Chapter Two

REVIEW OF LITERATURE

2.1 Introduction to the Chapter

This section commences with the definition of motivation and also describes the dimensions of challenges faced by the Indian entrepreneurs. Further, this chapter also discusses what constitutes entrepreneurial motivation and the factors affecting the entrepreneurship development. Another core construct is the entrepreneur and entrepreneurship, which has been described in detail. This chapter concludes by providing a synthesis of existing literature in order to find out knowledge gaps.

2.2 Definitions of Entrepreneur

The concept of entrepreneur differs from country to country as well as from period to period (Desai, V. 2010). “An entrepreneur is a man or woman who actualizes his/her innate potentials and develops a character that is not dependent but independent”. He/She is a person who undertakes the strength of creating value by pulling together a unique package of resources to exploit an innovative opportunity. “He/She has the capability to build something new from practically nothing – initiating, daring, doing, achieving, and building an enterprise”. (Okpara, F. O. 2007). Similarly, Hisrich, R. D., Peters, M. P. & Sheperd, D. A. (2008) explained “Entrepreneur as a person who undertakes a wealth creating and value adding process, through incubating ideas, combining resources and making things happen”. The entrepreneur has his own ways of dealing with opportunities, setbacks and uncertainties. “An Entrepreneur is an innovative person who ‘creatively create' new products, new organizations and new ways of doing things and satisfying customers” (Thompson, J. L. 1999). In the same way Petrin, T. (1994) defined, “Entrepreneur is a person who is willing to undertake risks and work hard to explore market opportunities and create new products in return for potential benefits and profits”. Through the transformational process, value is added by acquiring and utilizing resources to satisfy customer’s needs and wants.

Entrepreneurs have some personal traits, motivations and determinations. They have an ability to obtain resources to exploit an opportunity. (Thompson, J. L. 1999).
Figure 2.1: Opportunity Recognition and Resource Exploitation by an Entrepreneur

Table 2.1 Definitions of Entrepreneur

<table>
<thead>
<tr>
<th>Definition</th>
<th>References</th>
<th>Description</th>
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<tbody>
<tr>
<td>A.</td>
<td>N.V.R. Naidu &amp; T. Krishna Rao (2011:154)</td>
<td>&quot;An entrepreneur is the person who bears risk, unite various factors of production, to explore the perceived opportunities in order to evoke demand, create wealth and employment&quot;.</td>
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<tr>
<td>B.</td>
<td>Vasant Desai (2010:21)</td>
<td>&quot;A good entrepreneur is one who is capable of inspiring people, and has the ability to motivate them to work with him in fulfilling the economic goals set by him&quot;.</td>
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<tr>
<td>C.</td>
<td>Balraj Singh (2009:6)</td>
<td>&quot;A person, who tries to create something new, organizes production and undertakes risks and handles economic uncertainty involved in enterprises&quot;.</td>
</tr>
<tr>
<td>D.</td>
<td>Donald F. Kuratko Richard M. Hodgetts (2008:55)</td>
<td>&quot;The entrepreneur is a catalyst for economic change that uses purposeful searching, careful planning, and sound judgments when carrying out the entrepreneurial process. He works creatively to establish new resources or endow old ones with a new capacity, all for the purpose of creating wealth&quot;.</td>
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<tr>
<td>Ref</td>
<td>Author(s)</td>
<td>Definition</td>
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<td>E</td>
<td>Robert D. Hisrich, Michale P Peters and Dean A Sheperd (2008:8)</td>
<td>“An entrepreneur is a person who brings resources, labor, material, and other assets in to combination that make their value greater than before and also who induces changes, innovations and new order”.</td>
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<tr>
<td>F</td>
<td>Shivganesh Bhargav (2008)</td>
<td>“An entrepreneur is that individual who is involved in an entrepreneurial service and on who has novelty in terms of ideas, processes and outcomes”.</td>
</tr>
<tr>
<td>G</td>
<td>Friday O. Okpara (2007)</td>
<td>“An entrepreneur is the man or woman who actualizes his/her innate potentials and develops a character that is not dependent but independent. He/She is a person who undertakes the strength of creating value by pulling together a unique package of resources to exploit an innovative opportunity. He/She has the capability to build something new from practically nothing – initiating, daring, doing, achieving, and building an enterprise”.</td>
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<td>H</td>
<td>Brucer R. Barringer and R. Duane Ireland (2006:5)</td>
<td>“An is one who assembles resources and then integrate all the resources needed-the money, the people, the business model, the strategy, and the risk bearing ability- to transform the invention in to a viable business”.</td>
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<tr>
<td>I</td>
<td>Sunil Gupta (2004:5)</td>
<td>“Entrepreneurs are risk bearer, coordinators, and organizers, gap filler, leaders and innovators or creative imitators”.</td>
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<tr>
<td>J</td>
<td>Aruna Kaulgud (2003: 5)</td>
<td>“An entrepreneur is a person who combines various factors of production, processes, the raw material, converts the raw material in to finished products and creates utility in the product and sells the product in the market in order to earn profit”.</td>
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<td>K</td>
<td>David H. Holt (2002:11)</td>
<td>An entrepreneur is “who incubate new idea, start enterprise based on those ideas, and provide added value to society based on their independent initiative”.</td>
</tr>
</tbody>
</table>
| L   | John L. Thompson (1999) | “An Entrepreneur is an innovative person who `creatively create' new products, new organizations and new ways of doing things and
The definitions of the entrepreneur, as discussed in the literature, are illustrated with the help of the table given below.

2.3 Types of Entrepreneurs

The entrepreneurs can be classified according to the type of business, motivation, possession of skills, and timing of venture creation. The different types of entrepreneur, as discussed by various authors are illustrated by the following table.

Table 2.2: Types of entrepreneur

<table>
<thead>
<tr>
<th>Types</th>
<th>Reference</th>
<th>Description</th>
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</table>
| A     | N.V.R. Naidu And T. Krishna Rao (2011:158) | Entrepreneurs according to the type of business
   a). Business Entrepreneurs: Those individuals who conceive an idea for a new product or service leading to new business. He deals with product development, marketing and sales.
   b). Industrial Entrepreneurs: They are manufacturers who identify the potential needs of customers and tailor a product or service to meet the marketing needs.
   c). Trading Entrepreneurs: They undertake trading activities and not engaged in manufacturing activities.
   d). Agricultural Entrepreneur: They undertake agricultural activities such as raising and marketing of crops, fertilizers and other inputs of agricultural.
   e). Corporate Entrepreneurs: They demonstrate their innovative skills in organizing and managing corporate undertaking. |
Classification according to motivation of entrepreneurs:

a). Pure Entrepreneur: who is motivated by economic and psychological rewards like personal satisfaction, ego and status etc.

b). Motivated entrepreneur: who becomes an entrepreneur for self-fulfillment. They long for producing and marketing a new product for customer’s use.

c). Induced entrepreneurs: who takes up due to the inducement of government like incentives, subsidies, concessions etc.

d). Spontaneous entrepreneur: is one who is having natural talent, initiative, boldness, self-belief, etc. which motivate them to become entrepreneur.

Based on the timing of venture creation entrepreneurs are classified as:

a). Early starters: They are from business families and have participated in the family business. They start their business with little and no full time experience.

b). Mature: These are senior professionals, some at the level of CEO, quit their jobs to start their venture. This is because they have very high confidence in their abilities.

c). Experienced: They have spent a few years working in the family business or in some other large company. The business is related to the type of work the entrepreneur was previously engaged in. He brings lots of experience, skills, and personal credibility in to the venture.

