

Personality Attributes of Self Employed and Managers: An Empirical Study

*Dr. Navita Nathani

**Dr. Garima Mathur

***Dr. Ravindra Pathak

Prestige Institute of Management, Gwalior (M.P.) India

I. INTRODUCTION

Recent level of research in entrepreneurs mainly focuses on external or internal environment forces. But now days it is required to understand the personal attributes as well. It is often say that the person cannot win who do not play. To play, people's willingness is a key to success and human motivation influences these decisions.

People with a high need for achievement seek to excel and thus tend to avoid both low-risk and high-risk situations. Achievers avoid low-risk situations because the easily attained success is not a genuine achievement. In high-risk projects, achievers see the outcome as one of chance rather than one's own effort. High individuals prefer work that has a moderate probability of success, ideally a 50% chance. Achievers need regular feedback in order to monitor the progress of their achievements. They prefer either to work alone or with other high achievers.

II. VARIABLES OF THE STUDY

- (a) **Achievement Motivation:** Motivation is a kind of internal energy, which drives a person to do something in order to achieve something. It is a temporal or dynamic state within a person, which is not, concerned with his/her personality. There are different types of motivation such as achievement motivation, affiliation motivation, competence motivation, power motivation, and attitude motivation.

Motivation is based on three specific aspects such as the arousal of behavior, the direction of behavior, and persistence of behavior. Arousal of behavior involves what activates human behavior and direction of behavior is concerned with what directs behavior towards a specific goal. Persistence of behavior is concerned with how the behavior is sustained.

- (b) **Risk taking propensity:** It can be defined as a tendency to take or avoid risk. it is a relatively stable characteristic but can be modified through experience. Although it is viewed as an individual characteristic, the positive association between risk propensity and risky decision-making by individuals is expected to translate to organizations through top management teams (Panzano and Billings 2005). Risk perception is perceived degree of risk inherent in a certain situation.

Risk taking is defined as one of the three dimensions of entrepreneurial orientation of a company and refers to the willingness of the management commit significant resources to opportunities that might be uncertain (Junehed and Davidsson 1998). Risk taking depends on risk propensity and risk perception. The higher the risk propensity and the lower risk perception, the more likely it is that risky decisions will be made. Hostile environments are most international markets in comparison to the domestic one; speak in favor of using the entrepreneurial strategy (involving higher risk-taking willingness). Therefore, risk-taking initiatives should be more necessary in order to achieve good results in hostile markets. Or, in other words managers who dare to take more risks take actions that are more suitable and perform better.

Abby and Salter (1989) found that management which has an international vision, favorable perception and attitudes toward exports, is willing to take risk and has the capacity to engage positively in export activities is likely to lead a company to export success.

In order to reduce risks, managers need to know which variables influence their export performance. If they have a higher risk-taking propensity, they positively affect export performance.

Risk taking propensities of entrepreneurs of new ventures were objectively obtained using the KoganWallach choice dilemmas questionnaire and were compared to those managers and to normative data developed for the measurement instrument. The findings suggest that risk-taking propensity may not be distinguishing characteristic of entrepreneurs. They refute assumptions based on research that has been subjective and no comparative and that used established entrepreneurs.

III. OBJECTIVES AND METHODOLOGY FOR THE STUDY

(a) Objectives

- (i) To develop and standardize a measure for analyzing achievement motivation and risk taking propensity.
- (ii) To check the reliability of Questionnaires.
- (iii) To analyze the underlying factors of Questionnaires.
- (iv) To compare the achievement motivation and risk taking propensity of Entrepreneur and Managers.
- (v) To analysis the impact of achievement motivation on risk taking propensity.
- (vi) To open new vistas for further research.

- (b) **Research Methodology:** The study was exploratory in nature. The total population of the study was entrepreneur and managers of Gwalior region. The sample size was 100 which included 50 entrepreneur and 50 managers. Individual respondents were the sampling elements. Purposive (non-probability) sampling technique was used to select the sample for the study. Self-designed Questionnaire was used for taking the responses of the entrepreneurs and managers.

(c) **Tools Used For Data Analysis**

- (i) Item to total Correlation was applied for checking the internal consistency.
- (ii) Cron batch alpha was applied for checking the reliability of the Questionnaires.
- (iii) Factor analysis was applied for analyzing the underlying factors.
- (iv) Z-Test was applied for finding the significance difference between both the variables i.e. achievement motivation and risk taking propensity.
- (v) To develop the relationship between achievement motivation and risk taking propensity regression test was applied.

IV. RESULT & ANALYSIS

(a) Item to Total Correlation: Consistency of all the factors in the questionnaires was checked through item to total correlation. Under this co-relation every item with total is measured and the computed value is compared with cut off value (0.193). If the computed value was found less, then whole factor/statement was dropped and termed as inconsistent.

