

INTRINSIC MOTIVATION AND BUSINESS COMPETENCES AS PREDICTORS OF SMALL AND MEDIUM GROWTH: SME OWNER'S VIEWPOINT

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Abstract

Small and Medium-sized Enterprises (SMEs) account for a significant portion of job creation, business growth and economic activity in South Africa. Therefore, sustainable development of SMEs is important for job creation, poverty reduction and economic development. The high failure rate during the first years of SME start-up negatively affects South Africa's economic development. Hence, this study examines the arbitrating effect of the SME owner's intrinsic motivation factors and competences on SME growth. These factors include the utilisation of effort for business growth, finding new solutions to business problems aimed at achieving growth, growing business for recognition, the belief to produce the desired outcomes, taking responsibilities for business expansion, the need for advancement, as well as the growth aspiration that enables the business owner to take risks in order to grow the business. This study has generated multifaceted data on the effect of intrinsic motivation factors and competences of SME owner on business growth. The SSPS was used to analyse data obtained from 112 SME owners of the furniture manufacturing organisations operating in the eThekweni District Municipality. The results indicate that intrinsic motivation factors in SME start-ups influences the personality traits in SME owners for small and medium business growth. SME growth depends on the extent SME owners are equipped with business competences to establish and grow their businesses. There is a statistical significant link between business competences and the SME growth motivation. Furthermore, the results indicate that personality traits mediate the relationship between motivational variables for SME start-ups and business growth.

Keywords: Business growth, intrinsic motivation, Small and Medium owner competences, Small and Medium Enterprises

INTRODUCTION

Small and Medium-sized Enterprises (SMEs) are a heterogeneous group, in a wide array of business activities (Yamini, Soloveva & Peng 2020). It ranges from the single artisan producing agricultural implements for the village market, the coffee shop at the corner, the internet café in a small town to a small sophisticated engineering or software firm selling in overseas markets. This includes a medium-sized automotive parts manufacturer selling to multinational automakers in the domestic and foreign markets. These businesses operate in different markets (that is, the urban, rural, local, national, regional and international) embody different levels of skills, capital, sophistication and growth orientation, operating in the formal or the informal economy (Ullah 2020). The statistical definition of SMEs varies by country and is usually based on the number of employees and their value of sales and / or assets (Bratianu, Hadad & Bejinaru 2020). Emanating from its ease of collection, the most commonly used characteristic

for its classification is the number of employees. South Africa and other developing countries set the upper limit of number of employees in SMEs as between 200-250 (Ncube & Zondo 2018). SMEs play a key role in transition and developing countries. These firms typically accounts for more than 90 per cent of the total firms (excluding the agricultural sector), constituting a major source of employment and generate significant domestic and export earnings (The World Bank 2020). As such, SME development emerges as a key instrument in poverty reduction efforts. In South Africa, the failure rate is high, especially during the early stage of start-up (Ncube & Zondo 2018). Breva and Galindo (2020) postulate that few SME owners are intrinsically motivated to grow their businesses in order to contribute towards economic growth of the country. Supporting this view, Aji, Sofyandi, Tarmidi, and Saefudin, (2019) state that intrinsically motivated SME owners are known for their stubbornness and commitment to ideals, long hours, and success. They are hard workers who go into a project passionately and find success as they can convince other people of the value of their ideas (Carsrud, Brännback, Elfving and Brandt 2017). A key factor in sustaining this kind of energy, creativity and drive is self-motivation. According to Ncube and Zondo (2018), the role of intrinsic motivation in entrepreneurship is fundamental to their ultimate success.

Globalisation and trade liberalisation have ushered in new opportunities as well as challenges for SMEs. Presently, only a small part of the SME sector is able to identify and exploit these opportunities and deal with the challenges (The World Bank 2020). The majority of SMEs in South Africa and other developing countries have been less able to exploit the benefits of globalisation and, to add to the situation, are frequently under pressure from the local or domestic markets with regard to cheaper imports and foreign competition (Orobia, Nakibuuka, Akisimire and Bananuka 2020). A major objective in promoting the development of the SME sector is to equip and motivate SME owners in order to meet the challenges of globalisation, thus benefitting from its opportunities.

