THE INFLUENCE OF THE MOTIVATION THEORY ON WOMEN STARTUP ENTERPRISES IN KIGALI

Simon Nsengimana

Visvanathan Naicker
naickervi@cput.ac.za

1Cape Peninsula University of Technology
Hanover and Tennant str., Zonnebloem, Cape Town, South Africa, PO Box 652, 8000

Abstract

Achievement motivation refers to the attainment of business goals. An entrepreneur can receive a reward from the achievement motivation in terms of intrinsic or extrinsic rewards. However, due to cultural norms, stereotyping, and patriarchy, Rwandan women face difficulties when starting a business. Some women broke the glass ceiling and launched their businesses amidst many challenges.

A quantitative method guided this study. The survey collected 409 questionnaires from purposively selected women-owned SMEs in Kigali.

The findings indicate the challenges they faced, such as HIV/AIDS, a lack of entrepreneurship skills, and market opportunities. Despite the challenges they faced, their businesses performed well, which supported the theory of ‘achieve motivation’. This resulted in rewards, such as respect among family members, the community, and an improvement in their lifestyle, which is critical in Kigali.

This study provides novelty in discovering women’s SME achievements in Kigali based on motivation theories.

The findings of this study provide a directive to policymakers to improve women-owned businesses under patriarchal environments in Kigali.

Keywords: motivation, achieve motivation, reward, challenge, performance, women entrepreneurs, Kigali, Small and medium business.

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1. Introduction

Small and medium enterprises (SMEs) have been identified as essential for job creation, revenue mobilisation, and rapid socio-economic development in many developed and developing economies [1]. However, in many countries, developed and developing, women are underestimated in business and Rwanda is no exception [2].

Under Rwandan cultural norms stereotyping and patriarchy perceive women to be responsible for housekeeping activities as opposed to owning businesses [3]. Over many years, Rwandan women were excluded from inheriting in their father’s businesses, participating in judicial activities, and were not allowed to own properties. Amendments to the constitution allowed women to own properties, but the cultural challenges remain prevalent [4].

Many women protested and claimed their right to contribute actively to entrepreneurial opportunities. They launched their own SMEs albeit with the numerous challenges encountered, and their businesses progressed. Women now own 42% of the country’s businesses; 58% of businesses in the informal sector and they contribute 30% to the national GDP. A study revealed that Rwandan female entrepreneurs owned approximately 33% of registered SMEs [5].

As soon as women could participate in entrepreneurial activities in Kigali, there was a massive shift in the business landscape, and many of their businesses performed well. They can now share markets with men entrepreneurs and importantly, achieved motivation. Achieving motivation in this study refers to the overcoming of the barriers to attain business goals and objectives [4, 6]. Evidence has shown that entrepreneurship has changed the quality of life for women-owned SMEs in Kigali, such as financial rewards, owning a house and land, and sending their children to good
schools, while maintaining a healthy lifestyle. Women entrepreneurs showed the ability to manage growing SMEs, and that changed the mindset of society. As a result, they gained the societies respect, and gender-based violence decreased [7].

The objectives of this study were to investigate the motivation of women-owned businesses in Kigali to start businesses and their achievement from businesses. The novelty of this study is to show the ability of women to run a successful SME under severe abnormal conditions. It is a voice for them to show men of a particular community to change their mindset to treat women with respect in entrepreneurial activities. Involving more women in entrepreneurship could accelerate the socio-economic development and eradication of poverty. The remaining part of the paper is organised as follows: Literature review, research methodology, findings and discussion, conclusions, and recommendations.

2. Materials and methods

The objective of this study is to investigate the ‘achievement motivation’ of women entrepreneurs in Kigali. Hence, it is essential to have an insight on women’s SMEs globally and then focus on women SMEs in Rwanda. The theoretical underpinnings, used in this study, are based on the psychology theories of entrepreneurship, focusing particularly on motivation theories of Maslow and Alderfer.

It was necessary to include the entrepreneurship motivation social theory of David McClelland because entrepreneurship is conducted in society and the achievement motivation of entrepreneurs has a strong positive impact on society by satisfying their needs, improving the welfare of the owners of businesses and those around them.

