THE IMPACT OF PERSONAL NETWORKS AND SOCIAL SUPPORT ON SMALL BUSINESS SUCCESS AMONG MEMBERS OF MIDDLE EASTERN COMMUNITIES IN MELBOURNE

By

WIDAD PITRUS

A thesis submitted in fulfillment of the requirements for the degree of

Doctor of Philosophy by Research

School of Global, Urban and Social Studies
College of Design and Social Context
RMIT University

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DECLARATION OF AUTHORSHIP

I certify that the content of this dissertation is the result of my work which has been carried out since the research program was officially approved, except where due acknowledgement has been made in the text. I also declare that I have not previously submitted this work, in whole or in part, to qualify for any other academic award. No editorial work has been carried out by a third party, and ethics procedures and guidelines have been followed.

Widad Pitrus

Signature: ...........................................

Date: ...............................................
DEDICATION

This dissertation is dedicated to the loving memory of my dearest father, Goriel Batras, who passed away on 6 June 2012, and to the loving memory of my beloved mother, Regina Paulus, who died young 25 years ago. I love and miss you so much every day. You will always be in my heart. I wish you were here to share in what you started. I will never forget.

May Almighty God rest your souls in eternal peace.
I'm still learning, still got a lot to learn (Lebanese male, 26 years old, Import and export, wholesale and retail business, 2 years in business, 5 employees).

I would like to thank my supervisors, Professor Desmond Cahill and Adjunct Professor Trevor Batrouney for their supervision, support and encouragement in accomplishing my research, and, above all, in having confidence in me. Their wisdom, guidance and attention to detail, as well as their editorial input throughout my dissertation writing made completing this journey possible.

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ACRONYMS/ABBREVIATIONS

ABS: Australian Bureau of Statistics
Appr: Appraisal
CI: Confidence Interval
df: Degrees of Freedom
EFA: Exploratory Factor Analysis
Emo: Emotional
Empl: Employees
ES: Effect Size
Ext Fam: Extended Family
GSS: Giving Social Support
Imm Fam: Immediate Family
Info: Informational
Inst: Instrumental
KMO: Kaiser-Meyer-Olkin
LOTE: Languages other than English
NEIS New Enterprise Incentive Scheme
ninu: neither important nor unimportant
nsnu: neither successful nor unsuccessful
PAC: Percentage Accuracy in Classification
PLUM: Polytomous Universal Model
PPS: Probability Proportionate to Size
RSS: Receiving Social Support
S.E.: Standard Error
Sic: meaning "intentionally so written"
SPSS®: Statistical Packages for Social Science
S.D.: Standard Deviation
STV: Subject-to-variables
Supp: Suppliers
Tukey HSD: Tukey Honestly Significant Difference
VIP: Variance Inflation Factor
ABSTRACT

This dissertation examined the relationships between personal networks and social support and investigated the extent to which these variables influenced small business success among entrepreneurs of Middle Eastern communities in Melbourne, Victoria. The research question guiding this study was: In regard to ethnic small businesses within Melbourne’s Middle Eastern communities, what impact do personal networks and social support have upon business success? The significance of the study lies in its contribution to academic literature because of the limited amount of academic research in Australia in particular, and internationally in general, in the field of ethnic small businesses, particularly those established by members of Middle Eastern communities, and specifically on the role of personal networks and social support in small business success.

A better understanding of personal networks and social support and their impact on small business success can provide small business owner/managers with greater potential to improve their business and personal skills and may therefore offer them competitive advantages in gaining financial rewards and expanding the business, which may necessitate employing others. The competitive advantage of the business may also mean survival. The study attempted to build a theoretical framework to: explain the relationship between personal networks and social support and their impact on small business success; contribute towards understanding how and why ethnic small business owner/managers established and maintained personal networks which, in turn, might provide social support to assist them in improving their businesses; contribute towards an understanding of the factors leading to business success and the relationships between these factors; add an important cultural dimension regarding the nature of Middle Eastern businesses and their owner/managers; and provide an impetus for further entrepreneurial activity. The study also attempted to aid government and financial institutions in developing policies and designing training programs with better knowledge of the specific needs of the small business owner/managers from disparate cultural backgrounds.
The study is exploratory and measurement model of small business success was based on 113 members of three Middle Eastern communities of Arabic-speaking backgrounds who legally owned/managed a small business and had the ultimate control over its operations in the manufacturing industry with fewer than 100 employees, or in the service industry with fewer than 20 employees in Victoria. The largest settled Middle Eastern communities are: the Lebanese, Egyptian and Iraqi communities. As Middle Eastern small businesses are mostly located in three of the five metropolitans’ areas of Melbourne, namely north-east, north-west and Melbourne Central, these areas became the focus of this study. These three areas covered some 32 suburbs from which the study probability sample, utilizing cluster and multi-stage sampling technique in proportion to the total number of each surveyed community population in Victoria, was drawn. Around ten per cent (n=16) using stratified random probability sampling proportionate to the size technique was used to identify the proportion of each sample for each community for interviews.

The significance of the study also lies in utilizing both quantitative and qualitative research approaches, thus providing an in-depth understanding of this group of Middle Eastern small business owner/managers’ entrepreneurial world, and validating and clarifying relationships among the study variables. Thus, both quantitative and qualitative data were gathered for this study by means of a self-administered and researcher-administered questionnaire, and in-depth, semi-structured and face-to-face interviews. The study instrument, designed and developed specifically for this study, contained four sub-scales of receiving and giving four types of social support from and to the Middle-Eastern small business owner/managers featured in the study. The four types of receiving and giving social support were: Emotional; Appraisal; Informational; and Instrumental.

The social support instrument developed in this study provided the means of understanding the nature of the social support system of ethnic entrepreneurs both in receiving and giving social support from and to their personal network sources. Data were also gathered to measure small business success variables of the study using quantitative and qualitative measures. The background variables examined consisted of personal and professional variables as well as those related to the characteristics of the small business. The interview schedule included open-ended questions to obtain descriptive information from respondents concerning the latent variables with social support, personal networks and business success, as well as the business histories of the owner/managers concerning the most crucial reasons for their business success and the most critical barriers to success.
The study was both descriptive and exploratory in nature. Descriptive and exploratory techniques were used in the analysis of data. Qualitative data were analyzed using conventional content analysis and constant comparative method by which the process of systematic examination of the data and constantly comparing the emerged patterns and themes forming manifest constructs was followed.

This dissertation produced a number of key findings: two positive relationships between net income and the number of business success indicators and the length of time in business and the question how successful the business is were evident though the effect size of these associations was moderately small. However, the findings indicated that GSS Appraisal to extended family and GSS Inst to employees were the only similar dependent variables that predicated the length of time in business and the self-rated question how successful or unsuccessful the business is. Thus, despite these results the five business success variables, to a great extent, were found to be independent success measures; informal personal networks sources of receiving and giving social support seemed to be more significant in influencing business success, specifically from extended family, friends, immediate family, employees, and people from own community; the presence of accountants, bankers and solicitors, as part of the formal personal network was the least important source of receiving the four types of support.

The study sample received much more social support from all ten personal networks sources than they provided to these sources collectively which influenced business success; receiving informational and instrumental social support were the two more influential types of support; respondents giving social support to their informal personal networks sources, namely people from own community, employees, friends, extended family, business partners and immediate family had impact on business success; giving instrumental and emotional social support were the two more influential types of support; no self-serving attributional bias among respondents was apparent when it came to identifying the reasons for success and the barriers to success.

