

ENTREPRENEURIAL MOTIVATION IN SSI OF DHARWAD DISTRICT

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Abstract:

The role of entrepreneurs in the process of economic development and industrialization has been recognized in developed as well as in developing countries. Small-scale industries have played an important role in the economic structure of the state. Importance is given to entrepreneurship development in small-scale industries because this is the breeding ground for new entrepreneurship. The main purpose of this study is Entrepreneurial Motivation in SSI of Dharwad District. Hence, this study aims at focusing on a few relevant questions such as, the Industrial areas, Entrepreneur among Family or Friends, Motivational factors for entrepreneurship and other motivational entrepreneurship in particular to understand the field of entrepreneurship development in small-scale industries in the district. The study of entrepreneurship and industrial development in small units is of great significance to new entrepreneurs to the District Planners.

Key word: Entrepreneurship Development, Motivation, Small-Scale Industries, Dharwad District

Introduction:

The concept and theory of entrepreneurship were evolved over more than two centuries. This concept was shady in the classical economic theory. In the recent years only Self-Employment and the role of entrepreneurs in the process of economic development and industrialization has been recognized in developed as well as in developing countries. The Entrepreneurship is complex phenomenon based on various factors such as social, physiological and cultural and personal skill. Small-scale industries have played an important role in the economic structure of the state. There is a rapid growth of small-scale industries. Importance is given to entrepreneurship development in small-scale industries because this is the breeding ground for new entrepreneurship.

Dharwad is the administrative seat of the district of the same name. KREIS North Unit of National Projects Construction Corporation has its headquarters here. Karnataka High Court circuit Bench is also based here. Dharwad district is situated in the Western sector of the northern half of Karnataka State. The District encompasses an area of 4263 km lying between the latitudinal parallels of 15°02' and 15°51' north and longitudes of 73°43' and 75°35' east. The district is bounded on the North by the District of Belgaum, on the East by the district of Gadag, on the South Haveri and on the West by Uttara Kannada district. All these districts, which surround Dharwad district, belong to Karnataka State itself.

The District consists of 35,235 hectares forest cover with any significant produce worth mentioning. Dharwad District is an administrative district of the state of Karnataka. Dharwad is the cultural headquarters of North Karnataka. The Dy. Commissioner is head of district and assisted by two Asst. Commissioners, 5 Tahsildars pertaining to 5 Talukas. Dharwad comes under the administrative control of Belgaum division.

Geographical Features:

(A) Geographical Data i) Latitude 2011 Max/Min 15°51'00" 15°02'00" ii) Longitude 2011 Max/Min 73°43'00" 75°45'00" iii) Geographical Area 2011 Hectares 4,26,300 .

(B) Administrative Units - 4 i) Sub divisions 2011 Nos. 2 ii) Tehsils 2011 Nos. 5 iii) Sub-Tehsil 2011 Nos. 8 iv) Patwar Circle 2011 Nos. 199 v) Nagar nigam 2011 Nos. 5 vi) Nagar Palika 2011 Nos. 1 vii) Gram Panchayats 2011 Nos. 127 viii) Revenue villages 2011 Nos. 379 ix) Assembly Area 2011 Nos. 5. 2. Population (i) Male Nos. 9,39,127 ii) Female Nos. 9,07,866 .

Existing status of industrial areas in the Dharwad District: 1 Belur Indl. area , 2 Rayapur Indl. area , 3 Tarial Indl. area , 4 Lakkamanahalli Indl. area, 5 Sattur Indl. area , 6 Gamanagatti Indl. area.

Registered Industrial Unit No. 924. Total Industrial Unit No.18,877. Registered Medium & Large Unit No. 124.

Estimated Avg. No. of daily worker employed in Small Scale Industries No. 98,124 5. Employment in Large and Medium Industries No. 7,864 6.

Review of Literature:

This paper has reviewed a number of research studies, books and journals, which have a bearing on the present study in one way or the other. The existing literature can be categories as per the year.

McClelland (1969), Affholder & Box (2004). Literature Review from the year (1978-87) P. Babu (1978): The study was an attempt to find out the sociological factors that contribute to the development of small entrepreneurs. The study showed that community and family background contributed to the success of prospective entrepreneurs, formal education has not been a positive factor in entrepreneurship development, providing infrastructure facilities alone will not promote entrepreneurship development and the Association of Small Scale Industries has to play an important role in identification and development of entrepreneurs, a strong policy to support the entrepreneurs is called upon, as the economy demands the growth of women entrepreneurs, the education and other factors like the background for entrepreneurship is no a criterion for entrepreneurial growth risk in.

