CHAPTER- I

Introduction
In the present investigation psycho-demographic variables has been taken into consideration as independent variables and entrepreneurial behavior as a dependent variable, which implies success of an entrepreneur caused by his or her efforts and talents.

The term entrepreneur was first coined by Cantillon, a French Banker, in the mid of 18th century. According to him the function of an entrepreneur is to work in an uncertain atmosphere. He defined an entrepreneur, “The agent who buys a means of production at certain prices in order to combine them into a product he is going to sell at prices that are uncertain”. According to him, the function of entrepreneur is to work in an uncertain atmosphere. He observed entrepreneur as a kind of person who is engaged in productional activities and makes certain payments to the owners of production factors in expectation of uncertain receipts. But his view was criticized on the ground that he emphasized much the element of risk and uncertainty and did not include many other aspects of entrepreneurship in his perception. Frank Knight viewed entrepreneur as a person who takes decisions under condition of ‘risk’ and uncertainty.

According to 19th Century J.B say “an entrepreneur is an important agent of production who gets together other factors of production”.

Again, he emphasized that entrepreneur is one who combines the land of one, the labour of another and the capital of yet another and who produces a socially valuable production.

Heselitz (1956) defined entrepreneur as a person bringing labour and material at a certain price and selling the result and product at contracted price. J.S. Mill advocated the word entrepreneur in the sense of an organizer who was paid for his ‘non-manual type of work.’ Walras defined entrepreneur
as an organizer who combines all factors of production for the fulfilling of productivc process. According to Haggen (1962) entrepreneur is an ‘economic man’, who tries to maximize his profits by innovations.

According to Knight (1948) entrepreneurs are the specialized group of people who bear risk and deal with uncertainty. According to McClelland (1961), entrepreneur is the one “who likes to take reasonable risks, wants to know how they can turn out as quickly as possible and has high degree of need for achievement.”

In the light of above set notions it can be safely concluded that entrepreneurship is simply doing new things or doing things that are already being done in a new way. Entrepreneurship is not a matter of heritage, it is entirely a manifestation of such potentialities that any individual born in any caste, community and class can have. As such, any person having a certain set of behavioural traits and mental aptitudes in him can become an entrepreneur. Even if he is grown-up, has worked on a different line and has developed those traits or aptitudes, he can be groomed and developed as a good entrepreneur through counseling and motivational measures.

Before the latter half of 19th century industrial development in India was practically at a standstill. The main reason for this was the colonial ruler whose sole interest was in exploiting the local market to his own advantage. Some restricted opportunities of economic development did open out during the British rule, but whatever social and economic modernization was initiated by it, was done with an eye on the politico-economic interest of the imperialist rule. Economic growth, in the real sense of the term began in India in the later half of 20th century, especially after the attainment of independence. Since India has opted for a mixed economy, the responsibility
for ensuring a steady rate of economic development rests on the shoulders of both public and private enterprises. It may be pointed out that the spirit of mixed economy that we have opted is not to encourage capitalism alongside of socialism but to ensure a healthy growth of entrepreneurship through the development of entrepreneurial spirit in keeping with essential freedom of the individual innovator alongside the public control of the economy.

Though, the concept of entrepreneurship and its theory have been evolved over more than two centuries. But the concept of entrepreneurship even then did not find any place in early English Economic thought. From Adam Smith to Marshall the economists made no efforts to define or conclude entrepreneurship in their economic literature. They did not use the word entrepreneur or entrepreneurship at all. Instead, they used the word employers, the master, the merchant and the undertaker.

The first major work on entrepreneurship came from Schumpeter. It was published for the first time, in German, in the fall of 1911 and an English version thereof in 1934.

In Schumpeter's system entrepreneur is essentially a 'creative activity'. It consists of such things that are not generally done in the ordinary course of business. It is essentially a phenomenon that comes under the wider aspect of leadership.

According to Cole (1959) entrepreneurship is purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or organize a profit oriented business, unit for the production or the distribution of economic goods and services. Hoselitz highlighted the fact that entrepreneurship depends partly upon the appearance of persons with a certain psychological make-up favourable for entrepreneurial activity and partly upon
the social and economic environment in which individuals with requisite personal will find it attractive to apply themselves to the pursuit of appropriate economic ends.

McClelland describes the innovative characteristics of entrepreneurial role. Entrepreneurial role, by definition involves doing things in a new and better way. A businessman, who simply behaves in traditional way, is not an entrepreneur. Moreover, entrepreneurial role calls for decision making under uncertainty. If there is no significant uncertainty and the action involves applying known and predictable results, then entrepreneurship is not at all involved.

McClelland, like others, identified two characteristics of entrepreneurship. First, doing things in a new and better way. This is synonymous with the innovative characteristics given by Schumpeter and secondly, ‘decision making under uncertainty i.e. risk as identified by Cantillone. McClelland more explicitly emphasized the need for achievement or achievement orientation as the most directly relevant factor for explaining economic behavior. This motive is defined as a tendency to strive for success in situations involved on of one’s performance in relation to same standard of excellence. Stepamek believes that “entrepreneurship” is the capacity to take risk, ability to organize and desire to diversify and make innovations in the enterprise.”

In simple words, entrepreneurship means the function of creating something new, organizing, coordinating and undertaking risk and handling economic uncertainty. Entrepreneurship involves sufficient volume of risk and adventure in the business under personal bears, ultimate authority of taking decisions and formulating policies regarding business. He further says
that entrepreneurship is an economic activity in which an individual, motivated by economic going, invests capital, borrowed or his own in order to get a return.

The word "entrepreneur" is defined from the French verb 'entreprendre' meaning "to undertake". Peter Kilby in his writings on entrepreneurship has compared an entrepreneur to the "heffalump". The heffalump is a large, self important creature whom many claim to have seen though no one can identify his characteristics with certainty.

The term "entrepreneur" has been introduced by Richard Cantillon in 1892 but it was first accorded a degree of prominence by J.B. Say in the nineteenth century and then later by Schumpeter. Richard Cantillon called entrepreneur as an agent who buys means of production at certain prices in order to combine them into a product that he's going to sell at prices that are uncertain at the moment at which he commits himself to his costs. J.B. Say expanded the term, and bringing together of the factors of production, provision of continuing management as well as risk bearing were included in entrepreneurial function. Schumpeter (1934) put the human agent at the center of the process of economic development and regarded an entrepreneur as one who, through new combinations of means of production, carries out of the introduction of a new goods, the introduction of a new method of production, the opening of a new market, the conquest of a new source of supply of raw materials or half manufactured goods, and carrying out of the new organization of an industry.

According to Knight (1948) entrepreneurs are the specialized group of people who bear risk and deal with uncertainty. The Funk and Wagnalls
Standard Dictionary (1958) define him as “one who undertake to start and conduct an enterprise or business, assuming full control and risks.”

Cole (1959) defined entrepreneurs as “the purposeful individual or group of associate individuals who have undertaken to indicate, maintain profit oriented business unit for the production of contribution of economic goods and services. Websters (1961) defined entrepreneurs as “the organizer of an economic venture, especially one who organizes owns. Manages and assumes the risk of the business.

