

Entrepreneurs value 'ideas' over wealth, study finds

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A study at the University of Liverpool has revealed that entrepreneurs are driven to start companies by their passion for ideas rather than the pursuit of wealth.

Researchers who asked entrepreneurs and small business leaders about their motivations for achieving business success found that only 6.9% were driven by financial reward. Those surveyed cited a 'lack of money to invest' and the 'fear of failure' as barriers to starting up a business.

The survey was conducted by VentureNavigator - a state-of-the-art online service based at the University of Liverpool designed to help start-ups and small businesses improve their chances of success.

The research found the greatest motivator for entrepreneurs is passion

about new ideas with 41.4 per cent of those surveyed citing this as their prime motivation for starting a business. 39.7 per cent were primarily driven by ‘wanting to be their own boss’.

Professor Jimmy Hill from the University’s Management School said “We were surprised to see that only a small number of people cited financial gain as their motivation to start a new business. It is great to see that entrepreneurial spirit is not dead and that so many people are driven by their passion for new ideas.

“Passion is not enough on its own, however, and anyone starting a business needs to be realistic about the financial viability of their plans. There must be adequate business insight to turn an idea into a viable business opportunity and this is where entrepreneurs need help from experts and peers who can advise.”

Dominic Schiller, Director of EntrIPneur who uses Venture Navigator to support his business, said: “Many businesses can run into financial problems after the start-up phase. Venture-Navigator is a good tool - it can outline these issues and offer sound advice before it’s too late.”

Source: University of Liverpool

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