



MOTIVATIONAL FACTORS TO BECOME AN ENTREPRENEUR

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ABSTRACT

The purpose of the study was to analyze the differences between the motivational factors which lead to becoming an entrepreneur in Tirunelveli District. To achieve the purpose of the study, 570 entrepreneurs have been selected equally from each of the 19 blocks of the district by adopting a purposive sampling. The study adopted a combination of two research designs, namely cross-sectional and survey-based questionnaire design. A well-structured and pre-tested interview schedule was used for collecting the data by personal interview method. The interview schedule focused on the factors of Personal, Social, Economical, Family and Intellectual. For the inferences, the researchers used the Friedman test to analyze the significant difference between the motivational factors which lead to becoming an entrepreneur. The primary data collected were analyzed by using Statistical Package for Social Sciences (SPSS 16). The result of the study revealed that there is a significant difference between the factors of Personal, Social, Economical, Family and Intellectual. It was also found from the study that Family factor is the most important reason for the entrepreneurs to become an entrepreneur in Motivational factors of motivation and the Social factor is the least important one. The study suggested that the governmental and non-governmental agencies and the policy makers for the entrepreneurs should consider the priorities of motivational factors to become an entrepreneur when they prepare the training programme and schedule for the Entrepreneurial Development Programme (EDP).

Keywords: Economical Factor; Entrepreneurs; Family Factor; Intellectual Factor; Personal Factor; Social Factor; Tirunelveli District.

INTRODUCTION

An Entrepreneur is a person who perceives a need and then brings together manpower, material, and capital required to meet that need. In other words, an entrepreneur is an individual or team that identifies the opportunity, gathers the necessary resources, creates and ultimately responsible for the performance of the organization. To be specific, the entrepreneur is a person, who tries to do something new, visualizes a business opportunity, organizes the necessary resources for setting up the business and bears the risk involved. Thus, an entrepreneur may be termed as an innovator, an organizer, and a risk bearer. As an innovator, the entrepreneur introduces new products in the market; finds out new markets for existing products; introduces new production technology; launches new marketing strategy and so on. He bears the risk and uncertainties associated with the business activities. He organizes all the factors of production like land, labour, and capital and sets up the business

to take advantage of the opportunity. Thus, an entrepreneur to a person who visualizes a business opportunity takes steps to promote a new enterprise, assembles resources in the form of men, materials, and money to make the business venture successful and bears the risk and uncertainties involved.

It is often said that a person cannot win a game that they do not play. In the context of entrepreneurship, this statement suggests that success depends on people's willingness to become entrepreneurs. Moreover, because the pursuit of entrepreneurial opportunity is an evolutionary process in which people select out at many steps along the way, decisions made after the discovery of opportunities—to positively evaluate opportunities, to pursue resources, and to design the mechanisms of exploitation—also depend on the willingness of people to “play” the game. In this paper, we argue that human motivations influence these decisions, and that variance across people in these motivations will influence who pursues entrepreneurial opportunities, who assemble resources, and how people undertake the entrepreneurial process (Scott Shane, Edwin A. Locke and Christopher J. Collins, 2003).

To be motivated means to be moved to do something. A person who has no desire or inspiration to act is thus characterized as unmotivated, whereas someone who is energized or activated toward an end is considered motivated (Ryan and Deci, 2000). Reynolds et al. (2002) work support the view that necessity entrepreneurs are not affected by the same factors as opportunity entrepreneurs. The decision to become self-employed may stem from the threat of unemployment or the discovery of an opportunity. Opportunity-based entrepreneurship involves those who choose to start their own business by taking advantage of an entrepreneurial opportunity. Whereas, necessity entrepreneurs may never have considered starting or owning a business until there was no other option (Maritz 2004). Necessity-based entrepreneurship is most likely to occur when employment options are either absent or unsatisfactory. Many people find themselves falling into the entrepreneurship sphere to survive, to provide the basic essentials, food, and housing.

According to Reynolds *et. al.*, (2002) opportunity entrepreneurship is more likely to have a higher contribution to the economy in terms of innovation and job creation. Therefore, necessity and opportunity entrepreneurs are likely to differ in performance. If necessity entrepreneurs are the result of unsatisfied employment options, what influences opportunity entrepreneurs. Anecdotal evidence suggests that personal wealth is the driving force of opportunity entrepreneurs.

OBJECTIVE OF THE STUDY

The following objective was framed to analyze the motivational factors to become an entrepreneur.

