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**ENTREPRENEURIAL MOTIVATION AMONG FINAL YEAR
GRADUATION STUDENTS IN SURAT REGION**

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Abstract

This paper is paying attention on the learning of motivational factors among students who study in final year of graduation. The purpose of the research is to study socio demographic characteristics of students in requisites of inclination towards entrepreneurship and to examine the entrepreneurial motivational factors that can drive students to start off their own business. 210 questionnaires were distributed to final year students. Seven of them were excluded because they were unanswered appropriately. So, final sample is contain 203 students. SPSS statistical software is used to analyse the obtained data. The research is conducted according to 19 motivational items of entrepreneurs to setup their own business. Using factor analysis (principal components factor analysis with varimax rotation), there are seven factors identified which are affecting students' entrepreneurial motivation (Greater business achievement, Goal setting, problem solving, Economic consideration, Social approval and support, Independence, Risk taking). The result shows that students are having motivational traits to become an entrepreneur.

Keywords: *Entrepreneur, Entrepreneurial Motivation, Factor Analysis, etc.*

1. INTRODUCTION

An entrepreneur who is self-employed and who starts, organizes, manages, and assumes responsibility for a business, offers a personal challenge that many individuals prefer over being an employee working for someone else. Entrepreneurs accept the personal financial risks that go with owning a business but also benefit directly from the potential success of the business. Being an entrepreneur is often viewed as an aversive career choice where one is faced with everyday life and work situations that are fraught with increased uncertainty, impediments, failures, and frustrations associated with the process of new firm creation. Not surprisingly, many researchers have investigated the motivation to become self-employed.

2. LITERATURE REVIEW

Eleven studies have been reviewed and formulated in tabular form which enumerates major objectives and findings.

Sr. No	Title	Author Name	Year	Conclusion
1	Entrepreneurial motivation	Scott Shane, Edwin A. Locke, Christopher J. Collins	2003	This paper discusses the major causes to explore the motivational factors, it also identify the major weaknesses that have limited the analytical power of research on this topic.
2	The motivation to become an entrepreneur	Gerry Segal, Dan Borgia and Jerry Schoenfeld	2005	This paper presents a new model of entrepreneurial motivation. Results indicate that tolerance for risk, perceived

Sr. No	Title	Author Name	Year	Conclusion
				feasibility and net desirability significantly predicted self-employment intentions.
3	How Entrepreneurs' Personal Characteristics Affect SMEs' Growth	Karin Sirec, Dijana Močnik	2010	The paper evaluates differences in the personal characteristics of entrepreneurs and their impact on SMEs' growth. The concept of entrepreneurial individuals with distinctive uniqueness is essential to entrepreneurial theory, it has categorised entrepreneurs on psychological and non-psychological motivation factors.
4	Motivational and success factors of entrepreneurs: the evidence from a developing country	Ivan Stefanovic, Sloboda Prokic et al	2010	The findings indicate that there is a deficiency of motives linked with progress of business. On the other hand, there are many success factors affecting entrepreneurs, which depend on the situation in the local environment.
5	Study on student's motivation for entrepreneurship in Romania	Laura Brancu, Valentin Munteanu ,Delia Gligor	2012	The finding show that respondents, through its socio-demographic profile and level of education, presents a different entrepreneurship profile than the one registered at a national level.
6	Perception of Entrepreneurship as a Career by Students from Selected Public Secondary Schools in Nairobi	Elizabeth W. Kabui Jackson K. Maalu	2012	The study shows that greater part of students had a positive perception towards entrepreneurship as a career option. There are many factors that are seeming as hurdles like the fear of failure, lack of sufficient knowledge to start and run own business and the inadequate funds to start business.
7	Students' Willingness to Become an Entrepreneur: A Survey of Non-Business Students of President University	Suresh Kumar, Agata Trevelin Vifenda, Maria Brigitta, Valerie	2013	The result of this research shows the strong relation between individual desire and education to students' willingness to become an entrepreneur. The next factor after individual desire and education, is family background, it is having a little impact to their willingness to become an entrepreneur.
8	A Study on the Entrepreneurial Intention among Student	Dr. Nanu Lunavath	2015	This paper focuses on student's intention to become an entrepreneur. The findings reveals that the entrepreneurial self-confidence of the student and the perception on entrepreneurial intention in India continue to face limitation in terms of societal pressures and self-confidence constraints.
9	Determining Entrepreneurial Motivation of Undergraduate Students in Ethiopian Higher Learning Institutions: A	Robson Mekonin	2015	The finding of this study shows that most of the students have determined to track the practice of their family to start their own business after their graduation. Apart from it, some students from non-business owned family are less interested in having