Entrepreneurs may be classified as

a). Innovative Entrepreneurs: They are mainly responsible of introduction of innovative products, identification of new markets, establishment of new procedures and productive techniques as well as restructuring of the organization.

b). Imitative entrepreneurs: They capitalize on a business opportunity identified by another person. They are responsible for diffusion of innovations and mostly they are predominant in developing and underdeveloped countries.

2.4 Entrepreneurial Characteristics

The characteristics of an entrepreneur directly contribute to the success and growth of the business venture. The characteristics of entrepreneurs are as:
Table 2.3: Entrepreneurial characteristics and skills

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Reference</th>
<th>Description</th>
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</thead>
</table>
| **A**           | N.V.R. Naidu And T. Krishna Rao (2011:154) | An entrepreneur should possess these characteristics  
a). Action oriented, ready to take risks and highly motivated to achieve the goals.  
b). Strong commitments and determination.  
c). Creativeness, hardworking and result oriented.  
d). Accept responsibilities.  
e). Self-confident and dedicated.  
f). Thinker and doer, planner and worker  
g). Intelligent, self-directed and imaginative. |
| **B**           | B. Janakiram (2010:145) | To be a successful entrepreneur one should have the following characteristics:  
a). Administrative ability  
b). Organization skills  
c). Intelligence  
d). Creativity  
e). Innovation  
f). Clear objective  
g). Business secrecy  
h). Sound knowledge  
i). Emotional stability  
j). Public relations  
k). Technical knowledge  
l). Effective communication  
m). Risk-bearer  
n). Highly motivated  
o). Hard-working  
p). Growth oriented |
| **C**           | Vasant Desai (2010:59) | A successful entrepreneur is a person with the following qualities  
a). Mental ability  
b). Emotional stability  
c). Clear objectives  
d). Sound knowledge  
e). Business secrecy  
f). Innovation and creativity  
g). Human relation ability  
h). Technical knowledge |
### D

<table>
<thead>
<tr>
<th>Name</th>
<th>Publication Details</th>
<th>Characteristics</th>
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<tbody>
<tr>
<td>Balraj Singh</td>
<td>(2009:7)</td>
<td>The characteristics of entrepreneurs are as:</td>
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<tr>
<td></td>
<td></td>
<td>a). Self-confident and positive attitude</td>
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<td></td>
<td></td>
<td>b). Easily get along with others</td>
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<tr>
<td></td>
<td></td>
<td>c). Flexible and respond positively to problems</td>
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<td></td>
<td></td>
<td>d). Take calculated risk</td>
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<td></td>
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<td>e). Independent mindset</td>
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<td></td>
<td></td>
<td>f). Responsive to criticism and suggestions</td>
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<td></td>
<td></td>
<td>g). Dynamic leader and take initiatives</td>
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### E

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<th>Name</th>
<th>Publication Details</th>
<th>Characteristics</th>
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<tbody>
<tr>
<td>Rajeev Roy</td>
<td>(2008:13)</td>
<td>Entrepreneurial characteristics and skill are as:</td>
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<tr>
<td></td>
<td></td>
<td>a). Opportunity evaluation</td>
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<td></td>
<td></td>
<td>b). Decision making</td>
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<td></td>
<td></td>
<td>c). Creative</td>
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<td></td>
<td></td>
<td>d). Teamwork</td>
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<td></td>
<td></td>
<td>e). Comfort with change and chaos</td>
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<td></td>
<td></td>
<td>f). Written and oral communication</td>
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<td></td>
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<td>g). Selling and negotiation</td>
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<td></td>
<td></td>
<td>h). Motivation through influence and persuasion</td>
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<tr>
<td></td>
<td></td>
<td>i). Basics of start-up, accounting, finance and law</td>
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</tbody>
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### F

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<thead>
<tr>
<th>Name</th>
<th>Publication Details</th>
<th>Characteristics</th>
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</thead>
<tbody>
<tr>
<td>Robert D. Hisrich, Michale P Peters and Dean A Sheperd</td>
<td>(2008:71)</td>
<td>These are some characteristics of entrepreneur’s background that have been explored:</td>
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<tr>
<td></td>
<td></td>
<td>Male Entrepreneurs</td>
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<td></td>
<td></td>
<td>Female Entrepreneurs</td>
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<tr>
<td></td>
<td></td>
<td>a). Persuasive and opinionated</td>
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<td></td>
<td></td>
<td>a). Tolerant and flexible</td>
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<td></td>
<td></td>
<td>b). Goal Oriented</td>
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<tr>
<td></td>
<td></td>
<td>b). Goal Oriented</td>
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<tr>
<td></td>
<td></td>
<td>c). Idealistic and Innovative</td>
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<tr>
<td></td>
<td></td>
<td>c). Realistic and creative</td>
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<td></td>
<td></td>
<td>d). High level of Self-Confidence</td>
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<tr>
<td></td>
<td></td>
<td>d). Medium level of Self-Confidence</td>
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<td></td>
<td></td>
<td>e). Energetic &amp; Enthusiastic</td>
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<tr>
<td></td>
<td></td>
<td>e). Energetic &amp; Enthusiastic</td>
</tr>
</tbody>
</table>
a). Resourceful  
b). Creative  
c). Visionary  
d). Independent thinker  
e). Hard worker  
f). Optimistic  
g). Innovator  
h). Risk taker  
i). Leader  
j). Recognize and take advantage of opportunities |
|---|---|---|
| H | Brucer R. Barringer and R. Duane Ireland (2006:8) | Individuals who start their own business possess these qualities:  
a). He/She has a passion for the business  
b). Execution of the intelligence  
c). Tenacity despite of failure  
d). Focus on product & customer |
| I | Aruna Kaulgud (2003: 36) | Characteristics of entrepreneurs that make them successful:  
a). Decision making and calculated risk bearing  
b). All round personality  
c). Public relation skills and team-building  
d). High level of achievement motivation  
e). Innovative, creative and imaginative soul  
f). Wealth creator and founder of “achieving society” |
| J | David H. Holt (2002:11) | Distinguishing factors are that entrepreneurs have:  
a). Vision for growth  
b). Commitment to constructive change  
c). Persistence to gather necessary resources  
d). Entergy to achieve unusual results |
2.5 Concept of Entrepreneurship

Entrepreneurship is a function of identifying investment and production opportunities in an innovative way. Different authors gave different views about entrepreneurship. Entrepreneurship is much more than starting a new business venture. “It is a process by which individuals become aware of the opportunities in the environment that exist to empower themselves and make them to take personal responsibility and initiative” (Okpara, F. O. 2007). “It’s a process by which regions, societies, organizations and individuals identify and pursue business opportunities to create wealth and raise their economic standard” (George, G. and Zahra, S. A. 2002). Entrepreneurship is all about spotting and exploiting new opportunities (Thompson, J. L. 1999). In the globalized business environment, the role of entrepreneurship moves beyond raising income and profit, now it is transforming the structure of the business and society. It not only leads to development, but also increases the standard of living of the entrepreneur and other individual associated with the entrepreneurial process. (Sahay, A. and Rai, S. K. 2004). In other words, entrepreneurship makes development possible and enhances the overall economic status of the society. (Smallbone, D. and Welter, F. 2006). Focusing on its significance, it’s very important to throw a light over this concept. Entrepreneurship is defined and explained by different authors in various ways. Some of the definitions are discussed and illustrated with the help of a table given below:

Table 2.4: Definitions of entrepreneurship

<table>
<thead>
<tr>
<th>Definition</th>
<th>Reference</th>
<th>Description</th>
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<tbody>
<tr>
<td>A</td>
<td>Jack M. Kaplan (2012:4)</td>
<td>“It is a process of planning, organizing, operating and assuming the risk of a business venture in a mainstream activity. It requires a blend of courage, self-confidence, and skill of all which determine success and failure of an enterprise”.</td>
</tr>
<tr>
<td></td>
<td>Author(s)</td>
<td>Definition</td>
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<tr>
<td>B</td>
<td>N.V.R. Naidu and T. Krishna Rao (2011:163)</td>
<td>“It is the process of identifying opportunities in the market place, arranging the resources required to pursue these opportunities and inverting the resources to exploit the opportunities for better gains”.</td>
</tr>
<tr>
<td>C</td>
<td>Vasant Desai (2010:79)</td>
<td>“Entrepreneurship is the propensity of the mind to take a calculated risk with confidence to achieve a pre-determined business or industrial objective”.</td>
</tr>
<tr>
<td>D</td>
<td>Donald F. Kuratko and Richard M. Hodgetts (2008:55)</td>
<td>“Entrepreneurship is a process of innovation and new venture creation through four major dimensions-individual, organizational, environmental and process-that is added by a collaborative network in government, education and institutions”.</td>
</tr>
<tr>
<td>E</td>
<td>Robert D. Hisrich, Michale P Peters and Dean A Sheperd (2008:8)</td>
<td>“Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risk, and receiving the results rewards of monetary and personal satisfaction and independence”.</td>
</tr>
<tr>
<td>F</td>
<td>Shivganesh Bhargav (2008:32)</td>
<td>“Entrepreneurship refers to the mindset of entrepreneurs, to the degree of proactively they possess for being aware of the competitors as well as the risk taking ability and innovation in the outcomes of the organizations”.</td>
</tr>
<tr>
<td>G</td>
<td>Friday O. Okpara (2007)</td>
<td>“Entrepreneurship means much more than starting a new venture. It denotes a process by which individuals become aware of the opportunities in the environment that exist to empower themselves and make them to take personal responsibility and initiative”.</td>
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</table>
“It is a process by which individuals pursue opportunities without regard to the resources they currently control. The essence of entrepreneurship is identifying opportunities and putting useful ideas into practice”.

“I is a process by which societies, regions, organizations or individuals identify and pursue business opportunities to create wealth and raise their economic standard”.

“Entrepreneurship is all about spotting and exploiting new opportunities”.

“Entrepreneurship is the process of identifying, developing, and bringing a vision to life. The vision may be an innovative idea, an opportunity, or simply a better way of doing something”.

2.6 Motivations of Entrepreneur

Motivation is a combined set of forces that initiates behavior and determine its form, intensity, direction and duration (Okafor, C. and Amalu, R. 2010). There are many reasons stimulate individuals towards entrepreneurship. Individuals are attracted towards the independence and freedom from the restriction of the corporate. Ability and independency for doing their own things, make their own decision and greater control over the working environment are some of the attractive alternatives to the life associated with a big company (Kaplan, J. M., 2007). Individuals are motivated into business by different reasons. A review of motivational studies is given below:

Azmi, I. A. G. in 2017 adopted a quantitative approach to collect data and analyzed it descriptively using SPSS. The questionnaires were distributed to women entrepreneurs operating in five different countries i.e. Malaysia, Thailand, Vietnam, Pakistan, Indonesia, and China. The purposive sampling technique was used due to the in-availability of women entrepreneurs name list, as many of them were not registered with the authority. Twenty three motivational items were segregated into five factors
named as: personal, family, society, market and legal factors whereby the personal factor was showing the highest Eigen value among all these.

**Waribugo, S. (2016)** determined motivational factors of SME entrepreneurs involved in agricultural based industries. A sample of 70 SMEs operating for more than four years was selected. The study revealed that “business achievement” related factor such “increase in income” was rated highest, followed by “for my own satisfaction and growth” and “to be my own boss”. The least rated motivating variable was “to have fun”. Most of the entrepreneurs were motivated by financial reasons, it was due to the level of unemployment in the economy.

**Hani, F. F. (2015)** attempted to explore motivational factors of women entrepreneurs of the Sylhet city in Bangladesh. Primary and secondary data were used to identify the motivation behind the entrepreneurship of 50 respondents. Purposive sampling was applied to women entrepreneurs who were conducting their business for more than one year. Among all the individuals, 31% of the entrepreneurs were self-motivated because they wanted to be self-dependent, earn extra income and want greater economic freedom etc. It was also revealed that the women entrepreneurs were also getting help and support from family members for the management of start-up capital.

**Sloka, B., Kantane, I, Avotins, V. & Jermolajeva, E. (2014)** compared the motivational factors of Latvia entrepreneurs with the entrepreneurs from Canada, USA and Mexico. The survey was conducted in Oct. 2013- Feb. 2014 and the motivations were measured with the help of five point Likert scale. The results were extracted with the help of factors analysis and variance analysis. The same methodology was adopted for another three countries listed. The findings revealed that most of the motivational factors in these four countries were alike and for Latvia entrepreneurs these variables were grouped into six factors and the most prominent factor was “Independence”, second was “Personal Satisfaction”, third was “Business Development fourth was “Income” and so on.

**Zimmerman, M. A. and Chu, H. M. in 2013** defined “entrepreneur is an individual who owns and operates an independent retail, wholesale, service or manufacturing business”. They surveyed 297 entrepreneurs in Venezuela. The respondents in the study were identified and selected randomly through a list provided by the Chamber of
Commerce directories in Venezuela. Some of the enterprises were not taken as a part of sample like nonprofit organizations, any business engaged in street transactions and government owned enterprises. The motivational items were measured using a 5 point-Likert Scale. The mean value for each of the items was calculated, where a higher mean value indicated a greater importance. A list with 12 motivations for owning a business was given to entrepreneurs and they were asked to rate them. The most important reasons were “to be my own boss” (4.73) and “to increase my income” (4.73). Some others were “for my own satisfaction and growth” (4.68), “job security” (4.63), and “to prove I can do it” (4.62). The lowest rated motivator were “any other reason” (4.13), “to be closer to my family”(4.30), and “to build a business to pass on” (4.34).

Sadi, M. A. and Al-Ghazali B. M. (2012) analyzed the motives of Saudi and Bahraini women. A samples of 330 women entrepreneurs in Saudi Arabia and 80 in Bahrain were considered in the analysis of motivational pattern. Various distinct factors of motivation were identified in both the countries. “Self-achievement” was the most important and prominent reason which influenced Saudi women. But for Bahraini women the most significant factors were profit and self-achievement for starting their business. Mostly they were mostly associated with services enterprises.

Liargovas, P. G. & Skandalis, K. S. (2012) empirically identified reasons that motivated migrants towards entrepreneurship in Greece. 119 immigrant entrepreneurs were interviewed in Greece, running small firms in the manufacturing and distribution sector. A questionnaire was used to collect data; it included both open ended and close ended questions with 14 motives of entrepreneurship. These motives were measured on a nine point scale. The scale measure 1 as “not at all important” and 9 as “very important”. Factor analysis, average, mean scores, frequencies and standard deviation were some of the important measures through which data were analyzed. The most significant reasons of entrepreneurship were the risk propensity, the opportunity identification, the empty market segment and the enhancement of social status. Principle component factors analysis extracted opportunity identification, risk propensity, need for achievement and the need for independence as four important factors. Need for independence was the most important factor followed by need for achievement. The intentions to become an entrepreneur were dependent on family
survival needs, personality traits, immigrant community ties and general conditions of the Greek economy.