McClelland (1961) viewed, entrepreneur is the one “who likes to take reasonable risks. Wants to know how they can turn out as quickly as possible and has high degree of need for achievement, “Further, he defined entrepreneurship as a degree to do well, not so much for the sake of social recognition or prestige, but to attain an inner feeling of personal accomplishment. McClelland (1963) later pointed out that the single most important causative factor in the rise of entrepreneurship, which in turn leads to the economic development of the country, is the prevalence among people of this social psychological drive namely achievement motivation.

According to John Burch, entrepreneurship is the art of being an entrepreneur; a derivative of the French term ‘entreprendre’ which means “to undertake, to pursue opportunities, to fulfill needs and wants through innovation and starting business.” The entrepreneur is the one who does this, he or she is a person who undertakes a venture, organizes it, raises capital to finance it, and covers all or major portions of the risk.

Drucker, (1985) a prestigious well known managerial thinker found innovation to be highly important element for entrepreneurship. According to Drucker, entrepreneurs innovate. Innovation is the means by which
entrepreneurs exploit change as an opportunity for a different business of a different service.

The term entrepreneurs have been categorically classified by Karl Vesper in the following manner:

(1) Solo self-employed individuals,
(2) Team builders,
(3) Independent innovators,
(4) Pattern multipliers,
(5) Economy-of-large-scale exploiters,
(6) Capital aggregators,
(7) Acquirers, and
(8) Buy-sell artists.

Solo Self-Employed Individuals

Entrepreneurs who work alone or with only a few employees are known as solo self-employed individuals. They generally perform the work themselves rather than assigning it to other people. Solo self-employed individuals are perhaps the most numerous of all entrepreneurs. Their ranks include small store and repair shop owners, independent sales representatives, attorneys; and physicians etc.

Team Builders

Entrepreneurs who expand small, usually one-person businesses into larger companies are known as team builders. An example is the self-employed electrician who gradually hires additional employees until a full scale electrical contracting firm is established. Many of the nation's largest companies started out this way.
Independent Innovators

Individuals who create companies to manufacture and sell products they have invented are independent innovators. For example, Wang's invention of the magnetic-pulse controlling device for computer memory led to the creation of Wang Laboratories, Inc., a manufacturer of computers and word processing equipment. Land founded the Polaroid Corporation on the success of one of his inventions, the world's first polarizing sheet material.

Pattern Multipliers

Entrepreneurs who build several units of their own effective business are known as pattern multipliers. The entrepreneurs may have designed and built the original business, or they may have purchased a business started by someone else. To illustrate, the first McDonald's fast food restaurant was opened in 1948 by brothers Dick and Maurice McDonald. Ray Kroc was impressed with this ham-burger operation and fortunately in 1954, he became their national franchise agent and sold franchises to other people.

Economy-Of-Large-Scale Exploiters

When a firm has lower average costs due to its large sales volume, economics of large scale are involved. Entrepreneurs who can sell a large volume of goods at reduced prices are economy-of-large scale exploiters. Discount store operators are one example of this type of entrepreneur. Because of the larger scale of their establishments, they may be able to afford advanced and specialized equipment such as the scanners built into the checkout counters at some larger supermarket. This equipment enables one cashier to handle more customers in less time, thus lowering the store's payroll expense because fewer cashiers are needed. Economy-of-large scale
exploiters often obtain merchandise at price discounts because they buy in such large quantities.

**Capital Aggregators**

Entrepreneurs who take the lead in pulling together the large amounts of capital needed to start enterprises in the financial industry are capital aggregators. Examples of capital aggregators could be those who use their capita-raising skills to help start banks, mutual funds and insurance companies.

**Acquirers**

People who become entrepreneurs by buying an existing business are acquirers. Entrepreneurs lacking work experience in particular fields have successfully entered those fields by acquiring businesses already in operation.

Finding a business that someone is ready to sell is usually not difficult; however, determining the value of the business, or whether it is even worth buying, is a more difficult task.

**Buy-Sell Artists**

In this case, rather than making their money from the day-to-day operations of a business, buy-sell artists turn a profit by buying a business and then selling it at a higher price. Buy-sell artists usually buy companies with problems that they solve before they sell the company. Typical actions include reducing costs and payrolls and eliminating unprofitable products. In most cases, buy-sell artists do not wish to own a particular company for than a few years. According to J.A. Schumpeter, “an entrepreneurship is essentially a creative activity or an innovative function”. The process of innovation takes place in the following forms:

(a) Introduction of a new product,
(b) use of a new method of production,
(c) opening of a new market,
(d) the conquest of a new source of supplying raw material, and
(e) a new form of organization.

The potential of entrepreneurship has been recognized as a vehicle to harness the talent capacities and energies of people.

**Personality types of entrepreneurs**

Miller, Giinter and Gappisch, Cathrin, (2005) 85 German entrepreneurs were psychometrically assessed on 112 primary trait characteristics. The sample consisted of 49 men and 36 women whose mean age was 45.6 yr. (SD=10.3). Occupational domains were production (40%) and services (60%). The mean duration of entrepreneurship within these domains was 13.1 yr. (SD=9.3). By factor analysis five personality types of entrepreneurs could be identified. Creative Acquisition, Controlled Preservation, Distant Achiever, Rational Manager and Egocentric Agitator. These types correspond with types found in research by Miner and with the Myer-Briggs Indicators. In addition, correlations between general types potential and both job and life satisfaction of entrepreneurs were found. The results and discussed with regard to intercultural stability of personality types and implications for research and applications.

**Some Characteristics of executive entrepreneurs**

Congemi and Parsons (2006) the authors of this article with more than 70 years of experience between them, both as business leader themselves and consultants to some very wealthy entrepreneurs have provided some first hand observations of several of these unique financially successful individuals. Also provided are some of their less promising qualities that could only be
known be those who either work for them, know someone who works them, or are personally close to them. This article is based on experiences with entrepreneurs with network of no less then 50 million do dollars.

**Schools of entrepreneurship**

There exist a number of schools of thought which view the notion of entrepreneurship from different perspectives. These schools are getting this deeper concern to illustrate what the entrepreneur does and what are their various functions and processes.

**The “Great Person’ School of Entrepreneurship**

Newspaper columnists of the day provide snippets of current ‘great people’ ranging from Ambanis to Bill Gates. Television stories depict functional characters and biographies of this genre. Writers of magazines such as Business Today offer documentaries, not on the daily lives of the hard working persevering entrepreneur, but on the exceptional flashy story of the successful “great people”.

The picture presented is usually one of power, success and wealth, the image of our business elite. To be inspirational, these individuals must be able to present ideas, concepts and beliefs that others find intriguing or stimulating. Biographies frequently identify the intuitive ability of the “great people” to recognize an opportunity and to make an appropriate decision. They imply that, without the ‘inborn’ faculty for intuition, the individual would be like the rest of us mortals who lack the instinct that an Estee Lauder had to identify saleability of a fragrance for which fragrances will sell and which will not.