Sr. No	Title	Author Name	Year	Conclusion
	Case of Haramaya University			their own business and preferred to do job in company like their family.
10	Entrepreneurial motivation and Challenges: A Study on Women Entrepreneurs in Sylhet City	Fathema Farjana Hani	2015	The study indicates that majority respondents are self-motivated to be entrepreneurs. The reasons to start business consist of- to be self-dependent, extra income for the family, to run the family business, for economic freedom, etc. The study also shows that the women entrepreneurs in Sylhet city are getting the support of family members, and they can manage start-up capital.
11	A Study on Entrepreneurial Motivation and Challenges faced by Women Entrepreneurs in Thanjavur District	C. Rathna, V. Badrinath and S. C. Siva Sundaram Anushan	2016	The result reveals that improper market conditions and the strict legal and regulatory conditions have been more difficult than the other problems. Apart from that the women entrepreneurs facing problems like lack of information and unevenness between personal and professional life.

3. OBJECTIVES OF THE STUDY

- To study socio demographic characteristics of students in terms of propensity towards entrepreneurship.
- To determine motivational factors of entrepreneurs in Surat region.
- To determine the item that is the most important for entrepreneurial motivation that can drive students to start up their own business.

4. SURVEY AND METHODOLOGY

4.1 Research Design: The study follows Exploratory as well as Descriptive research design. The study describes the factors that motivate students to become entrepreneurs.

4.2 Sample Unit: The sample unit is students studying in final year from different branches in Surat city.

4.3 Sample Size: 210 questionnaires is distributed to final year students. Seven of them is excluded because they are not answered in appropriate manner. So, final sample contained 203 students.

4.4 Data Collection Tool: A structured questionnaire was used to survey the respondents. The questionnaire is pretested on 30 students in Surat. It was again modified by eliminating irrelevant questions and inclusion of relevant ones based on the pre-testing.

4.6 Statistical Analysis: The collected data was analysed using descriptive analysis and factor analysis.

5. RESULTS AND DISCUSSION

Demographics of Respondents Since perceptions are shaped by people's interactions with the world, the study captured demographic characteristics of respondents in a bid to elicit environmental factors

and their influence on students' perception towards entrepreneurship. Table 1 presents the student's socio-cultural characteristics.

Table 1: The sample characteristics according to the socio-cultural variables of students

Demographic Variables		Frequency	Percentage	Mean	Std. Deviation
Gender	Male	148	72.9	1.2709	0.44554
	Female	55	27.1		
Religion	Hindu	175	55	1.1970	0.55454
	Muslim	18	8.9		
	Jain	9	4.4		
	Other	1	.5		
Field of Study	Humanities (Arts)	2	1.0	3.5172	1.18299
	Commerce	56	27.6		
	Management	34	16.7		
	Engineering & Technology	57	28.1		
	Science	54	26.6		
Parents own a business	Yes	101	49.8	1.5025	0.50123
	No	102	50.2		
Parent's education	Post Graduation	9	4.4	3.0000	1.08546
	Graduation	67	33.0		
	Completed grade 12	66	32.5		
	High school	38	18.7		
	Primary school	22	10.8		
	No schooling	1	0.5		
Given pocket money while at school	Yes	131	64.5	1.3547	0.47960
	No	72	35.5		
Have a job while studying at the university	Yes	69	34.0	1.6650	0.48350
	No	133	65.5		
	No	33	16.3		
Parent's monthly income	Below Rs.20,000	27	13.3	2.9852	1.32560
	Rs.20,000-Rs.40,000	50	24.6		
	Rs.40,000-Rs.60,000	62	30.5		
	Rs.60,000-Rs.80,000	38	18.7		
	Rs.80,000-Rs.1,00,000	15	7.4		
	Above Rs.1,00,000	11	5.4		

Source: Compiled from primary data.

