

Entrepreneurs versus Employees Psychological Motivation Needs: A Gender Perspective

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ABSTRACT

The subject of this research is entrepreneurial behaviour and how organisational psychology serves to explain what motivates and drives entrepreneurial behaviour amongst men and women. The theoretical framework of McClelland's psychological motivation needs theory (1961) is applied (1) to examine entrepreneurs' and employees' needs for achievement, affiliation and power; (2) to determine to what extent psychological motivation needs, if at all, differ between established entrepreneurs and employees; (3) to explore the possible extension of motivation needs from entrepreneurs to employees; and (4) to compare motivation needs on a gender basis between employer and employees. The needs that motivate entrepreneurs and employees sometimes compete and hence the confrontational positioning between entrepreneur and employee and between genders, is taken for this study. The state of Malacca was selected as the site for a survey using the questionnaire technique. The sample size for study was 220 respondents comprising of employers and employees of both genders. 197 questionnaires were collected from 94 entrepreneurs (85.5 %) and 103 (93.6 %) employees. The research findings were: MacClelland's psychological motivation needs influences the local entrepreneur and employee just as it does in the West; entrepreneur motivational needs coincide irrespective of entrepreneurs' gender; and finally, dissatisfaction with the working environment can also give rise to an employee's motivation need of power to become an entrepreneur.

Keywords: entrepreneurial behaviour, organisational psychology, psychological motivation needs theory.

1. INTRODUCTION

Motivation plays an important role in the creation of new organizations (Herron and Sapienza, 1992) or business enterprises as motivation determines whether an individual decides to become a business entrepreneur or a paid employee. Certain individuals would prefer to work for themselves to achieve their personal aspirations whilst others, may prefer to work for an employer so as to avoid risks

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taking associated with entrepreneurship. The factors that motivate individuals are derived from positive and negative influences. Positive influences are related to an individual's aspiration to reap indeterminate profits through business enterprise as an entrepreneur. On the other hand, negative influences are related to an individual's feelings of dissatisfaction arising from inadequate or unsatisfactory employment opportunities or discrimination in the workplace. These negative feelings may lead to a desire to leave such employment to enter the entrepreneurship sector (Morrison, 2001). Hence, the decision to choose entrepreneurship over employment would be determined by the individual's motivation. This leads to the question, beyond the more general positive and negative influences, what kind of specific motivational needs drive an individual to undertake the risks and uncertainty of a business enterprise?

Given the growing importance of entrepreneurship to human capital development as well as business development, it is appropriate and important to study comprehensive entrepreneurial characteristics and motivational needs. There are many studies done in the past on the issue of motivational needs. However, different authors have different definitions for the concept of needs. McClelland (1961) categorizes three psychological motivational needs as: firstly, need for achievement; secondly, need for power; and thirdly, need for affiliation. Based on McClelland's psychological needs theory, the main objective of this research is to identify the extent of these psychological needs - achievement, affiliation and power that differs in between the entrepreneurs and employees in the state of Malacca. Malacca is chosen as the case of study as it is currently undergoing rapid economic growth development. In addition, Malacca is targeted to achieve a developed state status by the year 2010. Thus, the study of entrepreneurship would be appropriate to be carried out as a contributory effort towards achieving this vision.

2. LITERATURE REVIEW

The decision to become an entrepreneur who has the intention to start and manage a business ownership depends heavily on the individual decision. It becomes a focus of research as it is considered as one of the key components for the entrepreneurial success (Timmons and Spinelli, 2003). In ensuring the success of entrepreneurial issue, the study of entrepreneurial characteristics is not complete without the study of motivation issue.

The issue of motivation is important during the period of initiating a start-up business (Carter, 2000a & 2000b). Campbell viewed the issue of motivation in an organizational psychological perspective that suggested a movement from static and content-oriented theories to dynamic and process-oriented theories (Campbell et al., 1970). In addition, Bird and Jelinek agreed on the shift of paradigm and suggested for a need of behavioral and process-oriented model of entrepreneurship (Bird and Jelinek, 1988). Content-oriented theories focus more

on the search of specific cause that initiate, direct, support and hold the behavior within the individual while the process-oriented theories focus more on how the behavior is initiated, directed, supported and held (Campbell et al., 1970).