In brief, this theory defines an entrepreneur by the concepts and traits most valued.
The “Psychological Characteristics” School of Entrepreneurship

The psychological characteristics school of entrepreneurship focuses on personality factors and believes that entrepreneurs have unique values and attitudes toward their work and life. These, values and attitudes along with certain other dominant needs, propel the individuals to behave in a certain ways. However, there are some important personality characteristics which received considerable attention in this regard i) the personal values such as honesty, duty, responsibility and ethical behaviour; ii) the risk-taking propensity and iii) the need for achievement.

This school generally believes that entrepreneurs cannot be developed or trained in classroom situations. Much of the entrepreneur’s ability relates to a personality or style of behavior which develops over a time, primarily through relationships with parents and teachers early in life.

The “Classical” School of Entrepreneurship.

The classical school of entrepreneurship represents innovation creativity and discovery as the key factors underlying body of thought and research. Entrepreneurship, in this view, refers to the process of creating an opportunity or “the opportunity-seeking style of management that sparks innovation” (Peterson, 1985). Hence, the critical aspect of entrepreneurship appears to be the process of “doing” rather then “owning” a venture or business (Herbert and Link, 1982).

The “Management” School of Entrepreneurship.

Stevenson et al. (1985, 1989) argue that ‘entrepreneurship is an approach to management’ which they define as ‘the pursuit of opportunity without regard to resources currently controlled’ (Stevenson et al., 1989). They conceive of a spectrum of business behaviour which ranges from
entrepreneurial at one extreme, personified in the form of the ‘promoter’, and administrative at the other extreme, individuated by the term ‘trustee’. The promoter is the person who feels confident of his or her ability to seize opportunity regardless of the resources under current control whereas the trustee emphasizes the efficient use of existing resources (Stevenson and Sahlman, 1989). They identify six dimensions of business practices by which they elucidate the two contrasting styles of management. These dimensions are popularly known as strategic orientation, the commitment to opportunity, the resource commitment process, the concept of control over resources, management structure and compensation policy etc.

This school suggests that an entrepreneur is “a person who organizes or manages a business undertaking, enduring the risk for the sake of profit” (Webster, 1966). It deals with the technical aspect of management and seems to be based on the belief that entrepreneurs can be developed or trained in the classroom. Since many entrepreneurial ventures fail a significant proportion of these failures might be traced to poor managing and decision making as well as to financing and marketing weaknesses. According to this school, entrepreneurship is a series of learned activities which focus on the central functions of the management of a firm.

The “Leadership” School of Entrepreneurship.

The leadership school of entrepreneurship is a non-technical side of the management school, which suggests that entrepreneurs need to be skilled in appealing to others to “join the cause”. Successful entrepreneur must also be a “people manager” or an effective leader/mentor who plays a major role in motivating, directing and leading people. “Thus, the entrepreneur must be a
leader, able to define a vision of what is possible, and attract people to rally around that vision and transform it into reality” (Kao, 1989).

**The “Intrapreneurship” School of Entrepreneurship.**

The preceding Entrepreneurship school evolved in response to the lack of innovativeness and competitiveness within organizations. Entrepreneurs, to the limited extent that they possess discretionary freedom of action, are able to act as entrepreneurs and implement their ideas without themselves becoming owners. This school generally assumes that innovation can be achieved in existing organizations by encouraging people to work as entrepreneurs in semi-autonomous units. However, there are indications that large corporations have been unsuccessful in creating entrepreneurs or an entrepreneurial climate. Many managers involved in entrepreneurial ventures often leave the company, sometimes in frustration, to start their own entrepreneurial venture (Knight, 1988). Their departure may indicate that entrepreneurial forces might be at odds with normal managerial activity, or that conventional organizations have not been able to use the entrepreneurship model to their best advantage. The success of the entrepreneurial model seems to depend on the abilities of operational level participants to exploit entrepreneurial opportunities. It also depends on whether or not managers in the overall corporate structure see the need to exploit these opportunities.

**Contingency School of “Entrepreneurship”**

The contingency school of entrepreneurship assumes that the behaviour associated with the entrepreneurial firm, or of the entrepreneur, is a function of various contextual variables. This school has been extensively contributed by Miller and Friesen (1982); Miller (1983); Miller and Toulouse (1986).
Miller and Frisen (1982) chose product innovation as the main criterion of entrepreneurial activity, which enabled them to distinguish between entrepreneurial and conservative firms. Entrepreneurial firms develop a competitive strategy aimed at making dramatic innovations as a matter of routine and take concomitant risks. Conservative firms innovate only when there were felt pressures (from competitors, customers) to do so. The contextual variables selected for distinguishing between the two types of firm were: environment, information processing ability, organizational structure and decision-making processes. In order to understand the relationship between innovation and its context, they suggest that, it may be necessary to study managerial motives, ideologies and goals.

**Entrepreneurial Functions**

According to Schumpeter the functions of the entrepreneur falls into a sequence of three interrelated activities such as:

(a) Perception of the opportunity based on an innovation.

(b) Promotion of business organization capital of abridging the innovation.

(c) Running the business unit as a going (profitable) and growing concern.

An active entrepreneur, who bears risk and also participates in conducting a well organized business, has to perform the following management functions:

(a) Planning,

(b) Organizing

(c) Leading and

(d) Controlling.
Planning
Planning requiring decision making, purports to set objectives indicative of the goals of the enterprise, and the actions required materializing the objectives. Actions may be taken by many. Each set of action involves time and use of resources adding to cost.

Organizing
Implies a formalized intentioned structure of roles or positions.

Leading
Leading purports that people working in an organization can synchronies their interests and satisfaction of their need by adding to the well being of the enterprise.

Controlling
Controlling involves budgetary and cost control. To give the manager control, controls must satisfy seven specifications.

- they must be economical
- they must be meaningful
- they must be appropriate
- they must be congruent
- they must be timely
- they must be simply, and
- they must be operational.

Thus, an entrepreneur is an action oriented person with motivation. He is always prepared to take risks to achieve his business goals.

The entrepreneurial environment
This is true to say that entrepreneurship is environmentally determined. A number of factors are relevant, whose combination creates a ‘critical mass’
necessary for entrepreneurial activity to flourish. According to John Kao, capital availability is essential and mechanism for realizing value is also important. There is little point in making money if it cannot be accumulated and directed towards new objectives. The 'harvest' for the entrepreneur may occur. Through, for example, sale of stock in capital public markets or private placements, if appropriate or if tax regulations are punitive, the entrepreneur's zeal may be dampened by an inability to harvest.

Availability of other resources is equally important. These include resources with the necessary experience and skills, experts in such areas as law, information such as libraries and data banks, and infrastructure resources such as inexpensive space. Other factors also influence the environment. Media attention is important, particularly as means of publicizing the stories of appropriate role models and success. Idea generating institutions are also important. For instance, Leading Corporation Such as Hewlett Packard has taken up a role in fostering entrepreneurship through educational and investment programs. Universities are also valuable, as sources of technical opportunities and expertise. Finally, the environment is in a sense composed of the streams of opportunity available to the entrepreneur. New technological breakthroughs are likely to fuel a large amount of entrepreneurial activity.