**Kumar, S. N. A. (2012)** attempted to study entrepreneurial tendencies and motivational factors in SSIs (Small Scale Industries) in Andhra Pradesh. Out of 2319 registered units with DIC, a samples of 135 entrepreneurs was selected by the two stage random sampling technique. The researcher identified the following as the motivational factors:
- a). To fulfill the desire of spouse/ parents
- b). The desire to be independent
- c). To continue the family business
- d). To be a role model for others
- e). To get social status
- f). To create jobs for others
- g). To earn more income

To earn more income and desire to be independent were the dominating ones among all these factors.

**Carsrud, A. and Brannback, M. (2011)** in their review ed some other motives rather than economic gains. Traditionally, the reasons for starting a firm were considered to be economic. However, some social factors also emerged in the area of entrepreneurship as motivators. The “social gains” were very prominent motivators. It was also identified that lifestyle entrepreneurs were driven by certain social goals and motives, which were not economic. Such motivations were impacting both intentions and behaviors of the entrepreneurs.

**Paulose, A. (2011)** conducted a study on Indian immigrants and examined their motives to become an entrepreneur in New Zealand. Semi-structured interviews were conducted with 11 entrepreneurs to collect primary data. The respondents were motivated by various factors like, money, to make a living, the need for a change, lowered job satisfaction, flexibility with time and limited access to good jobs. “Making a living” was more influencing motivator as compared to accruing wealth. A few of them wanted a change from their regular job.

**Yusuf M. H. I. and Baalbaki, S. I. (2011)** conducted a study on UAE women entrepreneurs representing motivations and driving forces, ambitions and aspirations. For the purpose of data collection an interview method was adopted. Structured interviews based on open ended questions were asked to 16 women entrepreneurs. The results of the were analyzed and highlighted through simple statistical measures. The results showed that the primary motivations to start businesses were proving themselves, being their own bosses or being independent and about 90% of women
cited self-fulfillment as their primary motivator. On the contrary, economic motivation, such as acquiring income was not a primary reason for the respondents.

Chu, H. M., Kara, O., Zhu, X. and Gok, K. (2011) employed a cross-sectional research design. It was adopted to study the relationships between the motivations, problems, success factors and business-related stress of SME owners. They randomly selected 196 entrepreneurs in Beijing, Guangzhou and Shanghai for the survey. SPSS for descriptive statistics, hypothesis testing and correlation coefficients were used to study the significance of variables. As far as motivation was concerned, respondents were asked to rank 11 motivations for business ownership on a 5-point Likert scale. Entrepreneurs gave that increase in income, to prove that they can succeed and becoming their own boss were the most important reasons. In line with that “make better use of their training and skills” was another reason to start their own business.

Singh, S., Simpson, R., Mordi, C. and Okafor, C. (2011) surveyed 300 female entrepreneurs in three states in Nigeria to obtain primary data. The purpose of the study was to explore the factors determining the female entrepreneurs to enter self-business. “Educational background” and “family capital helped Nigerian women’s to enter self-employment.” Internal” factor like strong desire for social recognition as well as an “external” environment characterized deregulation policies pursued by the Government seemed to positively impact on their decision.

Stefanovic, I., Prokic, S. and Rankovic, L. (2011) conducted an empirical research in Serbia, which laid a focus on the motivational and success factors of entrepreneurs. Randomly data were collected from 79 SMEs from all over the country with the help of a standard questionnaire. Principal component analysis was used to extract factors. Eleven motivational items like “to be my own boss, to increase my income, past experience and training, to provide jobs to family members, to prove I can do it, etc. were used to study this phenomenon. From these items four motivational factors “greater business achievement, independence, intrinsic factor and job security” were obtained. These results were compared and contradicted by the findings of studies conducted in other countries. It was found that entrepreneurs operating in developing countries motivated by generic motivators.
Humbert, A. N. and Drew, E. (2010) adopted a quantitative research approach for the comparative analysis of male and female entrepreneurs. 832 entrepreneurs were considered for national survey to collect primary data. A questionnaire with 59 open ended, closed ended and scaled questions was designed to collect data on different aspects of entrepreneurship. The entrepreneurial motivation was measured with the help of 10 variables on 5-point scale. The analysis was based on ordinal logistic model to study the impact of demographics on the motivations of entrepreneurs. Further, these motivational variables were classified as push and pull motivators. The pull motivators were: independence; satisfaction; challenge; and an opportunity in the market. The four push motivational factors were: generating extra income, dissatisfaction in the labor, better work-life balance, and as a last resort. The push factors were not so strong as compared to pull factors, even though they were responsible for generating extra income. The results showed that gender had an impact on some motivational factors, men were more inclined towards generating a greater income as compared to their female counterparts.

Okafor, C. and Amalu, R. (2010) conducted an empirical study of women entrepreneurs in southwest Nigeria. They explored the relationship between motivations and entrepreneurial challenges among women entrepreneurs. A sample of 570 women entrepreneurs was selected from three states in Nigeria. The results were derived with the help of correlation analysis. A positive relationship was explored between motivational factors and challenges. To determine the multiple effects of family influence, psychological, financial and environmental factors as motivational factors a statistical analysis was also conducted.

Hussain, D. and Yaqub, M. Z. (2010) investigated the motivations of Pakistani micro-entrepreneurs. Data were collected by a multiple case study method by interviewing 26 micro-entrepreneurs. The most important reason for starting a micro business was self-employment. To provide employment to family member was also another important reason. Autonomy and independence were not very significant. Most of them were motivated by the reason that “the higher the effort, the higher the income”. They think, doing a job somewhere else would not justify their efforts and hard work.
Merwe, V. D. and Lebakeng, Agnes, M. (2010) in Lesotho explored that women entrepreneurs were motivated by push and pull motivating factors. They considered a sample of 54 women operating in three districts of Lethoso (Maseru, Mafeteng and Mohale’s Hoek). The database of women entrepreneurs was provided by the “Ministry of Trade and Industry” in Lethoso. The need for independence, the need for a challenge, the need for flexible schedules, lack of female role models, dissatisfaction with salaried jobs, and insufficient family income were the main motivations of entrepreneurs.

Benzing, C. and Chu, H. M. (2009) surveyed 599 entrepreneurs in Kenya, Ghana and Nigeria to examine motivations for the start-up of small businesses. Motivations were measured with the help of Likert scale. Factors analysis was conducted and extracted factors were compared and contrasted with the results of other countries. Entrepreneurs operating in urban areas of Kenya, Nigeria and Ghana were strongly motivated to increase their income. It was followed by personal growth and satisfaction. When a comparison was made for these factors among these countries, Ghana entrepreneurs were mainly associated with public recognition and they wanted to create a legacy as compared to their counterparts in Kenya and Nigeria. Entrepreneurs of Kenya were not very interested to work for “public recognition”. Nigerian entrepreneurs were motivated by the opportunity to be “closer to their family”.