In all 12 items were dropped from the achievement motivation questionnaire and 4 items were dropped from the questionnaire of risk taking propensity as their value was less than the cutoff value (Table 1 & 2).

(b) Reliability tests: For checking the reliability of questionnaire

Cronbach Alpha method was applied in both the questionnaires. The reliability value for Achievement Motivation through Cronbach Alpha is equal to 0.811 and the reliability value for Risk Taking Propensity through Cronbach Alpha is 0.886. So the questionnaires were found highly reliable (Table 3 & 4).

(c) **Factor Analysis:** Factor Analysis using principal component

Varimax rotation Kiser normalization was applied on the raw scores of 100 items to find out the factors that contribute towards “**Achievement Motivation of Entrepreneurs and Managers**”. After factor analysis factor were identified:

(d) **Factors of Achievement Motivation:**

- (i) **Vigorous:** This factor has emerged as the most important determinant of research with a total variance of 4.749. Major element consisting this factor include unruffled (0.877), enthusiastic (0.820), boorish (0.669), Daring (0.549), Intelligence (.526). During this research we found that being vigorous plays an important role in achievement motivation of entrepreneurs and managers.
- (ii) **Influence:** This factor has emerged as the most important determinant of research with a total variance of 1.701. Major items consisting this factors are influence of Dominance (0.796), Target-Oriented (0.745), Concern (.623), Managing (0.463). We found that during this research influence plays a vital role.
- (iii) **Contestant:** This factor has emerged as one of the most important factor of research with total variance of 1.471. Major items consisting these factors are influence of Headship (0.719), Leadership (0.520), and Tolerance (0.509). During the research we found that contestant is very important for achievement motivation.
- (iv) **Valiant:** This factor has emerged as one of the most important factor of research with total variance of 1.277. Major items consisting these factors are influence of Achievement (0.902), Venturesome (0.653). During this research we found that valiant is very important for achievement motivation.
- (v) **Engross:** This factor has emerged as one of the most important factor of research with total variance of 1.208. A major item consisting this factor is influence of Hard work (0.924). We found that engrossment is an essential for this research.
- (vi) **Tranquil:** This factor has emerged as one of the most important factor of research with total variance of 1.007. A major item consisting this factor is influence of Hassle free (0.837). So it can be said that tranquility of entrepreneurs and managers plays an important role in their achievement motivation.

(e) **Factors of Risk Taking Propensity**

- (i) **Imperial:** This factor has emerged as the most important determinant of research with a total variance of 7.868. Major elements consisting this factor include Risk Taking (0.840), Loner in Decisions (0.837), Opportunist (0.797), Security (0.768), Adventures (0.759), Scrutinize (0.756), Careless (0.754), Exploratory (0.737), Self-confident (0.734), arrogant (0.659), Time Management (0.623), Risk Taking (0.527), Innovative (0.505). During the research we found that imperialness plays the most important role in risk taking propensity of entrepreneurs and managers.
- (ii) **Conviction:** This factor has emerged as an important factor with total variance of 1.926. Major items consisting this factor are influence of Confident (0.798), Risk Taking (0.746), and

Boredom (0.745). We found it during my research that while risk taking propensity it plays an important role for entrepreneurs and managers.

- (iii) **Fidelity:** This factor has emerged as an important factor with total variance of 1.829. Major items which are include in that factor are Dedication (0.757), Ambitious (0.560). We found that ambitious manager or entrepreneur has more risk taking propensity.
- (iv) **Outcome:** This factor is one of the most important factors with total variance of 1.304. A major item consist this factor is Result-oriented (0.775). So it can be said that result oriented manager or entrepreneur have more risk taking propensity.
- (v) **Firmness:** This factor is one of the most important factors with 1.171 of total variance. A major item which consist the factor is Independent Decision (0.649). So it can be said that the manager or entrepreneur who is independent in their decision have more risk taking propensity.
- (vi) **Z-TEST:** Z-test was applied to see whether there is significant difference between the achievement motivation and risk taking propensity of entrepreneurs and managers. If value of Z is less than standard value, (1.96) at 5% level of significance, the null hypothesis is accepted. $Z < 1.96$, H_0 is accepted.

Table 1 : values of mean and S.D.

	Achievement Motivation		Risk Taking Propensity	
	Entrepreneurs	Managers	Entrepreneurs	Managers
Mean	7.8	10.07	9.20	16.22
S.D.	62.56	63	81.36	80.54

Ho1: There is no significant difference between achievement motivation of entrepreneurs and managers.

Ho2: There is no significant difference between risk taking propensity of entrepreneurs and managers.

Table 2: Z Value

	Achievement Motivation	Risk Taking Propensity
SE	1.801	2.637
Z	0.2443	0.31095

(Table 5). The beta value (0.592) indicates significant positive relationship between achievement motivation and risk taking propensity. Results of the regression clearly show that risk taking propensity of entrepreneurs affects their achievement motivation.