Emanating from their size, SMEs are constrained by non-competitive real exchange rates, limited access to finance, cumbersome bureaucratic procedures on business set-up, operating and growing a business, poor state of infrastructure, as well as the lack of effective institutional structures (Ullah 2020). The removal of these constraints is a daunting task calling for holistic SME support including the enabling environment for SME development consisting of functioning macro-level, meso-level and micro-level institutions. South African SMEs face challenges regarding SME owner motivation factors and the entrepreneurial competences that have a significant influence on business growth (Sajilan & Tehseen 2019). Hence, this study examines the intrinsic motivation factors and competences in SME owners in South Africa. Intrinsic motivation plays an important role when it comes to the failure or success of any kind of enterprise (Orobia et al., 2020). For instance, organisations possessing needed business competences in the market becomes successful while those that show less business competences end up failing. Consequently, this study brings the required elements that tends to respond to the following Research Questions (RQs):

- RQ1: how do the intrinsic motivation factors in SME owners influence SME growth?
- RQ2: to what extent do SME owner competences contribute to small and medium business growth?

PROBLEM STATEMENT: Lack of internal drive and competences in SME owners for small and medium business growth

SMEs have become the solutions for addressing several social, environmental and economic problems. However, there is a lack of competence in small and medium business owners for SME growth (Multan 2020). This includes the inability to recognise and apply intrinsic motivation factors responsible for SME development and growth. According to Ncube (2016), SME owners help bolster economic development, create jobs and invent products or services that can make the world a better place. The question as to why some SMEs grow while others do not is an intriguing question in the field of entrepreneurship. Anyone can start a business but building a successful business that grows past all stages of development is a business owner's challenge (Ullah 2020). The entrepreneurial mind-set is unique in that one must be creative and highly motivated to succeed, possess all business competences, and yet be open to risk and failure (Orobia et al. 2020). Over the years, South Africa has recorded as the highest business start-up failure rates in the world, with five out of seven of these businesses failing within the first years of development (Ncube & Zondo 2018).

This study aims to examine the mediating effect of business competences in relation to motivational variables for business start-up and SMEs growth.

LITERATURE REVIEW

This section underpins the theory surrounding the influence of intrinsic motivation factors on business growth. The significance of intrinsic motivation factors for SME growth broadens the discussion. Business competences as contributors on SME growth, the effects of SME owner competences on small and medium business growth, as well as, the environment that influences the SME growth conclude the theoretical outline for this study.

The influence of intrinsic motivation factors on business growth

Among the different types of motivation, the intrinsic motivation, as is prototypically autonomous, is desirable. Buil, Catalán and Martínez (2019) state that intrinsic motivation is the process in which internal and external factors can stimulate the desire and energy in people for their interest and commitment to a job or a role. They state that this type of motivation is the result of the interaction between both conscious and unconscious factors. In their study, Ncube and Zondo (2018) found that SME owners who are intrinsically motivated express more creativity, are more likely to persist with tasks, retain more knowledge, and exhibit higher business performance and growth. When intrinsically motivated, SME owners grow their entities for the positive feelings resulting from their efforts. SME owners display curiosity, explore novel stimuli, and work to master optimal challenges (Deci & Ryan 2008). Likewise, they have more interest, which in turn manifests as enhanced performance (Liu, Hau, Liu, Wu,

Wang & Zheng 2020). In business, intrinsic motivation has been related to improved psychological well-being or business outcomes. In the SME context, the most positive business outcomes are those that came from purely autonomous motivation (Aji et al. 2019).

Emanating from the importance of experiencing intrinsic motivation, the analysis on the factors that promotes intrinsic motivation among individuals is crucial. In this regard, several studies have analysed contextual and personal factors that facilitate or undermine it (Breva & Galindo 2020). In particular, Breva and Galindo (2020) postulate that the contexts that support satisfaction of the three innate psychological needs, namely, competence (that is, the experience mastery and effectiveness), autonomy (that is, the ownership in one's behaviour), and relatedness (that is, the feeling of being connected to others), promote the intrinsic motivation. However, the contexts that diminish these needs undermine intrinsic motivation (Buil et al. 2019). This implies that motivation alludes to whatever is inside a person that pushes that person into activity without the influence from other individuals or circumstances. Consequently, motivation makes SME owners develop the strength to accomplish a task and grow their businesses without taking inspiration from external sources (Ncube & Zondo 2018). Hence, the next section elaborates on the significance of intrinsic motivational factors on SME growth.