Thus, the socialists view entrepreneurship in two streams: economic growth and social development. The achievement motivation relies on effective management of a business; hence the expectancy theory of motivation was included. The theoretical underpinnings in the literature review are organised as follows: Overview of women enterprises globally and in Rwanda; classification of small and medium enterprises in Rwanda; Maslow’s theory of motivation in entrepreneurship; Alderfer’s ERG theory of motivation towards entrepreneurship; David McClelland entrepreneurship motivation; expectancy theory of motivation of Vroom, and challenges experienced by women entrepreneurs in Kigali.

The state of business is defined as the current situation of the business. Evaluating this situation can determine the performance and non-performance of the business. Furthermore, the state of business indicates whether the business is declining, stagnating, or growing [8–10].

In addition, [9, 10] observed that the launch and growth of women enterprises attracted researchers three decades ago, and they realised that women-owned businesses contribute actively to socio-economic development despite challenges they face and the small size enterprises they manage compared to those of men. Globally, the number of women, involved in entrepreneurial activities, is estimated at 252 053 113 (10 %). Total Entrepreneurial Activity (TEA) refers to entrepreneurs aged 18–64, involved in nascent enterprises and new enterprises. All businesses that were less than 3.5 years was considered as TEA. Globally, women represent a TEA rate of (10.2 %). However, Sub-Saharan Africa reported the highest in TEA (21.8 %).

An estimated number of 66 142 517 (26 %) were deemed to be innovative. Regrettably, only 47 389 466 (19 %) of women SMEs in TEA expected growth. Sub-Saharan Africa’s population (51.7 %) believed in women’s ability to run a successful SME. In Sub-Saharan Africa (1.5 %) of women’s SMEs are established, resulting that their business has existed for more than 3.6 years and performed well [11]. The United Nations Industrial Development Organisation (UNIDO) recommends that a nation that seeks faster socio-economic growth should integrate women entirely in entrepreneurship. Doing so, as a result, the GDP can increase by 34 %, and economic growth at 25 % [12].

Women entrepreneurs in Rwanda have penetrated all businesses industries despite the patriarchal and stereotyped society; they play a critical role in socio-economic development of Rwanda. Accordingly, [5] reports that the country has a total of 174 113 sole proprietor enterprises, including those of women 56 859 (Table 1).
According to [13], micro, small and medium enterprises (MSMEs) employ 766 540 people and account for 1.4 million jobs, including owners. [14] reports that the Rwandan government is working smarter to become a middle-income country by 2022 and believes that women entrepreneurs will play a pivotal role in accelerating economic growth.

Table 1

| Size          | Total  | Male    | Female |
|---------------|--------|---------|--------|
| Micro (1–3)   | 167 055| 112 242 | 54 813 |
| Small (4–30)  | 6 829  | 4 824   | 2005   |
| Medium (31–100)| 166    | 141     | 25     |
| Large         | 63     | 47      | 16     |
| Total         | 174 113| 117 254 | 56 859 |

Source: Rwanda, National Institute of Statistics of Rwanda (2018)

The definition of SMEs (Table 2) depends on the country and in the Rwandan context, the small and medium business policy also include micro-enterprises.

Table 2

| Size of enterprise | Number of employees | Employed capital (Million RwF) | Annual income (Million RwF) |
|--------------------|---------------------|-------------------------------|----------------------------|
| Micro              | 1 to 3              | Less than 0.5                 | Less than 0.3              |
| Small              | 4 to 30             | 0.5 to 15                     | 0.3 to 12                  |
| Medium             | 31 to 100           | 15 to 75                      | 12 to 50                   |
| Large              | More than 100       | More than 75                  | More than 50               |

Source: Rwanda, Ministry of trade and industry (2010)

Based on Maslow’s hierarchy of needs, Physiological Needs, Security and Safety needs are the two main constructs, which were found to apply to the Rwandan’s women entrepreneurs that were vital for their survival. These are referred to as pushed entrepreneurs because they started necessity or survival enterprises. On the contrary, pulled entrepreneurs are already living a good life because their physiological, security, and social needs have been satisfied.

