience of these participants: on one hand, it provides additional social resources to strengthen their microenterprise and on the other, it broadens the environment of victims, which can offer them more opportunities for success.

Other participants claimed how a benefit from owning their microenterprise has been being able to provide employment opportunities to others. Participant 9, for example, generates in total three jobs: two women that help in the shop, and a man that does the deliveries. He takes great pride in this, *“for me this enterprise is very nice, because I am generating employment”*. Although other participants have not yet been able to generate jobs, there does seem to be a general idea of this being one of their main goals. For example, Participant 10 says *“I know that I am going slow, really slow, but the idea is to never stop and someday reach my dream of creating a company, of generating employment, of helping my community, my people”*. Creating jobs is a sign of success of an enterprise, which might boost the self-efficacy of the person, knowing they are on “the right track”, and motivating them to continue.

Participant 3 and Participant 5 mentioned that owning a microenterprise has benefited them by making them acquire new knowledge. For example, Participant 3, who owns a microenterprise that does custom cakes, said how she has had the opportunity to get training in several areas:

“I have had, through my enterprise, the opportunity to train in various areas. In the area of gastronomy I have received some training, in the financial area, in the commercialization of products, in the digital area”.

Participant 5 also shares this view, claiming how owning an enterprise has allowed her to participate in trainings that without an enterprise she would have missed. New knowledge, particularly in terms of how to run an enterprise, can serve in turn to broaden the skills of participants, feeding their self-efficacy, and making them more confident that they can make it work.

Finally, two of the participants highlighted how owning their micro-enterprise has been like a dream come true. Participant 2, for example, claims how owning his micro-enterprise is “a

dream that I had wanted to create for a long time, and I achieved it". Participant 5, on the other hand, refers to the pride she has felt with her micro-enterprise, particularly when she shipped one of her dolls internationally: *"I have sold a lot of dolls, I had the opportunity to send one to Canada and for me that was, wow, because I said, that one of my dolls has gotten to Canada, that is tremendous progress"*. Achieving a dream, despite the challenges, can result in a sense of pride, which can in turn increase people's self-efficacy and resilience, knowing they have the ability to overcome their situation.

In conclusion, participants have experienced different benefits from owning a micro-enterprise. These benefits can have the ability to contribute to the participant's sense of self-efficacy and resilience, which can in turn strengthen their commitment to their microenterprise.

6.4. Self-efficacy and Resilience in the Perceived Challenges from Owning a Micro-enterprise

Apart from benefits, owning a micro-enterprise also comes with its challenges. In this section, these will be presented. A summary can be found in Table 5. The categories are organized by frequency of the participants who mentioned each of them in their answers.

Table 5 – Challenges from owning a micro-enterprise

I.D.	Activity	Lack of resources	Getting clients	Unstable earnings and amount of work	Difficulties with digital marketing	External conditions/ Increase in raw materials cost	Not having a place to show their products	Lack of training opportunities	Stress
Participant 1	Hand-made accessories								
Participant 2	Woven traditional indigenous bags	X							
Participant 3	Customized cakes	X	X	X	X				
Participant 4	Garment making					X			
Participant 5	Hand crafting rag dolls and custom			X	X				
Participant 6	Alpargatas (Traditional shoes)								
Participant 7	Garment making			X					X
Participant 8	Therapeutic pads		X						
Participant 9	Ice cream shop	X			X	X			
Participant 10	Thai fried ice cream	X					X	X	
Participant 11	Tourism souvenirs	X	X			X	X	X	
Total		5	3	3	3	3	2	2	1

The challenge that most participants, 5 out of the 11, have faced from owning a microenterprise is the lack of resources. In this case, lack of resources refers to lack of capital to start the business, lack of economic resources to invest in the micro-enterprise to foster its growth, and lack of raw materials for products. Participant 10 highlights this issue:

“Another obstacle is the lack of resources, because from the beginning we don’t have the machinery we need, but thank God, sometimes, some entities, like Texmodas, the Organization of Ibero-American States, the Chamber of Commerce and some governmental entities have helped us in some enterprises”.

She had the idea of selling Thai-ice creams, but she needed specific machinery that was very expensive, and she could not afford. Through a training program with the Organization of Ibero-American States she was given the machine, and she then could start her business. Participant 2 mentions that sometimes it is hard to find the raw materials he needs to weave his bags, since he needs specific kinds of cotton threads, that sometimes can only be found in Bogotá, and he lives far away. Participant 11 mentions how *“sometimes there is also a lack of a good economic capital to invest, an input to buy the machineries one needs. Those are some limitations that one as an entrepreneur has”*. This lack of resources can impact participant’s self-efficacy, since, if they do not have the right economic resources, it will be hard for them to continue their endeavor, and act on their beliefs that they can make it as entrepreneurs.

The next two most frequent challenges were 1) getting clients and 2) unstable earnings and amount of work. Both were mentioned by 3 out of the 11 participants. In the case of difficulty finding clients, Participant 3 mentions how it was particularly difficult to find clients in the beginning, to get others to know her product. This lack of visibility and clients can affect owner’s sense of self-efficacy by making them question themselves, if they cannot sell what they aimed for. However, when faced with this challenge, participants showed resilience to overcome it. Participant 3 claims how, when she lacked clients, she started to take note of clients that had asked for cakes for special celebrations, and she would write them via WhatsApp when this date was about to happen again, to see if this time they also wanted a cake. This increased her number of orders, and through the recommendations of other clients, she increased her customer base. This seems to show how although challenges can impact

participant's self-efficacy, their resilience can in turn make them develop strategies to overcome the challenges they are facing.

Another of the challenges mentioned by participants was the unstable amounts of work and unstable earnings from their microenterprises. Unstable earnings can hinder people's resilience, since they do not have a stable financial situation in which to rely on when there is a shock. Participant 5 mentioned this as one of her main challenges. She said how

“it is not easy, having a microenterprise is not easy, (...) There is an instability because maybe today or one month you have really good sales and the next month turns out that you crash and the sales weren't what you were expecting them to be”.

This instability can affect people's self-efficacy, by making them question themselves and their microenterprise. Participant 3 also encountered this issue: *“in the enterprise well I don't have work every day, therefore there are weeks in which there is work almost every day, more than anything in the weekends, as there are weeks where there is none”.* Some participants countered this challenge by having other jobs. For example, Participant 3 states that her income does not only come from her enterprise, but she also works with product catalogues. This is a strategy to overcome the challenges presented by owning a microenterprise, and it can be seen as a sign of resilience and of how someone's environment shapes their choices to overcome their situation.

