

Analysis of Motivation Issues and Link with Profitability: Case Study of Entrepreneurial Firms in a Rural Cluster in West Bengal, India

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Abstract

Analysis and assessment of motivation factors of small scale entrepreneurial firms is very important in the context of developing countries where unemployment is at high level. A case study is conducted in the case of fish hook producing small scale clustered firms in West Bengal, India. In this context, a comparative analysis is made of the ranking of various items of motivation as perceived by the respondents in the cluster, reliability of various items of motivation is judged by using Cronbach's Alpha test and an index of motivation is developed on the basis of principal component technique to find the level of association between motivation index and firm performance level. The results reveal reasonable degree of reliability among motivation items, indicate moderate degree of association between motivation index and per-capita firm profitability. Govt. should take certain steps for promoting motivation and attractiveness of entrepreneurial work among young generation.

Keywords: Cronbach's Alpha; Motivation index; Principal component analysis; Regression

Introduction

It is often said that fulfillment of a person's desire to undertake some new venture is influenced by how deeply he likes to be involved in it, his willingness and intention to go ahead and flourish in the business world. Success of the prospective entrepreneur depends on how he copes with the odds and seizes the opportunities that may be coming on the way. Sensing the emerging opportunities and grabbing them at the appropriate time, putting efforts at consolidating the resources and designing the mechanisms for pursuing the goal – all depend on how intensively the entrepreneur feels to follow his course of action and his willingness to play the game. This is linked to factors like traits, attitudes, determination of human agency which can be clubbed under the view of entrepreneurial motivation. Thus Aldrich and Zimmer [1], write, "Entrepreneurial activity can be conceptualized as a function of opportunity structures and motivated entrepreneurs with access to resources".

Plehn-Dujowich [2], states that the decision to start a business is based on two bases: rational and motivational. The rational basis stresses the objective factors (including the environmental conditions) to undertake the task, that support or punish certain behaviors [3] while the motivational basis refers to subjective factors that reflect the decision maker's inclinations and expectations. Further the limitations of rational model (because of lack of information) to predict human behaviour prompted Simon [4] to propose motivation for supplementing the explanations of human behavior: According to his arguments an individual's behaviour is influenced by accepting a priori set of assumptions which are governed by the motivation and impulse to act in a specific manner.

Evidence [5-8], suggests that entrepreneurial motivation matters in shaping firm performance and strategic decision which influence the business outcome. Differences in entrepreneurial motivations also influence the differential in firm performance, entrepreneurs' investments in their firms, the relative success in turning start-up efforts into operative fruitful business venture. The emerging studies in this area as well as existing studies point to the importance of entrepreneurial motivation from the viewpoint of both research and policy initiative.

In the context of highly populated developing countries, this motivation factor assumes great significance. This is because in such countries like India there exists huge scale of unemployment and lack of opportunities for white collar jobs. Hence adopting business/setting up industrial production units happen to be a major avenue for earning for a big chunk of unemployed population. But often there does not exist the appropriate mindset among the youth for taking to these entrepreneurial activities. Hence the analysis and assessment of the motivation factors that drive at least some part of the population to these enterprising occupations, seems extremely imperative for replication and extension to the society at large. And this assumes special importance specially in case of clustered small and medium scale firms. In this context it seems imperative (a) to have a comparative analysis of the ranking of various items of motivation as perceived by the respondents in an industrial cluster (b) to analyse the reliability of various items of motivation for assessing their consistency(c) to develop an index of motivation on the basis of principal component technique and find the level of association between motivation index and firm performance level.

Different Views of Motivation

There are different analytical views on the concept of motivation contributed by different people at different times. For instance Vroom developed the expectancy theory in 1964 pertaining to factory-site motivation. According to expectancy theory, human beings act according to their conscious expectations that a particular behavior will lead to achieve a specific outcome. Three components of Expectancy theory are:

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Expectancy: The belief that a person's effort will result in attainment of his desired goals.