Both quantitative and qualitative findings confirmed previous studies that social support is a multidimensional construct; both quantitative and qualitative criteria for business success were recognized as important indicators of business success; the sample appeared to have high marriage stability; older respondents, respondents with a partner, respondents with a shorter period of unemployment after first arriving in Australia, respondents with a greater number of people from other communities they met in a week, respondents who utilized two or more places of business
trading, respondents with good command of English and with LOTE skills were more likely to have been successful in business. Geographic proximity to ethnic community yielded favourable business results; the Middle Eastern communities’ small businesses appeared to be dominated by males; and the vast majority of the businesses were operating in the service industry. All in all, the study should improve ethnic entrepreneurs’, particularly the Middle Eastern small business owner/managers’ understanding of entrepreneurial performance, and thus provide them with insights into factors that influence the success of their businesses.

After starting this business I became more knowledgeable and experienced, and have more opportunities to expand my knowledge and practice (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).
CHAPTER 1

INTRODUCTION

I have so many good friends. They all respect me and trust and admire my work; I respect them too. It’s great…whether they are Lebanese, Iraqi, Egyptians, Syrians, or from whichever Arabic speaking country they are…I am grateful that I have such networks that I can turn to in so many cases (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

1.1 INTRODUCTION

This chapter outlines the purpose and rationale for the study, the research objectives, literature review and conceptual model, and operational definitions of key terms. It also surveys the background of Middle Eastern immigration to Australia and the profiles of the Lebanese, Egyptian and Iraqi communities. Finally, it outlines the parameters of the study, as well as its structure.

1.2 THE PURPOSE AND RATIONALE FOR THE STUDY

The purpose of this study was to examine the relationships between personal networks and social support and to investigate the extent to which these variables influenced small business success among entrepreneurs of Middle Eastern communities in Melbourne, Victoria, Australia. The research question guiding this study was: In regard to ethnic small businesses within Melbourne’s Middle Eastern communities, what impact do personal networks and social support have upon business success?

For some years, the researcher of this study has been interested in studying small businesses established by members of Middle Eastern communities because of the limited amount of academic research in Australia in this field. Although research has been conducted in Australia concerning the characteristics and performance of small business and immigrant entrepreneurs, only a few studies have focused on small businesses established by members of Middle Eastern communities and none on the role of personal networks and social support in small business success.

Studies into ethnic entrepreneurship have largely focused on the importance of entrepreneurship for immigrant communities, their contributions to the economic and social well-being of the society,
motivations for starting a business, personal characteristics of small business entrepreneurs and factors which contribute to the success or failure of businesses (Aldrich & Waldinger, 1990; Butler & Greene, 1999; Light, 1980; Waldinger, Aldrich & Ward, 1990). The current study goes beyond these aspects to include examining the relationships between personal networks and social support and their impact on small business success. Small business owners are dependent on other people or groups and the wider society for their survival; therefore, a better understanding of personal networks and social support and their impact on small business success can provide small business owner/managers with greater potential to improve their business skills (Seltsikas & Lybereas, 1996), and may therefore offer competitive advantages to owner/managers. This has received little attention in the academic literature.

Therefore, the theories used in the studies of ethnic entrepreneurship were considered when analyzing ethnic entrepreneurial behaviour. This involved testing aspects of these theories with data that were gathered from small business owner/managers from Middle Eastern communities in Melbourne, Victoria in an attempt to build a theoretical framework to explain the relationship between personal networks and social support and their impact on small business success. This framework may also contribute towards understanding how and why ethnic small business owner/managers establish and maintain personal networks which, in turn, might provide social support to assist them in improving their businesses. Furthermore, this framework may also contribute towards an understanding of the factors leading to business success and the relationships between these factors. This study may add an important cultural dimension regarding the nature of Middle Eastern businesses and their owner/managers. Network theory focused on ethnic entrepreneurs may hold practical importance for Middle Eastern and other ethnic small businesses. In turn, this may provide an impetus for further entrepreneurial activity. Ultimately, the purpose of this study is to fill a gap in the extant literature.

Among the various ethnic groups in Australia there are many individuals and families who are attempting to establish a successful small business. What is not so obvious is how well they are faring; and the important factors that influence entrepreneurial business in relation to the entrepreneur’s personal and professional characteristics. Are there significant differences between those ethnic entrepreneurs who are highly involved in ethnic community activities and those who are less involved? How do small business owner/managers develop both personal networks and social support and how are they related to small business success? Do personal networks foster or inhibit the giving or receiving of social support? What type of support, if any, does the small
business owner/manager provide to the migrant communities and vice versa? What measures can be taken to facilitate the operations of their business? In what ways are personal networks and social support incorporated into the daily business operations? Are there other factors which might contribute to good business practice?

Small firms make a very significant contribution to Australia’s economic growth and development. In Australia, small business refers to enterprises with fewer than 20 employees in service industries and fewer than 100 employees in manufacturing industries (English, 2006). In the current study, owner/manager refers to a person who legally owns a small business as having the ultimate control over and management of it, with or without employees and regardless of the type of legal structure.

Improving understanding of Middle Eastern entrepreneurial businesses may also aid government and financial institutions in assisting immigrant entrepreneurs who establish small businesses. This may be particularly beneficial as several researchers found that the experiences, perceptions and needs of small business owner/managers from disparate cultural backgrounds differ from each other (Ahmad & Seet, 2009; Huck & McEwen, 1991; Lee & Osteryoung, 2001; Yusuf, 1995). Therefore, they believe that more useful government policies, assistance and training programs could be developed with better knowledge of the specific needs of the small business owner they are designed to support.

The focus of the research will be on members of three Middle Eastern communities of Arabic-speaking backgrounds who own/manage a small business in a manufacturing and/or service industry in Victoria. The largest settled are: the Lebanese, Egyptian and Iraqi communities.

1.3 RESEARCH OBJECTIVES

The following objectives were established to achieve the purpose of the study.

1. To profile and describe the personal and professional characteristics of the Middle Eastern immigrant small business owner/managers in Melbourne, Victoria as well as their businesses.
2. To identify and examine the relationships between selected background variables, small business success variables and selected background variables and business success variables.

3. To identify and examine, using quantitative methods, the constellation of independent variables associated with small business success for the study:
   3.1 To identify and examine the personal networks and social support characteristics of the sample;
   3.2 To identify and examine the relationships among personal networks, social support and small business success variables for the sample;
   3.3 To examine the extent to which personal networks and social support predict small business success variables for the sample; and
   3.4 To examine the extent to which selected background variables predict small business success for the sample.

4. To identify and examine, using qualitative methods, the relationship between personal networks, social support and business success:
   4.1 To examine the personal networks and social support characteristics of the sample;
   4.2 To examine the diverse perceptions of small business success for the sample;
   4.3 To examine the diverse perceptions of the barriers to small business success for the sample.

