

# **BEHAVIOR ACTIVITY & MOTIVATION ACHIEVEMENTS FOR DIFFERENT INDUSTRIES FROM ENTREPRENEURIAL PERSPECTIVE**

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## **ABSTRACT**

The purpose of the study is to determine the factor influence the entrepreneur behavior activity in the enterprises. It shows the behavioral characteristics of entrepreneur. It reveals the need framework of entrepreneurial motivation and its theory. It provides the entrepreneurial competencies identified by EDI. It measures the entrepreneurial performances through motivation.

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## **1. INTRODUCTION**

Entrepreneurs and the small business sector have more and more become recognized as important factors determining the dynamics of an economy. Broadly, entrepreneurs have two vital roles to play in the economy: (1) to introduce new ideas and, (2) to energize business processes. Strictly speaking, the term entrepreneur, who derives from the French words *entre* (between) and *prendre* (to take), referred to someone who acted as an intermediary in undertaking to do something. The role of the entrepreneur is to conceive a business idea in terms of an innovation to be brought successfully to the market and to find the wherewithal to make this happen. The entrepreneur does not necessarily need to have the design, production or delivery skills (this is the function of the firm) or to shoulder all or most of the risk (this is often assumed by the providers of finance or investors). Indeed, the notion of the entrepreneur as a risk-taking trader began to be challenged early on by the view of the entrepreneur as an adventurous self-employed manager capable of combining, to personal advantage, capital and labour.

### **1.1. Behavioral Characteristics of Entrepreneurs**

1. Drive and energy
2. Self-confidence
3. High initiative and personal responsibility
4. Internal locus of control
5. Tolerance of ambiguity
6. Low fear of failure
7. Moderate risk taking
8. Long-term involvement
9. Money as a measure not merely an end
10. Use of feedback
11. Continuous pragmatic problem solving
12. Use of resources
13. Self-imposed standards
14. Clear goal setting.

## **2. MEANING OF ENTREPRENEURIAL MOTIVATION**

Entrepreneurial Motivation is the drive of an entrepreneur to maintain an entrepreneurial spirit in all their actions. Motivation implies an inner state that causes a person to act towards the attainment of goals. It is an inspirational process of steering an individual's drives and actions towards goals. It causes a chain reaction. Motivation is an internal psychological feeling which produces goal directed behavior. It is an ongoing process because human needs are never completely satisfied. Motivation is dynamic force setting a person into motion or action. The word motivation is derived from motive which is defined as an active form of a desire, craving or needs and desires effect of change the behavior which becomes goal oriented.

### **3. NEEDS FRAMEWORK OF ENTREPRENEURIAL MOTIVATION**

In common perception, entrepreneurs are after money and they engage in profit making. True, profit- as understood in terms of the residual income of the owner after meeting all the expenses incurred on the engagement and utilisation of other factors of production-is the reward of entrepreneurship just as salary is to men and women in employment and professional fees is to those in profession. So everybody works for money. But people certainly don't work for money alone. After all, money is required not for its own sake, but for the sake of the needs of the person that it can fulfil. Money, thus, is not the need as such. It is teleological (to put it more simply, distantly) related to the internally felt needs (such as need for food) and socially acquired needs (such as status symbols). This leads us to the needs framework of studying entrepreneurial motivation. This framework serves the important purpose of enabling us to understand what motivates an entrepreneur. There are various variants of the needs framework, such as the Need Hierarchy Theory propounded by Maslow, Two-Factor Theory given by Herzberg and Three- Factor/ERG Theory formulated by Alderfer. We would, however, be referring to here much celebrated framework of 'manifest' needs given by McClelland who may be regarded as the father of the study of entrepreneurial motivation. The prefix 'manifest' suggests that you can easily perceive or observe these needs from the behaviour of the individual. As such 'manifest' needs framework relates directly to what the entrepreneurs do and how they do it. Take for example the risk-taking and innovative behaviour of entrepreneurs that imply an individual's desire to undertake challenging tasks, pursuit of excellence and competitiveness. All these observable behaviours are summarized in 'Need for Achievement' or N-Ach. In the manifest needs framework.

### **4. ENTREPRENEURIAL COMPETENCIES IDENTIFIED BY THE EDI**

1. Knowing- Knowing who knows, consulting experts, reading relevant material and an overall openness to ideas and information.
2. Concern for High Quality of Work- Attention to details and observance of established standards and norms.
3. Commitment to Work Contract- Taking personal pains to complete a task as scheduled.
4. Efficiency Orientation- Concern for conservation of time, money and effort.
5. Systematic Planning- Breaking up the complex whole into parts, close examination of the parts and inferring about the whole; e.g. simultaneously attending to production, marketing and financial aspects (parts) of the overall business strategy (the whole).
6. Problem solving-Observing the symptoms, diagnosing and curing.
7. Self-confidence- Not being afraid of the risks associated with business and relying on one's capabilities to successfully manage these.

