

Cole states that, “besides wealth, prestige, entrepreneurs seek power, security and serve the society”.

Rostow had conducted research on inter-generation changes in the entrepreneurial families and found that, the first generation believes in seeking wealth, the second generation in prestige and third generation in art and beauty.

On the basis of motives, Even has distinguished three kinds of entrepreneurs:

- i. Chief motive of managing entrepreneurs is security.
- ii. Chief motive of innovating entrepreneurs is excitement,
- iii. Chief motive of controlling entrepreneurs are power and authority.

Thus many psychological and sociological factors affect the growth of entrepreneurs.

#### 5. Cultural Factors:

If the cultural factors prevailing in the country do not attach higher value to trade talents, industrial leadership etc., then entrepreneurs, people may not prefer to start up a new venture. Thus entrepreneurship is not developed.

#### Entrepreneurship Development in India – Entrepreneurial Performance in India

According to Dr. Sharma entrepreneurial performance is a function of the following factors:

- (i) Socio-cultural Background of the Entrepreneur (SB) – This implies the environment in which the entrepreneur was born and brought up. It conditions the values and attitudes of the entrepreneur.
- (ii) Motivational Force (MF) – It implies the motives which prompt a person to undertake entrepreneurship, e.g., wealth, status, self-employment, etc.
- (iii) Knowledge and Ability of the Entrepreneur (KA) – It refers to the education, training and experience of the entrepreneur.
- (iv) Financial Strength (FS) – It means the funds which an entrepreneur can mobilise from internal and external sources.
- (v) Environmental Variables (EV) – These consist of Government policies market conditions, availability of technology and labour situation. Symbolically,

Where EP represents entrepreneurial performance.

Several studies have been conducted to judge the performance of Indian entrepreneurs.

The foremost standards used to evaluate performance of entrepreneurs are as follows:

- (a) Gestation Period:
- (b) Financial Results:
- (c) Volume of Operation:
- (d) Expansion as well as Diversification:
- (e) Value Added by Manufacture:
- (f) Growth of Offspring Enterprises:
- (g) Others:

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## CHAPTER TWENTY THREE

### A study on Reasons for Slow Growth and Remedies for Rapid

### Development of Entrepreneurship in India

**Dr.Pramod Kumar Patjoshi**, Associate Professor,

**Centurion University of Technology and Management, Odisha, India**

#### Reasons for Slow Growth of Entrepreneurship in India

There are numerous factors responsible for the development of entrepreneurship.

Following evidences prove that in India entrepreneurship development speed is very slow. These are:

1. Social Evils – Indian society is full of several social evils i.e., conservatism, superstitious, casteism, family evils, dowry, show off tendency, and illiteracy etc. These factors are thoroughly responsible for the lack of entrepreneurship development in India.
2. Non-progressive Thinking – In India there is lack of trust towards creative thinking and lack of research tendency in society, so these factors are responsible for lack of creative ability in Indian society.
3. Lack of capital – In India per capita income is very less in comparison to foreign countries. In Indian society people do not invest their saving in industries while they invest in unproductive areas. This one is the main cause of less capital formation in India.