1.4 THE CONCEPTUAL MODEL

The review in chapter two surveys the literature related to the current study. Since the current study investigated small businesses owned and managed by members of the three ethnic communities, it was necessary to review both international and Australian literature related to ethnic entrepreneurship. As small business in Australia plays a vital role, both economically and socially, it was important to shed some light on the nature and significance of small business in Australia. Both international and Australian literature concerning reasons for immigrants establishing small businesses and characteristics of small business owner/managers were also reviewed. The literature
surveyed related to personal networks and their characteristics; various types of social support; factors in small business success; as well as the relationship between personal networks, social support and small business success (see chapter two). Figure 1.1 provides a conceptual framework or model which was used to guide this study and illustrates the linkages among the variables described in the objectives.
1.5 OPERATIONAL DEFINITIONS OF KEY TERMS

This section presents the definitions of key terms adopted in the current study which are derived from the literature based around (a) personal networks; (b) social support; and (c) small business success as follows:

1.5.1 Personal Networks: refer to those people or groups with whom respondents have connection, and whom they are likely/most likely to turn to when in need of support (Dubini and Aldrich, 1991; Smith-Doerr & Powell, 2005; Waloszek, 2002).

i. Informal personal networks: refer to those people or groups with whom respondents have strong connections/ties and whom they are most likely to turn to when in need of one or more of the following type of support: emotional, appraisal, informational and instrumental support. These include immediate family, extended family, business partners, friends, people from own and other communities (Birley, 1985; Borch & Huse, 1993; Granovetter, 1973, 1983; Szarka, 1990).

ii. Formal personal networks: refer to people or groups including employees, suppliers, accountants, bankers and solicitors, customers, and key persons such as English and Arabic media personnel, persons from professional organizations, other ethnic business owners, etc. (Birley, 1985; Borch & Huse, 1993; Granovetter, 1973, 1983; House, 1981; Szarka, 1990).

1.5.2 Social Support: refers to an interpersonal verbal and non-verbal transaction involving one or more of the following: emotional support, appraisal support, informational support and instrumental support between respondents and their formal and informal personal networks for the purpose of meeting demands and achieving goals (Barrera, 1986; House, 1981; Tilden & Weinert, 1987).

i. Receiving and giving social support refers to an interpersonal verbal and non-verbal transaction involving receiving and/or giving one or more of the following: emotional support, appraisal support, informational support and instrumental support by respondents from and to their formal and informal personal networks for the purpose of meeting demands and achieving goals (Cobb, 1976; Cohen & Syme, 1985; d’Abbs, 1982; House, 1981; Shumaker & Brownell, 1984).
ii. **Appraisal social support** refers to an interpersonal, verbal and non-verbal transaction involving receiving and giving support such as acknowledgement, advice, affirmation, approval, and feedback between respondents and their formal and informal personal networks for the purpose of meeting demands and achieving goals, as well as appraisals of being loved, respected and trusted (Barrera, 1986; Granovetter, 1973, 1983; House, 1981; Kahn & Antonucci, 1980; Tilden & Weinert, 1987; Vaux, 1987, 1988, Vaux et al., 1986).

iii. **Emotional social support** refers to an interpersonal verbal and non-verbal transaction involving receiving and giving support such as affection, calming the person down, caring, celebrating, comforting, empathizing, esteeming, making the person happy, trusting and understanding between respondents and their formal and informal personal networks for the purpose of meeting demands and achieving goals (Barrera, 1986; Granovetter, 1973, 1983; House, 1981; Moss, 1973).

iv. **Informational social support** refers to an interpersonal verbal and non-verbal transaction involving receiving and giving support such as directives, ideas, information, advice, references, suggestions, teaching and explaining methods of problem solving and decision making between respondents and their formal and informal personal networks for the purpose of meeting demands and achieving goals (Cronenwett, 1985a, 1985b; Granovetter, 1973, 1983; House, 1981; Krause, 1986).

v. **Instrumental social support** refers to an interpersonal verbal and non-verbal transaction involving receiving and giving support such as aid, assistance, money, labour, time, tangible service of any type and unpaid work between respondents and their formal and informal personal networks for the purpose of meeting demands and achieving goals (Barrera, 1986; Cutrona & Russell, 1990; Granovetter, 1973, 1983; House, 1981).

1.6 **MIDDLE EASTERN MIGRATION TO AUSTRALIA**

Australia’s immigration program since the Second World War has changed the Australian nation from being a predominantly Anglo-Celtic, monocultural society to one that is recognisably multicultural in character. As a result, immigration has increased Australia’s population and boosted its economic strength (Appleyard, 1964; Borrie, 1954; Price & Martin, 1976). Along with other overseas immigrants, Arabic-speaking immigrants have contributed greatly to the cultural diversity evident in Australia today.
In this study the term ‘Middle Eastern communities’ refers to those communities who have settled in Australia from the Arabic-speaking countries of the Middle East, among whom the largest settled are those from Lebanon, Egypt, and Iraq. These communities are defined by a common language and common cultural heritage (Shboul, 1985) in spite of the distinctive identities of these Middle Eastern nations with their diverse populations, nationalities, ethnicities, religions, customs and dialects (Batrouney, 1998). Religion is central to the value systems of all Middle Eastern communities in Australia. As a result, churches and mosques have been founded wherever sufficient numbers of Middle Easterners reside.

The majority of Middle Eastern migrants in Australia have come from Lebanon, Egypt, Palestine, Iraq and other neighbouring countries including Syria and Jordan, as well as the Arabian Gulf States such as Kuwait (Department of Immigration and Citizenship (DIAC), 2009). The rise of Pan-Arabism and Islamic fundamentalism along with devastating wars in the Middle East, have contributed to a mass movement of people from that area in recent years. According to Jupp (2002:186) “over the past fifty years, the number of Middle Easterners continued escaping religious and political fundamentalism, civil strife, and economic hardship is 100 000, mainly from Iraq, Lebanon, Syria, Afghanistan and Iran”. He further adds “between 1987 and 2000, of 136 000 admitted under humanitarian programs, 20 per cent were from the Middle East (mainly Iraq and Iran)” (Jupp, 2002:184). In 2002-06, the country of birth composition for humanitarian program migrants had changed to mainly comprise people from Arab countries, particularly from Iraq and Sudan (Australian Bureau of Statistics (ABS), 2007a).

According to the DIAC (2004, 2009) statistics, settler arrivals from Arab countries increased between 1993-2009 due to political unrest and economic hardship as well as the wars experienced in a number of these countries. It was expected that settler arrivals from these countries would increase as a result of regime change and political unrest. Settler arrivals data were available from the year 1993 to 2009 when there began a very significant increase in immigrant and refugee arrivals (see Table 1.1 below).

It is worth mentioning that, since the 1950s, a number of Arab countries, particularly, Egypt, Iraq, Lebanon, Palestine and Syria, (hereafter, group (A) countries) have been providing their services to countries such as Algeria, Libya, Morocco, Tunisia, Yemen and a number of Arabian Gulf States (hereafter, group (B) countries) in a broad range of fields including: education; health; science; and
petrochemicals and oil fields. These services were either set up officially as government treaties or agreements, or formally between individuals and the governments of the group (A) countries. Due to political unrest and economic hardship in group (A) countries, a considerable number of people from this group and their children who were born in the group (B) countries, later migrated to other countries, including Australia.

