

## A STUDY ON PROSPECTIVE ENTREPRENEURS – CAUSES AND THEIR VISIONARY ASPECTS

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### ABSTRACT

The study aims to investigate the causes that an individual - unemployed or even employed to become a future entrepreneur and various motivating or forcing factors that induce him/her to start a new venture and also to find out their visionary aspects towards which he/she wants to implement in his/her new venture. A detailed structured questionnaire was framed and distributed to the persons who have an idea of starting a new venture in their future. The sample used for this study is 75. The researcher considered three important factors that induce persons to start a new venture viz., Ambition Related Factors (ARF); Compelling Factors (CF) and Facilitating Factors (FF). Out of the three factors, the study revealed that ARF is the main influencing factor for the persons to the start new business even though the latter two also have got some influence over them. They have their own venture as their ambition to come true in the future for which they are taking all possible measures to execute their vision. Also, it is found that creating a friendly atmosphere which is followed by a fair treatment their employees are the most important aspects that they may follow in their new venture.

**KEYWORDS:** Entrepreneurs, Entrepreneurship, Vision, Venture, Ambition, Facilitation, Etc

### INTRODUCTION

#### Statement of the Problem

The researcher considers the causes that induce the persons to start their own venture and also to investigate their vision towards the treatment of their employees and the measure to be taken by them to run their business at profitable as well as a recognized one to be the problem before her to be researched.

#### Objectives of the Study

- To identify the cause that induces persons (Unemployed or even Employed) to start a new venture on their own;
- To identify the influencing factors of persons to start a business;
- To examine the prospective entrepreneurs' aspects towards the treatment of their employees in the future.

#### Need of the Study

As the researcher wants to examine the utmost important grounds on which future prospective entrepreneurs' wishes to start a business, this study plays an important role to the economy to recognize the factors to be considered to enable the budding entrepreneurs to be motivated by several means through Governmental and Non-Governmental aids

which can be extended to them.

### Scope of the Study

The study has a wider scope as to organize the financial and non-financial aids that can be extended to the prospective entrepreneurs as their visionary aspects can play a vital role towards the social responsibility of building a strong, healthy and wealthy nation which in turn, helps in the economical development of the society and the economy to a large extent.

### LITERATURE REVIEW

“Becoming an Entrepreneur is Easy but Succeeding as an Entrepreneur is not” – By Dillon Kivo, Founder & CEO of Kivo Media Group, website article published during Feb. 2018 in which he wrote about 8 ways to structure the daily grind for success and also stated about the Myth of working Hard vs. Working Smart.

“7 Life Lessons from my Entrepreneurship Journey” – By John Rampton, Entrepreneur & Connector, VIP, website article published during Feb. 2018, posts 5 tips to becoming a disruptive entrepreneur insisted young entrepreneurs think for the short term goal and adapt accompanied with Work Hard and Play Hard.

“Enterprise Innovation in Developing Countries: an evidence from Ethiopia”, Megeresa Debela Daksa e.t.al., in the Journal of Innovation & Entrepreneurship, 2018, 7:6, in which the study comprehensively analyzed the drivers of enterprise innovation in developing countries.

### RESEARCH METHODOLOGY

- Research Design : Empirical Study
- Sampling : Convenience Sampling
- Sample Size : 75
- Area of Study : Chennai, Tamilnadu

### Conceptual Part of the Study

Entrepreneur – Meaning: An entrepreneur is a financial chief who possesses the ability to realize possibilities for the successful introduction of a brand new product, the new source of supply, the new method of manufacturing, and many others. And who assembles the essential sources and organizes them right into a going concern.

