



Working Paper Series

Business Start-up and Growth Motives of Entrepreneurs: A Case in Bradford, United Kingdom

L.Ranmuthumalie de Silva

Manchester Business School Working Paper No 597

Manchester Business School

Copyright © 2010, DE SILVA. All rights reserved.
Do not quote or cite without permission from the author.

Manchester Business School
The University of Manchester
Booth Street West
Manchester M15 6PB

+44(0)161 306 1320
<http://www.mbs.ac.uk/research/workingpapers/>

ISSN 0954-7401

The working papers are produced by The University of Manchester - Manchester Business School and are to be circulated for discussion purposes only. Their contents should be considered to be preliminary. The papers are expected to be published in due course, in a revised form and should not be quoted without the authors' permission.

Author(s) and affiliation

L. Ranmuthumalie de Silva

Manchester Institute of Innovation Research

Manchester Business School

Harold Hankins Building

Booth Street West

Manchester M13 9QH

Email: Lasandahasi.desilva@postgrad.mbs.ac.uk

Abstract

This study attempts to investigate start-up and growth motives of entrepreneurs who own small and medium scale enterprises in Bradford, UK. In-depth interviews are conducted using “storytelling” approach and narrative analysis is used for data analysis. The Findings reveal that each entrepreneur is motivated by a combination of “pull” and “push” motives at the start-up stage while they are mainly motivated by “pull” motives at the growth stage. Based on patterns observed between growth motives and entrepreneurial outcomes, three types of entrepreneurs are identified. Practical implications and avenues for future research are highlighted

Keywords

JEL Classification

How to quote or cite this document

De Silva, R.L (2010). Business Start-up and Growth Motives of Entrepreneurs: A case in Bradford, United Kingdom. *Manchester Business School Working Paper, Number 597*, available: <http://www.mbs.ac.uk/research/workingpapers/>

Business Start-up and Growth Motives of Entrepreneurs: A Case in Bradford, United Kingdom

By L.R. de Silva¹

This study attempts to investigate start-up and growth motives of entrepreneurs who own small and medium scale enterprises in Bradford, UK. In-depth interviews are conducted using “storytelling” approach and narrative analysis is used for data analysis. The Findings reveal that each entrepreneur is motivated by a combination of “pull” and “push” motives at the start-up stage while they are mainly motivated by “pull” motives at the growth stage. Based on patterns observed between growth motives and entrepreneurial outcomes, three types of entrepreneurs are identified. Practical implications and avenues for future research are highlighted.

Introduction

This paper attempted to investigate start-up and growth motives of entrepreneurs who own small and medium enterprises in Bradford, UK. Despite entrepreneurial motivation being considered as a strong predictor of entrepreneurial outcome and success (Cassar 2007) there is no consensus with respect to the nature of the effect of the wide array of motives in determining entrepreneurial outcome (Baum, Locke, and Smith 2001; Shane, Locke, and Collins 2003). Literature mainly focused on investigating entrepreneurial motivation to form new ventures. Rarely did it attempt to explore changes in start-up motives with business growth even though such an in-depth understanding is considered as a pre-requisite for cushioning entrepreneurial activity (Bhidé 2000).

¹ Author wishes to thank Dr. David Spicer, Professor Ray Oaky, Dr. Elvira Uyarra, Dr. Dimitri Gagliardi and .Professor Phil Shapira for very useful insights provided to improve the earlier drafts of this paper. The Author also wishes to thank Siobhan Drugan for the efficient service provided during the process of bringing this up as a working paper.

There has been a recent trend to reduce motivations associated with the start-up of new businesses to “push” and “pull” motives. (Gilad and Levine 1986; Watson, Hogarth-Scott, and Wilson, 1994). “Push” motives are the elements of necessity in which entrepreneurs are pushed or forced to start new businesses in order to overcome negative external forces and “pull” motives are attractive reasons as to why entrepreneurs decide to start businesses (Gilad and Levine 1986). Based on these two types, literature has attempted to differentiate entrepreneurs as “pull entrepreneurs” and “push entrepreneurs” (Amit and Muller 1995; Bosma and Harding 2006; Acs 2006) in which it is assumed that entrepreneurs are significantly motivated by one type. However, Brush (1990) argued that the situation rarely is a clear cut selection of which type of motive (“pull” or “push”) has driven the entrepreneur where these types are often combined. This is further supported by Tagiuri and Davis (1992) through stating that entrepreneurs could have multiple motives rather than a single overarching type of motive. These contradictory arguments question whether entrepreneurs are significantly motivated by one type and if not, the validity of differentiating them as pull and push entrepreneurs.

It was also evident that mostly literature attempted to investigate start-up motives and the possible changes of entrepreneurial motivation with the business growth rarely has been a point of investigation. Among few literature on the growth motive, Rosa et al (2006), argued that most of the entrepreneurs who started their businesses with the necessity/push motives are later motivated by “pull” motives with the business growth. Littunen and Virtanen (2005) support the above argument and concluded that “pull” motives drive business growth. However, Kolvereid (1992) and Morris et al (2006) found no relationship between the need for autonomy which is one of the “pull” motives and business growth and Cassar (2007) even found a negative relationship.

Despite the presence of above contradictions with regards to the nature of the effect, most of the research found that entrepreneurial intentions and desires determine entrepreneurial outcome (Lafuente and Salas 1989). Hitherto there has been little research on how pull and push motives combine during the entrepreneurial process to achieve a successful start-up and subsequent growth. Accordingly, it will be interesting to investigate start-up and growth motives of entrepreneurs and if they vary whether there is a pattern between the growth motives and entrepreneurial outcome.