Additionally, as a result of the aftermath of three wars in Iraq: the Iraq-Iran War (September 1980-August 1988); the Desert-Storm War (January-March 1991); and the Shock and Awe War (or the Invasion of Iraq) (March-May 2003), a substantial number of Iraqis escaped Iraq illegally seeking refuge in Iran, Jordan, Kuwait, Saudi Arabia, Syria and Turkey (hereafter, group (C) countries). This continued, particularly in the aftermath of the Desert-Storm War, despite the fact that in May 1991 the government of Iraq allowed its people to travel abroad, though through the Jordan gate only. During this time Iraq-born people and their children were forced to wait in group (C) countries as well as in Bahrain, Oman, Qatar, United Arab Emirates and Yemen for periods ranging from three months to ten years while awaiting letters of acceptance from migrant-receiving countries, including Australia. The same issue occurred in relation to Iraqis who were born in countries other than Iraq and were included in the relevant country figures. Therefore, there is a possibility that settler arrival figures from 1993-2009, and continuing, do not totally reflect the actual situation. Table 1.2 shows comparisons of overseas born people of Arabic speaking countries in Australia and Victoria at the 2001 and 2006 censuses, other than the three Middle Eastern communities featured in this study.
Table 1.1
Comparison of Arabic Speaking Countries Arrivals in Australia between 1993 and 2009 Immigration Data

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Iraq</td>
<td>6 248</td>
<td>5 269</td>
<td>4 674</td>
<td>6 658</td>
<td>11 087</td>
<td>33 936</td>
</tr>
<tr>
<td>2</td>
<td>Sudan</td>
<td>1 153</td>
<td>1 361</td>
<td>2 837</td>
<td>13 020</td>
<td>8 245</td>
<td>26 616</td>
</tr>
<tr>
<td>3</td>
<td>Lebanon</td>
<td>3 587</td>
<td>3 070</td>
<td>3 824</td>
<td>4 353</td>
<td>5 261</td>
<td>20 095</td>
</tr>
<tr>
<td>4</td>
<td>Egypt</td>
<td>1 629</td>
<td>1 082</td>
<td>1 137</td>
<td>2 144</td>
<td>2 977</td>
<td>8 969</td>
</tr>
<tr>
<td>5</td>
<td>Somalia</td>
<td>1255</td>
<td>1628</td>
<td>962</td>
<td>670</td>
<td>1104</td>
<td>5 619</td>
</tr>
<tr>
<td>6</td>
<td>Syria</td>
<td>679</td>
<td>487</td>
<td>672</td>
<td>669</td>
<td>994</td>
<td>3 501</td>
</tr>
<tr>
<td>7</td>
<td>Jordan</td>
<td>520</td>
<td>440</td>
<td>419</td>
<td>582</td>
<td>748</td>
<td>2 709</td>
</tr>
<tr>
<td>8</td>
<td>United Arab Emirates</td>
<td>137</td>
<td>169</td>
<td>225</td>
<td>580</td>
<td>1 015</td>
<td>2 126</td>
</tr>
<tr>
<td>9</td>
<td>Kuwait</td>
<td>332</td>
<td>328</td>
<td>362</td>
<td>315</td>
<td>537</td>
<td>1 874</td>
</tr>
<tr>
<td>10</td>
<td>Saudi Arabia</td>
<td>259</td>
<td>230</td>
<td>153</td>
<td>202</td>
<td>359</td>
<td>1 203</td>
</tr>
<tr>
<td>11</td>
<td>Morocco</td>
<td>100</td>
<td>75</td>
<td>73</td>
<td>121</td>
<td>194</td>
<td>563</td>
</tr>
<tr>
<td>12</td>
<td>Algeria</td>
<td>66</td>
<td>92</td>
<td>118</td>
<td>93</td>
<td>86</td>
<td>455</td>
</tr>
<tr>
<td>13</td>
<td>Bahrain</td>
<td>52</td>
<td>53</td>
<td>46</td>
<td>68</td>
<td>132</td>
<td>351</td>
</tr>
<tr>
<td>14</td>
<td>Oman</td>
<td>35</td>
<td>39</td>
<td>39</td>
<td>48</td>
<td>111</td>
<td>272</td>
</tr>
<tr>
<td>15</td>
<td>Libya</td>
<td>44</td>
<td>38</td>
<td>39</td>
<td>61</td>
<td>82</td>
<td>264</td>
</tr>
<tr>
<td>16</td>
<td>Qatar</td>
<td>42</td>
<td>34</td>
<td>44</td>
<td>31</td>
<td>88</td>
<td>239</td>
</tr>
<tr>
<td>17</td>
<td>Yemen</td>
<td>7</td>
<td>36</td>
<td>49</td>
<td>72</td>
<td>55</td>
<td>219</td>
</tr>
<tr>
<td>18</td>
<td>Gaza Strip and West Bank</td>
<td>31</td>
<td>27</td>
<td>61</td>
<td>25</td>
<td>29</td>
<td>173</td>
</tr>
<tr>
<td>19</td>
<td>Tunisia</td>
<td>26</td>
<td>28</td>
<td>20</td>
<td>31</td>
<td>34</td>
<td>139</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>16 202</td>
<td>14 486</td>
<td>15 754</td>
<td>29 743</td>
<td>33 138</td>
<td>109 323</td>
</tr>
</tbody>
</table>


At the 2006 census there were 243 672 Australian residents speaking Arabic at home, of whom 55 926 persons were living in Victoria. Arabic is the fourth most widely spoken community language in Australia (ABS, 2010c), and the sixth community language in Victoria (Victorian Multicultural Commission (VMC), 2008d). It is likely that these numbers are underestimated as the majority of members of Arabic-speaking communities are Christian, some of whom would speak languages other than Arabic at home such as Neo-Aramaic-Chaldean/Assyrian/Syriac dialect plus those from the North African countries who speak Italian, Greek, Maltese, Dinka, Nuer, etc. However, these communities are also Arabic-speaking. Chaldean/Assyrian/Syriac is a Neo-Aramaic dialect, a modern adaptation of the language Jesus Christ spoke. The three are still being spoken by Chaldean and Assyrian Catholics, Assyrian Orthodox and Syriac and Syriac Catholics who are originally from the ancient land of Mesopotamia-modern Iraq, Urmia in Iran, Jerusalem, Lebanon, Syria, Jordan and Turkey. Neo-Aramaic is now spoken more widely throughout the
Chaldean/Assyrian/Syriac diaspora. Chaldean Neo-Aramaic is to a great extent mutually intelligible with Assyrian Neo-Aramaic but in their writing they are one. That said, the Arabic language is a highly influential factor in fixing identity for Arab-Australians. As such, it is both a marker and transmitter of cultural identity that helps bind communities together. It can also be a marker of a more specific identity in that speech may be specific to a locality and may have a particular dialect, accent, idiom, and vocabulary.

Table 1.2

Comparison of Arabic Speaking Countries in Australia and Victoria at the 2001 and 2006 Censuses

<table>
<thead>
<tr>
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<td>19 049</td>
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</tr>
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<td>Syria</td>
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<td>Somalia</td>
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<td>2 626</td>
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<tr>
<td>4</td>
<td>Jordan</td>
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<td>422</td>
<td>3 719</td>
<td>511</td>
</tr>
<tr>
<td>5</td>
<td>Gaza Strip and West Bank</td>
<td>2 687</td>
<td>881</td>
<td>2 636</td>
<td>810</td>
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<td>Kuwait</td>
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<td>991</td>
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<td>Bahrain</td>
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<td>264</td>
<td>50</td>
<td>424</td>
<td>98</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>32 549</strong></td>
<td><strong>9 755</strong></td>
<td><strong>52 941</strong></td>
<td><strong>17 017</strong></td>
</tr>
</tbody>
</table>


"decreased by 51 persons"

At the 2006 census, the Local Government areas with the largest number of Arabic speakers in Victoria were: Hume 9 106 persons; Moreland 8 032 persons; Whittlesea 5 171 persons; Darebin 4 104 persons; and Brimbank 3 782 persons (VMC, 2009).

