

# A Study on Entrepreneurial Motivation

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## **ABSTRACT:**

An important aspect that encourages people to start their own businesses and become entrepreneurs is entrepreneurial motivation. An overview of entrepreneurial motivation, its underlying causes, and its effects on business success are given in this abstract. For a variety of stakeholders, it is essential to comprehend and support entrepreneurial motivation. Recognising and utilising their motivation can give ambitious businesspeople the drive and tenacity required to succeed. By offering resources, mentorship, and access to networks, policymakers and support organisations can create policies and programmes that encourage entrepreneurial motivation. To encourage and develop the entrepreneurial mindset in pupils, educators can include motivational tactics into entrepreneurship instruction. Entrepreneurial motivation is a major force that encourages people to pursue entrepreneurship and launch their own businesses. It includes both internal and external elements and is essential to entrepreneurship success. A thriving and creative entrepreneurial environment can be fostered by identifying and comprehending these motivational variables, which can also help prospective businesspeople, impact policy, and empower them.

## **KEYWORDS:**

Entrepreneurship, Motivation, Human Behaviour, Business Owners.

## **I. INTRODUCTION**

Entrepreneurial motivation is the term used to describe the inner need and desire that propels people to launch and run their own enterprises. It includes a variety of elements, such as individual goals, interests, independence, and a desire for money. To determine the causes that lead people to select an entrepreneurial career, it is essential to understand the numerous facets of entrepreneurial motivation. Entrepreneurial drive is influenced by a number of things. Significant motivators are intrinsic motivations including the need for personal growth and challenge, the opportunity to follow one's passion, and the need for self-fulfillment. Extrinsic factors that influence people to start their own businesses include monetary incentives, social acceptance, and the desire to control their own future [1]–[3].

Entrepreneurial motivation has a substantial impact on business success. Motivated business owners are more likely to demonstrate tenacity, fortitude, and a proactive attitude in seeking opportunities and overcoming obstacles. They are more inclined to take measured risks, innovate, and adjust to shifting market conditions because they are motivated by a strong sense of purpose. Motivated business owners are also more likely to report higher levels of job satisfaction and long-term business success.

## **II. DISCUSSION**

Entrepreneur is a human individual who, regardless of their financial situation, has his or her own dignity, self-respect, values, sentiments, aspirations, and dreams. Indeed, striving to stand out from others is motivated by social and economic advancement. Motivation is largely the result of entrepreneurship. The term "motivation" refers to the innate need that starts and maintains behaviour to meet needs. Behaviour is never a result; it is always the result of something. In other words, human behaviour is purpose-driven or motivated by meeting needs. A person's aspirations, education, cultural background, work experience, and other socio-psychological aspects all influence how they behave. When someone is in need, tension develops in his head until the need is met. He is inspired to

act by the tension. If the action is successful, the need is met; if not, the person modifies their course of action until the need is met.

You now have a basic understanding of what an entrepreneur is and does. Additionally, you now know that entrepreneurs play a challenging job of taking risks. The business owner sets out on a challenging quest. The following pertinent and obvious queries then surface: What drives people to undertake such a challenging journey? What pushes people to start their own businesses? These problems and issues will be addressed in this session through a discussion of entrepreneurial motivation in all of its facets, including its definition and theories, motivating factors, and growth of achievement motivation. The Latin word "movere," which meaning to "move," is where the word "motivation" first appeared. Therefore, motivation is movement. Using a "carrot or a stick" to get a donkey moving is analogous to using rewards, threats, or reprimands on people. These, however, only have a modest impact. These are effective for a while, but to secure additional movement, they must be repeated, intensified, or reinforced. The managerial task of discovering subordinates' motivations and assisting them in realising their motivations can be summed up as motivation [4]–[6].

No matter what a guy does, there is always some stimulus that causes the behaviour. Stimulus frequently depends on the intent of the party in question. His needs and desires can be examined to determine his motivation. There is no overarching theory that can account for the variables influencing the motivations that direct human activity at any given time. Generally speaking, several motivations operate at various periods among various people and affect their actions.

