

Study on Success and Motivational Factors for Entrepreneurs in MSMEs

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Abstract - For the past few years, the growth of entrepreneurship has been seen as a focus area in development policy in many countries, especially India. Paper, communications, engineering, electrical, textile and metal manufacturing, constructing, food processing, teaching, and artisanship are only a few of the small to medium-sized micro-enterprises that young entrepreneurs are involved in. Internationally, the MSME sector was regarded as the driving force behind economic growth. Given the increased demand on land and rising unemployment as a consequence of net population development, the need for strong growth in the MSME sector has assumed critical importance. The changing economy has provided favorable conditions for the area's manufacturing and economic development. More entrepreneurs are needed in the area to take advantage of new market opportunities and help micro, tiny, and medium-sized companies develop. The success and motivational factors for entrepreneurs in MSMEs are discussed in this article.

Index Terms - Entrepreneurs, Motivational Factors, MSME sector, India, economy, Etc.

I. INTRODUCTION

Entrepreneurship's growth and advancement is a significant phenomenon in today's economies. Small and medium-sized enterprises (SMEs), which are the largest emerging factor in industrialized market economies, are closely related to entrepreneurship. In terms of production, jobs, and export opportunities, Micro, Small, and Medium Enterprises (MSMEs) play a significant role in the Indian economy. Despite rivalry from large-scale manufacturing and multinational corporations, these industries have seen rapid development since liberalization. One of the key objectives of industrialization, according to the government, is to have a high and steady level of jobs in the country. Given the importance of entrepreneurs

to the growth and development of economies in the countries where they run their enterprises, knowing their motivating and performance drivers is critical. These two sets of variables have a significant effect on the growth of entrepreneurial ventures, as well as the birth rate and size of SMEs. Unfortunately, until recently, studies on this subject were not undertaken in sufficient numbers in the developed countries of South-Eastern Europe. For the past few years, entrepreneurship growth has been regarded as a priority field in many countries' development policies, especially in India. From paper to electronics, engineering to electrical, garment to metal and pipe industry, building to food production, education to handicrafts, the young entrepreneurs are involved in a wide range of small and medium scale businesses. The fascinating reality is that, particularly in rural and semi-urban areas, entrepreneurial projects are providing more business opportunities not only for men, but also for women.

Thus, the main objective of this research is to determine motivational and success factors of entrepreneurs.

II. ENTREPRENEURSHIP

In the 17th and 18th century, the term "entrepreneur" was coined in France. The concept contractor has shown a close link with the general understanding of a company's start-up, which was previously important. However, its ultimate importance has shifted to a world where high yields are generated by increasing economic growth competitiveness. Following the significant gains made by small and medium-sized companies in overall economic development in recent years, the company has attracted a lot of attention.

Entrepreneurship is a doorway to the operational aspect of national expansion. Maintaining a person's natural freedom is a powerful key to economic development that is particularly important in developing countries. Small to medium-sized enterprises recruit a substantial number of people. Small companies also participate as a key player in the process of local economic development and reorganization of national economies. In India, women's entrepreneurship has only developed in the last three decades. Enterprise has become increasingly important in the age of globalization, particularly as the global economy has become increasingly imbalanced as a result of integrated economies. The function of businesses is not confined to the establishment of businesses; it also includes the development of wealth, employment, and income capacity, which are the most visible indices of economic growth. A nation's underdevelopment is caused by the lack of or inadequate supply of entrepreneurs, not by a lack of natural resources.

III. MICRO, SMALL AND MEDIUM ENTERPRISES

In India and across the world, micro, small, and medium enterprises (MSMEs) have emerged as the New Millennium's growth driver. The MSME sector, which is largely powered by individual ingenuity and invention, is a fertile ground for new ventures. The industrial economy was influenced by entrepreneurship at the turn of the twentieth century. The backbone of this global revolution is the founders who are able to take on the challenge of developing new SMEs. Those with an ambitious outlook have already steered the economic revolution that has improved people's quality of living and will strive to do so in the future.

Even in India's evolving liberalized economic climate, the SSI industry has proven its value. Simultaneously, the liberalization of 1991 presented fresh problems and opportunities. Concrete in the form of necessary efforts to improve it was unquestionably needed at the time in order to transform obstacles into new heights of potential. When citizens are directly engaged in manufacturing, economic development becomes genuinely important. The biggest impediment to development is excessive labor. Currently, first-

generation developers manage a large percentage of MSMEs, with technocrats, consultants, and skilled labor responsible for a significant portion of the number. They also changed the work atmosphere and climate in the field of information and communication technology. The Indian economy's micro, tiny, and medium-sized enterprise (MSME) industry has grown to be a vibrant and flourishing field.

IV. MOTIVATION OF MSMEs

Motivation exists in a variety of sizes and forms. The majority of impulsive actions are guided by some kind of inspiration. Each entrepreneur is guided by a different set of factors. Their diverse approaches to work are based around their own interests and aspirations. Any entrepreneurs are guided by a deep urge to provide financial resources for their families. Others are motivated by a need to supplement their profits. Everyone has their own motivations for wanting to be an entrepreneur and start their own company. "Some people have already worked in the corporate world, whilst others choose to start their own. 'Others, too, are made to work when they are unemployed (Barah, 2015). For an individual to become an entrepreneur, he or she must have strong inspiration from inside or from those near to him. Without motivation, one cannot accomplish something, especially entrepreneurship, which entails dabbling in an unfamiliar field, losing one's money and status, and necessitates a high level of motivation. The researcher has attempted to analyze the variables that have inspired the study's survey respondents in this article.

