

STREETWISE STRATEGIES: ENTREPRENEURIAL COMPETENCIES AND FINANCIAL DECISION-MAKING FOR SUSTAINABLE GROWTH AMONG AMBULANT VENDORS

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ABSTRACT: *The study examined at how street vendors in Cantilan, Surigao del Sur decide on their financial resources and how businesslike they are. Uncertain markets and a lack of resources often make things hard for vendors on the street who operate in informal markets. Among them were those with good business knowledge including self-confidence, willingness to take risks, and strategic thinking ability. These skills enable the seamless operation of their businesses. Still, financial decisions are not always made the same way, particularly with issues like reinvestment, which may be related to insufficient funds. A descriptive quantitative design was used, surveying 30 ambulant vendors through structured questionnaires that assessed their demographic profiles, entrepreneurial competencies, and financial decision-making behaviors. Data analysis involved descriptive statistics, Chi-square tests, and Spearman's rho correlation to explore associations between competencies and financial behavior. Findings revealed that vendors possess moderate to high levels of entrepreneurial competencies—especially in financial intelligence and strategic thinking—and demonstrate sound practices in budgeting and income tracking. However, investment behavior remains weak. Statistical tests showed no significant correlations between demographic variables or entrepreneurial competencies and financial decision-making ($p > 0.05$). These results suggest that external factors such as access to financial tools and institutional support may play a more pivotal role than personal traits. The study recommends targeted financial literacy programs and enhanced access to capital to empower informal entrepreneurs toward sustainable growth.*

Keywords: Entrepreneurial competencies, Financial decision-making, Self-competency, Control focus, Financial intelligence, Risk, Strategic thinking, Ambulant vendors

1. INTRODUCTION

In many developing countries, the informal sector serves as a vital economic engine, offering livelihoods to a significant portion of the population who are excluded from formal employment. These vendors sell products and services in public spaces without a permanent store, and they often face challenges like economic instability, limited access to money, and changing customer demands. This study looked into the skills and financial decision-making practices of ambulant vendors to better understand what helps them grow and succeed in informal markets. By focusing on their abilities in managing themselves, taking risks, understanding finances, and thinking strategically, the research shed light on how these skills affect their financial choices and overall business success.

Research on entrepreneurship has long emphasized how important certain skills are for businesses to thrive, particularly when times are tough. Among the many skills required for entrepreneurial success, financial decision-making stands out as particularly vital role in helping street vendors sustain and grow their business [1]. For ambulant vendors, managing money wisely—whether it's budgeting daily income, securing capital for reinvestment, or responding to financial emergencies—can mean the difference between survival and collapse. However, many informal vendors lack formal training or education in financial management, making them vulnerable to poor choices and missed opportunities.

Given the dynamic and unpredictable nature of the informal economy, ambulant vendors must rely not only on instinct or experience but also on practical competencies that support long-term stability. These entrepreneurial competencies—which include opportunity recognition, adaptability, self-

efficacy, and strategic thinking—serve as critical tools in navigating daily business challenges. When paired with sound financial practices, these competencies can enhance a vendor's ability to make informed choices, seize profitable opportunities, and withstand economic shocks. However, inadequate financial resources can significantly undermine a vendor's ability to maintain stability and pursue expansion. For street vendors who are unable to consistently apply standard financial strategies, the consequences can be especially severe, leading to stalled growth, business vulnerability, and missed opportunities.

To fully understand the interplay between entrepreneurship and financial decision-making, particularly regarding the influence of financial intelligence and risk tolerance, further research is necessary. This study highlights the need for further research to better understand the relationships involved. The results are important for policies because they show that vendors need more training and resources to help them earn more. Ultimately, economic growth and addressing the challenges faced by ambulant vendors depend on recognizing their unique skills and ways of making money.

This study utilizes the Entrepreneurial Competencies Theory which says that specific skills must be developed by entrepreneurs to handle challenges associated with managing a business and profiting from new possibilities. Among the following components under this theory are self-competency, financial intelligence, strategic reasoning, risk-taking, and control focus. However, the Financial Decision-Making Model is also important for street vendors to know how to handle their money that includes the money they make, save, and invest. This model shows how crucial it is to know that money well to make smart choices that affect the long-term health and growth of a business. The framework also stresses

the importance of being flexible and strong, which shows that an entrepreneur must be able to handle changes in the market well if they want to be successful in the long run.