Table 2 Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.625	.618	19

Source: Compiled from primary data

The reliability of the survey instrument was satisfactory since the Cronbach's Alpha is 0.625. Five point Likert scale was used to measure motivation variables: 1 was "Strongly Agree", 2 was "Agree", 3 was "Neutral", 4 was "Disagree" and 5 was "Strongly Disagree". A lower mean value on a variable indicates greater importance.

Factor analysis was used to determine whether motivation variables group together on significant factors. Keiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of Sphericity were used for test to establish the justification of implementation of factor analysis. Principal component analysis, scree plot, and component matrix were used to establish factors. Then principal component analysis extraction method with a varimax with Kaiser Normalization rotation method was used to determine the factor loading and communalities.

The questionnaire for motivation among students contained 19 statements for deciding to own a business. The respondents were using five-point Likert scale to give their opinion for each statement. The mean and standard deviation of each statement are presented in Table 3.

Table 3: Mean Score and standard deviation for entrepreneurial motivation among students in Surat

	Mean	Std. Deviation
1. I begin my day with a list of things to be done.	2.34	0.947
2. I derive satisfaction after facing a challenge.	2.25	0.975
3. I prepare a plan before actually working on a project.	2.21	0.957
4. I have plan for ten years.	2.45	1.081
5. I revise my goals in viewing of changing business environment.	2.28	0.924
6. I am not good at tackling with several problems at a time.	2.42	0.915
7. I take decisions even if I am not sure of outcome.	2.34	0.937
8. If I have to work in new situation, I sort out the requirements of the new situation.	2.18	0.879
9. I keep my income into consideration.	2.20	0.951
10. In case of the need of the situation, I know I could find some alternative source of income.	2.07	0.884
11. Job loss frightens me.	2.28	0.978
12. I have a strong desire for social interaction.	1.99	0.720
13. I do not depend on others for directions.	2.00	0.870
14. I like to work with others.	1.85	0.683
15. I like to be my own boss.	1.92	0.858
16. I do not feel completely comfortable with myself at all times.	2.31	1.014
17. As and when I face with a problem, I always try to find a new solution to overcome it.	1.85	0.661
18. I remain stick to my approach even while doing something right for the first time.	1.94	0.704
19. While dealing with a problem, I tend to get struck.	2.13	0.882

Source: Compiled from primary data.

It was found that the most important variable contributing to motivation among student is "I like to work with others." and "As and when I face with a problem, I always try to find a new solution to overcome it". This finding is expected because this are the basic traits require to become an entrepreneur. "I like to be my own boss" is on the second place. Third, Fourth and Fifth places are "I remain stick to my approach even while doing something right for the first time", "I have a strong desire for social interaction" and "I do not depend on others for directions". It is very interesting that variable "I have plan for ten years" is on the last place of variables affecting student's motivation.

Table: 4 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.629
Bartlett's Test of Sphericity	Approx. Chi-Square	527.021
	Df	171
	Sig.	.000

Source: Compiled from primary data.

Keiser-Meyer-Olkin measure of sampling adequacy was 0.629 and Bartlett's test of Sphericity was significant at 0.000. As shown in table 3, a factor analysis led to seven factors, which explain 59.07 percent of cumulative variance. These factors are interpreted as follows: greater business achievement, goal setting, problem solving, economic consideration, social approval and support, independence and risk taking.

