

Can Growth Mindset predict the Success of employees in MSME Organizations?

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How much does the Mindset of an Employee really matter for an organization? This was the research question that we set out to empirically find through our study of the Micro, Small & Medium Enterprises (MSME) segment business units in India. This Research study validates the role played by the mindset and thereby, hopefully, sets out a new area of research, while understanding the relevance of the role of the mindset of employees, exclusively in MSME units. This paper begins with the research and relevance of mindset, then, with the support of Carol Dweck's theory on Mindset, we empirically test the Growth Mindset on 5 critical Variables using regression analysis. The Results clearly indicate the relevance of the Growth Mindset among employees of MSME organisations, especially while dealing with challenges, obstacles, efforts, criticism and ability to deal with the success of others in their respective situations.

Keywords — Small & Medium Enterprises, Growth Mindset, Challenges, Obstacles, Criticism, Efforts, Success of Others

❖ Introduction

Why do some employees seem to be more involved in the business despite facing criticism in their work? Why do some employees seem to take more initiative in the business despite facing obstacles? Why do some employees positively take on challenging situations and thereby contribute more to the business? These were some of the pertinent questions before us, when we looked at some of our MSME (Micro, Small & Medium Enterprise) Clients in India, especially, in a scenario, wherein the Business Owners needed someone with the expertise to help them get all their employees performing at the optimal levels for the long-term success of the organization. These and many more such questions have been answered with elaborate research, through both secondary as well as empirical findings, detailed in the latter half of the research paper. This paper intends to shed some more light on the way forward for understanding the concept & predictability of mindset among both researchers and Practitioners, especially, in making an attempt to consider this aspect in core areas of evaluating professionals at the time of recruitment, performance management, training & development, as well as career progression and compensation, since the research on mindset may throw some more solutions to the key problems that Practitioners in the real world face, while dealing with professionals, especially in organizations. This paper also intends to lead some light on the Core Problems of managerial issues such as the non-performance of subordinates in spite of materialistic reward systems being given to the employees, along with the long-standing problem of managers in terms of 'retention' of employees, wherein one of the solutions could lie in unearthing the mindset of the employees in these organizations by the managers and thereby a little tweak in the mindset could resolve a long term problem and make it a sustainable win-win scenario for both the professional and the manager and surely, could be used as one of the Key Tools in meeting the long term organizational goals. Thus, this paper specifically highlights the role and impact of employee mindset in a small business scenario, with specific emphasis on the predictability of the mindset on the corresponding behavior being displayed by the employees, specifically when confronted with challenges, obstacles, and criticism in their ongoing professional lives.

❖ Literature Review

The Scholars across world helped to dissect some of the above intriguing questions, led by Dr. Carol Dweck's well researched book, namely "Mindset- The New Psychology Success"(C. Dweck, n.d.), still, there were specific questions that needed more specific solutions, especially, pertaining to Small Business. Thus, while there have been substantial research, which happened in the areas of employees handling challenging situations (Rerup, 2006; Thompson, 2020), in the way employees have handled constructive criticism(Cutumisu, 2019),in the way employees in organisations have dealt with failures (Keating & Heslin, 2015), in the way employees have dealt with their own focus on efforts(Baldrige, 2010) and finally in the way employees handle success of their colleagues, there is a gap in identifying and understanding the way specifically the role of individual mindsets in handling smaller business scenarios.

"Mindsets are just beliefs. They are powerful beliefs, but they are just something in your mind and you can change your mind." These words from Dr. Carol Dweck in her book (C. Dweck, n.d.), are reflective of the Incremental theory of Mindset, being propounded by Dr. Carol Dweck and her team of researchers, popularly known as Growth Mindset. Indeed, the basic work of Incremental Mindset research, was basically, on the foundation laid down by Entity Theory on Mindset, popularly known as Fixed Mindset, wherein empirical research stated that some school children were having helpless response while some of the students were having masterly response, quite unconsciously while dealing with certain challenging situations(Yeager & Dweck, 2020). According to the team of researchers led by Dr. Carol Dweck, it was empirically found that individuals develop theories, belief systems within themselves, which help them explain and understand their own world and accordingly the mindsets are classified as Growth Mindset, which identifies reflecting intelligence as malleable or changeable and Fixed Mindset as being fixed or non-changeable. (Martin, A.J., Bostwick, K., Collie, R.J., & Turetsky, A, 2017).