This study addresses a key missing piece in current research by focusing on ambulant vendors, a group that is often left out of entrepreneurship studies, even though they play a big part in local economies. Most of the research so far has been focused on larger businesses or the formal sector, overlooking the special skills and financial habits of informal vendors. Furthermore, past studies haven't fully looked at how these skills affect financial decisions or suggested clear ways to help improve financial management for this group.

The main goal of this study was to explore the entrepreneurial skills of ambulant vendors and how they influence their financial decision-making. By collecting data on their personal backgrounds, skills, financial habits, and challenges, the research aimed to provide valuable insights for local businesses, financial institutions, and policymakers. Ultimately, the study sought to suggest practical strategies and support that could help ambulant vendors strengthen their financial knowledge, grow their businesses, and strengthen the informal sector for long-term success and stability.

2. MATERIAL AND METHODS

This study employed a descriptive quantitative research design to investigate the entrepreneurial competencies and financial decision-making practices of ambulant vendors in Cantilan, Surigao del Sur, Philippines. The research targeted vendors operating without permanent storefronts in public areas. A purposive random sampling method was used to select 30 ambulant vendors who had been in business for at least one year, ensuring relevant experience in managing daily operations and finances. Data were gathered through structured questionnaires composed of three sections: demographic information, entrepreneurial competencies (including self-competency, control focus, risk-taking, financial intelligence, and strategic thinking), and financial decision-making practices (such as budgeting, saving, reinvestment, and record-keeping). Surveys were conducted in person to ensure accuracy and completeness, with the researcher present to clarify questions as needed.

For data analysis, both descriptive and inferential statistical techniques were applied. Descriptive statistics, such as frequency, percentage, and weighted mean, were used to summarize the profile and responses of the participants. Inferential statistics were employed to determine the relationships among variables using SPSS software. Chi-square tests were conducted to assess the relationship between demographic factors and financial decision-making practices. Spearman's rho correlation analysis was used to evaluate the relationship between the level of entrepreneurial competencies and financial decision-making practices. Ethical considerations were observed throughout the research process. Participants provided informed consent, were assured of confidentiality, and were informed that their responses would be used exclusively for academic purposes.

3 RESULTS AND DISCUSSION

Profile of respondents. Table 1 reveals that the largest group of respondents (45%) are aged 26-35, highlighting the strong involvement of younger individuals in entrepreneurship. Women make up 70% of the respondents, marking a significant shift in the traditionally male-dominated entrepreneurial space, as outlined in the GEM 2023/24 Women's Entrepreneurship Report, which underscores the growing influence of women in business. Additionally, the highest proportion of respondents (55%) have been in business for 1-3 years, indicating that early-stage entrepreneurs dominate the sample. This group is particularly vulnerable to challenges such as cash flow and market positioning. Furthermore, 80% of respondents earn less than ₱10,000 monthly, pointing to the financial difficulties faced by many entrepreneurs.

Table 1. Demographic Profile of Respondents

Age	Frequency	Percentage
18-25 years old	6	20
26-35 years old	14	45
36-45 years old	3	10
46-55 years old	7	25
Total	30	100
Sex		
Male	9	30
Female	21	70
Total	30	100
Years in Business		
Less than 1 year	3	10
1-3 years	16	55
4-6 years	6	20
7-10 years	2	5
Over 10 years	3	10
Total	30	100
Average Monthly Income		
Less than 10,000	24	80
10,001-20,000	5	15
20,001-30,000	1	5
Total	30	100

Entrepreneurial Competencies in terms of Self-Competency. The findings particularly the high rating of confidence in business management (mean = 4.35), underscore the strong self-belief among ambulant vendors in their entrepreneurial abilities. This level of self-efficacy is crucial, as Bandura [2] explains that individuals with high self-efficacy are more likely to persist in the face of difficulties and take proactive steps toward achieving their goals. Confidence in managing a business reflects not only internal motivation but also a readiness to engage in complex decision-making and leadership roles, which are vital in sustaining informal enterprises. However, the slightly lower score in problem-solving (mean = 3.95) indicates that while vendors believe in their management capacity, they may still experience uncertainty or limitations in addressing business-related challenges. This aligns with the findings of

Mitchelmore and Rowley [3], who argue that developing problem-solving and decision-making skills is fundamental to strengthening overall entrepreneurial competency. The implication here is that while vendors possess the confidence to manage their businesses, targeted training programs focused on practical problem-solving can enhance their ability to navigate the uncertainties of informal commerce.