The significant of intrinsic motivation factors on SME Growth

SMEs are commonly assumed to contribute to economic development (Ullah 2020). However, less is known about the motives that drives SME owners to grow their businesses and contribute to economic development of the country (Luna, Rodriguez, Ramos, Andrade, Figueredo and de-Leon-Gomez, 2021). Understanding what motivates individuals to engage in businesses is important in the study of business creation (Yamini et al. 2020). Excluding self-motivation from the study of business creation results in an incomplete theory. Ncube and Zondo (2018) contend that to understand the business process, one must recognise SME owners' motivation to start, sustain and grow their businesses. Intrinsic motivational factors, which are internal to the business owner, classified motivators into four categories, namely, attention, memory, motivation, and the psychomotor learning stage. Intrinsic motivational factors also include staying longer at work, the belief in ones' own work, as well as using positive affirmations aimed at becoming financially independent. These are the pull factors of motivation. They include the need for independence, self-actualisation, increased status quo and reputation in society (Aji et al. 2019). Instincts (also known as motives) drive behaviour where the goal is to survive, succeed, grow, and avoid failure. These motives have been used to address the question as to what a person needs to do in order to grow a business even bigger (Ncube & Zondo 2018). In the study of SME's self-motivation, results revealed that the intrinsic motivational factors of business owners influence SME growth in South Africa. These factors include exerting efforts for business growth interest, finding new solutions to business problems for achieving growth, growing a business for recognition, belief in order to produce the desired outcomes, taking responsibility for business expansion, the need for advancement, as well as the growth aspiration that enables the business owner to take risks in order to grow the business.

According to Liu et al. (2020), intrinsic motivation is regarded as an important psychological construct that relates to self-determination, academic achievement and personal well-being. It is a core component in the self-determination theory and can be defined as the drive stemming from the activity itself and emerging from within the person (Ncube & Zondo 2018). SMEs are motivated by the opportunity to increase their income and provide job security. Entrepreneurs are motivated by the desire for personal satisfaction and growth. They provide jobs for family members and the entrepreneur. Breva and Galindo (2020) state that intrinsic motivation constitutes the prototype of autonomous regulation style. Thus, the intrinsically motivated behaviours are carried out largely due to the pleasure derived from their execution, and hence the commitment of action does not derive or require the administration of external controls by the socialising agents.

In the study by Ncube and Zondo (2018), the authors established that SME owners are intrinsically motivated when they seek enjoyment, interest, satisfaction of curiosity, self-expression, or personal challenge in the business. Liu et al. (2020) allude that external rewards undermine intrinsic motivation and make individuals feel controlled and are, therefore, harmful to the performance outcome.

In light of the above, we state hypothesis:-

H1: The intrinsic motivation of SME owners positively influences the growth of the small and medium business.

Business competences as contributors on SME growth

SMEs are non-subsidary, independent firms that employ less than a given number of employees. This number varies across countries (Ullah 2020). The most frequent upper limit designating an SME is 250 employees. An SME owner is an individual who develops and grows the business through creative and innovative activities by introducing new products or services, and improving the existing methods of production or services (Bratianu et al. 2020). Over the past two decades, ample of literature has recognised the significant of SMEs in the economic development of most countries across the world (Orobia et al. 2020). Bratianu et al. (2020) argues that SMEs are critical in developing a culture of entrepreneurship, stimulating competition, producing employment opportunities, enhancing the quality of human resources and opening new opportunities for businesses. Luna et al. (2021) postulate that individuals who start a business and adds value through opportunity identification and the utilisation of resources usually possess business competences.

Business competences are related to the performance of the firm and its competitiveness, growth and success (Luna et al. 2021). They are increasingly garnering attention as essential to the promotion and development of an entrepreneurial instinct, a sense of initiative, and an ability to identify opportunities (Multan 2020). The need for business competences is heightened due to start-up failure rate and economic crisis, which demands business skills for the creation of social and economic value and to spur on entrepreneurial activities (Ncube & Zondo 2022).