Over the years, researchers have also done empirical research in organisations, to test the impact of the type of mindset (either fixed or growth) even in an organisational context, along with Industry Leaders, who have promoted the Growth Mindset even in this age. (Ibarra, 2018). Thus, it is evident the basis of Mindset construct has evolved from the school students to the organisations in recent times and currently, most researchers have come to conclude that, there have now been 2 clear mindsets which have been accepted by most of the researchers across the globe, viz – Growth Mindset & Fixed Mindset. (C. Dweck, n.d.) Accordingly, the persons having Growth Mindset have been categorized as having definite different way of response systems in comparison to those persons having Fixed Mindset, in spite of both facing the same situations at the same time, depicted in the following manner, across the following defined constructs, pictorially depicted in the form of the following areas:

Constructs Involved in the Research:

- Challenges
- Obstacles
- Efforts
- Criticism
- Success of Others

Thus, while there has been empirical work being done by researchers by highlighting the correlation between the mindsets, while facing challenges, obstacles and criticism in small organisations, this paper emphasises on fulfilling the gap in the research study, especially in understanding the predictability of mindset among the employees of small enterprises, especially in India on the way, the employees handle challenges, obstacles and criticism, since, there has not yet been empirical

research conducted on this segment of employees & hence, this paper has attempted to fill this gap. Thus, going forward, we will understand the existing research done on the Employee Mindset & its impact on the 3 identified constructs & thereby test the predictability through the hypothesis build-up against each of the following constructs, currently from an organisational context, namely, as follows:

- Predictability of Mindset while successfully facing Challenges
- Predictability of Mindset while successfully facing Obstacles/Failures
- Predictability of Mindset while successfully receiving Criticism

❖ **Theoretical Framework - Growth Mindset & Fixed Mindset**

Mindset Model proposed by Dr. Carol Dweck & her team of researchers brought in 2 very clear mindset, namely termed as Growth Mindset & Fixed Mindset. As per their definition, people with Growth Mindset had an internal belief that intelligence can be developed, in contrast to the view by people with Fixed Mindset, who believed that intelligence is static.(C. S. Dweck, 2017) At the most nascent stages, empirical research was undertaken to understand motivation and its impact on the learning ability of the student and laid the foundation of the Self-efficacy theory, which stated that the performance of the student was dependent upon the self-efficacy of the respective student.(Baldrige, 2010). This was followed by the Attribution Theory, wherein Bandura stated that people who believed that their own failure would lead to greater persistent in their efforts since, the core belief of these people, were around the belief, that they, themselves were responsible for their outcomes in comparison to those people who, when faced with failures, even resisted to try, since, they felt, that the failures were independent of their respective efforts.

Thus, further research was taken by Dr. Carol Dweck & team, wherein initial experiments on responses to failure, Dweck and Diener & Dweck found that some students displayed a non- resistive response to failure classified as of being lower in intelligence, lower in self-expectations and lower in persistence, and with negative emotions, while other students displayed a mastery- oriented response characterized by a focus on greater efforts, much greater persistence and a focussed approach on mastery. (C. Dweck, n.d.).

This was further taken across variables such as challenging situations wherein, she was further able to expand on the difference between students with growth mindset and fixed mindset respectively, displaying completely different behavioural patterns, especially when confronted with challenging situations, wherein, in the words of Dr. Carol Dweck, quote “students' willingness to expend effort on a school task that is challenging to their academic self-efficacy can be traced to the students' fundamental belief or theory about intelligence.”

Research has also been undertaken to impact of the mindset when confronted with criticism, especially with Dr. Carol Dweck's research clearly pointing out the difference between outcome-based criticism and process-based criticism, wherein the former contributed to increased fixed mindset while the latter increases growth mindset behaviour.