Entrepreneurial Competencies in terms of Control Focus.

The results appears that ambulant vendors demonstrate a strong internal locus of control, which reflects their sense of empowerment and belief in their ability to guide the direction of their businesses. This aligns with the findings of Miao et al. [4], who highlighted that entrepreneurs with a strong internal locus of control are more likely to exhibit proactive behavior and strategic initiative, leading to higher business performance. Similarly, Fatoki [5] emphasized that resilience training enhances emotional regulation and stress management, allowing entrepreneurs to recover from adversity more effectively. Therefore, these results imply that while internal control enables direction-setting and responsibility, structured resilience-building programs could further support informal entrepreneurs in overcoming setbacks and sustaining motivation in the long term.

Entrepreneurial Competencies in terms of Tendency to take Risks.

It suggest that respondents demonstrate a generally positive attitude toward innovation and risk-taking, particularly with the high agreement to the statement, “I am open to trying new products or services” (mean = 4.25). This reflects a proactive mindset among ambulant vendors, indicating their willingness to explore new offerings as a strategy to remain competitive. However, slightly lower scores for statements like “I am comfortable with uncertainty in my business environment” (mean = 3.80) and “I am willing to take calculated risks to grow my business” (mean = 3.90) reveal a more cautious approach when dealing with market unpredictability. These results imply that while the vendors are open to innovation, their level of risk tolerance is measured and pragmatic, likely shaped by limited financial buffers and unstable market conditions. This finding aligns with the study by Neneh [6], who observed that small business owners tend to be opportunity-seeking yet risk-conscious, especially in volatile environments. These patterns indicate that ambulant vendors practice a balanced entrepreneurial strategy—embracing innovation while carefully managing risks—underscoring the importance of tailored support systems to foster secure and sustainable experimentation in the informal sector.

Entrepreneurial Competencies in terms of Financial Intelligence.

The level of entrepreneurial competencies in terms of financial intelligence among ambulant vendors, revealing a strong proficiency in fundamental financial practices such as budgeting and informed decision-making. The highest-rated mean of 4.30, indicate that these entrepreneurs are generally organized and capable of managing their financial activities effectively. However, a relatively lower score of 4.05, suggests that while vendors are adept at daily financial tasks, they may lack confidence or expertise in more complex financial areas, such as investment planning. This finding aligns with Lusardi and Mitchell [7],

who emphasized that while many entrepreneurs demonstrate strong basic financial behavior, their limited understanding of investment tools and risk diversification can hinder long-term financial growth. These insights underscore the importance of targeted financial literacy programs that extend beyond basic budgeting to include investment strategy, risk management, and long-term planning to ensure business sustainability among informal entrepreneurs.

Entrepreneurial Competencies in terms of Strategic Thinking.

The level of entrepreneurial competencies in terms of strategic thinking among ambulant vendors with a high mean of 4.40, indicates that these entrepreneurs place high value on adaptability and continuous improvement, reflecting a strong orientation toward learning and responsiveness to customer input. However, the lowest mean of 4.05, suggest a relative weakness in external market analysis and competitive awareness. While respondents demonstrate robust internal planning—evident in their long-term goals (mean = 4.30) and clarity in setting objectives (mean = 4.10)—they may lack the strategic foresight needed to remain agile in a competitive marketplace.

This finding aligns with the work of Teece [8], who emphasized that strategic decision-making in small enterprises must be dynamic, requiring constant alignment with changing market forces and customer demands. The implication is that while ambulant vendors are open to growth and responsive to feedback, enhancing their capabilities in market intelligence and competitor evaluation could significantly strengthen their strategic positioning. Promoting these skills could empower them to better anticipate trends, adapt more effectively, and secure a more resilient market presence.