The management should make an effort to comprehend why certain people act in certain ways. Dubin stated that motivation is "the complex of forces that starts and keeps a person at work in an organisation." A person feels motivated when something prompts them to take action and keeps them going after they have started. In order to increase one's desire and willingness to use and channel one's energy for the achievement of organisational goals, one must be motivated at work. It is something that motivates a person to take action and keeps him engaged in that action with enthusiasm. Every organisation member's desire to perform successfully and efficiently in his position must be developed and strengthened through motivation.

Motivation is the process by which drives, desires, aspirations, striving, or needs direct, control, or otherwise explain a person's actions, according to Dalton E. McFarland. The relationship between motivation and behaviour is quite close. It describes the causes of human behaviour and how it is caused. According to McFarland, motivation is a type of internal strain that results in behaviour that aims to lessen, eliminate, or otherwise manage the tension. Understanding the tensions that come from conflicting wants and drives can help predict and explain human behaviour, which in turn provides a solid foundation for managerial decision-making and action. Thus, the term "motivation" refers to the complete group of urges, drives, desires, needs, and other comparable forces.

According to a model created by March and Simon, motivation is a process or response that occurs in the memory of the individual. It could be seen as a confluence of factors or objectives supporting human activity. The nature of the evoked collection of choices, their perceived consequences, and the personal goals used to evaluate the alternatives all influence motivation to produce. Through the use of a theoretical model, March and Simon have demonstrated a favourable association between motivation and production.

The process of motivation begins with an individual's unmet requirements. Unmet needs cause tension within the person, which drives him to look for solutions to reduce that tension and urge him to set particular goals for himself. If he is successful in fulfilling his goals, a few additional needs will arise, which will prompt the creation of a brand-new objective. However, if the objective is not realised, the person will engage in either positive or negative activity. This cycle never ends. It continues to operate within a person.

### **Needs, Motives, and Incentives**

Three things can be distinguished: need, incentive, and motive. This is done to emphasise that not all needs that someone may have will necessarily result in action. It is necessary to activate the need, which is why incentives are used. An incentive is something that encourages or has the potential to encourage behaviour. In this way, an incentive is an outside stimulus that awakens a need, but a motivation is an active need, desire, or wish. However, a more accurate definition would be to think of incentive as the external stimulus for the drive to labour.

When there is an incentive, a person's motive, if it exists, comes into play. Therefore, any incentive must take into account

- (i) the individual and the requirements he is seeking to satisfy or fulfil and

- (ii) the organisation that is giving him the chance to do so in exchange for his services. Incentives are the means to motivation, hence there is a conceptual difference between the two.

It is obvious that incentives have a direct impact on motivation levels. Better performance is the result of higher incentives, while lower incentives have the opposite impact. It is important to highlight that motivation does not affect a person's ability to work. It merely establishes an individual's degree of effort and raises or decreases it as necessary. According to Keith Davis, motives are the internal and personal manifestation of a person's needs. In contrast, incentives come from outside the person. They are things he views in his surroundings as beneficial to reaching his objective. For instance, management provides bonuses to salespeople as a way to motivate them to use their desires for prestige and recognition productively. Needs lead to tension, which one's culture modifies to produce certain wants. These desires are understood in terms of both positive and detrimental incentives to elicit a particular reaction or behaviour. To give an example, the tension of hunger is caused by the need for food. A man will need wheat or rice in accordance with his culture, which influences appetite. Perhaps the wife's pledge to make food in his preferred manner will serve as an incentive for a man.

### Theories of Motivation

The quantity of ideas developed to describe human conduct can be used to assess the significance of motivation in human life and work. They use human nature and needs to explain why people behave the way they do. Maslow's Need Hierarchy Theory and McClelland's Acquired Needs Theory stand out among these ideas and are particularly pertinent to entrepreneurship.