The next challenge is related to the participant's difficulty to use digital marketing and social media. Participants are aware of the importance of this tool for the success of their businesses, however many claim to be very bad at it. For example, Participant 5 states *“I still have a hard time using social media, some issues, especially on Instagram, that is more complicated, but oh well, I always look for help from my son”.* Once again, even though social media poses a challenge, the microentrepreneur finds a way to deal with this challenge. In this case, the importance of family is shown, particularly from younger members who are more technologically savvy. Support from family and close ones can help people overcome challenges, strengthening their resilience.

Other participants refer to external conditions, like landslides and bad roads, as challenges for their microenterprise, since they increase the cost of raw materials. Participant 11 lives in a municipality with bad roads, and she explains how *“it is a little bit complicated, our*

transport costs of the souvenirs from municipality to municipality rise, because the roads are not in good state, sometimes they collapse". Participant 4 lives in Pasto, a city that suffered a landslide that increased the cost of raw materials, like fabric, which she needed for her micro-enterprise. Due to this, she had to start working part-time in a restaurant to make an income. Participant 9 also mentioned the rise of the costs of the raw materials for his shop, and how this resulted on him having to raise the cost of his products, decision that was difficult for him to make. An increase in raw materials might impact owner's sense of self-efficacy, since they do not know if they will have the resources necessary to keep their business afloat. These two participants evidence how resilience and self-efficacy can be present in trying to overcome these challenges. On one hand, finding another job can be a sign of resilience, knowing that the microenterprise might not be working for now, but income can be gained somewhere else. On the other, increasing costs even if it means losing customers, can evidence self-efficacy, since the owner trusts himself and his business to continue even after this decision is made.

Other participants state how not having a physical place to show their products is a challenge. Participant 10, for example, claims a need for more spaces like fairs, so she can show off her products. Participant 11, on the other hand, desires to have a physical selling point, where she can serve her customers. A lack of a physical selling point can act as a barrier to increase sales, since new clients are harder to find. This can, in turn, affect people's self-efficacy, by providing them with less resources to continue with their microenterprises, but also their resilience, by reducing the opportunities they have to overcome their situation.

Finally, participants mentioned lack of training opportunities and stress as challenges in their microenterprise. Regarding a lack of training opportunities, Participant 11 says how one of the challenges she has faced is *"the difficulty to find trainings that are cheaper. Almost everything requires payment, and what one gets with free training, is a bit complicated"*. Participant 10 also mentions her desire to access more trainings. She states how she had to choose between working and studying, so she could never finish her studies. More knowledge can increase the skills of microenterprise owners, so they can better manage their business, which improves self-efficacy. Therefore, not having access to training opportunities might affect their self-efficacy, by not making them have all the skills required to be successful. In the case of stress, only one participant, number 7, mentioned this as an issue. Her enterprise

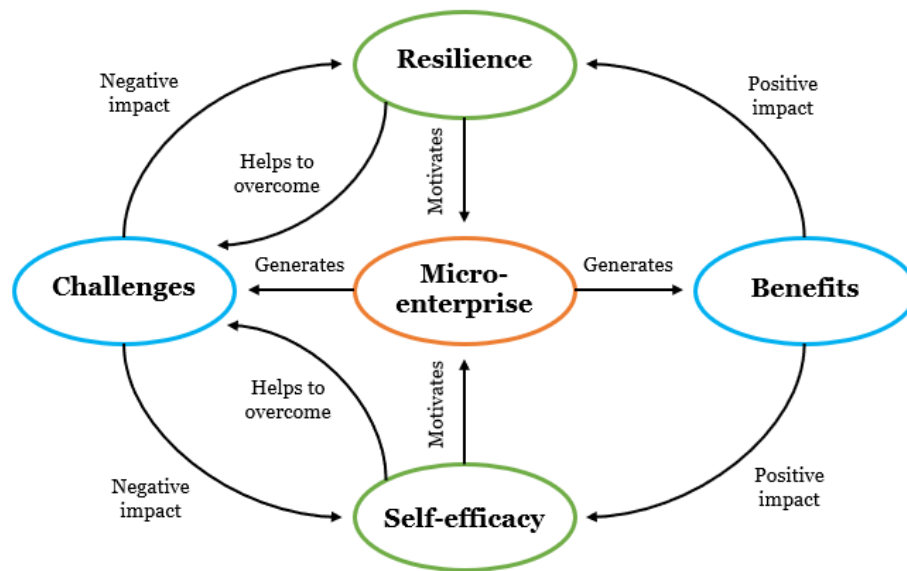
is in the garment making sector, and it can be stressful: “*This business is very demanding and too stressful*”. Stress can impact one’s sense of self-efficacy by impacting behavior, making the activity less attractive, and questioning whether it can be achieved.

In conclusion, challenges can impact people’s self-efficacy and resilience, by making them less sure of their goals, and by making it harder for them to overcome their situation. However, participant’s demonstrate how, through different strategies, they have persisted through the challenges, evidencing the involvement of self-efficacy in this process.

7. Discussion

Going back to the main research question: “How are non-cognitive skills involved in the creation and consolidation of micro-enterprises among victims of forced displacement in Colombia?”, the findings offer an insight on self-efficacy and resilience as fluent mechanisms related to the creation and consolidation of micro-enterprises of victims of forced displacement in the country. The relationship between self-efficacy, resilience and micro-enterprises does not seem to be in one direction, but in many, as shown in Figure 2. It is found that participant’s self-efficacy and resilience can be key non-cognitive skills that might be involved in the process of micro-enterprise creation and are in turn affected by the challenges and benefits that arise from running said micro-enterprise. It is important to highlight once again how self-efficacy and resilience are not static terms, but fluent capabilities that can be strengthened and developed (Benight and Cieslak, 2011; Walsh, 2020).

Figure 2: Relations between resilience, self-efficacy and micro-enterprises.



The main relations identified in the findings were three. First, self-efficacy and resilience can be involved in the decision-making process of participants when deciding to open a micro-enterprise and which activity to open it in. This echoes the results of Guzmán et al (2022), who concluded that women victims of the armed conflict used enterprises as a resilience tool to rise out of their vulnerable situation. Bernard and Barbosa (2016) also addressed the importance of resilience in the decision to start an enterprise, and claimed that although it was not an essential skill every entrepreneur needs to have, it does provide a person with certain attitudes that might ease the process. In the case of self-efficacy, the findings reflect the results of Zhao et al (2005), who claimed self-efficacy could play a mediating role when deciding to open an enterprise.

