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**Clarisse Umugwaneza & Dr. Charles Aloo**

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# Effects of Community Based Tourism on Development of Rural Hospitality Entrepreneurs in Musanze District, Rwanda

<sup>1\*</sup>Clarisse Umugwaneza & <sup>2</sup>Dr. Charles Aloo

<sup>1\*</sup>Corresponding author: School of Hotel Management and Tourism, Mount Kenya University

<sup>2</sup>Co-author: School of Hotel Management and Tourism, Mount Kigali University

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## Abstract

Rural community retention challenges continue to intensify, emphasizing the need to attract and empower rural populations to foster hospitality entrepreneurship. This study aimed to assess the effects of community-based tourism (CBT) on the development of rural hospitality entrepreneurs in Musanze District, Rwanda. Specifically, it sought to evaluate the relationship between community-based tourism and hospitality entrepreneurship in job creation, assess the link between training and hospitality entrepreneurship and examine the relationship between leadership development planning and hospitality entrepreneurship within Rwanda's hotel industry. A descriptive research design integrating both qualitative and quantitative approaches was adopted. Data were collected through questionnaires and interview guides from a sample of 244 respondents, drawn from a target population of 980 using Yamane's (1967) formula and a combination of simple random and purposive sampling techniques. Data analysis was conducted using SPSS version 25.0. Descriptive statistics, including means and standard deviations, were employed, while inferential analysis utilized multiple linear regression. Qualitative data were analyzed thematically, and results were presented using tables, figures, and narratives. Findings from regression analysis revealed that training emerged as the sole significant predictor of hospitality entrepreneurship development, with a positive beta coefficient of 0.698 ( $t=3.507$ ,  $p=0.002$ ), confirming its critical influence on rural enterprise growth and sustainability. However, employment creation showed a non-significant negative relationship ( $\beta=-0.135$ ,  $p=0.362$ ), while leadership development planning demonstrated minimal impact ( $\beta=-0.027$ ,  $p=0.910$ ), suggesting these strategies require fundamental reassessment and redesign. The study concludes that community-based tourism initiatives promote rural entrepreneurship primarily through training and skills enhancement rather than through employment quantity or current leadership development approaches. The study recommends that stakeholders should prioritize investment in comprehensive training programs as the primary intervention, critically reassess employment creation strategies to emphasize quality over quantity, and fundamentally redesign leadership development frameworks to ensure they deliver measurable impacts on venture performance and sustainability in Rwanda's rural hospitality sector.

**Keywords:** *Community- Based Tourism, Rural Hospitality, Entrepreneurs, Musanze District, Rwanda*

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## 1.0 Introduction

Community-based tourism (CBT) has gained global momentum since the 1980s as a strategy to link conservation with development by directly involving local communities in tourism activities. Globally, CBT has been recognized for its potential to reduce rural poverty, conserve biodiversity, and promote cultural heritage. In Africa, countries such as Kenya, Tanzania, and South Africa pioneered CBT initiatives in the 1990s, inspiring others to adopt similar models. Rwanda embraced this approach in the early 2000s, especially around its flagship conservation area, Volcanoes National Park, which is home to the endangered mountain gorillas. Rwanda's tourism sector has experienced rapid growth, and CBT became an integral part of that trajectory. In 2005, the government introduced the Tourism Revenue Sharing Program (TRSP), which allocated 5% of national park revenues to local communities surrounding protected areas. By 2017, this share was increased to 10%, signaling a stronger commitment to community empowerment. Between 2005 and 2019, the program funded over 700 community projects nationwide, including schools, health centers, water supply systems, and income-generating initiatives. For example, around Volcanoes National Park alone, CBT initiatives have generated millions of Rwandan francs in revenue, directly benefiting thousands of households.