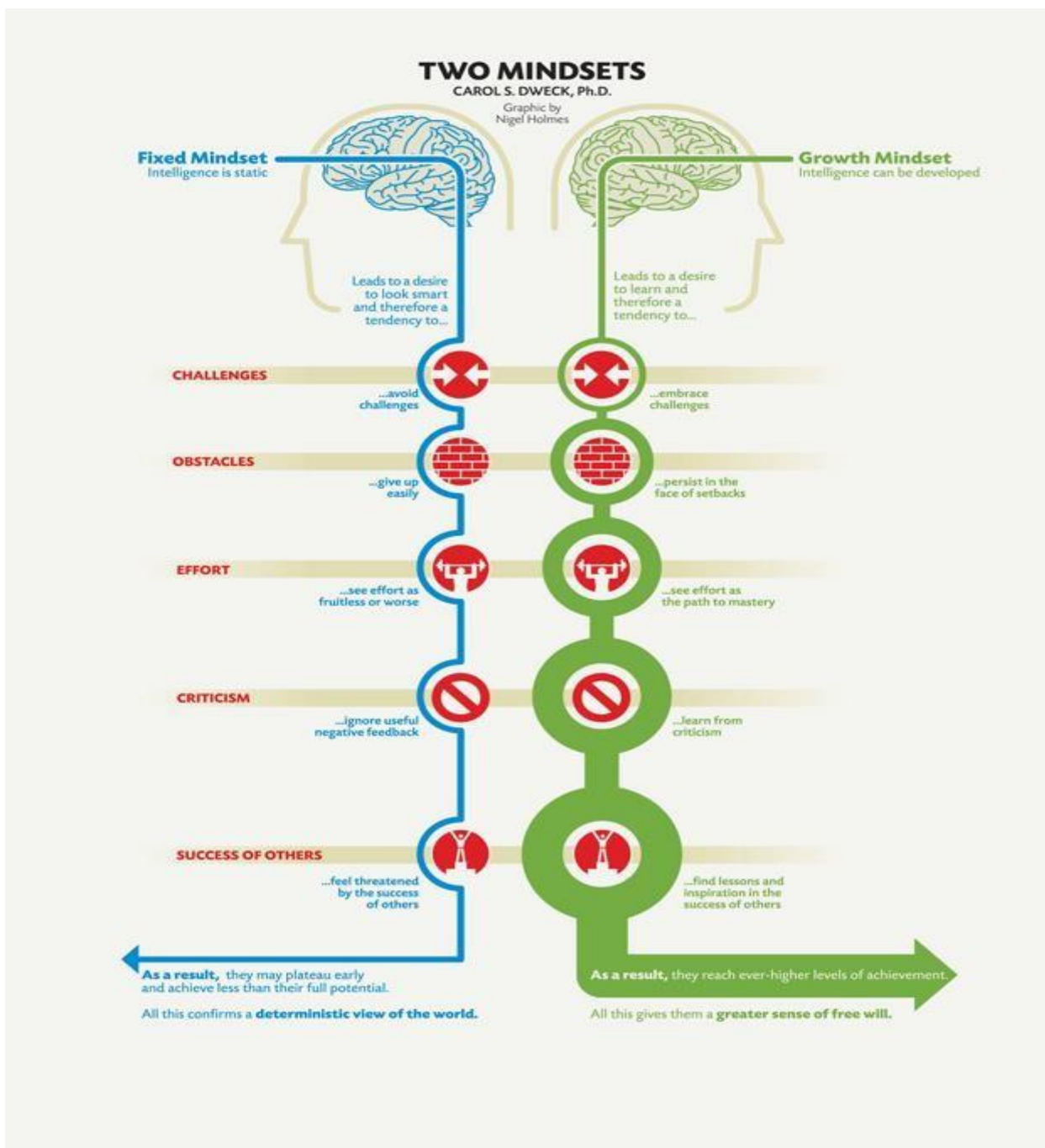
This finding, clearly gives us an insight about the impact of the mindset in the ultimate behaviour as well as subsequent performance of the students, and thereby proved through various researchers across the world, wherein there had been a substantial difference in the outcomes of the performances of the students, wherein specific growth mindset interventions were given to teams.(Baldrige, 2010)

The Mindset models was further studies across organisations.(Han et al., n.d.), followed by studies

around workplace and organisations by many other researchers. (Holm, 2015).

Thus, overall, while many empirical studies have been done by scholars across student domain, there was an apparent need in understanding the impact of mindset in organisational contexts, especially across various sizes of organisation & locations, as per one of the latest systematic literature review.(Han et al., n.d.). This empirical research is an attempt to address this specific gap, by exploring the relationship between mindset and the professional working in a small firm.

The basic idea of the response states of the 2 mindsets under specific situations has been covered by Dr. Carol Dweck through the following manner:



Accordingly, let's study through the below empirical research, a deeper understanding of the

professional's mindset, while working in a MSME Enterprise in the context of situational factors such as Challenges, Obstacles and Criticism.
(Baldrige, 2010)

❖ Mindset & Challenges

Research indicates a definite correlation between the mindset and the challenges faced by students across situations.(Baker, n.d.). Specifically, it has been proved empirically that students who were given an additional Growth Mindset workshop, were indeed more prone to get a higher outcome result in comparison to the students who attended the same class, however, were a part of the control group, by not participating in the workshop. (Wilkins, n.d.). This was further extended in organisational context, wherein even Microsoft pioneered using the results of Growth Mindset to implement a Transformational change exercise within their organisation with impressive results.(Ibarra, 2018).

