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Motivating Factors for Entrepreneurship and Development Divergences Across Arunachal Pradesh - An Analysis

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Abstract: ***Entrepreneurship in Arunachal Pradesh, India, is influenced by a range of motivating factors and exhibits diverse development trajectories. Geographical remoteness, ethnic diversity, and limited infrastructure have contributed to unique entrepreneurial challenges and disparities. Cultural preservation, self - reliance, and job creation drive entrepreneurship among indigenous communities. Economic growth, improved livelihoods, and reduced dependency on agriculture motivate entrepreneurship in urban areas. Development disparities arise due to geographical variations, with regions closer to urban centres witnessing faster growth compared to more remote areas. Access to markets, education, and technology further contribute to divergences. Government policies and initiatives play a crucial role; proactive policies aimed at fostering entrepreneurship, like skill development programs and financial incentives, can narrow development gaps. The present study aims to analyze the motivating factors behind entrepreneurship in Arunachal Pradesh, India by explores resulting development disparities, stemming from geographical remoteness, infrastructure limitations, and varying access to resources.***

Keywords: Push factor, Pull Factor, Regional Divergence, Arunachal Pradesh.

1. Introduction

Development divergence refers to the differences in economic growth and development between different regions or groups within a country. It occurs when certain regions or groups experience rapid economic growth and development, while others lag behind. This phenomenon is commonly observed in both developed and developing countries. In the context of small and micro entrepreneurs, development divergence can have significant implications. In many cases, small and micro entrepreneurs in urban or economically developed regions may have better access to resources, infrastructure, technology, and markets. This access can lead to higher growth rates and increased opportunities for expansion and innovation. On the other hand, small and micro entrepreneurs in rural or economically disadvantaged regions may face various challenges such as limited access to credit, markets, skilled labour, and infrastructure. As a result, they may struggle to grow their businesses and compete effectively in the market. Development divergence can exacerbate income and wealth disparities, leading to social and economic inequality within a country. Addressing development divergence is crucial for fostering inclusive and sustainable economic growth, as well as promoting entrepreneurship across all regions. The relationship between development divergence and motivating factors to be an entrepreneur is complex and interconnected. Development divergence refers to the differences in economic growth and development between different regions or groups within a region which affects the behaviour of promoters.

2. Background of the Study and Literature Review

Unequal regional development is a salient feature of most countries, but is of growing concern in a large number of developing countries (Kanbur and Venables 2005). Most recent evidence suggests that regional inequality within many developing countries has increased in recent years (Azzoni 2001, Dolinskaya 2002, Aziz and Duenwald 2003, Naude and Krugell 2003, 2006). Theoretical explanations based on endogenous growth theory and the new economic geography ascribes growing regional inequality as due to different rates of investment in physical and human capital under different conditions of agglomeration (Gries and Naude, 2007). The latter gives rise to location and urbanization economies, which through cumulative causation, will result in regional inequalities (Acs and Varga 2004, Krugman and Venables 2005).

Entrepreneurs play an important role in perceiving opportunities for investment in different regions, and by acting as the co - ordinator of physical inputs into production. Moreover, entrepreneurs are vital as channels or mechanisms for the spill overs associated with agglomeration (Audretsch and Keilbach 2004). Regional entrepreneurial capital, measured by the rate of entrepreneurship is therefore an important determinant of regional economic performance. Wennekers et al. (2002) recognize that the rate of entrepreneurship 'impacts economic performance at the individual, firm and societal levels, affecting personal wealth, firm profitability, and economic growth'. More pertinently, Stam (2006) points out that regional difference in start - up rates of new firms are 'a significant source of uneven regional development'.

Ghosh, B., Marjit, S. and Neogi, C. (1998) in their paper on "*Economic Growth and Regional Divergence in India, 1960 to 1995"* they centred their work on the empirical relationship between initial income and its long run growth rate found among the regions in the developed countries. From their studies they found that the allocation of plan funds across the state has been made in accordance with the

level of income of the states, that is, the poorer states have been receiving proportionately larger amount of development funds relative to their richer counterparts all through these years. Given such types of positive discrimination, rising regional disparity may be the outcome of lower efficiency with which public capital is utilised and also of infrastructural disparity across the states.