Participants mentioned several reasons that guided their decision-making process when creating their micro-enterprise. Considering only two themes “additional income” and “difficulty finding a job” are related to creating the enterprise only for economic gain, it can be said that non-monetary aspects also played an important role for these participants during this process. For Hurst and Pugsley (2010), non-monetary factors are important to understand entrepreneurship, however their study was based in the Global North. The findings of this

thesis show that, at least in this specific case, located in the Global South, non-monetary aspects are also relevant for choosing to open a micro-enterprise.

The second relation shows how the benefits resulting from owning a micro-enterprise can strengthen participant's self-efficacy and resilience, by providing them with assurance that they can make the enterprise work, and by helping them overcome their adverse situation and the challenges they face. This, in turn, can impact their performance and commitment to their micro-enterprise. This can be considered a positive "feedback loop". This offers a novel proposition, since most of the research I found on self-efficacy and resilience focuses on how these factors can impact enterprise success, but not how enterprise success can in turn impact owner's sense of self-efficacy and resilience.

In general, the benefits experienced by participants point towards micro-enterprises as an income-generating activity that provides more than just economic benefits to their lives. For participants, owning a micro-enterprise has meant achieving a dream, has allowed them to stay home and take care of their children, and has increased their personal growth. These findings seem to echo literature on the non-monetary benefits of entrepreneurship. Benz (2009) argues that the different non-monetary benefits that entrepreneurship brings people are related to why people end up choosing entrepreneurship over employment. Although this paper is also based in Global North countries, the findings in this thesis show similar results.

The third relation found shows how the challenges that result from owning a micro-enterprise can weaken participant's self-efficacy and resilience, for example by decreasing their resources and therefore impacting their ability of knowing they can continue with their micro-enterprise. This can act as a negative "feedback loop". However, an interesting process appears. Through different strategies, participants use their self-efficacy and resilience to overcome some of these challenges. In doing so, self-efficacy and resilience can be present. High levels of self-efficacy mean participant's know they have the capabilities to overcome challenges (Duarte *et al.*, 2019). For Chadwick and Raver (2020) resilience can help new entrepreneurs to become less vulnerable to challenges and stressful situations. For Cely and Egas (2020) the worst part about challenges during the entrepreneurship process are not the

challenges themselves, but getting stuck in them, without being able to trust your abilities to overcome them. Many of these participants prove that they do trust their abilities and they can overcome the challenges they face.

The challenges participants have faced when owning their micro-enterprises are mostly related to resources, like lack of capital to grow their business, an increase in the price of raw materials, and lack of training opportunities. There are also challenges that are completely out of their control, like roads in bad condition. Participants have overcome these challenges through different strategies, showing their resilience and self-efficacy. Although non-cognitive skills like these are not the only factors needed for business survival (Martínez, 2018; Chadwick and Raver, 2020), they can be positive for the entrepreneurship process. Understanding this, micro-enterprise development programs can start focusing on helping owners overcome the challenges that might be out of their reach, so they do not turn into barriers for the success of their micro-enterprise.

By providing micro-entrepreneurs with the resources to own their first machines, or by providing training courses, participants can be benefited in two ways: first, it will give them the resources needed to overcome certain challenges that could turn into barriers for micro-enterprise success, and, second, it can strengthen their sense of self-efficacy and resilience, key skills that could make them continue in their micro-enterprise process. In a country like Colombia, where forced displacement continues to be an issue, understanding the entrepreneurship process better, including the role of non-cognitive skills, is essential to strengthen the future professional projects of victims of displacement that need to make an income in vulnerable situations. This thesis contributes to the micro-enterprise development literature by offering the perspective from the micro-entrepreneur's side. Understanding their experience and their needs frames development not as a top-down approach, but rather as one that creates interventions around the needs of participants (Hammett, Twyman and Graham, 2014).

Finally, the findings presented in this thesis only encompass a portion of the answers made by participants during the interviews. Due to the scope of this thesis, some answers could not

be included, but could be interesting for future research. For example, family seemed to play a very important role in many of the micro-entrepreneur's lives, both in helping them to run the business and to help them improve their skills. Also, the role of women, and their unique experience as entrepreneurs could be another interesting research, to understand the particular benefits and challenges they have faced in this process.

8. Conclusion

Considering the specific case of Colombia, where it is a reality that micro-enterprises account for the vast majority of businesses, where the government for years has enacted policies to strengthen them, hand in hand with the international development community, and where millions of victims of forced displacement find themselves in vulnerable situations, in need of a job, fully comprehending the entrepreneurship process is necessary to develop the right interventions for this population. This thesis provides an insight on how non-cognitive skills, particularly self-efficacy and resilience, can be crucial both in the creation and consolidation of micro-enterprises owned by victims of forced displacement in Colombia.

Forced displacement continues to be a problem in the country. Starting a micro-enterprise might be the only way for many of these victims to make a decent living once they are displaced from their homes, and arrive to new cities, far from their social support network. Considering the high rate of failure of new micro-enterprises in Colombia, it is in the interest of the national government and international actors to develop interventions that might strengthen these enterprises. This thesis finds that non-cognitive skills are crucial for the entrepreneurship process. These skills are fluent in each individual and can be strengthened and weakened. Therefore, it is proposed that micro-enterprise development interventions focus, not just on providing financial resources to micro-entrepreneurs, but workshops and trainings to strengthen their non-cognitive skills, like self-efficacy and resilience.