Table 5: Principal component factor analysis (varimax rotation), factor loading and communalities for entrepreneurial motivation variables

Rotated Component Matrix ^a								
Motivation Variables	Component							Communalities
	1	2	3	4	5	6	7	
11. Job loss frightens me.	.745							.575
16. I do not feel completely comfortable with myself at all times.	.624							.562
19. While dealing with a problem, I tend to get struck.	.511							.707
5. I revise my goals in viewing of changing business environment.	-.502							.690
6. I am not good at tackling with several problems at a time.	.500							.488
1. I begin my day with a list of things to be done.		.750						.612
4. I have plan for ten years.		.641						.545
3. I prepare a plan before actually working on a project.		.629						.560
17. As and when I face with a problem, I always try to find a new solution to overcome it.			.742					.614
18. I remain stick to my approach even while doing something right for the first time.			.684					.526
8. If I have to work in new situation, I sort out the requirements of the new situation.				.809				.720
9. I keep my income into consideration.				.740				.680
10. In case of the need of the situation, I know I could find some alternative source of income.					.681			.578
12. I have a strong desire for social interaction.					.625			.571
15. I like to be my own boss.					.553			.452
13. I do not depend on others for directions.						.778		.693

14. I like to work with others.						.641		.554
2. I derive satisfaction after facing a challenge.							-.673	.513
7. I take decisions even if I am not sure of outcome.							.669	.584
Variance	1.974	1.818	1.587	1.566	1.536	1.445	1.300	
Percentage of variance	10.387	9.571	8.350	8.241	8.083	7.604	6.843	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. a. Rotation converged in 14 iterations.								

Source: Compiled from primary data.

The first factor is called “Greater business achievement”. It explains 10.38 percent of variance and contains variables: 11, 16, 19, 5 and 6. This imply that students believe that they can achieve that more by doing alone then doing for someone else.

“Goal setting” is the second factor. It includes variables: 1, 4 and 3. This factor accounts for 9.57 percentage of variance. Setting goals is an integral part of choosing the business that's right for an entrepreneur. Goals are powerful contributors to successful business growth in several ways.

Factor three can be referred to as “Problem solving” and includes variables: 17 and 18. It accounts for 8.35 percentage of cumulative variance. Problem solving is a basic factor required for becoming a successful entrepreneur is all about. Business skill is needed to convert critical problems into business opportunities.

The fourth factor can be called “Economic consideration”. It consists of success variables: 8 and 9. This factor explains 8.24 percentage of variance. Economic environment exercises the most direct and immediate influence on entrepreneurship. This is likely because people become entrepreneurs due to necessity when there are no other jobs or because of opportunity.

The fifth factor, “Social approval and support”, contains variables: 10, 12 and 15. It explains 8.08 percentage of cumulative variance. In order to manage a successful business, students need to be approved by the people they care, but also by the environment in which they operate.

“Independence” is the sixth factor. It accounts for 7.60 percentage of variance and includes variables: 13 and 14. Independence entails taking the responsibility to use one’s own judgment as opposed to blindly following the assertions of others. It also involves taking responsibility for one’s own life rather than living off the efforts of others.

Finally, factor seven is called “Risk taking” and includes variables: 2 and 7. It explains 6.84 percent of cumulative variance. Entrepreneurs are associated with risk and risk taking. One of the most important factors in the entrepreneur’s success is their risk taking.

6. CONCLUSION

According to this study, entrepreneurial motivation of undergraduate students was analysed by different socio-cultural determinants. In addition to this, the target of the study was assessing parameters determining of undergraduate students towards entrepreneurial motivation of various departments with different qualification at Surat region. To be an entrepreneur were not limited to specific field of study or disciplines. Thus the researcher indicated that, it is equally important to all qualifications or degrees regardless of being from humanities, science, commerce or management background. The objective is supported in the part concerning motivational factors. Seven motivational factors resulted from this

research: greater business achievement, goal setting, problem solving, economic condition, social approval and support, independence and risk taking.

The other objective is supported by the results obtained. It was found that the most important reason for deciding to own a business is “I like to work with others.”, “As and when I face with a problem, I always try to find a new solution to overcome it” and “I like to be my own boss”.

7. IMPLICATIONS

These results present new insights into the factors determining the process of entrepreneurship in developing country like India. In this way, this research represents contribution to a small amount of empirical research on this topic in development of Surat city. This research can bridge the gap that exists between contemporary theory of entrepreneurship and business organizations , on one side and poor practice in developing countries on another side. Understanding motivational factors can be helpful for entrepreneurs and their businesses because it could affect to increase the percentage of successful business.

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