Business competences exhibit creativity, the sense of initiative, problem-solving, the ability to marshal resources, as well as financial and technological knowledge (Aji et al. 2019). These competences enable business owners and their employees to provoke as well as adapt to change (Luna et al. 2021). They can be developed through business education and training that focuses on promoting an entrepreneurial mind-set and behaviours (Ferrerias-Garcia, Serradell-López & Hernández-Lara 2019). Orobia et al. (2020) indicate that one of the aims of developing competences for businesses is to reduce the fear of failure through a combination of measures focused on awareness-raising, as well as providing knowledge and expertise that allow individuals to demonstrate resilience and persistence in the face of obstacles. Business competences are associated with the owner's ability to be innovative, creative, be able to identify opportunities, strengths and weaknesses (Wong & Ngai 2021). Competences have long been used as a framework to help focus employees' behaviour on things that matter most to an organisation and help drive success (Souto & Rodriguez-Lopez 2021). Luna et al. (2021) state that business competences can provide a common way to harmonise, select and develop talent. The benefits are clear for employees and managers and, ultimately, the organisation. Business owner with psychological, behavioural and demographic characteristics, managerial and technical skills exhibit the most important determinants for the performance and success of SMEs (Gkorezis, Mousailidis, Kostagiolas and Kritsotakis 2021). Hence, it is essential to understand entrepreneurs in the context of emerging economies since the entrepreneurial competences for business growth and survival in emerging economies are different from those in the developed economies. Orobia et al. (2020) state that the entrepreneurial competences vary according to different contexts.

In addition, Lucena, Díaz and Rodríguez (2020) indicate that the valuable skills, knowledge and abilities of an SME owner may lead to the sustainable competitive advantage of a firm. This is due to the fact that entrepreneurial competences are usually rare and thus difficult for rivals to develop all essential competences (Orobia et al. 2020). Only the competent SME owner may develop and lead successful strategies towards the success of businesses (Bratianu et al. 2020). According to Multan (2020), competences are learnable and crucial to recognise their importance. Ferrerias-Garcia, Serradell-López and Hernández-Lara (2019) compare business competences to the underlying characteristics such as traits, self-images, specific knowledge, motives, social roles and skills that lead to venture start-up and growth. Orobia et al. (2020) observes that SMEs require skills and entrepreneurial competences that are different from those of larger organisations. The main aspect of competency literature is to search for all those individual characteristics that contribute towards the success of an organisation. These characteristics of individuals can vary due to their different motives, traits, social roles and skills. Winterton, Delamare-Le Deist and Stringfellow (2006) present a typology of competence as defined by a matrix with dimensions for occupational-personal and conceptual-operational. The matrix contains the following four types of competences:

- cognitive competence (conceptual-occupational) including knowledge and understanding;
- functional competence (operational-occupational) including skills;

- social competence (operational-personal) including attitude and behaviour; and
- meta-competence (conceptual-personal), concerned with the ability to cope with uncertainty, learning and reflection.

According to Lucena, Díaz and Rodríguez (2020), competence is a characteristic of an individual who has been shown to drive superior job performance. This includes the visible competences of knowledge and skills as well as the underlying elements of competences, such as traits and motives. Luna et al. (2021) associate competences with micro-level job performance as well as the higher management attributes. When defining managerial competences for the future, Bratianu et al. (2020) combine output competences (like effective presentation skills), with input competences such as self-confidence. Key competences are context-independent, applicable and effective across different institutional settings, occupations and tasks. These typically include basal competences (such as literacy, numeracy and general education); methodological competences (such as problem solving and information technology skills); the communication skills (including writing and presentation skills); as well as the judgment competences, such as critical thinking (Bratianu et al. 2020). In light of the above, we state hypothesis:-

H2: SME owner's competences positively contributes to the growth of small and medium businesses.

The effects of SME owner competences on small and medium business growth

Business competences refer to the fundamental distinctiveness in terms of personality, motives, knowledge, social roles, skills and self-images that result in new venture creation, venture sustainability and performance (Luna et al. (2021). However, Khalid and Bhatti (2015) define business competence as the managerial capability to create and communicate a strategic vision for structuring businesses' systems for better growth and performance. Personality traits of an SME owner, the motivational growth, individual competence and personal background are the most important determinants that ascertain the growth of SMEs (Ncube & Zondo 2022). In business settings, growth can be increased by using extrinsic rewards such as profit. However, the actual quality of the work performed is influenced by intrinsic factors (Ncube & Zondo 2018). If an individual is doing something that one finds rewarding, interesting and challenging, one is more likely to come up with novel ideas and creative solutions. Management's intrinsic motivation and competences have an influence on the way a business is managed or mismanaged. Luna et al. (2021) postulate that insufficient and inappropriate business competences of management could cause failure in businesses.