Word Count: 14.844 words

List of References

- Agudelo, G.D.V., Polanco, J.D.M. and Mejía, D.L. (2019) ‘Desplazamiento forzado y mercado laboral en las principales ciudades de Colombia’, *Sociedad y Economía* [Preprint], (37). Available at: <https://doi.org/10.25100/sye.v0i37.6203>.
- Alattar, J.M., Kouhy, R. and Innes, J. (2009) ‘Management accounting information in micro enterprises in Gaza’, *Journal of Accounting & Organizational Change*, 5(1), pp. 81–107. Available at: <https://doi.org/10.1108/18325910910932223>.
- Aliaga Sáez, F.A., Olmos Alcaraz, A. and Duarte Castro, C. (2017) ‘La dignidad en el retorno de las víctimas del conflicto armado en Colombia’. Available at: <https://doi.org/10.12795/anduli.2017.i16.06>.
- Alianza para la Inclusión Laboral (2022) *Informe Nacional de empleo inclusivo INEI 2021-2022 | Programa De Las Naciones Unidas Para El Desarrollo, UNDP*. Available at: <https://www.undp.org/es/colombia/publicaciones/informe-nacional-empleo-inclusivo-inei-2021-2022> (Accessed: 12 April 2023).
- Ayala, J.-C. and Manzano, G. (2014) ‘The resilience of the entrepreneur. Influence on the success of the business. A longitudinal analysis’, *Journal of Economic Psychology*, 42, pp. 126–135. Available at: <https://doi.org/10.1016/j.joep.2014.02.004>.
- Baluku, M.M. *et al.* (2018) ‘Psychological capital and entrepreneurial outcomes: the moderating role of social competences of owners of micro-enterprises in East Africa’, *Journal of Global Entrepreneurship Research*, 8(1), p. 26. Available at: <https://doi.org/10.1186/s40497-018-0113-7>.
- Bandura, A. (1997) *Self-Efficacy: The Exercise of Control*. Worth Publishers.
- Bautista Calderón, Ki.T. (2022) *Inserción laboral en las personas víctimas de desplazamiento forzado debido al conflicto armado en Colombia, en el municipio de Otanche – Boyacá*. Thesis. Corporación Universitaria Minuto de Dios - UNIMINUTO. Available at: <https://repository.uniminuto.edu/handle/10656/15421> (Accessed: 15 May 2023).
- Beck, T., Demircuc-Kunt, A. and Levine, R. (2005) ‘SMEs, Growth, and Poverty: Cross-Country Evidence’, *Journal of Economic Growth*, 10(3), pp. 199–229. Available at: <https://doi.org/10.1007/s10887-005-3533-5>.
- Benight, C.C. and Cieslak, R. (2011) ‘Cognitive factors and resilience: How self-efficacy contributes to coping with adversities’, in *Resilience and Mental Health: Challenges Across the Lifespan*. Cambridge University Press.
- Benz, M. (2009) ‘Entrepreneurship as a non-profit-seeking activity’, *International Entrepreneurship and Management Journal*, 5(1), pp. 23–44. Available at: <https://doi.org/10.1007/s11365-006-0031-y>.

Benzing, C. and Chu, H.M. (2009) 'A comparison of the motivations of small business owners in Africa', *Journal of Small Business and Enterprise Development*, 16(1), pp. 60–77. Available at: <https://doi.org/10.1108/14626000910932881>.

Bernard, M.-J. and Barbosa, S.D. (2016) 'Resilience and Entrepreneurship: A Dynamic and Biographical Approach to the Entrepreneurial Act', *M@n@gement*, 19(2), pp. 89–123.

Brandon, A.F. and All, A.C. (2010) 'Constructivism theory analysis and application to curricula', *Nursing Education Perspectives*, 31(2), pp. 89–92.

Bullough, A. and Renko, M. (2013) 'Entrepreneurial resilience during challenging times', *Business Horizons*, 56(3), pp. 343–350. Available at: <https://doi.org/10.1016/j.bushor.2013.01.001>.

Bullough, A., Renko, M. and Myatt, T. (2014) 'Danger Zone Entrepreneurs: The Importance of Resilience and Self-Efficacy for Entrepreneurial Intentions', *Entrepreneurship Theory and Practice*, 38(3), pp. 473–499. Available at: <https://doi.org/10.1111/etap.12006>.

Camfield, L. (2015) 'The Economics of Non-Cognitive Skills', in *The Oxford Handbook of Africa and Economics*. Oxford University Press.

Castiblanco-Castro, C.A. (2020) 'Efectos del desplazamiento forzado sobre el acceso a la educación en Colombia', *Revista de Investigación, Desarrollo e Innovación*, 10(2), pp. 297–310. Available at: <https://doi.org/10.19053/20278306.v10.n2.2020.10214>.

Cely, L.I. and Egas, J.A. (2020) 'El emprendimiento como oportunidad personal y social', *Travesía Emprendedora*, 4(2), pp. 101–104.

Chadwick, I.C. and Raver, J.L. (2020) 'Psychological Resilience and Its Downstream Effects for Business Survival in Nascent Entrepreneurship', *Entrepreneurship Theory and Practice*, 44(2), pp. 233–255. Available at: <https://doi.org/10.1177/1042258718801597>.

Chen, C.C., Greene, P.G. and Crick, A. (1998) 'Does entrepreneurial self-efficacy distinguish entrepreneurs from managers?', *Journal of Business Venturing*, 13(4), pp. 295–316. Available at: [https://doi.org/10.1016/S0883-9026\(97\)00029-3](https://doi.org/10.1016/S0883-9026(97)00029-3).

Colombia Productiva (2018) *Proyectos de Colombia Productiva para el sector Manufacturas - Vivimos pacíficamente*. Available at: <https://www.colombiaproductiva.com/ptp-servicios/ptp-proyectos/manufacturas/vivimos-pacificamente> (Accessed: 9 May 2023).

Colombia Productiva (2023) *3.000 tenderas recibirán formación para aumentar ingresos*, *Noticias*. Available at: <https://www.colombiaproductiva.com/ptp-comunica/noticias/3-000-tenderas-recibiran-formacion-para-aumentar-i> (Accessed: 10 July 2023).

Comisión de la Verdad (2022) *Hallazgos y Recomendaciones, Informe Final - Comisión de la Verdad*. Available at: <https://www.comisiondelaverdad.co/hallazgos-y-recomendaciones-1> (Accessed: 6 April 2023).

Confecámaras (2016) 'Nacimiento y supervivencia de las empresas en Colombia'. Confecámaras - Red de Cámaras de Comercio.

Congreso de Colombia (2011) *Ley 1448 de 2011*.

Contreras, S.A. (2022) 'One size does not fit all: evaluating the impact of microenterprise measurement on policy evaluation', *The Annals of Regional Science*, 68(3), pp. 587–613. Available at: <https://doi.org/10.1007/s00168-021-01094-7>.

Correa, F., Leiva, V. and Stumpo, G. (2020) 'Mipymes y heterogeneidad estructural en América Latina', in *Mipymes en América Latina: un frágil desempeño y nuevos desafíos para las políticas de fomento*.