### Characteristics of an Entrepreneur

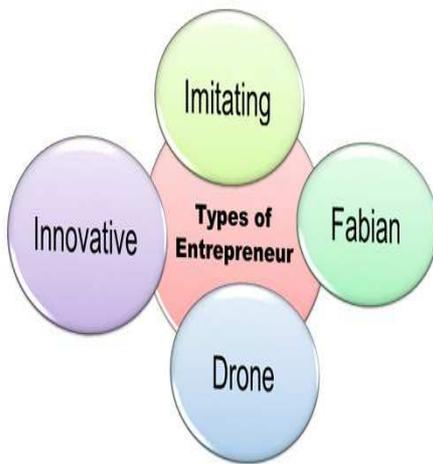
**Innovation:** The entrepreneur does not stay with the repute quo; he works to trade according to his/her non-public imaginative and prescient and values. The entrepreneur is going a whole lot in addition by exploiting the invention commercially or by way of making use of the invention. **Risk Taker:** An entrepreneur takes calculated risks and who faces uncertainty and assumes risks. **Reward:** An entrepreneur is encouraged by way of income, but that's uncertain, irregular and can at instances be negative. **Skills:** An entrepreneur needs intuition, innovative thinking, revolutionary potential, managerial capabilities or even conceptual capabilities. **Status:** An entrepreneur is self-employed and he/she is the personal boss. **Response to Authority:** Case histories of many marketers propose that it become their incapacity to publish to

authority and take delivery of organizational roles that drove them to come to be marketers.

**Entrepreneurial Traits**

- Total dedication, willpower, and perseverance;
- Drive to gain and develop;
- Opportunity and aim orientation;
- Taking initiative and private obligation;
- Persistent problem-solving;
- Realism and a sense of humor;
- Seeking and using feedback;
- Internal locus of manage;
- Calculated risk-taking and danger searching for;
- Low need for reputation and electricity; and/or
- Integrity and reliability.

**Types of Entrepreneurs**



<b>Innovating Entrepreneur</b>	• Who introduces new goods, inaugurates new method of production, discovers new market & reorganizes the enterprise
<b>Imitative Entrepreneur</b>	• Characterized by readiness to adopt successful innovations inaugurated by successful innovating entrepreneur.
<b>Fabian Entrepreneur</b>	• Are characterized by very great caution and skepticism in experimenting any change in their enterprise.
<b>Drone Entrepreneur</b>	• Are characterized by refusal to adopt opportunities to make changes in production formulae even at the cost of severely reduced returns.