Alderfer’s ERG theory of motivation agreed with Maslow hierarchy of needs and summarises those needs in existence, relatedness, and growth needs. Nevertheless, he contradicts Maslow that a vibrant pulled entrepreneur does not have to follow Maslow’s hierarchy to satisfy the needs rather take advantage of an opportunity when it is identified.

Despite the similarities and differences of Maslow hierarchy of needs and Alderfer’s ERG theory, both are constructive and complement each other in the organisation. Maslow’s motivation views emphasise that the satisfaction of low-level needs stimulate the emergence of the second hierarchical need and so on. This may be applicable to motivate employees in the organisation [15, 16]. However, entrepreneurial endeavours don’t have to follow a systematical approach. For instance, in a pulled entrepreneur the physiological needs are already satisfied, and they may skip to self-actualisation to take advantage of an identified opportunity.

Moreover, [17] developed a motivation theory based on three needs, achievement, power, and affiliation. Achievement is the efficiency and practical realisation of something difficult for other people to attain. He compared an entrepreneur’s desire to achieve motivation with a hungry person who desires to achieve food to calm the hunger.

Entrepreneurship motivation depends on society, gender affiliation, and goals, planned to achieve them. Achieving entrepreneurship motivation equals sustainable business growth. It is a
pleasure for a woman entrepreneur to achieve motivation with respect in a stereotyped society and cultural context [17]. McClelland’s theory criticised the lack of clarity on the feeling of an entrepreneur who achieved motivation and met her business sustainable growth. He argued that the happiness of a successful entrepreneur manifests intrinsically in the feeling of doing something valuable in society [17]. It should be noted, that [18] strongly disagreed with McClelland; he believed that the intrinsic and extrinsic feeling of a successful entrepreneur was financially rewarding, while Maslow views ‘achievement motivation’ occurs when an entrepreneur satisfies her needs.

The main thrust of this study was about women entrepreneurs, achieving motivation to start their SMEs. According to [19], “Motivation can be defined as the driving force behind all the actions of an individual”. “Achievement motivation can be defined as the need for success or the attainment of excellence”.

Emerging entrepreneurship attracted scholars to find the relationship between Maslow’s theory and the human’s motivation to start a business. The push and pull motivation are identified as reasons people embrace entrepreneurship. They have needed to satisfy; the achievement of motive means that their needs are satisfied. The push motivation (for instance: divorce, finance, job dissatisfaction, maltreatment, separation, unemployment, and being widowed) characterises an entrepreneur who started a business to lack another source of income. They started necessity/survival enterprises [16, 20, 21]. During the 1994 Rwanda genocide, many men breadwinners were killed, and their spouses survived the genocide. As a consequence, their spouses had to care for families, raise the children and school them [22, 23]. Some of them started survival businesses to generate income to satisfy their need. Interestingly, they were supported by their families and those around them, achieving the required motivation to persevere.

In addition, pull motivation (for instance: education, fulfilment, independence, innovation, recognition, self-actualisation, prestige, and wealth drive an opportunity) describes an entrepreneur who has an income and is established financially. They have been attracted with an opportunity and they started an opportunity enterprise. They intend to grow to achieve a higher level of motivation than where they were working before.

Pulled entrepreneurs are already living a good life, their physiological, security, and social needs already satisfied. They are ambitioned to satisfy their self-esteem and actualisation, which differentiate them from pushed entrepreneurs who stress to meet basic needs (physiological, security, and social needs). Thus, pulled entrepreneurs satisfy their self-esteem and actualisation needs through independence, fulfilment, self-actualisation, innovation, prestige, recognition, and wealth [16, 20, 21]. A recent study by [23] indicated how Rwandan women broke the ceiling to embrace entrepreneurship. Some of them are in the import and export, industrialisation, Pharmaceutical, and ICT software markets. They reported to challenge the gender inequality and to achieve their independence, fulfilment, self-actualisation, innovation, prestige, recognition, and wealth motivation.