Correa Montoya, L. *et al.* (2018) 'La vejez que nadie imaginó: afectaciones a la preparación económica de las personas mayores de hoy y del mañana en el marco del conflicto armado en Colombia', *Revista de Derecho*, (50), pp. 187–216. Available at: <https://doi.org/10.14482/dere.50.0008>.

Corte Constitucional de Colombia (2004) *Sentencia T-025/04*.

Cortés, P.M. (2013) 'LEY DE VÍCTIMAS Y RESTITUCIÓN DE TIERRAS EN COLOMBIA EN CONTEXTO', *FDCL & TNI* [Preprint].

Creswell, J. (2007) *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*. SAGE Publications.

DANE (2022) 'Directorio Estadístico de Empresas 2019 - 2021'.

DANE (2023) 'Encuesta de Micronegocios (EMICRON) IV Trimestre de 2022'.

Darwin Holmes, A.G. (2020) 'Researcher Positionality - A Consideration of Its Influence and Place in Qualitative Research - A New Researcher Guide', *Shanlax International Journal of Education*, 8(4), pp. 1–10. Available at: <https://doi.org/10.34293/education.v8i4.3232>.

Deller, S.C. (2010) 'Spatial Variations in the Role of Microenterprises in Economic Growth', *Review of Regional Studies*, 40(1), pp. 71–79. Available at: <https://doi.org/10.52324/001c.8161>.

Dignard, L. (2021) *Women In Micro- And Small-scale Enterprise Development*. Routledge.

Duarte, A.A. *et al.* (2019) 'Micro enterprises, self-efficacy and knowledge acquisition: evidence from Greece and Spain', *Journal of Knowledge Management*, 23(3), pp. 419–438. Available at: <https://doi.org/10.1108/JKM-02-2018-0118>.

El Espectador (2023) *Petro asegura que no hay recursos para cumplir el Acuerdo de Paz ni para víctimas*, *El Espectador - Redacción Colombia + 20*. Available at: <https://www.elespectador.com/colombia-20/paz-y-memoria/petro-afirma-que-no-hay-dinero-para-acuerdo-de-paz-ni-para-indemnizar-a-victimas-del-conflicto/> (Accessed: 9 May 2023).

Ellsberg, M. and Heise, L. (2005) *Researching violence against women: a practical guide for researchers and activists*. Geneva, Switzerland: Washington, DC: World Health Organization ; Program for Appropriate Technology in Health (PATH).

Etikan, I., Musa, S.A. and Alkassim, R.S. (2016) ‘Comparison of Convenience Sampling and Purposive Sampling’, *American Journal of Theoretical and Applied Statistics*, 5(1), p. 1. Available at: <https://doi.org/10.11648/j.ajtas.20160501.11>.

Feldman, G. (2019) ‘Neoliberalism and poverty: An unbreakable relationship’, in.

Fereday, J. and Muir-Cochrane, E. (2006) ‘Demonstrating Rigor Using Thematic Analysis: A Hybrid Approach of Inductive and Deductive Coding and Theme Development’, *International Journal of Qualitative Methods*, 5(1), pp. 80–92. Available at: <https://doi.org/10.1177/160940690600500107>.

Fondo Emprender (2022) *Fondo Emprender - Línea Crecer*. Available at: <https://www.fondoemprender.com/SitePages/FondoEmprenderLineaCrecer.aspx> (Accessed: 9 May 2023).

Gebreeyesus, M. (2011) ‘Innovation and Microenterprise Growth in Ethiopia’, in *Entrepreneurship, Innovation, and Economic Development*. Oxford University Press.

Global Entrepreneurship Monitor (2023) *Global Entrepreneurship Monitor 2022/2023 Global Report Adapting to a “New Normal”*. London: Global Entrepreneurship Research Association.

Grigsby, M., Jeanetta, S. and Jivetti, B. (2015) ‘Benefits and challenges of micro-enterprise participation: women’s cottage industry in Kaimosi, Kenya’, *Development in Practice*, 25(8), pp. 1146–1159. Available at: <https://doi.org/10.1080/09614524.2015.1081675>.

Guba, E.G. (1990) *The Paradigm Dialog*. Thousand Oaks, CA, US: Sage Publications, Inc (The paradigm dialog), p. 424.

Guzmán, J.A. *et al.* (2022) ‘EL EMPRENDIMIENTO SOCIAL COMO FUENTE DE RESILIENCIA EN LAS MUJERES COLOMBIANAS VICTIMAS DEL CONFLICTO ARMADO’, *Palermo Business Review* [Preprint].

Guzmán, L.N.R. (2020) ‘¿Por qué el Gobierno les falla a los desplazados en Colombia? Una explicación causal del resultado de la política pública de atención a desplazados en su componente de estabilización socioeconómica’, *Reflexión Política*, 22(44), pp. 121–133. Available at: <https://doi.org/10.29375/01240781.3824>.

Hammett, D., Twyman, C. and Graham, M. (2014) *Research and Fieldwork in Development*. London: Routledge. Available at: <https://doi.org/10.4324/9780203649107>.

Hancock, D.R. and Algozzine, R. (2006) *Doing case study research: a practical guide for beginning researchers*. New York: Teachers College Press.

Hart, A. *et al.* (2016) ‘Uniting Resilience Research and Practice With an Inequalities Approach’, *SAGE Open*, 6(4), p. 2158244016682477. Available at: <https://doi.org/10.1177/2158244016682477>.

Heckman, J.J. and Rubinstein, Y. (2001) ‘The Importance of Noncognitive Skills: Lessons from the GED Testing Program’, *The American Economic Review*, 91(2), pp. 145–149.

Hipsher, S.A. (2021) ‘Microentrepreneurial Motivations and Perceived Benefits in Laos’, in D. B. Morais (ed.) *Tourism Microentrepreneurship*. Emerald Publishing Limited (Bridging Tourism Theory and Practice), pp. 27–37. Available at: <https://doi.org/10.1108/S2042-144320210000012003>.

Hobfoll, S.E. *et al.* (2021) ‘Five Essential Elements of Immediate and Mid-Term Mass Trauma Intervention: Empirical Evidence.’, *Psychiatry*, 84(4), pp. 311–346. Available at: <https://doi.org/10.1080/00332747.2021.2005387>.