Kirkwood, J. (2009) had gone for an empirical investigation in New Zealand and identified four key motivations of entrepreneurs. The first was the “desire to be independent”. The second was “money”, money was found to be an important motivator for entrepreneurship, but people they were not always motivated by this factor. The third one was related to “issues around work”, issues such as unemployment, redundancy and lack of job. The fourth key motivator was “family-related factors”. Some of the push factors were issues related to work, family problems. Achieving independence and monetary gain were some of the pull factors.

Naser, K., Mohammed, W. R. & Nuseibeh, R. (2009) did a study of women entrepreneurs in United Arab Emirates (Bangladesh). The motive of their study was to examine the reasons that influenced women entrepreneurship Development. The random sampling technique was adopted to gather primary data with the help of 166
questionnaires. Quantitative and qualitative methods of analysis were adopted as analytical tools. The study revealed that financial support from the government, knowledge, self-fulfillment, skill, spousal relationships and experience were playing a very significant role in motivating females to start their business.

**Gualdron, S. T. M. and Gracia, A. G. (2009)** proposed a model for the motivation of academic entrepreneurs. The model was based on information derived from six dimensions: personal, scientific knowledge, entrepreneurial opportunity, incubator organization, availability of resources and the social environment. The data on entrepreneurial motivation were collected from mailed questionnaires from 152 Spanish academic entrepreneurs. The questionnaire included 36 variables representing six dimensions of motivation. Data were analyzed via confirmatory factors analysis, using the Maximum Likelihood (ML) method. The results showed that the dimension entrepreneurial opportunity was not part of the entrepreneurial motivation.
Figure 2.2: Model shows Entrepreneurial Motivation
Pun, G. M. (2008) at Nepal adopted a multistage random sampling technique to collect data from 253 entrepreneurs among which 150 were females and 103 were males. These entrepreneurs were supported by Micro Enterprise Development Programs (MEDEP). The motivators for the start-up of business venture were “MEDEP interventions”, “support of family/husband”, “sufficient raw materials”, “independent work”, “family background”, “to earn money”, “high demand of products in the market”, “sufficient laborers and sufficient capital”. Among all these Micro Enterprise Development Programs (MEDEP) were the most impacting motivational items.

Woldie, A., Leighton, P. and Adesua, A. (2008) explored the influence of the owner and firm characteristics on the growth of the firm. Moreover, some of the important motivational factors and their influence on the growth of the firm were also analyzed from another perspective. Self- administered questionnaire was used to collect data from 523 SMEs in Nigeria. Data were analyzed and presented through descriptive statistics mainly based on frequency distribution and percentage value. In addition to that a bivariate analysis was also used to examine the characteristics of the growing firms. The main motivations to start business were a need to create employment, finance and self-fulfillment.

Chu, H. M., Kara, O. and Benjing, C. D. (2008) surveyed of 243 Nigerian entrepreneurs in Lagos, it was found that there were ten important reasons for business startups. Those were a) Independence, b) Satisfaction and growth, c) Income, d) Past experience and training, e) Alternative career, f) Means to control their destiny, g) Job security, h) Monetary rewards and profit, i) To reduce poverty and j) To reverse the drastic economic conditions. Independence, increase in income, satisfaction and growth, and past training or experiences were identified as important motivators.

Hussain, J. G., Scott, J. M. & Hannon, P. D. (2008) suggested a variety of motivational factors that were influencing black and minority communities for starting a business. Interviews were conducted to collect the data. The semi-structured questionnaire included a series of open ended questions about the characteristics and motivations of entrepreneurs. The sample size was small and selective, but did not represent a random selection of the graduate entrepreneurs. Respondents were approached on the basis of their ethnic groups in order to enhance diversity of the
sample. The two most influencing motivations were being your own boss i.e. “independence” as quoted by 35 per cent of the respondents and making more money specified by 31 per cent and in the same way “self-improvement” was indicated by 15 per cent of the respondents. Other motivations included “needing a new challenge”, “filling a gap in the market” and “unemployment”.

Raman, K., Anantharaman, R.N. and Jayasingam, S. (2008) surveyed 225 women entrepreneurs from the registered sector of small and medium enterprises in Malaysia and 215 women employees working in different administrative departments. Women entrepreneurs and women employees were compared with respect to their motivations. The factors of motivation were derived by implementing factors analysis on Likert scale data. Five major dimensions of motivational factors were identified as: a). Economic core, b). Social core, c). Work core, d). Individual and e). Entrepreneurial core. Women entrepreneurs and employees showing a completely different behavior regarding motivation. Female entrepreneurs were showing a high level of motivation as compared to female employees. The “work core factor” motivated women entrepreneurs to higher levels as compared to women employees.

Wang, C., Walker, E. A., & Redmond, J. (2006) surveyed entrepreneurs in Western Australia to determine motivational factors. They identified 17 motivational factors behind their decision to start a new business and formulated four distinct groups of these factors. Personal development motivational factor included learning, self-confidence, and recognition. The desire for high earning, family security, need more money for survival were some of the financial motivations. The Motivations related to work and family were “flexibility with time”, “family welfare” etc. The last motivational factor explored in this study was “flexible lifestyle” motivation.

Segal, G., Borgia, D., & Schoenfeld, J. (2005) gave that entrepreneurial motivation can be analyzed and understand by static content model and dynamic process model. This study presented motivation research from both fields and explored a new model of entrepreneurial motivation. The primary data were collected from 115 junior and senior undergraduate business students at Florida Gulf Coast University (FGCU) with the help of a questionnaire carrying 26 questions. The dependent variable in this model was entrepreneurial intentions. This model examined three independent variables as
entrepreneurial self-efficacy, Tolerance for Risk, desirability to become self-employed. The results of this study indicated that tolerance for risk, perceived feasibility and net desirability significantly determined self-employment intentions, with an adjusted R² of 0.528.

**Figure: 2.3 Entrepreneurial Intentions Model**

Shane, S., Locke, E. A., Collins, C. J. (2003) suggested several human motivations that can influence the entrepreneurial process. The motivational factors such as need for achievement, locus of control, vision, desire for independence, passion and drive integrates with cognition factors like knowledge, skills and abilities and leads to opportunity recognition. On the basis of this study a model for entrepreneurial motivation and process was derived.
Entrepreneurial Motivations:
1. General
   - Need for achievement
   - Locus of control
   - Vision
   - Desire for independence
   - Passion
   - Drive
2. Task-specific
   - Goal setting
   - Self-efficacy

Figure 2.4: Model of Entrepreneurial motivation and the Entrepreneurship Process


Hostager, T. J., Neil, T. C., Decker, R. L. and Lorentz, R. L. (1998) presented a model that linked opportunity recognition with ability, efficacy, motivation and desirability. He also identified a range of practices that could be employed to achieve enhanced performance in opportunity recognition through improvements in the areas of ability, efficacy, motivation and desirability. In this model the motivational variables were attitudes toward the act, social norms, intrinsic rewards (i.e. pride,
accomplishment, fun, excitement, and enjoyment), extrinsic rewards (money, recognition, promotions) and punishments and disincentives.

Lee, J. (1997) in his study at Singapore explained motivational factors affecting women entrepreneurs. 110 questionnaires were used to collect data from women entrepreneurs and employees. The objectives of the research were to identify the motivational factors and to study the difference between women entrepreneurs and employees across their four needs of motivation. As analytical techniques, Factors analysis and Z-tests between two means (i.e. mean score, for each need, of each of the two samples) were conducted. Need for achievement, affiliation, autonomy and dominance were some important motivating factors. Need for achievement was the most important factor for women entrepreneurs to start their business. Moreover, the business ownership provides greater flexibility that enables women to fulfill their domestic obligations of a wife and, at the same time, pursue a challenging career. Women entrepreneurs had a higher need for achievement and dominance than women employees. In addition to this there was no significant difference between Singaporean women entrepreneurs and employees in their needs for affiliation and autonomy.

