



## A STUDY ON THE TRANSFORMATION OF SERVICE ORIENTATION TO ENTREPRENEURIAL ORIENTATION

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### ABSTRACT

*In this survey paper the literature on entrepreneurship is summarized from the perspective of entrepreneurial motives, which are the driving forces for an individual to become an entrepreneur. Motivation is the interaction between an individual and a situation. Individual decide to engage in entrepreneurial activity because of different (combinations of) motivations. A decision is defined as a choice between two or more alternative courses of action. The entrepreneurial decision is usually influenced by environmental and personal circumstances of the entrepreneur at the moment when he decided to start a business. 'Displacement' factor is also interesting because it can be referred to as a motive behind the creation of certain business. Displacement participate a change in behavior and one is considered alternative as an entrepreneurial venture. Displacements have the potential to cause a shift in one's life path and could act as a major force that pushes someone to engage in the start-up of a business. These persons may be employees who quit their jobs to become self employed entrepreneurs. These motivations are less commonly studied in this area.*

**Keywords:** Entrepreneurship; Employee; Motivation; Displacement; Push Factor; Circumstance.

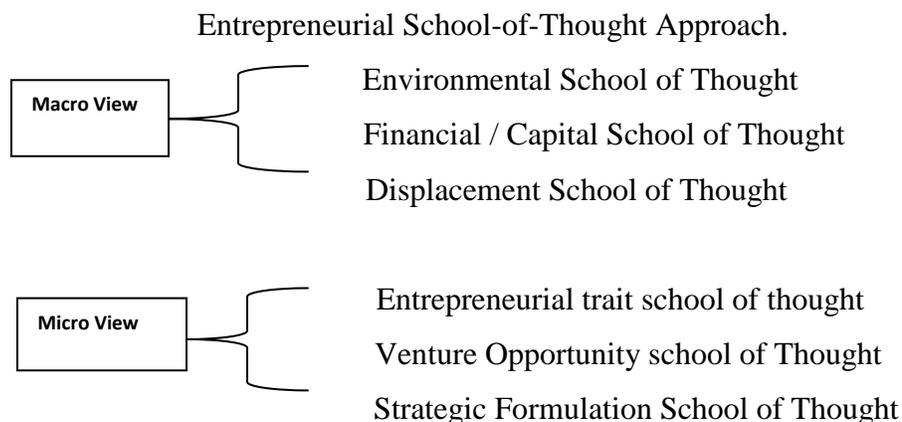
## Objective

The objective of this study is to find out like other displacement factors, is any factor / factors work as a driving force to transform an employee towards entrepreneurial activity.

## Introduction

Entrepreneurship theory has been developing over the last 20 years. Still we need to understand some of that development in order to better appreciate the discipline of entrepreneurship and its theory. To develop the entrepreneurship theory requires consideration of the motivations of people making entrepreneurial decisions. Entrepreneurial intentions helps explain why many entrepreneurs decide to start a business even before they begin an opportunity search (Krueger et al., 2000). However, positive reasons alone may not motivate entrepreneurship. Some individuals may have no other option but to choose self-employment. Entrepreneurship is not solely the result of human action; external factors also play a role to influence the entrepreneurship personality, like economy, culture, and government regulations etc. Most literature on entrepreneurship deals with the creation or exploitation of new opportunities among those with other choices; less is known about the displacement factors.

Entrepreneurship is seen as being interdisciplinary and, various approaches or schools of thought can be used to gain a better understanding of this concept (Kuratko and Hodgetts, 2007: P-45). The various schools of thought provide a means of examining the diversity of viewpoints about entrepreneurship (Kuratko and Hodgetts, 2007; Howard H. Frederick and Kuratko, 2010). They highlight the ideas issuing from the macro and micro views of entrepreneurial thought and further break it down these two major views into six distinct schools of thought.