Human Rights Watch (2023) ‘Colombia: Eventos de 2022’, in *Informe Mundial 2023*. Available at: <https://www.hrw.org/es/world-report/2023/country-chapters/colombia> (Accessed: 10 April 2023).

Hurst, E.G. and Pugsley, B.W. (2010) ‘Non Pecuniary Benefits of Small Business Ownership’.

Ibañez, A. and Moya, A. (2006) ‘¿CÓMO EL DESPLAZAMIENTO FORZADO DETERIORA EL BIENESTAR DE LOS HOGARES DESPLAZADOS?: ANÁLISIS Y DETERMINANTES DEL BIENESTAR EN LOS MUNICIPIOS DE RECEPCIÓN’.

Ibañez, A.M. and Moya, A. (2007) ‘La población desplazada en Colombia: Examen de sus condiciones socioeconómicas y análisis de las políticas actuales, 2007’, *Departamento Nacional de Planeación* [Preprint].

Ifejika Speranza, C., Wiesmann, U. and Rist, S. (2014) ‘An indicator framework for assessing livelihood resilience in the context of social–ecological dynamics’, *Global Environmental Change*, 28, pp. 109–119. Available at: <https://doi.org/10.1016/j.gloenvcha.2014.06.005>.

Jones, S.R. (2004) *Legal Guide to Microenterprise Development*. American Bar Association.

Juárez, F. and Guerra, Á. (2011) ‘Características socioeconómicas y salud en personas pobres y desplazadas’, *Psicología: Teoría e Pesquisa*, 27(4), pp. 511–519. Available at: <https://doi.org/10.1590/S0102-37722011000400016>.

Kantor, P. (2002) ‘Gender, Microenterprise Success and Cultural Context: The Case of South Asia’, *Entrepreneurship Theory and Practice*, 26(4), pp. 131–143. Available at: <https://doi.org/10.1177/104225870202600408>.

Karides, M. (2015) ‘Theorizing the Rise of Microenterprise Development in Caribbean Context’, *Journal of World-Systems Research*, 16, p. 192. Available at: <https://doi.org/10.5195/jwsr.2010.438>.

- Kazungu, I. *et al.* (2014) ‘Improving Livelihoods through Micro and Small Agribusiness Enterprises: Analysis of Contributions, Prospects and Challenges of Nursery Gardens in Arusha Tanzania’, *European Journal of Business and Management* [Preprint].
- Khan, M.S. and Sepulveda, L. (2022) ‘Conflict, displacement, and economic revival: The case of the internally displaced minority entrepreneurs in Pakistan’, *Strategic Change*, 31(4), pp. 461–477. Available at: <https://doi.org/10.1002/jsc.2515>.
- Kibris, A. and Nelson, P. (2021) ‘Individual exposure to armed conflict and entrepreneurship’.
- Kolade, O. (2018) ‘Venturing under fire: Entrepreneurship education, venture creation, and poverty reduction in conflict-ridden Maiduguri, Nigeria’, *Education + Training*, 60(7/8), pp. 749–766. Available at: <https://doi.org/10.1108/ET-08-2017-0124>.
- Korber, S. and McNaughton, R.B. (2017) ‘Resilience and entrepreneurship: a systematic literature review’, *International Journal of Entrepreneurial Behavior & Research*, 24(7), pp. 1129–1154. Available at: <https://doi.org/10.1108/IJEBR-10-2016-0356>.
- Koster, S. and Rai, S.K. (2008) ‘Entrepreneurship and Economic Development in a Developing Country: A Case Study of India’, *The Journal of Entrepreneurship*, 17(2), pp. 117–137. Available at: <https://doi.org/10.1177/097135570801700202>.
- Kothari, P. (2019) ‘Non-Cognitive Skill: A Driving Force for Entrepreneurship’, in. IMPACT: International Journal of Research in Humanities, Arts and Literature (1). Available at: <https://www.semanticscholar.org/paper/NON-%E2%80%93COGNITIVE-SKILL%3A-A-DRIVING-FORCE-FOR-Kothari/768f8e801b13fb9db11520fb837b8ec97c909084> (Accessed: 1 August 2023).
- Ladino, E.J. (2021) ‘Articulación y coordinación interinstitucional y regional en la implementación de programas de generación de ingresos dirigidos a poblaciones víctima del desplazamiento forzado en la Unidad para las Víctimas’. Available at: <https://repositorio.uniandes.edu.co/handle/1992/53495> (Accessed: 16 May 2023).
- Lee, S.S. (2023) ‘Entrepreneurship for all? The rise of a global “entrepreneurship for development” agenda, 1950–2021’, *World Development*, 166, p. 106226. Available at: <https://doi.org/10.1016/j.worlddev.2023.106226>.
- Lippmann, S., Davis, A. and Aldrich, H. (2005) ‘Entrepreneurship and Inequality’, *Research in the Sociology of Work*, 15, pp. 3–31. Available at: [https://doi.org/10.1016/S0277-2833\(05\)15002-X](https://doi.org/10.1016/S0277-2833(05)15002-X).
- Maca, D. and Molina, N. (2017) ‘Subjetividades Emergentes A Partir Del Emprendimiento Como Forma De Gubernamentalidad: Una Aproximación Desde El Análisis De Discurso De La Política Pública De Emprendimiento En Colombia’.
- Macías, J.F. (2012) ‘Ciudadanos Emprendedores en Medellín’, *Universidad de Antioquia* [Preprint].

