

Why People Go Into Business

These are the different reasons why people go into business.

Social Approval

The businessman has a high social standing in the community.

Profit

The major factor of motivation for going into business is profit. Individuals enter into these activities because of the anticipation of a "reward" in the form of monetary benefits. Aside from this, returns must be realized by their productive assets so as to maintain a satisfactory level of productive operations.

Service to the Community and to Employees

Many business men render service to the community in donating money, sponsoring civic activities, setting up facilities for community needs, or providing opportunities for employment.

Personal Satisfaction

This personal satisfaction comes about from the social status conferred on those engaged in business. It also arises from the many opportunities given the businessmen to satisfy his creative urge, his desire to witness the concrete fruits of endeavors, and his search for self-fulfillment in what he feels is useful activity.

Livelihood

People go into business to earn a living. The pervasive influence of business in human activity is such, that very often the only avenue where one could enter in the hopes of earning a living, is to work for commercial, industrial, or service establishment.

Power

Some people enter business because they expect to rise up to positions of prestige, power, and leadership. Successful businessmen exercise influence with the money or productive facilities under his control, and commands authority over the subordinates working under him.

Protection

Quite often individuals inherit a business and rather suffer a loss through selling it decide to run the business themselves.