
ENTREPRENEURIAL MOTIVATION, INNOVATION AND RESILIENCE AMONG TOURS AND TRAVEL ENTERPRISES IN KAMPALA

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ABSTRACT

The purpose of the study was to investigate the relationship between entrepreneurial motivation, innovation and resilience of tours and travel enterprises in Kampala. This study was a cross-sectional research design along with a quantitative research approach. A sample of 103 tours and travel enterprises was used. Data was obtained from business owners and top manager using questionnaire instrument. Validity of the questionnaire was tested using CVI, while reliability through pretesting and Cronbach Alpha coefficient. Data was analyzed using SPSS (v25) from which frequency tables, correlation and regression analyses were obtained to interpret results. This study found a positive relationship between entrepreneurial motivation and business resilience. The study also established a positive association between innovation and business resilience of tours and travel enterprises. Furthermore, the study found that entrepreneurial motivation and innovation significantly predict business resilience. Moreover, this study ascertained that entrepreneurial motivation is the better predictor of business resilience of tours and travel enterprises in Kampala. The study concludes that motivations or drives which propel entrepreneurial activity are crucial in ensuring business resilience. It further concludes that innovation plays a crucial role in ensuring business resilience. The study recommends tours and travel enterprises engagement in innovation; and entrepreneurship education to stimulate business resilience. This research suggests future researchers to examine relationship between entrepreneurial motivation and business resilience focusing on motivations other than locus of control, risk taking propensity, and achievement oriented; comparative study examining entrepreneurial motivation, innovation and business resilience; and quantitative and qualitative

approach examining entrepreneur motivation, innovation and business resilience among tours and travel enterprises in Uganda.

Key words: entrepreneurial motivation, innovation, resilience, tours and travel enterprises

Background to the study

Despite its impact, repatriation has been a global challenge especially for the travel industry since the outbreak of COVID-19 (Oromo et al., 2023). It has been reported that at least 11.7% of tourism businesses did not respond to the economic downturn caused by COVID 19 and subsequently closed their operations (Brighton, Deus, Kazaara, Nelson, Alex et al., 2023).

The World Economic Forum (WEF) (2022) also reported that the tourism industry had to lay off more than 100 million people, with more than 54% of these companies having trouble paying their debts and other operating expenses due to not being fixed in a timely manner. The economy now appears to be contagious (Davids et al., 2023).

In East Africa, the business sector failed to manage its workers and laid off more than 1.9 million workers. Companies do not have enough capital to pay (Turyatemba et al., 2017)., 2022). In Uganda, the Ministry of Tourism, Wildlife and Heritage (2020) noted that the number of foreign tourists registered by travel agencies and the tourism industry continues to decline and more than 1 million workers are laid off, even as it impacts their jobs. More than 55% of tourism agencies in Kampala are unable to pay their operating expenses on time. These companies continue to shrink because they cannot manage their human resources. In addition, the number of tourism establishments open to failure rose to 73.

Operating expenses increased by 1% due to lack of customer service, while operating expenses increased by 74.4% (Uganda Tourism Association, 2021).

Although much attention has been paid to prevention, most of the research was done before the outbreak (Cohen, Kaspi-Baruch & Katz, 2019; Mahto & McDowell, 2018). Several studies have been conducted in the post-COVID-19 era in countries such as Thailand (Brighton, Deus, Kazaara, Nelson, Catherine et al., 2023) and others.

However, these studies focus on factors other than business support and innovation. It must be said that tourism in Uganda makes a significant contribution to gross domestic product (GDP) and employment, which means understanding the factors that lead to an impact on uninterrupted work (Frank et al., 2023). In this context, this research focuses on investigating the relationship between work motivation, innovation and empowerment of business and commerce in Kampala. Section

Problem Statement Section

Although the travel and tourism industry contribute to economic growth, GDP and job creation (Ramadhan et al., 2009)

, 2023), their resilience in terms of adaptability, flexibility, development and competitiveness is significantly reduced compared to UTA (2020). Additionally, 55 percent of travel businesses, up from 21 percent in 2017, are having trouble adapting to the current market. Travel businesses have reduced their workforce by over 70% from full employment; 54% fear that they will not be able to compete in the market. According to UTA (2020), although the current market requires businesses to change in order to compete by offering new services, more than 60% of tourism businesses cannot change quality. else, 73.