- Mamun, A.A. *et al.* (2016) 'Entrepreneurial Competencies and Performance of Informal Micro-Enterprises in Malaysia', *Mediterranean Journal of Social Sciences*, 7(3), p. 273.
- Manzur, J.C.M. and García, L.M. (2016) 'Colombia Y La Situación De Los Desplazados Y Refugiados: Consideraciones Teórico Jurídicas', *Aldea Mundo*, 21(42), pp. 19–32.
- Martínez, C.M. (2018) 'Factores De Orden Personal Y Familiar En El Emprendimiento De Mujeres Microempresarias De La Ciudad De Sincelejo, Sucre', *Universidad del Norte* [Preprint].
- Martínez, W.F.R. *et al.* (2022) 'Procesos de emprendimiento construidos por población víctima del conflicto armado: La experiencia en Cauca, Colombia', *Revista de Ciencias Sociales (Ve)*, XXVIII(2), pp. 137–148.
- Masten, A.S. (2015) *Ordinary Magic: Resilience in Development*. Guilford Publications.
- McCulloch, H. (2017) 'Closing the Women's Wealth Gap', *e Closing the Women's Wealth Gap (CWWG) initiative* [Preprint].
- Meertens, D. (2005) 'The Nostalgic Future: Terror, Displacement and Gender in Colombia', in *Victims, perpetrators or actors?: gender, armed conflict and political violence*. Zed Books.
- Midgley, J. (2008) 'Microenterprise, global poverty and social development', *International Social Work*, 51(4), pp. 467–479. Available at: <https://doi.org/10.1177/0020872808090240>.
- MinComercio (2023) *Mincomercio, Bavaria y Fenalco lanzan iniciativa para impulsar micronegocios de 3.000 mujeres víctimas del conflicto*, MINCIT. Available at: <https://www.mincit.gov.co/Prensa/Noticias/Industria/Mujeres-Mas-Productivas-2023-impulsa-micronegocios> (Accessed: 9 May 2023).
- Ministerio de Comercio, Industria y Turismo (2019) *MinComercio e iNNpulsa lanzan programa para apoyar a población víctima de desplazamiento forzado*, MINCIT. Available at: <https://www.mincit.gov.co/Prensa/Noticias/Industria/MinComercio-e-iNNpulsa-apoyan-poblacion-desplazada> (Accessed: 10 July 2023).
- Naituli, G., Wegulo, F.N. and Kaimenyi, B. (2008) 'Entrepreneurial characteristics among micro and small- scale Women owned enterprises in North and Central Meru districts, Kenya.', *Nova Scotia* [Preprint].
- Netten, J.C.M. and Van de Donk, M. (2018) 'Enhancing the resilience of victims after terrorist attacks', *RAN Centre of Excellence* [Preprint].
- Ortiz Molano, K.L. (2020) 'Narrativas de emprendimiento víctimas del conflicto armado experiencias en el Fondo Emprender SENA'. Available at: <https://repositorio.unbosque.edu.co/handle/20.500.12495/6655> (Accessed: 3 May 2023).

- Öz, G. and Timur, Ş. (2023) 'Issues of Power and Representation in/of the Local Context: The role of self-reflexivity and positionality in design research', *The Design Journal*, 26(2), pp. 252–269. Available at: <https://doi.org/10.1080/14606925.2022.2088097>.
- Padilla-Angulo, L., Lasarte-López, J.M. and Pozo, P.C.D. (2023) 'Policy evaluations of microenterprise business support services in Latin America: A systematic review', *Evaluation and Program Planning*, 97, p. 102212. Available at: <https://doi.org/10.1016/j.evalprogplan.2022.102212>.
- Pareja, M.C. and Parra, D. (2019) 'Caracterización laboral de los desplazados forzados internos en Colombia', *6to Simposio Internacional de Investigación en Ciencias Económicas, Administrativas y Contables*.
- Paul, M.T. and Devi, U. (2018) 'Exploring the Relationship between Psychological Capital and Entrepreneurial Success'. Rochester, NY. Available at: <https://papers.ssrn.com/abstract=3697083> (Accessed: 14 May 2023).
- Peltier-Bonneau, L. *et al.* (2019) 'Transformación de las emociones en las víctimas del conflicto armado para la reconciliación en Colombia', *Desafíos*, 31(2), pp. 197–229. Available at: <https://doi.org/10.12804/revistas.urosario.edu.co/desafios/a.7283>.
- Presidente de la República de Colombia (2011) *Decreto 4800 de 2011*.
- Qureshi, S. and Kamal, M. (2008) 'Adoption of Information Technology by Micro-enterprises: Insights from a Rural Community'.
- Rabago, P., D'Annunzio, C. and Monserrat, S. (2004) 'EL PERFIL DE MUJERES EMPRENDEDORAS EXITOSAS DE ARGENTINA'.
- Rattana-ananta, P. (2014) 'Non-Cognitive Skills and Labor Market Outcomes: Evidences from Thailand', *School of Development Economics* [Preprint].
- Rodríguez, O. (2015) 'Entrepreneurship and its analysis in Colombia: A contextualized literature review', *Cuadernos de Economía*, 34(SPE66), pp. 605–628. Available at: <https://doi.org/10.15446/cuad.econ.v34n66.49424>.
- Roy, S., Morton, M. and Bhattacharya, S. (2018) 'Hidden human capital: Self-efficacy, aspirations and achievements of adolescent and young women in India', *World Development*, 111, pp. 161–180. Available at: <https://doi.org/10.1016/j.worlddev.2018.07.002>.
- Rutter, M. (2012) 'Resilience: Causal pathways and social ecology', in *The social ecology of resilience: A handbook of theory and practice*. New York, NY, US: Springer Science + Business Media, pp. 33–42. Available at: https://doi.org/10.1007/978-1-4614-0586-3_3.
- Sánchez García, J.C. (2010) 'Evaluación de la Personalidad Emprendedora: Validez Factorial del Cuestionario de Orientación Emprendedora (COE)', *Revista Latinoamericana de Psicología*, 42(1), pp. 41–52.

Schwarzer, R. and Warner, L. (2013) 'Perceived Self-Efficacy and its Relationship to Resilience', in *Resilience in Children, Adolescents, and Adults. The Springer Series on Human Exceptionality*, pp. 139–150. Available at: https://doi.org/10.1007/978-1-4614-4939-3_10.

SENA (2022) *Emprendedores del SENA víctimas del conflicto armado comercializan sus productos en todo el país*. Available at: <https://www.sena.edu.co:443/es-co/Noticias/Paginas/noticia.aspx?IdNoticia=5852> (Accessed: 3 May 2023).

Silva Arias, A.C. and Sarmiento Espinel, J.A. (2013) 'Desplazados forzados y su participación en el mercado laboral colombiano', *Revista Facultad de Ciencias Económicas*, 21(1), p. 167. Available at: <https://doi.org/10.18359/rfce.672>.

Socorro, F.O. and Reyes, G.E. (2020) 'Entrepreneurship and Micro-Enterprise: A Theoretical Approach to its Differences', *Journal of Entrepreneurship Education*, 23(1S), pp. 1–649.

Srimulyani, V.A. and Hermanto, Y.B. (2022) 'Impact of Entrepreneurial Self-Efficacy and Entrepreneurial Motivation on Micro and Small Business Success for Food and Beverage Sector in East Java, Indonesia', *Economies*, 10(1), p. 10. Available at: <https://doi.org/10.3390/economies10010010>.