Instrumentality: The belief by a person that a reward will be gained if the performance expectation is met.

Valence: The relative attractiveness of value of the reward to the person.

Again there is a view that motivational variables are only a subset of certain kind of variables that influence the success of SMEs. These variables are (1) the psychological and personality traits of entrepreneurs, (2) the managerial skills, training and intelligence of entrepreneurs and (3) the external environment [9]. Psychological factors like entrepreneurial traits, spirits and innovative outlook and attitude toward challenges in life have been observed to be related to success [10], and this motivation factor assumes great importance, particularly in dealing with a difficult business environment. Thus human action is assumed to be shaped by individual drivers including both motivation and cognitive elements including ability, intelligence, and skills [11]. Apart from individual drivers, there are contextual drivers like regional and national characteristics that combine together into external factors. These include the status of the economy (local political stability, currency stability, Govt. regulations etc.), the availability of venture capital, the forces of competition, credit availability and legal restrictions, which also shape the entrepreneurial functions. In order to segregate the impact of motivation on entrepreneurial action, there needs to be a control of these external factors which could have a causal relationship with entrepreneurial actions and outcome, There is either implicit or explicit agreement among economists about the need of control of these categories of factors in order to measure the effect of motivations on the entrepreneurial process.

Leaving aside the external factors as stated above, a two-way categorization of human motivation factors is proposed by Amabile [12] when he states that these factors can be divided into two broad terms, extrinsic and intrinsic. He interprets that people are intrinsically motivated if they seek independence, fulfillment of ambition, satisfaction of curiosity, self-respect or love to face challenges. On the other hand extrinsic motivation is related to attaining a goal from doing the work and not the work itself. This view finds support in the works of Deci [13], when he states that a person is intrinsically motivated when he/she conducts the activity without expecting any reward. Extrinsic motivation emerges from the desire for the result of the work, not based on the work itself. This classification includes financial and material rewards as extrinsic results of a business. These results are conditioned by the performance of the company and is attainable at a later stage after startup. On the contrary intrinsic rewards involve psychological gain of the entrepreneur from the very beginning, in terms of self-satisfaction, esteem in the eyes of the society, being in control of own destiny and bearing the challenges for success of the enterprise.

While there are a number of such characterizations of entrepreneurial motivation, there is no doubt that psychological inclinations of the entrepreneur can be decomposed into several dimensions accounting for the entrepreneur's motivation to start the business.

For a rigorous analytical exposition it is viewed that the following six dimensions capture entrepreneurial motivation in sufficient breadth and depth:

- Achievement and challenge.
- Material well being.

- Independence & autonomy.
- Creativity.
- Leadership and social status.
- Family and Roles.

Overall seventeen motivational variables linked with the aforesaid six dimensions, are considered based on prior research on human motives that are supposed to influence human decision regarding setting up of entrepreneurial ventures.

Description of the Motivation Items

Material well-being motive is linked with enjoying higher personal income and it also captures the tendency to combine financial success with family financial security. This is particularly manifest in studies of entrepreneurs in deprived and less developed regions in developed countries and studies in developing economies [8]. Hence this motive is decomposed into two items:

- (i) Earning larger personal income.
- (ii) Safety and security in consumption.

The motive of enjoying autonomy in work sphere can be considered as a psychological trait or a driver that enhances entrepreneurship. This can be viewed in terms of the following items:

- (iii) Aspiration for doing independent work.
- (iv) Greater flexibility in personal and family life.

Creativity refers to the inclination towards making something new and introducing innovativeness in the work process. This is viewed in terms of:

- (v) Desire to do something new apart from stereotyped job.
- (vi) Desire to introduce novelty in work.

Following McClelland [14,15], the need for achievement has been associated with a strong desire to do things well, or outperform others, for gaining self-satisfaction. People with a high need for achievement are likely to enjoy taking personal risk and responsibility and prefer quick, direct outcomes for their actions. This can also be linked with individual trait of identity fulfillment. The achievement and challenge taking motive can be factored into two statements.

