WHY THEY DO THE THINGS THEY DO:
AN EXAMINATION OF ENTREPRENEUR MOTIVATION (SUMMARY)

Kevin D. Clark
*Villanova University, USA*

Scott L. Newbert
*Villanova University, USA, scott.newbert@villanova.edu*

Narda R. Quigley
*Villanova University, USA*

---

**Recommended Citation**


Available at: [http://digitalknowledge.babson.edu/fer/vol28/iss6/7](http://digitalknowledge.babson.edu/fer/vol28/iss6/7)
SUMMARY

WHY THEY DO THE THINGS THEY DO:
AN EXAMINATION OF ENTREPRENEUR MOTIVATION

Kevin D. Clark, Villanova University, USA
Scott L. Newbert, Villanova University, USA
Narda R. Quigley, Villanova University, USA

Principal Topic

In the last decade, there has been a revival of interest in understanding how personal characteristics of entrepreneurs might influence the development and success of new firms. This work has advanced beyond simply the consideration of entrepreneurs’ personality traits as predictors of success and has begun to consider competencies, motivation, cognition, and behavior. Thus, we draw on social cognitive theory and the attitudinal and behavioral commitment literature in order to understand how an entrepreneur’s motivation affects the likelihood of creating a new organization.

Method

To understand these relationships, we analyze data from the PSED I, a dataset of 830 randomly selected adults from the U.S. involved in the process of starting a business. We operationalize commitment foci, general efficacy, business-specific efficacy, and task-specific efficacy using data collected during the first panel. We operationalize success as a series of variables (receipt of external financing, first hire, and first sale as well as the perception of the entrepreneur) aggregating data collected during the three subsequent panels. We analyze the data using OLS regression, controlling for various market-, individual-, and organizational-level effects in the process.

Results and Implications

Our findings suggest that the commitment foci and types of efficacy that are significant in determining success vary with how success is operationalized. For example, entrepreneurs who perceive their firms to be operational have significantly higher levels of business-specific efficacy than those that do not; yet, this type of efficacy is statistically unimportant in determining which entrepreneurs make sales. Similarly, entrepreneurs committed to building financial wealth are no more likely to report that their business is operational and are less likely to make sales. Thus, it seems that those motivational indicators that lead to an entrepreneur’s perception that his/her new business is operational are quite distinct from those that result in the sales that would objectively support this notion. Ultimately by applying the abovementioned theoretical lenses to the context of nascent entrepreneurs, we hope that our findings enrich the collective understanding regarding how an entrepreneur’s motivation relate to his/her likelihood of success and alert entrepreneurs to the types of cognitive predispositions that enable “success,” however defined.

CONTACT: Scott L. Newbert; scott.newbert@villanova.edu; (T): 610-519-5440; Villanova University, Villanova, PA 19085.