Anil K. Lal and Ronald W. Clemen (2005) - The Indian economy provides a revealing contrast between how individuals react under a government-controlled environment and how they respond to a market-based environment. Evidence suggests that recent market reforms that encouraged individual enterprise have led to higher economic growth in that country. India can generate additional economic growth by fostering entrepreneurial activity within its borders. To pursue further the entrepreneurial approach to economic growth, India must now provide opportunities for education directed specifically at entrepreneurial skills, financing of entrepreneurial efforts, and networking among potential entrepreneurs and their experienced counterparts. Further, although the Indian government should establish policies supportive of entrepreneurial efforts, its role overall should be minimized so that the influence of the free market and individual self-interest can be fully realized.

Sultan Rehman Sherief (2008) - This study has attempted to set out the key issues related to entrepreneurship in the context of its relationship with rural development. The analysis is then broadened to understand the determinants of rural entrepreneurship and the environment conducive to its development. Consequently, the policies that are necessary to make this environment favorable have been discussed in detail. The generic constraints that are faced by rural enterprises have been listed out. The conclusion is that to accelerate economic development in rural areas, it is necessary to promote entrepreneurship. Entrepreneurial orientation in rural areas is based on stimulating local entrepreneurial talent and subsequent growth of indigenous companies. This in turn would create jobs and add economic value to a region, and at the same time it will keep scarce resources within the community.

K. Lavanya Latha, C. Madhavaiah and Murthy (2008) - In a developing country like India; Small Scale Entrepreneurship plays a significant role in economic development of the country. These industries, by and large represent a stage in economic transition from traditional to modern technology after globalization. The variation in transitional nature of this process is reflected in the diversity of these industries. Most of the small-scale industries use simple skills and machinery. Besides playing economic role in the country, small-scale industries, because of their unique economic and organizational characteristics, also play social and political role in local employment creation, balanced resource utilization, income generation and in helping to promote change in a gradual and peaceful manner. The study of entrepreneurship is essential not only to solve the problem of industrial development but also to solve the problems of unemployment, unbalanced areas development, concentration of economic power and diversion of profits from traditional avenues of investment. In this backdrop, the study attempts to get insights to review, in brief, the evolution of the concept of entrepreneurship, the definition of small-scale enterprises and also to study the small scale entrepreneurship in India.

T. Swetha and K. Venugopal Rao (2013) – Entrepreneurship introduces a critical element of dynamism into an economic system. The process of globalization & liberalization has introduced a set of changes like the

introduction of dynamism into the system through the process of globalization. The Aim of the article is to elucidate the history of entrepreneurship, its development stages, it also discussed about eminent entrepreneurs from Indian history to present Era. The data has been collected from secondary source. Further, this study depicts the role of women entrepreneurship in India. Since time in memorial women are contributing a great deal to the development of any nation across the world. It goes without saying that Indian women entrepreneurs have significantly contributed to the industrial development of India. Apart from giving good citizens to the nation, women have also given good organizations to the nation.

Objective of Study

- To motivate the entrepreneurial instinct in SSI of Dharwad district.
- To develop and strengthen entrepreneurial qualities and motivation in SSI

Data Collection:

The primary data was collected from small-scale industries owners/entrepreneurs in and around Dharwad district. A questionnaire was designed and distributed to entrepreneurs. Interviews were conducted with respondents randomly. Personal interviews Interviews were conducted from 2008 –2017, approximately 200 face-to-face interviews with the entrepreneurs in an attempt to ascertain “What are the Industrial areas? Who is Entrepreneur among Family or Friends? Motivational factors for entrepreneurship?” were carried out. Each interview lasted for 20 minutes.

Questionnaire:

The primary data was collected from small-scale industries entrepreneurs in and around Dharwad district. Demographics reported gender, type of business and location of the business. Secondary sources include data from the report on census of 2010/2011 provided information on the nature of small businesses in Dharwad district. The databases searched were based on level appropriateness to the topics reviewed.

Data Analysis on Entrepreneurial Motivation in SSI of Dharwad District:

The following data is analysed on entrepreneurial motivation in SSI of Dharwad District. They are:

1) Industrial-wise respondents:

Table No.1: Industrial-wise respondents

Sl.No.	Industrial Areas	Frequency	Percentage
1	Belur	54	27
2	Rayapur	47	23.5
3	Tarial	36	18

4	Lakkamanhalli	32	16
5	Sattur	31	15.5
	Total	200	100

(Sources: Annual survey of Industrial Area of Dharwad district)

Note:

Table 1 show that Industrial Areas of Dharwad District are Belur, Rayapur, Tarial, Lakkamanhalli, Sattur. In this study, collect 200 entrepreneurs in industrial areas of Dharwad District out of which 54 in Belur, 47 in Rayapur 36 in Tarial, 32 in Lakkamanhalli, 31 in Sattur. Maximum percentage of respondent in Belur Industrial Area in Dharwad district..