There are Arabic newspapers printed in Australia and a number of Arabic radio programs, such as Special Broadcasting Service (SBS), 3ZZZ (Arabic Programs), Arabic Broadcasting Service and
others, which cater for the Arabic community of Australia by providing news of the world, Australian news and current affairs and information about community services. They also contain a large range of advertisements for small businesses owned by Arabic speaking people, and owned by people from other communities, to serve the Arabic community.

The value of education is of importance to most Arabic-speaking communities. Children are encouraged to continue their schooling and to participate in higher education which can lead to greater social mobility and employment opportunities. In many cases children work part time in family businesses (Collins, Gibson, Alcorso, Castles & Tait, 1995).

Like other Australian immigrant communities, Arabic-speaking communities have founded various organizations and associations to provide religious, social, sporting and other activities that contribute greatly to the feeling of unity. These encourage a sense of belonging to an Arab culture and history and are a means of preserving the language and other elements of their former identity (Ata, 1979; El-Turk, 1989, 1991, 1992a; Torbey, 1988).

The first Arabic community organization in Victoria was the Victorian Arabic Network (now Victorian Arabic Social Services-VASS) which was established in 1981 to bring Arabic community workers together and is now a resource and advocacy agency for the Arabic-speaking community in Victoria. A significant community organization is the Australian Arabic Council, which was established in Melbourne in 1992 as a result of the impact of the first Gulf War of 1991 “to act as a consultative group to government, media and the wider community” (Jupp, 2001:170). Other community organizations include: Arabic Society of Victoria, Australian Arab Association, Casey Arabic Women’s Group, Mejdalaya Welfare and Relief Society (a charitable and cultural organization), Arabic Female Senior Citizens Group, Arabic Elderly Pensioners Group Inc and Arabic Senior Citizens Group (which offer social and recreational activities to seniors for members interaction and support in accessing government and community services) and Islamic Elderly Group Inc. (which offers support and recreation to all Muslims in Victoria), Arabic Australian Family Association (which provides assistance to newly arrived Arab families with their settlements needs), Arabic Culture School (which is a community language school) and Victorian Arabic Artists Association Inc (which brings Arabic-speaking people together through creative projects (VMC, 2011). Arabic organizations try to maintain and cement good personal relationships through openness, interaction and cultural exchange so as to eliminate racial prejudice and help Australians understand Arab culture (El-Turk, 1991).
In addition to community organizations, Arab-Australians have also established Arabic schools that provide Arabic language teaching and promote Arabic culture, ethics, society and environmental issues. These include in New South Wales: Al-Noori Muslim School, a co-educational kindergarten to year 7 and the first Islamic school in Australia, which was founded in 1983 (Al-Noori Muslim School, 2011); Malek Fahd Islamic School a co-educational kindergarten to year 12, which was opened in 1989 (Jupp, 2009); and Al Sadiq College, a co-educational kindergarten to year 10 and the world’s first Muslim Alawy private school based in the Alawite tradition, which was established in 2003 (Al Sadiq College, 2011). In Victoria the Australian International Academy, formerly known as King Khalid Islamic College of Victoria, is a co-educational primary and secondary school opened in 1983. The college adopted the International Baccalaureate Diploma program in 1996 and Middle and Primary Years programs over the preceding years. The Academy has two campuses in Melbourne, one in Sydney and one in Abu Dhabi; Al-Taqwa College, formerly known as The Islamic Schools of Victoria (Werribee College) Inc., is a private co-educational primary and secondary school established in 1986; and Al-Kamal Arabic School Incorporated, which was established in 1983, is a non-for-profit school that provides Arabic language and cultural education on Saturdays during school terms from preschool to VCE for children and adolescents from the Arabic and Australian communities (Department of Education and Early Childhood Development (DEECD), 2011; VMC, 2011; Service Seeker Community Directories, 2011).

Post-War migration had led to a more diverse Middle Eastern presence in Australia by the end of the twentieth century than at the start of it (Batrouney, 1998). Many of these immigrants have chosen to establish businesses rather than seek salaried employment. Others, failing to find work, felt they had no other employment option than to open their own businesses. Despite this, there has been little research into the small businesses owned and managed by Middle Eastern immigrants in Australia. There have also been few attempts to examine Middle Eastern communities in relation to small businesses, particularly Lebanese and Egyptian small businesses. Virtually, no attempts have been made to examine Iraqis’ small businesses.

At the 2006 census, the numbers of Middle Eastern-born immigrants in Australia included: Lebanon-born: 74 848 persons, an increase of 5 per cent from the 2001 census (71 349 persons) (VMC, 2007c); Egypt-born: 33 497 persons, which is similar to the 2001 census (33 432 persons)
(VMC, 2007a); and Iraq-born: 32,520 persons, an increase of 31.1 per cent from the 2001 census (24,832 persons) (VMC, 2007b) (see Table 1.3).

### Table 1.3
Comparison of Lebanon, Egypt and Iraq born people in Australia and Victoria at the 2001 and 2006 Censuses

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lebanon</td>
<td>71,349</td>
<td>14,168</td>
<td>74,848</td>
<td>14,949</td>
</tr>
<tr>
<td>2</td>
<td>Egypt</td>
<td>33,432</td>
<td>11,596</td>
<td>33,497</td>
<td>11,581</td>
</tr>
<tr>
<td>3</td>
<td>Iraq</td>
<td>24,832</td>
<td>6,093</td>
<td>32,520</td>
<td>8,615</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>129,613</strong></td>
<td><strong>31,857</strong></td>
<td><strong>134,865</strong></td>
<td><strong>35,145</strong></td>
</tr>
</tbody>
</table>


However, since the current study commenced prior to the releasing of the 2006 census data, the sample was based on the 2001 census. The largest population of the three communities under study was the Lebanese followed by the Egyptian and then the Iraqi community. Thus, at the 2001 census, the numbers of Middle Eastern-born immigrants in Victoria included: Lebanon-born: 14,168 persons (Victorian Office of Multicultural Affairs (VOMA), 2003a); Egypt-born: 11,596 persons (VOMA, 2003a); and Iraq-born: 6,093 persons (VOMA, 2003b), resulting in a total of 31,857 persons.

The above three Middle Eastern communities in Victoria were chosen for three main reasons: firstly, they had the highest populations of Middle Eastern communities in Victoria according to the 2001 and the 2006 Censuses (ABS, 2008a); secondly, each was large enough to have a community infrastructure in Australia, particularly in Victoria, including social, educational, economic and religious organizations (SBS Radio, Arabic Program, 2003); thirdly, they were easy to locate (Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), 2003; VOMA, 2003a, 2003b, 2003c), which resulted in time saving, effort and cost of travel.

