CHAPTER- II

Review

Of

literature
In this chapter review of literature implies locating, reading and making assessment about reports of earlier research as well as reports of casual observation and opinion that are related to the researcher's well planned programme. A close and systematic presentation of review of literature has many advantages in the area of research which as follows:

a) It gives us complete and comprehensive information about the field under study.

b) It projects novel ideas about future research trend.

c) It also provides the opportunity to us to compare different aspects of social set ups of the field in which the research is being carried out.

d) It also gives us an idea about the basic foundations of the under lying research.

In the light of aforesaid points, this chapter is set to deal with relevant studies and researches which sets light on the variables which are being used in the present research work.

The Small Industries Extension Training Institute (SIET), Hyderabad (1974) conducted a survey of Small Units situated in the twin cities of Hyderabad and Sekunderabad. The study analyzed the reasons for starting industrial units by interviewing 61 entrepreneurs. The study revealed that "economic gain" was the most important reason for starting the Small industrial units followed by "ambition", "Social prestige" and "Social responsibility" in that order. The study revealed "Capital Shortage" and "Government redtapism" as the most discouraging factors. The study further showed that younger age, formal education, urban background, experience in industry, high scores in levels of aspiration, risk taking and adaptation
propensity were some of the characteristics that were positively associated with the quality of entrepreneurship.

Gadgil has studied the historical perspectives of Indian entrepreneurship. In his interpretation of the origin of modern Indian business class he has concentrated mainly on the Social Communities Involved in trade, finance and handicraft industries in different geographical areas.

Lamb has studied the participation of different communities in business in nineteenth century. He writes “one is puzzled by the apparent contraction between hierarchical view of society as contained in Indian caste and the obvious vigor of Indian trading communities”.

Pathak has conducted a survey of 12 units over a period of two years with a view to evaluate entrepreneurship. He studied the problems at three stages - inception, operational and expansion/diversification. He finds that the factors contact, education and finance playing an important part in entrepreneurial performance.

Bhatia carried out a survey of fifty manufacturing firms located in Punjab. He studied the socio-Economic background of entrepreneur - their attitude towards industry, the problems they faced during establishing and building up their enterprise. He found in his study that the entrepreneurs belong to all Sectors, service, trading and manufacturing.

Singh (1964) conducted a study on 25 small units engaged in the light engineering units in Agra. He gave distribution of firms studied into size-groups based on total assets and employment. He studied the socio-economic background of the entrepreneurs, main motivational forces and impact of the Government assistance on entrepreneurship.
Guha (1970) reviewed historically the development of Parsi entrepreneurs during 1750-1850; the Parsis success was attributed to their greater ability to adjust themselves to European power and their relative non-involvement in the earlier civil and military administration.

The aforesaid studies helped us in evaluating the characteristic qualities of regional and ethnic groups in their pursuit of entrepreneurship extensively.

Harry (2000) this review of six articles in the psychologist. Manager journal by psychologist entrepreneurs Byham (see record 15609) N.A. comings (see record 15610) M.K. Growing (see record 15613) J.E. Langhorne (see record 15617) R. Bob Smith III (see record 15624) & G. W. Watts (see record 15628) validates their pioneering struggles & contributions. It points out that entrepreneurs often try to understand why they break from their peers but tail because they depend on a descriptive rather than an explanatory psychology in these examples of successful psychological entrepreneurship the authors explain only minimally how they applied their psychological knowledge to management. Their experiences nevertheless constitute encouraging models.

Vanden, Gary, and Bulato (2000) this article provides commentary on the six articles by W.C. By have (see record 15609) M.A. Cummings (see record 15610) M.K. Growing (see record 15613) J.E. Langhore (see record 15617) R. Both smith III see record 15624) & G.W. watts (see record 15628) in the special sector section in this issues of the psychologist manager journal devoted to the psychologist entrepreneurs. The authors electrify common themes of psychologist entrepreneurs, in leveling vision & desire the ability to raise capitals concern with customers needs financial management skills &
self promotion identified personal characteristics of psychologist entrepreneurs include ambition self efficacy & delimited optimism self confidence & decisiveness a willingness to take calculated risks high e.g. resilience high tolerance for ambiguity an ability tolerant long periods of deferred gratification & a tendency to work hard. The authors also differentiate entrepreneurialism in and out of government identifying needed research.

Sarasvathy (2003) this essay connects four key ideas from H. Simon’s “Science of the artificial” to recent research on entrepreneurial expertise:
1. Natural laws constrain but do not delicate our designs
2. We should seize every opportunity to avoid the use of prediction in design;
3. Locality & contingency govern the sciences of the artificial and
4. Near- decomposability is an essential feature of endorsing designs

The essay is based on a series of conversations & emails with simon about the empirical findings of my doctoral dissertation that involved a protocol analysis study of expert founder.

Gulcimen (2003) the aim of this study was to describe the development of a moral entrepreneur scale. A 34- Item liker type scale of the moral entrepreneur was constructed & shown to be free of socially desirable responses. Construct validity was evaluated by expert judges & overall was high. The other validity source was that groups of individuals known to be particularly high in the moral entrepreneurial personality scored higher on the moral entrepreneur scale than did an in selected sample. The final source of validity on the moral entrepreneur scale involved peer evaluations empirically the moral entrepreneur scale was showed to correlate possibility with
emotional intelligence and locus of control. The scale also correlated negatively with Machiavellianism. Factor analysis of responses for the 3 samples revealed a 4-factor solution: creating awareness resistance, participating & mobilizing power.

Kirk and Belovies (2006) the aim of this article is to provide counselors, academic advisers and career coaches with a basic understanding of entrepreneurial careers. After presenting history of entrepreneurship the authors discuss various psychological social and economic factors associated with selecting preparing for and remaining successful in and entrepreneurial career. They also discuss various way counselors and help aspiring entrepreneurs achieve their goals an extension annotated bibliography of online entrepreneurship resources is included.

Collins and Lankenner (1983) conducted an interview and reported that success in business requires many things, but above all 'a burning commitment to succeed. Uris (1969) stated that “the fuel of success is motivation”. The concentrated energy we are willing to get the top. “Deciding that you want to be a success is a key element in achieving it”.

Rao and Dixit (1975) used the criteria of repayment of loan to a financial corporation from which those entrepreneurs had taken loans before starting their enterprises as an indicator of their success. Alladin Tehera (1979) also classified successful and unsuccessful entrepreneurs on the basis of repayment of bank loan.

Choudhary (1980) used the rate of net income/profit earned by the unit or extend to utilization of the installed capacity as a criteria to identify the successful and unsuccessful entrepreneurs.
Reddy and Reddy (1981) categorized the success of entrepreneurs into four different types such as low success, moderately low success, moderately high success and high success depending upon the net income or profit earned by each unit or upon the average utilized capacity of the machinery.

Keeping in view the above said points, Sarupria (1983) in her doctoral level study decided that if an entrepreneur survived for about 5 or more years continuously he was considered to be successful and those who left before or in between because of one or the other reason were called as unsuccessful.

A study conducted by Beckman and Marks (1996) found that business experience was a factor in the success of small firms. Another study conducted by Costa (1994) indicated that strategic planning cause’s long term success to various business organizations. Other factors for success include quality, customer focus, innovative marketing practices, flexibility and employee empowerment (Zetlin, 1994). Filley and Pricer (1991) identified several tools for smaller level business success such as good management techniques, appropriate operating strategic leadership and time management. Regardless, other tools were found to be good financial management, pricing strategies and motivational strategies for employees etc.


Ibrahim and Goodwin (1986) stated that “Success in business is defined in terms of rate of return on sales, and age or longevity of the firm”. Cuba, Decenzo and Anish (1983), Khan and Rocha (1982) also found that sales, profit, and longevity were important to success. Hofer and Sanberg
(1987) noted that high quality services or production was the key to success for firms and was directly related to effective management and planning which relied upon effective management decisions.

According to Lussier (1996), "There is no generally accepted list of variables distinguishing business success from failure..." The two most commonly stated variables, however, that seem to make the difference are capital and management experience. Steiner and Solem (1988) reported key success factors in small manufacturing business would include an owner/manager with experience in the business or prior experience; adequate financial resources; a competitive advantage based upon customer and product specialization; and strategic planning. Dyke, Fischer, and Reuben (1992) found that management experience may be a significant factor in achieving success or successful performance in the small business environment. It stated that "would-be business owners should be concerned to gain related industry, management, and start-up experience... regardless of the type of industry in which they plan to operate". It was also noted, however, that while experience was a significant factor, it could vary as industries in specific regions might prove more useful than national studies. This study referred to research regarding failures of small business however, this may apply to successful ones as well.

Hand, Sineath, and Howie (1987) discussed variables thought to be related to business performance, such as characteristics of the entrepreneur (age, education, experience, willingness to work, and ability to deal with customer and employees). Chaganti and Chaganti (1983) highlighted that key success factors were found to be innovation, creativity and managerial competence, which are characteristics in owners/entrepreneurs; Keats and
Bracker (1988) found that success factors are a part of an organization's general environment, task environment and characteristics of the business owner.

Chawla, Pulling, and Alexander (1997) found that "owner experience and industry trend are not critical to the success of a manufacturing/construction firm in the early stages of the life cycle". Comparing retail firms to manufacturing/construction firms in the same stage of the life cycle, differences were found in the importance of the owner's experience, market knowledge, industry trend, location issues, and purchasing/inventory control. Location issues were more critical to success for retail firms both during early and late stages of the life cycle. Purchasing/inventory control was also critical for retail firms in both the early and later stages.