Background of the Research

Bradford is a city in the regional context of the UK. The employment strategy of the Government of the UK expects to encourage and nurture entrepreneurship in the regional context through Regional Development Agencies (RDAs) (O'Neill 2003). Reinforcement of this strategy is based on premise that entrepreneurial success in a region is functionally related to achieving socio-economic success of the country. If entrepreneurial activity to be encouraged in the regional context, in-depth understanding of the motives that motivate entrepreneurs to form and achieve the growth of business ventures is crucial. With respect to the perspective of government policy, investigating motives of entrepreneurs who own Small and Medium Enterprises (SMEs) has a significant importance owing to widespread presence of SMEs in the globe (Storey 1994) and increasingly important role played by them in terms of contributing to economic development (Timmons 1994; Hill and McGowan 1999). Statistics for 2006 published by the DTI Small Business Service Statistics Unit show that 99.3 percent of businesses in the UK are small firms with fewer than 50 employees, and 0.6 percent are medium firms with 50-249 employees (National Statistics 2006). Accordingly, understanding motivations of such entrepreneurs is invariably useful for designing necessary policy to promote Small and Medium Enterprise owners to achieve business growth which

will ultimately result in country wide effects in terms of innovation, job creation and economic growth (Reynolds, Camp, Bygrave, Autio, and Hay 2001; Orhan and Scott 2001; Boden 2000).

Through amalgamating above stated theoretical and practical gaps the main objective of this research is to investigate motives of entrepreneurs in Bradford, UK and particularly, to study whether there is any difference between start-up and growth motives of them and if so whether there is a pattern between growth motives and entrepreneurial outcomes.

Theoretical Context

In order to contextualize this research in the body of relevant literature, initially the terms “entrepreneurship” and “SME” used for the purpose of this study are illustrated and subsequently, “pull” and “push” motives are discussed.

The exact definition of the term “Entrepreneur” remains elusive (Thompson 1999; Gartner 1990) and it is often seen that the researchers select a definition which will best match with their objectives (Hebert and Link 1989; Gartner 1990). Accordingly, in this research the definition of Global Entrepreneur Monitor (GEM) project was used since it facilitates clear identification of entrepreneurs through their business activities. GEM defines the entrepreneur as a person who made any attempt at new business or new venture creation, such as self employment, a new business organization, or the expansion of an existing business (Bosma and Harding 2006). When the objectives of this research are considered GEM definition seems to be appropriate since it is highly unlikely that policy interventions mediated to promote entrepreneurial activities attempt to target only a portion of business owners who will qualify as “entrepreneurs” through differentiating techniques which carry a number of criticisms.

Similarly, there's no generally accepted single definition to categorise businesses to SMEs. Since the research is carried out in the UK it was decided to use the definition proposed by the UK-Companies Act 2006. Sections 382 and 465 of the Companies Act 2006, define a small company as one that has a turnover of not more than £5.6 million, a balance sheet total of not more than £2.8 million and not more than 50 employees and a medium-sized company as one with a turnover of not more than £22.8 million, a balance sheet total of not more than £11.4 million and not more than 250 employees. The categorizations made in terms of the number of employees and turnover was used in this research since the data related to balance sheet total is hard to obtain particularly from small scale companies.

As discussed, “pull” and “push” start up motives have been identified as playing a major role in the business operation of entrepreneurs. Accordingly, in this research, these two types of motives identified in the literature, are used as a framework to investigate business start up and growth motives of entrepreneurs (Table 1).

Table 1: Motives of Entrepreneurs – “Pull” and “Push”

Further, since there is no clear differentiation between “business start-up” and “growth” motives, in this research business start-up motives are considered as those motivate entrepreneurs to start their own business venture while growth motives are those motivate them to grow the business. Since it is not possible for the researcher to define the exact time scale which differentiate “business growth” it was decided to let the entrepreneur decide whether his/her initial motives have been changed over the years.

Methodology

Qualitative research methodology was selected as appropriate to conduct the research and it was supplemented by quantifiable evidence. Qualitative research methods provide a holistic view of the situation (Bogdan and Taylor 1975) which is of paramount importance in order to

achieve the stipulated research objectives. “Interpretivism” was used as the philosophical stand point of this research. Accordingly, it is believed that the social actions constitute subjective meanings which could be interpreted in an objective manner where the meanings the interpreter reproduce are considered as original meanings of the action (Schwandt 2000). Accordingly, triangulation was used as a way of improving the reliability and validity of data collected. Sampling, data collection and data analysis, the three main steps of the research design are discussed in following sections.

The city of Bradford, situated in the Yorkshire and Humber region of England was selected as the case for this research. The city of Bradford is the fifth largest city in England in terms of population (approximately half a million) (Carling 2008). During the past two decades this region has endured declining traditional industries and substantial job losses mainly in coal mining, steel, engineering and textiles (GOYH 2007). However, the picture of the region is becoming better in recent years with performance improving twice in many indicators and achieving satisfactory improvements which is almost in par with the national average (Yorkshire Futures 2006).

Small and Medium Business Directory in the UK was used as the sampling frame. A sample of 30 entrepreneurs in Bradford was selected. In selecting the sample the representativeness was maintained with respect to key criteria which are identified in the literature as affecting motivation of entrepreneurs. These criteria were the sector of operation (Chell 2001), the demographic characteristics of the entrepreneur, (Brockhaus 1982; Sexton and Bowman-Upton 1990; Feldman, Koberg, and Dean 1991) and the scale of the business (Cooper and Dunkelberg 1981). However, it was attempted to include a higher number of entrepreneurs who have been in the business for more than 10 years since the objectives of this research required the identification of start-up and growth motives. Achieving

representation only based on some key criteria was decided as appropriate since statistical generalization (as opposed to analytical generalization) is not an objective in qualitative methodology (Ritchie and Lewis 2003). Each entrepreneur was initially contacted via the phone in order to obtain an appointment to carry out an in-depth interview which was held at their business premise.