1. To find out the key motivational factors to become an entrepreneur
2. To analyze the difference among the motivational factors to become an entrepreneur

RESEARCH METHODOLOGY

The data for the research was collected from the entrepreneurs of Micro, Small and Medium enterprises in Tirunelveli District of Tamil Nadu, India. A total of 570 entrepreneurs (men = 285 and women = 285) evenly from 19 blocks of the district were selected as sample for this

study. Since the population of the study was stratified as men and women, the proportionate stratified random sampling method was used as the sampling technique for the study. Survey-based questionnaire design was carried out as research design. Well structured and pretested interview schedule was used for collecting the data by personal interview method. The interview schedule was prepared by a five-point Likert scale to collect the information required for the study after an in-depth review of the previous studies related to the present study, discussions with the officials of the District Industries Centre (DIC) and experienced entrepreneurs. For the inferences, the researchers used the Friedman test to analyze the significant difference among the motivational factors to become an entrepreneur and to examine where the differences actually occur; the researcher used the Wilcoxon Signed-Rank Test. The analysis was carried out with the help of using popular statistical package SPSS 21.

ANALYSIS AND RESEARCH FINDINGS

The Friedman test is a test for comparing three or more related samples and which makes no assumptions about the underlying distribution of the data. The data is set out in a table comprising n rows by k columns. The data is then ranked across the rows and the mean rank for each column is compared (Khaled Nawaser, Seyed Mohammad Sadeq Khaksar, Fatemeh Shakhsian and Asghar Afshar Jahanshahi, 2011). The Friedman Test compares the mean ranks between the related groups and indicates how the groups differed and it is included for this reason.

In this study, Friedman Test of Non Parametric statistics was used to find out the significant difference between the variables/factors of motivation to become an entrepreneur. The test statistic for the Friedman's test is a Chi-square with $a-1$ degrees of freedom, where 'a' is the number of repeated measures. When the P-value for this test is small (usually < 0.05) there is an evidence to reject the null hypothesis. If the Friedman Test result was statistically significant then Wilcoxon Signed-Rank Tests was used as the post-hoc test to examine where the differences actually occur. The new significance level of Bonferroni adjustment was calculated to divide the actual significance level (0.05) by the number of tests was running. As the main focus is usually on the motivation factors not on its variables, it is sufficient to discuss the motivation factors only. Hence, the motivation factors to become an entrepreneur only are discussed.

Without motivation for an entrepreneur is like without fuel for a car to drive. From many successful stories of the leading entrepreneurs, it has been confirmed that all of them have been stimulated strongly by one or more Motivational factor. The motivational factor was measured by measured the factors of Personal, Social, Economical, Family and Intellectual. In this section, the most important factors of the Motivational factor were identified by the ranking method and also find out the significant difference between the Motivational factors with the help of Friedman test analysis. The result of the Friedman test was explained in Table 1.

Table 1: Friedman Test of Motivational Factors

Statistical indicators	Calculated values
Number	570
Chi-Square	122.822
df	4
Asymp. Sig.	.000**

**Significant at .05 level of confidence

The above table 1 provide the test statistic value (Chi-square), degrees of freedom (df) and the significance level (Asymp. Sig.), which is all needed to report the result of the Friedman Test. The table 5.16 clearly portrays that there is an overall statistically significant difference between the mean ranks of the related groups ($P \leq 0.05$). It is important to note that the Friedman Test is an omnibus test like its parametric alternative - that is, it tells whether there are overall differences but does not pinpoint which groups, in particular, differ from each other. To do this post-hoc tests should be performed.

Since the P-value is less than 0.05, the null hypothesis is not proving in 0.95 level of difficulty and the alternative hypothesis is accepted. At the $\alpha = 0.05$ level of significance, there exists enough evidence to conclude that there is a significant difference in the mean of the motivational factor to become an entrepreneur. Thus the result can prove that the related motivational factor to become an entrepreneur has no similar priorities. Table 2 shows the outcome of the priorities of the factor of this test.

Table 2: Prioritization of Motivational Factors

Priority	Factors	Mean	Mean Rank
1.	Family Factor	7.1763	3.47
2.	Intellectual Factor	6.9386	3.16
3.	Personal Factor	6.7895	3.05
4.	Economical Factor	6.5140	2.75
5.	Social Factor	6.2763	2.56

Source: Primary Data

The mean rank of the factor 'Family' is 3.47 which is the most priority factor under the motivational factors to become an entrepreneur and its mean is 7.1763. The second most priority factor based on the mean rank is 'Intellectual' and its mean rank and mean is 3.16 and 6.9386 respectively. The third priority factor is 'Personal' and its mean rank and mean is 3.05 and 6.7895 respectively. The fourth priority factor in the motivational factors to become an entrepreneur is 'Economical' which have 2.75 as a mean rank and 6.5140 as mean. The least factor is 'Social' and its mean rank and mean is 2.56 and 6.2763 respectively as shown above in the table 5.17. If the mean rank is higher, the respondents have greater motivation due to this factor to become an entrepreneur and if the mean rank is lower, there is the slightest motivation due to this factor.