According to Zetlin (1994), small business owners feel that having a good product is most important, however, other means of achieving success include quality of products for customer's innovation in marketing, flexibility in attitudinal change, maintaining good supplier/customer relationships, innovation in marketing and hiring good people that can be empowered. Bird (1989) stated that firms where owners showed innovation, risk-taking, and had previous training were not found to be successful. Another study dealing with characteristics of the owner was conducted by Duchesneau and Gartner (1990). They found that the characteristics of the owner/manager, the strategy of the firm and the way the business approached start-up were most important to success. Regardless prior experience, longer working hours, good communication skills, customer-service, planning, flexible management, and risk—reduction were found to be pretty good factors which influences
entrepreneurial success. Hills and Narayana (1990) found a myriad of factors that contribute to success such as customer treatment, good products, management practices, good treatment of employees, and a good reputation for the company. O'Neill and Duker (1986) highlighted that small businesses that were successful had higher quality products, lower levels of debt, and lower capital intensity, as well as, relied on the good advice of their accountants. An intensive study conducted by "Management system International" indicates that there are ten important personal entrepreneurial characteristics which make a clear-cut distinction between successful and unsuccessful entrepreneurs.

Now let us review the studies pertaining to the psychological, social and biographical factors that affect entrepreneurial success to our nation.

Sinha and Chaubey (1972) found that age and economic development have some interactional effect on entrepreneurship. Results indicated that others belonging to the old age group especially in underdeveloped villages had a stronger motive to avoid failure than the motive to achieve success.

Patel (1970) conducted a study and found that about 78 percent of the entrepreneurs were of the 26 to 40 years of age group.

Lee (1976) found that the two third of the small level entrepreneurs of Malaysia were found to be from the age group of 15 to 30 years because of two important reasons: 1) to perform certain kinds of business activities, entrepreneurs require some level of formal education 2) a household industry can be started by and large at an early age. Further he found that 28.5 percent of those in the age group of 26 to 35 years have more than one business as compared with 16.0 percent in the 36 to 45 years of age group.
Choudhary (1980) found age group of 30 years and below to be closely associated with moderately high success especially in case of the managers of District Industries, who were found to be working specially in rural units as an entrepreneur.

Reddy and Reddy (1981) found that younger age group i.e. entrepreneurs below 30 years age were found to be associated with low success and those belonging to higher age group i.e. 30-40 years were found to be associated with high success.

Cooper and Woo (1989) conducted a study on some important demographic factors, such as age, gender, and race, and found that older non-minority and male entrepreneurs with four or more years of college experience were usually associated with successful firms. A study conducted by Bates and Nucci (1989) affirmed that the age and size of the firm definitely play a good impact upon their survival. The older the firm, the more likely it was to remain in business, and the larger the firm, the more likely it was to be successful; Boyle and Desai (1991) also pointed out that statistics have shown that the longer a small business has been in operation, the better possibility is getting for its longer survival in business. Success breeds success.

Stimpson, Naravyaman, Srinivasa and Shan (1993) compared the business attitude characteristics of male & female entrepreneurs and non entrepreneurs in the US & India, using the Robinson et al (1991) Entrepreneurial Attitude orientation instrument. American Ss was 46 male & 105 Female entrepreneurs R 33 male & 14 female managers Indian Ss were 53 Female & 54 male entrepreneurs & 50 fames & 51 male white collar workers. Results indicate that in the both male & female entrepreneurs had higher scores on innovation achievement & personal control then non
entrepreneurs. Also female entrepreneurs & non entrepreneurs both had higher self confidence scores than their male counterparts. In India both male & female entrepreneurs scored higher than non entrepreneurs on personal control.

Claxton, Mentryre, and Whitely (1995) Investigated possible relationships between birth order & need for cognition scores as one reason for over representation of first boron among entrepreneurs Analysis of variance of responses front 33 female & 45 male undergraduate students (aged 20-31 yrs) indicated no statistically significant associations between birth order & need for cognition scores.

Bruni, Silvix and Poggio (2004) uses the neologism “entrepreneurs mentality” paying implicit homage to Foucault’s governmentality to highlight how in entrepreneurial discovers in mobilized as a system of thinking about women entrepreneurs which is able to make some of that activity thinkable & practicable namely: who can be an entrepreneur what entrepreneurs is what or who is managed by that form of governance of economic relations? Discourses on women entrepreneurs are linguistic practices the create truth effects. Some author argued that social studies of woman entrepreneurs tend to reproduce an endocentric entrepreneur mentality that makes hegemonic masentlinity invisible. They portray women’s organizations as “the other” & sustain social expectation of their difference, there by implicitly reproducing male experience as a preferred normative nature. Taking a deconstructive page on how an entrepreneur mentality discourse in gendered reveals the gender sub text underpaying the practices of the scientific community that study women entrepreneurs & in so doing open a space to question them.
Bruni, Silvia and Poggio (2004) traditional literature & research on entrepreneurship relies on a model of economic rationality alleged to be universal & amended. This article presents a description of the processes that position people as ‘man’ and ‘women’ within entrepreneurial practices & as entrepreneur’s with in gender practices relying on stereographic study carried out in small enterprises in Italy. Our analysis show how gender & entrepreneurship are enacted as situated practices & how the codes of gendered identities are kept, changed and Trans grasped by constantly sliding between different symbols spaces. In particular we high light five processes of the symbolic construction of gender and entrepreneurship: managing the dual presence doing are menial and remedial work boundary keeping doing are menial and remedial work boundary keeping footing and gender commoditization. We then propose a final metaphor which conveys a summary image of these processes. In concluding purpose of our investigator highlighting not only how entrepreneurship is equated with the masculine but also how alternative and possible forms of entrepreneurship exist in the same way as different forms of gender.

Harvey (2005) this study applies the concept of inter sectionally to Black women’s entrepreneurial activity. Specifically the author addresses the ways in which race gender & class interested to inform working class black women’s decisions & experiences as hair Salan owners By placing black women at the center of analysis the author explores businesses ownership from the perspective of a group that has frequently been over looked in sociology of entrepreneurship research. The finding indicate the race gender & class inequalities shape working class black women’s entrepreneurship in
two areas; the process of becoming entrepreneurs & relationships with stylists
formal also tract.

Lewis (2006) the emphasis in research on female entrepreneurship
remain focused on the impact of gender on women’s experience of business
ownership, often demonstrated through comparisons of male and female
entrepreneurs. By contrast this article explores the differences and divisions
between women business owners who are silent about gender issues and those
who are not. The main data drawn own in the article are e-mails conducted
through a web-based entrepreneurial network set up to promote and support
women in business supplemented with interview material derived from an
interview study of 19 women business owners not only treat entrepreneurship
as gender neutral but also seek to conceal its genders nature we can see how
some female entrepreneurs are trying to avoid being identified as different
form of masculine norms of entrepreneurship.

Patel (1970) conducted an investigation and found that education is not
a significant indicator for fast growing entrepreneurs. In his study, conducted
by him entrepreneurs found to be ranging between standard fifth to doctoral
level. Thiagarajan (1972) emphasized the modification of Indian educational
programmer and found that the children learn about self-confidence, risk-
taking ability and responding challenges on the part of their career use to
motivate them to become a successful entrepreneur.

Mine (1973) conducted a study on the Tamil Muslim Merchants and
found that certain amount of western style education is important for
entrepreneurial success (on the average eight to nine years). This will help the
entrepreneurs to secure employment in the business he does. In another study
Papanek (1973) on the industrial entrepreneur of Pakistan, found that
education was having limited importance beyond the basic skills, while learning on the job was considered to be crucial.

Rao (1975) studied the background of industrial entrepreneurs and found that many of them have not completed schooling (high school). Lee (1976) also found that about one-half of the Malaysian small entrepreneurs either did not have any formal education at all or received education only up to primary level.

Uplaonkar (1977) in an analysis of educational background of entrepreneurs reported that entrepreneurs are middle level educated ones (Matriculates).

Choudhary (1980) studied the managers of District Industries Centre of Gadwal, Andhra Pradesh and Mahboobnagar (Karnataka) found that higher education was associated with moderately high success, matriculation and under-graduation being followed by technical degree/diploma with high success. This relationship might be because of the respondents who were at the managerial position and necessarily required higher education.

Deivasenapathy (1986) reported that entrepreneurs of healthy units were found to have a higher level of education when compared to those sick units.

McCroy's (1956) conducted his study on a group of small factories and found that educated group operated the most profitable enterprises. Though the findings on the influence of education are inconclusive, but its importance cannot be minimized in the present context of fast-growing technological changes.

Nafziger (1971) surveyed the Indian entrepreneurs and analyzed them in terms of their social community, caste and religion. He found that industrial
entrepreneurship can be developed only in a society in which cultural norms permit variability in the choice of paths of life; in which, the relevant process of socialization of the individuals has not been completely standardized, and demand conformity of a prescribed pattern that is the basis for an appropriate personality development leading to productive orientation.

Uplaonkar (1977) in a study of self-employed entrepreneurs revealed that a majority of entrepreneurs are drawn from communities with business background. Members from non-business communities, particularly scheduled castes and tribes have shown the least interest, so much so that communities like Christians are practically not represented. This indicates that entrepreneurship in India is, perhaps, largely a matter of social inheritance rather than acquisition itself.

Babu (1978) described the patterns of occupational inheritance and their influence on entrepreneurial performance in small industries. In Indian society certain communities have high occupational inheritance together with rigidity in intergenerational occupational mobility. This has a positive effect on occupational performance. Results indicate that higher the occupational inheritance the better the occupational performance. Catholic, Christian and Muslim entrepreneurs have inherited the skills of their traditional occupations and perform better in the area of small industries. The Hindu-Nayar entrepreneurs have shown less occupational inheritance and low entrepreneurial performance because they were traditionally landlords and government servants.

Rao (1979) stresses on community while selecting entrepreneurs for training. These communities must be of good financial background, trading and business-background, risk-takers, migrates and minority group etc.
Rao and Moulik (1979) found that the Agarwals, Jains and Brahmins were the dominant castes among the good entrepreneurs.

