

He further stated that withdrawal of the status respect would give rise to following:

- ❑ Innovator: An entrepreneur who is innovative and try to attain his objectives set by himself
- ❑ Retreatist : Entrepreneur who keeps on working in society but remains apathetic to his work or status.
- ❑ Ritualist : One who works as per the rules of the society but has no hope in the improvement in his status.
- ❑ Reformist: One who is a revolting and tries to carry new ways of working and develops new society.

Hagen developed this theory from the case of samurai community of Japan who were deprived of the high status they were enjoying and thus gave rise to many entrepreneurs as they want to gain their lost prestige.

7. Thomas Cochran's Theory of Cultural Values

According to him, entrepreneurs are not super normal powers but are the role models of the society. The key magnitude in this theory is cultural values, role expectations and social sanctions. Entrepreneur's performance is influenced by the three factors:

- ❑ own attitudes towards his occupation,
- ❑ the role expectations held by sanctioning groups,
- ❑ and the operational requirements of the job.

Society's values are the main determinant of the first two factors. In the changes over the time in different variables like population; technology etc will impose changes in role expectations by generating new operational needs.

8. Theory of Change in Group Level Pattern:

This theory of change is propounded by Young. He conducted a Thematic Appreciation Test (TAT) on group of entrepreneurs. This test revealed that entrepreneurs has the ability to define the solution to the problem, awareness of the efforts required, confidence in their own ability and ability to analyze the situation before decision making. Young's theory is a theory of change based on society's incorporation of reactive subgroups. A group becomes reactive when the following three conditions coincide:

- ❑ When the group has better institutional resources than the other groups of the society at the same level
- ❑ When the group experiences low status respect.
- ❑ When deprived of access to important social networks.

9. Economic theory of Entrepreneurship:

This theory was propounded by Papanek and Harris. According to them if economic incentives are available in the country then there will be entrepreneurship. Economists believe that entrepreneurship and economic growth exists where economic conditions are favorable to the business environment.

There are large numbers of economic factors which helps in upgrade or degrade entrepreneurship in a country. Following are the factors:

- (a) The availability of bank credit