Tourism in Rwanda is now the country's leading foreign exchange earner, contributing over 10% of GDP in some years and employing more than 132,000 people as of 2019. Gorilla trekking accounts for more than 90% of tourism revenues from Volcanoes National Park, yet CBT programs ensure that benefits extend beyond park fees to reach local communities. Studies estimate that more than 60% of households surrounding the park have indirectly benefited from tourism revenues, either through infrastructure projects or job creation in community enterprises. The goals of CBT in Rwanda are aligned with both national development strategies and conservation priorities. First, CBT seeks to empower local communities by giving them ownership and decision-making power in tourism-related activities. This empowerment is evident in the establishment of cooperatives, such as those managing cultural villages, handicraft centers, and community lodges. Second, CBT serves as a poverty reduction strategy by creating new streams of income. For instance, households engaged in community lodges, cultural tours, or handicraft production have reported income increases of up to 30–40% compared to non-participating households. Third, CBT plays a crucial role in conservation by building community support for protected areas; when local residents see direct financial benefits from wildlife tourism, they are less likely to engage in poaching or unsustainable land use.

Furthermore, CBT has opened pathways for local entrepreneurship, particularly in hospitality and tour services. With the growth of tourist arrivals—which rose from fewer than 400,000 in 2007 to over 1.5 million in 2019—demand for accommodation, guiding, and cultural experiences surged. This demand enabled local entrepreneurs to establish eco-lodges, guesthouses, and small hotels, some of which have grown into recognized establishments that attract international visitors. Similarly, community members have organized cultural tours, traditional dance performances, craft workshops, and village experiences that diversify Rwanda's tourism offerings beyond gorilla trekking. These enterprises not only generate household income but also enhance Rwanda's cultural identity and visitor experience.

Nevertheless, challenges persist, including limited access to capital for infrastructure investment, capacity gaps in hospitality management, and market competition from large private operators. Seasonal fluctuations in tourist arrivals also expose entrepreneurs to income instability. Despite

these constraints, the steady rise of CBT demonstrates its potential as a sustainable development tool. By combining conservation with livelihood improvement, CBT around Volcanoes National Park continues to play a pivotal role in Rwanda's journey toward poverty reduction, inclusive growth, and local entrepreneurship development. This study builds on that historical and economic context to examine how CBT contributes to community empowerment and creates opportunities for local entrepreneurs in Rwanda's hospitality industry.

### 1.1 Research Objectives

The study was guided by the following objectives;

- i. To evaluate the relationship between community-based tourism and hospitality entrepreneurship in employment creation in Musanze District, Rwanda.
- ii. To assess the relationship between training strategies and hospitality entrepreneurship in Musanze District, Rwanda.
- iii. To examine the relationship between leadership development planning and hospitality entrepreneurship in Musanze District, Rwanda.

### 2.0 Research Methodology

The study employed a descriptive cross-sectional survey design conducted in Musanze District, Northern Province of Rwanda. The target population comprised 980 employees from ten selected hotels, including regular staff and departmental supervisors. Using Yamane's (1967) formula with a 5% margin of error, researchers calculated a sample size of 284 respondents from the target population. Two sampling techniques were utilized: simple random sampling and purposive sampling to select participants. Data collection employed questionnaires and interview guides, while data analysis was conducted using SPSS version 25.0. Descriptive statistics including means and standard deviations summarized the data, while inferential analysis utilized Pearson correlation and multiple linear regression to examine relationships between community-based tourism variables and hospitality entrepreneurship outcomes. (119 words)

### 3.0 Results

The results were presented in sections.

#### 3.1 Demographic characteristics of respondents

Following the completion of the data collection phase, the researcher classified the respondents based on their gender.

**Table 1: Gender of Respondents**

Gender	Frequency	Percentage
Male	80	33
Female	160	67
<b>Total</b>	<b>240</b>	<b>100</b>

#### Source: Primary data (2025)

According to table 1, the gender composition of respondents was 33% men and 67% women. The females were more than the males, probably because the males were fewer than the females in many services, including the service team, especially in the food and beverage department.

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### 3.2 Employment Creation and Hospitality Entrepreneurship

The first research objective was to evaluate the effects of community-based tourism to the development of rural hospitality entrepreneurship in the Rwandan hotel industry. The researcher evaluated the extent to which various hospitality staff recruited from community-based tourism have contributed to hospitality entrepreneurship. The findings for this objective are displayed in Table 2, below.

