

# An Empirical Study on the Effect of Entrepreneurship Motivation and Entrepreneurship Ability on Entrepreneurial Performance

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**Abstract**—The author sorted out a total of 289 questionnaires and established multiple linear regression model by investigating the university student entrepreneurs at different education background between October 2018 and March 2018, surveyed the influences of entrepreneur entrepreneurial motivation on entrepreneurial performance, and introduced the mediating variable of entrepreneurial ability to discuss the influence effects of entrepreneurial motivation on entrepreneurial performance. The results show that entrepreneurial motivation has a positive significant influence on entrepreneurial performance, entrepreneurial ability totally mediated the influences of survival motivation on entrepreneurial performance, and partially mediated the influences of opportunity motivation on entrepreneurial performance. Therefore, entrepreneur should value the awareness of entrepreneurship survival motivation, improve the comprehensive ability of entrepreneur entrepreneurship, transform it into entrepreneurship practice and improve the success rate of entrepreneurship.

**Keywords**—*entrepreneurial motivation; entrepreneurial ability; entrepreneurial performance*

## I. INTRODUCTION

As Chinese innovative entrepreneurship education is gradually completed and the university student employment and entrepreneurship awareness are transformed step by step, the entrepreneurship enthusiasm of university and college students shows a “blowout” status comparing with that in few years ago. However, via data, it is easy to find out that although the volume of university students who choose entrepreneurship is huge, the success rate of entrepreneurship is as low as 2%, and entrepreneurial performance cannot reach the ideal status. The entrepreneurship activities with low success rate and low entrepreneurial performance hindered the economic development and social progress (Gao Shijie, 2019). Then what led to low university student entrepreneurial performance and high entrepreneurship failure rate? By interviewing 5 university student entrepreneurs of autonomic entrepreneurship, the author learned that the surrounding university student entrepreneurs don’t understand why they conduct entrepreneurship and are also not fully prepared to conduct entrepreneurship, and even are utterly ignorant about the entrepreneurship tendency and

entrepreneurship corporate growth links. Therefore, in this paper, it is considered that the weakening of entrepreneurial ability caused by vague recognition on entrepreneurial motivation is one of the reasons leading to the continuous downward trend of entrepreneurial performance year by year. Entrepreneurial motivation is the antecedent variable of entrepreneurial performance, entrepreneurial ability is the practice bases for entrepreneurial motivation and entrepreneurial performance. On this basis, the relationship model among entrepreneurial motivation, entrepreneurial ability and entrepreneurial performance is constructed, discussing the mediating force of entrepreneurial ability between entrepreneurial motivation and entrepreneurial performance.

## II. RESEARCH REVIEW AND RESEARCH HYPOTHESES

### A. Entrepreneurial Motivation and Entrepreneurial Performance

Entrepreneurial motivation is the motivation factor for entrepreneurs being willing to establish the new enterprises at all risks, and it drove the inner mind needs of entrepreneurs. Olomi (2014) indicated that the entrepreneurial motivation is the most original basic driving force of the entrepreneurship behavior and it is a kind of start. While entrepreneurial performance can be considered as the degree reached by a new enterprise when completing a task. Venkataraman (2004) mentioned in the research that entrepreneurial performance refers to the results of entrepreneurship, it is the ability benchmarking for enterprises to create economic value and it is also a kind of results. Usually, the behavior at the beginning already influences the occurrence of outcomes to a different degree. Chinese scholar Yue Shengxian (2011) considered that survival motivation refers to the urgent needs of entrepreneurs for survival, forcing entrepreneurs to generate the idea of entrepreneurship, thus to reach the survival ability. While opportunity entrepreneurial motivation is to activity conduct entrepreneurship for pursuing the realization of the potential business opportunity, the main characteristics of survival entrepreneurship are the economic motivation direction highlighted by solving employment and creating