**Figure 1**

Source: www.businessjargons.com Source: www.slideshare.net

**Functions of Entrepreneurs**

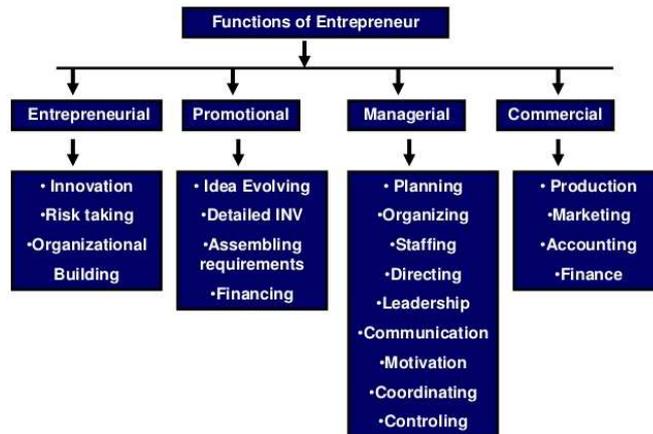


Figure 2

Source: www.assignmentpoint.com

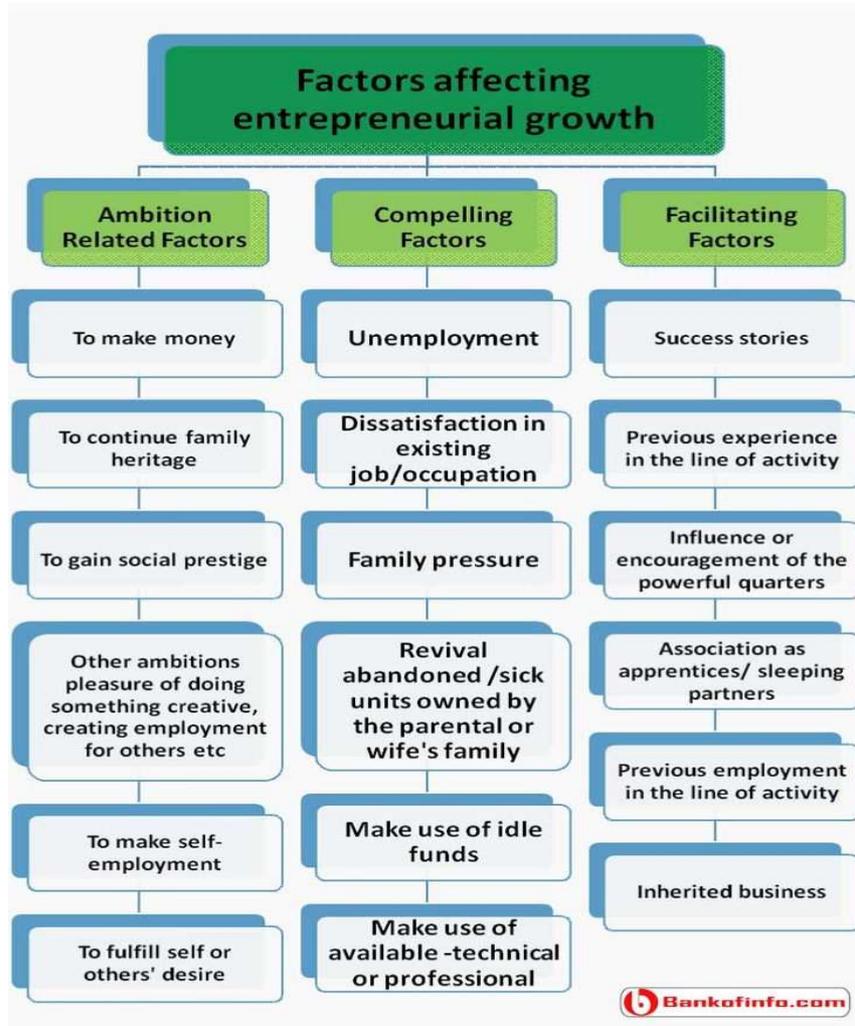


Figure 3

Source: www.pinterest.com

## Empirical Study

The study was conducted with 150 samples who are prospective entrepreneurs in the near future and to examine the motivating factor behind them to start a new venture. A questionnaire was framed that assists the researcher to identify the motivating factor for the prospective entrepreneurs considering all the factors like ambition related, compelling and facilitating. The questionnaire consists of 25 questions factoring 3 main categories that induce them to start a new venture.

## Analysis & Interpretation of Empirical Part of the Study

### Demographic Profile

**Table 1**

Demographics	No. of Respondents	% of the Respondents
<b>Gender:</b>		
Male	43	57.3
Female	32	42.7
<b>Age:</b>		
<25 Years	10	13.3
26-30 Years	19	25.3
31-35 Years	16	21.3
36-40 Years	9	12.0
41-45 Years	7	9.3
46-50 Years	8	10.7
>50 Years	6	8.0
<b>Literacy Level:</b>		
Illiterate	15	20.0
Below Hr. Sec. Education	24	32.0
Hr. Sec. Education	10	13.3
Graduation	7	9.3
Post Graduation	14	18.7
Professional Course	5	6.7
<b>Work Experience:</b>		
NIL	11	14.7
<3 Years	18	24.0
3-5 Years	14	18.7
5-10 Years	7	9.3
10-15 Years	15	20.0
>15 Years	10	13.3

### Analytical Part

**Table 2**

FACTORS	Mean	Std. Deviation
<b>AMBITION RELATED FACTORS</b>		
I wish to start a business to earn more money (ARF1)	1.93	.723
My family heritage of doing business is to be continued (ARF2)	2.61	.928
Own business is a tool to gain social prestige (ARF3)	3.17	.935
I am good at creativity, which I wish to implement in my business (ARF4)	3.15	1.430
I should provide employment opportunities to others (ARF5)	2.72	1.192
I hate folding hands with any other boss (ARF6)	3.19	1.372

<b>Table 2: Contd.,</b>		
Fulfillment of my own desire may be made possible only through business (ARF7)	2.91	1.662
<b>TOTAL OF ARF</b>	<b>19.68</b>	<b>6.562</b>
<b>COMPELLING FACTORS</b>		
Since I didn't find any suitable job for me, I am compelled to start a business on my own (CF1)	2.60	.973
I am much dissatisfied with my present job and position (CF2)	2.25	1.242
Members of my family is forcing me to start a new business (CF3)	2.41	1.187
My spouse/parent's sick unit is to be taken over by me (CF4)	2.65	1.547
Business is a wise investment to use my idle funds (CF5)	2.73	1.359
I am forced to use my technical/professional knowledge in my business (CF6)	2.91	1.357
<b>TOTAL OF CF</b>	<b>15.56</b>	<b>5.07</b>
<b>FACILITATING FACTORS</b>		
I am much pleased by hearing many success stories of entrepreneurs (FF1)	2.33	1.044
My previous experience in the line of activity encouraged me to do it on my own (FF2)	2.33	1.379
I am much impressed with the various schemes of the Government (FF3)	2.59	1.357
I have good moral support from my family (FF4)	2.45	1.131
I have a good association of friends to support my business (FF5)	2.40	1.241
My ancestor business (good running) motivating me to start a business (FF6)	2.93	1.369
<b>TOTAL OF FF</b>	<b>15.04</b>	<b>5.746</b>