Extensive literature exists concerning stakeholders and relevant bodies in Melbourne and their present role in dealing with issues faced by small businesses in general, and those of the Middle Eastern communities, in particular, financial and legal matters, management skills, market research and marketing skills. These are as follows: (i) Australian Arab Chamber of Commerce and Industry (AACCI) is the peak national association/network connecting Australian business with
opportunities between Australia and the Arab League countries. It also assists Australian and Arab
companies exporting to or expanding into the Middle East and North African markets as well as
Arab companies investing in Australia by providing up-to-date commercial intelligence on
Australian business as well as the Arab business world (Australian Arab Chamber of Commerce
and Industry, 2010); (ii) The Brunswick Business Incubator (BBI) located in an inner-Melbourne
suburb long associated with the Arabic-speaking communities, and within the City of Moreland.
BBI also operates as a Business Enterprise Centre (BEC) that provides newly established and
currently operating small businesses free, confidential and professional advice, services and
support at least for three years for example, BBI tenants are provided with their own workspace but
share the incubator’s premises. Such an environment provides opportunities for tenants to refer
clients to one another and to participate in a range of learning and networking activities (Brunswick
Business Incubator (BBI), 2011); (iii) Department of Innovation, Industry and Regional
Development (DIIRD) is the Victorian Government’s lead agency which facilitates economic and
regional and rural development. It fosters innovative technologies and practices by providing
advice, financial assistance and networking opportunities in a broad range of areas (The Australian
Institute for Commercialisation (AIC), 2012); (iv) The Moreland Local Government’s Biz website
lists Moreland’s existing businesses and promotes the benefits of operating in this municipality
aiming at drawing new businesses to the municipality. The business website also offers various
business opportunities for business growth as well as assisting newly established businesses to
ensure that the foundations for business success are established (Moreland City Council, 2012); (v)
Multicultural Business Ministerial Council established by the Government of Victoria aims at
facilitating and developing business opportunities, specifically export capabilities, through better
use of culturally and linguistically diverse (CALD) business communities in Victoria (Department
of Business and Innovation, 2012a); (vi) Small Business Ministerial Council is a peak body which
facilitates government interaction with Victorian small businesses and key stakeholders through
consultation and providing feedback for the government concerning its policies and programs that
support the small business sector, and communicating directly with its operators (Department of
Business and Innovation, 2012b); (vii) The programs and services of Small Business Victoria
(SBV) assist Victorian small business owners in starting-up, operating and growing their own
businesses by providing advice and information concerning financial and legal matters as well as
management skills required from the starting phase to the surviving and growing phases. This
assistance is either at a low-cost or free, and operates all year round on a fortnightly base. These
include: business training workshops and seminars, a Small Business Information Centre, the
Business Victoria phone line, the Small Business Mentoring Service, the Mobile Business Centre,
Victoria's Small Business Festival and Grow Your Business program (Business Victoria, 2012); and (viii) The Victorian Employers' Chamber of Commerce and Industry (VECCI) is the peak body for employers in Victoria, which services more than 15,000 members, customers and clients across the State. It represents its members in difficult environments, provides information and networking opportunities to businesses and leads them into the future (Victorian Employers' Chamber of Commerce and Industry (VECCI), 2012).

In order to understand the social structure of these communities and their cultural system of norms and values and the language, it is necessary to provide some background information concerning the history of the migration to Australia of these three Middle Eastern communities and their settlement.

1.6.1 Lebanese Profile

The area that is now the Republic of Lebanon was a province of the Ottoman Empire from 1521 to 1919. “In 1920 the League of Nations placed Lebanon under the Mandate of the French, who subsequently granted semi-autonomous statehood in 1926 and independence in 1943” (McKay & Batrouney, 1988:666).

Lebanese immigration and settlement in Australia began almost 150 years ago with a few arrivals coming to Australia in the 1860s. Lebanese immigration has occurred in three major waves: the first wave from around 1880-1947, the second from 1947-1975, and the third from 1975 to the present (Batrouney, 1995; McKay & Batrouney, 1988). The earliest immigrants quickly brought out their families and settled in various parts of Australia. Most were from farming backgrounds and loyal to their extended family and members of their village (Batrouney, 1995, 2001). At the turn of the twentieth century there were around 1 750 Lebanese born in Australia, of whom 400 were living in Victoria (Grassby, 1981; Price, 1983). The number of Lebanese immigrants increased steadily to reach 5 350 persons by 1933 (Department of Immigration, Local Government and Ethnic Affairs (DILGEA), 1987).

Until the 1920s these early settlers defined themselves as “Syrians”, partly due to their classification under the Turkish Empire as being part of the administrative division of Syria. The place of birth was Mt Lebanon, Syria (Grassby, 1981; McKay & Batrouney, 1988; Price, 1983). “But it was not until 1954 when the Australian census officials classified Lebanese and Syrian
immigrants in separate categories” that they were clearly identified as Lebanese (McKay & Batrouney, 1988:667).

From 1880 to 1949 the great majority of the Lebanese population of Australia was Christian Catholic (Maronite and Melkite) or Christian Orthodox. There was also a much smaller number of Druze and a handful of Muslims (Price, 1983). According to Batrouney (2001), by 1996, the proportion of Lebanese-born in New South Wales was 74 per cent, 20 per cent in Victoria, but only 2.1 and 1.6 per cent in South Australia and Queensland respectively.

The first occupation of many of these pioneer settlers was hawking or peddling around the countryside of New South Wales, Queensland, Victoria and South Australia. After years of hawking, many Lebanese settlers opened drapery shops and other businesses in country towns as well as capital cities (Batrouney, 1995; Bureau of Immigration and Population Research (BIPR), 1994; Price, 1983; Torbey, 1988). The descendants of first wave Lebanese migrants now extend to five or six generations and, in general, are less attached to traditional Lebanese values and practices.

The second wave (1947-75) saw a rapid increase in Lebanese migration largely due to the 1948 Arab-Israeli War and the 1975 Lebanese civil war which grew out of political and religious conflicts, the structural imbalance of the economy and social inequalities (Hage, 2001). About 5600 Lebanese migrants arrived in Australia during the years 1947-61 and about 4000 from 1961-66. This figure increased to 15 000 in the years 1966-71 as a result of the 1967 six-day war (Batrouney, 1995). By 1976, “the number of Lebanese-born people in Australia was 33 424” (Batrouney, 1992:427-8). This was by far the largest influx of Lebanese immigrants in any particular period of Australian history (Torbey, 1988). At this time Lebanon was one of the ten major sources of immigrants largely due to political unrest and the civil war (Batrouney & Goldlust, 2005; Jupp, 2002).

The majority of second wave Lebanese were Christians and Muslims of the Sunni sect and nearly all had received some formal education in Lebanon. Most of those migrants, both men and women, worked in manufacturing industries. Later many established their own businesses such as milk bars, food outlets, hairdressing, coffee lounges and taxi services, followed by larger businesses in the service sector such as hotels and restaurants (Batrouney, 1995; BIPR, 1994; Grassby, 1981).
Lebanese settlers of this wave now extend to at least three generations and there is some preservation of traditional Lebanese values and practices in these families due to the advancement of technology, for example, cable television, videotapes and cheaper long-distance calls. In addition, they are more able to make return visits to Lebanon which can have a great impact on maintaining contact with Lebanese culture and society and which were unavailable to earlier Lebanese settlers (Batrouney, 2001).

The third wave of Lebanese migration began in late 1975 as a result of the civil war which tore the country apart as a result of the struggle for power in the region (El Ali, 1986; Grassby, 1981; Torbey, 1988). Between 1976 and 1981 more than 16 000 Lebanese arrived on Australia’s shores (Batrouney, 1995). The Lebanese-born population of Australia reached around 50 000 in 1978, and at the 1991 census, the number was 68 787 persons (Batrouney, 1995). Around 20 per cent of these people were living in Victoria (BIPR, 1994). The number of Lebanese-born persons in Australia had increased to 70 224 by 1996 (ABS, 2000).