entrepreneurship atmosphere. Opportunity entrepreneurship is the direction motivation for promoting economic growth, improving industry competitiveness and increasing taxes. Lin Miaoque (2004) conducted research by taking the corporate operational performance of 102 Taiwan businessmen who invested in Mainland China as an example, and the research results showed that survival motivation is obvious in terms of the influences on overseas corporate financial performance and non-financial performance comparing to the driving motivation, which verified that there are significant influences of entrepreneurial motivation on entrepreneurial performance. Entrepreneurial performance is a multiple dimensional concept, and the single performance indicator cannot fully reflect the operational status of entrepreneurship organizations. Lacetera (2009) indicated that the profitability in entrepreneurial performance can most directly show the ability effect of corporate performance, and it can be said that the corporate profitability analysis is the measurement of the whole economy of enterprises. While a company's growth performance is the enterprise ability changing handling with the market environment changes, and it is also an important indicator moving from immature to mature (Wang Huafeng, 2014). No matter from which dimension, entrepreneurial performance cannot be separated from the driving of entrepreneurial motivation and the support of entrepreneurial ability.

### *B. The Mediating Effect of Entrepreneurial Ability*

Entrepreneurial ability refers to the ability which is able to find the new area of entrepreneurship, understand the new cause of entrepreneurship and solve problems (Zheng Tianxiang, 2018). Generally speaking, like a computer, entrepreneurial ability also possesses hardware and software. Controlling the resources of entrepreneurship market is the hardware of entrepreneurial ability, while the intense reaction ability made by constantly paying attention to market changes is the software of entrepreneurial ability, and among which, it includes network capacity, public relation ability, and communication ability, etc. Based on domestic and overseas entrepreneurship researches, the influences of university student entrepreneurial motivation on entrepreneurial ability are discussed, after mastering the industrial and professional knowledge, as long as there is an entrepreneurship opportunity, the entrepreneurial motivation will be stimulated, thus the entrepreneurs will constantly improve and enrich their own entrepreneurial ability (Yu Jinbo, 2012). Bamey (1991) et al. considered that entrepreneurial ability is the source for enterprise entrepreneurship and gaining the excess profit, which can bring the enterprises with constant competitive edge. For the advantages brought by economy in the market, they are exactly the potential influences of entrepreneurial performance. When the survival and opportunity effects of entrepreneurial motivation are stable, the degree of entrepreneurial ability shown by entrepreneur may directly influence the realization of entrepreneurial performance, and entrepreneurial ability is able to adjust the relationship between entrepreneurial motivation and new entrepreneurial performance (Lu Wei, 2018). Only the appropriate

entrepreneurial ability can high-efficiently provide the product service demanded by the market, thus to solve the industrial profitable entrepreneurial performance problem. Kamm (1990) considered that only appropriate entrepreneurship public relation ability and network ability can high-efficiently, fast and accurately run the corporate train, let the corporate train continue to run steadily, thus to better maintain corporate performance.

To sum up, the following hypotheses are made in this paper:

H1A: survival motivation possesses positive influences on entrepreneurial performance;

H1B: opportunity motivation possesses positive influences on entrepreneurial performance;

H2A: survival motivation possesses positive influences on entrepreneurial ability;

H2B: opportunity motivation possesses positive influences on entrepreneurial ability;

H3: entrepreneurial ability possesses positive influences on entrepreneurial performance;

H4A: entrepreneurial ability mediates the positive influences generated by entrepreneurship survival motivation on entrepreneurial performance;

H4B: entrepreneurial ability mediates the positive influences generated by entrepreneurship opportunity motivation on entrepreneurial performance;

## III. RESEARCH DESIGN

### *A. Data Source*

In this research, the questionnaire is conducted on university student entrepreneurs of universities and colleges in Hebei between October 2018 and March 2019, and among which, questionnaire investigation is divided into three steps. First, for the questions of this questionnaire, the primary questionnaire is formed after sorting out and analyzing the interview conducted on several entrepreneurs of universities and colleges in terms of the major matters of entrepreneurship. Second, in this research, the relevant entrepreneurship tutors and three entrepreneurs among top 100 national university student entrepreneurship heroes are invited to analyze and guide the primary questionnaire, and after discussion and selection, the formal questionnaire is formed eventually. The questionnaire contents mainly include variable measurement items (survival motivation, opportunity motivation, entrepreneurial ability and entrepreneurial performance) and characteristic data items (age, gender, educational background, regions, and entrepreneurship direction). In the end, the final investigation questionnaires were distributed to some universities and colleges in Hebei with the modes including network questionnaire and paper questionnaire respectively, and among which, the universities and colleges include Hebei Finance University, Shijiazhuang Tiedao University,

Yanshan University, North China Electric Power University, as well as Agricultural University of Hebei.