Sheobahl Singh (1979) intensively studied the carpet industry of Bhadohi. He argued that religion as such has not played any significant role in determining entrepreneurial involvement. Muslims were probably the most successful in carpet industries because of the relations between the weavers and manufacturers. Hindu entrepreneurs are not only larger in number but are also successful in carpet business. He also found that although caste plays no role in entrepreneurial involvement. Banias are more adaptable to occupational opportunities. The most important aspect of entrepreneurial activity in the carpet industry is the manufacturer's attempt to establish contact with weavers. This requires a great deal of talent, leadership and sociability on the part of the manufacturers.

Khanka and Bist (1987) attempted to delineate the flight of opportunity conditions and its influence on the emergence and development of entrepreneurship in the area of Kumaun (U.P.) and concluded that the opportune conditions both economic and non-economic have been found less favourable in the area of the Kumaun hills. According to them, opportune conditions its own kind, cannot give birth to "innovative entrepreneurs" in like Japan.

Butler and Herring (1991) investigated the degree to which being self employed was more prevalent within certain social and ethnic groups than others. They found that those of Jewish ancestry were significantly more likely than others to be self employed, those from "social" ethnic groups were generally less likely than while ethnics to be higher income family, male from the south, and non catholic and having a self employed father also increased
the likelihood of being self employed. Among the progeny of the self employed, those of African, English, Hispanic and Asian descent were significantly less likely to be self employed. Among those whose fathers were not self employed, only Jewish were significantly more likely to be self employed.

Singh (1991) examined psycho-social factors associated with differential rates of small scale industrial growth (IG) in 448 metal working entrepreneurs aged 25-27 yrs) in India. Ss completed a battery and of tests, including the sixteen personality factor questionnaire (16PF) and the survey of work values (H. Singh, unpublished manuscript). Factors associated with fast rate of IG were entrepreneurial competence, approach a avoidance motive emotional stability and high esteem. The inhibitors of a fast rate of IG were low achievement and resistance to change. Fast progressing Ss were upwardly starving punctual and competitive and had a better education; slow progressing Ss were tense, emotionally unstable and concentrative concerning IG.

Thornton (1999) recent research on entrepreneurship by sociologists has focused on sub-sectors of the discipline rather on entrepreneurship as a class. The review draws insights from diverse literatures to develop a sociological perspective of an entrepreneurship as a whole until recently, the supply side the dominant school or research. Never work from the demand side perspective has focused on rates or the context in which entrepreneurship occurs. This review emphasizes this less developed demand side perspective in particular the influences of firms & markets on how, where & why new enterprises are founded. The authors takes stock of the differences & separation in the two perspectives and argues that sociological frame works
an embeddedness perspectives institution & ecological theory & multi level models can be used to integrated the two schools & extend their research implications. Papanik (1973) made an exhaustive survey on Pakistan's industrial businessmen and found that the Geographical mobility broadened the horizons of man and stressed the importance of occupation by diminishing the ties with the home and family and restricting the development of leisure time activities within the family.

Kumar (1977) studied the socio-cultural values of entrepreneurs and found that, these persons were not known for entrepreneurship before migration. He raised a question as to why they are pioneers in their adopted homelands, and not in the countries of their origin. Certainly, their entrepreneurial behavior cannot be attributed to their sudden acculturation to the modem values, since there pre-industrial societies were supposed to be lacking in them. Immigrants could have learned only traditional values in their adopted mother lands. He gave a possible explanation for the above question as, the immigration to these countries open new opportunities, a structure to which they responded. Such opportunities were lacking in their own country, probably that was the reason for migration.

In the case of traditionally value oriented societies, minority groups, foreign entrepreneurs, and immigrants play a crucial role all together. Since these groups are not fully integrated in the society, they enjoy relatively greater freedom to engage in entrepreneurial activity than the natives.

Sheobalal (1979) also found that, the immigrant manufacturers were more successful then the native manufacturers in Bhadoli (U.P.), because their social position in the area is not established, neither they have a relationship with local politicians nor they are able to attract government
officials. This has helped them in their devotion to and insight into entrepreneurial work.

Rao and Moulik (1979) studied the entrepreneurs, who were being selected through the entrepreneurial development training programmer. They found that the entrepreneurs themselves appear to be very mobile. A majority of them have visited other towns, cities and states on business or education. Rao (1979) also found that a person coming from the group who has tendency to migrate from one place to another place, have more chances of becoming a good entrepreneur.

Studies by Bema (1960), Gaikwad & Tripathy (1970) and Derossi (1971) have shown that significant help (both material and moral) from the family will foster entrepreneurship.

Javillonier and Peters (1973) studied the Indian entrepreneurs, who were small-scale manufacturers. They found that the entrepreneurship as a situational phenomenon is likely to extend family ownership and support rather than as individual phenomenon. Family ownership and involvement in manufacturing were found to facilitate and sometimes necessitate the entrepreneurs' entry into his occupational roles. The extended family support sometimes serves as training ground for acquisition of skills in running a business.

Nandi (1973) studied the entrepreneurial culture in Calcutta, and found that entrepreneurial exposures through family have played a very positive role on an entrepreneurial success.

Nafziger (1973) reported that in Indian situation the extended family support is the unit of entrepreneurship, supplying managerial and financial resources needed for business operations. The fact that the extended family
support may also be the basic consumption unit means that resources may frequently be diverted from business investment to support family members with little or no earnings. The inter-relationships provided by message networks of the family can help, determine the access to credit and opportunities for mobility by family members in entrepreneurial efforts.

Papanik (1973) studied Pakistan's industrial entrepreneurs and found contradictory results as compared to Indian entrepreneurs. He found that entrepreneurs stressed the importance of the occupation by diminishing the ties with the home and family and by restricting the development of leisure time activities within the family.

Venkata Rao (1975) studied the background of the industrial entrepreneurs and found that a majority of them were formally traders and financiers.

Magdalena (1977) pointed out that the enterprising family is a social institution. This was defined in two ways. Firstly, its children tend to have received social, financial and other support that makes them especially able to enter business. Working in the family firm and eventual inheritance of the same are the ways in which the entrepreneurial spirit is shared and transmitted.

Lee (1976) found that entrepreneurs in Malaysia could enter into business (service industry), because of financial assistance from the family while those in the other industries have either inherited their father's business or have been able to enter business with the aid of government or other non-family assistance.

Ward (1977) strongly argued the "socialization model" of entrepreneurship. This is the main cause of the tradition of enterprise within a
family on both theoretical and empirical grounds. A family tradition in business is thought to be responsible for the production of entrepreneurs throughout the world on the contrary Levy (1949) and Landez (1951) have cited cases in which Kinship relations inhibited entrepreneurial growth. The study conducted by UNESCO (1966), in India has shown that entrepreneurs of the non-business background grew faster in their entrepreneurial activities. The above finding was supported by Sharma (1975) who observed that entrepreneurs of non-business background have a higher degree of entrepreneurial orientation and commitment. But at the same time, the importance of family background was emphasized in starting their enterprises.

Reddy and Reddy (1981) found that size of total investment also affects the success level. They found that the higher investment groups are high in success as compare to their counter parts.

Parasuramau, Yasmin & God (1996) Examined the influence of work & family variable an the career success & psychological well being of 59 men & 52 200 men business owners (BSOs) aged 26-61 yrs. Scales were used to measure such variables as autonomy, job involvement parental demand & life stress. Results indicate that work domain variables account for significant variation in time commitment to work where as family domain variables explain substantial variation in time commitment to family. Women BSOs devote significantly more time to family than man BSOs, Who devote more time to work than women.

Paul, Winter, Nancy and Fitzgerald (2003) the purpose of this study is to explore the impact of variables related to the timing and sequencing of family and business development on the types of adjustment strategies that business and family managers use during hectic times. The purpose in
accomplished through the analysis of the national sample of business owning families in which the family manager had at least one child living in the household. Findings indicate that the stage of business life cycle has a significant impact on real locating family resources as an adjustment strategy of real locating business resources. The findings underscore the importance and the family realms in attempting to understand the dynamics associated with family owned business.

McClelland (1961) found that entrepreneurial behaviour was exhibited by people who were high in need for achievement.

Atkinson (1966) found that people who have high need for achievement tend to believe in their own ability to control the outcome of their efforts. Hundal (1968) studied the fast and slow progressing industrial entrepreneurs of Ludhiana (Punjab). He found that the fast progressing entrepreneurs had higher need for achievement as compare to their counter parts. Further, Hundal (1971) also found that the aspirations, achievement motivation, and inventory tendency were associated with a faster rate of industrial growth, whereas hoarding tendency and optimistic tendency seemed to be related to the slow rate of industrial growth.

Singh and Singh (1971) showed that progressive successful group of entrepreneurs had high need for achievement scores as compared to other groups which clearly shown that need for achievement is unquestionably an important constituent of a successful entrepreneurship. Also, progressive entrepreneurs rated their economic progress higher in comparison to the ratings of unsuccessful progressive entrepreneurs. They also found that business entrepreneurs scored high on need for achievement as compare to agricultural entrepreneurs.
Nandi (1973) conducted different researches on entrepreneurs, and found that the fathers' entrepreneurial behaviour was related with the son's achievement motivation. Further, he stated that the need for achievement, need for power, efficiency and overall modernity were positively related with entry into enterprise.

Again Nandi (1973) on the entrepreneurs of Calcutta, found that need for achievement does contribute directly to entry into an enterprise. Once a person has entered and survived in his new role, the need becomes less of an asset to him, and other variables comes to determine more directly the quality of entrepreneurial performance.

Chaubey (1974) observed that the presence of people with high need for achievement in society has accelerated economic growth of their respective organizations.

Collins and Moore (1964) explored the motives of entrepreneurs. The most important drive in the entrepreneur's studies was found autonomy. Money was important insofar as it ensured independence, authority, and freedom from the frustrations and dependency of poverty. But it was not considered a primary motivator. Entrepreneurs used money to achieve more and more in time to come. Many of these people became good entrepreneurs when their advancement in organizations or the other professions was found to be blocked.