Source: Entrepreneurship: Theory, Process, Practice : Hodgetts; 2013.Chap-1

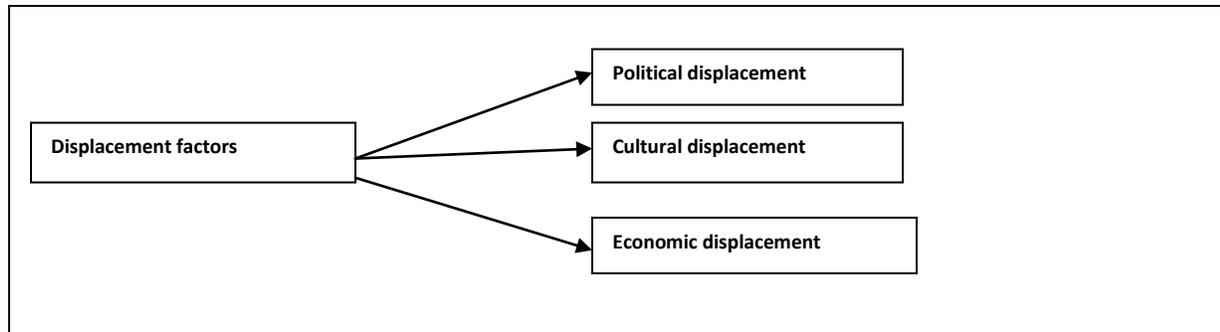
Kuratko & Hodgetts provided a brief but meaningful view of entrepreneurs and entrepreneurships. The “macro” view emphasized broad exogenous factors that give rise to entrepreneurship and included three categories. Under the macro level views of thought argues that people will only pursue an entrepreneurial venture if they have no other alternatives (displacement that is push motivation). Shapiro and Sokol (1982) referred to it as inertia, where humans as creatures of habit do not readily change course unless forced to. So much was this seen as the case that they suggested that a 'displacement event' was necessary for people to seriously consider new options.

The Displacement School of Thought: Ronstadt (in Kuratko and Hodgetts, 2007: 47) noted that “individuals will not pursue a venture unless they are prevented or displaced from doing other activities.” The Displacement school of thought focuses on the negative side. It holds that the group affects or eliminates certain factors that project the individual into an entrepreneurial venture. Three major types of displacement include political, cultural and economic displacement. The displacement school of thoughts emphasized the displacement people as the source of entrepreneurs and entrepreneurships. Political, Cultural, economic displacement factor nurtured the ideas and action to entrepreneurs and entrepreneurships. Self employed and entrepreneurship is often used interchangeably.

**Political displacement** describes situations in which government regulations limit certain industries in their scope and thus individuals are forced to seek and create a business in other Industries. International environment, government policies and corruption, labour market policies, fiscal issues limit or redirect certain industries.

**Cultural displacement** considers social groups that are excluded from certain profession due to their religion, sex, ethnic background and the like (e.g. caste system in India). There are many external factors that block ethnic group’s entry to the general or ‘primary’ labour markets and force them into the secondary market or self employment. Cultural displacement is when a certain culture (or religion) does not belong in a certain society. One of the most important of them may be discrimination. Discrimination can make it difficult for ethnic groups to obtain jobs within the primary labour market and consequently “pushes” these groups towards self employment. Cultural categorizations present difference in practice of entrepreneurship among the people. Jains and Parsis in India, of these ethnic groups contain a large number of examples to establish the credibility of company formation.

**Economic displacement** considers job loss and recessions and depressions are initiating factors for entrepreneurship. Just as the emergence and growth of new economic activities often generates both wealth and employment, sectoral and organisational change can result in dramatic job losses which create self employment.



The theory of entrepreneurial emergence is also linked to displacement factors. The displacement school of thought is apparently true for most entrepreneurs in many societies. Many people who have become entrepreneurs are so due to displacement circumstances. (Akor-Robaro, Masoje Oghenerobaro Mamuzo; 2012). ‘Family orientation theory’ posits that factors such as family background and orientation are sources for entrepreneurial characteristics and the emergence of entrepreneurs. The theory emphasized the role of the family in developing the entrepreneurial character. It is believed that the home atmosphere and values of an entrepreneurial family can provide a great deal of nurturing and support for development of entrepreneurial personality or character (Kuratko 1989 and Akpor-Robaro, Masoje Oghenerobaro Mamuzo; 2012) Dilani Jayawarna, Julia Rouse and Allan Macpherson (2007) also found that constrained household circumstances may act as a tipping point into entrepreneurship but those same resources may also constrain business performance. Future home and family commitments may also impact on the intentions of starting a business. (Jessica Kennedy, Dr Judy Drennan, Dr Patty Renfrow, Dr Bernadette Watson; 2003). Thus if entrepreneurship is the individual’s response to a situation around him, and creation of an organization is essential for carrying through that response: the entrepreneur, situation and the organization must be regarded as crucial elements of any framework relating to entrepreneurship (Shabir Bhat; Riyaz Khan 2014). According to Akpor-Robaro, Masoje Oghenerobaro Mamuzo (2012), in their analysis confirm opinions in the theories of entrepreneurial emergence which are rooted in the theory of social behavior which explains

that socio-cultural values and circumstances of a people would influence their behaviour and decisions as a people and as individuals not only in terms of their social lives but also in their economic lives and this includes their decisions about entrepreneurship.

