

# **PUSH AND PULL FACTOR TOWARDS ENTREPRENEUR MOTIVATION IN TAMIL NADU**

**Dr. CHANDRA MOHAN**, Student of Department of Business Administration, Theivanai Ammal College for Women (Autonomous), Villupuram.

**.Dr. ECCLESTON**, Assistant Professor of Business Administration, Theivanai Ammal College for Women (Autonomous), Villupuram.

## **Abstract**

Entrepreneurial motivations aren't always clear and exact, and they've been questioned on several occasions. The main goal of our research is to investigate the relationship between motives for starting a business and feelings of success. We conclude that the subject of employee motivation is tackled and discussed from various perspectives because the research is still in its early stages and we will continue our investigation. In terms of push and pull considerations, the discussion of the subject appeared to be current. People quit their jobs in the majority of situations because they are pressured to do so by external forces, which have a significant impact on their decision or incentive to establish their own firm. Based on our preliminary findings, the desire for independence, self-realization, and the use of one's own skills and abilities is the most motivating element. Among the pull factors that have a favourable impact on the success of a business where the entrepreneur faces many barriers is the desire to have a work that one feels good about and that allows for self-realization.

Keywords: Entrepreneur, Motivation, Success, Push Factor and Pull Factor.

## **I Introduction**

Entrepreneurial motivations aren't always clear and exact, and they've been questioned on several occasions. Furthermore, entrepreneurship theorists have claimed that operational capital is insufficient in explaining funding decisions in small and medium-sized or new businesses. It has been established that some of an entrepreneur's personal motivations are related to the creation of wealth and self-determination, which can be classified in this study as (a) business innovation, which is a desire for independence or autonomy, because the individual has greater freedom of action in creating a business, and (b) owning working capital, which is about being in control. However, from an economic standpoint, the establishment of a firm may be prompted by the presence of a market opportunity, which necessitates some level of innovation, or by the necessity for an entrepreneur to make revenue. The direct association between a rise in the number of opportunity-driven entrepreneurs and an increase in national GDP underscores the economic significance of an entrepreneur's motive. Similarly, an increase in national income has been linked to a higher number of needs-driven entrepreneurs in nations with low levels of national income. Because most of the income earned by self-employment is for sustenance rather than wealth generation, as is the case with opportunity-driven entrepreneurship, this study focuses heavily on the motivations of opportunity and necessity. The degree to which the country's population is entrepreneurially oriented in terms of entrepreneurship as a career choice is represented by the attitudes toward entrepreneurship. If entrepreneurship is a "good phenomena" in society, and an individual knows enough entrepreneurs in his environment and believes that

successful entrepreneurs are socially recognised, he finds the decision to pursue this road simpler.

## II Review of Literature

Researchers have examined motivation to explain diverse responses of persons under the same stimuli of motivation and the choice of different individual behaviours, according to Carsrud and Brännback (2011). Motivation, according to Carsrud and Brännback (2011), is what creates the relationship between intention and action. Instincts drive behaviour in the pursuit of a goal, and motivators are instincts. The studies of Krueger and Carsrud (1993) stressed the importance of concept transformation into action in the overall entrepreneurship process. Attitudes and behaviours are linked, as represented by the attitude intention path and the intention-behavior linkages. In the 1980s, Smilor and Kuhn (1986) conducted preliminary theoretical and empirical studies of entrepreneurial motivation. Soon after, a study on entrepreneur personality traits takes the lead, while a study of motivation fails to attract researchers. Hamilton (2000) shows, for example, that self-selection cannot account for the difference in earnings between hired and self-employed people. Pay (or material) inequalities do not fully explain the differences in work satisfaction between the two groups, according to Vein, Benz, and Frey (2008). According to Block and Sandner (2009), government assistance to jobless or need entrepreneurs is justified. These studies, on the other hand, do not take into account the quality of the enterprises that have survived. People are "pushed" into entrepreneurship, according to the push theory, as a result of their poor circumstances. It's the result of a conflict between where a person is now and where he wants to be.

## III Research Methodology

### Material and Research Methods

The goal of this study is to investigate the motivations of new entrepreneurs as well as the relationship between these motivations and the success indicator we're looking at. The main goal of our research is to investigate the relationship between motives for starting a business and feelings of success. To assist us in achieving our aim, we devised the following objectives:

- Examining the opinion of the respondents regarding the motives related to starting a business;
- Examining the opinion of the respondents based on their attitude to success;
- Examining the relationship between the pull motivation factors and the attitude to success;
- Examining the relationship between the push motivation factors and the attitude to success.

