Needs Hierarchy, Motivational Factors and Entrepreneurship in Bangladesh

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Abstract

Every human being is driven by his/her desire to reach his/her needs, whereby the needs evolve to more ambitious needs once the most fundamental needs have been achieved. To reach more ambitious needs, accommodating socio-economic infrastructures and appropriate government support are required. Based on various surveys, this paper examines the needs hierarchy of Bangladeshi people as well as the main hindrances for not reaching higher up needs in Bangladesh. It analyzes the motivational factors of Bangladeshi employees and looks into the possibility and desirability of employees to become entrepreneurs in Bangladesh. Linking Bangladesh's needs hierarchy, employee motivation and entrepreneurship in Bangladesh, the paper concludes with suggestions for measures that should be taken in an integrated way by individuals, family, social institutions and government to enable and encourage entrepreneurship in Bangladesh.

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I.   Introduction

In 1943, Abraham Maslow, an American psychologist, proposed a hierarchy of needs, which he then expressed in more details in his 1954 book, entitled "*Motivation and Personality*".[1] Today, the needs hierarchy is a one of the better-known theories in psychology that is typically represented as a pyramid with the more basic needs at the bottom and the less basic needs at the top; see Figure 1.

Figure 1: Maslow's Hierarchy of Needs
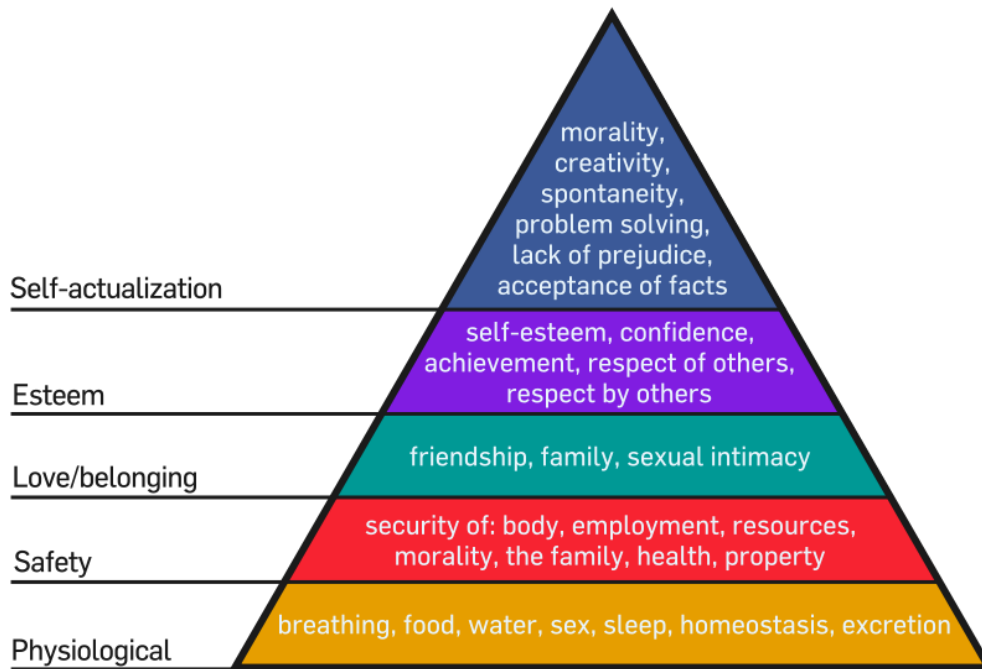
Source: http://en.wikipedia.org/wiki/Maslow's_hierarchy_of_needs.

"Maslow believes that the only reason that people would not move well in direction of self-actualization is because of hindrances placed in their way by society."[2] This paper reviews if Bangladesh's socio-economic conditions facilitate the completion of the hierarchy of needs by analyzing three questions. First, what are the priority needs of Bangladeshi people in different income levels? Second, what are the most desired motivational factors of employees? And third, why do people search for a job instead of doing business as an entrepreneur? These three questions are analyzed one by one in the following three sections, before the last section provides some conclusions and suggestions.

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[1] See Maslow (1943) and Maslow (1954).
[2] See: http://honolulu.hawaii.edu/intranet/committees/FacDevCom/guidebk/teachtip/maslow.htm.

