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Impact of Risk-Taking Attitude and Need for Achievement on Women Entrepreneurs Success


K. Harshitha

Research Scholar- School of Management
CMR University, Bangalore, Karnataka, India

 <https://orcid.org/0000-0003-2775-2694>

HL. Chidananda

Assistant Professor, School of Economics and Commerce
CMR University, Bangalore, Karnataka, India

 <https://orcid.org/0000-0003-2396-9837>

Divya Thankom Varghese

Assistant Professor, School of Management
CMR University, Bangalore, Karnataka, India

Abstract

Entrepreneurship is seen as a crucial component of financial dynamism and actively contributes to a nation's financial development, the creation of jobs, and the advancement of its economic development. This examines the impact of risk-taking attitude and need for achievement on women entrepreneurs' success. The results confirmed that risk taking attitude and need for motivation significantly facilitates the women entrepreneur's success

Keywords: Women Entrepreneurship, Success, Risk Taking Attitude, Need for Achievement.

Introduction

According to Ali *et al.* (2019), entrepreneurship is viewed as a crucial component of economic activity that drives total economic development. The financial and social development of less developed nations is particularly dependent on small-scale industries (Ingalagi *et al.* 2021). 90% of all businesses globally and 50% of all jobs worldwide created by SME's (World Bank SME Finance: Development News, Research, Data | World Bank, n.d.) Small Scale Industries are envisaged as new engine for growth and avenues to offer wealth and wellbeing to the emerging nations (Gupta & Mirchandani, 2018). In India, micro and small business organisations make up roughly 80% of all sectors. However, women's engagement in business has been found to be much lower, particularly in developing economies (Ali *et al.* 2019). Poor societal norms, workplace bias, and domestic duties impede women from engaging in entrepreneurial activities (Roomi & Parrott, 2008; Ali *et al.* 2019). Peer and family members underestimate the abilities of women to mobilise and manage the funds is discouraging and limiting her ability to experiment possible economic interventions in her surroundings (Ali *et al.* 2019). But improved access to education and government policies toward liberalizing industrial and economic activities enabled women to achieve her economic goals (Ingalagi *et al.* 2021).

According to Ingalagi *et al.* (2002), entrepreneurship has been shown to be a significant tool for empowering women and improving quality of life. Due to their contribution to economic growth and employment creation, women entrepreneurs are receiving a lot of attention from scholars and policy makers (Khan *et al.* 2021).

However, very few studies have undertaken on the assessment of the factors influencing women entrepreneurs' performance, despite the enormous contribution of women entrepreneurs to GDP and poverty alleviation. According to Gupta and Mirchandani (2018), the majority of entrepreneurship research has concentrated on male rather than female entrepreneurs. The majority of these research (Gupta & Mirchandani, 2018) examined the challenges faced by female entrepreneurs. Such investigations are typically conducted in developed rather than developing countries. In this regard, the study aims to investigate the analyse the impact of risk-taking attitude and need for achievement on women entrepreneurs' success.

Literature Review

Risk Taking Attitude

As summed up by Burton H. Klein., (2013) "if an entrepreneur is to profit from an unrealized potential, he must almost inevitably deal with a greater degree of uncertainty", further it is also assumed as a necessary component of the entrepreneurial endeavour or mentality (Brindley, 2005). Entrepreneurs frequently deal with uncertainties and take calculated risks in their businesses, knowing that their choices and actions could either lead to success or disaster (Kozubíková *et al.* 2017). Women perceive that risk associated with business negatively affect their passion and business growth (Dalborg *et al.* 2015). Innovation and entrepreneurial performance are significantly impacted by risk-taking propensity and the demand for success (Zeb & Ihsan, 2020). (Khan *et al.* 2021), demonstrated that women entrepreneurs with high confidence will take risk and handle the uncertainty without being stressed, which may aid in long term success. High risk propensity and high-risk perception is positively associated with success of a business (Boermans & Willebrands, 2017).