Given these research findings, it appears, that there will a better ability among the employees in a smaller organisation while facing situations, in case they are equipped with the growth mindset at critical junctures, similarly, it also appears, that in case of the prevalence of fixed mindset, there is a high chance of employee's ability shrinking over a period of time, while facing a challenging situation. As such, we posit that,

Hypothesis 1: There is predictability between Growth Mindset of a professional and his/her belief in their ability to deal successfully with a challenging situation in a small enterprise.

❖ Mindset & Failures

Research indicates that students with a Growth Mindset were able to overcome obstacles in a more effective manner and thereby achieve higher grades in comparison to their counterparts, who did not showcase growth mindset. (Lisa S. Blackwell, Kali H. Trzesniewski, Carol Sorich Dweck, n.d.). This was further elaborated in a study done in a school, wherein children with Reading Learning Difficulties were a part of the study and it was empirically tested, that children who were given growth mindset Interventions demonstrated a better outcome in comparison to the control group. (Baldrige, 2010).

Indeed, organisations who have been progressive to conduct research to assess leadership traits, when faced with mistakes and errors in industry, have spoken about the need to have growth mindset characteristics as a necessary step, especially among the leaders, thereby to be more effective in their respective roles. (Bligh et al., 2018). There has also been evidence about the role of growth mindset helping professionals in having a learning mindset when faced with several obstructions, and thereby largely being credited in forging a more sustainable career.(Heslin & Keating, 2017). Over and above the discussed research, there has been empirical evidences, which has clearly mentioned the advantage of having growth mindset among the students resulting in good grades, inspite of facing difficulties, especially heavy financial burden and thereby further helping those students offset the disadvantage of being born in a much poorer social background by the power of having a growth mindset.(Claro et al., 2016) Given the above research findings, we posit that,

Hypothesis 2: There is predictability between Growth Mindset of a professional and his/her belief in their ability to handle successfully failure situations in a small enterprise.

❖ Mindset & Criticism

Research has shown us that students with Growth Mindset receive criticism differently than those with a Fixed Mindset, directly impacting their individual outcomes. (Carol, Dweck, n.d.). This was further elaborated during an empirical research, which gave emphasis on ensuring process criticism that outcome criticism and thereby gaining more credibility of the impact of growth mindset, which focusses on taking criticism more positively, when it is being given from a process perspective than a personal perspective. (Kamins & Dweck, 1999). Moreover, there have been various indications that, people with the ability to withstand criticism positively, generally are having greater growth in their lives, since they consider that as part of their learning curve. (C. S. Dweck, 2019) (Brassey, n.d.). Given the above research findings, we posit that,

Hypothesis 3: There is predictability between Growth Mindset of a professional and his/her belief in their ability to deal successfully with criticism in the organisation.

❖ **Research Methodology**

Data was gathered from LinkedIn, a popular business online networking platform, with an objective of getting more authentic data and to avoid an unbiassed approach of data collection from the participant since any organisational biases are ruled out. All the individuals, who had agreed to the survey were either a part of the small business enterprise as co-owners or were working in a small enterprise as an employee.

The sample was filtered on the basis of the eligibility of the criteria fulfilment of MSME Firm based in India, as per the website source: https://msme.gov.in/sites/default/files/MSME_gazette_of_india.pdf, classifying the MSME firms into micro, small and medium enterprises.

The above process resulted in about 150 selected employees being selected for the sample inclusion. The survey was sent out twice and then followed up by a reminder to all potential participants. Thus, out of the 150 potential and eligible employees, we had a final success ratio of about 137 firms, resulting in a 92% response rate, which were subsequently analysed in detail.

Measurement Criteria to measure Challenges of Personnel in MSME organisations

The self-belief of the personnel while confronting Challenges, the confidence level of coming out as a winner while encountering Challenges, whether they believed that Challenges made them a better professional and finally, whether they would prefer to avoid Challenges in future, were the predominant constructs used as proxies for measuring the beliefs of personnel handling challenges in small firms. These measures were considered acceptable metrics of the construct after studying the various metrics used by researchers across the globe, who were understanding the impact of mindsets on the behaviours of personnel in organisations. (Growth Mindset - Measurement of Scale - Updated 27032021.Pdf, n.d.). To measure the overall predictability of mindset while facing challenges, the respondents were asked to indicate whether they could handle challenging situations in their organisations, whether they could anticipate coming out of a challenging situation in a winning manner, whether, given their overall experience, they would be avoiding a challenging situation in future and finally, whether they thought, that the challenging situation made them a better employee. Accordingly, they were given options from “Definitely Yes, Probably Yes, Might or Might Not, Probably Not, Definitely Not”.