### Maslow's Theory of Need Hierarchy:

A.H. Maslow, a professor, created a well praised theoretical framework for comprehending human drive. He contends that a person's effectiveness depends on how well his opportunity aligns with the correct place in the hierarchy of needs. The foundation of motivation is the idea that behaviour is, at the very least, somewhat motivated by the fulfilment of wants. Figure 1 illustrates Maslow's suggestion that human needs can be placed in a particular sequence, from the lowest to the highest. The need hierarchy looks like this:

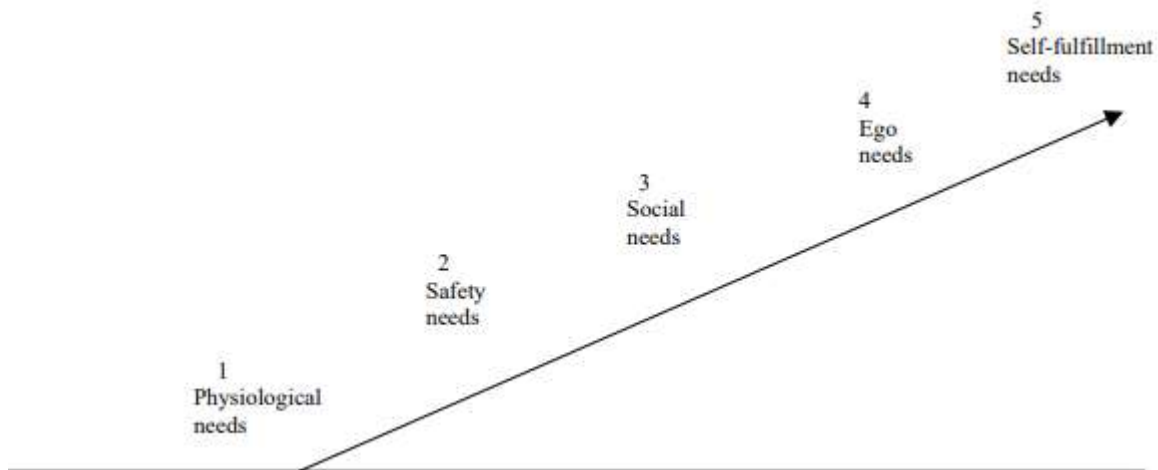


Figure 1: Represents need hierarchy.

### Fundamental Physiological Needs

The physiological requirements are related to human life's survival and maintenance. These necessities include items like food, clothing, air, water, and other biological necessities of existence. These are essential necessities.

### Needs for safety and security

After their physiological demands are met, people need the confidence that their economic situation will remain the same. They seek assurance of their employment, physical safety, source of income, retirement planning, risk insurance, etc.

### Social Needs

A social being, man is. He therefore seeks out interactions, sociability, the sharing of emotions and complaints, friendship, recognition, a sense of belonging, etc.

### **Needs for Status and Esteem**

These demands include things like success, competence, achievement, independence, competency, and self-assurance. These needs increase a person's ego. They go by the name of egoistic demands. They are worried about a person's position and reputation.

### **Needs for self-fulfillment**

The desire for self-fulfillment or the need to complete what a person views as his or her life's purpose comes in last on the need prioritisation model. It entails realising one's capacities for ongoing personal growth and creative expression in the fullest sense. A guy has a desire for personal achievement after his other wants are met. He wants to undertake something tough because it will give him the drive and motivation, he needs to get the job done. This is advantageous to both him and society as a whole. He feels a sense of psychological fulfilment from his accomplishment.

Maslow believed that the needs are dominant in a specific order. The second need does not take precedence until the first need is at least somewhat met, the third need does not take precedence until the first two needs are at least somewhat met, and so on. The human being is a seeking animal and will always want something, according to the needs hierarchy's other side. He never feels really content. When one need is met, a new need appears. As was previously stated, Maslow asserts that needs develop preferentially rather than randomly. Therefore, if one's lower level requirements (physiological and security needs) are not met, he or she can only be motivated by meeting those needs and not by meeting those of a higher level. Another thing to keep in mind is that once a need or a certain set of wants are met, they stop serving as a source of motivation. As long as bread is scarce, man survives only on it. Air is necessary for life, therefore even having lots of it loses its motivational power [7]–[9].