Given each of these considerations, in terms of the vast literature covering the links between economic geography, entrepreneurship and innovation one can summarize broadly the overall consensus by pointing to the following five stylized facts, which although not ubiquitous are widely observed. Firstly, entrepreneurship and innovation tends to be higher in cities and more densely populated regions than in lower population density regions (Acs, 2002; Carlino et al., 2007); secondly, entrepreneurship and innovation tends to be higher in more sectorally diversified regions (Vanoort, 2004); thirdly, entrepreneurship and innovation tends to be higher in regions that are less dominated by a small number of large firms (Chinitz, 1961; Duranton and Puga, 2001); fourthly, entrepreneurship and innovation tends to be higher in regions with large numbers of multinational companies which are internationally engaged (McCann and Acs, 2011); and fifthly, entrepreneurship and innovation tends to be higher in regions with large market potential. Conversely, entrepreneurship tends to be lower in regions with lower population densities, lower in regions that are more sectorally specialized, lower in regions dominated by a small number of large firms, lower in regions with firms of limited international engagement, and lower in regions with low market potential.

In addition, a sixth stylized fact is that in many parts of the world including in most OECD countries, the adoption, adaptation, and application of information and communications technologies (ICTs) across of wide range of industries appears to have exacerbated the differences between core and none - core regions over the last two decades (Mccann, 2008; McCann and Acs, 2011). The reason for this is that ICTs are complements for knowledge - intensive activities requiring highly frequent face - to - face interactions (Gaspar & G Laeser, 1998; McCann, 2007), while at the same they are substitutes for routinized activities (Iammarino and McCann, 2013). The result is that a more uneven interregional and international spatial distribution of activities has emerged according to the degrees of knowledge intensity embodied in activities (McCann, 2008; McCann and Acs, 2011). In other words, the economic geography literature suggests that core regions offer greater potential rewards to the entrepreneurial search process in terms of the distribution, the magnitude and the capacity for learning.

Fritsch and Mueller (2004), Van Stel and Storey (2004) and Baptista, Escária and Madrugo (2005) found typical transitions between the different types of growth regimes that do suggest some kind of life - cycle approach to regional development with regard to new firm formation; namely from revolving - door to entrepreneurial to routinized to downsizing. Their analysis shows that some regions succeeded in considerably increasing the level of entrepreneurship during the period under inspection. However, in other regions start - up rates are fairly constant over a long period of time.

Fritsch and Mueller (2005) found that innovation activities and the entrepreneurial climate play a crucial role in this respect. This suggests that innovation and entrepreneurial climate could serve as appropriate starting points for a policy that aims at promoting regional entrepreneurship. Further research should try to identify suitable instruments of such a policy (Michael Fritsch and Pamela Mueller, 2006).

Jena, S. K. (2017) observed in his study that other factors which influence the development and growth of the enterprises and entrepreneurship are the business environment present, prevailed socio - economic conditions, availability of infrastructural facilities, attitude, awareness and exposure of the population to the market economy, banking outreach etc. These factors differ from district to district and area to area basing on the developmental divergence which affects the sustainability and growth of micro - enterprises.

Sharma, A. (2017) concluded in his study that the trained entrepreneurs are more likely to have growth in their enterprises as compared to the untrained entrepreneurs. Hence it is very important for micro entrepreneurs to understand the value of formal training as most of the study found that trained entrepreneurs significantly contribute foe their enterprise's growth.