II.   Bangladesh's Needs Hierarchy

In order to get some idea on which needs are the most important in Bangladesh, a total of 96 people have been interviewed on their perspectives on the importance of physiological needs, safety needs, love (belonging), esteem, and self-actualization. These 96 people represented three social classes: lower class, middle class and upper class. Each class was further divided into two groups (lower and upper), resulting in a total of six class categories:
1. lower-lower class,
2. upper-lower class,
3. lower-middle class,
4. upper middle class,
5. lower-upper class, and
6. upper-upper class.

Each of these six classes was represented by exactly 16 people.

The people interviewed were mostly aged people who have retired from full-time work. They tried to be happy with what they have achieved despite realizing that they have not achieved their once higher ambitions and goals. Hence, a second purpose of the interview was to find out why these people failed. Do socio-economic conditions hold people back from what they want to be? Could government have removed the barriers that kept them from reaching their goals?

II.1.   Bangladesh Perspective on Physiological Needs
Physiological needs are the most fundamental need. They include breathing, food, water, sleep, homeostasis, and excretion at the individual level and at the specie-level also sex/reproduction. Maslow called them "deficiency needs". Given Bangladesh's level of development, physiological needs are the prime needs of most Bangladeshis. Most of the respondents stated that physiological needs are the most basic needs, independent from which class the respondent came from. Most of the respondents said that they will be happy if they are able to get the basic needs.

II.2.   Bangladesh Perspective on Safety Needs
Safety needs includes security of body, employment, morality, family, health and property. When physiological needs are completely satisfied the safety needs get precedence and dominate behavior. Around 70 respondents mentioned that they will be happy if they get the deficiency needs; they do not want to be safe because surviving is the main fight. When they are fighting to get the deficiency needs, they do not bother whether they are safe or not. They sometimes even forget what they wanted to be. However, about half of the respondents expressed that safety is very important for them; all of them came from the upper-middle or higher class. All other respondents (which were mostly from the lower-lower to lower-middle classes) expressed that they want more of the deficiency needs and less of the safety needs. This is illustrated in Figure 2 below.

**Figure 2: Bangladesh's Most General Needs Hierarchy**

Safety

Physiological
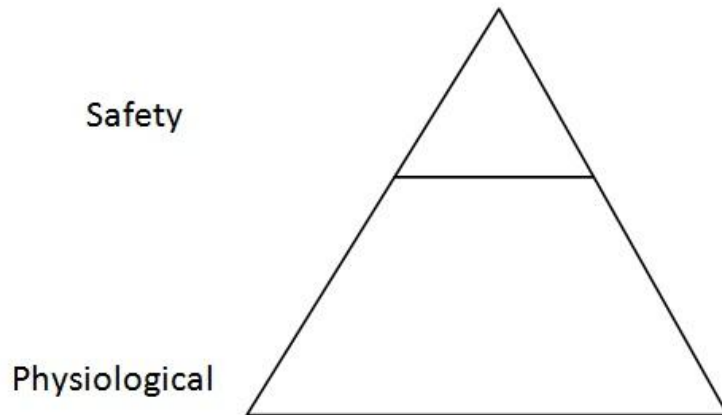
Source: Derived based on author's survey described above.

II.3.   Bangladesh Perspective on Love/Belonging

When deficiency and safety needs are fulfilled human beings involve love or belonging. This includes friendship, intimacy and family. Every human should feel it because they live in a society which consists of families, clubs, religious groups, professional organizations, sports teams etc. Bangladeshi people are known to be fond of loving, affection and family bonding. However, the answers of the respondents reflect a deep deficiency in terms of love/belonging. About 70 percent of the respondents think that these needs are worthless, that they have already passed half of their life to get the physiological needs. That journey was rigorously tough. So they did not care about love/belonging. Sometimes respondents were happy with physiological and safety needs. While most respondents want to be loved or cared for, it is typically only those who triumph over their aim who express that love/belonging has a great value in their life. This is illustrated in Figure 3 below, comparing the hierarchy needs for the lower-middle class with the hierarchy needs of the lower-lower class.