According to Multan (2020), competence is seen as a description of something that a person who works in a given occupational area should be able to achieve. It is the description of an action, the behaviour or outcome, which a person should be able to demonstrate. Bratianu et al. (2020) state that there are, at least, two key meanings or uses of the term competency. Hence, competency is a behaviour that an individual demonstrates. They demonstrates the minimum standards of performance. Ferreras-Garcia, Serradell-López and Hernández-Lara (2019) suggest that competent behaviour results from a variety of factors including an

individual's motivation, personality traits, self-concept, knowledge or skill. It is, perhaps, not surprising that the boundaries and relationships between these terms are ill defined. Lucena, Díaz and Rodríguez (2020) argue that the SME owners that have high levels of business competences tend to scan and manage the environment in which they operate to find new opportunities and consolidate their competitive positions. Luna et al. (2021) allude to the idea that better SME growth is believed to occur when managers or owners have the relevant competences that are required by their firms. Furthermore, Wong and Ngai (2021) claim that the competences required to launch a business are different from those required for better SME performance, survival and growth. Hence, the next section discusses the environment that influence SME growth. It addresses aspects SMEs should consider in addressing pertinent business growth challenges.

The environment that influences SME growth

SMEs play a major role in most economies, particularly in developing countries (Ullah 2020). According to Orobia et al. (2020), SMEs account for the majority of businesses worldwide and serves as the significant contributors to job creation and global economic development. They represent about 90% of businesses and more than 50% of employment, worldwide. Formal SMEs contribute up to 40% of the national income in emerging economies (The World Bank 2020). They are less likely to be able to obtain bank loans than large firms, instead, they rely on internal funds or cash from friends and families, to launch and initially run their enterprises. According to Ncube and Zondo (2018), SME failure rate and slow productivity growth are some of the threats to overall economic growth in developed and developing economies alike, with serious implications for citizens' well-being, such as lower income growth, increased inequality and challenges with loan repayments. SMEs contribute to employment and income generation as well as export revenues (Bratianu et al. 2020; Ullah 2020). However, in order to tap into the potential of SMEs for development and poverty reduction in South Africa, the development partners and SMEs themselves need to address a number of challenges (Ullah 2020). These include the domestic SME sector that needs to expand through the creation of new and innovative firms and the graduation of as many informal enterprises as possible into the formal sector. SMEs have to become more competitive and productive at their home base (Ullah 2020). At least a proportion of these nationally competitive SMEs must achieve a level of competitiveness that will enable them to integrate into the global value chains through trade (that is, exports and internationalisation) and investment (Bratianu et al. 2020). Hence, this study examines both the influence and the significant of intrinsic motivation factors on SME growth. It unpacked the importance of business competences and the effects of SME owner competences on small and medium growth.

METHODOLOGY

The methodology for this study will be discussed under the following headings, namely: the target population, sample size, data collection, measurement of data and the data analysis.

Target population

The study was quantitative in design and carried out in the furniture manufacturing SMEs operating in the eThekweni District Municipality.

Sample size

Of the 127 furniture manufacturing SME owners identified for participation, 112 participated in the study. From 112 participants, 78% were males and 22% females.

Data collection

A list of the furniture manufacturing SME was obtained from the Durban Chamber of Businesses. Recruitment of respondents was undertaken with the aim of ensuring that all 127 furniture manufacturing SMEs participate in the study. The questionnaires were sent to owners of SMEs through electronic mail. However, 112 were returned, representing 88 per cent response rate, considered high compared with the norm for survey responses (Baruch & Holtom 2008). The main reason for this high response rate was due to the invitation letter sent to the participants and consistently following up the questionnaires through telephone calls.

Measurement of data

In line with research framework, the study measured six variables using the questionnaire. It employed a Likert scale, ranging from 1 (strongly agree) to 5 (strongly disagree) on both the intrinsic motivation factors for SME growth, as well as the SME owner competences that contributes to small and medium growth. This allowed for the computation of inferential statistics and mean scores.

Data Analysis

The data collected were analysed using SPSS version 25.0. The results are presented as both the descriptive and inferential statistics. Inferential uses the chi-square test values.