Arunachal Pradesh is also known as *the land of botanist*. The state is rich in various types of untapped and unexplored natural resource including good amount of active man powers. So, it gives a good indication for the welcome of industrial sectors in the state. Without any doubt, the state has already entered in the field of industrialisation but then its participation is yet to reach to its top. Many micro and small - scale business units have been created or run by the government as well as the private parties and which provides a huge numbers of employment opportunities to the local people of the state as well as to the people from the outside. But it is again a matter of the concern that despite of having large number of increasing business units, there is no single business unit representing medium and large - scale industries within state. So, Arunachal Pradesh has to go a long way in the field of industrialisation in order to walk along with the main stream business environment. There are ample of factors which hindered the phase of development of industrial sector namely, lack of infrastructure facilities, poor education system especially in ground of entrepreneurship, lack of technological know - how, poor skill and knowledge of the emerging young entrepreneurs etc. Therefore, every area of Arunachal Pradesh is required a good study and analysis of their present business culture/ activities. A favourable study could help the concerned place (district) to understand and give a brief SWOT analysis for the same. There were so many Government reports which show the different conditions and situations of different places. For example, Statistical Report, Industrial report etc. Likewise, there is Human Development Index report which shows the district wise rankings. The same is representing in the form of table below.

Table 1: Classification of Districts with respect to Development as per HDI Report 2005

High Growth	Medium Growth	Low Growth
East Siang	West Siang	Changlang
Dibang Valley	Tawang	Upper Subansiri
West Kameng	Upper Siang	Lower Subansiri
Papumpare	Lohit	East Kameng

S*ources: HDR (2005), Arunachal Pradesh*

Therefore, the report provides the developmental position of each district based on Livelihood, education, health and infrastructure. From among the 13 districts East Siang district got the 1st place that means it has better economic, social, political environment in compare to rest 12 districts. So, here the same ranking report has been classified into three different groups' i. e., high growth, medium growth and low growth district. Now it has come into the light that each of these three groups has its own advantages and disadvantages in compares to other. The high growth rate districts have its maximum advantages from other two sections. So, it is one of the major concerned to the government of the state, central as well as publics to have the knowledge of the positive and negative factors which is affecting each of the concerned districts. Thus, main motive of the proposed study is to find out the factors (both negative and positive) and the development impact based on the business environment.

After going through a collection of articles, journals, thesis, books etc. it has been found that there are numbers of research scholars, expert, study teams who had already put forwarded their hands towards this field and no doubt it is worth study so, they had submitted their very good writings, reports and papers for the same in the district, state or even in the national and international level but it has again been noticed that no study in relation to development divergence in connection to behaviour of MSEs has studied so far. So, it is a humble attempt by the research scholar to study the motivational factors to opt for entrepreneurship as a source of livelihood and their development divergence of the entrepreneurs under MSEs in the context of Arunachal Pradesh as a whole.

Objectives of the study

The basic objective of the present study is to analyse the motivating factors of the micro and small - scale entrepreneurs of Arunachal Pradesh for choice of entrepreneurship as a livelihood option, with relation to development divergence.

3. Research Methodology

This study selected three districts viz. Papumpare district was selected among the high growth areas because it has the highest urban population as well as highest HDI whereas West Siang and Lower Subansiri districts were selected from medium and low growth districts. Primary data were collected through a pre - validated and pilot tested questionnaires / schedules, focus group discussions, and individual interviews. The study used a multi - stage sampling process to select respondents. In the first phase, a list of blocks in the three districts has been prepared where at least 50 registered SMEs are operating. Then the blocks were randomly selected by lottery. Again, a simple (batch) random sampling technique was used to select respondents from each location. The researcher had approached respondents from selected areas between July 2022 and September 2022 to collect the primary data. For ease of calculation, the sample size was rounded to 400. To predict the probability of rejection during the reliability test, the survey was collected from 418 respondents. After checking for reliability and validity, the collected data has been analysed by using the necessary statistical tools.

Test of Reliability: As presented in the table no - 2, the Cronbach's Alpha score has been derived as.886 along with Cronbach's Alpha score based on Standardized Items is.828 and suggested that the 227 items, that was tested, have relatively high internal consistency and is accepted for further analysis i. e., the responses are consistent between items (reliability). It also has suggested excluding 24 from the total 424 cases (responses) as they lack consistency with respect to the other responses. Each of the component variables with zero variance is removed from the scale while calculating the reliability.

