

MOTIVATION FOR ENTREPRENEURSHIP DEVELOPMENT: A STUDY

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ABSTRACT

Entrepreneurship is, to a large extent, a result of motivation. Motivation is defined as the inner drive that ignites and sustains behavior in order to meet needs. Behavior is always the result of a cause, and it is never spontaneous. The primary goal of this paper is to learn about entrepreneurs' motivations for starting a new business. The goal of this research is to better understand the factors that drive entrepreneurship development. For this purpose, the researcher attempted to review existing literature from academic papers as well as to comprehend the significance of entrepreneurship in India. The researcher attempted to discover what motivates them to start a business. The primary sources of motivation for entrepreneurs were their ages, education, skill, family support, availability of funds, personal motives, and dissatisfaction with their current job. The ecosystem also required government support for startups, and the ease of doing business was one of the factors in starting the business.

Keywords: Entrepreneur, Entrepreneurship, Startups, Motivation, Primary Goal.

Introduction

Entrepreneurs are assets that must be nurtured, motivated, and rewarded to the greatest extent possible because they are innovators, wealth creators, and community builders. They are regarded as social change agents. Policymakers and business owners must understand the critical relationship between entrepreneurship and economic development. Entrepreneurs frequently develop new technologies, structures, and business models, as well as new products/services or process innovations, and they open up new markets. According to the evidence, entrepreneurial capital plays a critical role in the production function. Economic growth is frequently the result of radical innovations. Entrepreneurs who bring innovations to market make a significant value-creating contribution to economic progress. New firms invest more in seeking out new opportunities than incumbent firms. The researchers discovered a strong association between education and entrepreneurship.

Education fosters a mindset for seeing market opportunities, improves skills, and accelerates the spread of ideas. There are limits to how quickly India can accumulate physical capital and invest in physical infrastructure, but there are no limits to how quickly India can close the knowledge gap. Startups and entrepreneurs are supported by educational institutions, the government, and society at large because they are the market's growth engine. Creating a business environment conducive to entrepreneurship and enterprise creation, in which innovative new businesses can rapidly expand once established, necessitates a diverse set of mutually reinforcing and supportive policies. Entrepreneurship attracts resources, and when it prospers and grows, it generates significant financial and non-financial benefits.

Significant of the Study

The primary objective of the paper is to know the motive of starting a new business for entrepreneurs. The purpose of this study is to understand the factors that motivate entrepreneurship development. For this purpose, researcher tried to review existing literature from academic papers and also tried to understand the significance of entrepreneurship in India. To study the objective the researcher interviewed 153 entrepreneurs who have started their business in the last three years and ask them questions; what the motive of is starting their business. The researcher tried to find out the reasons that inspire them to start a business.

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One of the reasons to do this study is the demographic dividend of India, the second-most populous country globally, adding 12 million Indians joining the labor force every year, which is more than the entire population of Sweden. India needs to create an ecosystem that generates jobs and it is possible only through promoting entrepreneurship and startups. This shows the significance of the study.

Review of Literature

Entrepreneurial development has a significant impact on national development. The success of the entrepreneur is dependent on environmental factors such as economic, legal, social, political, and technological factors, all of which influence motivational factors, resulting in successful entrepreneurship. Motivational factors are key factors influencing entrepreneurial behaviour and business operations, necessitating research into entrepreneurial behaviour and its ramifications. Before we get into motivating factors for entrepreneurship, let's talk about the phenomenon of entrepreneurship.

The expression was coined in the 18th century by Richard Cantillon, who stated that the entrepreneur is taking risks, particularly in terms of providing capital (Belas, J., Kmecova, I., & Cepel, M. 2020). The explanation provided differs from current understandings of entrepreneur and entrepreneurship. According to J. B. Say, a French economist, an entrepreneur is someone who tries to shift resources from low-productivity areas to high-productivity areas (Smith, J. K., Smith, R. L., & Bliss, R. T. 2011). One of the founders of the theory of entrepreneurship, Joseph Schumpeter (Schumpeter, J. A. 1987), defined the entrepreneur as someone who seeks opportunities and promotes innovation. By constantly attempting to change, seeking profit, and willingly taking risks in order to combine the firm's resources and apply new methods. Entrepreneurs' motivation has a significant impact on their behaviour. It cannot be regarded as the sole determinant. According to Naffziger, D. W., Hornsby, J. S., and Kuratko, D. F. 1994), an entrepreneur's performance is influenced by intrinsic nature and is a response to internal circumstances.

Individual perceptions have an impact on a person's intrinsic nature (Snieska, V., Navickas, V., Grecikova, A., Safrankova, J. M., & Sikyr, M. 2020). Many other factors influence the decision to become an entrepreneur, such as age, education, family background, individual effort and abilities, ecosystem, and the external environment. Entrepreneurship is defined as the process of creating and implementing new ideas in a highly competitive, complex, and uncertain environment (Farhangmehr, M., Gonçalves, P., & Sarmiento, M. 2016). Entrepreneurship is a driver of economic growth and sustainability, as well as social development (Vigliarolo, F. 2020). Creating a business structure that takes advantage of the dynamism, complexity, and uncertainty of the business environment while also employing professionals is critical (Peráek, T., Vileková, L., & Štráovská, 2020). The entrepreneur recognises gaps, sees opportunities, and establishes the business. Entrepreneurial activity, according to modern entrepreneurship theory, can be defined as the practical application of entrepreneurial opportunities as a result of market imbalance. People are inspired to start their own businesses for a variety of reasons. The critical theory development for entrepreneurial motivations has been to divide factors into two broad categories: push factors and pull factors (Hakim, 1989; McClelland et al., 2005). Personal or external factors with a negative connotation are referred to as push factors (for example, a marriage, a break-up, or being passed over for a promotion). Pull factors, on the other hand, are those that entice people to start businesses, such as discovering an opportunistic business opportunity.