8. Assertiveness- Conveying emphatically one's vision and convincing others of its value.
9. Persuasion- Eliciting support of others in the venture.
10. Use of Influence Strategies- Providing leadership.

## **5. MANIFEST NEEDS THEORY**

McClelland identified three types of manifest needs, namely, Need for Achievement (N-Ach.), Need for Power (N-Pow) and Need for Affiliation (NAff.). However, it is the N-Ach. That finds the pride of its place in entrepreneurship literature, so much so that achievement motivation is considered synonymous to entrepreneurial motivation. We would be describing N-Ach. In greater detail after having discussed N-pow. and N-Aff .

### **5.1. Need for Power (N-Pow)**

If a man "speculates about who is boss", he has a concern for power, notes McClelland. Need for power, in effect, is the "concern for influencing people" or the behaviour of others for moving in the chosen direction and attaining the envisioned objectives. In common perception, politicians, social-religious leaders Chief Executive Officers (CEOs), Government Bureaucrats/Civil Servants typify the need for power. Such a perception seems more based on the belief that the source of power lies in the "position" a person occupies in organizational/societal context. In the same vein, business ownership too may imply a need for power. Moreover, you would appreciate that the process of founding a business, one has to win the commitment of capital providers, suppliers of equipment and materials, the employees and that of the customers. Link this aspect of entrepreneurial motivation to the competencies related to Assertiveness, Persuasion and Influence Strategies.

### **5.2. Need for Affiliation**

If a man "readily thinks about interpersonal relationships", he has a concern for affiliation, wrote McClelland. It implies, among other things, "a tendency of the people to conform to the wishes and norms of those whom they value." Apparently, social activists, environmentalists, teachers, and doctors and nurses may seem as predominantly driven by these needs. Entrepreneurs are believed to be low on affiliation, as they are and expected to be, innovative, trendsetters and tradition breakers. However, it is not necessary that affiliation should only interfere with achievement. In certain cultures, family comprises the bedrock on which the successful careers are built. One works, as if, not for personal gratification but for family. Desire to carry on the tradition of business in the family and the community to which one belongs, may be interpreted as reflecting need for affiliation as well. In the countries with the colonial past, such as ours, the first generation of entrepreneurs in Independent India was driven by patriotic fervour and the desire to rebuild the economy left stagnated by the alien rulers. One can certainly trace some elements of affiliation in such instances. Moreover, some industries are particularly suitable for person with high need for affiliation and having distinct competencies in Empathy and Concern for Employees.

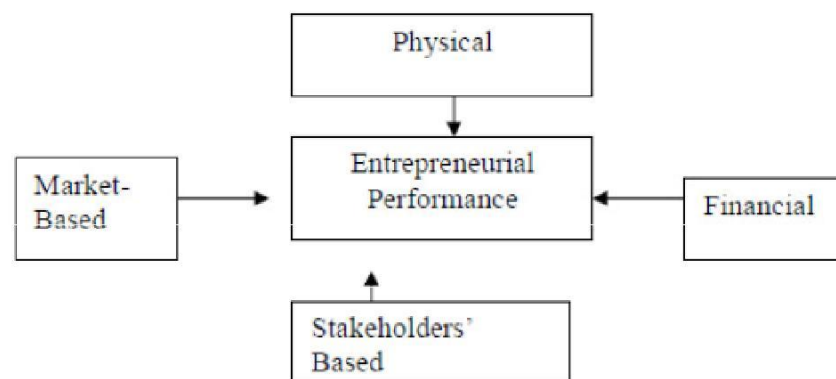
### **5.3. Need for Achievement**

Entrepreneurial behaviour is so much singularly attributed to this need that one may just stop short of taking entrepreneurial motivation and achievement motivation as synonymous. N-ach. Concerns issues of excellence, competition, challenging goals and overcoming difficulties. A complete achievement sequence would comprise, "defining the problem, wanting to solve it, thinking of means to solving it, thinking of difficulties that get in the way of solving it (either in one's self or in the environment), thinking of people who might help in solving it, and anticipating what would happen if one

succeeded or failed.”

## 6. ENTREPRENEURIAL PERFORMANCE

The various measures of business performance include, longevity of survival or more popularly ‘age of the enterprise,’ sales growth, growth in market share, growth in market scope (local, national or international), growth in investment (in the same unit), additional units created via acquisition & diversification growth in number of employees, profits and so on. Most of these are physical growth and financial growth parameters and have been the traditional measures of entrepreneurial performance. Of late, measures of performance such as customers’ satisfaction, employee satisfaction, image, credit rating, etc. are also becoming increasingly relevant. These measures are typically referred to as ‘stakeholder-based’ parameters. As the small firms grow into acquiring corporate identities, ‘market’ based parameters such as stock price, EPS etc. may also be the relevant measures of entrepreneurial Performance. Figure provides a look into the classification of the measures of entrepreneurial performance.



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