Although the requirements for physical survival and security are limited and real, those of a higher kind are sufficiently unlimited and are likely to predominate in people at higher levels of an organisation. Various studies have supported this. According to a study by Boris Blai, managers and professionals in the United States place a high value on self-realization, whereas manual labourers and service employees place the highest value on job stability. In addition, a poll of 200 Indian industrial workers found that people prioritise personal benefits over lower-priority objectives like job stability and pay.

Additionally, studies have shown that the requirements that are regarded as being the most important, such as social needs, egoistic needs, and self-realization, are also regarded as being the best satisfied. Security, belongingness, esteem, and self-realization needs are increasingly less satisfied, according to the pattern of the needs priority model, according to a research of 2,800 managers in eleven countries.

### **Need Assessment Hierarchy Model:**

The need priority model might not always or always be used. Surveys in Japan and countries in continental Europe have revealed that the model does not adapt well to their managers. According to the need prioritisation model, their levels of satisfaction with their needs remain constant. In Spain and Belgium, for instance, employees felt that their esteem needs were better met than their security and social demands. It would appear that cultural differences have a significant role in these discrepancies. As a result, the Maslow-proposed sequence of needs may not be followed. Even if the need for safety is not met, egoistic or social needs may nevertheless manifest. The idea that a single need can be met at a time is likewise questionable.

Understanding human behaviour requires an in-depth practical knowledge of the phenomenon of various motivations. The majority of the motivations that shape man's behaviours at any one time are varied. However, in every circumstance, one or two motives may be in favour while others may be of less significance. The motivation will also vary depending on the level of need.

Only physiological and social demands can be motivated by money; higher level wants cannot be met. More than what they already have, employees are fervently motivated by what they are seeking. When they want to keep what they currently have, they could react cautiously, but when they want something new, they might react enthusiastically. In other words, as long as it is unavailable, man must work for his own food.

There are always certain people whose need for affection seems to override their need for self-esteem. There are some creative individuals whose desire to be creative appears to be more significant. The degree of operation may

be permanently decreased in some people. If only he could have adequate food, a person who has endured long-term unemployment might continue to be content for the rest of his life. When a need has been supplied for a long period, it may be 334 business owners participated in the survey, which was performed in the Andhra Pradesh coastal towns of Anakapalli and Gudivada. The goals of maintaining the family business and obtaining self-employment stood out as the main driving forces. The importance of acquiring wealth and social status was shown to be minimal.

Sometimes a man's achievement is driven more by compulsion than by ambition. The basic goal and the chances may occasionally conflict. The circumstances in these situations dictate the outcome. So it becomes sense to investigate the possible causes of the entrepreneurs' decision to pursue entrepreneurship. The most significant motivation for most respondents to become entrepreneurs was the desire to employ their technical and professional talents.

Other compelling motives were minimal, and the second most prominent compulsion was dissatisfaction with the career or occupation pursued. The entrepreneurs' desire to capitalise on their skills for themselves as opposed to working for others might be deduced. They believed that their abilities were unquestionably greater than what the job needed and that their aspirations were higher than what the employment typically offered.

A man might not become an entrepreneur solely out of ambitions or compulsions. The development of entrepreneurship is greatly aided by the moral support and encouragement of family, friends, and other relatives, as well as by prior experience and inherited property. The moral support of family and friends encourages the aspiring businessperson, boosts his self-assurance, and gets him ready to take on the new difficulties with confidence.

Prior association in the same or another line of work had the highest rating among the facilitating factors, followed by prior employment in the same or another line of work. Previous relationships and employment provided a lot of confidence. Previous job in this context implied a person was earning a living. On the other hand, prior affiliation implied internships in commercial enterprises. The majority of business owners expressed the opinion that it was preferable to gain experience as apprentices or workers before starting a business. Such an experience boosts young people's self-confidence, acts as a springboard for business development, and quickens the process of entrepreneurial generation.