Table 2: Case Processing Summary and Reliability Statistics

Case Processing Summary		N	%
Cases	Valid	424	94.5
	Excluded[a]	24	5.5
	Total	400	100.0

Reliability Statistics		
Cronbach's Alpha	**Cronbach's Alpha Based on Standardized Items**	**N of Items**
.816	.808	227
a. List - wise deletion based on all variables in the procedure.		

Sources: Primary Data Collected in the year 2021 - 22 and Analysis thereafter

Profile of the respondents

A total of 176 responses had been collected from Papumpare district, 120 and 104 of the responses from West Siang district and Lower Subansiri district respectively. For the present study, the respondents were selected from the micro and small entrepreneurs engaged in business activities not less than 3 years. It is presumed that the gestation period of such businesses is around 2 years and a settle - down period is nearly 1 years. Thus, the delimitation was made to avoid the inclusion of those who may have repatriation from the current business during the gestation period due to failure of the business. From the profile analysis, the following inferences have been drawn:

1) Only 3% (1) of the total business unit are into manufacturing activity whereas, 14.5% (58), 77% (308), 2.3% (9) of the business units are into service, retailing,

wholesaler activities respectively. It has also been observed that out of total number of business unit 6.0% (24) of the business units are from other categories such units are engaged into both service and retailing activities etc.

2) Out of total 400 respondents, 31.3% (125) of the respondents has started their business activities in the period 2000 - 2005, 14.8% (59) of the respondents are from the period 2005 - 2010, 22.0% (88) of the respondents are from period 2010 - 2015 and 32.0% (128) of the respondents has joined their business activities after the year 2015.
3) 15.8% (63) of the respondents has started doing business activity under the age group of 15 - 20. Similarly, 29.5% (118), 28.2% (113), 16.5% (66) and 10.0% (40) of the respondents are comes under the age category of 20 - 25, 25 - 30, 30 - 35 and 35years and above respectively.

4. Analysis and Interpretation

The main theory found in the literature on entrepreneurial motivation is that of 'push'/pull' factors (Buttner and Moore, 19974; Duchéneaut and Orhan, 2000; Orhan and Scott, 2001). 'Push factors are essential elements that are likely to drive people into entrepreneurship such as the need for greater income or dissatisfaction within the labor market. 'Pull' factors are elements that induce people to become entrepreneurs such as the desire for autonomy and independence, the wish rather than the need for greater income, the desire for personal satisfaction and achievement, or merely because they saw an opportunity in the form of a gap in the market. It is usually agreed that motivations for people to enter entrepreneurship are a combination of 'push' and 'pull' factors rather than for a single reason and that 'a pull/push model reflects most entrepreneurial motivations' (Duchéneaut and Orhan, 2000: 90; Deakins and Whittam, 2000; Orhan and Scott, 2001). Present study has contextualised the factors on the basis of the local conditions.

The table 3 represents the factors responsible for being an entrepreneur. The factor has majorly divided under two different heads such as Push factor and Pull factor. Urge to earn a higher - income, handling family responsibilities, lack of options for livelihood, unemployment and any others likely factors are considered as push factor, whereas, the likelihood to receive the government scheme & subsidies, ambition to be successful, independent & self - reliance, motivation by observing others' success, availing new opportunity, and following others are considered as pull factors for.