- (vii) Earning satisfaction from one's own work and
- (viii) Facing challenges in life.

Recognition and social status: This dimension refers to the motive of gaining social status in terms of recognition for leadership and respect from friends, family and society at large. This can be further viewed in terms of the following separate five indicators.

- (ix) Earning respect in the eyes of the society/fellow producers.
- (x) Ambition to excel others through leadership development.
- (xi) Desire to dominate and influence others.
- (xii) Desire for social interaction through working in a group.

(xiii) Deontic motive which implies one's duty or obligation or commitment to assume (entrepreneurial) task and responsibility for others' interest. It is supposed to emerge from a sense of duty and/or a feeling of obligation.

Family and role models imply some sort of embeddedness in family or friend circle from which motivation emerges. This dimension refers to the aspiration to maintain a family tradition as well as pursue the instance of some role models in the society. Sometimes this dimension also stresses the need for building a family legacy. This can be structured in terms of the following components.

- (xiv) Continuing a family tradition.
- (xv) Emulating successful fellow entrepreneurs.
- (xvi) Gaining respect from friend.
- (xvii) Building business for future generation.

Data and Method

For purpose of study, data were collected from all the clustered firms producing fish hooks in Barjora region of Bankura district in the state of West Bengal in India. Since only 16 firms were located in the cluster, all of them were covered in the study on the basis of face to face interview with the owner of the firms, based on a pre-structured questionnaire. The owners were favoured as respondents to the questions, since they shouldered the day-to-day management responsibility and actively participated in overall decision making process.

For analytical understanding of variation in motivation factor across the entrepreneurs, it seems important to construct a single index based on diverse motivational items. Preparing an overall motivation index based on the reported data by the respondents requires the consideration of individual sub-indices of motivation viz. Material well-being, Autonomy, Creativity, Identity fulfillment, Social status and embeddedness. These respective sub-indices again are based on several components pertinent to specific sub-index category. Both the overall motivation index and sub-indices are considered as latent or unobserved variable. Here the problem is the weight assignment to the indicators or sub-indices which is critical to maximize the information from a data set included in an index. A good composite index should comprise important information from all the indicators, but not be strongly biased towards one or more of these indicators. Taking a cue from Camara and Tuesta, we apply two-stage principal components methodology to estimate the degree of motivation as perceived by the different entrepreneurs. Since the sub-indices are likely to contain inter-correlated indicators, we estimate the sub-indices first, rather than directly estimating the overall index.

First of all, the six individual sub-indices are constructed by using principal component method. Second, we estimate the dimension weights and overall motivation index by using the dimensions as explanatory variables.

Hence we assume that the latent variable like overall motivation index (OMI) can be expressed as a linear function as follows:

$$OMI = \alpha_1 I_i^W + \alpha_2 I_i^A + \alpha_3 I_i^C + \alpha_4 I_i^I + \alpha_5 I_i^S + \alpha_6 I_i^E + e_i$$

Thus for instance, material well-being index (I^W) as a latent variable is supposed to be determined by variables like larger personal income (X_{1i}) and safety and security motive (X_{2i}). Here I^W can be considered as a latent variable, which is unobserved. In linear form it is represented as

$$I_i^W = \beta_1 X_{1i} + \beta_2 X_{2i} + u_{1i} \quad (1)$$

Similarly in case of autonomy, the corresponding index I^A as a latent form is supposed to be determined by a number of variables aspiration for doing independent work (Y_{1i}) and greater flexibility in personal and family life (Y_{2i}). In linear form it stands as:

$$I_i^A = \gamma_1 Y_{1i} + \gamma_2 Y_{2i} + u_{2i} \quad (2)$$

Further in case of creativity we consider the corresponding index as a latent variable linearly determined by two relevant components. The components are denoted as Z_{1i} (Desire to do something new apart from stereotyped job), Z_{2i} (Desire to introduce novelty in work) respectively.