The purpose of the questionnaire was to learn about the motivations of entrepreneurs who are just starting out in business, as well as their attitudes on financial and non-financial motivations for success. A seven-point Likert scale was used to evaluate motivations for starting a business and attitudes toward success. Because we feel that in-depth analyses can be undertaken in the case of variables recorded on an interval scale, the study team chose the Likert scale for evaluating attitudes. This approach would back up previous findings. Nine variables were used to measure the pull motivation component, whereas eight variables were used to measure the push motivation factor. To evaluate the hypotheses, we employed a correlation analysis using the Pearson correlation coefficient to establish the strength of the

association between the variables, in addition to descriptive statistics. In our study, we analysed both macro and micro data. We focused on SMEs in Tamil Nadu when gathering data. Because our university's faculty focuses on this region, the research was conducted in the southern parts of Tamil Nadu. The companies in our sample were chosen through a random sampling technique. This method allows you to contact a greater number of businesses. The data was analysed using the SPSS programme after 80 companies completed the questionnaire.

## IV Result and Discussion

**Table1: Number of Business based on Age Group**

| Age group | Responder | Percentage |
|-----------|-----------|------------|
| 20 – 26   | 10        | 12.5%      |
| 27 – 30   | 29        | 36.25%     |
| 31 – 36   | 27        | 33.75%     |
| Above 37  | 14        | 17.5%      |
| Total     | 80        | 100%       |

**Table2: Number of Business based on Gender Group**

| Gender | Responder | Percentage |
|--------|-----------|------------|
| Male   | 56        | 70%        |
| Female | 24        | 30%        |
| Total  | 80        | 100%       |

**Table 3: Number of Business based on Type:**

| Business Type | Responder | Percentage |
|---------------|-----------|------------|
| Micro         | 15        | 18.75%     |
| Small         | 43        | 53.75%     |
| Medium        | 22        | 27.5%      |
| Total         | 80        | 100%       |

The above table demonstrated that the age group of Respondents, in that 12.5% of the respondents are 20 - 26year age, 36.25% of the respondent are 27 - 30year age, 33.75% of the respondent are 31 - 36year age, 17.5% of the respondent above 37year age respectively. Table 2 demonstrates the gender group of Respondent, in that 70% of the respondents are males and 30% of the respondents are females respectively. Table 3 demonstrates that the type of business which the respondents belongs to, in that 18.75% are in Micro, 53.75% are in Small, 27.5% are in medium respectively.

Table 4. Pull and push motivational factors to start business

| <b>Pull and Push Motivational Factors</b>  | <b>Mean</b> | <b>Std. Deviation</b> |
|--|-------------|-----------------------|
| I started my own business,<br>... would like to be my own boss. – pull   | 4.85        | 0.82                  |
| I started my own business,<br>... would like to ensure well- being for myself.<br>– pull                         | 4.82        | 0.63                  |
| I started my own business,<br>... would like to achieve financial<br>independence. – pull                        | 4.80        | 0.74                  |
| I started my own business,<br>... would like to realize myself. – pull   | 4.77        | 0.70                  |
| I started my own business,<br>... would like to make more money - pull   | 4.69        | 0.76                  |
| I started my own business,<br>... would like to achieve<br>independence in non- financial terms (time) –<br>pull | 4.33        | 0.85                  |
| I started my own business,<br>... have a desire for self- development. -<br>pull                                 | 4.30        | 0.81                  |
| I started my own business,<br>... would like to be recognized by others. - pull                                  | 3.44        | 0.78                  |
| I started my own business,<br>... recognized demand for new products<br>and services.<br>- pull                  | 3.35        | 0.88                  |
| I started my own business<br>... was dissatisfied with my previous job. –<br>push                                | 1.88        | 0.63                  |
| I started my own business,<br>... had no other choice. – push  | 1.68        | 0.78                  |
| I started my own business,<br>... my position at my previous workplace<br>became<br>insecure. – push             | 1.49        | 0.56                  |
| I started my own business<br>... felt hopeless about my situation. - push  | 1.32        | 0.64                  |
| I started my own business,<br>... had disagreements with my manager at my<br>workplace. -<br>Push                | 1.24        | 0.79                  |

|   |      |      |
|---|------|------|
| I started my own business,<br>...had workplace conflicts. – push                      | 1.20 | 0.59 |
| I started my own business,<br>...was unemployed earlier. – push                       | 1.04 | 0.77 |
| I started my own business,<br>...inherited the business from family member.<br>– push | 0.96 | 0.85 |