STUDY RESULTS

The following section discusses results of the intrinsic motivation factors that influence SME growth, as well as, business owner competences that contribute to SME growth.

INTRINSIC MOTIVATION FACTORS INFLUENCING SME GROWTH

This subsection discusses the SME owner's advancement as a personal attribute that has an influence on the growth of the business, the growth aspiration that enables the SME owner to take risks in order to grow the business, as well as SME owner's belief in producing the desired outcomes of the business.

Table 1: Intrinsic motivation factors in SME owners

Intrinsic motivation factors influencing SME growth	Agree		x ₂	df	P-value
	Count	Percent			
My need for advancement is the personal attribute that has an influence on the growth of my business.	110	98.3%	56.067	1	0.000
My growth aspiration enables me to take risks in order to grow my business.	90	80%	60.400	2	0.000
I am driven by a belief to produce desired outcomes of my business.	109	96.7%	52.267	1	0.000

Source: Researcher's Own Data

My need for advancement is the personal attribute that has an influence on the growth of my business

A total of 98.3% of respondents in Table 1 agreed with the statement that their need for advancement is the personal attribute that has great impact on the growth of their business. The percentage responses are accompanied by chi-square test results $x_2 = 56.067$; $df = 1$; $p = 0.000$ for this variable, indicating that if SME owners are intrinsically motivated they are capable of growing their SMEs and sustaining them for future economic growth (Liu et al. 2020).

My growth aspiration enables me to take risks in order to grow my businesses

Results in Table 1 shows that 80% of respondents agreed that their growth aspiration enables them take risks in order to grow their businesses. The results are in line with the study by Ferreras-Garcia, Serradell-López and Hernández-Lara (2019) which indicates that, being a risk taker in business is not the same as being reckless. Nevertheless, the word 'risk' has a negative connotation, implying danger and possible loss (Ferreras-Garcia, Serradell-López & Hernández-Lara 2019). For business owners, risk is viewed as positive with its implied challenge to overcome the unknown and attain financial return. Hence, the test is significant at $p < 0.05$ with a chi-square test at $x_2 = 60.400$; $df = 2$; $p = 0.000$.

I am driven by a belief to produce the desired outcomes of my business

Table 1 reveals that 96.7% of the respondents agreed with the position that they are driven by a belief to produce the desired outcomes of the business. This is concurred by chi-square test results at $x_2 = 52.267$; $df = 1$; $p = 0.000$, which is less than 0.05 level of significance. This indicates the relationship between producing desired outcomes and business growth. SMEs are driven by the efforts of growing their businesses into high-profit ventures with larger market share (Multan 2020).

SME OWNER COMPETENCES THAT CONTRIBUTES TO SMALL AND MEDIUM BUSINESS GROWTH

This subsection discusses business owner competences. It provide results on whether business success depends on the ability to identify crucial business competences in the early years of business start-up, the application of SME owner competences to develop new SME, as well as the SME owner competences that leads to small and medium business growth.

Table 2: SME owner competences that contributes to small and medium business growth

SME owner competences that contributes to small and medium business growth	Agree		x ₂	df	P-value
	Count	Percent			
My business success depends on the ability to identify crucial business competences in the early years of my business start-up.	109	97%	108.300	2	0.000
The application of business competences develop new SMEs.	106	95%	48.600	1	0.000
SME owner competences leads to small and medium business growth.	97	86.7%	32.267	1	0.000

Source: Researcher's Own Data

My business success depends on the ability to identify crucial business competences in the early years of my business start-up

The majority of respondents in Table 1 at 97% agreed that business success depends on the ability to identify crucial business competences in the early years of business start-up. This results are confirmed by chi-square test results at $x_2 = 108.300$; $df = 2$; $p = 0.000$. These results are concurred by Sajilan and Tehseen's (2019) assertions that, since business competences influence the implementation of sustainable growth of SMEs, the SME owner's success depends on the identification of crucial entrepreneurial skills for starting a business thus helping it to survive and grow in the early years of development.

The application of SME owner competences develops new small and medium enterprises

The results in Table 2 reveals that 95% of the respondents agreed with the statement that the application of business competences develop new SMEs. This is confirmed by chi-square test results at $p < 0.05$ ($x_2 = 48.600$; $df = 1$; $p = 0.000$). The results showed that the promotion of the development of business competence leads to sustainable growth. This statistical relationship is supported by Bratianu et al. (2020) who established that a lack of business

competences may result to SME failure.