A psychoanalytic view of the entrepreneur comes from major contribution made by Abraham Zalieznik and his colleague Manfred Kets de'vries (1975). They viewed the entrepreneurs as motivated by "persistent feelings of dissatisfaction, reflection and powerlessness" stemming from conflicting relations with their parents rejecting father and a domineering
mother. It is the aching psychological need for restitution, for relief of these painful conflicts, which can lead either to self-destructive and impulsive acting out or to creative and innovative effects associated with developing a new enterprise.

Singh (1978) in a seven year follow-up study of agricultural entrepreneurs of high and low achievement motivation indicated that agricultural entrepreneurs with high need for achievement continue to increase their productivity more than their counterparts.

Varga (1976) conducted a study on entrepreneurs who were exposed to the entrepreneurial motivation development training programme in four different countries. Results indicated that fear of failure is an important intervening variable to explain who would translate the gain from training into setting up an enterprises. He also found that fear of failure prevented people from going into entrepreneurial activities, even if they had high achievement motive.

Bhattacharyya (1979) proposed a behaviour model of entrepreneurs. According to him the entrepreneur's need of self actualization manifested, in the need for achievement, which forces him to create something new in the form of, a new product, a new order, a newer way of doing things and newer standard for himself and society.

Rao and Gaikwad (1979) characterized the effective entrepreneurs on the basis of behavioural characteristics like: entrepreneurial movement, etc. among the entrepreneurs who were exposed to Achievement Motivation Training (AMT) programme. Results indicated that the higher percentage of entrepreneurial movements occurred among those who had AMT as compared to those who were not exposed to AMT on the part of their carrier.
Achievement orientation was positively correlated with all the other behavioral indices. This indicates that achievement motivation is a significant variable in entrepreneurial effectiveness.

Pandey and Tewary (1979) administered Mukherjee's sentence completion test of achievement values on the respondents who wanted to start their own small scale industries. The study revealed that the applicants selected by the committee showed significantly greater amount of achievement value. Further, the subjects above 35 years of age were found to be lower in need for achievement than those who were below 35 years of age.

Hisrich and Brush (1986) examined motivations towards business, entrepreneurial characteristics and psychological characteristics. The results obtain by them indicates that achievement, opportunity, and job satisfaction was the motivation for self employment. These entrepreneurs considered themselves skilled in the areas of dealing with people, idea generation, and product innovation. The personality characteristics explored in the study were found to be consistent with the typical profile of the entrepreneur.

Winslow (1990) examined the major points of motivating entrepreneurial behaviour. He viewed that the climate, atmosphere or environment must be created to allow expression of entrepreneurial activity. The drive, motivation or spirit of entrepreneurial behaviour is broadly distributed in the general population. Another observation in this connection indicates that entrepreneurial environment has an aura of excitement suspended belief and impertinence toward conventional wisdom.

Singh (1991) examined psycho-social factors associated with differential rates of small scale industrial growth in 448 metal working entrepreneurs (aged 25-47 yrs). Two of the important factors associated with
fast rate of industrial growth were found to be entrepreneurial competence and approach avoidance motive. The inhibitors of a fast rate of industrial growth were found to be low achievement and resistance to change. Fast progressing subjects were found to be more upwardly striving, punctual, and competitive and had a better education than slow progressing subjects.

Babb and Babb (1992) examined differences between rural and urban entrepreneurs using data from 926 low technology retail service firms in rural Florida. Type A behaviour and need for achievement were found to be among the few traits that differentiated founders from non-founders.

McClelland finds that entrepreneurs and managers are especially likely to have high n Arch. Whether in socialist or a capitalist country, in private business or in government the more effective managers tend to have a sharply focused goal orientation, a drive to compete either with peers or according to some standard of excellence. They make moderately risky decisions in settings in which they believe they can exert some control over the outcomes and they constantly gauge the effectiveness of their decisions and effort by some unambiguous index. McClelland suggest that it is no accident that most cartoons set in a business office show in the background a chart with a curve depicting sales, profits or production.

McClelland believes that the need for achievement is shaped rather early in life – in part by the culture, through such media as children’s readers, and in part by parental styles which encourage children to take responsibility, promote independence in action, and reinforce achievement. He further asserts that the economies of entire nation rise or fall over the years as a consequence of the culture’s influence on the need for achievement reflected in the development of the entrepreneurial instinct.
Langan, Janice and Roth (1995) a topology of the female entrepreneurs was developed on the basis of psychological characteristics of 60 Australian founder business women. A number of projective and self report measures were used to assess multiple dimensions of personality within the tactical theoretical from work of David McClelland. Variables influencing the motivations of entrepreneurs were explored & included self-attributed need for power & influence ability to influence have power resistance to subordination, internal locus of control job satisfaction & achievement values. Analysis revealed 3 psychological types of female entrepreneurs the need achiever entrepreneur the pragmatic entrepreneurs, & the managerial entrepreneur. The need achievers had high need achievement stores the managerial entrepreneurs had high self attributed need for power & influence scores & the pragmatic entrepreneurs were moderate on both motivations of achievement & power.

Winslow (1990) examines the major points of motivating entrepreneurial (EP) & or entrepreneurial (IP) behavior. The climate, atmosphere or environment must be created to allow expression of EP-IP activity. The drive motivation or spirit of EP-IP behavior is broadly distributed in the general population. Also addressed is the view that behavior is determined by its consequences. Another observation discussed is that EP-IP environments have an aura of excitement & suspended belief & an importance toward conventional wisdom. Other points concern the ideas that EP-IP activity frequently appears as deviant behavior & that the terms entre or entrepreneurship are used loosely & thus are becoming useless in discussing economics or organizational activity.
Sagie and Elizur (1999) in this study we have attempted to assess the achievement motive of 114 students of small business, considered as having high entrepreneurial orientations & 171 students of business & economics considered as high lower entrepreneurial orientations. Based a faced definitions of achievement motive we analyzed the structure of achievement motive for both samples. At hypothesized result reflected the three facets of achievement motive type of confrontation time perspective related to task performance & behavior modality. As hypothesized, small business students were focused to score higher than their business & economics colleagues on most of the achievement items. Considerable differences between the samples were found on four achievement components the readiness to face, uncertainty calculating risk, under taking personal responsibility & solving problems. The discussion focused on the advantages of the multifaceted approach to achievement motive & implications for assessing it in various settings.

Hamsemark (2003) Personal characteristics of subjects were measured 11 years before the follow-up data were collected. The purpose of the study was to show whether a connection exists between Need for Achievement & Locus of control of Reinforcement on the hand & the Entrepreneurial Activity; Start of New Business on the other hand & whether any gender specific difference exists. Participants were 17 men 28 women in the experimental group and 31 men & 35 women in the control group. Need for Achievement were measured in two ways with a thematic apperception test (TAT) consisting of six pictures, and with the cesarean- Make personality schedule (CMPS). Locus of control of Reinforcement was measured with Rotter’s Internal External test. The results support neither is Achievement
(TAT) nor need for Achievement (CMPs) as having predictive validity on the entrepreneurial Activity Start of New Business. This could be said about both men & women. The results do support that locus of control has predictive validity. However, this holds only for men not for women.

Diaz and Rodriguez (2003) over the last two decades social scientists have said greater attention to the phenomenon of the creation of companies and especially to the personality of entrepreneurs. This article examines the prevalence of a range of psychological attributes in a sample of entrepreneurs from undulation cooperatives. These attributes are locus of control assessed by a version of the I-E Rotter Scale (1966); need of achievement using Lynn’s Achievement Motivation Questionnaire- LAMQ – (Lynn 1969) and values assessed by the Rokeach (1973) value survey we have analyzed the similarities and differences of this kind of entrepreneurship compared with other entrepreneurs who do not operate within the community economy. Our result shows the double profile of the co-operative entrepreneurs half way between the manager and the qualified worker.

A second motive identified subjects stories is the need for establishing, maintaining or resorting pleasant emotional relationships with other people. Persons with strong needs for affiliation (need for Affiliation) want primarily to be liked by others; “getting along” with co-workers is more important to them that how much the group accomplishes. In response to the picture of the architect, such persons would emphasize the architect’s thoughts about the family in the portrait on the desk: the good times they have had together, how much they mean to one another. Persons with high need for Affiliation would be more sensitive to other people’s feelings than would persons with high n Ach. They would be attracted to tasks involving groups, while the high n Ac
person would prefer being a loner with a job that depends on him or her alone. As managers, high need for Affiliation persons might avoid taking decisions that would engender emotional or social conflict.

It would be tempting to infer that high n Ac persons make the best managers and that high need for Affiliation individuals would make ineffective managers. However, some concern for affiliation is important if the manager is to develop the group structure and climate necessary for long-run effectiveness.

A third motive is the desire to exert control or influence over people. Unfortunately, this need tends to suggests, to most people, something sinister or malevolent about a person's motives, to make people thin of the person as a building Napoleon or Hitler. However, a strong need for power does not necessarily result in an autocratic or tyrannical leadership style. Winter (1967) found that this need (need for Power) could take either an unsocialized or a socialized expression in college students. In the former case, it was reflected in a desire for sexual conquests or physical aggression. In its socialized form, it was manifested by active membership in or leadership of student and community group or organizations which sought constructive ends, such as civil rights campus reform, and student government.

Several researchers have found that the major motivating factors for women entrepreneurs to start a business are: the need for achievement, the desire to be independent (autonomy), the need for job satisfaction, with making money (also supported by Homquist and Sundin) and often chose business ownership resulting from career dissatisfaction. They also saw entrepreneurship as a means of meeting their own career needs and their
children's needs simultaneously. The desire to make money is the next most important factor.