2.7 Challenges and Strategies for Entrepreneurs

An entrepreneur is an individual who accepts challenging roles to meet their personal needs and to become economically independent (Darmanto, S. and Yuliari, G., 2016). In addition to motivation of entrepreneurs, another important dimension of entrepreneurship is the obstacles face by them while running their business. A review of the challenges faced by entrepreneurs is presented in chronological order in the following section. Moreover, an overview of strategies is also given which can help entrepreneurs to counter various challenges.

Das, P. (2017) critically analyzed the some micro, small and medium enterprises operating in manufacturing and service sector. This study was based on primary as well as secondary data. Secondary data were collected via annual MSME reports, journals and official websites etc. A well tested and structured questionnaire was used to collect primary data. The Major challenges confronted by them were lack of adequate credit and capital, poor and inadequate infrastructural facilities, inadequate access and
marketing linkages, technological obsolescence and inadequate application of new technology, lack of skilled human resources etc.

**Aruna, N. (2015)** pointed-out the obstacles faced by MSME entrepreneurs in Andhra Pradesh. Both primary and secondary data were collected for further analysis. Primary data were collected with the help of a schedule from 50 respondents. Entrepreneurs were facing a variety of problems, the most prominent was related to finance. In severe cases this lead to bankruptcy of the firm. It was due to poor planning of economic resources rather than economic conditions. Other problems were linked to non-availability of suitable technology, non-availability of skilled manpower and ineffective marketing due to limited resources.

**Lougui, M. and Nystrom, K. (2014)** identified obstacles faced by entrepreneurs while starting and running their business. The database consists of Swedish entrepreneurs who consulted the government helpline. The database included 33,315 observations received over the period 2005-2009. Multinomial logit-model and regression analysis were used to analyze data. Taxes, laws and permits were the issues, with which individuals most frequently needed help. Financing, grants were other obstacles in which they needed help.

**Lamine, W., Mian, S. & Fayolle, A. (2014)** opted for a longitudinal case study approach to increase knowledge on entrepreneurial social skills and perseverance to counter obstacles they face while running a business. Semi-directed interviews, participant observation, archival documents and physical artifacts were the four different sources from which data were collected. The sample comprised of nascent entrepreneurs running their businesses. A theme-based content analyses was performed in three phases to assess the perseverance strategies and social skills. Obstacles, setbacks and adversities encountered by entrepreneur were identified and with respect to them perseverance strategies were analyzed helpful in dealing different-challenges. They developed the following model representing the interaction between challenges and strategies.
Selection of strategies  
Implementation of strategies

Problems

Perseverance Strategies

Social Skills

The slowness of administrative procedures
The time perception gap between the entrepreneur and public researchers
Information asymmetry
Lack of trust
Entrepreneurial culture and diverging interests
Lack of a hierarchical relationship
The fragility of the ties between the actors
Technical problems

Perseverance strategies that directly affect the environment
Perseverance strategies that directly affect the input function
Perseverance strategies involving the goal
Perseverance strategies that increase one’s coping options

Social adaptability
Tenacity and obstinacy
Ability to learn
Social intelligence
Coordinating the network members
Negotiation skills
Strengthening positive ties

Figure 2.5: Interactions between Problems, Perseverance Strategies and Social Skills over the Entrepreneurial Process

**El-Khasawneh, B. S. (2012)** discussed some of the challenges faced by small and medium entrepreneurs and presents various solutions to tackle them. The results were derived with the help of primary data, collected from the interviews of enterprise managers and owners. Some of these challenges like technical knowledge and technology barrier, enterprise’s cash flow, management qualifications and workforce turnover, could be handled at the enterprise level by its management and these were
identified as controllable factors. Market size constraint, subsidy and protectionism regime, governance and regulatory barrier, political and economic climate were considered as semi-controllable and handled at the national level by the national regulations, programs and strategies. The last tier of hurdles was at the international levels. These were exports threat and oil prices impact, to protect the enterprise from these challenges some specific operations can be identified to minimize their impact.

Muhammad, A., Akbar, S. and Dalziel, M. (2011) explored self-perceived problems of educational entrepreneurs. They also highlighted entrepreneurial characteristics and unique strategies they adopted to face challenges. The data were collected from 26 graduate small and medium entrepreneurs who were selected on random basis and on the availability and willingness to participate. The results were represented through percentages and frequencies. Findings revealed that an adverse security condition was one of the major problems. In addition to this, corruption, poor infrastructure, gender discrimination, access to credit were other problems.

Halkias, D., Nwajiuba, C., Harkiolakis, N. and Caracatsanis, S. M. (2011) identified social and economic challenges faced by women business owners in Nigeria. A self-administered survey was developed and conducted for Nigerian female entrepreneurs. Data were collected and analyzed from 62 entrepreneurs to formulate a picture of the women entrepreneurial characteristics. Data were analyzed with the help of SPSS to produce frequency distribution followed by cross tabulation and chi-sq. test. Finance, environmental issues were some of the major challenges. Word of mouth, direct marketing techniques and strong commitments were important strategies adopted by women entrepreneurs to counter these challenges.

Erdem, F. and Erdem, S. (2011) gave short, medium, and long-term functional strategies and practices for the small and medium-sized entrepreneurs operating their family business. The data were collected from 36 entrepreneurs who were the members of ANSIAD (Antalya Manufacturers and Businessmen Foundation) and ACC (Antalya Chamber of Commerce). Descriptive and variance analyses were used for the data analysis. Finance as one of the major problems limited the attempts for development and growth of firms. Total Quality Management (TQM), low pricing,
reward/punishment, spending more budgets on marketing etc. were major strategies helpful in countering different challenges.

Chu, H. M., Kara, O., Zhu, X. and Gok, K. (2011) randomly selected 196 entrepreneurs from Beijing, Shanghai, and Guangzhou for the survey. The data were collected with the help of a questionnaire, designed to determine motivations, problems, success factors, and business-related stress of Chinese entrepreneurs. SPSS for descriptive statistics, hypothesis testing and correlation coefficients were used to study the significance of variables. Undependable employees and competition were the most crucial challenges. The problem related to recruitment and retention of good employees and management training were identified as major challenges for entrepreneurs.

Sandhu, M. S., Sidique, S. F. and Riaz, S. (2011), based on survey methodology examined the relationship between perceived barriers to entrepreneurship and entrepreneurial inclination. The Stratified random sampling technique was employed to select 267 respondents (post graduate students) from various Malaysian universities. Aversion to stress and hard work (Stress), aversion to risk (Risk), fear of failure (Fear), lack of social networking (Network), and lack of resources (Resource) were five factors retained after conducting factors analysis. Moreover, regression analysis was conducted to examine the effects of perceived barriers and demographic characteristics on entrepreneurial inclination. The barrier that had highest impact was lack of networking followed by lack of resources and aversion to risk.

Martinez, M. A. and Aldrich, H. E. (2011) explored some strategies affecting entrepreneurial activities like cohesion and diversity which affected survival, profitability, innovation and efficiency of entrepreneurs. Conclusions were presented by reviewing literature regarding entrepreneurial activities. Strong ties with other entrepreneurs increased the likelihood opportunities and diverse ties increased self-efficacy and innovation. These ties were helpful to recruit potential employees, which provided price and commitment advantages.