A total of 400 questionnaires was issued and a total of 322 questionnaires was collected back (From 150 online questionnaires, 118 questionnaires were collected; and from 250 paper questionnaires, 204 paper questionnaires were collected), and after sorting out, a total of 289 effective questionnaires was achieved, with the effective rate being 89.75%. The basic information description analysis about the

questionnaire is listed as follows: the analysis results showed that no matter in what level, the Cronbach coefficient is greater than 0.7, and the KMO coefficient also exceeds 0.7, which all meet the surveying standard. Moreover, this questionnaire investigation passed by factor analysis, and found that the cumulative variance is greater than 50%, smoothly passing through the required level of surveying extracting the common factor. Above all, it is found that the research questionnaire credibility is generally high, which proves that the research measuring reliability is good.

TABLE I. RELIABILITY AND VALIDITY ANALYSIS

Questionnaire variable	Mean value	Standard deviation	Factor loading	Cronbach a coefficient	KMO	Bartlett sphericity test	Cumulative variance interpretation rate
<i>Survival motivation</i>	3.122	1.256	0.812	0.881	0.801	321.12**	60.12%
<i>Opportunity motivation</i>	3.054	1.211	0.789	0.823	0.799	266.45**	63.56%
<i>Entrepreneurial ability</i>	3.512	1.342	0.811	0.811	0.785	312.23**	66.31%
<i>Entrepreneurial performance</i>	3.238	1.312	0.723	0.823	0.823	311.34**	61.11%

### B. Correlation Analysis

When each dimension variable has good correlation and the correlation between basic information and dimension variable is poor, the subsequent regression analysis can be conducted. From the following "Table II", it can be seen that the correlation coefficient of each variable conforms to the

requirements of conducting the subsequent regression analysis, and control variable has interference on hypothesis and cannot provide sufficient evidences for hypothesis, and therefore, in the following text, the regression model is established, controlling the relevant variables, and further analyzing hypothesis and controlling variables.

TABLE II. CORRELATION ANALYSIS

	Survival motivation	Opportunity motivation	Entrepreneurial ability	Entrepreneurial performance	Expansion phase difference factor
<i>Survival motivation</i>	1				2.343
<i>Opportunity motivation</i>	0.899	1			3.231
<i>Entrepreneurial ability</i>	0.231*		1		1.345
<i>Entrepreneurial performance</i>	0.122**	0.422**	0.367**	1	

### C. Regression Analysis

In this paper, SPSS25.0 software is adopted, and moreover, the hypothesis is analyzed and tested with regression model. The model regression results are shown in "Table III", and the following conclusions are drawn:

About controlling variable and independent variable entrepreneurial motivation, the regression analysis of the relationship of mediating entrepreneurial ability on entrepreneurial performance, namely, the influential relationship between survival motivation and opportunity motivation on entrepreneurial performance, and the influential relationship of entrepreneurial ability on entrepreneurial performance (all of them are independent regression). Through model I and model II, it can be seen that entrepreneurship survival motivation and entrepreneurship opportunity motivation have significant positive influences on entrepreneurial performance ( $\beta=0.214$ ,  $P<0.001$ ;  $\beta=0.228$ ,  $P<0.001$ ); entrepreneurial ability has the significant positive influence on entrepreneurial performance ( $\beta=0.342$ ,  $P<0.001$ ). It explains that the

stronger the entrepreneurial motivation is, the more significant the entrepreneurial performance will be. Therefore, the hypotheses H1A, H1B and H3 are supported.

1) *The relationship between university student entrepreneurial motivation and entrepreneurial ability, and namely, the relationship among survival motivation, opportunity motivation and university student entrepreneurial ability:* From model III and model IV, it can be seen that survival motivation and opportunity motivation have positive influences on university student ability ( $\beta=0.343$ ,  $P<0.001$ ;  $\beta=0.543$ ,  $P<0.001$ ); and among which, opportunity motivation has more significant positive influences. The results showed that the stronger the university student entrepreneur entrepreneurial motivation is, the more significant the entrepreneurial ability will be, and therefore, the hypotheses H2A and H2B win supports.