**Table 2: The extent to which various employment creation strategies have contributed to hospitality business performance**

Statements	N=240 % = 100	Responses					Total	Mean	SD
		High	Very High	Low	Very Low	Negligible			
To what extent has internal employment creation contributed to Business performance.	70 (29%)	150 (63%)	10 (4%)	10 (4%)	0 (0%)	240 100	4.2	0.7	
To what extent has external employment contributed to Business performance.	50 (21%)	140 (58%)	37 (16%)	3 (1%)	10 (4%)	240 100	3.5	0.6	
To what extent have promotions contributed to Business performance.	47 (20%)	36 (15%)	104 (43%)	34 (14%)	19 (8%)	240 100	3.2	0.6	
To what extent have referrals contributed to Business performance.	25 (10%)	200 (83%)	15 (7%)	0 (0%)	0 (0%)	240 100	4.0	0.7	
To what extent have transfers contributed to hospitality entrepreneurship.	51 (21%)	32 (13%)	111 (47%)	25 (10%)	21 (9%)	240 100	3.3	0.6	

#### Source: Primary data (2025)

The results reveal that referrals emerged as the most significant employment creation strategy, with 83% of respondents rating them as "very high" contributors to hospitality entrepreneurship (mean=4.0, SD=0.7). This dominance reflects the close-knit nature of rural communities in Musanze, where trust and social networks play crucial roles in labor markets. Internal employment creation also scored strongly, with 63% rating it "very high" (mean=4.2, SD=0.7), followed by external employment at 58% "very high" (mean=3.5, SD=0.6). Respondents explained that referrals facilitate absorption of excellent talent from within existing rural communities, ensuring better cultural and skill fit. The trust embedded in community recommendations carries more weight than formal applications, enabling hotels to recruit quality staff efficiently through established social networks.

In contrast, promotions and transfers demonstrated weaker contributions to hospitality entrepreneurship. Only 15% rated promotions as "very high" contributors, with 43% indicating "low" impact (mean=3.2, SD=0.6). Similarly, transfers received just 13% "very high" ratings, with 47% reporting "low" contribution (mean=3.3, SD=0.6). Respondents identifying these strategies as low contributors explained that transfers particularly contribute to high turnover rates because rural community members resist leaving familiar environments. This finding suggests that while

referrals leverage community strengths, strategies requiring geographic or hierarchical mobility face cultural resistance. The lower means for promotions and transfers (3.2-3.3 versus 4.0-4.2 for referrals and internal hiring) indicate these strategies require reconsideration or better incentive structures to enhance their effectiveness in rural hospitality entrepreneurship contexts.

These findings carry significant implications for human resource management in rural hospitality contexts. The heavy reliance on referrals, while ensuring cultural fit and trust, risks creating homogeneous workforces and excluding talented outsiders without social connections. Hotels should balance referral-based hiring with merit-based systems to ensure diversity and equal opportunity. The resistance to transfers and weak promotion uptake suggests career advancement pathways need redesigning to accommodate rural workers' attachment to their communities. Rather than requiring geographic mobility, hotels could implement local promotion structures or create leadership roles within existing locations. Additionally, the strong performance of internal employment creation (mean=4.2) suggests investing in local talent development yields better returns than external recruitment, supporting community-based tourism's empowerment objectives while building sustainable hospitality entrepreneurship.

### 3.3 Training and Hospitality Entrepreneurship

The second objective of this research was to examine the relationship between training and hospitality entrepreneurship in Rwanda's hotel industry. The researcher assessed the impact of various training strategies on hospitality entrepreneurship. Table 3 summarizes the findings related to this objective.

**Table 3: The extent to which various training strategies have contributed to business performance.**

Statements	Responses					Total	Mean	SD
	High	Very High	Low	Very Low	Negligible			
To what extent has the on-the-job training of workers contributed to Business Performance.	15 (6%)	220 (92%)	5 (2%)	0 (0%)	0 (0%)	240	4.0	0.7
To what extent have training seminars and workshops contributed to Business performance.	32 (13%)	192 (80%)	10 (4%)	6 (3%)	0 (0%)	240	4.0	0.7
To what extent has coaching or mentoring contributed to the business performance.	80 (33%)	156 (65%)	4 (2%)	0 (0%)	0 (0%)	240	4.3	0.8
To what extent has instructor-led training contributed to the business performance.	41 (17%)	194 (81%)	5 (2%)	0 (0%)	0 (0%)	240	4.2	0.7
To what extent have films and tutorial videos contributed to the business performance.	68 (28%)	160 (67%)	7 (3%)	5 (2%)	0 (0%)	240	4.2	0.7