Figure 3: Needs Hierarchy for Lower-middle and Lower-lower Classes

Love

Safety

Physiological

Chart of hierarchy for lower-middle

Safety

Physiological

Chart of hierarchy for lower-lower
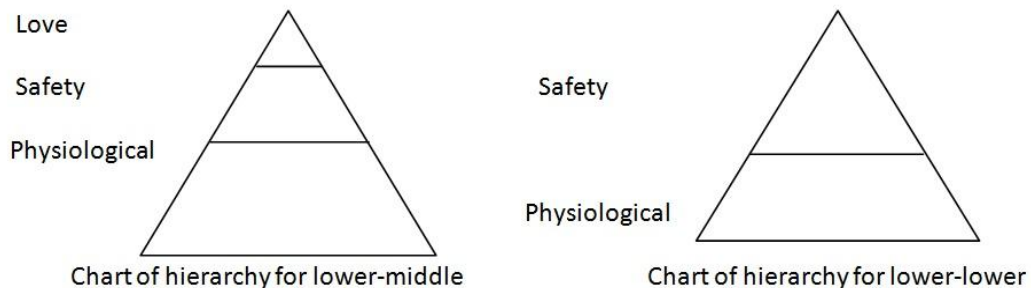
Source: Based on author's survey described above.

II.4.   Bangladesh Perspective on Esteem

Esteem is a need that is a natural want of every human being. Everyone wants to be accepted and valued by others. However, people need to engage themselves in family or society to gain recognition. They need some activity or activities that give them a sense of contribution, a feeling of being accepted and having self-value. Such activities could be within and/or outside professional life. Deficiencies of esteem can result in low self-esteem or an inferiority complex. According to Maslow, there is a lower and a higher version of the esteem need:

> "*The lower one is the need for the respect of others, the need for status, recognition, fame, prestige and attention. The higher one is the need for self-respect, the need for strength, competence, mastery, self-confidence, independence and freedom. The latter one ranks higher because it rests more on inner competence won through experience. Deprivation of these needs can lead to an inferiority complex, weakness and helpless.*"[3]

Based on the interviews, around 63 percent of the respondents mentioned that they failed to get their aim due to a lack of confidence as others treat them as a loser. They think they are fine with their physiological needs and will remain happy as long as they will consistently get their physiological needs. Most of the respondents have regrets and complaints against their family as well as society and/or government. Respect others and be respected by others has little meaning to them.

II.5.   Bangladesh Perspective on Self-actualization

Self-actualization is a level of need that pertains to what a person's full potential is and realizing that potential. While all 96 respondents had an aim for their life at some point, only a few of them achieved their aim. Indeed, 84 respondents replied that they were unable to achieve what they once wanted to be. Most of them failed to reach their goal due to family and/or socio-economic constraints. This reflects Maslow's statement that hindrances prevent people from moving towards self-actualization. In the Bangladeshi case, the struggle to get the basic needs is the main hindrance of people to get to the self-actualization level.

II.6.   Overall Results of Bangladesh's Needs Hierarchy

Of all 96 respondents, 70 percent expressed that they are happy with having achieved their physiological needs, 45 respondents are happy with having achieved their safety needs, while 37 respondents are happy with having achieved their need for esteem. Love, which is based on Maslow's needs hierarchy below the need for esteem, is with only 30 respondents expressing their happiness with having achieved their love/belonging needs, higher up than esteem in Bangladesh's needs hierarchy. Consistent with Maslow's needs hierarchy, self-actualization is also the highest level in the Bangladeshi needs hierarchy, with only 16 respondents expressing their happiness with having achieved self-actualization. The various replies by the respondents are shown in more details in Figure 4 below.

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[3] See http://en.wikipedia.org/wiki/Maslow's_hierarchy_of_needs.