### **Methodology and Limitations**

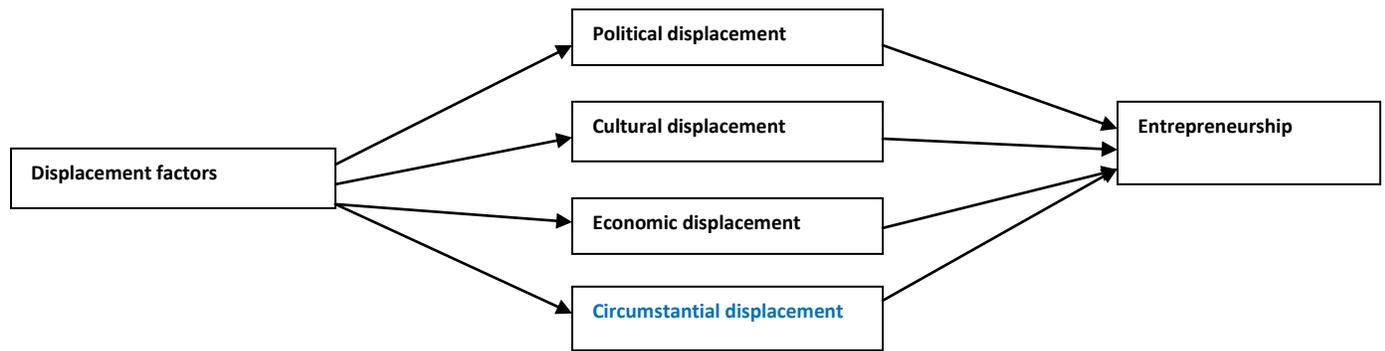
The Primary data have been collected by conducting field survey from Bankura and Purulia district of West Bengal through questionnaire from respondents. Secondary data have been collected from books, journals and periodicals. Case study method has been used. The study is limited to few blocks of Bankura and Purulia Districts of West Bengal. Time and cost constraints were the other limitations of the study.

### **Case: 1**

Name: Hemanta Majumdar. Age-47, Category- SC; First generation Entrepreneur. Enterprise type: Small and Service sector. Employment Generation: 12 workers. Education: Diploma in Automobile engineering. Block: Kotalpur, Dist-Bankura, WB. Past: worked as Automobile engineer at Pepsi Co.Ltd. Hemanta Majumdar is the eldest son of his father and his rest brothers are studying at the hostel residentially. At his home, parents are staying there. Basically he is from the farmer family. Nobody is there who can care his family and also for the parental lands. Due to his father's old age illness, he has to leave the job for take over the family responsibilities as he is the eldest son of his father. For the livelihood he starts a new venture at his village with the help of his knowledge and experience. After 3 to 4 years he is earning good. When he leaved the job, he was married with one year son.

### **Case: 2**

Name- Badan Bihari Sen. Age- 69. Category-OBC. Second generation entrepreneur. Enterprise type: Garments and Readymade. Employment generation: 6 workers. Education: Diploma in Civil engineering. Block + Vill: Balarampur; Post- Rangadih. Dist-Purulia,Pin-723143. WB. Past: worked as a civil engineer at PWD in west Bengal. He served five years before entering the business. He is the youngest son of his father rest of them are service holder. But matter of fact, at time of his fathers' death, his father wanted to make sure he would take care of his small business. As a result he left that lucrative Govt. job. By the name of fate he accepts this circumstance but he repents sometimes. Now he is earning good from this venture.



**Displacement factors model**

## Conclusion

The displacement school of thoughts (negative side) emphasized the displacement people as the source of entrepreneurs and entrepreneurships. Political, Cultural, economic displacement factor nurtured the ideas and action to entrepreneurs and entrepreneurships. From the upper discussion of displacements, we can say that *Circumstantial Displacement* is also playing a role of “push” motivation for the formation of new venture. An event could be viewed as the displacement event that would possibly trigger the entrepreneurship in offspring who otherwise considered other options in life. The demise of the founder for instance could become the event that as a matter of necessity, one has to take over the family firm even if they did not wish to.

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