Table 3: Factors responsible for being an Entrepreneur

Factors	Papumpare			West Siang			Lower Subansiri			Total		
	Mean	N	SD	Mean	N	SD	Mean	N	SD	Mean	N	SD
Higher - Income	1.85	176	0.361	1.68	120	0.467	1.49	104	0.502	1.70	400	0.457
Family Responsibilities	1.75	176	0.434	1.62	120	0.488	1.63	104	0.484	1.68	400	0.467
No other option for livelihood	1.28	176	0.452	1.20	120	0.402	1.28	104	0.451	1.26	400	0.438
Unemployment	1.49	176	0.501	1.41	120	0.494	1.42	104	0.496	1.45	400	0.498
Other	1.03	176	0.167	1.05	120	0.219	1.05	104	0.215	1.04	400	0.196
Push Factor	**1.48**	**176**	**0.38**	**1.39**	**120**	**0.41**	**1.37**	**104**	**0.43**	**1.43**	**400**	**0.41**
Govt. Schemes & Subsidies	1.00	176	0.896	1.00	120	0.976	1.00	104	0.986	1.00	400	0.964
Ambition to be Successful	1.05	176	0.221	1.18	120	0.382	1.15	104	0.363	1.12	400	0.319
Independent & Self - reliance	1.19	176	0.391	1.21	120	0.408	1.14	104	0.353	1.18	400	0.387
Motivation from others	1.22	176	0.413	1.13	119	0.343	1.10	104	0.296	1.16	399	0.367
New opportunity	1.05	176	0.209	1.03	120	0.157	1.04	104	0.193	1.04	400	0.190
Imitating others	1.01	176	0.075	1.00	120	0.089	1.01	104	0.098	1.00	400	0.071
Pull Factor	**1.09**	**176**	**0.260**	**1.11**	**120**	**0.260**	**1.09**	**104**	**0.260**	**1.10**	**400**	**0.270**

Source: Primary Data collected during 2022 and analysis thereafter

1) Push factors

a) With respect to the push factors, the mean score for the factor like higher income for the Papumpare respondents is 1.85 (SD - .361), 1.68 (SD - .467) for West Siang respondents and 1.49 (SD - .502) is for Lower Subansiri respondents. In average, the mean score for the factor, higher income is 1.70 (SD - .457) which indicates that this factor has a high degree of influence on choosing to be entrepreneurs with a lower degree of variation in each individual district as well as in aggregate.

b) The mean score for the factor, the mean score for the factor like to handle the family responsibilities for the Papumpare respondents is 1.75 (SD - .434), 1.62 (SD - .488) for West Siang respondents and 1.63 (SD - .484) is for Lower Subansiri respondents. In average, the mean score for the factor, family responsibility is 1.68 (SD - .467) which indicates that this factor has a high degree of influence on choosing to be entrepreneurs with a lower degree of variation in each individual district as well as in aggregate.

c) The mean score for the factor, lack of options for livelihood, for the Papumpare respondents is 1.28 (SD - .452), 1.20 (SD - .402) for West Siang respondents and 1.28 (SD - .451) is for Lower Subansiri respondents. In average, the mean score for the factor, lack of options for livelihood, is 1.26 (SD - .438) which indicates that this factor has a high moderate degree of influence on choosing to be entrepreneurs with a lower degree of variation in each individual district as well as in aggregate.

d) The mean score for the factor of motivation, unemployment, for the Papumpare respondents is 1.49 (SD - .501), 1.41 (SD - .494) for West Siang respondents and 1.42 (SD - .496) is for Lower Subansiri respondents. In average, the mean score for the factor, fright to be an unemployed, is 1.45 (SD - .498) which indicates that this factor has a high degree of influence

on choosing to be entrepreneurs with a lower degree of variation in each individual district as well as in aggregate.

e) The mean score for the factor of motivation, termed under other factors such as, to maintain the family business legacy etc., for the Papumpare respondents is 1.03 (SD - .167), 1.05 (SD - .219) for West Siang respondents and 1.05 (SD - .215) is for Lower Subansiri respondents. In average, the mean score for other factors, is 1.04 (SD - .196) which indicates that these factors have a low degree of influence on choosing to be entrepreneurs with a lower degree of variation in each individual district as well as in aggregate.

f) Finally, it has also been found that, the overall mean value of push factors in Papumpare district is 1.48 (SD 0.38), 1.39 (SD 0.41) in West Siang and 1.37 (SD 0.43 in Lower Subansiri district. Therefore, the overall mean value, across all the respondents is 1.43 and the standard deviation is 0.41, implies that there are almost similar responses from each respondent irrespective of the developments in their regions but the push factor has a moderate motivation on the respondents to choose the option to be an entrepreneur.