Figure 4: Hierarchy of Needs in Bangladesh
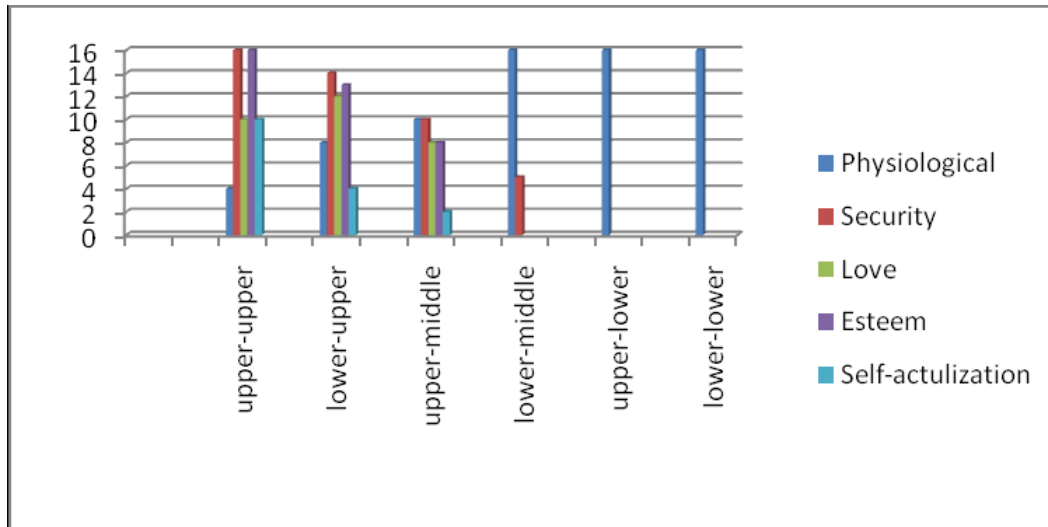
Source: Based on author's survey referred to above.

In any case, what emerges (based on additional interview questions) is that Bangladeshi people are trying to be happy without getting all the needs mentioned in Maslow's needs hierarchy. Based on the interview results, it can be concluded that people are bound to be happy with whatever they have because the socio-economic conditions could deteriorate day by day.

Furthermore, it appears that older people, especially parents, delegate some of their unfulfilled needs to the younger generation. For example, when a baby is born, the parents have high expectations and high ambitions for their son or daughter. So when the babies have grown up and have their own desires or aims, most of the time, parents do not listen to what their children want. Children have to carry their parents' hopes and aspirations on their shoulders, which typically are not their own hopes and aspirations, and hence, they do not get full recognition, they do not reach the level of esteem or the level of self-actualization. If anyone tries to break these rules by living their own lives, socio-economic conditions do typically not allow them. Maslow's hierarchy of needs is not getting completed; instead, new social rules are being made that make it even more difficult to reach self-actualization.

So the question to be asked is if there is any need for people to get to the self-actualization level. The answer is that self-actualized people have realistic perceptions of (i) themselves, (ii) others and (iii) the world around them. Self-actualized people are problem-solvers. They are spontaneous in their personal and other matters. Self-actualized people are independent; they have great appreciation quality because they typically had to work hard for their achievements. If more people become self-actualized the socio-economic conditions will improve. Government and society should remove the barriers which restrain people to become self-actualized.

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III. Motivational Factors of Bangladeshi Employees

A second survey (interviewing 44 employees at the executive/manager level) has been taken to find out what the most desired motivational factors of employees are. The male and female employees interviewed came from manufacturing companies, advertisement agencies, banks and real estate companies. The questionnaire included eleven motivations, covering a variety of internal and external motivational factors: (i) monetary bonus, (ii) medical allowances, (iii) conveyance, (iv) physical security, (v) appreciation, (vi) a comfortable working environment, (vii) autonomy, (viii) recognition and reward, (ix) training, (x) job security, and (xi) fun and pleasure. The employees were asked to rank these motivational factors by their personal priorities.

The results of the ranking are shown in Figure 5. It shows that 20 employees marked job security as their top priority, followed by eighteen employees who marked a comfortable working environment as their second-highest priority. Ten employees marked monetary bonus as their third-highest priority, while nine employees marked recognition and reward as their fourth-highest priority. Physical security and appreciation shared the fifth priority (marked each by eight employees), while seven employees marked training as their next priority. Conveyance, autonomy and medical allowances were each marked by six employees as their next highest priority, while a total of twelve employees marked fun & pleasure as their lowest priority.[4]