In-depth interviews were carried out with the entrepreneurs and these were video recorded. Segal, Boria, and Schoenfeld (2005) also highlighted the importance of in-depth interviews particularly to understand motives of entrepreneurs which is a rich source of explanatory information. Two approaches were used in literature to investigate motives of entrepreneurs namely; (a) asking entrepreneurs directly to mention what motivated them doing business and (b) using psychometric scales to measure the extent to which the entrepreneur has certain types of motivations (Cromie 1987). In this research it was decided to ask the entrepreneur directly since it was required to differentiate growth motives from that of start-up where the usage of psychometric scales does not serve this purpose unless otherwise a longitudinal study was done to see how the motivation was changed with business growth. However, asking entrepreneur directly could be bias since entrepreneurs might make their choices based on what is considered socially acceptable, in order to create a positive image about themselves (Johnson 1990). As a mean of avoiding potential biasness, triangulation technique was used when ever needed. Following sections illustrate the data collection and analysis in detail.

Initially, “storey telling” approach was used where the entrepreneurs were first asked to describe the journey he/she underwent since their schooling to date and this was followed by asking specific questions about their motives. Telling stories is considered to be natural human desire (White 1981) and a way of making sense out of an experience (Mishler 1986)

through organizing things in a systemic way (Chamberlain, Stephens, and Lyons 1997). Since the motivation is directly related to the life history of the entrepreneur the story told by the entrepreneur enabled the researcher to excavate motivation of them in-depth. According to Mishler (1986) there is a little scope for unfolding narratives in the traditional semi-structured questionnaire as it does not allow participants to give freer responses. In contrast, unstructured questionnaire with five to seven broad questions/ themes related to the research topic is more likely to elicit narratives (Reissman 1993). Accordingly, the themes illustrated in table 2 were used during the interview:

Table 2: Themes used for In-depth Interviews

With respect to “start-up” and “growth” motives, the entrepreneurs were asked to explain what made them start the business (start-up motives) and then they were asked to state whether they feel that the motives were changed over the years. All the entrepreneurs were with the view point that motives were changed particularly when it comes to the decision of growing the business. Therefore, they were asked to identify motives which made them decide to grow the business and these were considered as “growth motives” for the purpose of research. They have further revealed that growth motives remain more or less consistent. This made researcher decide not to use a time scale to identify changes in growth motives at different stages of growth. Accordingly, only two types of motives were identified as those motivated them to start a business and those motivated them to achieve the growth.

Video recorded interviews were analyzed by two researchers independently in order to identify motives of entrepreneurs. As data was gathered through narrative style it was required to select an appropriate method to analyze those. However, there was no standard method for narrative analysis (Reissman 1993). Therefore, Emden (1998) suggested the use of right kind of methods to suit a particular study and the nature of data collected. Since the data collected in this research is of narrative form and diachronic nature “paradigmatic analysis” of

narratives (Polkinghorne 1995) was used where each story was categorized into themes (Strauss 1987) which allowed the creation of general concepts. The themes used to facilitate interviews (table 2) were used for the purpose of analysis and this allowed maintaining the consistency of data analysis independently carried out by two researchers. Later this categorization was used by each researcher in order to identify motives.

The above discussed “storytelling” approach was followed by asking entrepreneurs to choose start-up and growth motives from a given list which ensured exposing them to the same condition. This also allowed triangulation of data. The motives identified by two researchers through analyzing the life stories of entrepreneurs and the motives stated by entrepreneurs when they were provided with the list were compared and contrasted. Despite minor inconsistencies, a higher level of convergence was observed among these three sources of data. Accordingly, it could be stated that the triangulation technique used in this research enhanced the reliability and validity of findings.

During the data analysis it was mainly focused on investigating business start-up and growth motives of entrepreneurs and identifying the contribution of growth motive towards the entrepreneurial outcome. Finally, the findings were compared with the existing literature in order to enhance theoretical generalizability (Eisenhardt 1989).

Findings of the Research

In this section, initially business start-up motives are discussed and subsequently how start-up motives differ from growth motives is elaborated. Finally, it is attempted to illustrate patterns identified in relation to growth motive and entrepreneurial outcome.

Business Start-up Motives of Entrepreneurs

A majority of entrepreneurs (83.3 percent) had worked as fulltime employees before starting their own business. Out of the entrepreneurs who worked on fulltime basis, 92 percent had mentioned at least one job related “push” motive. The entrepreneurs who had not engaged in fulltime employment before starting the business (16.7percent) were motivated by the need for earning a reasonable living and not having a proper education background was common to them.

Being bored with the job/ dissatisfied with the nature of the job (23.3percent), lack of opportunities for progression in the job (23.3percent), inability to receive a higher income/ being dissatisfied with receiving a fixed salary (23.3percent) and need to earn a reasonable living (16.7percent) were the “push” motives mentioned by most of the entrepreneurs. They were also motivated by pull motives and the identification of the opportunity (73.3percent), need for autonomy (46.7percent) and the pleasure received through the engagement in the type of work (43.3percent) were the “pull” motives identified by most of the entrepreneurs.

From the sample, 96.7percent mentioned that they were motivated by both “push” and “pull” motives when deciding to engage in business. In their opinion, it was harder to say which type of motive dominated (“push” or “pull”) since the circumstance which led entrepreneurs to decide engaging in business was shaped by a combination of both the motives. For example one of them said:

“I was not happy working full time anymore since I did not receive enough income and independence in the job”.

This illustrated how “push” motives, his dissatisfaction with the salaried job led him deciding to start a business. He further said:

“I was also motivated by my need to make use of my skill of repairing TV. During that time, there was a higher demand for getting TV repaired. However, there weren’t enough experts who possessed required skills since it was a time where coloured TV was introduced to the market. This was a very good opportunity for me. In order to capitalize the opportunity I had the expertise. Further, I think need for independence was also a reason as I believed that running my own venture would provide me more freedom”

This illustrates how the “pull” motives, the identification of the opportunity, need for independence, and need to make use of his skills motivated him. When he was asked to state which type of motive had relatively higher effect, he answered:

“I cannot exactly say that. Even though I was dissatisfied with the job, I wouldn’t have left the job if I had not identified the opportunity in the market”

This clearly illustrates how the combination of “pull” and “push” motives prevailed in the particular circumstance motivated him to form the business. The reasoning of all the entrepreneurs (95.8percent) who were motivated by both “pull” and “push” motives were the same and accordingly, it could be concluded that entrepreneurs decide to start a business as a result of being motivated by a combination of both “pull” and “push” motives.