The achievement motivation is characterised that the reward can either be intrinsic or extrinsic. However, the concern, raised here, is ‘what rewards did women-owned SMEs in Kigali obtain from their business achievement?’ It has been stated, that successful entrepreneurs achieve both intrinsic and extrinsic motivation [18].

Intrinsic motivation is connected with intangible entrepreneur’s reward. She feels satisfied when the business is performing well [17]. Women entrepreneurs in Kigali have changed their mindset about male businessmen by demonstrating to them their ability to run a successful and competitive business.

The extrinsic motivation showcases the achievement of business goals and objectives. Some of these tangible rewards are: being financially stable, owning a house, land, and a car. She believes that improving her business performance can lead her to bigger rewards, which may improve her lifestyle and social standing [24]. According to [25], women that are involved in entrepreneurial activities in Kigali achieved motivation and they are financially stable, have an improved lifestyle, and their children attend good schools.

Entrepreneurs shape the ways of doing things differently and they take the risk to invest their resources into businesses. They influence the social lifestyle to adopt their invention, innovation, products, and services. However, education is the catalyst for entrepreneurship achievement [17].
In his philosophy, David McClelland believes that entrepreneurship is a science to learn, and that science empowers entrepreneurs to manage resources and make the right decisions. Furthermore, factors like competitiveness, good performance of the business, and sustainable business growth describe the entrepreneur’s achievement motives. This achievement gives power to entrepreneurs to influence the power over others, for instance, employees and suppliers. At the same time, a successful woman entrepreneur improves her value in the community, respect, and extends the stakeholders. The need for power and affiliation is part of the entrepreneurship goals achievement process. They are side by side in the growth and sustainability of business development [17].

Vroom was the father of expectancy theory motivation [18]. He believed that motivation influences the behaviour to select the goals one aspires to achieve. Many managers adopt expectancy theory motivation as a relevant theory for management. The achievement of the expectancy theory is equal to the attaining of the goals and objectives of a business [18]. He identified three factors that drive motivation behaviour to attain business goals and objectives. These are expectancy, instrumentality, and valence. The realisation of expectancy leads to instrumentality. Once instrumentality has been attained it reaches valence. Expectancy has faith in an effort that can stimulate the individual’s performance to ultimately achieve the goals, assigned to be attained in a specific period. The effort can be centred on previous experience in the industry, self-confidence, challenging goals to attain, and perceived control [26].

Instrumentality emphasises that the performance achieved leads to results, and ultimately to a reward. This reward could be in terms of finance to satisfy the needs of an entrepreneur. It could also be tangible or intangible. The trust, control and policies influence the results [18, 20].

Trust the individuals will determine who will receive the best results, which is centred on their performance. Control is how the decision is taken, who receives it, what the result is, and policies to consider the relationship between performance and results [18, 20].

Valence refers to a person’s position on the rewards of a result, grounded on their needs, goals, objectives, values, and origins of motivation. Entrepreneurs express satisfaction or dissatisfaction depending on the outcome, whether it will meet their needs [20].

Expectancy theory implementation within an organisation has shown the individual and group performance that drove the business to achieve motivation. In many SMEs, the owner of the business is also the manager. All activities, done in the business, strive to achieve the business goals and objectives. When the goals are not met it ultimately causes low expectancy. This should be avoided. However, the objectives could be specific, measurable, attainable, realistic, and timely (SMART) to avoid low expectancy [27]. The aim of motivation behaviour is the outcome (results). However, the process of motivation behaviour involves cognitive, which is related to the mental capacity to make a choice and a decision. The cognitive behaviour provides an individual with the ability to manage the different motivational components to obtain the results. The process to obtain positive results in the business world relies on the performance of the business. In return, the entrepreneur receives a reward [28].

The motivation theories, discussed above, indicate that push and pull motivation factors were behind the reasons women started necessity and opportunity businesses in Kigali. Hence it may be hypothesized that there is a positive relationship between the motivation theory and new enterprise creation by women in Kigali.

A study by [25, 29] on women-owned SMEs in Kigali revealed the many challenges they faced. These include fear of failure, a bribe to government officials, higher taxes, lack of entrepreneurial skills, lack of management skills, and lack of information and communication technology.