Figure 5: Motivational Factors of Employees
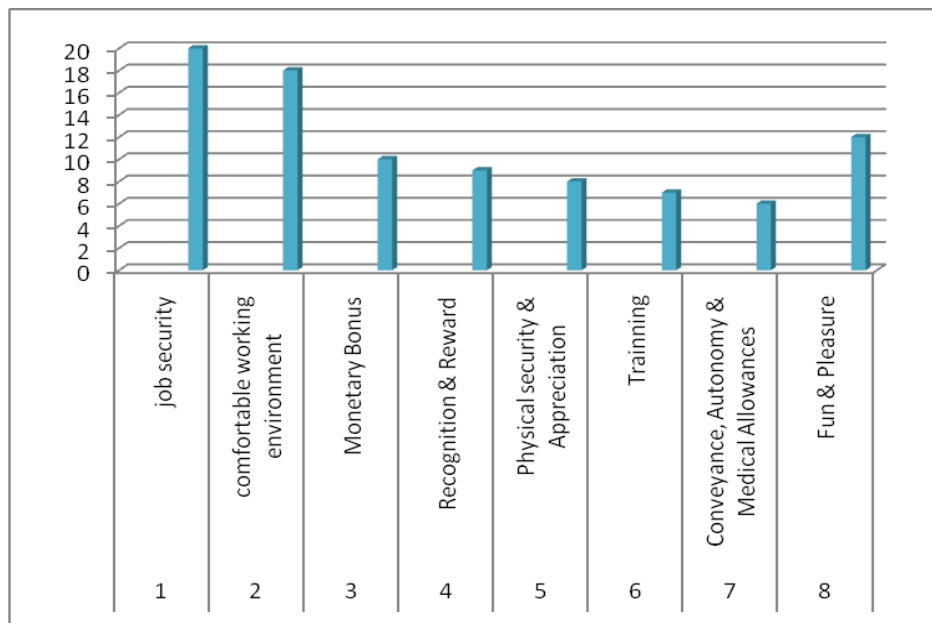
Source: Based on author's survey.

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[4] Some respondents did not use all eleven motivational factors in their ranking (partly as some of these motivational factors were not considered applicable to them), which explains why various motivational factors in the middle ranking (monetary bonus, recognition, reward, physical security, appreciation, training, conveyance, autonomy and medical allowances) received a lower number of replies than the motivational factor of fun and pleasure.

The most significant result of this survey is that job security constitutes the employee's top priority, with 20 out of 44 employees marking job security as their top motivational factor. Hence, if an employee feels that his or her job is not secure, he or she will not be motivated. Job security depends on a variety of factors, like a company's longevity and/or success. If a company is well established and has an at least moderate growth rate, employees seem to be assured that their company will not windup shortly. Similarly, if a company has a good human resource (HR) policy that shows a clear career path and promotion procedure, employees are typically more motivated than otherwise as most employee aim at having a good career.

Another important result of this survey is that a comfortable working environment has received very high marks. Among the 44 respondents, 18 respondents marked it as their second-highest motivational factor. A working environment which is free from unhealthy HR practices, office politics, any kind of ism, sexual harassment and unhygienic office premises are considered comfortable working environment. In other words, a comfortable working environment is very much related to a high quality of work life. What is also interesting to point out is that training is in the sixth position even though training constitutes an important factor for having reached the executive/managerial level.

Most of the companies think that their employees are motivated mainly by monetary bonuses, conveyance, or medical allowances. However, our survey results indicate that these motivational factors are neither the only nor the most important drivers of motivation for employees at the executive/managerial level. Furthermore, it seems like that our recent corporate culture is not supporting employees' motivation. This survey suggests that employers should think more about job security and the provision of a comfortable working environment. If employees are worried about their job security or unhappy with their working environment, employees will not be motivated and without motivated employees it will be difficult to survive in a global competitive business environment we are all facing these days. Hence, employee motivation is a must to intensify business in today's globalized world.

IV.   Employment versus Entrepreneurship

Entrepreneurs are among the most influential people of our society. Influential entrepreneurs often polish the society's image. They are the founders of new companies or ventures which fuel economic growth and put a nation at a competitive edge. An entrepreneur is someone who organizes, manages, and assumes the risks of a business or enterprise. An entrepreneur is an agent of change. Entrepreneurship is the process of discovering new ways of combining resources. When the market value generated by this new combination of resources is greater than the market value these resources can generate elsewhere, the entrepreneur makes a profit.