Hypothesis 1: Risk taking Attitude have significant positive effect on the women entrepreneur's success.

Need for Achievement

McClelland (1961) & Stewart & Roth, (2007) suggested that a high need for achievement, characterised by a desire to perform well in order to feel accomplished, predisposes someone to seek out an entrepreneurial position because the entrepreneur believes that such a position produces more achievement satisfaction than could be obtained from other types of positions. Individuals with high need for achievement likely to be attracted towards entrepreneurial profession due to the opportunities for innovation (Collins *et al.* 2009). Innovation and entrepreneurial performance are significantly impacted by risk-need for achievement (Zeb & Ihsan, 2020). Entrepreneurs need for achievement found to be significantly and positively related to entrepreneurial persistence (Sibin *et al.* 2007). We discovered a strong relationship between achievement motivation and the decision to pursue an entrepreneurial profession as well as entrepreneurial performance (Collins *et al.* 2009b)

Hypothesis 2: Need for achievement has significant positive effect on the women entrepreneur's success.

Research Methodology

This study is conducted to examine the impact of risk-taking attitude and need for achievement of women entrepreneurs on women entrepreneurs' success. Women entrepreneurs engaged in agriculture-based business in Bangalore. Convenience sampling method was used to gather data from the women entrepreneurs through self-reporting questionnaire. Questionnaire was administered among entrepreneurs through Google form and study received 257 responses.

Self-reporting questionnaire measures the risk-taking attitude and need for achievement of women entrepreneur's success. The data is collected from women entrepreneurs using self-administered Likert-based questionnaire ranging from strongly disagree (1) to strongly agree (5).

The collected data was tabulated and analysed using the SPSS 23 version to test the reliability, correlation and regression to find out the effect of risk-taking attitude, need for achievement on women entrepreneurs' success.

Result and Discussion

The main objective of the study is to examine the impact of risk-taking attitude, need for achievement on women entrepreneurs' success. The following analysis are being conducted to test the validity, relationship and influence between the variables.

Table No.1 Reliability Analysis

Scale	Items	Cronbach's Alpha (α)
Risk taking Attitude	4	0.718
Need for Achievement	4	0.786
Women Entrepreneurs Success	4	0.857

Source: Primary Data

The reliability analysis for all the constructs showed the Cronbach's alpha values ranged from 0.718 to 0.857. All the constructs indicate alpha point above 0.7 (Nunnally, 1978). This demonstrates that all the research variables (Risk taking Attitude ($\alpha = 0.718$), Need for Achievement ($\alpha = 0.786$ and Entrepreneurial entrepreneurs' success ($\alpha = 0.857$), were internally consistent and had the acceptable reliability values. All items for the constructs were assessed using a Likert scale ranging from 1 (Strongly disagree) to 5 (Strongly agree)

Table No. 2 Relationship between Risk Taking Attitude, Need for Achievement and Women Entrepreneurs' Success

Variables	Risk taking Attitude	Need for Achievement	Women Entrepreneurs Success
Risk taking Attitude	1		
Need for Achievement	.774**	1	
Women Entrepreneurs Success	.747**	.815**	.803**

Source: Primary data

The above table 2, correlation chart examines the connections between a risk-taking mindset, a need for success, and the success of female entrepreneurs. The findings show a positive correlation between the need for achievement and a risk-taking attitude, with a coefficient of .774**. This shows that people who have a higher ambition for achievement are more likely to be more prone to take risks. The results also show a substantial positive association between the need for achievement and the success of women entrepreneurs, with a coefficient of .815**. This shows that ambitious women are more likely to succeed in their business endeavours. A substantial positive connection of .747** has been found between women entrepreneurs' success and their willingness to take risks. This suggests that women business owners who show a stronger propensity for taking risks are more likely to find success in their endeavours. These findings demonstrate the significance of a risk-taking mindset and the demand for success in predicting and promoting success among female entrepreneurs.