According to Landy's analysis on the psychology of work behavior, the process model has been preferred. The model started from Vroom's (1964) expectancy theory to Locke's (1968) goal-setting theory (Landy, 1989). In addition, Bandura continued with the self-efficacy theory in 1977 (Bandura, 1977). The Vroom model of expectancy theory examined the motivation from the perspective of why people choose to pursue a particular course of action. Vroom introduced three variables such as expectancy, instrumentality and valence that are related to each other. The "expectancy" refers to the belief that the perceived expectation of the efforts given by the individuals will lead to a successful performance. Meanwhile, the "instrumentality" refers to the belief that the perceived probability of the successful performance will lead to the chance of receiving a reward. Hence, the "valence" refers to the importance that an individual places upon the expected outcome and reward.

Locke's (1968) goal-setting theory stated that an individual would examine thoroughly of their desired goals that they plan to achieve before making a decision. For example, an entrepreneur decides and set goals that he/she wants to achieve at first stage. The goals must be specific, challenging but attainable and accepted.

Next, these goals and intentions will direct and motivate the efforts to achieve the goals. As a result, the setting goals will affect the behaviors of the entrepreneur to achieve the goals. The individual needs to know the feedback of the goals achievement as to know which behaviors suit the goal and what behaviors should be taken in the future. The dissatisfaction and the differences between the achievement and goals setting would result in motivation.

David McClelland's Socially Acquired Needs Theory proposed on the motivational needs issue (McClelland, 1961). He proposes the need for achievement, power and affiliation that influences an individual motivation level. These needs vary in all levels of working status and this mix of factors could influence the characteristics and behavior of an individual. In the case of entrepreneurship, the three needs would be different for different types of entrepreneurship as revealed by Jean Lee study. However, the study proposed an additional factor of dominance in the research and the study focused on the motivational needs of women's career choice of becoming self-employed individuals rather than working for other people. The study revealed that women entrepreneurs have different level of achievement, power and affiliation, and dominance than women employees (Lee, 1997). Thus, these needs vary in different characteristics of an entrepreneur as well as potential entrepreneur.

The need for achievement is an important indicator in determining the levels of performance of an individual (McClelland, 1961). This need is important in helping an individual to be motivated to overcome barriers and try the best in handling a difficult task. People who are motivated to the need of achievement would strive to excel in task they do and achieve in relation to a set of standards. Besides that, the individuals would seek the personal responsibility for finding the solutions to the problems or tasks. As a result, the motivated achievement individuals would strive to achieve realistic but yet, challenging goals. High achievers are not gamblers in the decision making, but instead they like to control their own success. They would avoid low-risks activities that have no chance of gain and also avoid high-risks where there is a significant chance of failure. Instead, high achievers would prefer activity that has an ideally 50% chance which is a moderate probability of success. They would also seek rapid feedback on their performance in order to monitor the progress of their achievements and appreciate recognition of how well they are doing (McClelland, 1961). The individuals would also improve the handling of previous task (McClelland, 1974). Besides that, McClelland's theory suggested that individuals with a strong need to achieve would often find themselves going into entrepreneurship and they would handle the business ownership better than the others. Many entrepreneurs may fall in this group of individuals who seek a moderate probability of success. They would know what to achieve for themselves and set the guideline for the business (McClelland, 1961).

The motivational need is the need for power which is important in increasing an individual's personal status and prestige (McClelland, 1961). Individuals tend to be more concerned with prestige and the need for power becomes a positive influence in getting the individuals into an effective handling of job. Due to the prestige, power seeker individuals who have a healthy need for power would want to control and lead other people in the task. Power motivated individuals have the perception that every situation surrounding them has the opportunity to be seized, controlled and dominated. Furthermore, they wish to achieve a higher goal in their task and enjoy the competition with other people. Hence, they would be more effective in the managerial position of a job.