The focus of our study was on the respondents' agreement on the push and pull aspects associated with starting a business. The respondents' opinions were measured using a 7-point scale, with 1 indicating "totally disagree" and 7 indicating "fully agree." The respondents were asked to rate the themes based on these characteristics. The average values of the respondents related to commencing their business activity are shown in the summary table below, together with the standard deviation, which shows the degree of consistency of the responses. When it comes to beginning a business, we can see that pull motivational variables dominate the respondents in the sample. The 9 pull motivation components studied all have a value that is higher than the mean.

Independence, well-being, and financial independence are the motives with the highest average values. For the respondents, these were the most motivating elements. The maximum agreement was attained in case of "being my own boss" since the degree of standard deviation is the smallest along this variable. In terms of motivators, we'd like to point out that discontent with past employment has motivated the respondents the most to establish their own firm. The largest degree of discrepancy in our respondents' responses to the variance developed in relation to being acknowledged by others, as can be seen. In the instance of this variable, the respondents gave the same ratings for agreement, disagreement, and indifference to the statement. Entrepreneurs' success was measured in a variety of ways.

The study's second section looked into the link between motivational elements and the feeling of running a successful firm. We wanted to know if the pull or push elements play a role in the mentality of running a successful firm. We decided to perform a correlation calculation because all of the variables measured are metric variables. The degree and direction of a linear link between the variables are measured using correlation calculations. The Pearson's correlation coefficient demonstrates this, with a value that can range from -1 to 1. Table 3 summarises the bivariate correlation analysis. The table shows that we were able to find a link between successful company leadership and 10 of the 19 motivational components. With the exception of the variable "I found a demand for new product/service," the results show a medium or weak one-way relationship with the attitude of successful business management at a significance level of 1% and at 5% with the remaining four variables in the case of pull factors, with the exception of the variable "I found a demand for new product/service," the results show a medium or weak one-way relationship with the attitude of successful business management. Our Hypothesis H01 "There is no relationship between the pull factors responsible for starting a business and the entrepreneur's attitude of feeling successful" can be rejected, while the H11 "There is a relationship between the pull factors and the entrepreneur's attitude of feeling successful" can be accepted, based on the facts mentioned above.

Table 5. Correlation between Pull and push motivational factors to start business

\*\*. Correlation is significant at the 0.01 level (2-tailed),

| <b>Pull and Push Motivational Factors</b>  | <b>Pearson Correlation Coefficient</b> | <b>Std. Deviation</b> |
|--|--|-----------------------|
| I started my own business,<br>...would like to be my own boss. – pull                                    | 0.874**                                | 0.000                 |
| I started my own business,<br>...would like to ensure well-being for myself.<br>– pull                   | 0.662**                                | 0.000                 |
| I started my own business,<br>...would like to achieve financial independence. – pull                    | 0.899**                                | 0.000                 |
| I started my own business,<br>...would like to realize myself. – pull                                    | 0.693**                                | 0.000                 |
| I started my own business,<br>...would like to make more money - pull                                    | 0.833*                                 | 0.017                 |
| I started my own business,<br>...would like to achieve independence in non-financial terms (time) – pull | 0.601**                                | 0.000                 |
| I started my own business,<br>...have a desire for self-development. - pull                              | 0.828*                                 | 0.000                 |
| I started my own business,<br>...would like to be recognized by others. - pull                           | -0.013                                 | 0.823                 |
| I started my own business,<br>...recognized demand for new products and services.<br>- pull              | -0.081                                 | 0.931                 |
| I started my own business<br>...was dissatisfied with my previous job. – push                            | -0.081                                 | 0.931                 |
| I started my own business,<br>...had no other choice. – push   | -0.822*                                | 0.029                 |
| I started my own business,<br>...my position at my previous workplace became insecure. – push            | -0.844                                 | 0.010                 |
| I started my own business<br>...felt hopeless about my situation. - push                                 | -0.008                                 | 0.964                 |
| I started my own business,<br>...had disagreements with my manager at my workplace. - Push               | -0.003                                 | 1.289                 |
| I started my own business,<br>...had workplace conflicts. – push   | -0.006                                 | 0.897                 |
| I started my own business,<br>...was unemployed earlier. – push  | -0.083                                 | 0.929                 |
| I started my own business,<br>...inherited the business from family member. – push                       | -0.842                                 | 0.009                 |