In latent form this is expressed as:

$$I_i^C = \delta_1 Z_{1i} + \delta_2 Z_{2i} + u_{3i} \quad (3)$$

Similarly for identity fulfillment, social status and embeddedness we consider latent variables as I_i^I , I_i^S , and I_i^E respectively.

These are written as

$$I_i^I = \sigma_1 U_{1i} + \sigma_2 U_{2i} + u_{4i} \quad (4)$$

$$I_i^S = \theta_1 V_{1i} + \theta_2 V_{2i} + \theta_3 V_{3i} + \theta_4 V_{4i} + \theta_5 V_{5i} + u_{5i} \quad (5)$$

$$I_i^E = \lambda_1 W_{1i} + \lambda_2 W_{2i} + \lambda_3 W_{3i} + \lambda_4 W_{4i} + u_{6i} \quad (6)$$

We denote λ_j^w ($j=1, 2$) as the j^{th} Eigen value in case (1), λ_j^A ($j=1, 2$) as the j^{th} Eigen value in case (2), λ_j^C ($j=1, 2$) as the j^{th} Eigen value in case (3), λ_j^I ($j=1, 2$) as the j^{th} Eigen value in case (4), λ_j^S ($j=1, 2, 3, 4, 5$) as the j^{th} Eigen value in case (5), λ_j^E ($j=1, 2, 3, 4$) as the j^{th} Eigen value in case (6). Subscript j refers to the number of principal components in each respective case that also coincides with the number of corresponding indicators. Noting that the values of λ_j gradually falls as the suffix increases in each case, we denote P_j^w ($j=1, 2$) as the j^{th} principal component in case (1), P_j^A ($j=1, 2$). As the j^{th} principal component in case (2), P_j^C ($j=1, 2$) as the j^{th} principal component in case (3), P_j^I ($j=1, 2$) as the j^{th} principal component in case of (4), P_j^S ($j=1, 2, 3, 4, 5$) as the j^{th} principal component in case of (5) and P_j^E ($j=1, 2, 3$) as the j^{th} principal component in case of (6). We get the corresponding estimator of each dimension according to the following weighted averages:

$$I^W = \frac{\sum_{j=1}^2 \lambda_j^w \cdot P_j^w}{\sum_{j=1}^2 \lambda_j^w}$$

$$I^A = \frac{\sum_{j=1}^2 \lambda_j^A \cdot P_j^A}{\sum_{j=1}^2 \lambda_j^A}$$

$$I^C = \frac{\sum_{j=1}^2 \lambda_j^C \cdot P_j^C}{\sum_{j=1}^2 \lambda_j^C}$$

$$I^I = \frac{\sum_{j=1}^2 \lambda_j^I \cdot P_j^I}{\sum_{j=1}^2 \lambda_j^I}$$

$$I^S = \frac{\sum_{j=1}^5 \lambda_j^S \cdot P_j^S}{\sum_{j=1}^5 \lambda_j^S}$$

$$I^E = \frac{\sum_{j=1}^4 \lambda_j^E \cdot P_j^E}{\sum_{j=1}^4 \lambda_j^E}$$

Although usually the whole set of causal variables is replaced by a few principal components, which account for a substantial percentage of the total variation in all the sample variables, here we consider as many components as the number of explanatory variables. This is due to our concern to estimate accurately the sub-indices of motivation rather than truncating the data in order to avoid discarding information that

could affect our estimates. Thus this procedure accounts for 100 % of the total variation in the data.

