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**CHAPTER - II**

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**Review of Literature**

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### REVIEW OF LITERATURE.

Growth is the market of life, and like life, it is the entrepreneur, who has to ensure that his enterprises grows and therefore, an entrepreneur who has successfully set up and managed his unit has to think in terms of expanding and diversifying. Entrepreneurship is a very complex phenomenon, demanding all possible care, at the hands of Government, the society - its institutions and the individuals. It is complex, in the sense that it involves tow most predictable beings, and their motivational psyche. The agent in the production of goods and services has not been adequately recognised in India. It has certainly not been so in the western countries. A lot of research work is done on entrepreneurship. The concept of entrepreneurship in India, is still in infancy stage, even though a number of studies have been carried out in Indian organisations. With the induction of new entrepreneurs industrial growth can be certainly achieved but it is with the diversification and expansion of the existing units, that growth can be channelised vertically ensuring the economic growth.

The concept of achievement motivation propogated by David Mc Clelland's (1961) (1969) stated that high achievement motivation is required for an entrepreneur.

While discussing the qualities of an entrepreneur, P.Kilby (1971) pointed out that, entrepreneurial performance is like hunting hefalump.

While comparing the best performance and below best performance in Olympic games, J.Orlic and J.Partington (1988), stated that mental frames of references were associated with the good performance. Something is true with the entrepreneurship.

The theory of personality change advocated by Mc Clelland, David C. and Winter David G. (1969) stated that, achievement motivation of the businessman and entrepreneurship community will change, while providing the psychological inputs to the individuals. The same author argued that, in U.S.A. the traditional values are not so important in blocking the change and the economic achievement can be stimulated by inputs of psychological education.

J.A.Schumpeter (1934) stated that innovative ability of an entrepreneur is main responsible factor in instituting a new combination of factors of production.

Dennis H.Ray (1993), stated that the entrepreneurial personality is important in shaping a venture but that there is no ideal personality or magical set of attributes that guarantees success for a new venture.

Similarly, an entrepreneurial traits propagated by Low and McMillan (1988) stated that, entrepreneurial attributes are the products of experience.

There are so many entrepreneurial attributes, among them one is Locus of control.

A Shapero (1975) has stated that, the entrepreneur who has got an internal attributes will be more independent and seek autonomy.

A.J.Williams (1975) advocated that, the internal Locus of control, can also be related to the detached personality traits found to correlate with small business success, who reinforced his findings with discovery that personality had a negative correlation with small business success.

Anderson C.R. (1977) reported that the internals were found to perceive less stress, employ more task centered coping behaviour than the externals. He also stated that changes in the performance of related to the Locus of control. Successful internals become more internal and unsuccessful externals more external.

Durnand and Shea (1974) stated that the percentage of internal entrepreneurs were significantly higher than that of external entrepreneurs in business activity.

Brockhans (1975) found the internal - external (I.E.) score was the best predictor of entrepreneurial intention.

Satwar Singh (1987) found that the external locus of control are in association with low assertiveness, fear, low achievement, drive and low tolerance.

Rotler (1966) reported that internals tend to believe more in their ability rather than the fate.

Valecha (1972) concludes that the internal tend to be more informed about their occupation.

J.A. Timmons (1978) pointed out that, psychological attributes is that, Internal locus of control, covers self confidence, initiative taking and responsibility seeking.

Ramesh Dixit and Ram Singh (1975) stated that, the internals take large time in a matching task, when the task is defined as skill controlled than as chance controlled; the opposite is true among the externals.

Babu Thomas (1988) stated that the internals in personal and inter personal control carry theoretical values, the externals pronounces better than the internals.

CARL R. Anderson (1984) studied and reported that the ability to work well with others is a key strength in high performing management.

M.F.R.K. de Vries (1984), in his study, The Need For Power, reflected both in the need for control and desire for applause in very high among entrepreneurs.

While discussing the skills of an entrepreneur, Harbinson Fredrick pointed out that, the ability to build organisation is perhaps the most precious of all entrepreneurial skill and thus those who can achieve success in this very critical area may be

the one who most nearly fulfill the role of the true entrepreneur.

Bert F. Hoselitz (1952) states that managerial skills and leadership are the important facts of entrepreneurship, and he maintains that, financial skills have only a secondary consideration in entrepreneurship.

Uday Pareek (1951) has pointed out that, every innovation requires for its success, a set of values, skills and norms of behaviour. An innovation is not simply a new practice, it is a pattern of living.

D.P. Boyd and D.E.Gumpert (1993) studied the effects of entrepreneurial stress, and he concluded that entrepreneurship is at once satisfying and stressful.

B.Saracheek (1978), pointed out that, when entrepreneurs set and work for the achievement of challenging goals, they create tension for themselves. Research has been shown that successful entrepreneurs have a stress prone personality.

Uday Pareek (1983) pleading that, if the entrepreneurs are aware of the nature and pattern of their stress they would be better able to cope with them.

Earnest and Young (1992) pointed out that, stress is 'disease' involving the whole personality coping with it depends upon a holistic approach to health. The way in which you contend with

your own stress threshold depends on your basic personality, acquired skills and past experience.

Boyd and Gumpert (1984), in a study of 450 entrepreneurs found loneliness to be a major cause of stress, that the entrepreneurs can not share his problems with some others, which may be a sense of isolation.

J.G.Burch (1986) in his study revealed that, the entrepreneurs may have some problems in the attainment of his goal. He concluded that, the stress of challenge and the resultant experience of action, may play a positive role in case of entrepreneurs.

The third chapter is about the methodology of the present study.

#### **SUMMARY:**

During last two decades, there have been intensive and diverse efforts for development of entrepreneurial skills and innovative ability of an entrepreneur, equipping him with the information related to enterprise building the process of developing entrepreneurship is aimed at developing a person as an entrepreneur. Many reviews of attributes, skills, innovations and Role Stress research revealed that the Role Stress is a multi dimensional concept. While every one seems to accept this fact, yet there is no consensus over a set of dimensions that could be considered the common denominator in studies of Entrepreneurial Role Stress. In the absence of common dimensions it is impossible

to meaningfully compare the findings of various studies on the subject. Though there is a controversy in the use of dimensions, one can not reject any results of research studied on Role Stress.

The results of the various past studies on Inter personal skill and Innovativeness reveal that it is flexible and may be changed or modified by situational variable. Since human being differs in their abilities and approach, they cannot be judged to an equal extent.

Entrepreneurship research has been the search for the prototype entrepreneurial personality or the ideal personality attributes of the entrepreneur. Skill development is one of the important determinant for the productive line of activity. The curriculum for entrepreneurship education must have a larger input of knowledge and skills instead of being preoccupied with behaviour modification.



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