Model V and model VI mainly researched the influences generated by independent variable entrepreneurial motivation on dependent variable entrepreneurial performance when the entrepreneurial ability is taken as the

mediating variable. In virtue of the method of comparative analysis, comparing to the data in "Table III", the author found that entrepreneurial ability mediated the positive influences of entrepreneurial motivation (survival motivation and opportunity motivation) and university student entrepreneurial performance. Comparing model II with model VI, it can be seen that after adding the mediating variable (entrepreneurial ability), the regression coefficient of entrepreneurship survival motivation towards entrepreneurial performance becomes smaller and insignificant, which explains that the mediating effect of entrepreneurial ability on entrepreneurship survival motivation and entrepreneurial performance is totally mediating. The regression coefficient of entrepreneurship opportunity motivation on entrepreneurial performance becomes smaller with constant significance, which explains that the mediating effect of entrepreneurial ability on

entrepreneurship opportunity motivation on entrepreneurial performance is partially mediating.

2) *Relationship between controlling variable and entrepreneurial performance*: From "Table III", it can be seen that in control variable, the gender, educational background and age do not have significant influences on entrepreneurial performance, the reason may be that the investigation questionnaire data are small, which cannot fully explain the issues of gender, educational background, and age. While entrepreneurship scale has positive correlation to entrepreneurial performance, and the reason may be that the relationship cooperation ability, organizing ability, knowledge sharing ability and innovation ability in university student entrepreneurship team improved entrepreneurial ability of entrepreneurs, thus to have improved entrepreneurial performance.

TABLE III. MULTIPLE REGRESSION ANALYSIS

Variable		Entrepreneurial performance <i>Model I</i>	Entrepreneurial performance <i>Model II</i>	Entrepreneurial ability <i>Model III</i>	Entrepreneurial ability <i>Model IV</i>	Entrepreneurial performance <i>Model V</i>	Entrepreneurial performance <i>Model VI</i>
Control variable	Gender	0.453	0.332	0.088	0.067	-0.121	-0.099
	Age	0.014	-0.231	0.111*	0.092*		
	Educational background	0.045	0.034	0.236*	0.324*	0.044	0.033
	Entrepreneurship scale	0.211*	0.231*	0.222*	0.199*	0.123*	0.144*
Independent variable	survival motivation		0.214**		0.343**		0.201
	opportunity motivation		0.228**		0.543**		0.432**
Mediating variable	entrepreneurial ability		0.342*				0.422**
Adjusted R <sup>2</sup>		0.565	0.654	0.768	0.321	0.323	0.544
Sample size		286	286	286	286	286	286

#### IV. CONCLUSION

In this paper, the influential relationship among entrepreneurial motivation, entrepreneurial ability and entrepreneurial performance is researched, and moreover, a series of hypotheses and verification is conducted. The results showed that both survival motivation and opportunity motivation in entrepreneurial motivation have positive influences on entrepreneurial performance; two dimensions in entrepreneurial motivation all have influences on entrepreneurial ability, and among which, the influences of opportunity motivation on entrepreneurial ability are more significant. In addition, entrepreneurial ability also mediated the relationship between entrepreneurial motivation and entrepreneurial performance, and moreover, the mediating effect of entrepreneurial ability on entrepreneurship survival motivation and entrepreneurial performance is totally mediating, while the mediating effect of entrepreneurial ability on entrepreneurship opportunity motivation and entrepreneurial performance is partially mediating.

There are also deficiencies in this paper. First, there is question deviation in terms of investigation methods, and the subjective thoughts of entrepreneurs may have a certain influences on researches of entrepreneurial performance.

Second, this paper only refers to entrepreneurial ability to investigate the relationship between entrepreneurial motivation and entrepreneurial performance. Third, this paper only conducted one-way research on the potential implicit relation of entrepreneurial motivation towards entrepreneurial performance and didn't conduct two-level common reference on value ratio.

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