Table 2.Summary of Level of ntrepreneurial Competencies

Indicator	Weighted Mean	Verbal Description
Self-Competency	4.14	Agree
Control Focus	4.13	Agree
Tendency to Take Risks	4.04	Agree
Financial Intelligence	4.23	Strongly Agree
Strategic Thinking	4.18	Agree
Average Weighted Mean	4.14	Agree

The summary of level of entrepreneurial competencies on table 2 of ambulant vendors in Surigao del Sur demonstrate a generally strong capability, with an overall average weighted mean of 4.14, indicating a moderate to high level of competence. Notably, these vendors exhibit confidence in managing their businesses, as reflected by a self-competency score of 4.14. This indicates that they believe in their ability to tackle business challenges and make effective decisions. Additionally, the control focus score of 4.13 shows that vendors feel they have control over their business outcomes, highlighting their proactive approach to handling challenges and taking responsibility for their business success.

Financial intelligence stands out as a key strength, with a score of 4.23, which shows that these vendors are proficient in managing their finances, especially in areas like budgeting and making informed financial decisions. This is a crucial skill for ensuring business sustainability. Strategic thinking also scored highly at 4.18, reflecting their ability to adapt strategies based on feedback and market changes. While they show a solid willingness to take risks with a score of 4.04, the lower score in this area suggests that they may take a more cautious approach, likely due to limited resources and uncertainties in the market. Overall, while these vendors exhibit strong competencies, further support in fostering a balanced approach to risk-taking could help drive their growth and long-term business success.

Table 3. Financial Decision-Making Practices		
Financial Decision-Making Practices	Weighted Mean	Verbal Description
I actively manage my daily earnings by allocating funds for different purposes (e.g., savings, expenses, and reinvestment).	4.45	Strongly Agree
I have a structure savings plan that helps me achieve my financial goals.	3.90	Agree
I reinvest a portion of my earnings to expand or improve my business.	3.10	Neutral
I keep records of my daily income and expenses to track my financial status.	3.45	Agree
I seek financial advice from trusted sources (e.g., family, friends, internet, and financial advisors) before making major financial decisions.	4.60	Strongly Agree
Average Weighted Mean	3.90	Agree

Table 3 presents data on managing daily income and seeking financial support, illustrating generally good financial decision-making practices, with an overall average weighted mean of 3.90, which corresponds to a verbal description of “agree.” The highest-rated statement, with a weighted mean of 4.60, indicating a strong commitment to informed decision-making. This suggests that entrepreneurs prioritize consulting reliable sources to make thoughtful choices. Conversely, the lowest mean of 3.10, suggesting that while some entrepreneurs reinvest, many do not, possibly due to financial constraints or a lack of opportunities. These patterns align with findings from Wise [9], who noted that small-scale entrepreneurs often struggle to reinvest due to immediate cash flow pressures and risk aversion, despite understanding the benefits of doing so. The overall implication is that while ambulant vendors show promise in day-to-day money management and information-seeking, their long-term financial growth could be enhanced through interventions aimed at improving capital access and reinvestment strategies. Encouraging structured savings and reinvestment practices, possibly through microfinance support or

community financial literacy training, could help transform daily financial discipline into sustainable business development.

Table 4. Relationship between demographic profile and financial decision-making				
Demographic profile	Chi-square	p-value	Decision	Interpretation
Age	0.31	0.95	Fail to reject H_0	Not significant
Sex	0.0	1.0	Fail to reject H_0	Not significant
Years in Business	6.09	0.19	Fail to reject H_0	Not significant
Average Monthly Income	5.0	0.08	Fail to reject H_0	Not significant

Table 4 shows the statistical relationship between respondents' demographic profiles and their financial decision-making. All variables—age ($p = 0.95$), sex ($p = 1.0$), years in business ($p = 0.19$), and average monthly income ($p = 0.08$)—have p-values greater than 0.05, leading to a decision to fail to reject the null hypothesis. This indicates that none of the demographic factors have a statistically significant relationship with the financial decision-making practices of ambulant vendors.