In general, pull factors have been found to be more common than push factors (Segal et al., 2005). It is respectfully submitted that businesses started by entrepreneurs motivated by push factors are less successful (financially) than those started by entrepreneurs motivated by pull factors (Amit and Muller, 1995). Researchers have paid little attention to whether there are gender differences in the push and pull motivations for becoming an entrepreneur until now. Profit is one of the most important motivations, and it is commonly categorised as a pull factor. However, money is not the only motivator for starting a business. Dawson and Rosa (2006). A number of family factors have been identified as important, including combining waged and domestic labour (Still and Soutar, 2001), family policies, and family obligations that are compatible with domestic commitments (Greenfield and Nayak, 1992), and a desire for work-family balance. Family-related motivations for starting a business are frequently regarded as push factors and have recently been described as important to entrepreneurs of both genders worldwide (Verheul et al., 2006).

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related motivations for starting a business are frequently regarded as push factors and have recently been described as important to entrepreneurs of both genders worldwide (Verheul et al., 2006). While it is obvious that there are gender differences in entrepreneurial motivations, few studies actually include gender comparative approaches in their research (Amit and Muller, 1995).

It was also discovered that men are more likely than women to be drawn into business ownership (Shinnar and Young, 2008). As a result, the findings were mixed and warrant further investigation. Because of the establishment of several institutions for research and training in entrepreneurship development, the literature on entrepreneurship development is fairly prolific in India. The fundamental premise of entrepreneurship development is that entrepreneurship does not have to be an innate trait. Individuals with 'latent entrepreneurial traits' can be identified using specific behavioral tools and techniques that can be taught through specially designed training courses. In India, Aswathi and Sebastian (1994) conducted the first comprehensive evaluation of EDPs. They selected EDPs from major Indian states and looked at the success rate in terms of the number of businesses launched and the financial performance of trained entrepreneurs. The evaluation study appears to be comprehensive, based on the scope of the study and the methodology used. This study also looks at the shortcomings of the EDP movement in India and makes several suggestions for improvement.

Findings

The researcher interviewed 153 new entrepreneurs who started their businesses in the last three years to study the primary motivation of the entrepreneur to start their business. The researcher inquires as to what motivated them to start the business. The sample is made up of 96 percent men and only four percent women. The sample's average age is 31 years, with ages ranging from 19 to 51 years. The sample's educational background ranges from 12th grade to a Master's degree programme. 26 percent of the sample had less than one year of experience, and 19 percent of the sample had one to two years of experience. Before starting their business, 29 percent of the sample had experience ranging from 2 to 5 years, and 26 percent had more than 5 years of experience. Their clientele includes startups, small and medium-sized businesses. 56 percent of respondents had small businesses, 19 percent had medium businesses, and 25 percent had startups. When I asked the sample entrepreneurs about their motivations for starting their business, I came to the following conclusions. When asked about money as a motivator, 61 percent of sample respondents agreed that it was the most important factor and that they desired independence in their work. Women were motivated by factors such as financial independence, autonomy, and social success; dissatisfaction with their current role was also a factor considered when starting their business. 18% of sample respondents were working on a new project to provide more comfort to their families. Young's initial motivation was to do breaking and entering. 9 percent of those polled were working for social reasons and wanted to do their best for the community. The next-generation entrepreneurs wanted to take their family business to the next level and express their creativity and ingenuity. Other factors included the entrepreneur's temperament fit between themselves and their startups, making the best use of individual abilities, and the flexibility of balancing work and family life. Above and beyond the other factors that motivate entrepreneurship, government policies for student startups and innovation inspire students to work on new ideas and create an ecosystem in which to become an entrepreneur. The ease of doing business and the easy availability of business finance are also important factors in promoting entrepreneurship. Technological advancements, as well as changing customer and market behaviour, inspire young stars to approach the problem from a fresh perspective. Senior entrepreneurs anticipate the development of a skilled labour market that will provide manpower for the business to advance to the next level. The entrepreneur's willingness to expend effort to achieve certain important goals is a function of his/her goals as well as the personal and market context that s/he faces, both of which may change over time.

Conclusion

According to Bosma (2011), previous research has consistently shown that women are less likely to start a business. There is some evidence that education has a positive effect on opportunity-, necessity-, and socially-motivated entrepreneurship, as well as growth ambitions. In a study of Dutch entrepreneurs, Gorgievski discovers that the entrepreneurs' business motivations were broadly consistent with their personal values. Values are stable and important life goals that influence how people think, make important decisions, and behave. In terms of starting a new business, the entrepreneurs were asked to explain why they started the business (start-up motives), and then they were asked if the motives had changed over time. All of the entrepreneurs agreed that motives had shifted, particularly when it came to the decision to expand the business. As a result, they were asked to identify the

motivations that led them to decide to expand the business, and these were referred to as 'growth motivations' for the purposes of the study. They have also revealed that growth motivations are consistent. Age, education, skill, family support, financial availability, and personal motives were the primary motivators for entrepreneurs. The ecosystem also required government support for startups, and the ease of doing business was one of the factors in starting the business.

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