MOTIVATION OF WOMEN ENTREPRENEURS: EVIDENCE FROM MSMEs IN RIAU ISLANDS PROVINCE

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Abstract

Most women entrepreneurs in Indonesia are engaged in Micro, Small, and Medium Enterprises (MSMEs). In Riau Islands Province, the number of women entrepreneurs in the MSMEs field is consistently larger than male entrepreneurs in the period of 2017-2019. With the rising numbers of women entrepreneurs in Riau Islands Province and their increasing dominance in the MSMEs sector, this study aims to explore the motivational factors of women entrepreneurs in the MSMEs sector in Riau Islands. This research adopted a qualitative approach and used qualitative interviews as data collection method. A total of 15 women entrepreneurs from Tanjungpinang City, the capital of Riau Islands Province, were chosen as participants in this study. The data gathered were analyzed using thematic analysis with the help of NVIVO software. The result of this study shows that financial rewards, social support, personal satisfaction, external opportunities, and independence are the factors that motivate women to become entrepreneurs.

Keywords: Entrepreneur, Entrepreneurship, Motivation, Women.

1. INTRODUCTION

An entrepreneur is a person who starts, owns, or operates a new or existing business in order to create value while undertaking both risk and reward for their efforts (Longnecker et al., 2016). Becoming an entrepreneur is not an easy task (Rahmadani et al., 2022). Entrepreneurs frequently face the challenge of making decisions in settings characterized by a high degree of unpredictability, in which the stakes are high, the time demands are tremendous, and there is a significant emotional involvement (Hisrich et al., 2017). According to Trusić et al (2017), it is difficult enough for any male to start a business and assume the risks and responsibilities that come along with being an entrepreneur. Still, it is far more difficult for a woman to do so (Ramadhani et al., 2021). However, it is increasingly common to see women leading their own businesses and contributing to a country’s economy (Alam et al., 2012). The percentage of self-employed women is rising at a rapid rate all across the world, despite the pervasiveness of corporate cultures that are dominated by men (Özsungur, 2019).

In Indonesia, most women entrepreneurs are engaged in Micro, Small, and Medium Enterprises (MSMEs) (Austhi, 2017), including in Riau Islands Province. In 2017, 53.85% of MSMEs entrepreneurs in Riau Islands Province are women (Badan Pusat Statistik Provinsi Kepulauan Riau, 2018). The percentage rose in 2018 where 56.6% of MSMEs entrepreneurs in Riau Islands Province are women (Badan Pusat Statistik Provinsi Kepulauan Riau, 2019), while in 2019, the numbers decreased slightly to 54.31% (Badan Pusat Statistik Provinsi Kepulauan Riau, 2020). Although the percentage of women entrepreneurs fluctuates each year, it cannot be denied that women entrepreneurs are more dominant in numbers compared to male entrepreneurs in the field of MSMEs in Riau Islands Province.

Motivation indeed plays a role in the rising number of women entrepreneurs in Riau Islands Province. Motivation is defined as a driving force that propels an individual to do a specific action or behavior and maintains that behavior over time (Rizki et al., 2023). Many factors play roles in
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Motivating a woman to become an entrepreneur (Ramadhani et al., 2023). For example, Irawati & Sudarsono (2020) found that family, intention, and compulsion were the motivating factors behind women entrepreneurs in roasted crackers MSMEs in Bangkalan, Indonesia. Meanwhile, Tambunan (2017) mentioned that there are “push” factors such as surviving, supplementing family income, or taking over the family business, while the “pull” factors include being attracted by market opportunities, being financially independent, and aspiring to become an entrepreneur.

With the rising numbers of women entrepreneurs in Riau Islands and their increasing dominance in the MSMEs sector, this study aims to explore the motivational factors of women entrepreneurs in the MSMEs sector in Riau Islands Province.

2. RESEARCH METHOD

The research method adopted in this research is the qualitative method. Qualitative method is a research methods based on post-positivism or interpretive philosophy, are used to research on natural object conditions, where the researcher acts as a key instrument (Sugiyono, 2022). Data in qualitative research is usually in the form of words that can come from interviews as well as observations (Sekaran & Bougie, 2016).

Data collection method adopted was qualitative interview. According to (Cresswell & Cresswell, 2018), qualitative interviews often involve open-ended questions. Probing is often used by the interviewer in qualitative interviews to encourage the interviewee to share about a topic in detail (Howitt, 2016).