A majority of the new entrepreneurial class was prompted to enter into industry mainly because of the following three factors:

- The assistance available from the Governmental support systems and various financial and promotional Institutions.
- A strong desire to do something independent in life
- The technical knowledge or trading or manufacturing experience in the same or related line of the persons

However, all these are further classified into the following sub-major factors. They are:

- Friends
- Family members
- Surplus funds from Agriculture
- Experience in the line
- High demand for the products
- Surplus funds from Business
- Government's Assistance
- Availability of raw materials
- To avail backward area concessions
- Availability of cheap labour.

Besides, some of the research studies have also found the following factors influence entrepreneurship.

- Entrepreneurial characteristics
- Socio – economic factors

The author P. N. Sharma has identified the following main Nine motivating factors that encouraged the entrepreneurs to start the units.

- Occupational experience
- Educational background
- Desire to branch out to manufacturing
- Desire to work independently in manufacturing line
- Assistance from Government
- Family background
- Availability of technology / raw material
- Assistance from financial institutions

Other factors including demand of the particular product, utilization of excess money earned from contractual estate business started manufacturing to facilitate trading / distribution business since the product was in short supply, unstable policy of the foreign government for non-residents, and no chance for further promotion.

4.1 Intrinsic motivation in small and medium enterprises

Intrinsic motivation occurs when one acts without any obvious external rewards. It refers to the reason why one performs certain activities for inherent satisfaction or pleasure. It arises from the individual's positive reaction to the task itself such as interest, involvement, curiosity, satisfaction, or positive challenge, which serves as a type of reward for the work. From the Self Determination Theory, intrinsic motivation is central to the proactive, growth-oriented nature of human

beings, which is the basis for learning and development.

Intrinsically motivated business owners are more likely to pursue enjoyment, interest, satisfaction of curiosity, self-expression, or personal challenge in business. Intrinsic motivation is a natural motivational tendency and a critical element in cognitive, social, and physical development. MSME owners who are intrinsically motivated, are more likely to engage in the business willingly and work towards improving their skills. Grant and Berry (2011) state that SME owners are likely to be intrinsically motivated if they attribute their business growth to factors under their own control (also known as autonomy), believe that they have the skills to be effective agents in reaching their desired goals (also known as self-efficacy), and are interested in growing a business, not just in achieving wealth.

V. MOTIVATION AND ITS INFLUENCE ON MSMEGROWTH

Extrinsic incentives, such as promotions, can boost morale in the workplace, but intrinsic variables affect the actual nature of the work produced. When one is engaged in activities that are enjoyable, exciting, and challenging, one is more likely to generate new ideas and solutions. The inspiration, innovation, and knowledge of management have an impact on how a company is handled or mismanaged. Inadequate and inadequate management skills may lead to business loss. In this scenario, motivation applies to a mechanism that elicits and maintains influence of such behaviours. It may be extrinsic or intrinsic of origin. Extrinsic motivation is more concerned with material causes, while intrinsic motivation is concerned with achieving one's personal goals. The aim of this study is to see whether intrinsic motivation has an impact on MSME development. It is important to remember that human inspiration is extremely important in the entrepreneurship phase. Grant and Berry (2011) emphasized the value of entrepreneurial ambitions as a precursor to starting a new company, emphasizing the importance of understanding what motivates an individual to develop a business. As a result, Tu and Lu (2014) demonstrate that inspiration is crucial in the development of new companies. They show that

explanations of market creation that do not take into account this concept are incomplete.

Motivation is also a guiding factor in life that triggers the transition from urge to will. A plant without water, for example, also needs water to survive. However, because of its inability to travel to obtain water, the plant is unable to obtain water, resulting in a loss of motivation. Which is not to suggest that the plant is not capable of moving itself. As a result, any aspect of existence can be said to include, at the very least, the igniting flame of inspiration. As a result, it can be thought of as a psychological condition that motivates or confirms a desired behaviour. Hunger, for example, is a stimulus that causes a need to feed. As a result, motivation is an effort geared against a particular goal, which is a desire to be internally inspired. As a result, the need is an individual (i.e., intrinsic) motivation for behaving, resulting in the sequence of acts (e.g., to grow the business). Motivation may also be described as behaviour directed toward achieving a target. "It is an effort that is geared against a certain goal, which is a desire to be internally inspired." As a result, the need serves as the motivation (or reason) for acting. As a result, the aim of this research is to see whether MSME owners are motivated to expand their companies by intrinsic motivational factors.

VI. CONCLUSION

The most significant goal that motivated entrepreneurs to start their own business was to earn money. The most compelling cause for them to start their own business was "unemployment." Micro, tiny, and medium enterprises (MSMEs) are critical to the country's socioeconomic growth. They are thought to be the driving force behind the developmental phase. This assistance not only alleviates unemployment and hunger, but it also provides extra family revenue. The current research on motivating influences and entrepreneurship suggests that women are playing an increasingly important part in new entrepreneurial enterprises. Entrepreneurship frequently plays an important role in the path to self-employment and independence. India's economy is one of the world's biggest and fastest developing. The aforementioned factors have also prompted India to look into entrepreneurship as a means of ensuring the country's long-term development. The Indian government

should pay more attention to the growth of MSME in the country by raising knowledge of the various schemes and assistance given to MSMEs to the general public, allowing them to earn a livelihood by beginning a new MSME, thus promoting economic development and increasing GDP.

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