The need for affiliation is important in the desire relationships that involve a high degree of mutual understanding. The individuals would prefer for a friendly, harmonious and warm relation with others. Hence, in order to achieve this harmonious relationship, the high affiliation individuals would prefer work that provides a significant personal interaction with other people. For example, the high affiliation individuals would perform their duty well in the customer service situations (McClelland, 1975).

Besides that, individuals would prefer a co-operative environment rather than a competitive environment. Individuals who have high affiliation value would be a good team members but, not as a good leader. The characteristics for high

affiliation individuals is supported by many past research on the issue of lower need for support for entrepreneurs rather than the overall population (Hornaday and Aboud, 1971; DeCarlo and Lyons, 1979; Kornives, 1972).

3. THE METHOD

A survey method is conducted in this study by using a questionnaire technique. With Malacca as a focus of research, the scope of the primary data study would be based on respondents from both genders as to identify how the female group differs from the male group in the motivation of entrepreneurship. In addition, both of the entrepreneur and employee groups would be the focus respondents of the study. Convenience sampling under the non-probability sampling is used as the primary sampling techniques in this study as a large number of completed questionnaires could be obtained in a quick and economic way. The population comprised of both the entrepreneur and employee groups. According to the 2004 Basic Data of Malacca, the population for registered entrepreneur is estimated at 17, 236 people while the employee group is estimated at 265, 800 people as at 2004. Due to some of the limitations for the survey to be carried out, only a minimum sample size for the respondents should be used in this study. The number of minimum size should be achieved and the collection of additional respondents' views on the issue of motivational needs would improve the sample size. Hence, a total of 110 questionnaires are distributed to employees as well as to entrepreneurs.

The formulation hypotheses are as below;

Female entrepreneurs with female employees

- 1) Ho1: Entrepreneurs are not motivated by a higher “need for achievement” than employees.
Hi1: Entrepreneurs are motivated by a higher “need for achievement” than employees.
- 2) Ho2: Entrepreneurs are not motivated by a lower “need for affiliation” than employees.
Hi2: Entrepreneurs are motivated by a lower “need for affiliation” than employees.
- Ho3: Entrepreneurs are not motivated by a higher “need for power” than employees.
Hi3: Entrepreneurs are motivated by a higher “need for power” than employees.

Male entrepreneurs with male employees

- 1) Ho4: Entrepreneurs are not motivated by a higher “need for achievement” than employees.
Hi4: Entrepreneurs are motivated by a higher “need for achievement” than employees.
- 2) Ho5: Entrepreneurs are not motivated by a lower “need for affiliation” than employees.
Hi5: Entrepreneurs are motivated by a lower “need for affiliation” than employees.
- 3) Ho6: Entrepreneurs are not motivated by a higher “need for power” than employees.
Hi6: Entrepreneurs are motivated by a higher “need for power” than employees.

4. FINDING

The findings are based on the collection of questionnaires from survey. A total of 220 questionnaires distributed to both groups of employees and entrepreneurs (110 questionnaires to employees and 110 questionnaires to entrepreneurs). In the end of the collection data, a total of 197 questionnaires were used in this research. Out of these 197 questionnaires, 103 questionnaires (93.6%) collected from employees group while 94 questionnaires (85.5%) collected from entrepreneurs group. The collected questionnaires are verified thoroughly in order to reject any incomplete or spoilt questionnaires.

4.1 Need for Achievement (Female Entrepreneurs vs. Female Employees)

Table 1 (i) indicates the result of independent-samples *t* test analysis for the “need of achievement” between female entrepreneurs and female employees. The first part of the output indicates that 30 female entrepreneurs had a mean of 4.0200 for the score of achievement compared to 50 female employees who had a mean of 3.7800.