2) Pull factors

a) With respect to the first pull factors, offer of subsidies and incentives through various schemes promulgated by the govt., the mean score for respondents of the Papumpare, West Siang and Lower Subansiri districts are 1.00 with a high score of SD (.896,.976 and.986) which indicates high degree of variation. In average, the mean score for the factor is also 1.070 (SD - .946) which indicates that this factor has a low degree of influence on the respondents for choosing to be entrepreneurs with a high degree of variation across the responses.

b) The ambition to be successful business person is a low moderate influencer on the respondents with a mean score of 1.12 with a SD score of.319. The mean scores across the three districts are varied as it is 1.05 (SD - .221) for Papumpare district, 1.18 (SD - .382) for West Siang district and 1.15 (SD - .363) for Lower Subansiri district.

c) The ambition to be independent and self - reliant is a low moderate influencer on the respondents with a mean score of 1.18 with a SD score of.387. The mean scores across the three districts are varied as it is 1.19 (SD - .391) for Papumpare district, 1.21 (SD - .408) for West Siang district and 1.14 (SD - .353) for Lower Subansiri district.

d) Being motivated by observing other successful neighbourhood persons and motivations from the family and friends are low moderate influencers on the respondents with a mean score of 1.16 with a SD score of.367. The mean scores across the three districts are varied as it is 1.22 (SD - .413) for Papumpare district, 1.13 (SD - .343) for West Siang district and 1.10 (SD - .296) for Lower Subansiri district.

e) Realising and exploiting new opportunities as a motivator has a low level of influence over the respondents (mean score – 1.04, SD - .190) where the individual variation in opinion is the least. The district wise mean score 1.05, 1.03 and 1.04 of Papumpare, West Siang and Lower Subansiri districts respectively, show a low level of inter - district variation.

f) To imitate other successful entrepreneurs is also treated as the least influencing factor as the mean score for respondents of the Papumpare, West Siang and Lower Subansiri districts are 1.00.

g) Finally, it has also been found that, the overall mean value of pull factors in Papumpare district is 1.09, 1.11 (SD - .260) in West Siang and 1.09 (SD - .260) in Lower Subansiri district. Therefore, the overall mean value, across all the respondents is 1.10 and the standard deviation is.270, implies that there are almost similar responses from each respondent irrespective of the developments in their regions and the pull factor has a low level of motivation on the respondents to choose the option to be an entrepreneur.

Table 5: Push and Pull Factors across the respondents of the Three Districts - ANOVA[a]

Push Factors	F	p	Pull Factors	F	p
Higher - Income	22.221	**.000 Sig.**	Govt. Schemes & Subsidies	1.170	.762 NS
Family Responsibilities	3.618	**.028 Sig.**	Ambition to be Successful	6.583	**.002 Sig.**
No other option for livelihood	1.487	.227 NS	Independent & Self - reliance	.791	.454 NS
Unemployment	1.270	.282 NS	Motivation from others	3.953	.020 **Sig.**
Other Push Factor	6.583	**.002 Sig.**	New opportunity	.413	.662 NS
-	-	-	Imitating others	.550	.577 NS
Push Factors	**8.613**	**.000 Sig.**	**Pull Factors**	**.433**	**.649 NS**

Source: Primary Data collected during 2022 and analysis thereafter

The table 5 presents the information about the presence of statistically significant variances among the respondents of three districts with respect to the individual motivators under the Push and Pull factors by using ANOVA. The push factors like the ambition to earn higher income, to handle the family responsibilities, and other miscellaneous factors like such as, to maintain the family business legacy etc., and the pull factors like ambition to be a successful entrepreneur, and motivations by observing other successful neighbourhood persons and motivations from the family and friends have indicated a statistically significant differences across the respondents of three districts. Other factors under push and pull factors show non - significant differences. The combined push factor is showing a statistically significant differences across the districts whereas the difference in pull factor across the districts is non - significant. The development across the regions increases the cost of living, awareness and education, business eco - system around the respondents which made them more motivated to earn high to take up the challenges of family responsibilities. The presence of successful business houses around them also

made them motivated to be an entrepreneur and earn more to enjoy the life.