Ho4: There is no effect of risk taking propensity on achievement motivation of managers.

Achievement Motivation = $52.965 + 0.272$ (Risk taking propensity)

ANOVA table summary indicates that the value of F (0.3832) is significant at 0.056 level of significance and the F value is significant almost at 5% level of significance ($t = 1.958$) significant at 0.056 (Table 6). The beta value (0.272) indicates significant positive relationship between achievement motivation and risk taking propensity. Results of the regression clearly show that risk taking propensity of the manager affects their achievement motivation too but the degree is less as compared to the entrepreneurs.

Ho5: There is no overall impact of risk taking propensity on achievement motivation.

Achievement Motivation = $47.446 + 0.365$ (Risk taking propensity)

ANOVA table summary indicates that the value of F (15.036) is significant at 0% level of significance and the F value is significant at 5% level of significance ($t = 3.878$) significant at 0% (Table 7). The beta value (0.365) indicates significant positive relationship between achievement motivation and risk taking propensity. Results of the regression clearly show that risk taking propensity affects achievement motivation.

Implications of the Study: This study is a useful contribution towards the managers to evaluate the achievement motivation and risk taking propensity which would help them to increase their efficiency. It is also helpful for the entrepreneurs to find out factors affecting achievement motivation and risk taking propensity and guide them towards increase in efficiency and profitability. The study will also be helpful in taking innovative decisions.

This study is also a useful contribution for the students to evaluate the achievement motivation and risk taking propensity of entrepreneurs and managers. Further the students can also use the questionnaires for related research work and references of the study can also be helpful for the students in their research.

Suggestions: The study was basically done to evaluate the impact of achievement motivation on risk taking propensity of entrepreneurs and managers. The study was conducted through filling of the questionnaires from 50 entrepreneurs and 50 managers of Gwalior region. Yet the scope of the study could be widened by taking large sample, so that the results could be generalized. It is suggested to replicate it by using some of the demographic variables, or the study could be conducted differently in public and private sector companies, so that the difference of the variables could be judged on grounds of ownership.

Showing consistency of items of Achievement Motivation

Table 3

S. N O	ITEMS	CORRELATION VALUE	CONSISTENCE/ INCONSISTENCE	DROPPED/ ACCEPTED
1	Headship	0.109445	Inconsistence	Dropped

2	Target-oriented	-0.03472	Inconsistence	Dropped	Regression Test					
3	Dominance	0.084201	Inconsistence	Dropped		Regression Equations for Achievement Motivation and Risk Taking Propensity				
4	Concern	0.284603	Consistence	Accepted						
5	Managing	0.075343	Inconsistence	Dropped	Ho3: There is no effect of risk taking propensity on achievement motivation of entrepreneurs.					
6	Leadership	0.177058	Consistence	Accepted		Achievement Motivation = 37.733 + 0.592 (Risk taking propensity)				
7	Daring	0.288738	Consistence	Accepted						
8	Hard working	0.149861	Inconsistence	Dropped	ANOVA table summary indicates that the value of F (25.852) is significant at 0% level of significance and the F value is significant at 5% level of significance (t = 5.084) significant at 0%					
9	Achievement	0.233159	Consistence	Accepted						
10	Intelligence	0.267607	Consistence	Accepted		Table 4consistency of items of Risk Taking Propensity				
11	Unruffled	0.269176	Consistence	Accepted	S. N O.		ITEMS	CORREL A-TION VALUE	CONSISTENCE/ INCONSISTENCE	DROPPED/ ACCEPTED
12	Enthusiastic	0.268786	Consistence	Accepted	1		Risk taking	0.164607	Inconsistence	Dropped
13	Hassle-Free	0.303434	Consistence	Accepted	2	Adventures	0.449094	Consistence	Accepted	
14	Boorish	0.096276	Inconsistence	Dropped	3	Innovative	0.695291	Consistence	Accepted	
15	Venturesome	0.225088	Consistence	Accepted	4	Security	0.577778	Consistence	Accepted	
					5	Boredom	-0.35276	Inconsistence	Dropped	
16	Tolerance	0.427468	Consistence	Accepted	6	Independent decision	0.695654	Consistence	Accepted	
					7	Risk taking	0.401532	Consistence	Accepted	
17	Thrills seeking	0.113099	Inconsistence	Dropped	8	Self confident	0.287528	Consistence	Accepted	
					9	Result oriented	0.480245	Consistence	Accepted	
18	Superlative	0.286746	Inconsistence	Dropped	10	Scrutinize	0.642825	Consistence	Accepted	
19	Expert	0.321437	Inconsistence	Dropped	11	Arrogant	0.307229	Consistence	Accepted	
20	Fulfillment	0.2841	Inconsistence	Dropped	12	Careless	0.10222	Inconsistence	Dropped	
21	Blameworthiness	-0.05369	Inconsistence	Dropped	13	Loner indecision	-0.03792	Inconsistence	Dropped	
22	People oriented	0.0086	Inconsistence	Dropped	14	Opportunist	0.733597	Consistence	Accepted	
					15	Dedication	0.487323	Consistence	Accepted	
23	Learner	0.479747	Consistence	Accepted	16	Time management	0.689086	Consistence	Accepted	
24	Satisfaction	0.507164	Consistence	Accepted	17	Confident	0.740943	Consistence	Accepted	
25	Zealous	0.416371	Consistence	Accepted	18	Ambitious	0.699733	Consistence	Accepted	
26	Acceptance	0.379033	Consistence	Accepted	19	Stubborn	0.499437	Consistence	Accepted	
27	Motivation	0.400335	Consistence	Accepted	20	exploratory	0.669285	Consistence	Accepted	
28	Financial Planner	0.29672	Consistence	Accepted	21	Risk taking	0.448031	Consistence	Accepted	
					22	Systematic	0.519589	Consistence	Accepted	
					23	Sensitive	0.368699	Consistence	Accepted	
					24	Determined	0.606647	Consistence	Accepted	
					25	Initiator	0.713977	Consistence	Accepted	