Table 1 (ii) indicates the result of Levene’s Test for Equality of Variances. A significance value (Sig) of 0.05 or more means that the Null Hypothesis of assuming equal variances is acceptable and vice-versa. In this case, the *p* value of 0.103 is comfortably above this threshold and therefore equal variances are assumed. The *t* value for equal variances is 2.110, which with 78 degrees of freedom has an exact two-tailed significance level of 0.038. Therefore, with *p* value of 0.038, there is evidence to reject the Null Hypothesis and accept the

Alternative Hypothesis at the 5% level. In conclusion, female entrepreneurs are motivated by a higher “need for achievement” than female employees.

Table 1: Independent Samples Test for “Need of Achievement” Between Female Entrepreneurs and Female Employees

(i) Group Statistics

Achievement	Type of respondent	N	Mean	Std. Deviation	Std. Error Mean
	Female Entrepreneurs	30	4.0200	.57139	.10432
	Female Employees	50	3.7800	.43939	.06214

(ii) Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	2.724	.103	2.110	78	.038	.24000	.11376	.01351	.46649
Equal variances not assumed			1.977	49.538	.054	.24000	.12142	-.00395	.48395

4.2 Need for Affiliation (Female Entrepreneurs vs. Female Employees)

Table 2 (i) indicates the result of independent-samples *t* test analysis for the “need of affiliation” between female entrepreneurs and female employees. The first part of the output indicates that 30 female entrepreneurs had a mean of 3.6133 for the score of affiliation compared to 50 female employees who had a mean of 3.4520.

Table 2 (ii) indicates the result of Levene’s Test for Equality of Variances. A significance value (Sig) of 0.05 or more means that the Null Hypothesis of assuming equal variances is acceptable and vice-versa. In this case, the *p* value of 0.038 is below this threshold and therefore equal variances are not assumed. The *t* value for equal variances is 1.848, which with 74.928 degrees of freedom has an exact two-tailed significance level of 0.069. Therefore, with *p* value of 0.069, there is evidence to accept the Null Hypothesis and reject Alternative Hypothesis at the 5% level. In conclusion, female entrepreneurs are not motivated by a lower “need for affiliation” than female employees.

Table 2: Independent Samples Test for “Need of Affiliation” Between Female Entrepreneurs and Female Employees

(i) Group Statistics

	Type of respondent	N	Mean	Std. Deviation	Std. Error Mean
Affiliation	Female Entrepreneurs	30	3.6133	.32772	.05983
	Female Employees	50	3.4520	.44960	.06358

(ii) Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	4.457	.038	1.710	78	.091	.16133	.09435	-.02651	.34917
Equal variances not assumed			1.848	74.928	.069	.16133	.08731	-.01260	.33526

4.3 Need for Power (Female Entrepreneurs vs. Female Employees)

Table 3 (i) indicates the result of independent-samples *t* test analysis for the “need of power” between female entrepreneurs and female employees. The first part of the output indicates that 30 female entrepreneurs had a mean of 3.5867 for the score of power compared to 50 female employees who had a mean of 3.2920.

Table 3 (ii) indicates the result of Levene’s Test for Equality of Variances. A significance value (Sig) of 0.05 or more means that the Null Hypothesis of assuming equal variances is acceptable and vice-versa. In this case, the *p* value of 0.067 is above this threshold and therefore equal variances are assumed. The *t* value for equal variances is 2.442, which with 78 degrees of freedom has an exact two-tailed significance level of 0.017. Therefore, with *p* value of 0.017, there is evidence to reject the Null Hypothesis and accept Alternative Hypothesis at the 5% level. In conclusion, female entrepreneurs are motivated by a higher “need for power” than female employees

Table 3: Independent Samples Test for “Need of Power” Between Female Entrepreneurs and Female Employees.