1% of tourism businesses say they are unlikely to stay in business over the next two years, possibly due to a lack of business and innovation (Ministry of Tourism, Wildlife and Antiquities, 2020; UTA, 2021). Therefore, the aim of this study is to investigate the relationship between entrepreneurial motivation, innovation and recovery of tourism businesses in the Kampala region.

Research objectives

- To examine the relationship between entrepreneurial motivation and resilience of tours and travel in Kampala.*
- To examine the relationship between innovation and resilience among tours and travel in Kampala.*

- *To examine the joint effect between entrepreneurial motivation, innovation and resilience among tours and travel in Kampala.*

Research Questions

- *What is the relationship between entrepreneurial motivation and resilience among tours and travel in Kampala?*
- *What is the relationship between innovation and resilience among tours and travel in Kampala?*
- *What is the joint relationship between entrepreneurial motivation, innovation and resilience among tours and travel enterprises in Kampala?*

Methodology

Research design

The study adopted a cross-sectional research design along with a quantitative research approach. This research design was selected because it enables the research to provide answers to pending issues related to the research phenomenon within a short period of time. This design was also selected because it is effective for studies with a short time frame, as it was the case with this research (Saunders, Lewis & Thornhill, 2016). The quantitative research approach was selected because of its ability to clearly reveal the cause-and-effect relationship that exists between study variables (Creswell, 2018).

Study population

This study population comprised 137 tours and travel enterprises in Kampala (Uganda Tourism Board, 2020). These enterprises were considered as the unit of analysis. From these enterprises, the study was interested in obtaining responses from a business owner and top manager hence serving as the unit of inquiry.

Sample Size and Sampling Technique

A sample of 103 tours and travel enterprises was selected, determined based on the Krejcie and Morgan (1970) table for selecting samples. The study used stratified random sampling to obtain the number of tours and travel companies to participate.

The stratification criteria was the division in which the tours and travel enterprise was located. Accordingly, the researcher formed a total of 5 strata comprising a stratum of tours and travel enterprises in Nakawa, Makindye, Kampala Central, Kawempe, and Rubaga. The number of tours and travel enterprises to be selected from each stratum was determined disproportionately. The researcher used simple random sampling to pick samples from each stratum by way of picking without replacing until the required number of enterprises was selected. From each enterprise, the researcher targeted a business owner and top manager using a purposive approach.

Table 1: Sample size

Division	No of enterprises	Sample
Nakawa	43	32
Rubaga	26	20
Central	37	28
Makindye	12	9
Kawempe	19	14
Totals	137	103

Source: Uganda Tourism Board (2020).

Data analysis

Data obtained in this study was sorted, cleaned and checked, coded and entered in Statistical Package for Social Scientists (SPSS. v25) for analysis (Nelson et al., 2022). The study presented results using frequency tables, correlation and regression analyses. Frequency tables were used to present results in relation to demographic characteristics. The interpretation of these results was based on the percent value obtained under each characteristic. The study used Pearson Correlation Analysis to establish the nature of the relationship between studied variables towards the dependent variable. The interpretation of results under this analysis was based on the Pearson Correlation statistic (r). This model was used to address objective 1 and

2 of the study. Multiple Regression Analysis was used to examine the predictability of studied variables in explaining variances towards the dependent variable using E-views (Nelson et al., 2023). The interpretation of these results was based on Adjusted R^2 and the standardized coefficient of Beta. This analysis was used to address objective 3 of the study.

RESULTS

Correlation Analysis

Pearson Zero-Order Correlation analysis was obtained to establish the relationship between the entrepreneurial motivation, innovation and business resilience in order to address the research objectives. These results are presented in table 2.

Table 2: Pearson Correlation Analysis

Variable/Constructs	1	2	3	4	5	6	7	8
Entrepreneurial Motivation (1)	1							
Locus of control (2)	.262**	1						
Achievement oriented (3)	0.080	.173*	1					
Risk taking propensity (4)	0.069	.191*	.343**	1				
Innovation (5)	.215**	0.046	.350**	.213**	1			
Product Innovation (6)	0.106	0.057	-.193*	0.020	0.056	1		
Process Innovation (7)	0.082	0.072	.298**	.641**	.346**	.211**	1	
Business Resilience (8)	.513**	.326**	.355**	.293**	.454**	.334**	.467**	1

Notes: n=84; **. $p < .01$ (2-tailed).