The table 6 shows the comparative analysis of push and pull factors, responsible for being an entrepreneur across districts using descriptive statistics to study the fixed and random effect due to a constant effect of change i. e., the development divergence with the change in districts. The fixed effects represent the effects of variables (the three districts) that are assumed to have a constant effect on the outcome variable, while the random effects represent the effects of variables (the respondents) that have a varying effect on the outcome variable (push and pull factors) across groups or individuals. The statistics indicated that 23.337% of change in the push factors has been due to the change in the districts and only.32% of the variation in the push factors is attributed to the change in the respondents. At the same time, 12.000% of change in the pull factors has been due to the change in the districts and only.006% of the variation in the push factors is attributed to the change in the respondents. This analysis indicated that the changes in the push and pull factors among the respondents, grouped as per the districts, is due to the development disparity among the districts.

Table 6: Push and Pull Factors – Comparative Analysis (Fixed and Random Effect)

Factors	Districts		Mean	SD	SE	Between - Component Variance
Push factor	Papumpare		1.4807	.22443	.01692	
	West Siang		1.3917	.25191	.02300	
	Lower Subansiri		1.3750	.22587	.02215	
	Total		1.4265	.23778	.01189	
	Model	Fixed Effects		**.23337**	.01167	
		Random Effects			.03547	**.00320**
Pull Factor	Papumpare		1.0843	.10540	.00795	
	West Siang		1.0882	.13693	.01255	
	Lower Subansiri		1.0737	.12251	.01201	
	Total		1.0827	.11983	.00600	
	Model	Fixed Effects		**.12000**	.00601	
		Random Effects			.00601	**- .00006**

Source: Primary Data collected during 2022 and analysis thereafter

5. Findings

It is found from the ongoing study that there is a significant difference in the motivating factors among the responding entrepreneurs from different districts which are varied with respect to development. The factors that push individuals to become entrepreneurs can indeed differ between developed and underdeveloped areas due to varying economic, social, and environmental conditions. The push factors for entrepreneurship in developed areas often stem from the allure of market opportunities and supportive ecosystems which includes better access to financial resources, infrastructure, technology, and skilled labour; well - established and supportive entrepreneurial ecosystems, including mentorship programs, networking events, and startup incubators; and lesser risk of business failure due to presence of high floating population and demands; while in underdeveloped areas, the motivation is often tied to addressing local needs, economic necessity, and community impact. The challenges and opportunities in each context significantly shape individuals' entrepreneurial decisions.

But with respect to the pull factors, the differences found across the areas varying development is very much insignificant as there are common pull factors that apply universally to entrepreneurship. Entrepreneurs in both developed and underdeveloped areas are often attracted to the freedom and creativity that comes with running their own businesses. They have the opportunity to bring their ideas to life and make independent decisions. The potential for financial rewards can be enticing in both contexts. Successful entrepreneurs can earn substantial profits, regardless of whether they're operating in developed or underdeveloped areas. Many entrepreneurs are driven by the desire to pursue their passions and make a meaningful impact. This sense of personal fulfilment is a common pull factor regardless of the economic environment. Thus, the development disparity exercises a lesser motivation on a person to be an entrepreneur, with respect to the pull factors.

6. Conclusion

In summary, entrepreneurship drivers in Arunachal Pradesh encompass cultural, economic, and social factors. However, development disparities are rooted in geographical accessibility, infrastructure availability, and policy effectiveness. Balancing these factors through targeted policies, infrastructure investments, and capacity - building can promote more inclusive and sustainable entrepreneurial development across the state.

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