Measurement Criteria to measure Obstacles/Failures of Personnel in MSME organisations

The approach of the personnel while confronting failures is tested by initial statements encountering failure situations, especially whether they feel comfortable handling failure situations, whether they feel confident of being an eventual winner even when facing failure situations, whether they feel

that failure makes them a better employee and finally, if given a choice, will they avoid facing failure situations in future. These were predominantly the constructs used for measuring the overall behaviour of the professional when confronted with failure situations in their respective organisation. Collectively, these measures were taken after numerous studies showed qualitative indexes being used to measure the responses of participants through recorded observations. However, since ours was a quantitative study, the chosen measurement criteria was deemed to be the most appropriate one (Growth Mindset - Measurement of Scale - Updated 27032021.Pdf, n.d.), Accordingly, to measure the overall impact of mindset while facing failures, for all the above stated scenarios, the participants were supposed to choose from options such as “Definitely Yes, Probably Yes, Might or Might Not, Probably Not, Definitely Not”.

Measurement Criteria to measure Criticism of Personnel in MSME organisations

The approach of the personnel while confronting the criticism that they received is tested by understanding their initial reaction towards criticism received by them, whether they think that the criticism received by them helps them in performing in an even more effective manner and finally, whether going forward, they would avoid such criticism directed towards them in future. These were some of the statements put forward in front of the respondents to assess the overall stand taken by the respondents when they were faced with criticism scenarios in their respective organisations. Accordingly, to measure the overall impact of mindset while facing criticism, for all the above stated scenarios, the participants were supposed to choose from options such as “Definitely Yes, Probably Yes, Might or Might Not, Probably Not, Definitely Not.”

Measurement Criteria to measure Mindset of Personnel in MSME organisations

The approach to measure mindset of the personnel was relatively easier, since there was a globally preferred measurement scale to understand the mindset of the employees, in the form of statements being put in a Likert Scale, which was preferred by most of the researchers across the world, who measure the mindset scale, with the options to the statement being “Strongly Agree, Somewhat agree, Neither agree or disagree, Somewhat disagree, Strongly disagree”. (Growth Mindset - Measurement of Scale - Updated 27032021.Pdf, n.d.)

❖ **Results**

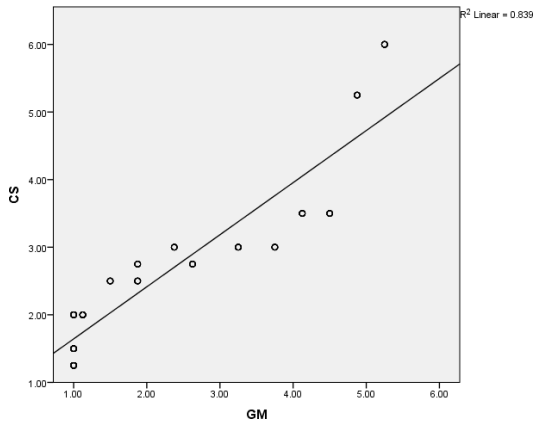
Growth Mindset & Challenges

Correlations

		CS	GM
Pearson Correlation	CS	1.000	.916
	GM	.916	1.000
Sig. (1-tailed)	CS	.	.000
	GM	.000	.
N	CS	150	150
	GM	150	150

Abbreviations:

(CS – Belief of employees to handle Challenges, GM – Growth Mindset)



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.916 ^a	.839	.838	.49632	.839	769.396	1	148	.000	2.113

a. Predictors: (Constant), GM

b. Dependent Variable: CS

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.873	.076		11.507	.000	.723	1.023
	GM	.771	.028	.916	27.738	.000	.716	.825

a. Dependent Variable: CS

A Bi-Variate Regression was conducted to predict whether Growth Mindset can predict the belief of the professionals to handle challenges in a small firm. A scatterplot showed that the relationship between Growth Mindset and the ability to handle challenges was positive and linear and did not reveal any bivariate outlier. The correlation between the Growth Mindset and the ability to handle challenges was depicted as highly significant, $r(20) = 0.918$, $p < 0.001$. The regression equation for predicting the belief of the professional to handle challenges in a small firm was $\hat{y} = 0.872 + 0.843x$. The r^2 for this equation was 0.843; i.e., 84.3% of the variance in the belief of professionals to handle challenges in a small firm was predictable from professionals with Growth Mindset. The bootstrapped 95% confidence interval* for the slope to predict the belief levels of professionals to handle challenges in a small firm from professionals with Growth Mindset ranged from 0.609 to 0.941; thus, for every one unit increase of growth mindset among professional in small firms, the belief of professionals to handle challenges in these firm correspondingly increased from 0.61 points to 0.94 points. Thus, accordingly, the Hypothesis 1, viz – There is a predictability between the Growth Mindset and the belief of employees in a small firm to deal with challenges is empirically tested & accepted.