Source; Primary Data

Relationship between Entrepreneurial Motivation and Business Resilience

Table 2 indicated significant and positive relationship between entrepreneurial motivation and business resilience ($r=.513$, $p<.05$). The results portrayed that enhancing entrepreneurial motivation is bound to enhance the propensity of business resilience of tours and travel enterprises in Kampala. The study further indicated positive and significant relationship between locus of control and business resilience ($r=.326$, $p<0.01$); achievement oriented and business resilience ($r=.355$, $p<0.05$) as well as a positive significant impact between risk taking propensity and business resilience ($r=.293$, $p<0.05$) and business resilience. These results indicated that enhancing locus of control, achievement oriented and risk-taking propensity is associated with an enhancement in business resilience among tours and travel enterprises.

Relationship between Innovation and Business Resilience

Correlation results presented in Table 2 reveal that there exists a significant and positive association between innovation and business resilience on and business performance of tours and travel enterprises ($r=.454$, $p<.01$). The result implied that enhancing innovation would stimulate business resilience among tours and travel enterprises in Kampala. Worth noting, a significant and positive relationship was ascertained between product innovation and business resilience ($r=.334$, $p<.01$). The study also revealed a significant and positive relationship between process innovation and business resilience ($r=.467$, $p<.01$). These results meant that enhancing innovation in relation to product and process innovation would enhance the propensity of business resilience among tours and travel enterprises in Kampala.

Joint effect of Entrepreneurial Motivation and Innovation on Business Resilience

A multiple regression analysis was carried to examine the joint effect of entrepreneurial motivation and innovation on business resilience. Using this model, the study was able to ascertain the predictability of studied variables, the

significance of the studied variables, and the predictive potential of each variable towards the dependent variable. The results are presented in table 3.

Table 3: Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.048	0.157		13.016	0.000
Entrepreneurial Motivation	0.236	0.034	0.436	6.982	0.000
Innovation	0.194	0.034	0.360	5.772	0.000
	R	R²	Adj. R²	F	Sig.
	.622 ^a	0.387	0.380	52.072	.000 ^b
a. Dependent Variable: Business Resilience					
b. Predictors: (Constant), Entrepreneurial Motivation, Innovation.					

Source; Primary Data

Table 3 obtained Adj. $R^2=.380$ which implied that jointly entrepreneurial motivation and innovation significantly predict 38.0% of the variations in business resilience of tours and travel enterprises in Kampala. Furthermore, the results indicate standardized coefficients ($B=.436$, $p<.05$) in relation to entrepreneurial motivation as well as ($B=.360$, $p<.05$) in relation to innovation of tours and travel enterprises in Kampala. Based on the p-values, the results signify that jointly entrepreneurial motivation and innovation significantly predict business resilience of tours and travel agencies in Kampala. As reflected by the results, a unit change in entrepreneurial resilience resulted in a 0.436- or 43.6%-unit change in business resilience. On the other hand, the results revealed that a unit change in innovation explains 0.360 or 36% change in business resilience. That said, the results revealed that

entrepreneurial motivation is the better predictor of business resilience of tours and travel enterprises in Kampala.

Conclusion

The motivations or drives which propel entrepreneurial activity cannot be taken for granted as far as stimulating business resilience is concerned. This research proves that entrepreneurs who are driven by motivations such as; locus of control; achievement-oriented or need for achievement; high risk-taking propensity are able to withstand all business dynamics, challenges and difficulties to grow and maintain a competitive enterprise. These motivations are also inevitable in encouraging entrepreneurs exhibit high degree of flexibility. These main underlying reasons is the fact that these motivations make entrepreneurs run business with a lot of optimism, hopefulness, responsibility and accountability.

Recommendations

Tours and travel enterprises should engage in innovation to increase their resilience. Entrepreneurs should therefore allocate more funds to innovation enhancing activities such as research and development, and market research. These will help enterprises in understanding the actual tastes and preferences of customers to stimulate product innovation. Internally, tours and travel enterprises should continuously adopt recent technology to improve their processes.

Entrepreneurship education should be intensified in Uganda. Through the ministry of Education, entrepreneurship should be included in the curriculum for primary level education as it is the case at secondary level and university level. This will enhance individuals' attitude, behaviour and advance capacities to run enterprises.

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