The sustainability of women enterprises requires a relevant education and skills related to business [30]. Moreover, tertiary education, particularly in science and technology will open more opportunities for women entrepreneurs to penetrate the industries, which are captured by men entrepreneurs.

Moreover, [20] agreed with [25, 30] towards the educational advancement of women entrepreneurs to drive entrepreneurial innovations in Kigali.
2.1. Methodology

The main objective of this study was to discover the ‘achievement motivation’ of women entrepreneurs in Kigali-Rwanda. This study responds to the main research question “what rewards did women-owned SMEs in Kigali obtain from their SME achievements?”

The quantitative method with a descriptive research design underpinned this study because it is a suitable method when a researcher wants to collect opinions, perceptions and attitudes of respondents and analyses the data using statistical techniques [31].

The purposive sampling technique was used to select the sample population. The Roasoft calculator was used to determine the sample size [5, 32]. Based on an estimated population of 20 000, the Roasoft calculator provided a sample size of 377 respondents to contribute to the survey.

A personal survey was conducted in the form of interviews. The questionnaire was on Google forms. The questionnaires contained several existing valid measures that were adapted to the research context. Where validated scales did not exist, new items were created, following standard instrument development procedures. All constructs were measured using multi-item scales. The researcher recorded the responses and used a tablet, connected to the internet. The structured questionnaire was used to gather the data from a sample population of women entrepreneurs in Kigali. About 409 questionnaires were collected instead of the 377 questionnaires that were planned.

The data was collected after receiving informed consent from the respondents. Maintaining their privacy, anonymity and avoiding any harm were respected. Respondents were informed that they could abstain from answering any question they felt uncomfortable with. The data collection was used only for academic purposes. In addition an ethics approval certificate No 2019FOBREC687 was obtained from the Cape Peninsula University of Technology allowing the researchers to conduct this research. Authorisation RCWE/2018/ch.040 was also received from the Rwanda Chamber of Women Entrepreneurs (RCWE/PSF) to collect data from women-owned SMEs in Kigali, Rwanda. The authors declare that there was no conflict of interest that could have appeared to influence the work, reported in this research.

The data was coded, cleaned, and captured on Google forms, which was transferred into an Excel sheet to be analysed using SPSS. The findings are presented in descriptive and Inferential statistics. The presentation and discussion of the results begin with sociodemographic information of women-owned SMEs in Kigali.

It is evident, that of the owners of the women-owned SMEs in Kigali, 325 (79.46 %) were married and 248 (75.61 %) were living with their partners. The majority 167 (45.3 %) of them fell into the age group of 31–40 years. Regarding education, secondary schooling dominated with 173 (42.6 %). The vast majority 362 (98.9 %) were Rwandan citizens. Nevertheless, 389 (95.6 %) were not members of the Rwanda Chamber of Women Entrepreneurs (RCWE). The majority 235 (57.5 %) were unemployed before starting a business.

Almost all the women entrepreneurs 362 (97.1 %) surveyed had one business. From the vast majority of the surveyed SMEs, 400 (98.3 %) were sole proprietorships, and 239 (58.6 %) provided services. Most of the businesses 206 (54.5 %) were between one and five years old. Many women-owned SMEs 178 (23.9 %) in Kigali surveyed obtained start-up capital from their husbands. Over half 237 (58.5 %) of them reported that they started the businesses from scratch; while the considerable majority 370 (91.8 %) stated that their consumers were habitants of Kigali city.

3. Result

Most respondents started their businesses because they were unemployed 234 (57.4 %). A possible explanation for this might be that they were pushed to start businesses to generate income to satisfy their needs since they could not secure employment. They did not have an entrepreneurs’ intention. Those educated could close their businesses anytime whenever they would find employment in the public or private sector. Other reasons were: Needed time to care for the family, while generating income 29 (7.1 %) and self-actualisation 25 (6.1 %).