The environment also exerts a significant influence in dictating the choices available to 'would be' entrepreneur. In many societies, for example, access to mainstream jobs in established companies is blocked or hampered for certain groups such as minorities and immigrants. Individual from such group will be forced by circumstances to create their own economic platform by starting their own businesses. The drive towards social assimilation will stimulate such efforts.
Finally, the cultural environment is also influential. Entrepreneurship during 1980s was different in style from its manifestations in other historical periods. In this decade, the time between the creative idea and the corporate institution was swift, in no other era have the dynamics of organizational growth been more compressed. And in response, a group of young people and the organizations they have founded appear inherently supportive of entrepreneurial activities that seemingly thrive on rapid and volatile change.

**The attitude climate for entrepreneurial activity**

Jackson and Gretechen (1994) Examined attitudes that contribute to successful entrepreneurial activity in a telephone survey of 1,001 Ss aged 18th yrs. Four components, of such attitudes were identified the Willingness to take risks & accept the possibility of failure, the perceived difficulty of starting view terms the importance & respected accorded to new & small firms & their owners & the socialization children are likely to receive. These components were related to measures of the structure & performance of Ss local economy & to individual factors. Pro-entrepreneurial attitudes were lower among Ss working in large organizations & among those living in areas dominated by large organizations regardless of the size of their owner employer. Other measures of the local economy, such as past success in creating new business were not associated with differences in attitudes. Attitude was also related to individual attributes such as age & income.

**The role of entrepreneurship in building cultural competition in different organizational types**

Hult, Charles, and Kandemir (2003) Examined the role of entrepreneurship in building cultural competitiveness (defined as the degree to which organizations are predisposed to detect & fill gaps between what the
market desires & what is currently offered) in organization as the collective result of interactives among four variables: entrepreneurship innovative ness market orientation & organizational learning. Among this variation entrepreneurship repetitive the most influential & proactive means of developing a market based culture. However, the role of entrepreneurship differs depending on organizational type. Based on data from a sample of 764 organizations, superior performances occurs when certain aspects of cultural compositeness fit each of four organizational types specific large & young organizations achieve strong performance by focusing directly on entrepreneurships. In the other organizational types entrepreneurship has an indirect type’s effect on performance.

An Exploratory study of Lifestyle Entrepreneurship and its Relationship to Life Quality

Marckett, Nichm, and Ruchita (2006) this exploratory study examined the relationship between lifestyle entrepreneurship and life quality. The researchers defined lifestyle entrepreneurs as individuals who owned and operated businesses closely aligned with their personal values, interests, and passions. Researchers used a systems theory perspective to examine the role & impact of lifestyle entrepreneurship on life quality for individual business owners. Their families & communities. Through 12 descriptive case studies, research examined characteristics of lifestyle entrepreneurs, their business & their perceived life quality. Many of the entrepreneurs owned & operated businesses related to family & consumer’s science including apparel retail interior, food, services & hospitality firms. Two common themes emerged from the data enhancement of business owner’s quality of life as a result of
the entrepreneurial venture & a perception of the entrepreneur’s ventures providing enhanced quality of life to employee’s customers & the community.

The entrepreneurial task

Stevenson has defined the task of the entrepreneur as “the relentless pursuit of opportunity”. He sees opportunity as the recognition of a desired future state involving growth or change, and a belief that achievement of the state is possible. The entrepreneur must be skillful to see opportunities where others do not to the extent that an opportunity is latent in a given situation or implies a desired view of the future, the entrepreneur must use intuition effectively.

The entrepreneur should also be considered as an implementer this means an ability to attend to details, to be operationally oriented, to “take care of business”. The entrepreneur must be responsive to objective knowledge derived from the environment. Thus, implicit in the entrepreneurial role is the notion of psychological balance between personal or inductive and external or objective knowledge.

The entrepreneur is faced with a number of interpersonal tasks as well. The entrepreneur must work with many external constituencies, likes bankers, lawyers, public relations companies; consulting firms and other governmental agencies etc To Marshall needed resources. It is part of the entrepreneur’s job that he or she be comfortable working with a wide range of people. Regardless, an entrepreneur should also be a leader, able to define a vision of what is possible and to attract people to rally around that vision and transform it into a reality.

Thus, the entrepreneur’s tasks are diverse; to see an opportunity, marshal human and other resources necessary to pursue it, and transform the
opportunity into a tangible result. Their job description includes wide range of creative, operational/manifold, interpersonal and leadership tasks.

**ROLE OF ENTREPRENEURIAL TASK MOTIVATION**

Smith and Bracker (1994) in the growth of technologically innovative firms: Used follow-up data on the growth of 59 firms contacted over 5 yrs after their entrepreneurs were tested with the minor sentence completion scale—Form T to test hypotheses derived from task theory. The results tend support for the predictive criterion-related validity of overall task motivation a desire for personal achievement a desire to innovate, & a desire to plan & set goals, but not for a desire to avoid risks.

**TRAITS**

However, these are some important characteristics and traits of an ideal entrepreneur such as:

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Traits</th>
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<tr>
<td>Self Confidence</td>
<td>Confidence, Independence, Individuality, options</td>
</tr>
<tr>
<td>Task Oriented</td>
<td>Need for Achievement, Profit Oriented, Persistence, Perseverance, Determination, Hard work, Drive, Energy and Initiative.</td>
</tr>
<tr>
<td>Risk Oriented</td>
<td>Risk taking behaviour</td>
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<tr>
<td>Leadership Quality</td>
<td>Leadership Behaviour, Get along well with others, Responsive to suggestions and criticisms.</td>
</tr>
<tr>
<td>Originality</td>
<td>Innovative, creative, Flexible, sense of openness, Resourcefulness, Versatile, Knowledgeable</td>
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<tr>
<td>Future – Oriented</td>
<td>Foresighted and Perceptive</td>
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<tr>
<td>Risk Sustaining</td>
<td>High risk taking behaviour</td>
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Developing entrepreneurial skills through the use of behavioral stimulations

Dunbar and Mullen (1991) examined how behavioral stimulations can help people to learn how to enhance their entrepreneurial behavior. 317 business people participated in 1 of several different behavioral stimulations over a 2 yrs period. Each S selected 1 of 12 roles in a stimulated company ranging across 3 hierarchical levels. Assessments of the skills & abilities of the same individual in real & stimulated environments were related. Managers who were observed by their real life bosses to exhibit more managerial skill were also viewed by their peers in the education progress as being the ones who made more contributions to the running of the stimulated organization.