Second stage principal component analysis is run to compute the overall motivation index (OMI) by following the steps outlined above, whereby we get

$$OMI = \frac{\sum_{j=1}^6 \lambda'_j P'_j}{\sum_{j=1}^6 \lambda'_j}$$

The highest weight, λ'_1 , is attached to the first principal component since it accounts for the largest proportion of the total variation in all explanatory variables. As the suffix increases the proportion of variance explained by the respective principal components decrease. Using algebra, each component, P'_j can be expressed as a linear combination of the six sub-indices as

$$P'_1 = \theta_{11} I^W + \theta_{12} I^A + \theta_{13} I^C + \theta_{14} I^I + \theta_{15} I^S + \theta_{16} I^E$$

$$P'_2 = \theta_{21} I^W + \theta_{22} I^A + \theta_{23} I^C + \theta_{24} I^I + \theta_{25} I^S + \theta_{26} I^E$$

$$P'_3 = \theta_{31} I^W + \theta_{32} I^A + \theta_{33} I^C + \theta_{34} I^I + \theta_{35} I^S + \theta_{36} I^E$$

$$P'_4 = \theta_{41} I^W + \theta_{42} I^A + \theta_{43} I^C + \theta_{44} I^I + \theta_{45} I^S + \theta_{46} I^E$$

$$P'_5 = \theta_{51} I^W + \theta_{52} I^A + \theta_{53} I^C + \theta_{54} I^I + \theta_{55} I^S + \theta_{56} I^E$$

$$P'_6 = \theta_{61} I^W + \theta_{62} I^A + \theta_{63} I^C + \theta_{64} I^I + \theta_{65} I^S + \theta_{66} I^E$$

Hence overall motivation index can be expressed as:

$$OMI = \left(\sum_{j=1}^6 \lambda'_j (\theta_{j1} I^W + \theta_{j2} I^A + \theta_{j3} I^C + \theta_{j4} I^I + \theta_{j5} I^S + \theta_{j6} I^E) \right) / \left(\sum_{j=1}^6 \lambda'_j \right)$$

Results and Discussion

Relative perceived importance of motivation items

The following Table 1 gives a brief view about the various components of motivation. The mean and corresponding rank values indicate the relative perceived importance of the motivation items. From top three items, it clearly appears that income earning is

the most important item in influencing an entrepreneur to start his enterprise. Next most important issue appears to be ensuring safety and family's present and future financial security together with the desire for doing independent work. Earning satisfaction from doing own work, happens to be the third most important item from the top. Similarly the least important item from bottom appears to be the desire to dominate others. Gaining respect from friends happens to be the next least important item while desire for social interaction occurs as the third least important item of motivation. Excepting four items like deontic motive, desire to do something new, desire to introduce novelty in work and emulating successful entrepreneurs, in all other cases a great % of entrepreneurs had a high motivation value greater than or equal to mean.

Motivation indices

Based on the first stage principal component method, the individual sub-indices of material well-being, autonomy, creativity, identity fulfillment, social status and embeddedness are presented in the columns 2 to 7 in Table 2. The eighth column represents the overall motivation indices based on two stage principal component method while column nine represents per capita profitability from entrepreneurial work. It is observed that creativity index has the highest standard deviation while embeddedness has the lowest across the 16 respondents. It is so because people have varying knack or attitude towards introducing novelty or undertaking innovative enterprising work. Further they are mostly motivated by earlier family tradition, neighbours or friends doing similar work (Table 2).

Internal consistency of motivation items

The reliability of the instrument used for measuring motivation items is provided by the Cronbach's alpha coefficient which reflects the level of internal consistency of the indicators. It is computed by correlating the score for each item with the total score for each observation and then comparing that to the variance for all individual indicator scores.

Where $\alpha = (k/k-1)(1 - \sum \sigma_{yi}^2 / \sigma_x^2)$, Where k refers to the number of motivation items.

σ_{yi}^2 indicates to the variance associated with indicator/item i.