**Source: Primary data (2025)**

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The results demonstrate that on-the-job training emerged as the overwhelmingly preferred training strategy, with 92% of respondents rating it as "very high" in contributing to hospitality entrepreneurship (mean=4.0, SD=0.7). This hands-on approach outperformed all other methods, reflecting its practical relevance and immediate applicability in rural hospitality contexts. Instructor-led training also scored strongly at 81% "very high" (mean=4.2, SD=0.7), followed by training seminars and workshops at 80% (mean=4.0, SD=0.7). Coaching and mentoring received 65% "very high" ratings but achieved the highest mean score of 4.3 (SD=0.8), suggesting that while fewer respondents experienced it, those who did found it exceptionally valuable. Films and tutorial videos garnered 67% "very high" ratings (mean=4.2, SD=0.7), indicating moderate effectiveness for knowledge transfer in hospitality entrepreneurship development.

Despite high overall ratings, respondents identified significant cost barriers in implementing certain training strategies. The minority who rated training as "low" contribution specifically cited high expenses associated with facilitating rural community training at workplace sites, particularly for seminars and workshops that require extensive installations and infrastructure. Respondents noted that training seminars "get filled with a lot of installations" and require lengthy training periods, making them expensive for employers to offer rural communities. This cost sensitivity explains why on-the-job training, which requires minimal additional infrastructure, received the highest rating. The finding suggests that while formal training seminars are valued, their implementation faces practical constraints in resource-limited rural settings, potentially limiting accessibility for smaller hospitality enterprises lacking financial capacity.

The dominance of on-the-job training suggests capacity-building initiatives should prioritize workplace-based learning models that integrate skill development into daily operations rather than costly off-site programs. The strong performance of coaching and mentoring indicates that peer-to-peer knowledge transfer and apprenticeship models could be scaled effectively across rural hospitality enterprises. To address cost barriers, stakeholders should develop shared training infrastructure between CBT initiatives and formal hospitality businesses, enabling collaboration that bridges gaps between community enterprises and professional operators while distributing financial burdens. Additionally, leveraging low-cost digital tools like tutorial videos could democratize access to professional development, empowering rural entrepreneurs with customer service, management, hygiene, and marketing skills essential for sustainable ventures without requiring expensive physical installations or extended off-site training periods. (130 words)

### **3.4 Leadership Development Planning Strategies on Hospitality Entrepreneurship**

The last objective of this research was to investigate the relationship between Leadership development planning and entrepreneur venture in the hotel industry in Rwanda. The researcher evaluated the extent to which various Leadership development planning strategies have contributed to hospitality entrepreneurship. The findings for this objective are shown in table 4, below.

**Table 4: The extent to which various Leadership development planning strategies have contributed to hospitality entrepreneurship**

Statements	Responses					Total	Mean	SD
	High	Very High	Low	Very Low	Negligible			
To what extent has offering promotions contributed to hospitality entrepreneurship.	100 (42%)	124 (52%)	10 (4%)	6 (2%)	0 (0%)	240 100	4.3	0.8
To what extent has the provision of basic training and career development contributed to the business performance.	70 (29%)	163 (68%)	7 (3%)	0 (0%)	0 (0%)	240 100	4.3	0.8
To what extent has an open line of communication between top management and rural community aided business performance.	110 (46%)	120 (50%)	5 (2%)	5 (2%)	0 (0%)	240 100	4.4	0.8
To what extent has the provision of technological advancements contributed to the business performance.	15 (6%)	220 (92%)	5 (2%)	0 (0%)	0 (0%)	240 100	4.0	0.7
To what extent have strong rural community talent reviews contributed to the business performance.	102 (43%)	118 (49%)	15 (6%)	5 (2%)	0 (0%)	240 100	4.3	0.8