(i) Group Statistics

Power	Type of respondent	N	Mean	Std. Deviation	Std. Error Mean
	Female Entrepreneurs	30	3.5867	.59407	.10846
	Female Employees	50	3.2920	.47503	.06718

(ii) Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	T	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	3.439	.067	2.442	78	.017	.29467	.12066	.05446	.53488
Equal variances not assumed			2.310	51.070	.025	.29467	.12758	.03855	.55079

4.4 Need for Achievement (Male Entrepreneurs vs. Male Employees)

Table 4 (i) indicates the result of independent-samples *t* test analysis for the “need of achievement” between male entrepreneurs and male employees. The first part of the output indicates that 64 male entrepreneurs had a mean of 4.1375 for the score of achievement compared to 53 male employees who had a mean of 3.9057.

Table 4 (ii) indicates the result of Levene’s Test for Equality of Variances. A significance value (Sig) of 0.05 or more means that the Null Hypothesis of assuming equal variances is acceptable and vice-versa. In this case, the *p* value of 0.094 is above this threshold and therefore equal variances are assumed. The *t* value for equal variances is 2.503, which with 115 degrees of freedom has an exact two-tailed significance level of 0.014. Therefore, with *p* value of 0.014, there is evidence to reject the Null Hypothesis and accept Alternative Hypothesis at the 5% level. In conclusion, male entrepreneurs are motivated by a higher “need for achievement” than male employees.

Table 4: Independent Samples Test for “Need for Achievement” Between Male Entrepreneurs with Male Employee

(i) Group Statistics

	Type of respondent	N	Mean	Std. Deviation	Std. Error Mean
Achievement	Male Entrepreneurs	64	4.1375	.43039	.05380
	Male Employees	53	3.9057	.57056	.07837

(ii) Independent Samples Test

4.5 Need for Affiliation (Male Entrepreneurs vs. Male Employees)

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	2.843	.094	2.503	115	.014	.23184	.09262	.04839	.41529
Equal variances not assumed			2.439	95.119	.017	.23184	.09506	.04312	.42056

Table 5 (i) indicates the result of independent-samples *t* test analysis for the “need of affiliation” between male entrepreneurs and male employees. The first part of the output indicates that 64 male entrepreneurs had a mean of 3.7813 for the score of affiliation compared to 53 male employees who had a mean of 3.5887.

Table 5 (ii) indicates the result of Levene’s Test for Equality of Variances. A significance value (Sig) of 0.05 or more means that the Null Hypothesis of assuming equal variances is acceptable and vice-versa. In this case, the *p* value of 0.193 is above this threshold and therefore equal variances are assumed. The *t* value for equal variances is 2.349, which with 115 degrees of freedom has an exact two-tailed significance level of 0.021. Therefore, with *p* value of 0.021, there is evidence to reject the Null Hypothesis and accept Alternative Hypothesis at the 5% level. In conclusion, male entrepreneurs are motivated by a lower “need for affiliation” than male employees.

Table 5: Independent Samples Test for “Need for Affiliation” Between Male Entrepreneurs with Male Employees

(i) Group Statistics

	Type of respondent	N	Mean	Std. Deviation	Std. Error Mean
Affiliation	Male Entrepreneurs	64	3.7813	.40272	.05034
	Male Employees	53	3.5887	.48424	.06651

(ii) Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	1.716	.193	2.349	115	.021	.19257	.08199	.03017	.35497
Equal variances not assumed			2.309	101.219	.023	.19257	.08342	.02710	.35804

4.6 Need for Power (Male Entrepreneurs vs. Male Employees)

Table 6 (i) indicates the result of independent-samples *t* test analysis for the “need of power” between male entrepreneurs and male employees. The first part of the output indicates that 64 male entrepreneurs had a mean of 3.4750 for the score of power compared to 53 male employees who had a mean of 3.3094.