Entrepreneur success stories are acknowledged as a significant role in inspiring new business owners. This discovery highlights the necessity of including entrepreneurial stories in the curriculum alongside those of political figures and social reformers. This is consistent with the pilot study conducted by Eugene Staley in Osmanabad, Maharashtra. Unfortunately, politicians in India denigrate successful business people. Because of this, young people develop animosity towards business executives. There is a perception that entrepreneurship is inherently unethical or antisocial. Such a perception hinders the nation's healthy entrepreneurship growth [10].

According to the research by Murthy et al., the family home and financial support from friends and family made up the majority of an entrepreneur's early capital. Such risk financing from family resources increased the business owner's credibility in the money market and allayed his anxiety of the company failing. It demonstrated the family's faith in the businessperson and their readiness to stake their funds on ventures. Therefore, entrepreneurship cannot be viewed in Indian culture as a strictly individual phenomenon that is fundamental to the person involved. Instead, it is a continuation of the family's objectives and goals, which an individual eventually achieves.

Contrary to popular belief, it was discovered that the entrepreneur's wife, family, and relatives were the main motivators that gave him the entrepreneurial spirit. They acted as the individual's philosopher and guide, and the government's function as a motivator was minimal. Conclusion: In addition to the person's personal initiative, entrepreneurship is the consequence of support and encouragement from the spouse and other family members.

According to McClelland and his colleagues, having a need for success is a requirement for starting your own business. People who are highly motivated to achieve their goals are more inclined to act in an entrepreneurial manner. However, it is not necessary for such individuals to really start their own businesses. These people are only going to be interested in business if it has a high social standing. As a result, the relationship between the demand for achievement and occupational preference depends on the status of the profession in question.

Murthy examined how different jobs were seen by business owners in terms of their social standing. The entrepreneurs gave trading top honours and farming bottom honours. The entrepreneurs' opinions of their current jobs were further probed. Manufacturing and trading entrepreneurs thought their jobs were the greatest. However, the majority of farmers did not consider farming to be the ideal employment. undervalued, which is another reason why the hierarchy of needs reverses. For budding entrepreneurs, politicians, and educators, it is crucial to identify and support entrepreneurial motivation. Self-reflection and an awareness of one's intrinsic and extrinsic motives

can help aspiring entrepreneurs match their business endeavours with their values and objectives. To encourage and sustain entrepreneurial motivation, policymakers should develop enabling policies and programmes that offer tools, mentorship, and networking opportunities. To foster and kindle the entrepreneurial spark in pupils, educators can combine motivational tactics and experiential learning into their entrepreneurship education programmes. The entrepreneurial ecosystem is propelled forward by entrepreneurial motivation. People, communities, and economies may profit from entrepreneurship's revolutionary capacity by recognising its importance and fostering an environment that fosters and sustains this motivation. Individuals can start their entrepreneurial adventures with enthusiasm, tenacity, and a greater chance of long-term success if they use entrepreneurial motivation as their compass.

### III. CONCLUSION

In conclusion, the desire to pursue entrepreneurship and set off on one's entrepreneurial path is a major motivational factor. It includes a mix of internal and external elements, including aspirations, passion, independence, rewards, and the need for self-fulfillment. The success and endurance of entrepreneurial endeavours are significantly influenced by entrepreneurial motivation. Entrepreneurs that are motivated are more likely to demonstrate grit, fortitude, and a proactive approach, helping them to overcome obstacles and seize chances. They have a strong sense of purpose that motivates them, and they are prepared to innovate, take prudent risks, and adjust to shifting market conditions. Entrepreneurial motivation has an impact that goes beyond personal achievement. Motivated businesspeople support innovation, economic development, and job creation in their local communities. They serve as role models and stimulants for entrepreneurship, inspiring and empowering others.

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