Psychological trait of rural entrepreneur

entrepreneurs in an attempt to replicate & extent a study of New England managers (Begley & Boyd, 1987) in high technology & manufacturing firms, using data from 926 two technology, retail/service firms in rural Florida. Measures included psychological items from the New England study & items from the Gordon Personal profile inventory. Entrepreneurial status & measures of firm performance were related to psychological traits. Type A behavior need for achievement ascendancy, emotional stability, & personal relations were traits that differentiated founders & non founders. No major differences in psychological traits were found between rural urban managers.
The Relationship of Entrepreneurial Traits, skill, and Motivation to subsequent venture Growth

Baum and Locke (2004) previous research on entrepreneurship as well as goal. Social cognitive and leadership theories has guided hypotheses regarding the relationship between entrepreneurial traits and skill (passion, tenacity & new resource skill) & situationally specific motivation (communicated vision self-efficacy & goals to subsequent venture growth. Data from 22nd entrepreneurs chief executive officers & 106 associates in a simple industry were obtained in a 6 yrs longitudinal study. Structural equation modeling revealed a web of relationships that impact venture growth & these factors medicated the effects of passion, tenacity & new resource skill on subsequent growth. Furthermore, communicated vision & self efficacy were related to goals, and tenacity was related to new resource skill.

Entrepreneurial infrastructure

According to Lemur, the term infrastructure was coined in the first half of the 20th century in reference to military installations. But it got its popularity during 1980's when concerns mounted that the infrastructures in several industrial nations including the U.S. were in danger. Thus infrastructure includes the basic installations and facilities that are required to operate a nation, regions are locality’s industry.

According to Van de Ven infrastructure includes,

(a) The development of resource endowments for basic knowledge.
(b) Financing mechanisms.
(c) Competent labour, and
An industrial governance structure which legitimizes, regulates and standardizes the activities of industry members.

According to McMullan and Long, infrastructure includes entrepreneurship education, incubators, and venture capital. It provides support systems and network to new business owners, owners of small growing businesses and existing SMEs, in the form of (a) assistance with tasks which the business owner or small firm must accomplish, (b) resources—physical or monetary (c) information and (d) knowledge.

Entrepreneurial infrastructure comprises four basic elements known as:

- **Assistance with tasks.**
- **Physical and monetary resources.**
- **Information.**
- **Knowledge.**

**Assistance with tasks:**

Potential and existing owners of small growing business are continually faced with a series of tasks which they must perform if they are to start, grow and develop commercially.

**Physical and Monetary Resources:**

In order to function effectively business owners and small firms require facilitative resources. For instance, with regard to business creation potential, business owners require adequate physical structures and capital.

**Information:**

Small growing businesses and owners require data and information on economic, market, legal and technological aspects. To make decision and to carry out work effectively.
Knowledge:

Small business owners and their businesses will be ultimately successful only if the business owner or firm has attained a level of knowledge which is adequate for accomplishing the tasks which they are to perform.

The role of entrepreneurship in economic growth

Economic development essentially means a process of upward change. It can be defined as a process whereby the real per capita income of a country increases over a long period of time.

The role of entrepreneurship in the world economy is perhaps more important than at any time in the twentieth century. In the 18th Century, Adam Smith, did not assign any significance to entrepreneurial role in economic development. The problem of economic development was largely the ability of the people to save more and invest more in any country. According to him, ability to save is governed by improvement in productive powers of labour. And he attributed this increase in productivity to the increase in the dexterity of every worker due to the division of labour.

David Ricardo, in his theory of economic development identified only three factors of production, namely, machinery, capital and labour among whom the entire product is distributed as rent, profit and wages respectively. Ricardo appreciated the virtues of profit in capital accumulation. According to him, profit leads to capital accumulation. According to him, profit leads to saving of wealth which ultimately goes to capital formation.

Thus, in both the theories of economic development, there is no room for entrepreneurship. In the process of economic development, the entrepreneurial role is totally ignored.
In the recent past, the role of entrepreneur has been considered of immense significance in shaping the industrial growth and economic development in both the developed and under-developed countries. It is the only active and enthusiastic entrepreneur, who fully explore the potentialities of the country's available resources-labour, and technology. That is why the significance of their role to economic development is recognized by several economists in various ways. For example, Schumpeter visualized the entrepreneur as the key figure in economic development because of his role in introducing innovation. Parsons and Smelser describe entrepreneurship as one of the two necessary conditions for economic development, the other being the increased input of capital. Meer and Baldwin viewed that development does not occur spontaneously as a natural consequence when economic conditions are in some sense 'right' a catalyst of agent is needed, and this requires an entrepreneurial activity.

The role of entrepreneurship in economic development varies from economy to economy upon its material resources, industrial climate and the responsiveness of the potential system to the entrepreneurial function. The entrepreneur contributes more in economies with relatively favourable opportunity conditions. What type of entrepreneurs will emerge in an economy depends upon the type of facilitative set up available in that very particular economy.

From the opportune conditions point of view, the under developed regions due to the paucity of funds, lack of skilled labour and non-existence of a minimum social and economic overheads. In such regions, entrepreneurship does not emerge out of industrial background with well developed institutions to support and encourage it. Therefore, the
entrepreneur in such region may not be an ‘innovator’ but an ‘imitator’, who would copy the innovations introduced by the ‘innovative entrepreneurs’ of the developed regions.

Under the paucity of funds and problems of imperfect market in underdeveloped regions, the entrepreneurs are bound to launch their enterprise on a smaller scale. As imitation requires lesser funds than innovation, it is realized that such regions should have more of imitative entrepreneurs. And, it is felt that imitations of innovations introduced by developed regions on a massive scale can also bring about rapid economic growth in underdeveloped regions.

There is yet another justification to the significance of the role of small entrepreneurs in economic development of underdeveloped regions. For instance, India which in itself is an under developed country aims at decentralized industrial structure to achieve the regional imbalances in various levels of economic development. The small Scale Industrial structure plays an important role of achieving the balanced regional development. It is unequivocally believed that these industries provide immediate large scale development, ensure a more equitable distribution of national income and also facilitate an effective resource mobilization of capital and skill which might otherwise remain unutilized.

Yet another important contribution emanating from small firms in recent years has been their preponderant share in newly generated jobs. As an entrepreneur, one is not only employed but creates employment for others. One is not only realizing the goal in his life but is also a source of livelihood for so many others. The pride of being a lord of one’s own destiny is coupled with the satisfaction of being the benefactor of so many.
Entrepreneurial risk & strategic decision making: It’s a matter of perspective.

Busenitz (1999) Risk taking has long been central theme of the entrepreneurship literature. However, research on the risk propensity of entrepreneurs has net with virtually no empirical support even though entrepreneurs consistently engage in risky events the article attempts to resolve this paradox by examining elves preverbal risk through the Levis of cognitive psychology & decision making. The authors progress that entrepreneurial risk may be t explained by recognizing that entrepreneurs use biases & heuristics more, which is likely to lead them to perceive less risk in a given decision situation. The data indicate that entrepreneurs do indeed use representativeness more in their decision making & are more over confident than managers in large organizations. These findings prefer a new prefers deal with the in ordinals ammonal of risk associated with starting new ventures.