## HYPOTHESIS

- **H<sub>0</sub>:** There is no significant relationship between the demographics and the factors inducing them to start a new business;
- **H<sub>1</sub>:** There is the significant relationship between the demographics and the factors inducing them to start a new business;

## FINDINGS

### Mean & Standard Deviation Test

Ambition Related Factors plays a major role in inducing people to start a new business as the Mean & SD values are greater (19.68 & 6.562) which is followed by Facilitating Factors with the SD of 5.746. Least inducing factor be the Compelling factor with SD as 5.07

**Chi-Square Test:** Chi-Square Test has been performed with all the demographic variables with respect to all the factors influencing entrepreneurial contemplation and revealed the following result - Calculated Chi-Square Value –

Ambition Related Factors –  $0.124 > 0.01$  – Null Hypothesis Rejected;

Compelling Factors –  $0.005 < 0.01$  – Null Hypothesis Accepted;

Facilitating Factors –  $0.016 > 0.01$  – Null Hypothesis Rejected.

## ANOVA TEST

ANOVA test has been performed with Age & the factors of entrepreneurial aims and the following are the result.

**Table 3**

ARF	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	182.991	12	15.249	14.037	.000**
Within Groups	67.356	62	1.086		
Total	250.347	74			
CF	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	173.264	10	17.326	14.386	.000**
Within Groups	77.082	64	1.204		
Total	250.347	74			
FF	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	139.697	11	12.700	7.231	.000**
Within Groups	110.650	63	1.756		
<b>Total</b>	<b>250.347</b>	<b>74</b>			

\*\* significant at 99% level of significance

Since the calculated value is (0.000\*\*) which is less than 0.01, there is no significant difference between the age and the factors inducing to start a new business.

## Correlation Analysis

Constant 4.059 E is related with  $0.743$  (ARF) +  $0.574$  (CF) +  $0.651$  (FF)

Hence, it is clear that the factors inducing people to start the business are highly positively correlated by ARF which is followed by FF and least being CF.

## Ranking Analysis

Various visionary aspects were being considered for the prospective entrepreneurs that they might follow in their future business which is being asked by them to give ranks according to their priority. Ranking Analysis being performed and the following shows their priority.

**Table 4**

VISIONARY ASPECTS	Rank	SD
I may give a fair remuneration to all my future employees	3	16.95
All my employees may be treated fairly by me	2	19.32
Creativity of my employees will be encouraged	3	16.95
Friendly relationship may be maintained in the workplace	1	20.99
I may create an environment with my employees that they are the reason for my success	3	16.95
Knowledge & skills of my employees may be recognized & rewarded	3	16.95

## SUGGESTIONS

Since, Ambition Related Factors play a vital role in inducing persons to start a business; a good and fair economical development can be expected if it is combined with the facilitating factors which may be the motivational forces behind them, such as Government Schemes, Moral Support from various Stakeholders etc.

## CONCLUSIONS

ARF being the main inducement for the prospective entrepreneurs, it is concluded from the above study that, People hate working with folded hands with the boss and also it is evident that they can gain a social prestige only through their business which is accompanied with their creativity. Also, it is noted that they can fulfill their desire if they lead a business and they can also provide employment opportunities to people which in turn effect economical development.

### Scope for Future Research

This research study is being conducted with the prospective entrepreneurs to know their inducement factor and visionary aspects which is to be implemented in their future business. Further research can be done with the entrepreneurs whether they were able to implement their visionary aspects in their business once they start their own. Also, study can be undertaken to know the corporate social responsibility of those entrepreneurs.

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