Women-owned SMEs in Kigali can be categorised into two groups, that is, necessity 296 (76 %) and opportunity 112 (24 %) entrepreneurs. Necessity entrepreneurs included those that were unemployed; experienced termination of the contract; not educated to seek employment; ex-
experienced maltreatment in the workplace; experienced job dissatisfaction; experienced divorce or separation, the death of husband, and being a refugee. These women were desperate, and they did not have sources of income or were unhappy at their place of work, and they decided to start a business to survive. Despite their decision to launch their SME, they struggled to find start-up capital.

Several reports have shown that, often, necessity entrepreneurs are unemployed, and struggling to survive. The poverty situation pushes them to start small-sized businesses with little start-up capital, borrowed from family or friends. They run a business alone, and their income usually is lower compared to that of opportunity entrepreneurs [33]. By contrast, opportunity entrepreneurs are those who challenge men by showing them that women can also start and run a successful business. Furthermore, they have education, training, and experience; entrepreneur intention; needed time to care for the family, while generating income; needed to generate more revenue; independence; innovation, and self-actualisation.

A concerning hypothesis, generated from the literature review and cited as: There is a positive relationship between motivation theory and new enterprise creation by women in Kigali, was tested and accepted (Table 3).

The variable “Permission”, which is one of the significant variables in the regression model, shown in Table 3, is a component of “the motivation for women-owned enterprises in Kigali, Rwanda to start a business”. In the table, Permission 7 (i.e., Coef. = -0.542, prob. = 0.023 < 0.05); this implies that “husband support” positively affects new women enterprise creation in Kigali, Rwanda. By implication, motivation is positively related to new women enterprise creation in Kigali.

| Coef.                        | Estimate | -Std. Err. | Z   | P>|z| |
|-----------------------------|----------|------------|-----|-----|
| Entrepreneurship skills     | 0.254    | 0.119      | 2.13| 0.033|
| Factor1 (Gender Inequalities)| 0.053    | 0.012      | -4.08| 0.000|
| Factor 2 (Government & Skills Constraints) | 0.014    | 0.005      | 2.79| 0.005|
| Age of Business             | 0.029    | 0.008      | 3.48| 0.001|
| Capital                     | -0.317   | 0.087      | -3.64| 0.000|
| X92 (discuss business on a cell phone) | -0.113   | 0.032      | -3.55| 0.000|
| X94 (order stock on cell phone) | -0.029   | 0.036      | -0.81| 0.420|
| Online Access               | 0.007    | 0.003      | 2.44| 0.015|
| Skills                      | -0.054   | 0.026      | -2.11| 0.035|
| Permission 4                | -0.269   | 0.141      | -1.91| 0.057|
| Permission 5                | -0.291   | 0.212      | -1.37| 0.170|
| Permission 6                | -0.200   | 0.117      | 1.71| 0.086|
| Permission 7                | -0.542   | 0.239      | -2.27| 0.023|
| Support                     | 0.053    | 0.012      | 4.32| 0.000|
| Constant                    | 3.725    | 0.337      | 11.04| 0.000|

Note: Structural equation model: Number of obs=292; Estimation method=ml; Log likelihood=6344.7472. LR test of model vs. saturated: chi2(2)=0.01, Prob>chi2=0.9931

It is evident, that in the process of achieving motivation, they faced barriers. This is the reason why this section of challenges was included in the study.

**HIV/AIDS challenge**

The findings showed that 376 (92.38 %) of respondents agreed that HIV/AIDS is a restriction, faced by women’s SMEs. Some customers do not support the enterprises of those women who are HIV-positive because they fear that they will be contaminated. But that is a stigma, HIV/AIDS transmission does not happen in buying products or services. Suppliers often refuse to supply them with credit due to concern that they will be ill and unable to pay creditors. HIV/AIDS certainly decreases the productivity and profit of many women-owned businesses that affect the performance and growth of the business [34].
313 (77.04%) women-owned SMEs in Kigali did not have entrepreneurship skills; they traditionally managed business. Lack of entrepreneurial skills can have an impact on market success and development. In South Africa and Rwanda, women entrepreneurs’ potential for entrepreneurship is limited; they cannot enter those strategic sectors because they need relevant expertise, such as ICT, and are less qualified to win public tenders [7, 30].