Vijaya and Kamalanabhan (195) in their study of potential women entrepreneurs in India found that money for them was rarely the primary driving force. Many were driven by the objective of providing services to the community. They were frequently found to be pursuing social goals like customer satisfaction, together with economic goals. Social issues and problems also provided an impetus for women to begin business. Other important motivation factors for women were the need to provide security to the family, and a desire to have flexibility in their occupational and domestic spheres of life.

On the whole, research indicates that men start their business primarily due to 'pull' factors such as the opportunity to work independently, to have greater control over one's work, and to earn more money. There is a lesser degree of influence of 'push' factors such as limited advancement opportunities, job frustration and avoidance of an unreasonable boss or unsafe working conditions. On the other hand, women business owners in Holmquist and Sundin's study mentioned 'push' factors of frustration and boredom in their previous job, followed by interest in the business. The 'pull' factor of autonomy was a distant third motivator in starting their own businesses.

Many psychologists have criticized the attempts to relate achievement motivation with entrepreneurship. Brockhaus (1982) has very clearly pointed out that McClelland's empirical research did not directly connect need for achievement with the decision to own and manage a business. This problem was corroborated from the findings of Hull et al (1980), who found need for achievement to be a weak predictor of an individual's tendency to start a new
business. A relationship so described may only serve to observe the operation of the achievement motive. The reasons why people start their own business have been shown to be a mixture of 'push' and 'pull' factors which may be or may not be associated with the need to achieve. Regardless there are a variety of reasons for setting up a new business; it follows that business owners will vary in their motivational structure from those who enjoy a challenge to the person who has sought self-employment as a more desirable form of earning and a living alternative lifestyle etc.

It was hypothesized that successful entrepreneurs would be high on needs for power, achievement and work centrality than the unsuccessful entrepreneurs.

Recent development in psychology of motivation promises to be of some real use in improving our understanding of entrepreneurial behaviour. Entrepreneurial motivation may be considered crucial to entrepreneurship effectiveness. Success and failure of entrepreneurial performance can be best explained by their motivational dynamics, because the survival, growth and development of enterprise are dependent upon entrepreneur's motivational orientations. The success of small-scale industry largely depends on the organizational skills of the entrepreneurs who are the central axis of these units. Nandy (1973) pointed out that the entrepreneur as an agent of managements is a critical factor in small-scale industries than the capital and it is more vital to development than either labour or natural resources. Thus, a successful small scale industry is an expression of entrepreneur's competence.

Need for power seems to be important, for entrepreneurs by the very nature of their job need to actively supervise others and manipulate them in order to achieve organizational goals. Power is viewed as capacity to
influence other’s behaviour (Ghiselli, 1971’ Likert & Likert, 1976). The need to excel is known as achievement motive is a measurable factor in groups and individual, which provides the internal impetus to excel in situations involving standard of excellence; it leads to higher level of aspirations so that people work hard and make more progress. Achievement motivation is a critical factor that leads one towards entrepreneurship (Pareek, 1976 Shapero, 1975; McClelland & Winter, 1969). Research has shown the causal relationship between need for achievement and entrepreneurial success. Stahl (1983) has reported that high managerial motivation consists of high need for power and high need for achievement and low managerial consists of both low need for power and low need for achievement.

It is evident from the results that the successful entrepreneurs were high on need for power, need for achievement and centrality on work. (Pestonjee, 1996; Sinha, 1990; Nandy, 1973; Likert & Likert, 1976; McClelland, 1965). On several entrepreneurial studies researchers have reported that high need for power, high need for achievement and high work motivation were bound to be associated with high company performance and the faster growth of the organization (Shapero, 1975). In the present study the entrepreneur of healthy units had high level of need of power, need of achievement and work centrality, among other factors, which, might have contributed to the success of their units through their impact upon them. On the contrary, it is clear from the findings that low need for power, low need for achievement and low work motivation of the entrepreneurs of the unhealthy units did not have the required influence over behaviour of their co-workers and energize to assert the units in the organization resulting in
retarded growth of the organization and units began to lose their organizational health.

It may thus, be concluded that entrepreneurial success largely depends on the skills and motivations of the entrepreneurs who constitute the central axis of the units. Further studies may be designed in the light of childhood experience, family background, organizational citizenship, social support and leadership dynamics.

Achievement motive is defined as the need a person has within himself to compete against an internal standard (McClelland, 1953).

Murray (1938) defined achievement need as a desire or a tendency to overcome obstacles to exercise power, to strive to do something difficult as well and as quickly as possible.

McClelland et al (1953) assessed individual differences in the strength of achievement motive by means of TAT technique.

Atkinson et al. (1957) viewed achievement need as a seeking social acceptance, focusing on its positive attribute than the negative (fear of separation as highlighted by Shipley and Veroff).

Affiliation is defined as the need to establish, maintain or restore a positive affective relationship as in friendship.


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 behaviour is an integral factor in economic development.

Liles (1974) viewed that in order to become a good entrepreneur an individual takes risks towards financial well being, career opportunities, family relations and psychic well being. McClelland suggested that an entrepreneur takes up a moderately risky situation. He avoids a situation where the outcome is certain for it to offer no challenge. He also avoids a situation of high risk for it borders on speculation.

Singh (1976) conducted a study on agriculture entrepreneurs of Delhi and found that progressive ones showed moderate risk-taking scores. In the case of successful entrepreneurs a positive non-significant trend of relationship between anxiety and risk-taking score was obtained, with an inverse relationship in the case of unsuccessful entrepreneurs. Further Singh and Singh (1971) found hardly any relationship between traditionalism and risk-taking behaviour. Traditional entrepreneurs appeared to be strongly inhibited by failure. The highest scores on risk-taking behaviour were recorded by senior and junior owner directors, whereas the lowest scores were bring recorded by junior sleeper executives and successful small owners.

Chaubey (1974) concluded that the individual with a strong motive to achieve takes calculated risks, rather then playing long shots of being over cautious. The success of efforts to introduce modern agricultural practices largely depends upon the willingness of the person to take risk, his willingness to invest his savings.

De (1976) observed that the moderate level risk taking behaviour was found to be an important characteristic for running a successful business in the popular business world.
Hull et al (1980) found potential entrepreneurs to have a greater propensity to take risks. Their definition of 'entrepreneur' included any one who owned a business, assumed risk for the sake of profit and had the explicit intention of expanding the business. Brockhaus (1980) was unable to make a distinction between the risk-taking propensity of new entrepreneurs from managers or the general population. Brockhaus avoided the complication of whether the entrepreneurial venture was a success. He speculated that established entrepreneurs might appear to be more moderate risk-takers because those entrepreneurs with a propensity towards low or high levels risk-taking might cease to be entrepreneurs at a greater rate than those with a propensity towards moderate risk-taking.

According to Meredith et al (1982) entrepreneurs avoid low-risk situations because there is a lack of challenge and avoid high risk situations because they want to succeed. They like by and large achievable challenges on the part of their career.

Timons et al (1985) made a strong association between success and the degree of risk-taking. According to them, it has been argued that, given that some risk of failure must be attached to any business undertaking, than that some risk of failure must be attached to any business undertaking the successful entrepreneur is the one who takes calculated risks.

It might be argued that the propensity to take calculated risks is associated with the strategic behaviour of the entrepreneur. This assertion gains support from the work of Hoy and Carland (1983) who have demonstrated that strategic behaviour make differentiation between entrepreneurs and small business owners, whereas 'selected personal traits did not hold up as distinguishing characteristics'.
There has been a sizable amount of researches on risk-taking behaviour in different areas. Broadly speaking, these researches are mainly of two types, one dealing with individual differences in risk-taking behaviour, and the other, with the effect of situational factors on risk-taking behaviour. The first type of researches have dealt with the question of a general risk-taking trait upon which individuals differ, or with the problem of relationship of risk-taking behaviour with personality variables. The importance of the question of consistency in an individual's inclination for risk across situations has been emphasized by Kogan and Wallach (1967) in their extensive review of the risk-taking literature. The first study dealing with this question was reported by Slovic (1962). He argued that the existence of a risk-taking disposition would be established if different measures of risk-taking behaviour demonstrated what Campbell and Fiske (1959) call convergent validity. Administering a battery of nine different measures of risk-taking behaviour on a sample of eighty-two Ss, Slovic attempted to find out correlations among different measures of risk-taking. But his findings did not establish the existence of a general risk-taking disposition.

Kogan and Wallach (1964), who adopted Slovic's procedures, also arrived at the same conclusion. The failure to find a transitiuational generality in risk-taking has been reported by several other investigators (Brichacek, 1968; Flanders, 1970; Goodman, 1970; Greene, 1962, 1964; Heilizer and Cutter, 1971; Highbee, 1971; Johnson, 1963; Slovic, 1972; Weinstein, 1969; Weinstein and Martin, 1969). On the basis of the findings of above studies one can easily conclude that empirical evidence argues against the existence of risk-taking propensity as a generalized characteristic of individuals, and situational determinants seem much more important than organic ones.
As pointed out above, the question of individual differences in risk-taking behaviour in terms of its relationship with personality variables also received attention of several investigators. The bulk of research dealing with this question has been generated by the Atkinson's risk-taking model (1957). This model explains risk-taking on the basis of joint action of two motives, namely, motive to approach success and motive to avoid failure. It predicts that individuals in whom the former motive is stronger than the later one prefer intermediate risks, while those in whom the later one is stronger prefer either 'very high risks or very low risks. The basis for this model came from the relationship' that McClelland (1955) obtained between need for achievement and preference for alternatives having moderate probabilities of success in ring toss, level of aspiration, and vocation choice. Several studies have confirmed the predictions of the model.