According to the 1991 census, the Lebanon-born population suffered from high unemployment (BIPR, 1994). This high unemployment rate was due to the high proportion of recent arrivals, relatively low levels of English proficiency, the disruption to their education, training and employment in Lebanon prior to their departure because of the conflict, the high rates of inflation and an economic recession in Australia at the time and, in some cases, their status as humanitarian entrants (Batrouney, 1992; The human problem (1): Ghassan, 1990; Kirk, 1991; McAllister, 1991; Torbey, 1988). In 1996 the unemployment rate for the Lebanon-born was 23.6 per cent despite a higher level of formal qualifications among those unemployed than in the Australian population as a whole (Jupp, 2002). However, during the 1990s, the “third-wave Lebanese immigrants have become more settled emotionally and materially in contrast to their situation upon arrival in Australia” (Batrouney, 2001:569).

According to Batrouney (1995:193) “the third wave Lebanese migrants included more Muslims, (Alawite and Shiite), than Catholics, (Maronite and Melkite), and Orthodox believers…and they typically include only two generations”. Families established by third wave immigrants have strongly maintained their traditional values and practices and closer contact with their former homeland. This has been largely achieved through technological advancements, wider access to cheaper long-distance calls and the availability of cheaper flights making return visits more possible (Batrouney, 2001).
The religious affiliation of the Lebanon-born is divided among Christian Catholics: Maronite, Melkites, Armenian, Latin, Syriac, Chaldean and Assyrian; Christian Orthodox: Armenian, Antiochian, Jacobite, Syriac and Assyrian; Christian Protestant; Christian Copts; Druze and the Muslims (Sunni, Alawite and Shiite sects) (BIPR, 1994; Grassby, 1981; Price, 1983; VMC, 2007c). The 2006 census showed that the major religious affiliations amongst Lebanon-born persons in Australia were around 49 per cent Christian as follows: 39 per cent Catholic; and around 10 per cent Eastern Orthodox. Islam accounted for approximately 41 per cent, whereas around 7 per cent indicated other religions and 3.2 per cent did not state a religion (DIAC, 2008c). In Victoria in 2006, the proportion of Lebanese-born Christian Catholics was 28.4 per cent as follows: 21.2 per cent Western; 6.3 per cent Maronite; and 0.9 per cent Melkite. It is worth pointing out that the Western Catholics are mainly Maronite. Christian Orthodox proportion accounted for 14.8 per cent as follows: Antiochian with 4.4 per cent; 2.2 Eastern Orthodox; and 8.2 per cent Greek Orthodox. While Armenian Apostolic accounted for 0.9 per cent, other Christians were 0.6 per cent. Since the total figures of the Maronite or Melkite in the 2006 census did not reflect the two Eparchies’ figures, it was suggested that there was a considerable shifting between the Maronite or Melkite and Catholic categories in the 2006 census (Azize, 2009; Jupp, 2009). The same was suggested regarding the Antiochian Eastern Orthodox figures in the 2006 census. The proportion of the Lebanon-born Christians was moderately higher than that of the total Victorian population in this category (approximately 33 per cent). Islam represented almost 43 per cent of the Lebanon-born population, compared to 2.2 per cent of the total Victorian population, whereas those other religions were 11.1 per cent (VMC, 2008c). The other category includes the Druze, a religious community who first met together in Adelaide for social and religious purposes as early as the 1890s (Price, 1983), and then immigrated to other states in 1897 (Mahmoud & Rasheed, 2009). In 1996 there were nearly 2 000 Druze in Australia, of whom 748 were living in New South Wales and 583 in Victoria (Jupp, 2001). By 2006, the number increased to 3000 persons, of whom 1 079 lived in New South Wales and 952 in Victoria (Mahmoud & Rasheed, 2009).

In 1895 the first Lebanese Melkite Catholic Church was established in Waterloo, Sydney (McKay & Batrouney, 1988; Price, 1983), and the first Antiochian Orthodox church of St. George was established in Redfern, Sydney in 1901, and rebuilt in 1921 (El-Turk, 1989; McKay & Batrouney, 1988). In Melbourne the Antiochian Orthodox shared a place of worship with the Greek Orthodox Church from 1898 to 1931 (Price, 1983), when St. Nicholas Antiochian Orthodox Church was established in 1932 in East Melbourne (McKay & Batrouney, 1988). In 1897 the Lebanese
Maronite community established their own Church of St Maron in Redfern, Sydney (Azize, 2009) and in 1955 Our Lady of Lebanon Maronite Church was dedicated in Melbourne (Clyne & Kipp, 1999). Maronite schools were established to “teach the normal Australian curriculum, but also emphasise the contemporary traditions of the Maronite Church” (Azize, 2009:281). For example, in 1980 three Antonine sisters arrived in Melbourne to open a school, perform parish and community work and teach Arabic on Saturdays during school terms. In 1986, the Antonine sisters built a Child Care Centre and convent. In 1998, the first Maronite Primary School was opened in East Coburg, and in 2002, the Sisters opened the Secondary College in Brunswick, Melbourne. The amalgamation of the two schools occurred in 2005, which is now Antonine College Melbourne (a co-educational college prep-12) (Antonine College Melbourne, 2011). The Lebanese Christians continued establishing their own churches to meet their religious and social needs in all Australian states (Azize, 2009; El-Turk, 1989; McKay & Batrouney, 1988).

The first Lebanese Sunni organization was the Lebanese Muslim Association in 1956 in Sydney (Batrouney, 2001). The Imam Ali Mosque, widely known as the Lakemba mosque, was established in the 1960s and redeveloped and reopened in 1976 in New South Wales, while the Al-Zahra Mosque opened in 1983 in Arncliffe in Sydney for Shiite Muslims (Batrouney, 2001; El-Turk, 1989; Grassby, 1981). The Lebanese Islamic Mission was formed in 1966 and the Australian Federation of Islamic Councils in 1967. The number of mosques in Australia continued to grow to serve the needs of both the Lebanese Muslim community and the wider Muslim community (Batrouney, 2001). Moreover, the Alawi Islamic Association of Victoria conducts Arabic language classes for children from 4-14 years old, and young people from 15-25 years old, as well as playing a vital role in the lives of its people. The Australian-Druze, as other communities, founded non-profit organizations to accommodate the community’s religious and social needs and assist in integrating into the wider Australian community, as well as to preserve the Druze culture and tradition (Mahmoud & Rasheed, 2009).

Australian Lebanese family structures consist of both the nuclear and extended family. However, for the purposes of visiting and babysitting, particularly grandchildren staying with grandparents, as well as providing assistance and practical support, a modified extended family is identified in which married children live near their parents (Batrouney, 1995; McDonald, 1995). In general, the larger and more cohesive Lebanese families are, the greater the opportunities for communication and interaction with their family members (Batrouney, 1995). In a study of Lebanese settlement in Sydney, Humphrey (1984) found that, among both Christian and Muslim respondents, concern
with family values and reliance on family members were strong. For more than 100 years of their settlement in Australia, Lebanese women have supported their husbands and children by fulfilling family duties and/or by working in different family businesses. This value of family support and cooperation makes entrepreneurial activity possible (Batrouney 1995).

At the 2006 census, there were 14,949 Lebanon-born persons in Victoria (20 per cent of Australia’s total), increasing by almost 6 per cent from 14,168 persons since 2001 (VMC, 2008c). This number also represented 0.3 per cent of the total Victorian population or around one per cent of the total Victorian overseas-born population (VMC, 2008d). Also at the 2006 census, the number of persons who identified with Lebanese ancestry in Victoria was 34,754 (VMC, 2008c), which represented approximately 0.7 per cent of the total Victorian population (VMC, 2008d). The median age of the Lebanon-born persons was 43 years, compared to 37 years of the Victorian population, and the gender ratio was 106 males to 100 females, a smallish but significant difference.