SME owner competences leads to small and medium business growth

A total of 86.7% of the respondents in Table 2 indicates that SME owner competences leads to small and medium business growth. This is confirmed by the statistical result at $\chi^2 = 32.267$; $df = 1$; $p = 0.000$, which is below the conventional value of 0.05 level of significance. This indicates that the future of South African entrepreneurship depends on how well people are equipped with business competences to establish and grow their businesses (Obobia et al. 2020). Furthermore, Lucena et al. (2020) state that the valuable skills, knowledge and competences of an SME owner may lead to a sustainable competitive advantage of a business.

DISCUSSION OF RESULTS

The study investigated the intrinsic motivation factors in SME owners that influence SME growth. It assesses SME owner competences that contributes to small and medium business growth. It applied the descriptive statistics and chi-square tests to analyse data. The study indicates that intrinsic motivation factors in SME start-ups influences the personality traits in SME owners for small and medium business growth. SME growth depends on the extent SME owners are equipped with business competences to establish and grow their businesses.

According to Ncube and Zondo (2022), the need for business competences is heightened due to start-up failure rate and economic crisis, which demand business skills for the creation of social and economic value, as well as, spurring the entrepreneurial activities. The valuable competences, knowledge and abilities of an SME owner may lead to sustainable growth and accord the business a competitive advantage. Only the intrinsically motivated and competent SME owner may develop and lead successful strategies towards the success of the business. The competences are learnable, hence, it is crucial to recognise their significance (Stuss, Makiela & Szczepańska-Woszczyńska 2019).

This study depicts important development of business competences for the owners of SMEs. The SME owners who run their businesses past start-up stages would have developed critical levels of intrinsic motivation for growing their businesses (Ncube & Zondo 2018).

Jordaan (2014) supports the theoretical proposition of a positive correlation between intrinsic motivation and the decision to become an SME owner. The propensity to act is associated with SME owner's intrinsic motivation. The need for achievement is one of the widely spread indicator showing whether a business owner is motivated to SME growth or not. It can thus be concluded that SME growth is influenced by personal factors that can be developed through acquiring business competences and by being intrinsically motivated (Aji et al. 2019; Stuss et al. 2019; Luna et al. 2021).

IMPLICATIONS OF RESULTS FOR POLICY AND PRACTICE

It is essential that both the private and public sector advances an understanding on the significant of the capabilities in small and medium business owner for SME growth (Multan 2020). This includes the intrinsic motivation factors responsible for SME development and growth. Competences of business owners and the intrinsic motivational factors predict small and medium business growth. This study revealed that competences of small and medium business owners have an enhancing effect on the growth of the business. SME owners should address their competency deficiencies that could enhance their business growth (Yamini et al. 2020). Hence, the following deductions can be made:

- Intrinsically motivated SME owners must be the drivers of innovation and growth of entrepreneurship (Ullah 2020).
- If the intrinsic motivation in SME owners can be mapped with needed business competences, this might lead to economic growth and job creation (Yamini et al. 2020; Liu et al. 2020)
- Business competences, entrepreneurial skills and motivation must play a role on SME growth and sustainability (Luna et al. 2021; Wong & Ngai 2021).

CONCLUSION

The study examined the influence of intrinsic motivation in SME owners for small and medium growth. It assessed SME owner competences that contributes to small and medium business growth. It establishes that intrinsic motivation plays an important psychological role on self-determination and personal well-being (Liu 2020). Thus, competence describes action, the behaviour or outcome which a person should demonstrate (Multan 2020).

The study indicates that the intrinsic motivations factors in SME start-ups influences the personality traits among SME owners for small and medium business growth. Hence, SME growth depends on the extent SME owners are equipped with business competences to establish and grow their businesses.

STUDY LIMITATIONS

This study was conducted in the eThekweni District Municipality in KwaZulu-Natal. Only SMEs in the furniture manufacturing sector participated. However, the respondents were geographically dispersed within the eThekweni District Municipality.

RECOMMENDATIONS FOR FUTURE RESEARCH

While the sample size was consistent with similar studies, the views expressed by SME owners in this study do not necessarily represent those of the total SME sectors of South Africa. Future research should broaden the scope and include other SME sectors for South Africa.

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