Post-hoc Tests

The Chi-square value (122.822) for the motivational factors to become an entrepreneur is significant at 0.05 level of confidence. It means that there is a significant difference between the pair of motivational factors to become an entrepreneur. However, at this stage, the result depicts that there are differences somewhere between the related groups but it did not expose

exactly where those differences lie. To examine where the differences actually occur, separate Wilcoxon Signed-Rank Test on the different combinations of related groups is needed. The new significance level of Bonferroni adjustment was calculated by divide the actual significance level (0.05) by the number of tests were running ($0.05/10 = 0.005$). Post-hoc analysis with Wilcoxon Signed-Rank Tests was conducted with a Bonferroni correction applied, resulting in a significance level set at $P \leq 0.005$. This means that if the P value is equal to or larger than 0.005 then there was no statistically significant result. The results of the Wilcoxon Signed-Rank Test for the development factors have been presented in Table 3.

Table 3: Wilcoxon Signed Ranks Test

Factors (Paired)	Z	Asymp. Sig. (2-tailed)
Economical Factor - Family Factor	-9.101	.000**
Intellectual Factor - Family Factor	-3.336	.001**
Personal Factor - Family Factor	-5.054	.000**
Social Factor - Family Factor	-11.834	.000**
Intellectual Factor - Economical Factor	-5.042	.000**
Personal Factor - Economical Factor	-2.960	.003**
Social Factor - Economical Factor	-3.013	.003**
Personal Factor - Intellectual Factor	-.916	.359
Social Factor - Intellectual Factor	-8.080	.000**
Social Factor - Personal Factor	-5.318	.000**

**Significant at .005 level of confidence

The table III shows the output of the Wilcoxon Signed-Rank Test on each of the combinations. There was a significant difference between the Economical and Family Factor ($Z = -9.101, P = 0.000 \leq 0.005$), Intellectual and Family Factor ($Z = -3.336, P = 0.001 \leq 0.005$), Personal and Family Factor ($Z = -5.054, P = 0.000 \leq 0.005$), Social and Family Factor ($Z = -11.834, P = 0.000 \leq 0.005$), Intellectual and Economical Factor ($Z = -5.042, P = 0.000 \leq 0.005$), Personal and Economical Factor ($Z = -2.960, P = 0.003 \leq 0.005$), Social and Economical Factor ($Z = -3.013, P = 0.003 \leq 0.005$), Social and Intellectual Factor ($Z = -8.080, P = 0.000 \leq 0.005$) and Social and Personal Factor ($Z = -5.318, P = 0.000 \leq 0.005$). However, there was no statistically significant difference between Personal and Intellectual Factor ($Z = -0.916, P = 0.359 \geq 0.005$).

CONCLUSION

As per the Motivational factor of the entrepreneurs to become an entrepreneur concern, the study indicates that there is a significant difference between the factors of Personal, Social, Economical, Family and Intellectual. It was also found from the study that Family factor is the most important reason for the entrepreneurs to become an entrepreneur in Motivational factors of motivation and the Social factor is the least important one. The study has confirmed the prioritization of motivational factors to become an entrepreneur of the respondents in the study area. The first, second, third, fourth and fifth priorities of motivational factors to become an entrepreneur are Family Factor, Intellectual Factor, Personal Factor, Economical Factor and Social Factor respectively. Since these are the attitudes of the peoples in the study area, the governmental and non-governmental agencies and the policy makers for the entrepreneurs should consider the priorities of motivational factors to become an entrepreneur when they prepare the training programme and schedule for the Entrepreneurial Development

Programme (EDP) to the study area. If they give the training to the persons who willing to establish the business based on the prioritization of motivational factors to become an entrepreneur, the result will be fruitful. It is also suggested that the Indian Institute of Entrepreneurship (IIE), Indian Young Entrepreneurs' Forum (IYEF), Center for Entrepreneurship Development (CED), Development of Scientific & Industrial Research (DSIR), Small Industries Service Institute (SISI) and National Science & Technology Entrepreneurship Development Board (NSTEDB) should consider the result when they give the training to the stranger of entrepreneurship.

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