Motivation Item	% of entrepreneurship with high motivation value greater than or equal to mean	% of entrepreneurship with high motivation value less than mean	Mean	Rank
Larger personal income	62.5	37.5	4.5625	17
Safety and security motive	68.75	31.25	4.5	15.5
Aspiration for doing independent work	62.5	37.5	4.5	15.5
Earning satisfaction from one's own work	43.75	56.25	4.3125	14
Greater flexibility in personal and family life	50	50	4.25	12.5
Deontic motive	43.75	56.25	4.25	12.5
Desire to do something new apart from stereotyped job	43.75	56.25	4.125	9.5
Desire to introduce novelty in work	25	75	4.125	9.5
Emulating successful fellow entrepreneurs	37.5	62.5	4.125	9.5
Build business for future generation	50	50	4.125	9.5
Facing challenges in life	68.75	31.25	3.9375	6.5
Earning respect in the eyes of the society /fellow producers	81.25	18.75	3.9375	6.5
Ambition to excel others through leadership development	68.75	31.25	3.875	4.5
Continuing a family tradition	68.75	31.25	3.875	4.5
Desire for social interaction through working in a group	75	25	3.75	3
Respect from friends	68.75	31.25	3.625	2
Desire to dominate and influence others	68.75	31.25	3.5	1

Table 1: Mean value and % of respondents with high value of motivation.

Sl. No. of respondents	Sub-Index_W	Sub-Index_A	Sub-Index_C	Sub-Index_I	Sub-Index_S	Sub-Index_E	Overall Motivation index	Per capita Profitability
1	0.848373	0	0	0.481249	0.427365	0.19238	0.25189	500
2	1.084076	1.226722	0.711413	0.662947	0.574674	0.27844	0.93021	1137
3	1.084076	1.226722	0.711413	0.602381	0.327914	0.17203	0.86246	1461
4	0.235702	1.226722	1.243896	0.78408	0.547526	0.25435	0.99682	1600
5	1.084076	0.99102	1.243896	0.78408	0.536977	0.22337	0.97819	4000
6	1.084076	0.99102	0.532483	0.541815	0.470797	0.27844	0.77164	1080
7	0.848373	1.226722	0.890342	0.420682	0.351106	0.16962	0.85778	1200
8	0.895591	0.34641	0.890342	0.481249	0.490981	0.1717	0.58993	1080
9	0.895591	1.226722	0.890342	0.057285	0.324799	0.12476	0.78822	1667
10	1.084076	1.226722	1.243896	0.541815	0.557605	0.12476	1.00185	4200
11	0.188484	1.053517	0.711413	0.420682	0.19511	0.12394	0.66932	800
12	1.084076	0.817815	0.17893	0.360116	0.368256	0.18673	0.56485	625
13	1.084076	0.99102	0.711413	0.602381	0.566374	0.21772	0.82552	1180
14	1.084076	1.226722	0.711413	0.78408	0.528677	0.26581	0.94109	1630
15	0.895591	0.817815	0.532483	0.481249	0.509829	0.19247	0.67461	1500
16	0.659889	0.817815	1.243896	0.481249	0.498415	0.23483	0.82979	3500
S.D.	0.291826	0.35291	0.366333	0.183997	0.110793	0.052636	0.19766	

Source: Field Survey

Table 2: Sub-Indices of Motivation Items and Overall Motivation Index.

σ_x^2 implies the variance associated with the observed total scores.

Alpha coefficient value ranges from 0 to 1 and proves useful in describing the reliability of factors extracted from likert multi-point formatted questionnaires or scales (i.e., rating scale: 1=most unfavourable, 5=most favourable). Higher value of the score, indicates better reliability level. According to Nunnally, 0.7 can be considered as an acceptable reliability coefficient. However in specific cases lower thresholds are not uncommon in the literature. In the present case the value of alpha, based on seventeen motivation items, emerges as 0.706 which is indicative of reasonably good reliability of the instrument used for measuring motivation items. However alpha if some item is deleted, as depicted in Table 3, is also an important element in this context. It is representative of Cronbach's alpha reliability coefficient for internal consistency if some individual item is removed from the scale. Thus as shown in Table 3, if item (i), (iv), (xiii), (xiv) or (xv) were removed, the reliability of instrument used for measuring motivation factor would somewhat rise to values like 0.712, 0.707, 0.719, 0.726 and 0.734 respectively. Other variables are important as their omission decrease the value of the alpha coefficient.