Table 6 (ii) indicates the result of Levene’s Test for Equality of Variances. A significance value (Sig) of 0.05 or more means that the Null Hypothesis of

assuming equal variances is acceptable and vice-versa. In this case, the p value of 0.022 is below this threshold and therefore equal variances are not assumed. The t value for equal variances is 2.025, which with 99.958 degrees of freedom has an exact two-tailed significance level of 0.046. Therefore, with p value of 0.046, there is evidence to reject the Null Hypothesis and accept Alternative Hypothesis at the 5% level. In conclusion, male entrepreneurs are motivated by a higher “need for power” than male employees.

Table 6: Independent Samples Test for “Need for Power” Between Male Entrepreneurs with Male Employees

(i) Group Statistics

Power	Type of respondent	N	Mean	Std. Deviation	Std. Error Mean
	Male Entrepreneurs	64	3.4750	.38955	.04869
	Male Employees	53	3.3094	.47808	.06567

(ii) Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	5.364	.022	2.064	115	.041	.16557	.08020	.00670	.32443
Equal variances not assumed			2.025	99.958	.046	.16557	.08175	.00337	.32776

5. DISCUSSION

In order to identify the extent of psychological needs- achievement, affiliation and power that differs in between the entrepreneurs and employees, a summary of hypothesis findings are presented below.

5.1 Female Entrepreneurs with Female Employees

5.1.1. Female Entrepreneurs Are Motivated By A Higher “Need For Achievement” Than Female Employees.

Female entrepreneurs and female employees scored moderately high in the need for achievement. In average, female entrepreneurs scored above mean of 4 points while female employees scored above mean of 3.5 points. Both of these groups are motivated to achieve a better quality of life and strive hard using the meritocracy system. In the second part of analysis, the findings in hypothesis testing indicate that female entrepreneurs are motivated by a higher need for achievement than female employees. In the Lee (1997) research on “The Motivation of Women Entrepreneurs in Singapore”, the researcher revealed that women entrepreneurs were found to have a higher need for achievement than the women employees. In order to live in a high quality of life in a metropolitan city, Singaporean would generally strive hard to produce an outstanding performance in whatever fields they do (Lee, 1997). Hence, it is proposed that individual who has the high intention to achieve better lifestyles would find ways to improve their current lifestyle. The high achievements motives could be applied in the entrepreneurship as business owners feel satisfy with the worthiness of striving hard in achievement. Moreover, entrepreneurship promises a better rewarding in term of monitoring their performance in the company and control the business in their way. All these motives of high achievement are supported by past entrepreneurial research which revealed that majority of the entrepreneurs are motivated by the high need to achieve for better things or higher level than the common people (Hornaday & Aboud, 1971; DeCarlo & Lyons, 1979; Brockhaus, 1983). Coincidentally, the high motivation for achievement could also be applied among the female group. In Lee (1997) research on the women group, Lee stated that entrepreneurship for the women group would be preferred than paid employment as business ownership could provide more satisfaction. Women entrepreneurs were found to believe that they could excel in fairly difficult tasks than employees.

5.1.2 Female Entrepreneurs Are Not Motivated By A Lower “Need For Affiliation” Than Female Employees.

Female entrepreneurs and female employees scored moderately in the need for affiliation. In average, female entrepreneurs scored above mean of 3.5 points while female employees scored above mean of 3 points. The characteristics for high affiliation individuals is supported by many past research on the issue of lower need for support for entrepreneurs rather than the overall population (Hornaday and Aboud, 1971; DeCarlo and Lyons, 1979; Kornives, 1972). In the second part of analysis, the findings in hypothesis testing indicate that female entrepreneurs are not motivated by a lower need for affiliation than female employees. In general, affiliation is important in forming a high degree of mutual understanding in a relationship. A high affiliation employee would prefer to work in an environment that is friendly and has warm relationship with other colleagues. This harmonious environment would ensure a high quality of works in the working place. Female employees tend to build a strong affiliation relationship with the colleagues and indulge into non-work matters in the office than the female entrepreneurs. However, an entrepreneur might have a gap that exists between the workers and the entrepreneur. In this case, female entrepreneur is the manager of the company and she has the power to make the best decision for the company. This would prevent them from having a high affiliation status with the co-workers as high affiliation may influence the decision making of the business management. Entrepreneurs would wish to be respected as a manager by the workers. This is also to avoid low morale as an intimate relationship with the workers might cause a same status between the workers and entrepreneurs (Lee, 1997). In conclusion, female employees tend to have strong affiliation with the co-workers than the female entrepreneurs.