Litwin (1958) found that Ss with a high need for achievement and a low need for avoiding failure preferred intermediate risks significantly more often than did Ss with a low need for achievement and a high need for avoiding failure in a game of chance. Atkinson et al. (1960) also got similar results in a study using a shuffle board game which involves skill and a bet preference task which involves chance. Scodel, Ratoosh and Minas (1959) related achievement motivation to risk-taking behaviour in their study; and measured risk taking behaviour by the probability preferences in the choice of bets in a real gambling task. They found that' Ss with a 'high need for achievement' tended to prefer bets with 'intermediate' probabilities of success (1/4, 1/3, 1/2), while Ss with a 'low need for achievement' tended to prefer bets with 'extreme' probabilities of success (1/36, 1/18, 1/9, 3/4). Using a task involving outcomes of chance, Hancock and Teevan (1964) conducted a
study to determine relationship between achievement motivation and risk-taking behaviour. They found that Ss with 'high motive to avoid failure' chose risk alternatives with low probabilities of success (1/6, 2/6) in the initial trial, while Ss with 'high motive to approach success' chose risk alternatives having high probabilities of success (4/6, 5/6).

Although these studies lend support to the predictions of the Atkinson's risk-taking model. Several other researchers in this area found, that support to these predictions was subject to certain situational conditions. Litting (1959) reported that Ss with a high motive to avoid failure preferred bets having 'extreme' probabilities of outcome in a game of chance, but, contrary to the prediction of the model, Ss with a high motive to approach success did not prefer bets having 'intermediate' probabilities of outcome to ones having 'extreme' probabilities. The investigator explained the latter finding by suggesting that a chance situation did not arouse achievement motivation in Ss with a high motive to approach success. Raynor and Smith (1966), using two types of risk-taking situation, one involving skill and the other involving chance, and two types of orientation condition, namely 'achievement-oriented' condition and 'relaxed' condition, studied the relationship of achievement-related motives to risk-taking behaviour. They found relationship between achievement motive and preference for intermediate risks in a situation involving skill but not in a situation involving chance, and this relationship was found to be stronger under 'achievement-oriented' conditions than under 'relaxed' conditions.

It seems to be quite evident that the results indicating relationship of achievement motive to risk-taking behaviour are consistently obtained when the risk situations involve skill, and becomes inconsistent when the risk
situations involve chance. Other investigators (Kogan and Wallach, 1967; Slovic, 1964 also arrived at the same conclusion in their respective review of the risk-taking research.

Regardless, a number of other studies have attempted to relate risk-taking behaviour with other important personality variables. For example, Liverant and Scodel (1960) related preference of risk level to scores on a test designed to assess the personality dimension of internal-external locus of control. Their findings showed that Ss with external locus of control preferred extreme risks as compared to Ss with internal locus of control. However, Strickland et al. (1966), in their study, obtained results which were contradictory to the finding of Liverant and Scodel. In a subsequent study, Baron (1968) also studied the relationship between the risk-taking behaviour and scores on a scale measuring internal-external locus of control. The correlations obtained were quite low in absolute terms, thereby leading the investigator to conclude that the personality dimension of internal-external locus of control is of little importance in "predicting risk-taking behaviour.

Heilizer and Cutter (1971) made a comprehensive study of personality correlates of risk-taking behaviour by using personality variables for which there is some expectation of relevance to risk-taking. The personality variables which they took into account were test anxiety, extroversion neuroticism and internal-external locus of control, which were measured by Mandler Sarason Test Anxiety Questionnaire, Eysenck personality inventor, and Rotter's Scale of Internal-External Locus of Control respectively. They further included five more personality variables, namely psychopathic deviate, anxiety, social desirability, dominance, and control which were measured by the MMPI scales. The theoretical rational which Heilizer and
Cutter used for hypothesizing personality correlates of risk-taking was with reference to the Americanized version of the Protestant Ethics and the Good person: good adjustment (low on test anxiety, neuroticism, anxiety, and control; high on social desirability), good impulse control (low on extraversion and psychopathic deviate) a belief in one's own effectiveness (low in external locus of control), and assertive (high on dominance).

The investigation was carried out on two samples of Ss-one 'primary sample' comprising, one hundred and forty-four Ss and one 'replication sample' comprising fifty-four Ss. The 'replication sample' was included to verify the results that were obtained from the 'primary sample'. The risk-taking task was presented in an open and complete format in which the Ss could easily expect the risk alternatives to be presented to them. However, the procedures that were used in the experiment with the 'replication sample' appeared to have added uncertainty and complexity in the risk-taking situation. The results showed linear relationships between risk-taking and certain personality variables. However, the relationships that were obtained were of modest magnitude, and at the same time, the confirmation from the replication sample of the results obtained from the primary sample is inadequate. While discussing their findings, Heilizer and Cutter pointed out that the data presented the appearance of fragile personality correlates of risk-taking, easily dissipated by incidental variations in sampling or induction, in their opinion, it is possible that the added uncertainty and complexity of the risk-taking situations of the replication sample were responsible to annihilate the fragile relationships observed in the primary sample.

Several investigators have undertaken researches to study the effect of situational factors on risk-taking behaviour. An important situational factor
the effect of which on risk-taking behaviour has been extensively studied is
group influence.

Most of the researches carried out on this problem have used 'Kogan-
Wallach choice dilemma problems' (Wallach and Kogan, 1959).

The Ss is required to indicate the minimum odds or probabilities of
success he would need before choosing the more desirable alternative. After
having served individually in the experiment all the Ss are required to
participate in a group discussion of these 'choice dilemma problems'. The Ss
are again required, after the group discussion, to express their choices of risk-
levels on the same 'choice dilemma problems'. The first study to investigate
the effect of group influence upon risk-taking behaviour was done by Stoner
(1961). It was found that individuals became riskier after the group influence.
The finding attracted the attention of a large number of investigators because
it was contrary to the well-established tradition, in social psychology, of
convergence phenomenon, i.e., individuals in a social situation avoid extreme
opinions or judgments and the consensus represents an averaging or a
compromise among individual positions. The general expectation on the
basis of convergence phenomenon was that individuals would converge
towards moderate position in their choices of risk levels under group
influence. As stated by Pruitt (1971), a host of studies was conducted to
verify Stoner's finding. Most of the earlier studies confirmed the finding,
with the result that they were subsumed under the notion of 'risky shift
research signifying the study of the phenomenon of an individual's becoming
riskier after group influence. However, many later studies (Blitz and
Dansereau, 1972; Fraser, Gouge and Billig, 1970; Rabow, Fowler, Bradford,
Hofeller, and Shibuya, 1966; Stoner, 1968; Vidmar and Burdeny, 1969)
reported results indicating that an individual became more cautious after group influence. This later finding brought about a change in the trend of studies in which the earlier notion of 'risky shirt' was replaced by a new one called. 'Choice shift on risk dimension', which covers both types of shift i.e. the shift towards greater risk' and the shift; towards greater caution. Most of the subsequent studies directed their attention towards providing an explanation of the phenomenon of 'choice shift on risk dimension "in general without considering the type of choice shift. In their studies Rabon et al (1966) showed that under group influence an individual became riskier while solving certain 'choice dilemma problems' and more cautious in case of other problems, indicating a possibility that the" properties of the 'choice dilemma problem' are responsible for the type of 'choice shift on the risk dimension' which an individual shows under group influence. Blitz and Dansereau (1972) recognized this possibility and attempted to identify properties of 'choice dilemma problems' which make an individual either riskier or more cautious under group influence. They successfully identified three such properties, namely, (a) the importance of the consequences of the decision, (b) the control the individual has over the success or the failure of the decision and (c) the effect of the decision on others. This state of affair in the research dealing with the problem of risk-taking under group influence leads one to agree with Cecil (1972) who beliefs that further more research is needed to identify other situational factors which may affect an individual's risk-taking behaviour in time to come. Thus, instead of studying the effect of group influence upon risk-taking behaviour, it will be worthwhile if we direct our attention to investigate the effect of other situational factors on risk-taking behaviour.
Another situational factor which has been extensively studied is the nature of the risk-taking situation varied on the basis of whether it involves skill or it involves chance. A risk-taking situation involving skill is one in which the outcomes are contingent upon skill, whereas a risk-taking situation involving chance is one in which the outcomes are controlled only by chance factors. The two types of risk-taking situations may be said to differ along the dimension of cognitive control, i.e., the feeling of control an individual has over the outcome. A skill risk-taking situation involves maximum cognitive control and a chance risk-taking situation, the least cognitive control.

Other investigators (Cohen, 1960; Heilizer and Cuttter, 1971; Kogan and Wallach, 1964; Littig, 1962) have studied the difference between the skill risk-taking and the chance risk-taking. These studies reported conflicting findings. For example, Kogan and Wallach reported that. A skill context produced, moderate risk-taking and a chance context, extreme strategies, i.e., very high or very low risk-taking, while Heilizer and Cutter found no difference between the skill risk-taking and the chance risk-taking.

The studies which we have discussed so far are concerned with the question of static risk-taking behaviour in which the Ss are required just to express their preferences of risk level from certain risk alternatives signifying different risk levels. There have been a number of studies dealing with the question of the effect of outcomes of previous risk preferences upon subsequent risk preferences. Several investigators Edwards, 1962; Slovic et al., 1965; Lichtenstein, 1965; Greenberg, and Weiner, 1966 showed that choice of risk levels was independent of actual amount of money won or lost. However, as reported by a number of investigators, the experience of win or loss has been found to affect the choice of risk level. Greenberg and Weiner
(1966), for example, got results indicating that the relative frequency of the experience of winning in relation to the experience of losing, i.e., the ratio of number of wins to number of losses, affected the choice of risk level. They found that the Ss who had experienced either very high or very low ratios of winnings showed preferences for high risk, whereas the Ss who had experienced both wins and losses in equal proportion showed preferences for low risk. Thus, they found a curvilinear relationship between the proportion of the experience of wins and the preference for risk level. Contrary to this finding, Miller, Meyer and Lanzetta (1969) reported direct relationship between the two. In their study, they found that when the ratio of winnings increased the preference for relatively more risky alternatives increased. The effect was not apparent in the beginning but became increasingly marked in later part of the experiment, which showed that the effect might be attributed to the frequency of winnings which the Ss experienced in the course of trials.