This study's sample consists of 15 women entrepreneurs who run businesses categorized as MSMEs in Indonesia. The sampling method adopted was purposive sampling. The criteria to become a sample in this study is the business that they led should have been operating for at least 2 (two) years. Due to geographical constraints, the samples were taken only from Tanjungpinang City, the capital of Riau Islands Province.

The interviews were conducted face-to-face and were recorded using a voice recorder. The data gathered were analyzed by using thematic analysis method. Thematic analysis is an analysis method that focused on identifying themes by analyzing what is said by the interviewee (Howitt, 2016). In this study, the process of thematic analysis is conducted with the help of NVIVO 11 software.

3. RESULTS AND DISCUSSION
3.1 Informant Characteristics

Informants’ characteristics in this study categorized by the year of establishment of the businesses and the type of the businesses that participants run can be seen in Figure 1 and Figure 2, respectively:
Figure 1 shows the year of establishment of the participants’ businesses. Of 15 (fifteen) participants, 1 (one) participant started her business in MSMEs field in 2002, 1 (one) participant started her business in 2009, 1 (one) participant started her business in 2010, 1 (one) participant started her business in 2016, 1 (one) participant started her business in 2017, 1 (one) participant started her business in 2018, 4 (four) participants started their businesses in 2019, 2 (one) participants started their businesses in 2020, and 3 participants started their businesses in 2021.

Meanwhile, figure 2 shows the type of businesses that participants in this study run. As many as 10 (ten) participants own food and beverage businesses, while 2 (two) participants own businesses in fashion and cosmetics. Florist, laundry, and sewing businesses are also represented by 1 participant each in this study.

3.2 Motivation to Become Women Entrepreneurs

The Thematic analysis resulted in five themes: financial rewards, social support, personal satisfaction, external opportunities, and independence. Those themes indicate that women entrepreneurs in Riau Islands are motivated intrinsically as well as extrinsically, which support the findings of Alam et al. (2012).

The thematic analysis process can be seen in the table 1 below.

<table>
<thead>
<tr>
<th>No</th>
<th>Excerpts/Coding</th>
<th>Sub-Theme</th>
<th>Theme</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The reason I opened this business is to help my husband (P2)</td>
<td>Supporting Family Income</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>2</td>
<td>To increase monthly income.. (P3)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>3</td>
<td>To increase family income (P4)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>4</td>
<td>the reason and motivation for me to open this business is definitely to help my family's economy (P5)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>5</td>
<td>At first I was to increase my pocket money, it is more to help the family's economy (P7)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>6</td>
<td>I opened this fruit salad business at first because I wanted to increase my pocket money (P8)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>7</td>
<td>Because this business helps the economy in my family (P9)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>8</td>
<td>Due to economic factors to increase the income and paying the children’s school fees (P10)</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
<tr>
<td>9</td>
<td>Yes, it started with financial limitations and a very high living cost which pushed me continuously fighting for the dreams…</td>
<td>Financial Rewards</td>
<td>Financial Rewards</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>No.</th>
<th>Statement</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>At first I opened this business because I had just graduated from college and wanted to get a job so that I would no longer be a burden to my parents... (P12)</td>
<td>Getting stable income</td>
</tr>
<tr>
<td>11</td>
<td>At first I opened this business because I wanted to find a more stable income... (P15)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Yes, that's also one of them. There is family support too... (P1)</td>
<td>Family Support</td>
</tr>
<tr>
<td>13</td>
<td>There is family and husband, they have provided a lot of support for me, especially my father who is now deceased... (P12)</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>There is support from the family, from the husband himself, as he said if at any time I am fired from the company or workplace there is no need to worry anymore we have our own business (P3)</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>my family, especially my parents, who have always supported me from the beginning when I started doing business... (P4)</td>
<td>Social Support</td>
</tr>
<tr>
<td>16</td>
<td>My husband freed me to do whatever business I wanted to run and he also helped me in this business (P5)</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>From my family I get freedom and get encouragement too (P7)</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>What drives me to do this business is the support from my husband and family (P11)</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>In terms of positive encouragement/support, there are my husband, mother, and my family (P14)</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Yes, I am satisfied with what I have achieved so far, from the start, this business only had a capital of 1 million and now it has grown to this size and has been running for 6 years... (P12)</td>
<td>Sense of Achievement</td>
</tr>
<tr>
<td>21</td>
<td>As a woman, one has the right to develop the ability to be an entrepreneur, in order to increase the potential and self-quality of a woman. Especially, in this modern era, women are required to be independent women (P9)</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>the motivation that drives it might just be a hobby, I happen to have a hobby of cooking and making snacks at home. (P15)</td>
<td>Hobby</td>
</tr>
<tr>
<td>23</td>
<td>Because I myself have a hobby of eating dimsum... (P13)</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>The reason I chose this business started from a hobby. In the past, I started with only one product at a time and now I have started to have many types of products because along with the development of modern times, there are many sources of information that you can look for to see and learn... (P12)</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Because this business is my passion. My hobbies are cooking and selling... (P14)</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>In the beginning, I opened a business in the culinary sector because I was moving from Jakarta to Tanjungpinang. At that time, I did not feel right with the food and snacks in Tanjungpinang. Initially the food I made was dimsum and because in the past many non-Muslims were selling dimsum, I was worried about the halalness of the product, so I finally tried to make this dimsum .... (P14)</td>
<td>Availability</td>
</tr>
<tr>
<td>27</td>
<td>Because now accessories and make-up are a necessity for</td>
<td></td>
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<tr>
<td>28</td>
<td>Because this business is my passion. My hobbies are cooking and selling... (P14)</td>
<td></td>
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<td>In the beginning, I opened a business in the culinary sector because I was moving from Jakarta to Tanjungpinang. At that time, I did not feel right with the food and snacks in Tanjungpinang. Initially the food I made was dimsum and because in the past many non-Muslims were selling dimsum, I was worried about the halalness of the product, so I finally tried to make this dimsum .... (P14)</td>
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https://penajournal.com/index.php/PENANOMICS/
Because in my opinion this culinary business is one of the most promising businesses because everyone needs to eat. (P8)