2) Gender-wise Respondents:

Table No.2: Gender-wise Respondents

Sl.No.	Gender	Frequency	Percentage
1	Male	184	92
2	Female	16	8
	Total	200	100

(Sources: Annual survey of Industrial Area of Dharwad district)

Note:

Table 2 show that Gender-wise Respondents. In this study, collect 200 entrepreneurs in industrial areas of Dharwad District out of which 184 male and 16 female. So maximum percentage of male entrepreneur in Dharwad district.

3) Respondents with Entrepreneur Among Family or Friends:

Table No.3 Respondents with Entrepreneur among Family or Friends

Sl.No.	Background	Frequency	Percentage
1	My father is an entrepreneur	174	87
2	My mother is an entrepreneur	12	6
3	My sister or brother is an entrepreneur	7	3.5
4	My spouse/ boyfriend/ girlfriend is an entrepreneur	4	2
5	I have entrepreneur's among my close friends	3	1.5
	Total	200	100

(Sources: Annual survey of Industrial Area of Dharwad district)

Note:

Table 3 show that Respondents with Entrepreneur among Family or Friends. In this study, collect 200 entrepreneurs in industrial areas of Dharwad District out of which 174 father is an entrepreneur, 12 mother is an entrepreneur, 7 sister or brother is an entrepreneur, 4 spouse is an entrepreneur and close friends father. So maximum percentage of father is a entrepreneur in Dharwad district.

4) Motivational factors for Entrepreneurship:

Table No.4 Motivational factors for entrepreneurship

Sl.No.	Motivational factors	Frequency	Percentage
1	Result based Income	86	43
2	Achieving an appropriate goal in life	59	29.5
3	Opportunity to meet interesting people	34	17
4	Liberty in determining one's own boss	15	7.5
5	General appreciation of entrepreneurship	6	3
	Total	200	100

(Sources: Annual survey of Industrial Area of Dharwad district)

Note:

Table 4 show that Motivational factors for entrepreneurship. In this study, collect 200 entrepreneurs in industrial areas of Dharwad District out of which Result based Income is 86, Achieving an appropriate goal in life is 59, Opportunity to meet interesting people is 34, Liberty in determining one's own boss is 15 and General appreciation of entrepreneurship is 6. So maximum percentage of Result based Income is a entrepreneur in Dharwad district.

5) Other Motivational factors for entrepreneurship:

Table No.5 Other Motivational factors for entrepreneurship

Sl.No.	Other Motivational factors	Frequency	Percentage
1	Economic factors	128	64
2	Financial factors	56	28
3	Social factors	16	8
	Total	200	100

(Sources: Annual survey of Industrial Area of Dharwad district)

Table 5 show that Other Motivational factors for entrepreneurship. In this study, collect 200 entrepreneurs in industrial areas of Dharwad District out of which Economic factors is 128, Financial factors is 56, Social factors 16. So maximum percentage of economic factor is an entrepreneur in Dharwad district.

Discussion of the Findings:

Respondents were discussing on gender, background, motivational factors and location of the SSI. Their responses were summarized in (table 2) below; Table2: Demographics reported gender. Description %

Gender Male 92% Female 8%. Small Scale Industries area Belur 54, Rayapur 47, Tarial 36, Lakkamanhalli 32 and Sattur 31. The findings indicated that the majority respondents constituting 92% (N=184) were male while female respondents contributed only 8% (N=16).

Hypothesis:

Accordingly, the null hypothesis H1 is accepted. Respondents were asked whether entrepreneurial motivation in SSI. Their responses are shown in (table 4) below; Table 4: Motivational factor of entrepreneurship .Source: Primary Data 2008-2017: From table 4 above, 59% (N=118) of the respondents agreed that entrepreneurial motivation; 20% (N=34) strongly agreed; 17% (N=40) disagreed and 4% (N=8) strongly disagreed.

Accordingly, the null hypothesis H2 is accepted. Respondents were asked whether entrepreneurial motivation in SSI. Their responses are shown in (table 4) below; Table 4: Motivational factor of entrepreneurship. Source: Primary Data 2008-2017: From table 4 above, 22% (N=44) of the respondents agreed that entrepreneurial motivation; 65% (N=130) strongly agreed; 8% (N=16) disagreed and 5% (N=10) strongly disagreed.

Conclusion and Recommendations:

Entrepreneurship is imperative for small Scale Industries area (Belur, Rayapur, Tarial, Lakkamanhalli and Sattur). There is no doubt that Small Scale Industries contribute tremendously to Dharward district development. This implies failure to create an entrepreneurial environment may mean an economic penalty. Evidence from this paper suggests that increasing entrepreneurial motivation creates the majority of the SSI startups. It can be concluded that entrepreneurial motivation in SSI of Dharward District.

From the findings the following recommendations were made: • Small Sale Industry development through support and advice are important; and • Create an enabling SSI environment.

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