Stake, R. (1995) *The Art of Case Study Research*. Thousand Oaks, CA: SAGE Publications.

Stake, R. (2003) 'Case Studies', in *Strategies of Qualitative Inquiry*.

Strier, R. and Abdeen, Z. (2009) 'Women's Experiences of Micro-Enterprise: Contexts and Meanings', *Sex Roles*, 61(7–8), pp. 566–579. Available at: <https://doi.org/10.1007/s11199-009-9642-4>.

Tanner, T. *et al.* (2015) 'Livelihood resilience in the face of climate change', *Nature Climate Change*, 5(1), pp. 23–26. Available at: <https://doi.org/10.1038/nclimate2431>.

Turkewitz, J. and Rios, F. (2022) 'En lo profundo de Colombia, una nueva generación de combatientes se enfrenta por lo mismo: el control del tráfico de drogas', *The New York Times*, 20 April. Available at: <https://www.nytimes.com/es/2022/04/20/espanol/colombia-grupos-armados.html> (Accessed: 14 April 2023).

UNDP (2023) *Emprendimiento y empleabilidad para familias rurales víctimas del conflicto armado – DEI Rural Víctimas | Programa De Las Naciones Unidas Para El Desarrollo, UNDP*. Available at: <https://www.undp.org/es/colombia/projects/empleabilidad-familias-rurales-victimas-del-conflicto> (Accessed: 3 May 2023).

Ungar, M. (2012) 'Social Ecologies and Their Contribution to Resilience', in M. Ungar (ed.) *The Social Ecology of Resilience: A Handbook of Theory and Practice*. New York, NY: Springer, pp. 13–31. Available at: https://doi.org/10.1007/978-1-4614-0586-3_2.

Ungar, M. (2013) 'Resilience, Trauma, Context, and Culture', *Trauma, Violence, & Abuse*, 14(3), pp. 255–266. Available at: <https://doi.org/10.1177/1524838013487805>.

Unidad para las Víctimas (2021) *¿Cómo hago para acceder a un programa en el cual me ayuden para un emprendimiento y lograr mi estabilización socioeconómica?*, *Unidad para las Víctimas*. Available at: <https://www.unidadvictimas.gov.co/es/como-hago-para-acceder-un-programa-en-el-cual-me-ayuden-para-un-emprendimiento-y-lograr-mi/61582> (Accessed: 10 July 2023).

Unidad para las Víctimas (2023) *Registro Único de Víctimas (RUV)*, *Unidad para las Víctimas*. Available at: <https://www.unidadvictimas.gov.co/es/registro-unico-de-victimas-ruv/37394> (Accessed: 17 May 2023).

United Nations (1998) ‘Guiding Principles on Internal Displacement’, *Commission on Human Rights* [Preprint]. Available at: <https://doi.org/10.1093/rsq/15.1.123>.

United Nations (2016a) *Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, Sustainable Development Goals*. Available at: <https://sdgs.un.org/goals/goal4> (Accessed: 6 August 2023).

United Nations (2016b) *Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, Sustainable Development Goals*. Available at: <https://sdgs.un.org/goals/goal8> (Accessed: 6 August 2023).

Van Breda, A.D. (2018) ‘A critical review of resilience theory and its relevance for social work’, *Social Work*, 54(1), pp. 1–18. Available at: <https://doi.org/10.15270/54-1-611>.

Varela Villegas, R.O. (2016) ‘Colombia small- and medium-sized enterprise’s 70 years of progress: what’s next?’, *Small Enterprise Research*, 23(3), pp. 302–315. Available at: <https://doi.org/10.1080/13215906.2016.1269241>.

Vecchio, R.P. (2003) ‘Entrepreneurship and leadership: common trends and common threads’, *Human Resource Management Review*, 13(2), pp. 303–327. Available at: [https://doi.org/10.1016/S1053-4822\(03\)00019-6](https://doi.org/10.1016/S1053-4822(03)00019-6).

Vivarelli, M. (1991) ‘The birth of new enterprises’, *Small Business Economics*, 3(3), pp. 215–223. Available at: <https://doi.org/10.1007/BF00400026>.

Vivarelli, M. (2013) ‘Is entrepreneurship necessarily good? Microeconomic evidence from developed and developing countries’, *Industrial and Corporate Change*, 22(6), pp. 1453–1495. Available at: <https://doi.org/10.1093/icc/dtt005>.

Walsh, C.B. (2020) ‘Exploring the Impact of Individual Resilience on Entrepreneurial Success’, 9.

Wessells, M. (2011) ‘The Reintegration of Formerly Recruited Girls: A Resilience Approach’, in D.T. Cook and J. Wall (eds) *Children and Armed Conflict: Cross-disciplinary Investigations*. London: Palgrave Macmillan UK (Studies in Childhood and Youth), pp. 189–204. Available at: https://doi.org/10.1057/9780230307698_12.

Zhao, H., Seibert, S.E. and Hills, G.E. (2005) 'The Mediating Role of Self-Efficacy in the Development of Entrepreneurial Intentions', *Journal of Applied Psychology*, 90(6), pp. 1265–1272. Available at: <https://doi.org/10.1037/0021-9010.90.6.1265>.

Appendix I

Interview guide

Questions

1. Today, we will talk about your micro-enterprise: When did you decide to open it?
2. How is your micro-enterprise called?
3. What does your micro-enterprise do?
4. What made you open your micro-enterprise in this specific economic activity?
5. How many employees do you have?
6. Where did you decide to open your micro-enterprise?
7. What made you open your micro-enterprise in this place (city, town, etc.)?
8. Is this micro-enterprise the only source of income for your home?
9. For you, what does it mean to have a micro-enterprise?
10. What benefits have you perceived from owning a micro-enterprise?
11. What have been the main obstacles when owning a micro-enterprise?
12. What is it that you like most about owning a micro-enterprise?
13. What is it that you least like about owning a micro-enterprise?
14. How do you think your micro-enterprise has impacted your community?
15. What support have you received throughout your micro-enterprise, for example by NGOs, foundations, etc.?
16. (If applicable) What made you apply to these programs?
17. Beyond your microenterprise, in which way did these programs and trainings impact you at a personal level?
18. What have been the most valuable teachings from these programs?
19. What is something that you would improve in these kinds of programs?
20. What is the next step for [Name of the micro-enterprise]?