How Growth Motives of Entrepreneurs Differ from Start-up Motives?

Findings revealed that unlike business start-up motives, the growth was motivated by only “pull” motives. Need for achievement (63.3percent), the identification of the opportunity (46.7percent), and desire for wealth (46.7percent) were identified by most of the entrepreneurs as growth motives.

One of the entrepreneurs stated;

“I started a ‘Data communication’ business with 3 other employees. The size was not changed for about 3 years. After this period, I realised that a higher level of success could be achieved through expanding it and was able to identify a number of opportunities to develop the business. My need to achieve the success of the business resulted in me capitalising these perceived opportunities and developing it to a technology based company which is now operating with more than 1000 employees. I really enjoyed seeing the progress of the business and decided to diversify the venture. Accordingly, I realised the ability of moving into training and other related businesses attached to flights. As a result, I invested on this business and it has also achieved a very high level of growth and currently it employs 60 employees. The need and my desire for achieving business success was the major driving force for me in deciding to grow the business”

Accordingly, it is clear that growth motives for him are “pull”. However, the same entrepreneur stated that his start-up motives are the dissatisfaction with the salaried job, the need for achieving a reasonable living and the identification of opportunity to start a data communication business. Accordingly, it is clear that even though start-up motives were a combination of “pull” and “push” motives, growth was mainly driven by “pull” motives.

As per the findings, even though “identification of opportunity” was a start-up motive mentioned by most of the entrepreneurs (73.3percent), it was identified as a growth motive by

comparatively lower percentage of them (46.7percent). The need for autonomy also followed the same trend where it had not been considered as a major growth motive (start-up - 46.7percent, growth – 13.3percent).

Even though “likeness towards doing business and achieving the success” was not a motive mentioned by them at the start-up stage, it had been considered as a growth motive by 33.3 percent of the entrepreneurs. Those entrepreneurs were with the viewpoint that they were passionate about the business and enjoyed achieving the success of the business. Further, since profit was a measure of success they were motivated towards obtaining higher profits even though they had not identified “desire for wealth” as a growth motive.

Accordingly, both the groups who had mentioned “desire for wealth” (50percent) and “the likeness to achieve higher profits” (33.3percent) as growth motives were ultimately motivated towards increasing wealth (83.3percent). Thus, it can be stated that even though desire for wealth was not explicitly stated, in general entrepreneurs are motivated to generate wealth particularly in the growth stage. However, it is interesting to find out that only 33.3percent has considered “desire for wealth” as a start-up motive.

It should also be noted that need for self-esteem (start-up – 6.7percent, growth – 33.4percent), affiliation motive (start-up – 4percent, growth – 33.4percent), and need for achievement (start-up –26.7percent, growth – 63.3percent) had also been seen as motivations for growing the business than that of forming the business.

Since growth motives are different to that of start-up motives, it was decided to investigate whether there are any patterns with respect to growth motive and entrepreneurial outcome.

Growth Motive and Entrepreneurial Outcome

For the purpose of analysis, two types of entrepreneurial outcomes are considered namely the growth of the business venture and the desire of the entrepreneur to remain in the business. Accordingly, in following sections of the article, patterns observed in this study with respect to the impact of growth motive on venture growth and entrepreneur's decision to remain in the business are discussed.

Growth Motive and Business Growth - The rationale for investigating the pattern between the growth motive and business growth was the wide variation observed within the sample with respect to the level of growth.

Business growth was measured by turnover and number of employees and accordingly, businesses were categorised into small or medium scale. Even though the sample consists of entrepreneurs who were operating business for a longer and more or less similar number of years it was considered as important to test whether there is any relationship between the years of operation and scale of operation before identifying above said pattern. Accordingly, the correlation between number of years of operation and number of employees² was tested. Pearson Correlation ($p = 0.148$) being not significant led to conclude that there is no significant correlation between the years of operation and the scale of business in the given sample. Accordingly, it was decided to proceed to test whether there is any pattern between the scale of operation and growth motive.

When the motives were analysed, a pattern was recognized with respect to three major growth motives and the business growth; these motives are (a) likeness towards the type of the work they perform (b) likeness towards doing business and achieving the business success (c)

² turnover was not used since data was obtained as a categorical variable with two categories only for the purpose of differentiating them to small and medium business

need to use the business as a vehicle to satisfy personal/family goals. Those who have been motivated to grow the business due to the likeness towards the type of work they performed (37percent) and need to use the business as a vehicle to satisfy personal/family goals (30percent) have achieved relatively lower level of growth in comparison to those who have been motivated to grow the business due to likeness towards doing business and achieving the business success (33.33percent).

In order to elaborate this pattern, some of the cases were selected and illustrated in the table 3. According to the table, cases eight, 11, 17 and seven had small scale operations even though they had been in the business for more than 25 years. In contrast, cases 14, 21, and 24 had reached towards medium scale.

It was evident that the cases eight and 11 were motivated by the “likeness towards the type of the work they perform” and cases 17 and seven the need to satisfy personal/family goals whereas others had been motivated by the “likeness towards doing business and achieving the business success”. Those of cases eight and 11 were enjoying working with machines and providing solutions to customers which allowed them to engage in intellectually stimulating work and in turn made them concentrated only on the business operation (working with machines). According to those entrepreneurs, they were motivated towards achieving business growth as a way of enhancing the opportunities for them to engage in operational aspects of the business. They believed that they may have not taken necessary steps to increase turnover as they are satisfied and enjoyed engaging in operational aspects of the business. Low level of growth attained by them could further be explained by LeBrasseur, Zanibbi, and Zinger (2003) who stated that when the dependency of the business on the technical expertise of the entrepreneur increases the growth and the success of the business tend to decrease.