However, employment in government or a private corporation has been the prime fascination of most Bangladeshi people, and this applies to the older as well as to the younger generation. The reason for the preference for employment instead of being an entrepreneur in Bangladesh is due to (1) not nurturing the individual characteristics of a

successful entrepreneur and (2) the lack of socio-economic infrastructures that would support the establishment of businesses.

IV.1. Individual Characteristics of a Successful Entrepreneur

While there are many characteristics of a successful entrepreneur, some of the most important individual characteristics are the following three:

- *Education:* to become an entrepreneur, good education is must. Theoretical education is less important than practical education. Education needs to be influential which drives the achievements needs. Bangladesh's education system is still in the colonial era. Bangladesh was ruled under the British colony, which created a mentality of bureaucracy that remains dominate in Bangladeshi culture. For example, most students (as well as their parents) are being happy by getting a good job as employee for the government or a private organization.

- *Propensity to take risk:* the propensity to take risk of business is one of the main characteristic of an entrepreneur. Risks taking mentalities are discouraged because of the society's vulnerable position. Everyone wants to be safe and thus, the mentality for entrepreneurship is very low in Bangladesh.

- *Achievement motivation needs:* A question may arise why a person tries to become an entrepreneur. He may become a service holder, a doctor, an engineer or something else but why an entrepreneur? The answer is achievement motivation needs. A desire to achieve something own or desire to achieve the self actualization level. For those who became successful entrepreneurs, working for others did not appeal to them. This mentality of achievement motivation needs is very low in Bangladeshi people.

IV.2. Lack of Socio-economic Infrastructures

In addition to individual characteristics of an entrepreneur, there is a severe lack of socio-economic infrastructures that hamper the start a person's own business in Bangladesh:

- *Lack of financial aid:* to start a new business, capital is must. Individuals who want to start a new business may have a lack of capital, which is usual in Bangladesh as the per capita income is low. Starting a business via taking a loan from a financial institution is as difficult as climbing on an oily banana tree, especially as real interest rates are very high in Bangladesh.

- *Bad business environment:* Bangladesh's business environment is hampered by a variety of complex business regulations. As documented in World Bank (2010, p. 12), doing business requires good rules, which include rules that "establish and clarify property rights and reduce the cost of resolving disputes, rules that increase the predictability of economic interactions and rules that provide contractual partners with core protections against abuse." While some progress has been made over the years, doing business still lacks far behind from doing business in most other countries of the world. Out of 183 countries assessed in the latest *Doing Business* report, Bangladesh ranks currently 107th.[5]

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[5] See World Bank (2010).

- *Low economic growth:* economists used to worship economic growth, till they realized that economic growth is not an end in itself but a means to an end. In other words, economic growth is necessary but not sufficient for people's welfare. Bangladesh is believed to have performed well over the years as far as the macroeconomic indicators are concerned, though Bangladesh's growth rate lacks behind that of some of its neighboring countries, especially India.

- *Product concentration:* Bangladesh's economy has always been focused on a very few products. Once upon a time, when Bangladesh was famous for its jute, jute was the only product that swung the whole economy. Most of the businesses were closely related to jute. Even the government negotiated with foreign countries only for jute and jute-related products. So naturally other industries did not establish. After the collapse of jute, the garments sector has now become the dominant sector of Bangladesh's economy. If any new entrepreneur wants to start a business, he or she will face difficulties because the infrastructure for other businesses has not been well established and entering into garments business requires a huge amount of money (which banks or other financial institutions may not be willing to provide to new businesses).

- *Political instability:* Political instability has been a common scenario since the inception of Bangladesh. These instable conditions restrain a businessman to invest and have also negative impacts on foreign direct investment.

- *Corruption:* Corruption is being spread out like cancer at the body of bureaucracy. In every step of life, corruption is an alarmingly right rate. Business security has been deteriorating. Every day businessmen are threatened and pay money to terrorists. To start a new business, everyone is bound to pay as well. Based on the latest report by Transparency International (2010), Bangladesh ranks 134th among 178 countries assessed.