Regression results

It may be noted that the performance of an enterprising firm can be measured by the profits that it earns during its functioning or by the value of per capita earnings from the enterprise. The simple correlation between per capita profit and overall motivation index for the surveyed entrepreneurs appear to be 0.588 which is significant at 1% level. It implies that higher the motivation index, higher is the involvement of the entrepreneurs in entrepreneurial operation and their increasing aggressiveness in reaping higher profit. In order to have a more clear understanding of the impact of motivation items at a disaggregated level, we consider all the six sub-indices of motivation and consider all of them as explanatory items together with entrepreneur's per capita profit profitability. At such disaggregated level, these variables are assumed to influence the variation in per capita profitability in a linear form of the regression model. The corresponding results are tabulated in Table 4. It is observed that the coefficient of sub-Index W has expected positive sign and is moderately significant at 15% level; while Sub-Index C is significant at 1% level with expected positive value of

Item no	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Cronbach's Alpha if Item Deleted
(i)	64.8125	49.896	0.712
(ii)	64.8750	44.783	0.682
(iii)	64.8750	43.050	0.663
(iv)	65.1250	47.317	0.707
(v)	65.2500	45.533	0.691
(vi)	65.2500	45.933	0.682
(vii)	65.0625	48.463	0.704
(viii)	65.4375	43.996	0.683
(ix)	65.4375	46.396	0.690
(x)	65.5000	40.000	0.656
(xi)	65.8750	39.983	0.657
(xii)	65.6250	41.450	0.666
(xiii)	65.1250	49.850	0.719
(xiv)	65.5000	46.933	0.726
(xv)	65.2500	51.533	0.734
(xvi)	65.7500	46.067	0.695
(xvii)	65.2500	43.533	0.686

Table 3: Item-total statistics.

its coefficient. Others appear to be insignificant. The Overall regression is observed to be more or less good fit as evident from the value of R^2 which is 0.736 and the F statistic being 4.185 which is significant at 3% level (Table 4).

Concluding Remarks

The study reveals that entrepreneurs in the concerned region are primarily mostly motivated by the desire to earn some income from this occupation in the absence of alternative job prospects or acquired skill, they are pressed by the responsibility of providing financial safety and security of the members in the family and pleasure of doing some independent work. Given the fact that income earning opportunity in a vastly populous developing country like India is relatively low, and hence people are greatly concerned about how to provide financial security of family members through independent work, this finding is in coherence with what might be expected in such condition.

The significance of sub-Index_W and sub-Index_C influencing

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-893.800	1107.347		-0.807	0.440
Sub-Index_W	1361.464	873.005	0.345	1.560	0.153
Sub-Index_A	-591.526	752.253	-0.181	-0.786	0.452
Sub-Index_C	2765.100	872.581	0.879	3.169	0.011
Sub-Index_I	734.624	1605.017	0.117	0.458	0.658
Sub-Index_S	708.517	3357.666	0.068	0.211	0.838
Sub-Index_E	-4509.707	6070.345	-0.206	-0.743	0.476
R ²	0.736				
F	4.185				0.027

Dependent variable: Per capita profit

Table 4: Results of linear regression.

profitability have multiple implications. As a composite of several individual items, this suggest that, larger personal income, safety and security motive, desire to do something new and desire to introduce novelty in work, have in a round-about way substantial influence in determining the profitability per capita for the entrepreneurs. Again Govt. in a developing country cannot ignore its responsibility in motivating young generation people to undertake entrepreneurial operation. For this purpose, Govt. should take active steps in organizing seminars, symposia, workshops in order to disseminate the urge for adopting entrepreneurship as a career and motivate more and more people to do something new apart from stereotyped white collared job. In allocating the budget, high priority should be given to attract unemployed youth to this option and this might at least partially solve the unemployment problem in India.

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