The nature of networking in small firms

O’Donnell (2004) for some time, researchers at the marketing entrepreneurship interface have employed the concepts of network and networking as a means of exploring how entrepreneurs “do business”. More recently, attempts have been made to show how the process of networking contributes to small firms marketing. The overall research study on which this paper is based aimed to show how networking contributes to marketing. This paper focuses on a specific objective of the overall research study namely an understanding of the process of small firm networking. It reviews previous research into the concept of networking and demonstrates how the process of networking can be captured as a number of dimensions along which entrepreneurial networking may vary. The paper then explains that while
previous research has allowed a conceptual frame work of small firm networking to be developed, further empirical research is merited and an entirely appropriate type of research is of a qualitative nature.

**Marketing in the social enterprise context: Is it entrepreneurial?**

Eleanor (2004) this paper presents some of the findings to emerge from a qualitative study of social enterprise in the UK. The findings discussed in this paper refer to the marketing activities of social enterprises and consider the extent to which these can be described as entrepreneurial.” This discussion suggests that while social enterprises do engage in entrepreneurial marketing, the local embeddedness of their activities their not for profit orientation and challenges posed by social exclusion impact on their marketing activities.

**Laments and Sirenadis: Relationship marketing and legitimation strategies for the cultural entrepreneur.**

Nicholas and Stokes (2004) this paper investigates how the marketing/entrepreneurship interface functions within the cultural sector. Specifically the paper consider how cultural entrepreneurs in the music industry market not to customers, but to networks that control the resources necessary to support entrepreneurial ventures. Evidence is drawn from the qualitative research of a study on access to finance by owner managers of independent music companies “Cultural entrepreneurs”. The findings support the notion that “legitimating” is a king factors in accessing such resources. Cultural entrepreneurs have difficulties in establishing either “pragmatic legislation” (derived from the self-interest of organization across marketing networks) or “cognitive legitimating” (derived from perception of normality and conformity within marketing networks). Marketing strategies at both individual and industry level are put forward to overcome these barriers. For
individual businesses, a “selection strategy” using creative clusters or a
“manipulation” strategy” that manages the cultural environment are
recommended. The implications for relationship marketing models are
discussed.

Relationships, marketing and small business: An exploration of links in
theory and practice

Zontanos and Anderson (2004) this paper explore the links between the
theory and practices of marketing and small business. The reviews of the
literature highlight the close association of marketing especially relationship,
marketing and those of small business particularly entrepreneurial small
business. Given these theoretical similarities and the ensuring symmetry of
actions and behaviors described in theory the research question is posed, how
does an appreciation of these links aid our understanding of entrepreneurial
practices? The question is addressed by employing a participant observation
methodology to create a case study of one small rural firm and by inductive
analysis techniques. The findings show that it is difficult to disentangle or
even to distinguish the practice of relationship marketing from entrepreneurial
action. This leader’s one to suggest that it may be useful to reconsider
relationship marketing as a fact of entrepreneurship.

Risk propensity differences between Managers and Entrepreneurs and
between how and High Growth Entrepreneurs: A Reply in a More

A recent article (W.H. Stewart & P.L. Roth, 2001) in the Journal of
Applied. Psychology presented the conclusion from meta analysis that
entrepreneurs have a higher risk propensity than managers and that this
propensity is particularly pronounced among the growth oriented. A
previously unresolved question was said to be laid to rest and a “vital component” of the theory of entrepreneurship established. The present article disagrees and cites data from 14 studies not included in the Steward and Roth (2001) analysis, adding up to a conclusion (supported by new meta-analyzed) that entrepreneurs (and those with a growth orientation) are more risk avoidant thus, a conservative view retaining the position that the role of risk propensity in entrepreneurship remaining unresolved is upheld. Potential explanations for the conflicting results are explored.

**Just entrepreneurial enough: The moderating effect of entrepreneurship on the relation between market orientation & performance.** Bhuian, Shahid N; Mengue, Bulent & Bell, Simon J. (2005) Within the literature of marketing & management researchers have explored different models that examine the relationship between market orientation entrepreneurship & performance. In this paper, we offer a new model that includes curvilinear in the moderating effect of entrepreneurship and performance. Utilizing structural equation modeling, we test our proposed model using a sample of 231 not for profit hospitals. The proposed model produces the best fit the theoretical & managerial implications are discussed.

**Opportunities for marketing researchers in international entrepreneurship:** Styles, Chiras & Seymour, Richard G. (2006) Purpose: Entrepreneurship is a growing phenomenon in world markets in response the post two decades have seen increasing attention given to research and theory development in the area of international entrepreneurship. However, contributions from marketing scholars have been minimal. The purpose of this paper is to define the emerging research field of international entrepreneurship and to explore opportunities for contribution to that field.
from marketing scholars. Design/methodology approach. An overview of the field of the entrepreneurship highlights the central notions of opportunity, human action learning and creativity and innovation. To this is added value exchange a core focus of marketing theory. These concepts are then used to define international entrepreneurship and highlight opportunities for marketing researchers. Finding: There is considerable scope for marketing academics to contribute to the nascent field of international entrepreneurship which would in turn, advance marketing theory. Originality/value: The paper encourages scholars in marketing to join with colleague from other disciplines and countries to add to these international resources.

Factors influencing the emergence of entrepreneurship

Entrepreneurship has been observed as shaped by various factors. Economists have claimed priority for economic factors while sociologists, anthropologists and psychologists have emphasized equal importance to non-economic factors.

Role of Economic Factor in Entrepreneurship

From an economic viewpoint the same factors that promote economic growth and development account for the emergence of entrepreneurship. The important factors are economic in nature and they are construed to constitute both necessary and sufficient conditions for entrepreneurial emergence. These economic conditions can be widely divided into two classes: those which provide market incentives for entrepreneurs; and those which influence the availability of capital. Market incentives show entrepreneurs opportunities to be exploited, and capital is the major resource needed to carry out the entrepreneurial function. Hence, as economic growth and development occurs, the conditions promoting entrepreneurship also improve. With
increased levels of per capita income, the demand for goods increases and a greater amount of savings is available for investment. The accumulation of capital results in productivity increase which further raises the level of economic well-being. By contrast, societies that are stagnating economically offer limited market incentives and the level of capital accumulation is too small to enable potential entrepreneurs to take advantage of the limited opportunities that do exist.

These two broad classes of factors can be broken down into a large number of more specific economic characteristics. For example, Kilby (1971) mentions the following as being particularly relevant for the emergence of entrepreneurship, the level of demand for industrial products, the availability of required labour and raw material inputs, the degree of inflation, the level of taxation and the ease of importing essential inputs. Nafziger also summarized the presence of entrepreneurship as a "direct function of the quality and an inverse fraction of the costs of inputs, labour and capital" in this regard.

