

## **A Study of Startup Motives and Entrepreneurship Tendency Among Small Business Operators**

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A person's propensity to engage in entrepreneurship has a relationship with his/her level of entrepreneurial tendency, and a person's motivation to start-up business may defer from opportunity to necessity. This research primarily aims to assess start-up motives and entrepreneurial tendencies (ET) of small business operators in rural Sri Lanka. Data were collected using a structured questionnaire from a sample of 100 respondents. The motivation type of the business operator was decided using a list of structured questions and ET was calculated using the General Enterprising Tendency Test (GET) (Caird, 1991). The hypotheses were tested using Pairwise comparisons and Kruskal Wallis Test. Findings revealed that men were more opportunity driven whereas women were more necessity driven. However, both men and women were found to be motivated to fulfill personal needs. Furthermore, younger people are more opportunity driven compared to older people, and the respondents with a high level of formal education are more necessity driven. People owning older businesses are more opportunity-driven, also with higher ET scores whereas older people were more necessity driven and showed a lower level of ET scores. All in all, men demonstrated higher ET scores compared to women. Findings also revealed that the higher the level of formal education, the lower the ET scores. Even though some researchers argue that the personality traits (i.e. the construct of ET) of a given person are constant over the time, the findings of this research reveal that there are significant differences of the ET of groups of people belonging to different demographic and business characteristics. Furthermore, the ET also changed with the type of start-up motives, and vice versa. However, the findings also revealed that the influence of the type of startup motivation on ET is more significant than the influence of ET on the type of startup motives.

**Key words:** Entrepreneurial tendency, Gender, Necessity driven, Opportunity driven