



Entrepreneurial Motivation

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What is Motivation?

- ▶ Motivation is an indispensable function of management.
 - ▶ Motivation refers to the process that initiates, guides and maintains goal oriented behavior.
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What is entrepreneurship?

- ▶ It provides numerous opportunities for self expression and realization of one's passion for doing something new and different.
 - ▶ Entrepreneurship leads to increase in the national income of the country and enhance its economic development
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Need framework for entrepreneurial motivation

- ▶ People certainly don't work for money alone
 - ▶ Money is required not for its own sake, but the sake of the needs of the person fulfillment
 - ▶ McClelland may be regarded as the father of the study of entrepreneurial motivation
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Factors motivating the entrepreneurs

- ▶ Desire to do something new
- ▶ Education background
- ▶ Business experience in same or related line
- ▶ Government assistance and support
- ▶ Availability of raw material and labour
- ▶ Encouragement from big business houses
- ▶ Promising demand for the product
- ▶ Profit margins

Internal factor

External factor


Another study on entrepreneur motivation classified the factors into 3 categories

- ❖ Entrepreneurial ambition
 - ▶ To make money
 - ▶ To continue family business
 - ▶ To secure self employment
 - ▶ To gain social prestige
 - ▶ To do something creative


❖ Compelling reason

- ▶ Unemployment
- ▶ Dissatisfaction with job
- ▶ Make use of idle funds
- ▶ Revival of sick units started by father
- ▶ Make use of technical\professional skills

❖ Facilitating factor

- ▶ Success stories of entrepreneurship
 - ▶ Experience in same or other line of activation
 - ▶ Previous employment in same or other line of activation
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Entrepreneurial performance and rewards

- ▶ Entrepreneurial performance may refer to measure of business success.
 - ▶ Reward may refer to the recompense financial or psychic accruing to the entrepreneur
 - ▶ The convergence is attained when and where the success of the venture itself is perceived as a personal reward
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Thank you