Freedom to be released from work that has an immediate target date and freedom for me to carry out work that I really want to do. (P1)

I feel free because this is my own business so I have the freedom whenever I want to sew. (P2)

I can also manage my own time. (P4)

I am happy because being an entrepreneur has more flexible time. So I can do whatever I want... (P8)

Because I have time flexibility... (P11)

we as owners organize and run all activities that we want to run alone with a more flexible time span. (P9)

This freedom allows me to be creative in making menus or kinds of food according to my abilities and creativity. (P14)

Yes it gives me freedom because this is my own business, my own place, my own boss, and selling it myself so there are no rules from any party. (P13)

During this business you have more freedom because there is no pressure. (P12)

Because I get the freedom... to implement what I want according to what I want, to be my own boss. (P11)

<table>
<thead>
<tr>
<th>Time Flexibility</th>
<th>Independence</th>
<th>Being Own Boss</th>
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</thead>
<tbody>
<tr>
<td>30 Because in my opinion this culinary business is one of the most promising businesses because everyone needs to eat (P8)</td>
<td>31 Freedom to be released from work that has an immediate target date and freedom for me to carry out work that I really want to do. (P1)</td>
<td>37 This freedom allows me to be creative in making menus or kinds of food according to my abilities and creativity (P14)</td>
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<tr>
<td>32 I feel free because this is my own business so I have the freedom whenever I want to sew. (P2)</td>
<td>33 I can also manage my own time (P4)</td>
<td>38 Yes it gives me freedom because this is my own business, my own place, my own boss, and selling it myself so there are no rules from any party (P13)</td>
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<td>36 we as owners organize and run all activities that we want to run alone with a more flexible time span (P9)</td>
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<td>40 Because I get the freedom... to implement what I want according to what I want, to be my own boss (P11)</td>
</tr>
</tbody>
</table>

Financial Rewards

The first theme that resulted from the thematic analysis conducted was financial rewards. It means that women in this study were motivated to become entrepreneurs to earn income, as P3 mentioned in the interview that she became an entrepreneur to increase monthly income.

From 11 participants who mentioned financial rewards as their motivation to become entrepreneurs, 10 of them mentioned that the financial rewards they get from the business support their family’s income, whether they are married or not. For example, P2 who is married, mentioned “The reason I opened this business is to help my husband”, while P12 who is single, mentioned “At first, I opened this business because I had just graduated from college and wanted to get a job so that I would no longer be a burden to my parents...”.

On the other hand, 1 participant mentioned that she became an entrepreneur not to support her family’s income but to gain a more stable income for herself. The participant (P15) mentioned “At first I opened this business because I wanted to find a more stable income...”.