It may be observed that these studies deal with the choice of risk level after the experience of different ratios of wins to losses and not with the change in the choice of risk alternative after the experience of winning or losing. Kogan and Wallach (1964) reported a study investigating the effect of the experience of outcome upon the change of risk alternative. In their experiment, the S is presented with a pair of two risk alternatives. His task is to select one risk alternative from the pair. When the S chooses risk alternatives in a series of trials there is an opportunity to study his satisfaction or dissatisfaction with the outcomes of the choices of the previous trials. His choice in the subsequent trial may reflect his satisfaction or dissatisfaction with the post decisional outcome of the choice of the preceding trial. Kogan and Wallach investigated this question in the context of Festinger's (1957)
theory of cognitive dissonance. According to this theory, an individual, who comes across a cognition of something which is discrepant with cognition of holding a position, will experience cognitive dissonance which is an unpleasant state, and will try to reduce it either by changing his position or by distorting the discrepant experience. Assuming that the choice of the same risk strategy or the change of the risk strategy an individual makes after the experience of post decisional outcome will depend upon the mode of dissonance reduction he prefers, the Ss used in the experiment were varied on the personality variables of test anxiety and defensiveness. The expectation was that individuals varying on these personality variables may differ in their mode of dissonance reduction and thus in the tendency to choose the same risk strategy or to change the risk strategy after the experience of post decisional outcome. The two investigators used five types of risk strategy, and the Ss score on each strategy represented the number of times he selected the risk alternative keyed for the strategy in question in all appropriate pairs. A score indicates degree of adherence to a particular strategy. It was found that Ss low in test anxiety and defensiveness showed fewer changes of risk strategy after winnings. On the other hand, Ss high in test anxiety and defensiveness were either consistently risky or consistently cautious irrespective of the nature of post decisional outcome.

The preceding study got certain methodological limitations, which makes it difficult to accept the interpretation of the results given by the investigators. As the post decisional outcomes are not experimentally induced, it is very difficult to assess the effect of the nature of post decisional outcome upon the change of risk alternative. Furthermore, the study fails to control the effect of risk level upon the change of risk alternative after the
experience of post decisional outcome. Further research, therefore, needed to clarify the remaining uncertainty in this regard.

Stewart and Roth (2004) Contended that there are additional studies that compare the risk propensity of entrepreneurs and managers, which when, added to the data from W.H. Stewart and P.L. Roth (2001) and meta analyzed, produce relationships between risk propensity and entrepreneurial status that are substantially weaker than previously believed. This conclusion was evaluated by identifying and examining methodological problems associated with their inclusions of effect sizes from studies with variables not research question dependent samples, extraneous variance in outcome variables, and confusion of constructs. When these methodological issues were addressed a new Meta analysis indicated that of Stewart and Roth, but the results varied according to instrumentation, particularly objective instrumentation (observed \(d=0.31\)) versus the Miner sentence completion scale form T (observed \(d=0.35\)).

The concept, locus of control, refers to the perception of contingencies between action and how much one's action produces the outcome. Rotter (1966) developed the notion of locus of control of reinforcement' as part of a wider social learning theory of personality. People with an internal locus of control are those individuals who believe themselves to be in control of their destiny. In contrast, people with an external locus of control sense that fate, in the form of chance events outside their control or powerful people, has a dominating influence over their lives (Levenson, 1973).

Borland (1974) suggests that a belief in internal locus of control was a better predictor of entrepreneurial intentions than need for achievement. Hull et. al. (1980) disagree with Borland in that they failed to find a relationship
between locus of control scores and entrepreneurial activity, but do agree that
need for achievement is not the most important variable. Idemudia (1979)
studied the performance of Nigerian indigenous entrepreneurs and found that
the factors external to the firm, and not the questions of the entrepreneur
himself, are more crucial in the performance.

In another study Rao et al (1979) reported that the potential
entrepreneurs were found to be high on internal locus of control as compared
to non-potential entrepreneurship.

Pandey and Tiwary (1979) administered Rotter's I-E scale on the
respondents who wanted to start their own small scale industries. The result;
showed that respondents who were found to be above 35 years of age had less
score on internal locus of control than those who were below 35 years of age.

Brockhaus and Nord (1979) found that internal locus of control scores;
failed to make a clear-cut distinction between entrepreneurs and managers.
On the other hand, a study conducted by Brockhaus (1980) shows promise for
distinguishing successful and unsuccessful founders. The criterion of success
was that the business still existed three years after the locus of control scores
was obtained. The founders of the 'successful' business had a higher internal
locus of control than the founders of those businesses which had subsequently
ceased to exist.

Sarupria (1981) found that successful entrepreneurs scored
significantly higher on internal locus of control than the unsuccessful
entrepreneurs. Further, the study revealed that successful entrepreneurs
attributed their success and failure to their ability and opportunity, whereas
the unsuccessful ones attributed it to luck and opportunity.
Bonnet and Furnhem (1991) administered measure of economic locus of control on 190 adolescents. The study set out to determine whether any of these factors differentiated subjects who showed a positive interest in entrepreneurism (by becoming involved in running a company under the British Young Enterprise Scheme) from those who chose not to get involved. The young enterprise group had a more feeling of internal locus of control as compared to their counterparts.

Regardless a sizable number of studies in different areas in the field of locus of control have been carried out successfully in the following manners.

Locus of control has frequently been presented as an important construct in adult development and aging (Baltes & Baites, 1986). Psychological researches have shown the relationship of internal-external locus of control with certain personality variables (adjustment, life-satisfaction, self-actualization, level of aspiration, psychological well-being, self-concept, depression, death anxiety, religiosity, activity level or pattern, learned helplessness) and demographic variables (age, sex, health institutionalization, retirement versus pre-retirement). By and large researchers have employed generalized measures rather than a goal-specific measure for measuring the locus of control orientation among the aged. Duke, Shaheen and Nowicki (1974) found that white females, aged 65-90 years were not different in their overall locus of control orientation from college aged students. Felton and Kahana (1974) did find superior adjustment to an institutionalized setting by externals than by internals. Reid, Haas and Hawkings (1977) found the opposite relationship, that is, superior adjustment by internals. Hiroto (1974) conducted a laboratory research with only young adult subjects. Results indicate that externals are more prone to
manifestations of learned helplessness than are internals. Krantz and Stone (1978) indicate that, independently of variation on locus of control, elderly subjects are more prone to manifestations of learned helplessness than are young subjects.

Dixit and Singh (1975) examined that internals and externals differ in the value placed on the same reward depending upon, whether it is perceived as contingent upon chance or skill. Decision time was measured in a different matching task, and described to half the subjects as skill and to half as chance determined. Results showed significant interaction between internal-external control and chance Vs skill instructions, as hypothesized, internals took longer time with skills instructions, externals with chance instructions.

Ryckman and Malikiosi (1975) compared scores of college students, middle aged and elderly persons on the Levenson Locus of Control Scales. They concluded that there was no decrease in internality with old age and that the elderly perceived themselves as free of control by powerful others and as living in a predictable environment at the same time. Wolk and Kurtz (1975) conducted a study on elderly males and females to ascertain level of expectancy for control as well as the relationship between internal control and adaptive behaviour. Assessments were made with the Internal-External Locus of Control Scale, and indices of Developmental Adjustment, Active Involvement, and Emotional Adaptation. It was found that (a) the elderly of the present sample manifested an exceptionally internal level of locus of control relative to most contemporary, younger groups; (b) degree of internal control related positively to all these indices of adjustment to the later years; (c) for the variable of involvement,
external females displayed the lowest level of adjustment, with a trend in the interaction between sex and degree of internal control similarly apparent in other variables as well.

Bradley and Webb (1976) have found elderly adults to be more external in their locus of control than younger adults. Other investigators have found either the opposite age effect or no age effect at all (Kuypers, 1972).

Wolk (1976) highlighted that the degree of specific constraints imposed by an environment mediates the relationship between locus of control and adjusted behaviour and attitudes. Indices of developmental adjustment, life satisfaction, self-concept, and activity level were used to assess two groups of elderly individuals along with a generalized measure of locus of control. It was found that (a) the level of internal control across subjects related to the nature of the setting in which subjects were currently residing; (b) subjects in the low constraining environment believed in internal locus of control similar to college-age samples, whereas those in the high-constraining setting believed much more strongly in external locus of control; (c) expectancy for internal control correlated with developmental adjustment, satisfaction, positive self-concept, and maintenance of activity only in the low-constraining setting.

Ziegler and Reid (1976) ascertained the correlates of new measures of desired control in two groups of elderly persons. Study I examined the desired control correlates for a group of elderly community residents (Mean age = 75). As predicted, desired control was significantly negatively correlated with depression and positively correlated with health, knowledge and use of services for the elderly. Study 2 examined the correlates of desired control for patients in a chronic care hospital ward (Mean age = 72). Desired control
was significantly correlated with four of five indices of psychological
adjustment. The two studies together indicate the breadth of the relationships
of desired control to diverse aspects of psychological well being, including a
measure of subjective senescence.

Box and Peck (1981) observed perceived differences in terms locus of
control orientation and self-actualization among 48 institutionalized and non-
institutionalized adults. Results obtained by them, indicates that a
substantial difference in self-actualization and social control tendencies
existed between the two experimental group. Both institutionalized and non-
institutionalized subjects scored lower than the standardized norms on self-
actualization and the internal dimension. The institutionalized subjects scored
consistently lower on both self-actualization and locus of control than did those of the control group.

Boyle and Kathleen (1981) observed the correlates of health and
locus of control with self-concept among 111 older disabled institutionalized
veterans. It was hypothesized that internal control would correlate with
global self-esteem and physical self-concept and with lower rated
disability. Both hypotheses were partially confirmed. Internality was found to
be correlated with greater educational attainment, while externality was found
to be correlated with greater length of stay at the institution.