Cases seven and 17 were using business as a vehicle to satisfy personal/family goals. Based on their interpretations, reinvestments were somewhat delayed and some of them were with the view point that spending a lot of time for the business was not a priority since they had given priority to their family commitments. It could be stated that as a result the growth of business has not been very high.

In other cases (14, 21, 24) their desire was to achieve the success of the business in which growth of business profit was considered as the measure of success by them. They did not have a distinct desire towards the operational aspects of the business where in their terms business was considered as a profit generating venture. They had dedicated the responsibility of taking care of operational aspects of the business to other people and they were solely focusing on achieving profits.

Table 3: Growth Motive and Business Growth

Accordingly, it could be concluded that the entrepreneurs who have “likeness towards doing business and achieving the success” as a growth motive could achieve a higher level of growth in comparison to those with “likeness towards the type of work (operational side of the business)” and “need to use the business as a vehicle for satisfying personal/family goals” as growth motives.

Growth Motive and Entrepreneur's Decision to Remain in the Business -When the entrepreneurs were asked about their future plans, a clear distinction was found with respect to their desire to remain in the business where some wanted to remain in the business as long as possible and others wanted to retire as soon as possible. Of the sample 70percent entrepreneurs would like to remain in the business as long as possible whereas the rest was with the opinion that they want to retire as soon as possible.

Since there is a possibility of this decision to be affected by the age of the entrepreneur (where it may be the young entrepreneurs who may have expressed the interest to remain) before considering growth motive it was decided to test whether the age had an impact on the decision to remain in the business. The t-test results ($p = 0.81$) indicated that there is no significant difference between entrepreneurs who would like to stay in the business as long as possible and those who would like to retire soon in terms of their age. As a result, it was decided to proceed investigating the impact of growth motive on their decision to remain in the business.

When the growth motives of these two groups (remain and retire) were further analysed it was evident that all the entrepreneurs who would like to remain in the business as long as possible (70percent) had mentioned either “likeness towards the type of work they perform” (52.4percent) or the “desire towards doing business and achieving the business success” (47.6percent) as growth motives. In contrast, the other group (retire as soon as possible) had mentioned none of these two motives and they had purely considered the business as a vehicle for achieving their personal goals.

The above discussion about the patterns identified between growth motive and entrepreneurial outcome, resulted in recognizing three types of entrepreneurs as illustrated below;

Entrepreneur type I - Who is motivated to achieve the growth of the venture in order to satisfy personal/family goals. It was evident that such entrepreneurs had achieved average or low level of growth and would like to retire as soon as possible.

Entrepreneur type II – Who is motivated to achieve the growth as a way of enhancing opportunities to engage in the type of the work/ operational aspects of the business where the venture has a higher dependency on the technical competencies of the founder and concentrates mainly/ only on the success of such operational aspects. It was evident that such entrepreneurs achieved average or low level of growth, and would like to remain in the business as long as possible owing to likeness towards the operational aspects of the business.

Entrepreneur type III - Who is motivated to achieve the growth due to their likeness towards doing business and achieving the business success. It was evident that such entrepreneurs achieved the highest level of growth and would like to remain in the business as long as possible owing to likeness towards doing business and achieving business success (not particularly operational aspects).

Conclusions and Recommendations

The findings related to business start-up motives of entrepreneurs support the argument (Brush 1990; Tagiuri and Davis 1992; Cromie 1987) which states that it is the combination of “pull” and “push” motives which inspires entrepreneurs to start their own businesses rather than single overarching motive. Since entrepreneurs are motivated by both of these motives,

it was observed that one type cannot be highlighted in isolation of the other. Accordingly, this finding questions the appropriateness of differentiating entrepreneurs as “pull entrepreneurs” and “push entrepreneurs” in the given context (Amit and Muller 1995). It should be noted that the findings do not disagree with differentiating motives as “pull” and “push” but only disagree with using it as a base to differentiate entrepreneurs as “pull” and “push” entrepreneurs.

Wide array of start-up motives mentioned by respondents in this study, support Rosa, et al (2006) who highlighted the inappropriateness of narrowing down start-up motives of entrepreneurs to “necessity” and “opportunity” which was the approach of GEM project (Bosma and Harding 2006). Further, at the start-up stage, the identification of opportunity had been considered as a motive by a majority of entrepreneurs. These entrepreneurs were simultaneously motivated by certain other necessity motives and thus it was not possible to investigate whether it is necessity or the opportunity had motivated them to start the business. Thus, this study concluded that such distinctions at a broader level are not meaningful at least in the study context of the UK and questioned the appropriateness of applying such methods universally.

Since this research made the distinction between growth and start-up motives, it was evident that motivations to start a business widely vary from that of growing it and the motive to grow the business has been more or less consistent over the business growth. In spite of start-up being motivated by a combination of “pull” and “push” motives, growth was mainly motivated by “pull” motives, which was in par with Littunen and Virtanen (2005). The identification of the opportunity and need for autonomy were considered as start-up motives by most of the entrepreneurs whereas considerably a lower percentage of entrepreneurs considered these as growth motives. In contrast, need for achievement, desire for wealth, affiliation motive, need for self-esteem, and likeness towards doing business and achieving

the business success were identified as growth motives by a higher percentage of entrepreneurs. Entrepreneurs were motivated to generate wealth particularly in the growth stage even though this was not a motive mentioned by most of them at the start-up stage. Accordingly, the research questions the appropriateness of relating start-up motives to the growth and the success of entrepreneurial ventures, since growth motives were different to start-up motives where in entrepreneurs' point of view, growth motives were the ones which determined the growth and success of the business.

Three types of entrepreneurs were emerged in this study based on the patterns observed between different growth motives and entrepreneurial outcome (the level of growth achieved by them and their desire to remain in the business).