Dinhucha, N., Fumo, G. A. and Jabbour, C. J. C. (2011) conducted a qualitative research to identify the main barriers encountered by Micro and Small Enterprises (MSEs). It was based on two phases: In the first phase the data were collected from 21
MSEs operating in Mozambique, by conducting interviews. Some of the barriers encountered by the entrepreneurs were identified and analyzed. This phase was followed by interview of governmental/support entities in order understand what they were doing to minimize challenges, which had been identified in the first phase of study. The competition from other and foreign enterprises, corruption, price fluctuations, lack of material in the internal market, low quality of products, taxes, bureaucracy, and lack of transport were important barriers faced by these entrepreneurs.

Hassan, N. B., Chin, S. T. S., Yeow, J. A. and Mohd Rom, N. A. (2011) analyzed and presented the financial constraints faced by the micro enterprise entrepreneurs and the difficulties they face, particularly during the startup of businesses. A large number of these micro enterprise entrepreneurs were not receiving the benefits of government funding to expand their businesses. Only 13% of these had successfully received the benefit of government funding schemes. Lack of knowledge in the financial and accounting aspect were posing a challenge in receiving the benefit of these policies. It was suggested that Government officials should provide training to micro entrepreneurs to understand the procedures involved in the loan or grant application and with that the banking procedures needed to be slightly more flexible.

Rajan, S. D. and Madhavan, B. (2011) highlighted the importance of human resource strategies that needed for Small and Medium Enterprises (SMEs) growth in India. It was asserted that the field of strategic management lacks coherence and it was highly fragmented in Indian SMEs. However, companies can achieve excellent performance and sustainable competitive advantage by implementing strategic plans. Small enterprises needed to adopt a more strategic approach and exploit their potential to cater to change. Entrepreneurs were required to interact effectively with customers, suppliers, bankers, regulating authorities and government agencies. The Customer and the supplier should strengthen their relationships and ensure a steady supply of raw materials, components, semi-finished and finished products at regular intervals.

Olawale, F. and Garwe, D. (2010) evaluated internal and external environmental barriers hampering the growth of new SMEs in South Africa using the principal component approach. A sample of 100 was randomly selected from the targeted population. Access to finance, management skills, networking, investment in
information technology and cost of production were some of the important internal factors. External factors were economic environment, markets, infrastructure, crime, corruption, labor and regulations. The most important obstacle was finance, which was largely an internal factor. The other barriers determined were Economic (external), Markets (external) Management (internal) and Infrastructure (external).

**Hussain, D and Yaqub, M. Z. (2010)** conducted a study in Pakistan to investigate the challenges faced by micro-entrepreneurs in running their business. In-depth interviews were employed to collect data from 26 micro-entrepreneurs randomly selected from 600 registered units in Bahawalpur (Pakistan). Results from descriptive statistics showed that the lack of financial resources and limited access to financial markets were the most severe challenges faced by the Pakistani small business entrepreneurs. The unstable government policies and bureaucratic hurdles were also implementing the success of business. The entrepreneurs were also showing a high level of dissatisfaction regarding support policies from the government and its authorities. In line with that the corruption had also increased their cost of doing business.

**Ogechukwul, A. D. and Latinwo, H. K. (2010)** reviewed some of the major obstacles militating against entrepreneurship development in Nigeria. Problems in accessing financial resources, technological backwardness, political-legal obstacles, poor managerial efficiencies, production and operation problems, finance and accounting problems were some of the crucial issues affecting the growth of SMEs. Marketing problems like lack of understanding and the application of marketing concepts, dysfunctional business behaviors against customer satisfaction, lack of knowledge and skills of basic marketing practices, were those problems reducing marketing efficiencies of firms. Unawareness of competition, poor promotion, poor distribution, and poor pricing methods were other problems impacting the growth of SMEs.

**Merwe, V. D. and Lebakeng, Agnes, M. (2010)** indicated lack of business management skills, education and training, female role models, timely business information and inter role conflicts were the major obstacles faced by women entrepreneurs. Other inhibitory factors were child care, access to credit, lack of self-confidence, laws and regulation, family pressure and the socio-cultural environment.
Muhammad, M. Z., Char, A. K., Yasoa, M. R. and Hassan, Z. (2010) discussed the challenges of Malaysian SMEs in globalize market together with economic turmoil. Due to recession, businesses were slowing down, output was decreasing; the unemployment rate was increasing, the rate of capital flow was diminishing. The small and medium enterprises that having limited working capital, and skilled workforce were affected the most, especially those enterprises involved in trading and supplying products or services to other businesses. The limited cash flows and finance were some of the challenges faced by the entrepreneurs. However, the government had formulated and implemented various policies, procedures, action plans and programs to support them in difficult circumstances.

According to Ghatak, S. (2010) in his study, “Micro, Small and Medium Enterprises (MSMEs) in India: An Appraisal” explained some of the critical factors faced by Indian MSMEs. These key constraints were: a). Accessing adequate and timely credit on a long term basis, b). The negative impact of global financial crisis, which had resulted liquidity constraints, c). The financial constraints related to policy, regulatory framework (in terms of recovery, contract enforcement and bankruptcy etc.), institutional weaknesses (lack of good credit appraisal techniques and risk management and monitoring tools), and the lack of reliable and valid credit information on SME sector hindering their growth and development. d). Due to lack of relevant information, the entrepreneurs were not able to assess risk and could not create a difference in the real verses perceived risk profile of SMEs. e). Access to skilled manpower, marketing channels and Research and Development facilities were limited. f). The owners lack skills regarding decision-making, good management practices etc.

Okafor, C. and Amalu, R. (2010) examined the relationship between motivations and women’s entrepreneurial challenges from 570 women entrepreneurs in Nigeria. It was revealed that improper management of business finances, labor turnover rate and moving away from business objective due to the involvement in unproductive business activities were major obstacles. The findings also shown that the women business owners who were facing challenges like lack of managerial skills, lack of access to capital (related to business start-up and growth) and lack of infrastructural facilities were intrinsically motivated because these were a result of their improper preparation before starting their business.
Jamali, D. (2009) undertook an interpretive study based on empirical data collected from in-depth interviews with women entrepreneurs in Lebanon. A purposeful sampling technique was adopted to interview ten women entrepreneurs. Lacks of access to capital and financial support or under-capitalization were some barriers they faced while starting a business. Moreover, political instability, economic stagnation and local and regional competition detrimentally affected the growth of their business.

Bowen, M., Morara, M. and Mureithi, S. (2009) conducted an empirical research in Kenya to understand how SMEs managed challenges they face. A schedule was designed to get primary data with the help of interviews. A stratified random sampling was employed to collect data from 198 entrepreneurs. The data analysis was done descriptively and the data were presented in the form of figures, tables and percentages. The findings indicated that competition among themselves and from the large firms, cheap imports, lack of access to credit, insecurity and debt collection were some of the challenges hampering their growth and development. The required training and proper education were positively related with the success of business. The entrepreneurs were adopting these strategies to face these challenges; a). Fair pricing, b). Discounts and special offers, c). Offering a variety of services and products, d). Good customer service and e). Continuously improving quality of service delivered.