5.1.3 Female Entrepreneurs Are Motivated By A Higher “Need For Power” Than Female Employees.

The study shows that female entrepreneurs and female employees scored moderately in the need for power. In average, female entrepreneurs scored above mean of 3.5 points while female employees scored above mean of 3 points. The need for power is important in increasing an entrepreneur or employee status as it increases the effectiveness of a job handling when they are in control. In the second part of analysis, the findings in hypothesis testing indicate that female entrepreneurs are motivated by a higher need for power than female employees. According to McClelland (1961), the need for power is important in increasing an individual's prestige that would influence the individual to control and lead other people in work. Hence, an entrepreneur has the characteristics of controlling the company's workers and guide the workers in performing tasks to achieve the goals. These characteristics also apply in the case of female

entrepreneurs. These female entrepreneurs possess the full power to make decision for the company and influencing other people to follow their orders. Hence, the employees would have to follow the orders of the entrepreneurs and do not have the preferences to challenge the top management degrading perception would built among the top management once the workers break the orders.

5.2 Male Entrepreneurs with Male Employees

5.2.1 Male Entrepreneurs Are Motivated By A Higher “Need For Achievement” Than Male Employees.

From the study it is found that male entrepreneurs and male employees scored moderately high in the need for achievement as indicated in Table 4. In average, male entrepreneurs scored above mean of 4 points while male employees scored above mean of 3 points. As discussed earlier, both of these groups would wish to achieve a better socio economic lifestyle and this has motivate them to scored high in the need for achievement. In the second part of analysis, the findings in hypothesis testing indicate that male entrepreneurs are motivated by a higher need for achievement than male employees. In the earlier discussion, entrepreneurs seem to have higher “Need for Achievement” than normal employees (Hornaday & Aboud, 1971; DeCarlo & Lyons, 1979; & Brockhaus, 1983).

5.2.2 Male Entrepreneurs Are Motivated By A Higher “Need For Power” Than Male Employees.

The results show that the male entrepreneurs and male employees scored moderately in the need for power as indicated in Table 6. In average, male entrepreneurs and male employees scored above mean of 3 points. As discussed earlier, both of these groups would wish to be in control in the works. They would wish to be respected by others when they are in control of a situation. In the second part of analysis, the findings in hypothesis testing indicate that male entrepreneurs are motivated by a higher need for power than male employees. Majority of the entrepreneurs are male businessmen and would in control and have the power to manage the company. In addition, they would plan to achieve higher goal setting for the company and aspect the workers to follow their decision in order for them to be more effective in the managerial position. Meanwhile, male employees are the company’s human capital assets and they would perform their tasks under the supervision of the male entrepreneurs. It is undeniable that male employees in control of certain decision in the company. However, in the end, the employees would still need to refer the decision making to the entrepreneurs. They would prefer not to take the risks of making the final

decision for the company. Hence, male entrepreneurs are more motivated for the need for power than the male employees.

CONCLUSION

The psychological motivation needs of *achievement*, *affiliation* and *power* influences the Malaysian entrepreneur and employee just as it does in the West where McClelland's psychological motivation needs theory was conceptualised and tested. The research findings establish that entrepreneur motivational needs coincide irrespective of entrepreneurs' gender. It is also found that dissatisfaction with the working environment can also give rise to an employee's *motivation need* of power to become an entrepreneur. It is observed that the need for achievement and for power sums up as characteristics of competitive individuals. It may therefore be inferred that entrepreneurship, if not genetic, may be nurtured through encouraging competitiveness in Malaysian youths.

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