When the implication of this research for policy is considered, being motivated by a combination of “pull” and “push” motives reinforces the significance of creating incentives and opportunities for the establishment of businesses, which could be considered as a remedy for job loss due to economic downturn. Since start-up motives of entrepreneurs vary from growth motives, when designing policies to cushion entrepreneurial activity it is important to consider motives of entrepreneurs based on the stage of the business (start-up/ growth). The entrepreneurs who were motivated by the “likeness towards doing business and achieving the success” when deciding to grow the business had achieved the highest level of growth in comparison to those who were motivated by the likeness towards the operational aspects of the business and need for satisfying personal goals through the venture. This could be considered as a gauge for venture capitalists in selecting entrepreneurial ventures for investments.

This research intended to look at motives of entrepreneurs through a different lens, differentiating growth and start-up motives. In-depth research could be carried out in order to investigate the effect of each motive on entrepreneurial out come. Further, since this research is carried out in Bradford, UK replicating the research in different contexts will allow theory development.

When considering limitations of this research, since the research was carried out one city, it should be cautious in generalizing the findings beyond. Further, since there was no generally accepted definition for “entrepreneur” the definition of GEM project was used. However, other researchers may have defined entrepreneur differently and this could be considered as a limitation of this research when it comes to comparing findings of this research.

List of References

- Acs, Z. J. (2006). “How is Entrepreneurship Good for Economic Growth?,” *Innovation*. Winter, 97-106.
- Alstete, J.W. (2002). "On Becoming an Entrepreneur: an Evolving Typology," *International Journal of Entrepreneurial Behaviour and Research*, 8 (5), 222-234.
- Amit, R., and E. Muller (1995). “Push and Pull Entrepreneurship,” *Journal of Small Business and Entrepreneurship*, 12 (4), 64-80.
- Barrow, C. (1993). *The Essence of Small Business*. Hemel Hempstead: Prentice-Hall.
- Basu, A., and A. Goswami (1999). “South Asian entrepreneurship in Great Britain: Factors Influencing Growth,” *International Journal of Entrepreneurial Behaviour and Research*. 5 (5), 251-275.

Baum, J.R., E. A. Locke, and K.G. Smith (2001). "A Multidimensional Model of Venture Growth," *Academy of Management Journal*, 44 (2) 292-303.

Bhidé, A.V. (2000). *The Origin and Evolution of New Businesses*. New York: Oxford University.

Boden, R. (2000). "Employment Establishment Changes and Survival, 1992-1996". Maryland: Upper Marlboro. U.S. Bureau of the Census, Center for Economic Studies, Discussion Paper.

Bogdan, R., and S. J. Taylor (1975). *Introduction to Qualitative Research Methods*. New York: Wiley.

Borooh, V.K., and M. Hart (1999). "Factors Affecting Self-employment among Indian and Black Caribbean Men in Britain," *Small Business Economics*, 13 (2), 111-129.

Bosma, N., and R. Harding (2006). *Global Entrepreneurship Monitor: GEM 2006 Summary Results*, Massachusetts: Babson College, London: London Business School.
http://www.gemconsortium.org/download/1201257678627/GEM_2006_Global_Results_Summary_V2.pdf [Accessed on 12/12/2007]

Brockhaus, R.H. Sr. (1982). "The Psychology of the Entrepreneur," in *Encyclopaedia of Entrepreneurship*. Ed. C.A. Kent, D.L. Sexton, and K.H. Vesper. Englewood: Prentice-Hall, 39-57.

Brockhaus, R.H. Sr., and Horwitz, P.S. (1986). "The Psychology of the Entrepreneur," in *The Art and Science of Entrepreneurship*. Ed. D.L. Sexton, and R. W. Smilor, Cambridge: Ballinger, 25-48.

Brush, C. G. (1990). "Women and Enterprise Creation: Barriers and Opportunities," in *Enterprising women: Local Initiatives for Job Creation*. Ed. S. K. Gould and J. Parzen, Paris: OECD.

Carling, A. (2008). "The Curious Case of the Mis-claimed Myth Claims: Ethnic Segregation, Polarisation and the Future of Bradford," *Urban Studies*, 45 (3), 553-589.

Cassar, G. (2007). "Money, Money, Money? A Longitudinal Investigation of Entrepreneur Career Reasons, Growth Preferences and Achieved Growth," *Entrepreneurship and Regional Development*, 19 (1), 89-107.

Chamberlain, K., C, Stephens, and A.C., Lyons. (1997). "Encompassing Experience: Meanings and Methods in Health Psychology," *Psychology and Health*.12, 691-709.

Chell, E. (2001). *Entrepreneurship: Globalisation, Innovation and Development*. London: Thomson Learning.

Cooper, A.C., and W.C. Dunkelberg (1981). "A New Look at Business Entry: Experiences of 1,805 Entrepreneurs," in *Frontiers of Entrepreneurship Research*. Ed. K. H. Vesper, Wellesley: Babson College, 1-20.