Role of Non-Economic Factors in Entrepreneurship

Scholars of entrepreneurship from various disciplines other than economics primarily (sociology, psychology, anthropology and history), have described a wide variety of conditions that either increase or decrease the supply of entrepreneurship. From their perspective, economic factors may be necessary conditions for the emergence of entrepreneurship, but they are not also sufficient conditions. A variety of social and psychological factors have also been considered as necessary conditions for the appearance of entrepreneurship. The major non-economic factors assigned to influence the emergence of entrepreneurship can be categorized in the following manner such as:
Legitimacy of Entrepreneurship

A major emphasis among this group of scholars is upon the relevance of the system of norms and values within a socio-cultural setting for the emergence of entrepreneurship. These scholars argue that the degree of approval or disapproval granted to entrepreneurial behaviour will influence its emergence and its characteristic, if it does emerge. Schumpeter (1961) himself emphasized the importance of an appropriate social climate for entrepreneurship. Cochran (1949) has particularly paid attention to the importance of cultural themes and sanctions in this regard. Morris and Somerset (1971) suggested that a normative-evaluative system which includes positive attitudes towards business and technology also influences the emergence of entrepreneurship in a more positive way.

Social Mobility

Social mobility has also been observed as an important determinant for entrepreneurial emergence. In this case social mobility refers that a high degree of mobility among social setup is more conductive to the emergence of entrepreneurship. Brozen (1954) quoted that the social setting should be neither too rigid nor too flexible because if it is too flexible, then individuals will gravitate towards other roles and if it too rigid, entrepreneurship will be restricted along with other activities. According to Paul Wilken, the patterning of mobility channels in a society will be particularly important, in that they will determine the relative opportunities offered by entrepreneurial roles.

Marginality

Marginality has been observed as another important determinant which influences the emergence of entrepreneurship. Individuals or groups on the
parameter of a given social system or between two social systems are believed to provide the personnel to fill entrepreneurial roles. They may be drawn from religious, cultural, ethnic, or migrant minority groups, and their marginal social position is generally believed to have psychological effects which makes entrepreneurship attractive alternative for them.

Social Integration

In contrast to the emphasis on marginality, there is also an emphasis upon the necessity of some degree of social integration existing if entrepreneurship is to emerge. It appears that if marginality is too great, so that individuals or groups are too far removed from the network of relationship within a social system, then entrepreneurship will not be promoted. Morris and Somerset (1971) have emphasized this factor most strongly, claiming that an increase in the scale or range of interaction is necessary and that barriers to interaction must be broken down if entrepreneurship is to occur. McClelland and Winter (1971) have found a sense of group identity, which is indicative of social integration to be an important characteristic among entrepreneurs in recently developed societies.

Ideology

The importance of some kind of entrepreneurial ideology has been recognized by several prominent sociological theorists in this regard. An ideology can be defined as a comprehensive organized set of beliefs regarding the nature of the world and the behaviors that should be erected within it. An ideology supportive of entrepreneurship has also been identified as an important non-economic factor which influences the emergence of entrepreneurship.
Psychological Factors

Non-economic factors discussed above which promote entrepreneurship concentrates upon socio-cultural factors. Regardless, these are some important psychological factors which may have their own influence as the part of emergence of entrepreneurship in the following manners.

Early Life Experience

Early life experiences are viewed to shape prominent patterns of behavior amongst entrepreneurs. They include a sense of impulsivity, a persistent feeling of dissatisfaction, rejection and powerlessness and lowered self esteem. The entrepreneur is under constraint stress and is plagued by feelings of guilt and anxiety. Distrust and suspicion of everyone in a position of authority force the entrepreneur to search for non-structured situations where he/she can assert his/her control and independence. The consequence of all this is that “it is extremely hard, if not impossible for individuals with an entrepreneurial disposition to integrate their personal needs with those of organizations. To design one’s own organization, often becomes the only alternative.

Motivation

McClelland’s theory of needs focuses on three important needs such as achievement, power and affiliation that help us to understand human motivation easily.

Need for Achievement: The drive to excel, to achieve in relation to a set of standards, to strive to succeed.

Need for Power: The need to make others behave in a way that they would not have behaved otherwise.
**Need for Affiliation:** The desire for friendly and close interpersonal relationships.

Achievement motivation has been found to be related with entrepreneurship (McClelland 1965). Indeed motivation is a broad concept which includes the needs, goals and striving of an individual. According to McClelland (1969) the entrepreneurs with high need for achievement are concerned with their immediate environment, which includes expansion and growth of the business rather than with the projects. Alkinson (1966) found that people who have high need for achievement and to believe in their own ability to control the outcome of their own efforts.

**Risk-Taking Behavior:**

Many researchers have identified Risk-taking behaviour as an important characteristic of highly successful entrepreneurs. In the recent past, a sizable number of studies have been undertaken in pursuit of the notion that a fundamental characteristic’s of the entrepreneur is his or her propensity to take a risk. A risk-taker is someone who, in the content of a business venture, peruses a business idea when the probability of successions is low.

McClelland (1961) and Palmer (1971) argued that entrepreneurial functions primarily involve risk-taking. McClelland (1961) also established the relationship between high need for achievement and moderate risk-taking. Sinha (1969) pointed out that “reluctance to take risk and general attitude of playing safe is proving a stumbling block in the acceptance of the innovations. “He further remarked that certain amount of risk-taking is an integral factor in economic development.
Locus of Control

Locus of Control refers to the perception of contingencies between action and outcome, how much one's action produces the outcome. Rotter (1966) called it a 'learnt behavioural response'. Therefore, it is very important to discover what are the stimulus conditions which may cause the development of this particular response in a large proportion of entrepreneurs. Brockhaus (1982) reviewed evidence on the role played by the 'locus of control' variable and concluded that "an external locus of control belief may therefore be associated with a more active effort to affect the outcome of events. This internal belief and the associated greater effort hold promise for distinguishing successful entrepreneurs from the unsuccessful entrepreneurs.

Other related Personality Dimensions

Self Confidence:

The term self-confidence has been defined as having a strong belief in oneself and one's own abilities Chadha 2001. Since the level of self confidence of an entrepreneur is playing very significant role on the part of their entrepreneurship success, therefore, this concept has been taken into consideration as one of the variables of the present research.

Model of Entrepreneurial Behaviour

Figure 1 presents a heuristic model of entrepreneurial behaviour through integration and augmentation of the existing literature. The model contains five main factors—background factors (demographic and psychological characteristics), attitude, situation, intention, entrepreneurial environment, entrepreneurial resourcefulness and entrepreneurial behaviour. Explanations and brief reviews of each of these factors are provided in the following sections.
Background Factors

The background factors that could have an impact on entrepreneurial behaviour may be divided into two broad categories: demographic characteristics and psychological characteristics. The background factors that have been included are believed to be temporally as well as situationally invariant. This is at variance with more recent paradigms such as contingency perspectives and population ecology. Which posit entrepreneurial behaviour to be contextually grounded? However, since these approaches have provided a substantial background to entrepreneurship, they have been integrated into the model.

Demographic Characteristics

This line of research has employed demographic information to develop a typical profile of an entrepreneur. The variables examined under this agenda have been family background, birth order, age, educational level of parents, sex, marital status and previous work experience, etc.