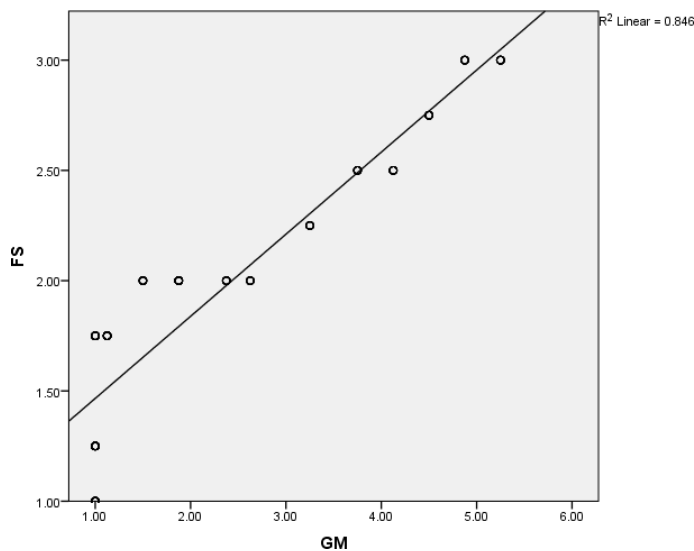
Growth Mindset & Failures

Correlations

		FS	GM
Pearson Correlation	FS	1.000	.920
	GM	.920	1.000
Sig. (1-tailed)	FS	.	.000
	GM	.000	.
N	FS	150	150
	GM	150	150

Abbreviations:

(FS – Belief in handling Failure Situations; GM – Growth Mindset)



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.920 ^a	.846	.845	.23350	.846	811.214	1	148	.000	1.159

a. Predictors: (Constant), GM

b. Dependent Variable: FS

A Bi-Variate Regression was conducted to predict whether Growth Mindset can predict the belief of the professionals to handle failures/obstacles in a small firm. A scatterplot showed that the relationship between Growth Mindset and the ability to handle failure was positive and linear and did not reveal any bivariate outlier. The correlation between the Growth Mindset and the ability to handle failures was depicted as highly significant, $r(20) = 0.918, p < 0.001$. The regression equation for predicting the belief of the professional to handle failures in a small firm was $\hat{y} = 1.092 + 0.374x$. The r^2 for this equation was 0.844; i.e., 84.4% of the variance in the belief of professionals to handle failures in a small firm was predictable from professionals with Growth Mindset. The bootstrapped 95% confidence interval* for the slope to predict the belief levels of professionals to handle challenges in a small firm from professionals with Growth Mindset ranged from 0.294 to 0.453; thus, for every one unit increase of growth mindset among professional in small firms, the belief of professionals in these firms to handle failures correspondingly increased from about 0.29 points to 0.45 points. Thus, accordingly, the 2nd Hypothesis, viz – There is a predictability between

Growth Mindset and the belief of employees to deal with failures in a small firm is empirically tested and accepted.

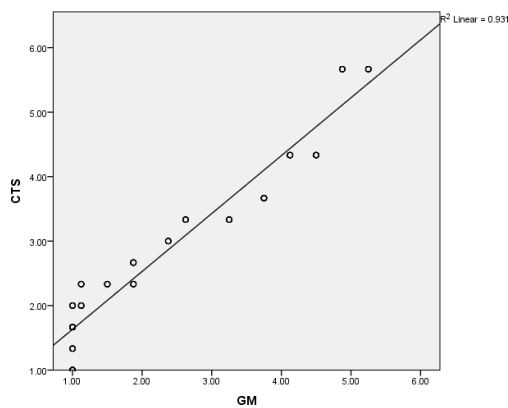
Growth Mindset & Criticism

Correlations

		CTS	GM
Pearson Correlation	CTS	1.000	.965
	GM	.965	1.000
Sig. (1-tailed)	CTS	.	.000
	GM	.000	.
N	CTS	150	150
	GM	150	150

Abbreviations:

(CTS – Belief in handling Criticism Situations; GM – Growth Mindset)