This result suggests that effective financial decision-making among the vendors is not strongly influenced by age, gender, business experience, or income level. Instead, it may reflect that financial behaviors are more likely shaped by other factors such as financial literacy, personal attitudes toward money, or exposure to training. As supported by Lusardi and Mitchell [10], financial decision-making often depends more on knowledge and confidence than on demographic background. The implication is that interventions aiming to improve vendors' financial practices should focus less on demographic targeting and more on providing universal access to financial education, tools, and advisory support, which can benefit individuals across all backgrounds.

Table 5 presents the correlation analysis between entrepreneurial competencies and financial decision-making among ambulant vendors. The results indicate that self-competency, control focus, risk-taking tendency, financial intelligence, and strategic thinking all exhibit weak yet positive correlations with financial decision-making. However, none of these relationships reached statistical significance (all p-values > 0.05), suggesting that while there may be slight tendencies linking these competencies to financial behavior, entrepreneurial competencies alone do not serve as strong predictors in this context. Notably, strategic thinking presented the highest correlation ($r = 0.31$), hinting at a potential directional association that warrants further exploration in future studies with larger sample sizes.

This finding underscores a critical insight: enhancing entrepreneurial traits may not directly translate into improved financial behavior, especially within the informal economy. This observation resonates with the work of Nabi et al. [11], who noted that entrepreneurial intention and skills must be contextualized within broader ecosystems that include access

to financial tools, mentorship, and social capital. The implications of these findings are twofold. First, policy frameworks and entrepreneurial development programs should not rely solely on enhancing individual competencies but must incorporate institutional and structural interventions. This includes expanding access to financial literacy training, mobile banking, and business mentoring—elements shown to significantly influence financial behavior in resource-constrained settings (Lusardi & Mitchell, [12]. Second, future research should explore interaction effects between competencies and contextual variables, such as market access, regulatory barriers, and social support, to better understand the conditions under which entrepreneurial abilities translate into effective financial choices. By adopting a systems-based approach, stakeholders can more effectively support the financial resilience and sustainability of micro-entrepreneurs in the informal sector.

In light of these findings, the study underscores the urgent need for integrative, multisectoral interventions to support the financial sustainability of informal entrepreneurs. Educational programs should extend beyond foundational skills to include investment literacy, long-term planning, and risk management tailored to the realities of the informal sector. Additionally, access to microfinance, savings instruments, and technology-based tools should be expanded to empower vendors with actionable financial capabilities. Policymakers and development institutions must recognize that enhancing entrepreneurial competencies alone is insufficient without a supportive ecosystem. Finally, future research should explore longitudinal and contextual dynamics, investigating how financial behaviors evolve over time in response to targeted interventions, economic shifts, and policy reforms. Only through such a holistic and evidence-based approach can the full potential of ambulant vendors be realized in driving inclusive and resilient local economies.

Table 5. Relationship between the Level of Entrepreneurial Competencies and Financial Decision-Making

Entrepreneurial Competency	Correlation w/ Financial Decision-Making	p-value	Decision	Interpretation
Self-Competency	0.15	0.51	Fail to reject H_0	Not significant
Control Focus	0.08	0.73	Fail to reject H_0	Not significant
Tendency to Take Risks	0.19	0.42	Fail to reject H_0	Not significant
Financial Intelligence	0.25	0.30	Fail to reject H_0	Not significant
Strategic Thinking	0.31	0.19	Fail to reject H_0	Not significant

3. CONCLUSION AND RECOMMENDATION

This study provides critical insights into the entrepreneurial landscape of ambulant vendors in Cantilan, Surigao del Sur, highlighting a moderate to high level of entrepreneurial competencies, particularly in financial intelligence, strategic thinking, and self-competency. These vendors demonstrate commendable proficiency in managing daily finances and seeking reliable advice before making key decisions. However, notable gaps remain in areas such as reinvestment behavior and external market analysis—dimensions that are crucial for sustainable growth. Importantly, statistical analysis revealed no significant correlations between entrepreneurial competencies or demographic characteristics and financial decision-making. This outcome emphasizes that while personal traits and business experience shape entrepreneurial behavior to an extent, they do not independently predict effective financial decision-making. Instead, it points to the complex, contextual nature of informal entrepreneurship, where financial behavior is often influenced by external enablers such as access to capital, exposure to financial education, and institutional support systems.

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