Robinson et al., after a thorough review of the literature, concluded that this body of research suffers from three main deficiencies: (a) the assumption that certain demographic characteristics lead to similar experiences in life has been disproved; (b) many researchers use demographic characteristics as surrogates for personality characteristics, which is again an extension of the assumption just stated; and (c) this line of research has been woefully in-adequate in predicting who will or will not be an entrepreneur, which is ultimately the acid test of the theory. Despite the overwhelming criticism against this line of research, we thought it pertinent to include this dimension in our model under the assumption that these variables may influence the more proximal constructs such as attitude and intention.
FIGURE 1
Model of entrepreneurial Behaviour

Demographic factors

Entrepreneurial environment

Attitude

Entrepreneurial Resourcefulness

Situation

Entrepreneurial behaviour
Psychological Characteristics

This line of research sought to identify the psychological characteristics unique to entrepreneurs. The approach spanned the gamut of measurement of personality traits to uncover motivational tendencies of entrepreneurs. This line of inquiry began with the work of McClelland, who explored the need for achievement, power and affiliation of entrepreneurs. This was the approach of many American researchers who attempted to set apart entrepreneurs from the general populace on dimensions such as achievement motive, locus of control, risk taking and values. Once again, this line of research did not bear fruit. It was found that managers and entrepreneurs did not differ in substantial ways on the psychological characteristic measured. In fact, there was significant diversity in the psychological profiles of entrepreneurs themselves. However, this category of variables is once again being included in this model due to the insights it was offered towards an understanding of the term entrepreneur.

Entrepreneurship attributes as related to contain psychological & background variables psychological studies

Anjali, (1993) Examined the relationship of entrepreneurship attributes with executive reaction pattern achievement motivation, & creativity in 100 Indian small scale entrepreneurs who were enrolled in an entrepreneurship development program. The results includes that entrepreneurship is significantly related to the executive reaction pattern but not achievement motivation or creativity. Executive reaction pattern of an entrepreneur was the most important contribution factor in predicting entrepreneurship attributes.
An analysis of social relations, occupational background & use of contrast during the establishment process

Greve (1995) conducted a cross-sectional study to examine how the network (NET) of entrepreneurs influence the process of establishing a business. A questionnaire was administered regarding their networking activities and each S was tested into 1 to P.H. Wilken’s (1979) 3 phases of entrepreneurship (1) the motivational phase (2) the planning phase (3) the beginning of business operation in early stages of entrepreneurship had smaller NET & used less time networking than did Ss in later stages. Although measures of NETs density did not differentials entrepreneurship stages the size of NETs including potential size through access to indirect contracts both how & high density NETs many be beneficial to the entrepreneurial process because high density while low density NETs provide less redundant information.

Attitude

Although there is no perfect correlation between attitude and behaviour (ranging form 0.4 to 0.7), the variance explained is significant enough to include them in the model. Research in this area as applied to entrepreneurship has been relatively scarce. However, more recently, Robinson et al. found that an entrepreneurial attitude orientation scale significantly differentiated between entrepreneurs and non-entrepreneurs. Therefore, it is posited that:

Attitude towards entrepreneurship is a function of the demographic and psychological characteristics and their interaction.
**Situation**

There is a small body of literature that investigated the actual situation that has caused the decision or intention to start a new venture. K.E. Learned suggests that for some it may be a trigger event (layoff from work, dissatisfaction with the present work, etc.) that stimulates an intention to found a business, while for others it may be the cumulative effects of various situations over time. Shaver et al. have found that the motivation for attempting to found a business is frequently personal, such as the desire to work for oneself. Brockhaus and Horwitz viewed that an entrepreneur may compare entrepreneurial activity with the current situation and may choose the former. Histich found that the number of new business listings in the Yellow Pages increased by 12 per cent during a layoff period. Two work environments which tend to serve as incubators for potential entrepreneurs are research and development, and marketing. Although research along this line may overlap with research on the demographic characteristics of the entrepreneur, we chose to distinguish the two due to the farmer's greater proximity to entrepreneurial behaviour. Therefore, it is posited that:

*The current situation faced by the (potential) entrepreneur mediates the relationship between entrepreneurial attitude and intention.*

**Intention**

Bird defines intentionality to be a state of mind that directs a person's attention towards a specific goal in order to achieve something. Entrepreneurial intentions are aimed at the creation of new ventures or creating new values in existing ventures. Bird in a conceptual paper develops a model depicting the context of entrepreneurial intentions. The author argues that the personal history of
the entrepreneur, his or her current personality and ability interact with social, political and economic factors to create the context for entrepreneurship, which in turn influences: (a) the person’s rational, analytic and cause-effect processes, and (b) the intuitive, holistic and contextual thinking frames and giving rise to entrepreneurial intentions. The model then concludes with providing a link towards action. Therefore, it is posited that:

*Entrepreneurial intentions are influenced by the attitude towards entrepreneurship, mediated by the situational factors.*

### Entrepreneurial Environment

An entrepreneurial environment refers to the combination of external factors that influence entrepreneurial behaviour. It subsumes the gamut of overall cultural, economic, political and social factors that enhance or undermine an individual’s propensity to undertake entrepreneurial activities and also the training, assistance and non-financial support available to entrepreneurs.

Gnyawali and Foget grouped the entrepreneurial environment into five different dimensions such as government policies and procedures (import/export restrictions, entry barriers, etc.); socio-economic conditions (public attitude towards entrepreneurship, presence of experienced entrepreneurs, etc.); entrepreneurial and business skills (entrepreneurial training programmes, availability of information, etc.); financial support to business (venture capital, low-cost loans, etc.); and non-financial support to business (counseling and support services, entrepreneurial network, etc.)

Entrepreneurial environments mediate the relationship between entrepreneurial intentions and entrepreneurial resourcefulness.
Entrepreneurial Resourcefulness

Entrepreneurial resourcefulness has been classified by Kanungo and Misra, into three different categories such as:

1. Cognitive competence
2. Effective competence
3. Action oriented competence

Cognitive competence

1. Ability to analyze and make sense of large volume of information
2. Ability to take risks
3. Innovativeness
4. Ability to perceive and make sense of equivocal realities
5. Tolerance for equivocally and uncertainty
6. High effort-outcome expectancy

Affective competence

1. Ability to control feelings of withdrawal and depression
2. Competitive desire to excel
3. Ability to persevere
4. High central life interest
5. Dissatisfaction with status quo

Action-oriented competence

1. Ability to take charge and lead employees
2. Ability to influence external agencies
3. Ability to find, marshal and control resources
4. Ability to establish strong networks
Entrepreneurial Behaviour

As defined earlier, entrepreneurial behaviour is the constellation of functions, activities and actions involved in the perception of opportunities and the creation of organizations. In the present model, entrepreneurial behaviour is the outcome variable. It includes all conscious behaviour executed in the process of opportunity search, opportunity recognition, sense-making, organization creation, product/service launch, exchange and growth. Therefore, it is concluded that entrepreneurial behavior is a function of entrepreneurial resourcefulness.

Objectives

1. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Risk taking behaviour.
2. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Achievement.
3. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Power.
4. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Affiliation.
5. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Locus of control.
6. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Self-confidence.
7. To see the difference between highly successful, moderately successful and unsuccessful entrepreneurs with respect to Demographic background of entrepreneurs.