This result supported the result of Azmi (2017) and Tambunan (2017) researches where one of the reasons of women become entrepreneurs is to contribute to family income and support their family. This result also shows that financial rewards are the first thing that drives women to become entrepreneurs, especially in MSMEs field in Riau Islands, whether to help the family income or to gain a stable income for oneself. However, financial rewards are not the sole motivation after several years of running the business, and there are other motivations to help them maintain their venture as entrepreneurs in MSMEs field, such as social support and personal satisfaction that will be discussed later.

Undoubtedly, a considerable number of entrepreneurs are primarily driven by the potential for financial gain. Nevertheless, it is imperative that the owners of a firm receive adequate financial
compensation to offset the commitment they have made in terms of personal time, the inherent risks involved, and the capital they have contributed to the enterprise (Longenecker et al., 2014).

**Social Support**

Second theme that resulted from the thematic analysis conducted was social support. Social support is an important factor for a woman to start her venture to become an entrepreneur and maintain her spirit in the face of difficulties in running the business. In this study, participants' support is mainly from their family, such as from husband, or parents. For example, P4 mentioned “my family, especially my parents, who have always supported me from the beginning when I started doing business...”, and P11 mentioned “What drives me to do this business is the support from my husband and family” in the interviews.

The form of support given by the family members also varies from providing encouragement, giving freedom and supporting what the participants wanted to do, to helping them run the business. Two participants said that their family giving them freedom to do business. For example. P5 mentioned “My husband freed me to do whatever business I wanted to run and he also helped me in this business”, and P7 mentioned “From my family I get freedom and get encouragement too”. A participant also mentioned that her father helped her run the business when she started her business. The participant, P12 mentioned “Like at the start of the business, my father helped me take pictures of bouquet products and I became the model. As time went by my father always helped to take product photos” in the interview.

This result supported what Azmi (2017) found out prior. Azmi (2017) found out that one of the motivations of women to become entrepreneurs is the support from their family members. Hisrich et al (2017) believed that establishing a moral-support network comprising of family and friends is a crucial endeavor for any entrepreneur, as it provides a valuable source of encouragement and motivation. This network may be likened to a cheering squad, offering unwavering support to the entrepreneur (Shaddiq & Wanidison, 2021). The presence of a cheering squad is of utmost importance during the various challenging and isolating periods that arise along the business journey.

**Personal Satisfaction**

The third theme that emerged from the thematic analysis conducted was personal satisfaction. In this study, the participants felt the personal satisfaction because they are running businesses that are in line with their hobbies, as well as the sense of achievement they feel in becoming an entrepreneur.

Four participants mentioned that they felt personal satisfaction because they are doing what they like. One participant mentioned that she has a hobby of selling things. In the interview, P14 mentioned “Because this business is my passion. My hobbies are cooking and selling”. Three other participants mentioned that they feel personal satisfaction due to the industry they are in and the products they sell. For example, P15 who is involved in food and beverages business mentioned “the motivation that drives it might just be a hobby, I happen to have a hobby of cooking and making snacks at home”, while P13 who is in the same business mentioned “Because I myself have a hobby of eating dimsum...”. Another participant who is in the bouquet business, P12 mentioned “The reason I chose this business started from a hobby. In the past, I started with only one product at a time and now I have started to have many types of products because along with the
development of modern times, there are many sources of information that you can look for to see and learn”.

Next, two participants mentioned that personal satisfaction as their motivation because they feel sense of achievement by running their business. For example, P12 mentioned “Yes, I am satisfied with what I have achieved so far, from the start, this business only had a capital of 1 million and now it has grown to this size and has been running for 6 years...”. In addition, P9 mentioned running the business is important to develop oneself, and feel empowered as a woman. In the interview, P9 said “As a woman, one has the right to develop the ability to be an entrepreneur, in order to increase the potential and self-quality of a woman. Especially, in this modern era, women are required to be independent women”.

This result supported what Krishnamoorthy & Balasubramani (2014) found out in their study that satisfaction is one of the factors that motivate women to become entrepreneurs. Entrepreneurs experience a sense of fulfillment by engaging in the pursuit of a certain product or service and achieving proficiency in their chosen field (Sudirwo & Shaddiq, 2023). Individuals derive immense joy from achieving excellence in their respective endeavors (Longenecker et al., 2014).