Many women-owned SMEs in Kigali have struggled to reach consumer demand. The bulk 290 (71.25%) of women suffer from market opportunities. Lack of knowledge, training and management expertise is one of the primary attributes, required to qualify for public and private tenders in supply chain management. Many woman entrepreneurs struggle to satisfy market demand, which is why most of them have not been able to enter business opportunities [29].

When asked whether access to government service was a constraint, 292 (72.24%) of the respondents agreed with the statement. Many government services are provided online, for instance, business registration, paying taxes, and public procurement application. The lack of ICT skills among Rwandan entrepreneurs was reported by [35]. It may be a reason why it is difficult for them to access online government services.

The findings show that 280 (68.87%) of respondents agreed with the statement that lack of education constitutes a constraint for them in running their SMEs. Lower education level limits women-owned SMEs in Kigali to small-sized businesses. The observed relationship between education and level of business was reported by [36]. Graduate entrepreneurs are more likely to run small and medium businesses than the less educated ones who concentrated on micro-enterprises.

The findings indicated that 280 (68.71%) of respondents worried about high taxes that affected cash flow and limited working capital that had an impact on enterprise growth. Apart from high taxation, there are other costs, charged by the business to run, such as leasing, electricity, staff, and others. Many expenses can cause a business to shut down or stagnate. Many women entrepreneurs may be returning to informal enterprises where they do not have to pay heavy taxes, and there are little expenses. These results match with that of [25, 37] who found that many taxes, charged entrepreneurs in Kigali, hamper the progression of many businesses, particularly those of women.

Women-owned SMEs in Kigali agreed that the following also constitute the challenges they faced in running SMEs in Kigali. Inability to obtain public tender 278 (68.06%), lack of business experience 252 (62.04%), lack of information technology skills 246 (60.54%), bribery of government officials 238 (58.87%), business registration 235 (57.5%), fear of failure 232 (57%), lack of management skills 215 (52.94%), lack of incubator centre 207 (50.74%), and high communication cost 205 (50.25%).

The question was “What is the current status of your business”? The purpose of the question was to identify the actual business state. The respondents stated their businesses’ positions. According to Fig. 1, most businesses were growing 361 (88.5%).

![Fig. 1. Evaluation of of the business position](image_url)
What is interesting in the findings in Fig. 1 is that 361 (88.5%) of the surveyed SMEs were in a state of growth; they could compete and share markets with their male counterpart entrepreneurs. It expected that their business categories moved forward to the next higher level that could increase the number of women-owned medium and large businesses. These results further support the idea of [38]. The New York Times (2016) observed that women entrepreneurs in Kigali had a bright future.

They continued launching new enterprises, growing existing ones, and penetrating new business industries, such as construction, transportation, and tech, which were dominated by men entrepreneurs.

The survey asked to rate their business performance. The objective was to determine the performance level of the business. **Fig. 2** indicates that most businesses were performing very well 229 (56.82%) or performing fairly 107 (26.55%).

![Fig. 2. The state of the business performance](image)

Based on the findings, illustrated in **Fig. 2**, the majority 336 (83.37%) agreed that their SMEs had a positive performance. This outcome is contrary to that of the World Bank (2019), which found that the performance of women businesses in Sub-Saharan Africa was worse. Women entrepreneurs in Rwanda performed well in business; they improved their family’s welfare and contributed to socio-economic development [23]. Their businesses were successful, increasing the credibility that attracted government and Non-Government Organisations (NGOs) as trusted stakeholders.

For this study, the binary variable Entrepreneurial performance (1=performing well, 0=not performing well) is predicted by type of industry with 2 categories (1=Not Service Industry; Service Industry being the reference category); and capital with two categories (1= RwF 500 000 or more; Less than RwF 500 000 being the reference category). **Tables 4, 5** respectively were generated for fitted model and logistic regression of entrepreneurial performance.