- Cromie, S. (1987). "Motivations of Aspiring Male and Female Entrepreneurs". *Journal of Occupational Behaviour*, 8 (3), 251-261.
- Dunn, B. (1995). "Success Themes in Scottish Family Enterprises: Philosophies and Practices through Generations," *Family Business Review*, 8 (1), 17-28.
- Eisenhardt, K. M. (1989). "Building Theories from Case Study Research," *Academy of Management Review*, 14 (4), 532 – 550.
- Emden, C. (1998). "Conducting a Narrative Analysis," *Collegian*, 5 (3), 34-39.
- Feldman, D.C., and M. C. Bolino (2000). "Career Patterns of the Self-employed: Career Motivations and Career Outcomes," *Journal of Small Business Management*, 38 (3), 53-67.
- Feldman, H.D., C. S. Koberg, and T. J. Dean (1991). "Minority Small Business Owners and their Paths to Ownership," *Journal of Small Business Management*, 9 (4), 12-27.
- Gartner, W.B. (1990). "What are We Talking about when We Talk about Entrepreneurship?," *Journal of Business Venturing*, 5 (1), 15–28.
- Gelderen, M., and P. Jansen (2006). "Autonomy as a Start-up Motive," *Journal of Small Business and Enterprise Development*, 13 (1), 23-32.
- Gilad, B., and P. Levine (1986). "A Behaviour Model of Entrepreneurial Supply," *Journal of Small Business Management*, 24 (4), 45-54.
- Government Office for Yorkshire and the Humber (GOYH).(2007). "Our Region" <www.goyh.gov.uk/goyh/ourregion/?a=42496>. Accessed on October. 23, 2008.
- Greenbank, P. (2001). "Objective Setting in the Micro-business," *International Journal of Entrepreneurial Behaviour and Research*. 7 (3), 108-127.
- Grilo, I., and A.R. Thurik (2006). "Entrepreneurship in the Old and New Europe," in *Entrepreneurship, Growth, and Innovation: the Dynamics of Firms and Industries: International Studies in Entrepreneurship*. Ed. E. Santarelli. Berlin: Springer Science, 75-103.
- Hebert, R.F. and A.N. Link (1989). "In Search of the Meaning of Entrepreneurship," *Small Business Economics*, 1(1), 39-49.
- Hill, J., and P. McGowan (1999). "Small Business and Enterprise Development: Questions about Research Methodology". *International Journal of Entrepreneurial Behaviour Research*, 5 (1), 5-18.
- Hisrich, R.D., C. Brush, D. Good, and G. De Souza (1996). "Some Preliminary Findings on Performance in Entrepreneurial Ventures: Does Gender Matter?," *Frontiers of Entrepreneurship Research*, Massachusetts: Babson College.

- Johnson, B. (1990). "Toward a Multidimensional Model of Entrepreneurship: The Case of Achievement Motivation and the Entrepreneur," *Entrepreneurship Theory and Practice*, 14 (3), 39–54.
- Kolvereid, L. (1992). "Growth Aspirations among Norwegian Entrepreneurs," *Journal of Business Venturing*, 7(3), 209-222.
- Komives, J. L. (1972). "A Preliminary Study of the Personal Values of High Technology Entrepreneurs," in *Technical entrepreneurship: A Symposium*. Ed. A. C. Cooper and A.J.T Komives, Milwaukee: Center for Venture Management, 231-242.
- Lafuente, A., and V. Salas (1989). "Types of Entrepreneurs and Firms: the Case of New Spanish Firms," *Strategic Management Journal*, 10 (1), 17-30.
- LeBrasseur, R., L. Zanibbi and T. J. Zinger (2003). "Growth Momentum in Early Stages of Small Business Start-ups," *International Small Business Journal*, 21(3), 315-330.
- Littunen, H. and M. Virtanen (2005). "Picking the Winners – Motivation and Strategy as Explaining Factors of New Venture Growth," *Proceedings of the 50th ICSB Conference*.
- Lumpkin, G.T., and G. G. Dess (1996). "Clarifying the Entrepreneurial Orientation Construct and Linking it to Performance," *Academy of Management Review*, 21 (1), 135-172.
- Mishler E.G. (1986) *Research Interviewing: Context and Narrative*. Cambridge: Harvard University Press.
- McClelland, D. and D. C Winter (1969). *Motivating Economic Achievement*. New York: Free Press.
- McClelland, D.C. (1961). *The Achieving Society*. Van Nostrand: Princeton.
- McClelland, D.C., and D. H. Burnham (1976). "Power is the Great Motivator," *Harvard Business Review*, 54 (2), 100-110.
- Miller, D., and P. H. Friesen (1978). "Archetypes of Strategy Formulation," *Management Science*, 24 (9), 921-933.
- Morris, M.H., N. N. Miyasaki, C.E. Watters, and S. M. Coombes (2006). "The Dilemma of Growth: Understanding Venture Size Choices of Women Entrepreneurs," *Journal of Small Business Management*, 44 (2), 221-244.
- National Statistics (2006). Department for Business Enterprise and Regulatory Reforms. < <http://stats.berr.gov.uk/ed/sme/smestats2006-ukspr.pdf> > Accessed January 10 2008.
- O'Neill, N. (2003). "Business Research: the Humber Forum's Employment Framework," *The Yorkshire and Humber Regional Review*, Summer, 32.
- Orhan, M., and D. Scott (2001). "Why Women Enter into Entrepreneurship: an Explanatory Model," *Women in Management Review*, 16 (5), 232-243.

Polkinghorne, D. E. (1995). "Narrative Configuration in Qualitative Analysis," *International Journal of Qualitative Studies in Education.*, 8 (1), 8-25.

Reissman, C.K. (1993). *Narrative Analysis*. London: Sage Publications.

Reynolds, P. D., S. M. Camp, . D. Bygrave, E. Autio, and M. Hay (2001). *Global Entrepreneurship Monitor: 2001 Executive Report*. Kansas City: Kauffman Centre for Entrepreneurial Leadership.

Rosa,P., S. Kodithuwakku, and W. Balunywa, (2006). "Reassessing Necessity Entrepreneurship in Developing Countries," paper presented at the 29th Institute for Small Business & Entrepreneurship Conference: International Entrepreneurship- from Local to Global Enterprise Creation and Development, Cardiff, Caerdydd, UK, 31 October - 2 November.

Scheinberg, S., and I. C. MacMillan (1988). "An 11 Country Study of Motivation to Start a Business," *Frontiers of Entrepreneurship Research*. Wellesley: Babson College, 669-687.

Schwandt, T. (2000). "Three Epistemological Stances for Qualitative Inquiry," in *Handbook of Qualitative Research*. (2nd edition). Ed. N. K. Denzin, and Y. S. Lincoln .Thousand Oaks: SAGE Publications, 189–214.

Segal, G., D. Boria, and J. Schoenfeld (2005). "The Motivation to Become an Entrepreneur," *International Journal of Entrepreneurial Behavior and Research*, 11 (1), 42-57.

Sexton, D.L., and N. Bowman (1985). "The Entrepreneur: a Capable Executive and More," *Journal of Business Venturing*, 1 (1), 129-40.