Table No. 3a Predictors of Women Entrepreneurs Success

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.801a	.826	.835	.44165
a. Predictors: (Constant), Risk taking attitude and need for achievement				

Source: Primary Data

The regression model in the table 3a shows that 83.5percent (Adjusted R Square 0.835) of the variability in entrepreneurial success is due to variability risk taking attitude, need for achievement and meanwhile the remaining 16.5 percent was due to other variables which are not included in the objectives of the research study.

Table No. 3b Predictors of Women Entrepreneurs Success

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.832	.678		.874	.248
	Risk taking Attitude	.853	.032	.859	.14.085	.000
	Need for Achievement	.859	.032	.713	6.916	.000
a. Dependent Variable: Women Entrepreneurs Success						

Source: Primary Data

The findings of a regression study (table 3b) demonstrate the factors that influence the success of women entrepreneurs. The independent variables are “Risk taking Attitude” and “Need for Achievement,” and the dependent variable is “Women Entrepreneurs Success.” According to the standardised coefficient for risk-taking attitude (.859), the success of a woman entrepreneur changes by 85.9% for every 1% increase in risk-taking attitude. Similar to this, a 1% rise in need for achievement is linked to a 71.3% increase in the success of women entrepreneurs. These results suggest that the performance of women entrepreneurs is significantly influenced by both a risk-taking mentality and a need for success. A greater readiness to take measured risks and seek novel chances is implied by a higher risk-taking mindset, which can increase the likelihood of entrepreneurial success. Women business owners with a risk-taking mindset are more inclined to explore uncharted territory, use cutting-edge tactics, and take decisive actions that could result in expansion and profitability. Similar to males, women entrepreneurs are driven by a strong urge to succeed to establish ambitious objectives, pursue excellence, and persevere in their entrepreneurial endeavours. High-need achievers demonstrate drive, tenacity, and a desire to surpass their own expectations. This innate motivation can fuel their success as entrepreneurs by encouraging them to overcome challenges, pursue ongoing progress, and seize opportunities. The urge for achievement and the risk-taking attitude’s large standardised coefficients implies that these factors significantly contribute to explaining the variation in women entrepreneurs’ success. The success of women entrepreneurs may also be influenced by

other factors not examined in the analysis, such as access to resources, market conditions, social networks, and industry-specific characteristics.

Conclusion

The study aimed to determine how a risk-taking attitude and a need for success affects the success of women entrepreneurs. The findings show that women entrepreneurs’ performance is greatly influenced by their willingness to take calculated risks as well as their drive for success.

The results show that women entrepreneurs’ performance is greatly influenced by their willingness to take risks. Women who take calculated risks are more likely to be successful in their entrepreneurial endeavours. This shows that women entrepreneurs’ chances of success can be considerably increased by being ready to take calculated risks, investigate new opportunities, and adapt to changing market conditions. Based on the findings, it is recommended that, legislators, educators, and organisations working on the promotion of entrepreneurship must concentrate on encouraging and developing women entrepreneurs’ attitudes towards taking calculated risks and their need for success. The success of women entrepreneurs can be dramatically impacted by the creation of initiatives and programmes that offer resources, mentorship, and training to improve these qualities. To validate and generalise these findings, further study with a larger sample size and evaluation of other important factors is required. Nevertheless, the findings imply that encouraging risk-taking behaviours and a strong drive for success are crucial for advancing the success of women entrepreneurs and creating a favourable entrepreneurial eco system.

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Author Details

K. Harshitha, Research Scholar- School of Management, CMR University, Bangalore, Karnataka, India, **Email ID:** harshithak.ramith@gmail.com

HL. Chidananda, Assistant Professor, School of Economics and Commerce, CMR University, Bangalore, Karnataka, India, **Email ID:** chidanandahl@gmail.com

Divya Thankom Varghese, Assistant Professor, School of Management, CMR University, Bangalore, Karnataka, India, **Email ID:** divya.tv@cmr.edu.in