Purateera, T., Khamanarong, S., Kaen, K., Phanarata, A., Rajabhat, S. and Khamanarong, K. (2009) explored various factors that influenced small enterprises. Qualitative and quantitative methods were adopted to collect data. In-depth interviews were conducted with 45 entrepreneurs and content analysis was used to analyze this data. Moreover, 400 questionnaires were used to collect quantitative data and analysis was done by factors analysis and multiple regression analysis. Finance was the most important factor for determining the efficiency of business and effective management was necessary for long term growth of a business.

Ravi, S. (2009) in her study, “Entrepreneurship Development in the Micro, Small and Medium Enterprise Sector in India” presented an overview of MSME sector. Some of the business challenges as discussed by the author were, that lack of demand, shortage of working capital, non-availability of raw material, power shortage, outdated equipment’s, ineffective management, poor marketing and unskilled labor etc.
Chu, H. M., Kara, O. and Benjing, C. D. (2008) identified problems of Nigerian entrepreneurs. Unreliable employees, infrastructural problems (bad roads, poor electricity supply and water shortage), unsafe location and lack of management training were some problems. Among these unreliable employee attitude was a major one because small and medium-sized enterprises did not have adequate resources to provide better compensation. In addition to that, the opportunities for advancement and growth in MSEs were limited. Good employees, therefore were reluctant to join small businesses and normally left their job when a better job was available somewhere else.

Ortqvist, D., Drnovsek, M. and Wincent, J. (2007) empirically analyzed entrepreneurs’ coping strategies implemented to face challenges. The targeted population was Slovenian entrepreneurs who started their business between 2000 and 2006. The sample represented young enterprises operating in their early stages of growth. The Stratified random sampling technique was employed to select 300 respondents from a population of 12000. Of those, 183 complete and correct questionnaires were used for the analysis. Four coping strategies a) structural role redefinition, b) personal role redefinition, c) reactive role behavior, and d) passive role behavior were developed and tested to assess their influence on new venture performance. Regression results showed that three of four coping strategies were significantly related to new venture performance.

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<th>Reactive Role Behavior</th>
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<td>Passive Role redefinition</td>
<td>Passive role Behavior</td>
<td>Personal role Redefinition</td>
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Figure 2.6: Model shows four Coping Strategies

Singh, R. K., Garg, S. K. and Deshmukh, S. G. (2007) attempted to study various pressures and constraints and strategies adopted by different entrepreneurial units to counter challenges. Data were collected on a five point Likert scale from 241 respondents. Small, Medium and Large Scale industries were separately analyzed by
comparing mean values with respect to one sample Z-test and for three samples SSI, MSI and LSI one way ANOVA was applied. Cost, quality and delivery time were the main constraints of the small, medium and large scale industries. Niches identification, new product development, work environment optimization, use of customers to define quality standards, improved quality and reduced cost were considered as important strategies. On the basis of ANOVA test it was inferred that the competency development in these areas differs significantly among SSI, MSI and LSI.

Bhati, S. (2006) examined the problem faced by the vital sector of Indian economy i.e SSI (small scale industry). Lack of timely and adequate credit, faulty planning, inefficient management and financial control, obsolete technology and machinery, diversion of resources, shortage of raw material and other input, power cuts, inadequacy of working capital, delay in the availability of credit were major problems restricting the growth of small scale sector. These challenges lead to sickness in this sector. Initiatives like financial concessions, reservations, infrastructure support, training, marketing and export promotion can prevent sickness in this sector.

Packham, G., Miller, C. J., Thomas, B. C. and Brooksbank, D. (2005) examined management practices adopted by small growth oriented firms to face challenges and to sustain growth. Management development processes were examined by utilizing group interview techniques. The study revealed that management practices like marketing, financial management and planning facilitated growth and supported decision making were helping these firms to counter challenges. However, the impact of these practices varied across firms. Management training initiatives were some of the strategies improving management practices.

McElwee, G. and Al-Riyami, R. (2003) qualitatively investigated economic and socio-political barriers faced by women entrepreneurs in Muscat 2001. Data were collected from 25 women entrepreneurs running their small scale business. Access to credit, lack of networking, gender discrimination, lack of required skills and difficulty in obtaining labor hampered business growth and had an adverse effect on their business.
2.8 Summery, Conclusion and Identification of knowledge gaps

The concepts of entrepreneurship and entrepreneurs were reviewed and discussed in this chapter. The literature acknowledged that “Entrepreneurship” is associated with economic progress and development and it’s a process by which regions, societies, organizations and individuals identify and pursue business opportunities to create wealth and raise their economic standard” (George, G. and Zahra, S. A. 2002). An individual having a high need for achievement and seeks independence is more likely to become an entrepreneur. An entrepreneur work hard in an innovative way, explore market opportunities and create new products in return for potential benefits and profits. Entrepreneurs have some personal traits, motivations and determinations. They have an ability to obtain resources to exploit an opportunity. (Thompson, J. L. 1999). The traits and types of entrepreneurs were discussed as well as the views of different authors regarding entrepreneur and entrepreneurship were presented.

The literature provides a multi-dimensional concept related to entrepreneurs. The important two dimensions linked to entrepreneurs are motivation and challenges which were focused in the present study. Motivation can be defined as a set of forces that initiates behavior and determine its form, direction, intensity and duration (Okafor, C. and Amalu, R. 2010). Individuals become entrepreneurs due to many reasons. Some individuals wanted to be independent, want to do their own things, make their own decision and exert greater control over their working environment etc. (Kaplan, J. M., 2007). The motivations of MSME entrepreneurs can be linked with different factors. The segregation and explanation of various motivational factors varies from author to author. For instance, Azmi, I. A. G. in 2017 segregated twenty one motivational items into five groups named as: personal, family, society, market and legal factors. In a similar way, Liargovas, P. G. and Skandalis, K. S. (2012) classified fourteen motivational variables into four groups labelled as: Opportunity identification, need for achievement, risk propensity and the need for independence. Singh, S., Simpson, R., Mordi, C. and Okafor, C. (2011) in their empirical investigation formulated two broader categories of motivation. These were “internal factor” representing a strong desire for recognition and
independence, and another one was “external factor” representing deregulation policies pursued by the Government, external market situations etc.

Another very imported dimension of studied with motivation was challenges faced by the entrepreneurs. Das, P. (2017) identified a lack of adequate credit and capital, poor and inadequate infrastructural facilities, inadequate access and marketing linkages, technological obsolescence and inadequate application of new technology, lack of skilled human resources etc. as some of the challenges faced by micro, small and medium entrepreneurs. El-Khasawneh, B. S. (2012) discussed some of the challenges of MSMEs like lack of technical knowledge and limited technological information, lack of management qualifications, high workforce turnover and limited enterprise’s cash flow. To counter various challenges successfully Erdem, F. and Erdem, S. (2011) gave short, medium, and long-term functional strategies and practices for entrepreneurs. Total quality management (TQM), low pricing, reward/punishment, spending more budgets on marketing, were major strategies helpful in countering different challenges.

Many researches has been done over motivation and challenges faced by entrepreneurs in various countries. Different dimensions of motivation and challenges have been studied by the researchers. The work done by them is wider in other countries as compared to India. Thus the main focus of this study was to examine the motivational factors and challenges faced by Indian MSME entrepreneurs. Thus, the focus of this study was to find out various motivational factors and challenges faced by entrepreneurs in micro, small and medium enterprises in India.
References

Journals


Books


Ibid, 8


Ibid, 59-79.


Ibid, 71.


Ibid, 36.


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Web-references