\*. Correlation is significant at the 0.05 level (2-tailed).  
Source: own editing

The above table the result that the component "I want to actualize myself" had a positive moderate association with the attitude of feeling successful among the pull motivation factors. This relationship is depicted in the diagram below. The chart illustrates that the two variables have a generally positive association, and the dispersed replies confirm a medium-strength relationship between them.

In the case of push factors, two of the eight variables show a weak, negative association. The negative association between factors can be explained by the fact that most respondents disagreed with the assertions, implying that they did not become entrepreneurs because of uncertainty at their former job or a bleak scenario. Aside from that, they were found to have a high level of happiness. Because just two of the eight variables exhibited a negative link with the attitude of effective business management, we may accept our hypothesis HO2 "There is no relationship between the push factors responsible for beginning a firm and the entrepreneur's attitude of feeling successful."

## V Conclusion

We would like to conclude that the subject of employee motivation is tackled and discussed from various perspectives because the research is still in its early stages and we will continue our investigation. In terms of push and pull considerations, the discussion of the subject appeared to be current. People quit their jobs in the majority of situations because they are pressured to do so by external forces, which have a significant impact on their decision or incentive to establish their own firm. Based on our preliminary findings, the desire for independence, self-realization, and the use of one's own skills and abilities is the most motivating element. Among the pull factors that have a favourable impact on the success of a business where the entrepreneur faces many barriers is the desire to have a work that one feels good about and that allows for self-realization. Motivation to do business is crucial not only from an individual's standpoint or in terms of government strategic initiatives, but also for firms that risk losing staff due to dissatisfaction.

## Reference

1. Block, J., & Sandner, P. (2009). Necessity and opportunity entrepreneurs and their duration in self-employment: evidence from German micro-data. *Journal of Industry, Competition and Trade*, 9(2), 117-137.
2. Carsrud, A., & Brännback, M. (2011). Entrepreneurial motivations: What do we still need to know? *Journal of Small Business Management*, 49(1), 9–26.
3. Eniola, A.A. *Entrepreneur-SME Manager Traits and Sources of Financing*; Springer Science and Business Media LLC: Berlin, Germany, 2018; pp. 223–259.
4. Eniola, A.A.; Ojo, O.R.; Ajala, A.B. A cultural identity perspective of entrepreneurial performance of small firms. *Int. J. Res. Stud. Manag.* 2019, 8, 89–100. [CrossRef]
5. Hamilton, B.H. (2000). Does entrepreneurship pay? An empirical analysis of the returns to self-employment. *Journal of Political Economy*, 108(3), 604-631.
6. Krueger, N. F., & Carsrud, A. L. (1993). Entrepreneurial intentions: Applying the theory of planned behaviour. *Entrepreneurship & Regional Development*, 5(4), 315–330.

7. Mejía, A.G.; Laverde, F.P.; Smida, A.; Cadet, B. *The Entrepreneur's Motivation, Human and Financial Capital as Determining Factors of growth for New Companies. The Colombian Case*; GEM: Cali, Colombia, 2009.
8. Smilor, R. W., & Kuhn, R. L. (1986). *Managing take-off in fast growth companies: innovations in entrepreneurial firms*. Santa Barbara: Praeger publishers.
9. Sapienza, H.J.; Korsgaard, M.; Forbes, D.P. *The Self-Determination Motive and Entrepreneurs' Choice of Financing*; Elsevier BV: Amsterdam, The Netherlands, 2004; Volume 6, pp. 105–138.
10. Taylor, M. P. (1996). Earnings, independence or unemployment: why become self-employed?. *Oxford Bulletin of Economics and Statistics*, 58(2), 253-266. DOI: 10.1111/j.1468-0084.1996.mp58002003.x.
11. Zheng, Y.; Yue-Kai, C.; Lie, J. The impact of financing motivation on development strategy orientation of entrepreneurial firms. In *Proceedings of the 2011 International Conference on Management Science & Engineering*, pp. 401–409.