**Table 4**

| Attribute                  | Score   |
|----------------------------|---------|
| Number of obs              | 397     |
| LR chi2(2)                 | 4.39    |
| Prob > chi2                | 0.1113  |
| Log likelihood             | –268.58361 |
| Pseudo R2                  | 0.0081  |

**Table 5**

| Independent variable | B     | S. E.  | Prob. | Odds ratio |
|----------------------|-------|--------|-------|------------|
| Constant             | 0.466 | 0.210  | 0.026 | 1.594      |
| Capital              | –0.000| 0.225  | 1.000 | 1.000      |
| Industry             | –0.439| 0.210  | 0.037 | 0.644      |
In the logistic model, only type of industry (P=0.037<0.05) is significant at the 5% level of significance. The Pseudo R square statistic of 0.008 indicated that about 0.8% of the variation in the dependent variable is explained by the model. The value of Logistic Regression (LR) Chi-square of 4.38 (P=0.111) means that we should not reject the null hypothesis that all the predictor effects are zero. The parameter estimate for a category of a dummy variable refers to the change in log odds when the dummy=1, compared to the reference category, equalling 1 (being present). The odds ratio for other industries, other than Services (0.644) is less than that of the Services industry – implying that entrepreneurs in the services industry are significantly more likely to perform well than in the other industries.

As discussed above, the journey, undertaken by women-owned SMEs in Kigali to achieve motivation, could not hide from the challenges, identified and discussed above. Despite the challenges and effective management of them, the business could continue to perform well to achieve the goals and objectives planned. Since these are achieved, it assumes that women-owned SMEs in Kigali achieve motivation. This resulted in rewards that could satisfy their needs or improve the welfare of the owner of the business. This section revealed the rewards women-owned SMEs in Kigali surveyed obtained from their businesses. Fig. 3 shows the percentage distribution of the rewards the businesses brought. The reward most of the women-owned SMEs in Kigali obtained was “Respect in family and community” 303 (21.5%). Others included “Improved lifestyle” 279 (19.8%), “Recreation and leisure time” 296 (19.1%).

![Fig. 3. Rewards women-owned SMEs in Kigali received from their businesses](image)

The finding in Fig. 3 indicates strong evidence of reward was found when 303 (21.5%) of respondents declared that running a business brought for their respect in family and community. At the same time, 279 (19.8%), business improve their lifestyle. While 269 (19.1%) confirmed a positive chance in recreation and leisure time. Although 261 (18.5%) paid mutual health insurance for their family. 239 (17%) paid education fees for their families. Among the respondents, the business changed their life by building a house – 52 (3.7%), and a few of them 7 (0.5%) bought a car.

Referring to the findings in Fig. 3 and the literature review, we categorise reward in two groups, intrinsic and extrinsic reward. It suggested that most of the women-owned businesses in Kigali surveyed rewarded intrinsic reward, 303 (21.5%) of respondents received respect in family and community). Intrinsic reward is psychological and intangible. Other rewards were extrinsic rewards and tangible.

This finding broadly supports the work of other studies in this area that find that being a self-employed woman and running a successful business increase respect and value in family and the community; contribute to community development, society benefits more from the business and recognises the importance of a woman entrepreneur. The industry can solve the financial is-
The findings indicate that the main reason women started a necessity business in Kigali was unemployment 234 (57.4 %). In contrast, the opportunity business 29 (7.1 %), needed time to care for the family, while generating income. However, they faced challenges, including HIV/AIDS, lack of entrepreneurship skills, and market opportunities, among others. Despite the challenges they experienced, their businesses grow 361 (88.5 %) and perform well 336 (83.37 %). They rewarded respect in family and community 303 (21.5 %); Improved lifestyle 279 (19.8 %), and recreation and leisure time 269 (19.1 %). The hypothesis tested found that there was a positive relationship between motivation theory and new enterprise creation by women in Kigali.

The researchers are confident that the results may improve knowledge about the performance, achieving motivation, and the contribution of women in entrepreneurship to improve the socio-economic development of them, the community, and the country in general. It also shows how SMEs improved the value of females in Rwandan society, while promoting gender parity and respect. This work contributes to the existing body of knowledge of women entrepreneurship by indicating the challenges they faced and how they managed to run successful SMEs, which rewarded them with intrinsic and extrinsic rewards.

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