**External Opportunities**

The fourth theme that resulted from thematic analysis was opportunities. A total of five participants believed that one of the motivation factors that caused them to start a business was opportunities. The theme opportunities can be further divided into two sub-themes, which are availability and demand.

Two participants mentioned that they started their business because of the limited availability of a certain product in Tanjungpinang. For example, P14 mentioned “In the beginning, I opened a business in the culinary sector because I was moving from Jakarta to Tanjungpinang. At that time, I did not feel right with the food and snacks in Tanjungpinang. Initially the food I made was dimsum and because in the past many non-Muslims were selling dimsum, I was worried about the halalness of the product, so I finally tried to make this dimsum ....”. Scarcity of certain goods means there are little to no competitions in the market as P7 mentioned in the interview “In Tanjungpinang, no one has opened the baby crab business, so there are quite a lot of opportunities for businesses to grow and competitions is also not that great”.

Three participants mentioned that they started their business because of a high demand. They chose to venture in business that consistently have high demand, such as cosmetics and food. P7, a participant who runs a fashion& beauty store mentioned “Because now accessories and make-up are a necessity for women”. While another participant, which is P8 who runs food business mentioned “Because in my opinion this culinary business is one of the most promising businesses because everyone needs to eat”. On the other hand, a participants choose food businesses because they opened their business during COVID-19 pandemic, where human movements were limited, but food business may flourished (Rohmah, 2020; Mahfuzah, 2021; Wagiono et al., 2022; Yusri & Yahya, 2023). For example, P15 mentioned “Because I think that snacks are still in great demand even during a pandemic. So, I just tried to sell it”.

This result support what Al-Amin & Sisilia (2019) found out in their study where external opportunities such as demand for product become a source of motivation for a women to become entrepreneur because she feels that she is able to fulfill the demand.
Independence

The fifth and last theme to emerge from thematic analysis conducted was independence. This theme has two sub-themes which are time flexibility, and being own boss. Six participants mentioned that time flexibility is one of the things that they look for as they decided to become entrepreneurs. For example, P9 mentioned “we as owners organize and run all activities that we want to run alone with a more flexible time span”, while P4 mentioned “I can also manage my own time”.

Finally, four participants mentioned that being own boss in running a business is one of the reasons they are motivated in becoming entrepreneurs. Being own boss in running a business means someone can be as creative and innovative as possible in developing a business, as mentioned by P14 in the interview “This freedom allows me to be creative in making menus or kinds of food according to my abilities and creativity”. Similar to P14, P11 mentioned in the interview “Because I get the freedom….to implement what I want according to what I want, to be my own boss”. Being entrepreneur means someone has a full control regarding business’ she owned, as mentioned by P13 in the interview “Yes it gives me freedom because this is my own business, my own place, my own boss, and selling it myself so there are no rules from any party”.

This result support what Tlaiss (2015) found out in a research conducted in United Arab Emirates. Tlaiss (2015) found that desire for independence and freedom such as being own boss is one of the motivations to become entrepreneurs for women in United Arab Emirates. Certain entrepreneurs place a high importance on independence since it affords them the opportunity to attain freedom in both their personal life and business practices (Longnecker et al., 2016), and it seems to be the case with women entrepreneurs in Tanjungpinang, Riau Islands Province.

4. CONCLUSION

The present study identifies five themes that can be considered as factors that motivate women in Riau Islands Province to become entrepreneurs in MSMEs: financial rewards, social support, personal satisfaction, external opportunities, and independence. Regarding financial rewards, most participants mentioned supporting family income as the main motivation to venture into the MSMEs field, while a participant mentioned gaining stable income as the motivation. However, the participants in this study also believed that social support (family support), personal satisfaction (sense of achievement & hobby), external opportunities (availability & demand), and independence (time flexibility & being own boss) also contribute to their motivation in becoming women entrepreneurs in MSMEs field.

The result of this study may give insights on what motivates women in Riau Islands Province to become entrepreneurs. Thus, the theoretical implication of this study is that women in Riau Islands Province became entrepreneurs because they were motivated by financial rewards, social support, personal satisfaction, external opportunities, and independence. The practical implication of this study is that the government or policymakers can consider this result in developing more women entrepreneurs in Riau Islands Province by giving attention to the five themes identified in this study.

Future research may look at the difference in motivation between men and women in the MSMEs field in Riau Islands Province and how the five themes identified in this study contribute to women entrepreneurial success in Riau Islands Province.
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