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.965 ^a	.931	.931	.35824	.931	2004.755	1	148	.000	1.711

a. Predictors: (Constant), GM

b. Dependent Variable: CTS

Coefficients^a

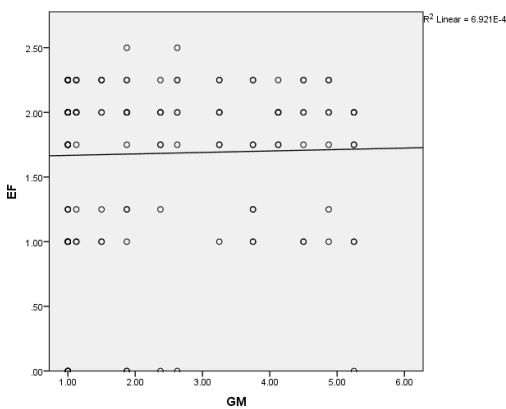
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.734	.055		13.408	.000	.626	.842
	GM	.898	.020	.965	44.774	.000	.858	.937

a. Dependent Variable: CTS

Growth Mindset & Efforts

Correlations

		EF	GM
Pearson Correlation	EF	1.000	.026
	GM	.026	1.000
Sig. (1-tailed)	EF	.	.376
	GM	.376	.
N	EF	147	147
	GM	147	147



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.026 ^a	.001	-.006	.62783	1.374

a. Predictors: (Constant), GM

b. Dependent Variable: EF

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.656	.096		17.205	.000	1.466	1.847
	GM	.011	.036	.026	.317	.752	-.059	.082

a. Dependent Variable: EF

A Bi-Variate Regression was conducted to predict whether Growth Mindset can predict the belief of the professionals to handle criticism in a small firm. A scatterplot showed that the relationship between Growth Mindset and the ability to handle challenges was positive and linear and did not reveal any bivariate outlier. The correlation between the Growth Mindset and the ability to handle criticism was depicted as highly significant, $r(20) = 0.966$, $p < 0.001$. The regression equation for predicting the belief of the professional to handle criticism in a small firm was $\hat{y} = 0.723 + 0.903x$. The r^2 for this equation was 0.932; i.e., 93.2% of the variance in the belief of professionals to handle criticism in a small firm was predictable from professionals with Growth Mindset. The bootstrapped 95% confidence interval* for the slope to predict the belief levels of professionals to handle criticism in a small firm from professionals with Growth Mindset ranged from 0.783 to 1.024; thus, for every one unit increase of growth mindset among professional in small firms, the belief of professionals in these firms to handle criticism correspondingly increased from about 0.78

points to almost 1 point. Thus, accordingly, the 3rd Hypothesis, viz – There is a predictability between Growth Mindset and the belief of employees to deal with criticism in a small firm is empirically tested and accepted.

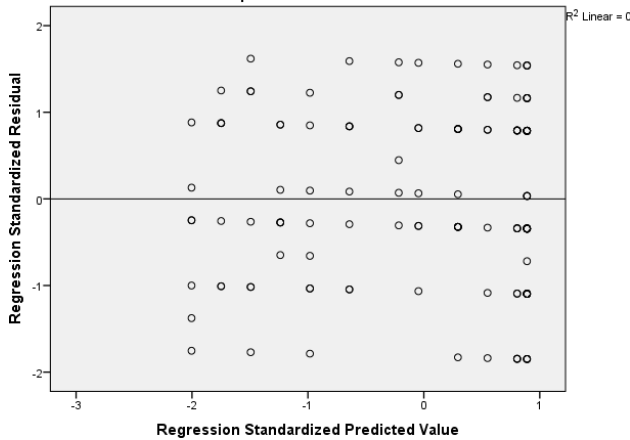
Growth Mindset & Success of Others

Correlations

		SO	GM
Pearson Correlation	SO	1.000	-.033
	GM	-.033	1.000
Sig. (1-tailed)	SO	.	.350
	GM	.350	.
N	SO	137	137
	GM	137	137

Scatterplot

Dependent Variable: SO



Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.033 ^a	.001	-.006	.66391	1.495

a. Predictors: (Constant), GM

b. Dependent Variable: SO

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.243	.106		21.178	.000	2.033	2.452
	GM	-.015	.039	-.033	-.386	.700	-.092	.062

a. Dependent Variable: SO

❖ **Discussions & Implications**

Thus, while it was evident from the results of the hypothesis from the empirical evidences, that

there is a predictability between a MSME Professional having Growth Mindset working in a small firm and his/her corresponding belief systems pertaining to challenges, failures and criticism faced by them. It was also important to understand the differences in the approach of MSME professionals having Growth Mindset & Fixed mindset respectively and the way they confronted challenges, failures and criticism faced by them in the organisations, in terms of statistical and empirical differences.