Sexton, D.L., and N. Bowman-Upton (1990). "Female and Male Entrepreneurs: Psychological Characteristics and their Role in Gender-related Discrimination. *Journal of Business Venturing*, 5 (1), 29–36.

Shane, S., and S. Venkataraman (2000). "The Promise of Entrepreneurship as a Field of Research," *Academy of Management Review*, 25 (1), 217-226.

Shane, S., E.A. Locke, and C. J. Collins (2003), "Entrepreneurial Motivation," *Human Resource Management Review*, 13 (2), 257-279.

Storey, D.J. (1994). *Understanding the Small Business Sector*. London: International Thomson Business Press.

Strauss, A. (1987). *Qualitative Analysis*. N.Y.: Cambridge University Press.

Tagiuri, R. and J. Davis (1992). "On the Goals of Successful Family Companies," *Family Business Review*, 5 (1), 43-62.

Thompson, J.L. (1999). "The World of the Entrepreneur-a New Perspective," *Journal of Workplace Learning: Employee Counseling Today*, 11 (6), 209-224.

Timmons, J. A. (1994). *New Venture Creation: A Guide to Entrepreneurship*, 4th edition. Homewood: Irwin.

Watson, K., S. Hogarth-Scott, and N. Wilson (1994). "Small Business Start-ups: Success Factors and Support Implications," *International Journal of Entrepreneurial Behaviour and Research*, 4 (3), 217-38.

White, H. (1981). "The Value of Narrativity in the Representation of Reality," in *On Narrative*. Ed. W. J. T. Mitchell, Chicago: The University of Chicago Press, 1-24.

Yorkshire Futures (2006). 'Progress in South Yorkshire'.
 <<http://www.yorkshirefutures.com/system/files/imported/documents/Progress%20in%20South%20Yorkshire%202006.pdf>> Accessed on 26 October 2008.

Table 1

Motives of Entrepreneurs – “Pull” and “Push”

“Push” Motives	Reference
Need to earn a reasonable living	Alstete 2002; Tagiuri and Davis 1992; Dunn 1995; Shane, Locke, and Collins 2003.
Redundancy/ unemployment	Watson, Hogarth-Scott, and Wilson 1994; Grilo and Thurik 2006; Borooah and Hart 1999
Dissatisfaction with a salaried job	Alstete 2002
Blocked promotion	Brockhaus and Horwitz 1986
Need for a flexible work schedule	Alstete 2002
Underpaid salaried job	Basu and Goswami 1999
Discrimination in the labour market economy	Basu and Goswami 1999

“Pull” Motives	Reference
Need for autonomy	Gelderen and Jansen 2006; Lumpkin and Dess 1996.
Need for Achievement	McClelland 1961; Greenbank 2001; Komives 1972; McClelland and Winter 1969
Need for affiliation	McClelland and Burnham 1976; Barrow 1993
Need for self-esteem	Sexton and Bowman 1985
The desire for wealth	Hisrich, Brush, Good, and De Souza 1996
The desire for social status	Orhan and Scott 2001
Need for personal development	Scheinberg and MacMillan 1988
Challenge seeking nature	Feldman and Bolino 2000
Identification of opportunity	Basu and Goswami 1999; Shane and Venkataraman 2000
Best use of expertise	Basu and Goswami 1999
Need for creative expression	Miller and Friesen 1978

Table 2

Themes used for In-depth Interviews

	Theme
1	Demographic characteristics of the entrepreneur
2	Engagement in fulltime employment and reasons to leave
3	Description of initial engagement in business, motivation behind the initial engagement and the age of the entrepreneur at that time
4	Growth of the business and the motivation behind growing the business
5	Current turnover and number of employees in each business of the entrepreneur
6	Future plans of the entrepreneur with respect to the business (mainly, desire to remain in the business as long as possible or retire as soon as possible)

Table 3
Growth Motive and Business Growth

Criteria	Case 8	Case 11	Case 17	Case 7
Type of business	Commercial and Auto repairs	The sale and repair of electric motors and auxiliary equipment.	Insurance Company	Garage
Growth Motive	The growth was driven by the customers (pull) The desire towards the type of work he does (pull)	Likeness towards the type of work he does (pull) Identification of the opportunity (pull) Need to be different from others (pull) Self satisfaction (pull)	The need to use business as a way of satisfying their personal/ family (pull) The best use of expertise (pull) Achievement motive (pull) The desire for wealth (pull) Self esteem (pull)	The need to use business as a way of satisfying their personal/ family (pull) Need for self esteem (pull) Need to be creative (pull)
Age of the entrepreneur	54	57	57	49
Number of years in the business	31	25	29	26
Turnover	<5.6M	<5.6M	<5.6M	<5.6M
Number of employees	9	4	20	10
Scale	Small scale	Small scale	Small scale	Small Scale

Criteria	Case 14	Case 21	Case 24
Type of business	He developed the business from a back-street garage to a group of seven companies. Still he considered the main business as repairing and servicing of vehicles, issuing of MOT, maintenance of fleets.	He developed the business from TV repairing and renting business to large scale technology company. Then diversified to aviation training and trading centre, information services centre and property businesses. Currently, in the process of establishing nationwide medical clinics.	Housing Association
Growth Motive	Achievement motive (pull), Self esteem (pull) Likeness towards achieving the success of the business among competitors (pull), Need to leave something for children (pull)	Identification of the opportunity (pull) The desire for wealth (pull) Likeness towards building new ventures and achieving business success (pull)	Identification of the opportunity (pull), Need to contribute to develop social capital (pull) Likeness towards achieving the success of the business (pull), Need for autonomy (pull), Challenge seeking nature (pull)
Age of the entrepreneur	50	60	47
Years in the business	27	35	22
Turnover	>5.6M	>5.6M	>5.6M
Number of employees	100	Aircraft– 60, Information search – 120, Property – 5, Technology – 1500 (he is only a shareholder now)	55
Scale	Medium Scale	Medium Scale	Medium Scale