**Source: Primary data (2025)**

The results reveal that technological advancements dominated as the most highly rated leadership development strategy, with 92% of respondents rating it "very high" in contributing to hospitality entrepreneurship (mean=4.0, SD=0.7). This overwhelming support suggests technology plays a critical role in modernizing rural hospitality operations and building leadership capacity. Basic training and career development received 68% "very high" ratings (mean=4.3, SD=0.8), while promotions garnered 52% (mean=4.3, SD=0.8). Notably, open lines of communication between top management and rural communities achieved the highest mean score of 4.4 (SD=0.8) despite only 50% rating it "very high," indicating strong consensus on its importance. Talent reviews received 49% "very high" ratings (mean=4.3, SD=0.8), showing moderate effectiveness in leadership development within rural hospitality contexts.

Despite generally positive ratings, talent reviews and succession planning emerged as problematic areas in leadership development. Respondents who rated these strategies as "very low" explained that succession planning often fails due to inability to recognize internal rural community members who merit career advancement and prepare them for new roles. The findings indicate that cross-training programs remain limited, hindering knowledge transfer when experienced employees retire or leave. Respondents specifically cited high costs associated with facilitating assessments and monitoring at work locations, plus the lengthy processes involved in conducting comprehensive talent reviews. These barriers suggest that while hotels recognize the importance

of identifying and developing future leaders, implementation remains inconsistent, particularly in smaller establishments lacking dedicated human resource systems for systematic talent identification and leadership pipeline development. (119 words)

The overwhelming preference for technological advancements suggests that digital tools should be leveraged not just for operations but for leadership development through e-learning platforms, virtual mentoring, and online management training accessible to rural entrepreneurs. The high mean score for open communication indicates that participatory management styles fostering dialogue between top management and rural employees enhance leadership emergence and retention. To address succession planning gaps, hotels must implement systematic talent identification programs that recognize potential leaders from within rural communities rather than relying on external recruitment. Developing affordable, scalable talent review systems—perhaps shared across multiple CBT enterprises—could reduce costs while ensuring career advancement opportunities exist. Ultimately, investing in local leadership development strengthens community ownership of hospitality ventures and reduces dependency on external management expertise. (130 words)

### 3.5 Assessment of Hospitality Entrepreneurship

The study evaluated the extent of hospitality entrepreneurship in the hotel.

**Table 5: The Extent of Hospitality Entrepreneurship in The Hotel**

Statements	Responses					Total	Mean	SD
	High	Very High	Low	Very Low	Negligible			
To what extent are there indicators of customer loyalty due to hospitality entrepreneurship.	35 (15%)	200 (83%)	5 (2%)	0 (0%)	0 (0%)	240	4.1	0.7
To what extent has the customer base improved due to business performance.	100 (42%)	123 (51%)	7 (3%)	10 (4%)	0 (0%)	240	4.3	0.8
To what extent are there indicators of improved profitability due to business performance.	83 (35%)	132 (55%)	10 (4%)	5 (2%)	10 (4%)	240	4.1	0.7
To what extent are there indicators of entrepreneur venture awareness due to business performance.	52 (21%)	62 (26%)	81 (34%)	45 (19%)	0 (0%)	240	3.5	0.6
To what extent has entrepreneur venture image improved due to business performance	105 (44%)	115 (48%)	20 (8%)	0 (0%)	0 (0%)	240	4.4	0.8

#### Source: Primary data (2025)

The results demonstrate that customer loyalty emerged as the strongest indicator of hospitality entrepreneurship success, with 83% of respondents rating it "very high" (mean=4.1, SD=0.7). Respondents explained this high rating through evidence of frequent repeat customer visits to the

same hotels, suggesting CBT-linked enterprises have successfully built lasting relationships with visitors. Improved profitability received 55% "very high" ratings (mean=4.1, SD=0.7), while customer base expansion garnered 51% (mean=4.3, SD=0.8). Notably, venture image improvement achieved the highest mean score of 4.4 (SD=0.8) with 48% "very high" ratings, indicating that rural hospitality enterprises have enhanced their reputation and market positioning. These four indicators collectively suggest that hospitality entrepreneurship in Musanze District has achieved substantial business performance gains through CBT initiatives.