Symbols	Variables	Sub Variables Empirically Tested among Professionals in Small Firms (N=20) - Study	Pearson Correlation Matrix - Between Growth Mindset & Respective Variable (r)	Pearson Correlation Matrix - between Fixed Mindset & Respective Variable (r)	Implications from the Study
CS1	Belief in Handling Challenges	Belief in Handling Challenges	0.806	0.570	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in handling challenges in comparison to Professionals having Fixed Mindset in Small Firms.
CS2		Belief in Handling Challenges Optimistically	0.825	0.710	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in handling challenges optimistically in comparison to Professionals having Fixed Mindset in Small Firms.
CS3		Belief in Challenges making a Better Employee	0.836	0.746	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in the challenges eventually making them a better employee in comparison to Professionals having Fixed Mindset in Small Firms.

CS4		Avoiding Challenges in Future	0.804	0.906	Professionals having Fixed Mindset are definitely having a higher positive correlation with their beliefs in avoiding Challenges in future in comparison to Professionals having Growth Mindset in Small Firms.
FS1	Belief in Handling Failures	Belief in Handling Failures	0.840	0.812	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in handling failures in comparison to Professionals having Fixed Mindset in Small Firms.
FS2		Belief to Handle Failures Optimistically	0.825	0.710	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in handling failures optimistically in comparison to Professionals having Fixed Mindset in Small Firms.
FS3		Belief in Failures making a Better Employee	0.502	0.869	Professionals having Fixed Mindset are definitely having a higher positive correlation with their beliefs in Failures making a Better Employee in comparison to Professionals having Growth Mindset in Small Firms.
FS4		Avoiding Failures in Future	0.918	0.891	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in avoiding failures in future in comparison to Professionals having Fixed Mindset in Small Firms.

CTS1	Belief in Handling Criticism	Belief in Handling Criticism	0.920	0.680	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in handling criticism in comparison to Professionals having Fixed Mindset in Small Firms.
CTS2		Belief to Handle Criticism Optimistically	0.941	0.891	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in handling criticism optimistically in comparison to Professionals having Fixed Mindset in Small Firms.
CTS3		Belief in Criticism making a Better Employee	0.955	0.822	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in criticism making a better employee in comparison to Professionals having Fixed Mindset in Small Firms.
CTS4		Avoiding Criticism in Future	0.966	0.823	Professionals having Growth Mindset are definitely having a higher positive correlation with their beliefs in avoiding criticism in future in comparison to Professionals having Fixed Mindset in Small Firms.

❖ **Future Research**

There is a need for greater research, especially in elaborating these Research Findings, especially in taking the findings of regression analysis, especially in predicting the impact of growth mindset on the way professionals handle challenges, failures and criticism across larger sample size and thereby measure, the impact of the mindset on the belief systems that professionals face in smaller firms. This paper also amplifies further research in the role played by mindset in other key Human Resources Domain such as Recruitment & Selection, Training & Development, Performance Management Systems, Compensation, virtually encompassing the entire life cycle of an organisation, since in all the above stated areas, employees do often go through challenges,

obstacles and criticism as part of their daily chores, and if, empirical research has proved the positive correlation between mindset and the belief system in successfully dealing with these challenges, obstacles and criticism, surely, there might be a need to further validate the impact of Growth Mindset on the various domains of HR, especially Recruitment & Selection, Training & Development, Performance Management System and Compensation.

❖ **Limitations**

One of the biggest limitations in this research was the lack of appropriate sample size, especially in meeting the norms set and thereby the conclusions of the study need to be validated with the larger sample size. The other aspect is the lack of qualitative study in the research, since, being a quantifiable study, there was a lack of interactive session with the respondents, since, the interpretation of the questionnaire was not subject to any refined meaning, which further may lead to subjective interpretations. Despite these limitations, we believe that since our study is one of the first examinations of the implication of the growth mindset among the professionals in Indian MSME firms, its findings are noteworthy and thus future research should continue to examine the topic.

❖ **Conclusion**

The main finding of the present study is that Growth Mindset plays a critical factor among professionals in helping them handle challenging situations, failure situations and criticism towards them successfully. The positive association between Growth Mindset and the belief of professionals in small firms while dealing with various situations help one to relate to the significance of the study. Given this, it appears that researchers should continue examining the relationship between Growth Mindset and their corresponding behavioural patterns among professionals in small firms. We certainly acknowledge that countless other factors may also influence a professional's belief while facing challenges, failures and criticism directed towards oneself, however, our study suggests that Growth Mindset plays a pivotal role and thereby needs to be considered as an important variable in understanding the overall behavioural patterns of professionals in small firms. This research study further opens up another area of research, especially in small enterprises, to study further the impact of mindset on the other important areas of human resources, which might play a pivotal role in improving the productivity of professionals in enterprises and thereby lead to sustainable employee-employer relationship in future.

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