Gerrard and Rikian (1982) studied the relationship of the level of
aspiration, disparity score to life satisfaction and to locus of control in 50
young - old and 50 old - old females. Results obtained by them indicate that a
positive disparity score was associated with increased life satisfaction and a
more internal locus of control.
Byrd (1983) studied the effects of control and choice among the institutionalized older adults. Subjects were administered a self-rating Likert Scale, Rotter's internal-external locus of control scale and the life Satisfaction Index. Subjects were also rated by the institution staff members on the levels on their medical complaints, depressive states, recreational activities and social interactions. Both groups showed an increase in satisfaction with the quality of institution and their own lives and there was a decrease in the number of medical complaints by the hospital subjects and an increase in the attendance level of the senior center subjects.

Lumpkin (1985) in a study of 601 subjects (mean age 72.5 years) observed that as subjects aged their health declined and they became more external in their locus of control. Even after partial out the effect of age and health, subjects with less activity were more external in their locus of control.

Molinari and Neiderche (1985) investigated a study on 117 community elderly and 305 colleges' undergraduate respondents and found that the elderly subjects had a more external locus of control than the younger one. There was a significant relationship, linking pattern of high internality and low belief in powerful of others with low depression in the elderly, but not in the younger. However, they reached the following conclusion on locus of control with the elderly respondents (1) There were no constant sex differences in locus of control nor did sex consistently interact with adjustment of locus of control in the elderly, subjects and (2) there was a positive relationship between internality and adjustment in non-institutionalized elderly subjects.
Lumpkin (1986) studied the relationship between locus of control and age. The findings observed by him indicate that elderly subjects were found to be more external than their counterparts.

Abel and Hayslip (1987) studied locus of desired control, attitudes towards work and retirement and adjustment all together. Results obtained by them indicates that retirement preparation maintains both the desirability and expectancies of external control and positive retirement attitudes among participants when compared to non-participant in the retirement preparation programme.

Guarnera and Williams (1987) conducted a study on 92 elderly adults in a retired community and they were administered the life orientation test, the multi-dimensional – multi-attribution causality scale and the multi-dimensional health locus of control scale. Five of nine comparisons between optimism and locus of control measures yielded significant relationships.

Krause (1987) examined whether locus of control beliefs buffer or mediate the impact of chronic financial strain on psychological well-being. Finding suggest that elderly people with internal locus of control beliefs were less likely to suffer from the deleterious effects of chronic financial strain than were older adults with external locus of control orientations.

Woodward and Wallston (1987) identify the relation between individual's age desire for control, information and perceived self-efficacy in a cross sectional comparison of 116 non-institutionalized adults. Results obtained by them indicates that individuals over 60 years of age desired less health related control than did younger adults. Differences in desire for health related information were in the same direction, but were not significant. Perceived self-efficacy was found to be lower among individuals over 60
years of age. Results suggested that perceived self-efficacy mediated the age differences in health related desire for control.

Hickson and Boyle (1988) observed the relationship of locus of control, age, and sex to life satisfaction and death anxiety in 122 elderly subject: aged 61-80 years. Results revealed significant correlation between the variables of life satisfaction and death anxiety, regardless of the subject's control orientation.

Ramamurti (1988) ascertain the role of religiosity, internal-external locus of control and adjustment among 360 urban aged, over 60 years of age. The results indicates a significant positive correlation between religiosity and external locus of control, and a low positive correlation between the religiosity and good adjustment as well as between external locus of control and good adjustment.

Jamuna and Ramamurti (1988) have carried out their finding in the light of two in important underlying hypotheses (a) Aged individuals with higher life satisfaction would show greater internality than those with lower life satisfaction; (b) Whether there were as many gender differences among the aged with regard to internal-external locus of control. The results obtained by them clearly reflex that internals had a significantly greater life satisfaction than externals ones and that female subjects were found to be less internal then their counterparts.

Baltes and Schmid (1990) examined the activity patterns, personal control and functional health among 49 respondents and found a close relationship between activities and personal control, particularly when functional health was on lower side.
Singh and Husain (1993) examined the extent of locus of control among retired and pre-retired males and females. Results obtained by them denote that there was no significant difference between pre-retired and retired elderly with regard to their overall locus of control score. Significant difference was found between retired and pre-retired elderly persons in terms of internal-external locus of control. The interaction of age and sex both together significantly influenced the results.

Ramamurti and Jamuna (1993) closely examined how religiosity and externality were related to adjustment in old age. The sample consisted of 120 urban aged men in the age group of 60 years and above. Findings observed by them denote that religiosity and externality were positively associated with good adjustment in old age.

Behaviour of an individual is controlled to a large extent by its consequences. Locus of control was observed to be a dominating factor in determining an individual’s behaviour. It has been one of the most pervasively employed concepts in psychological researches. Locus of control refers to the disposition to perceive one’s own behaviour. Those who believe that they can exercise some control over their destinies are considered to be internally controlled. Externals believe that their reinforcements are controlled by luck, chance or powerful of others (Rotter, 1966).

The locus of control construct is an integral part of social learning theory (Rotter, 1954; Rotter, chance and Phares, 1972). In social learning theory locus of control is being used as a generalized expectancy pertaining to the connections between personal characteristics outcomes. This develops out as an obstruction from a number of specific encounters where the person perceives the control as a casual sequence occurring in their lives. For some
individuals many outcomes are experienced as dependent upon the effort experienced in their pursuits. Such people may come to believe that the outcomes are generally contingent upon the work put into them. So, they are supposed to act/exert themselves when engaged in important tasks on the other hand the individuals who were less responsive may fail to perceive the connections between efforts and the outcomes. As pointed by Rotter (1954) in social learning theory that the degree to which individual perceives the events in their lives as being a consequence of his own actions and thereby controllable (internal control) or as be uncontrollable on their own behaviour and therefore, beyond personal control (external control).

A number of studies have been conducted in connection with Rotter's social learning theory of its own importance. This theory explains that the perceived control occupies a central place within a systematic formulation (Rotter, 1954, 1971; Rotter, Chance and Phares (1972) where perceived controls referred to as a generalized expectancy of internal or external control of reinforcement. The generalized expectancy of internal control refers here the perception of event whether positive or negative as being consequence of one's own action and thereby potentially under personal control. The generalized expectancy of external control on the other hand, refers to the perception of positive or negative events as being unrelated to one's behaviour and thereby beyond personal control (Lefcourt, 1976).

Earlier research investigation indicates that the locus of control is associated with the cognitive activity of individuals, i.e. person holding internal control expectancies are found more cautious and calculating about their choices, involvements and personal entanglement than those with external control orientations.
Another cognitive function that has been found to be associated with locus of control is attention. Phares, 1957; James, 1957; Rotter, 1970; Rotter; 1990; Rotter and Mulry, 1965 and Lefcourt, 1976, reported that internals devote more attention to decision about skilled related matters than externals. According to Wolk and Du Cette (1974); "it appears that the external does not make full use of his intentional system until stimuli are more prominent but for the internal subjects such an explanation is redundant, since his strategy has been to deal with task in more organized manner all alone". Research findings have generally supported the notion that a belief in the contingency between one's efforts and outcomes. It is argued that the characteristics like persistence despite prominent failure, postponement of immediate pleasure etc., which are essential to any prolonged achievement effort, will occur only among those who strongly believe that they through their own efforts, achieve the desired goals. Initially this notion was supported by the contribution made by Crandall, Kalkovasky and Preston (1962). As pointed out by Gore (1962) internals are not more resistant to the external influence, in general than external but they resist a certain type of influence. It is reported by Rotchie and Phares (1967) that externals shifted their ways when the influential arguments were attributed to a prestigious government official. However, internals did not differ in their response as a function of the status of source. Further, results obtained by James, Woodruff and Wejner (1965) extend their support to the Gore's findings. In the realm of organizational researches locus of control has been considered as an important dimension affecting job attitude and behaviour of employee's in organizational life.
Organ and Greene (1974) have reported that locus of control was significantly related with role ambiguity and job satisfaction. Mitchell, Smyser and Weed (1975) found significant relationship between job satisfaction and locus of control. Pestonjee and Singh (1982) observed that locus of control was significantly related to only one role stressor viz., self role distance, out of eight different types of stressors studied. However, the result obtained by Pestonjee and Singh (1982), supported the contention of Organ and Greene (1974) that the relationship between role ambiguity and job satisfaction differs from those having belief in their own control of the situation than those who believe that they are controlled by some outside forces (external). Lester (1982) reported that the subjects having belief in an external locus of control experienced more stress than the subjects who believed in their own internal locus of control.

Spector (1982) reported that internals have been found more satisfied with their job than externals. In a study of bank and insurance employees Kulkarni, (1983) reported a significant negative relationship between job satisfaction and locus of control. Rahman and Kumar (1984) explored the relationship of locus of control with absenteeism among blue collar workers. They found that absenteeism was independent of locus of control, job experience and educational level. Marino and White (1985) reported a significant negative effect of stress among externally controlled subjects.

In a study of public/private sector engineers Dac and Agrawal, (1990) found that the engineers of internal locus of control has significantly better job satisfaction in comparison to engineers with external locus of control. It indicates that the locus of control dimension can serve as a potential personality variable that is capable of determining the goal-oriented
behaviour of employees. The locus of control construct may also facilitate the understanding of individual differences in organization. Siu and Cooper (1998) found that internals respondents were found to be highly satisfied with their job as compared to their counterpart highly satisfied with their job while external were dissatisfied with their job and thought of quitting the job.

It seems to be very much obvious from the review of the earlier studies that job satisfaction has been extensively explored phenomenon. But it does not mean that further research should not carry out in this area. However, many efforts have been made by a number of investigators towards understanding and describing the concept and nature of job satisfaction and its impact on overall organizational performance.