Both the hypothesis were accepted because the Z test value (0.24443) and (0.31095) are below the cut off value

Both the hypothesis were accepted because the Z test value (0.24443) and (0.31095) are below the cut off value (1.96 at 5% level of significance). Therefore we can say that there is no significant difference between achievement motivation of entrepreneurs and managers as well as the risk taking propensity of entrepreneurs and managers. The same results are objectively obtained using the Robert H. Braukhaus Sr (1980) choice dilemmas questionnaire and were compared to those managers for the measurement of risk taking, the findings suggested that risk taking propensity may not be distinguishing characteristic of entrepreneurs.

Reliability for Achievement Motivation

Table 5

Cronbach's Alpha	N of Items
.811	16

Reliability for Risk Taking Propensity

Table 6

Cronbach's Alpha	N of Items
.886	21

Regression of Entrepreneurs

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.037 ^a	.001	-.019	16.37854

a. Predictors: (Constant), VAR00002

Table 7

Variables Entered/Removed^d

Model	Variables Entered	Variables Removed	Method
1	VAR00002 ^a	.	Enter

a. All requested variables entered.

b. Dependent Variable: VAR00001

Table 12

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	18.098	1	18.098	.067	.796 ^a
Residual	12876.322	48	268.257		
Total	12894.420	49			

a. Predictors: (Constant), VAR00002

b. Dependent Variable: VAR00001

Table 13

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	76.748	14.784		5.191	.000
	VAR00002	.060	.232	.037	.260	.796

a. Dependent Variable: VAR00001

Table 8

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.592 ^a	.350	.337	7.49762

a. Predictors: (Constant), VAR00002

Regression of Entrepreneurs and Managers

Table 14

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.365 ^a	.133	.124	12.28617

a. Predictors: (Constant), VAR00002

Table 9

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1453.232	1	1453.232	25.852	.000 ^a
Residual	2698.288	48	56.214		
Total	4151.520	49			

a. Predictors: (Constant), VAR00002

b. Dependent Variable: VAR00001

Table 10

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	37.733	8.646		4.364	.000
	VAR00002	.697	.137	.592	5.084	.000

a. Dependent Variable: VAR00001

Regression of Managers

Table 11

Variables Entered/Removed^d

Model	Variables Entered	Variables Removed	Method
1	VAR00002 ^a	.	Enter

a. All requested variables entered.

b. Dependent Variable: VAR00001

V. CONCLUSION

Entrepreneurs play a key role in any economy. These are the people who have high degree of achievement motivation and make the right decisions to make the idea profitable. The reward for the risk taken is the potential economic profits the entrepreneur could earn. Managers, by definition, embody the same characteristics as the

entrepreneur like, conviction, passion and drive. The more the manager expresses himself, the more the company is forced to confront its own effectiveness. In our study, we concluded that there is no significant difference between risk taking propensity of entrepreneurs and managers.

The study also revealed that there is no relationship between overall achievement motivation and risk taking propensity, and the positive relationship of achievement motivation and risk taking

propensity of managers. This study has given a fruitful result in developing a questionnaire regarding achievement motivation and risk taking propensity.

To understand the factors contributing to achievement motivation and risk taking propensity, factor analysis was applied. The factors that contributed to achievement motivation are Vigorous, Influential, Contestant, Valiant, etc. and the factors

that emerged from the study regarding risk taking propensity are Imperial, Conviction, Fidelity, etc.

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