V. Conclusion and Suggestions

Our analysis of the needs hierarchy revealed that people in Bangladesh are trying to be happy without getting all the needs mentioned in Maslow's hierarchy of needs. Most people are bound to be happy with whatever they have because their socio-economic condition could deteriorate any day. While being happy has some advantages, it also comes with scaling down ambitions that are needed for success. This scaling down of ambitions is also reflected in the results of the survey on employees' motivational factors, where job security and a comfortable working environment were the leading motivations of upper-level employees.

Reaching higher levels in the hierarchy of needs and achieving motivational factors are complimentary to each other. If a person is well motivated, he/she can achieve or try to achieve a higher level in the needs hierarchy. But people in Bangladesh are not getting the family and/or social support to realize their initially higher ambitions. In Bangladesh, people have to compromise their higher-level needs all the times because survival has to come first. So the upper levels of Maslow's needs are typically untouched. Instead of reaching the top levels of Maslow's needs, a new needs hierarchy is created, one which is

completed after reaching the two most fundamental needs (physiological needs and safety needs).

The linkage between Bangladesh's scaled-down needs hierarchy and the motivational factors of employees focusing on job security and a comfortable working environment is then also reflected in the preference of being employees instead of being entrepreneurs. The various outcomes resulting from the scaled-down Bangladeshi needs hierarchy, the unfulfilled motivational factors of Bangladeshi employees and the Bangladeshi preference for being employees are all reinforcing each other in various ways. Without being entrepreneurs, people are doing jobs in private organizations, but the motivational factors which have been provided are not satisfactory to the employees, so their motivational level is low. To escape from these conditions, small self-employment businesses could be a solution, but socio-economic conditions and government support are not sufficient to kick-off such businesses.

In order to respond to the potential an individual has for growing into a self-actualizing person of his/her own kind, a few points that we could take as personal initiatives are:
- Listen to your inner voice and learn to choose the good.
- Do not imitate anyone; instead, try to be authentic.
- Parents should not impose their wishes upon their children.
- Remove socio-economic barriers.
- Flow the globalization trends.
- Respect others and appreciate people with ambitions.
- Learn to overcome problems instead of settling with them.
- Be confident and overcome the inferiority complex.

In addition to personal initiatives, government and social initiatives that can be taken are as follows:
- Provide education loans, free higher education and foreign scholarships.
- Introduce psychology in school as a mandatory subject to strengthen mentality.
- Have social awareness campaigns that will remove parents' primitive notion.
- Develop improved social infrastructures.
- Provide bank loans to entrepreneurs at lower interest rates.
- Make politics more stable and create a better business environment.
- Attract more foreign direct investment (FDI).
- Improve the quality of work life.

If we do not take these initiatives, our future generation will be trapped in the same fate as the current generation. Our future generation will be a generation with low confidence and the resulting inferiority complex will make the future generation backboneless.

Finally, sustainable development invokes issues concerning human societies and human activities, which can ultimately be specified in terms of two kinds of relations: a human-human relation and a human-natural/environmental relation. It places human beings at the center stage and is concerned with social, economic, and environmental sustainability within an integrated framework. Development of human capability through appropriately

designed and implemented education, training, healthcare, and organizing programs,[6] which allow people to be able to address the issues in different areas effectively and purposefully, is thus most vital in the context of planning and implementation of sustainable development. Good governance,[7] effective institutions,[8] social equity both inter- and intra-generational, cultural imperatives, and participation are crucial considerations in the shaping of the sustainable development pathway.

Sustainable development, at the heart of which are social cohesiveness and harmonious relationships among human beings and between them and environment, is key to peace, security and stability, which in turn reinforces the sustainable development processes. This interacting symbiosis is a powerful force that needs to be harnessed effectively in both national and international spaces in the interest of an orderly progress for each nation – developed or developing – individually and for all nations collectively.

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[6] These programs include access to credit, technology and other resources and services.

[7] Good governance includes transparent governance, accountable governance, governance based on the rule of law, efficient governance and coordinated governance.

[8] Effective institutions include an institutionalization of democracy at all levels of society, appropriate legal and regulatory systems, and free and vibrant news media.