



Entrepreneur’s Motivational Factors : An Empirical Study

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ABSTRACT

In recent years, there has been a growing focus on entrepreneurship because of entrepreneurship is the principal source for economic growth and employment. The present study is aimed to know the motivational factors for Entrepreneurs. A Convenient sample of 286 respondents was taken for data collection. For analysis mean, rank method, manwhitny u test, kruskalwallis test were employed. The findings revealed that Income, Self employment, Support of family and friends, Reputation for Honesty, Government support and previous business Experience are the major motivational factors for Entrepreneurs. The Study is confined to Small scale Entrepreneurs in Andhra Pradesh.

KEYWORDS

Entrepreneur, Motivation, Entrepreneurship, Economic growth, Manwhitny u test, Kruskalwallis test.

INTRODUCTION

The term “entrepreneur” is a French word derived from the verb “entreprendre”, which means to do or to undertake. It can be divided into two parts, “entre”, meaning “between”, and “preneur” meaning “taker”. Literally, then, an entre-preneur is a “between-taker”, or “go-between”. Entrepreneurship –the entrepreneurial function- can be conceptualized as the discovery of opportunities and the subsequent creation of new economic activity, often via the creation of a new organization (Reynolds, 2005). In 1734 Richard Cantillon defined Entrepreneurs are non-fixed income earners who pay known costs of production but earn uncertain incomes and In 2013 Ronald May defined An Entrepreneur is someone who commercializes his or her innovation. From past few years many studies were dedicated to Entrepreneurial Motivational factors. A study of entrepreneurs in Kenya and Ghana (Chu, Benzing and McGee 2007) found that the strongest two motivators were to increase income and to provide employment to themselves. Roy and Wheeler (2006) found that microenterprise owners in West Africa were motivated by a desire to satisfy basic psychological needs– food and shelter. Numerous comparative studies of entrepreneurs and managers showed that entrepreneurs are moderately higher in achievement motivation than are managers (Stewart & Roth 2007; Collins, Hanges & Locke 2004; Begley & Boyd 1987; Ahmed 1985; Lachman 1980).

Need of the Study:

In recent years, there has been a growing focus on entrepreneurship because of entrepreneurship is the principal source for economic growth and employment. Hence there is a need to study Entrepreneur’s Motivational Factors

Objectives: The following are the main objectives of the study

- 1) To know Socio-Economic Profile of the respondents
- 2) To study Entrepreneur’s Motivational Factors for Entrepreneurship

Methodology of Study

For this study the following methodology is followed

Sampling Method : Convenience sampling

- Sample Size : 286
- Primary Data : Questionnaire
- Secondary Data : Journals, Magazines, Books, Websites....etc
- Data analysis : Percentages Rank method, Manwhitny u test and Kruskalwallis test.

Data Analysis & Interpretation:

The method of data collection includes a combination of both the primary (questionnaires) and the secondary method (this includes periodicals, journals and other related materials). Survey research approach will be used, using questionnaires. The researcher administered questionnaires on 292 respondents, out of these 286 were dully filled and returned. Demographics of the respondents for this study are as follows. Demographics of the respondents for this study are as follows. Gender: Males 196, Females 90: Education: Up to Inter/Diploma=74, UG=136, PG and above=76, Age 30 and below =92, 31-40years=151, 41 and above=43, Income Levels: Below 200000= 114, 200001-300000=92, 300001 and above=80, 400001, Marital Status: Married= 194, unmarried=92

Motivational Factors

The findings revealed that Self employment is the prime motivator for Entrepreneurship followed by, Income, Support of family and friends, Reputation for Honesty, Government support and previous business Experience.

Table-1 Motivational Factors

Motivational Factors	Weighted Average	Rank
Self employment	1297	1
Income	1123	2
Support of family and friends	976	3
Reputation for Honesty	752	4
Government support	681	5
Previous business Experience	567	6

Source: Primary data

Weighted Averages are calculated by assigning 6 points to first preference, 5 points to second, 4 points to third, 3 points to fourth, 2 points to fifth and 1 point to least preference

Hypotheses:

S. NO	HYPOTHESES	Asymp. Sig.	STATISTICAL TEST	Null Hypotheses
H ₀ 1	There is no significance difference between Self employment as a motivator and Gender .	.000	Mann-Whitney U test	Rejected
H ₀ 2	There is no significance difference between Self employment as a motivator and Marital Status.	.000	Mann-Whitney U test	Rejected
H ₀ 3	There is no significance difference between Self employment as a motivator and Income.	.000	Kruskal-Wallis test	Rejected
H ₀ 4	There is no significance difference between Self employment as a motivator and Educational level.	.000	Kruskal-Wallis test	Rejected
H ₀ 5	There is no significance difference between Self employment as a motivator and Age group	.000	Kruskal-Wallis test	Rejected

Interpretation:

Significance value is <.05 hence all null hypotheses are rejected and concluded that there is a significance difference between Self employment as a motivator and Gender, Marital Status, Income, Educational level, Age group.

Conclusion:

From this study it is concluded that Self employment is the prime motivator for Entrepreneurship followed by, Income, Support of family and friends, Reputation for Honesty, Government support and previous business Experience. It is also concluded that there is a significance difference between Self employment as a motivator and Gender, Marital Status, Income, Educational level, Age group.

Limitations

1. Sample size was limited to 286 because of limited time which is small to represent the Whole population
2. The research was limited to Andhra Pradesh only.
3. The Study limited to Small scale Entrepreneurs

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