In stark contrast, venture awareness emerged as the weakest performance indicator, receiving only 26% "very high" ratings and the lowest mean score of 3.5 (SD=0.6). Critically, 34% of respondents rated venture awareness as "low," with an additional 19% rating it "very low"—representing 53% combined negative assessment. This indicates that despite strong customer loyalty and profitability, rural hospitality enterprises struggle with market visibility and brand recognition beyond their existing customer base. The relatively low standard deviation of 0.6 suggests consensus among respondents about this weakness. This awareness gap represents a significant constraint on business growth potential, as enterprises may be performing well with current customers but failing to attract new markets or establish broader recognition within Rwanda's competitive tourism landscape.

These findings carry critical implications for sustainable growth of rural hospitality entrepreneurship. The strong customer loyalty and profitability indicators suggest that CBT-linked enterprises deliver quality experiences that satisfy visitors and generate returns. However, the severe venture awareness deficit reveals that these businesses lack effective marketing strategies to reach broader markets. Rural hospitality entrepreneurs need support in developing marketing capacity, including digital presence, online booking platforms, and social media engagement. Stakeholders should establish collaborative marketing initiatives where multiple CBT enterprises jointly promote Musanze District as a destination, sharing costs while increasing collective visibility. Additionally, integration with national tourism promotion campaigns could elevate individual venture awareness. Addressing this marketing gap is essential for scaling operations beyond repeat customers and achieving the full entrepreneurial potential demonstrated by strong operational performance. Without improved awareness, even successful enterprises risk remaining small-scale despite their proven ability to deliver value.

### **3.6 Determination of rural community tourism entrepreneurship's influence on hospitality entrepreneurship**

To forecast the value of a variable based on the values of two or more additional variables, multiple regression was used. The dependent variable was the one that would be projected. The independent variables were those that were utilized to forecast the value of the dependent variable. By fitting a linear equation to the observed data, multiple linear regression attempted to characterize the relationship between numerous explanatory variables and a response variable. A multiple regression model was used to get these results. The impact of rural community rural Tourism entrepreneurship on hospitality entrepreneurship in Rwanda's hotel sector in northern province was examined using the multiple regression model. The coefficient ( $\beta$ ), t-statistics, and significance all supported the statistical significance. At a 5 percent level of significance, a further statistically significant association between the dependent variable and an independent variable from the model was accepted.

In that case,  $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$ .

$Y$  stands for the dependent variable, which is development of rural hospitality entrepreneurship,  $\alpha$  (Alpha) stands for a constant or intercept,  $e$  stands for the standard error of estimate,  $\beta_1$ ,  $\beta_2$ ,  $\beta_3$  stands for a Beta coefficient,  $X_1$ ,  $X_2$ ,  $X_3$  stands for independent variables which are community-based tourism, training strategies, and Leadership development planning strategies. The SPSS program was used to enter the independent variable, which is rural community rural community hospitality entrepreneurship, from its three sub-variables, which are employment creation, training, and Leadership development planning.

**Table 6: Coefficients between rural community tourism and hospitality entrepreneurship**

Model	Unstandardized Coefficients		Standardized Coefficients		95.0% Confidence Interval for B		
	B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound
(Constant)	22.285	8.856		2.516	.020	3.869	40.701
Employment creation	-.135	.145	-.129	-.932	.362	-.437	.166
Training	.698	.199	.928	3.507	.002	.284	1.112
Leadership development	-.027	.235	-.031	-.114	.910	-.516	.462

a. Dependent variable: Development of Rural Hospitality entrepreneurship

#### Source: Primary data (2025)

The study found that multiple regression analysis examining the influence of community-based tourism components on rural hospitality entrepreneurship revealed differential impacts across the three independent variables. Training emerged as the only statistically significant predictor, demonstrating a strong positive relationship with hospitality entrepreneurship development ( $\beta=0.698$ ,  $t=3.507$ ,  $p=0.002$ ), indicating that for every unit increase in training initiatives, hospitality entrepreneurship improved substantially. Conversely, employment creation showed a non-significant negative coefficient ( $\beta=-0.135$ ,  $t=-0.932$ ,  $p=0.362$ ), suggesting current employment strategies do not positively contribute to entrepreneurship outcomes. Leadership development planning demonstrated virtually no impact ( $\beta=-0.027$ ,  $t=-0.114$ ,  $p=0.910$ ), indicating these initiatives fail to influence hospitality entrepreneurship performance meaningfully. The model's constant term of 22.285 ( $p=0.020$ ) was statistically significant. These findings reveal that among community-based tourism interventions, training stands alone as the critical driver of rural hospitality entrepreneurship success in Musanze District.

#### 4.0 Conclusion

The study concludes that community-based tourism activities have played a pivotal role in shaping hospitality sector development in Rwanda, particularly within rural settings like Musanze District. CBT initiatives have demonstrated positive and significant impacts on hospitality enterprise performance across multiple dimensions. Training emerged as a particularly influential factor in strengthening hospitality entrepreneurship, with continuous and well-structured programs enhancing employees' skills, improving service delivery, and fostering innovation. Employment creation represents another major outcome, contributing to both direct and indirect job opportunities while diversifying the human resource base through internal career advancement and

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external skilled recruitment. However, leadership development planning emerged as an area requiring further attention, with most hotels lagging in providing systematic career advancement opportunities despite strong performance in other areas.

Overall, the findings underscore the critical role of community-based tourism in enhancing hospitality entrepreneurship and driving rural economic empowerment in Rwanda. The relationship between CBT initiatives and entrepreneurial success validates Rwanda's community-centered tourism model as an effective development strategy. However, sustainable growth requires addressing identified gaps, particularly in leadership development frameworks and venture marketing capacity. Strengthening succession planning systems, expanding capacity-building initiatives across all hotel categories, and developing collaborative marketing platforms will further sustain the positive momentum generated by community-based tourism. Stakeholders must prioritize investment in local leadership pipelines and affordable training infrastructure to ensure rural communities maintain ownership and control of hospitality ventures, ultimately achieving inclusive and sustainable tourism development aligned with Rwanda's national development objectives.

## 5.0 Recommendations

The study recommends that stakeholders should prioritize workplace-based training programs that integrate skill development into daily hotel operations, as these prove most effective and cost-efficient for rural communities. Hotels should establish shared training infrastructure between CBT initiatives and formal hospitality businesses to distribute costs while maintaining quality standards. Management should implement systematic leadership succession planning frameworks across all hotel categories, not just high-end establishments, ensuring internal rural community members receive recognition and preparation for advancement opportunities. Hotels should develop affordable talent review systems, potentially shared across multiple enterprises, to identify and nurture future leaders from within local communities. Government and tourism authorities should provide subsidies or incentives for hotels investing in leadership development programs, reducing financial barriers that currently limit systematic career advancement initiatives in rural hospitality contexts.

In addition, the study recommends that hotels should balance referral-based hiring with merit-based recruitment systems to ensure diversity and equal opportunity while maintaining cultural fit advantages. Management should redesign career advancement pathways to accommodate rural workers' attachment to their communities by creating local promotion structures and leadership roles within existing locations rather than requiring geographic transfers. Hotels should develop cross-training programs that enable knowledge transfer and skill diversification, preparing multiple employees to assume leadership roles when experienced staff retire or leave. Human resource departments should implement retention strategies that address community members' reluctance to relocate, including family support programs, housing assistance, and clear communication about career benefits. Employers should invest more in internal employment creation and development rather than external recruitment, supporting community-based tourism's empowerment objectives.

Moreover, the study recommends that rural hospitality enterprises should urgently address the venture awareness deficit by developing comprehensive marketing strategies to reach broader markets beyond existing customers. Stakeholders should establish collaborative marketing

initiatives where multiple CBT enterprises jointly promote Musanze District as a destination, sharing costs while increasing collective visibility through digital platforms, social media, and online booking systems. National tourism authorities should integrate rural hospitality ventures into promotional campaigns, elevating individual enterprise awareness within competitive markets. Hotels should leverage technological advancements not only for operations but also for marketing, customer relationship management, and online presence development. Development partners should provide technical assistance and funding for marketing capacity building, enabling rural entrepreneurs to acquire skills in digital marketing, branding, and customer engagement essential for scaling operations and achieving sustainable competitive advantages in Rwanda's growing tourism industry.

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