The 2006 census also showed that the main language of the Lebanese spoken at home in Victoria is Arabic 13,321 (approximately 90 per cent), followed by Armenian 152 and Assyrian 117 (each one per cent), whereas only 97 persons (0.6 per cent) spoke Italian, French, Greek or Vietnamese. Also, 1,107 persons (around 7 per cent) spoke only English at home (VMC, 2007c). Significant proportions (39 per cent and 32 per cent) assessed themselves as speaking English very well or well respectively. These proportions were higher than that of the total Victorian populations in these two categories (11 per cent and 5 per cent) respectively. However, a significant proportion (20.5 per cent) rated themselves as speaking English not well or not at all, far higher than that of the total Victorian population in these categories (3.8 per cent) (VMC, 2007c).

Lebanese-Australians value educational achievement highly and a high rate of Australians of Lebanese ancestry has gained tertiary qualifications (Batrouney, 2001). Grassby (1981:4) observed that “during the course of 120 years, Lebanese-Australians have played leading roles in the sphere of politics, business, commerce, education and the arts and have contributed to a vigorous religious life of Australia.”

The 2006 census also showed that, while school education level (includes persons who completed school between year 8 and year 12 level) represented the largest number of Lebanon-born (8,932 or approximately 62 per cent of the total), compared to 47.5 per cent of the total Victorian population in this category, diplomas (include advanced diploma, diploma and certificate) represented the
second highest category of the Lebanon-born (1 592 or precisely 11 per cent of the total), compared to approximately 21 per cent of the total Victorian population in this category. Only 800 persons (or 5.5 per cent) had obtained bachelor degree, compared to 12.6 per cent of the total Victorian population in this category (VMC, 2007c).

In 2006, the total number of Lebanon-born persons employed in Victoria was 5 429 (or 36 per cent) participation rate. Not surprisingly, given that approximately 80 per cent of Lebanon-born people had qualifications ranged from secondary school education to post graduate degree, this was a considerable result compared to 46 per cent of total Victorian population in this category. Managers and technical trades workers represent the two largest occupational categories of the Lebanon-born people who were employed (1 053 or 19.4 per cent and 907 or approximately 17 per cent) respectively. These were higher than the corresponding rate in the total Victorian population (around 13 and 14 per cent) respectively (VMC, 2007c). Wholesale and retail trade, and accommodation and food services represent the two largest industry of employment categories for Lebanon-born people (1 060 or 20 per cent and 1 028 or 19 per cent of the total) respectively. These compared with approximately 17 per cent and 6 per cent of the total Victorian population in these categories respectively. Manufacturing made the third highest industry of employment (715 persons or 13 per cent), this was found similar to that of the total Victorian population (VMC, 2007c). The Lebanese have been also found in other fields such as politics, government administration and the armed forces (Batrouney, 2001). Briefly, despite the unemployment rate of Lebanon-born people (approximately 13 per cent) being much higher than that of the Victorian population (around 5 per cent), their contribution to the Australian economy cannot be discounted.

Moreover, the 2006 census showed that 7 054 persons or approximately one half and 4 014 persons or around 27 per cent of Lebanon-born people in Victoria earned between $1 and $249, and between $250 and $599 in a week respectively. While the former was higher than for the total Victorian population in this category (29 per cent), the latter was almost the same as for the total Victorian population in this category (around 26 per cent). Only 1 008 persons’ weekly individual income, or 7 per cent of the total of Lebanon-born people in Victoria, was $2 000 or more. This was slightly lower than for the total Victorian population in this category (almost 9 per cent) (VMC, 2007c). Thus, the 2006 census showed that over three quarters (76.1 per cent) of Lebanon-born population in Victoria were categorized as low-income earners compared to over one half (55.4 per cent) of the total Victorian population.
According to the 2006 census the Lebanon-born were mainly concentrated in Melbourne’s northern suburbs, in the middle-ring Local Government Area of Moreland (19 per cent), and the outer northern suburbs of Hume (16 per cent), Darebin (9.4 per cent), Whittlesea (8.1 per cent) and Hobsons Bay (around 6 per cent) (VMC, 2007c). Most Lebanon-born, (96.0 per cent) held Australian citizenship at a much higher rate than that of all overseas-born in Australia (75.6 per cent) (VMC, 2008c).

Lebanese immigrants have established community organizations and associations in all states and territories that provide a broad range of activities to preserve and maintain their language and cultural identity, provide opportunities for social interaction, and promote their cultural heritage among the Lebanese-born and their children and the Australian communities (Jupp, 2002; Torbey, 1988). Such community organizations assisted Lebanese immigrants to adopt Australia as a homeland and interact with its community. According to Batrouney (2001), there are over 100 Lebanese organizations in Australia. Many Lebanese restaurants provide cuisine for both Lebanese and the wider community. There are also Lebanese-owned food and café shops.

The Australian Lebanese Association of Victoria was established in the 1950s to foster community cohesion, to help resolve conflicts and disputes and to help promote the image of the Lebanese (Ata, 1979). Other Lebanese organizations and associations include: the Australian Lebanese Welfare Inc. (now known as Arabic Welfare) which was established in 1983 to meet the extensive welfare needs of both settled Lebanese and newcomers; and The World Lebanese Cultural Union (formerly the Regional Council of the World Lebanese Cultural Union) which was formed in 1961 in Beirut, Lebanon and has many chapters in five continents including Australia and New Zealand (Batrouney, 2001; Grassby, 1981). Other associations were also established in Victoria, for example, the Antiochian Community Support Association, which facilitates its community participation in the Australian wider community, provides programs and services to accommodate the needs of the community; the Victorian-Maronite Community Inc, which caters for the spiritual, cultural, educational and social needs of Lebanese immigrants and other Middle-Easterners; and the Victorian Lebanese Community Council Inc., which is a non-religious organization which aims to fulfil the needs of the Australian-Lebanese community.

The oldest Arabic newspaper is the El-Telegraph, a Sydney based newspaper directed towards Lebanese Christians. Others are Al-Bairak, An-Nahar, and Al-Watan newspapers. The newest newspaper, which also enjoys the highest circulation, is El Herald. The Minaret, the magazine of
the Islamic Federation, is bilingual in Arabic and English (Batrouney, 2001; Jupp, 2001). The Arabic newspapers printed in Australia provide news of Lebanon, other overseas news, Australian news and information about community services. They contain a large range of advertisements to serve both Lebanese and the wider community. “About 90 per cent of the Lebanese-born speak Arabic at home and this provides the major audience for the Arabic Language press” (Batrouney, 2001:561).

Batrouney (2001) listed a number of radio programs catering for the Lebanese community of Melbourne. The Special Broadcasting Services (SBS), the ethnic radio station 3ZZZ and Community radio 3CR broadcast a number of programs, including Saut El Shaab (Voice of the Masses) and ‘Voice of Arab Women’ in addition to Islamic Voice Radio and Middle East Radio in Victoria. Batrouney (2001) also noted that, in addition to the occasional Arabic television program on SBS, there is a community television channel.

In general, being the largest Middle-Eastern and Arabic speaking community in Australia in terms of its number, for almost 150 years Lebanese-Australians through its Christian, Muslims and Druze communities have been contributing to the Australian economy and to the religious, educational and social well-being of its own community and other communities. From hawking or peddling, to operating different sizes and types of businesses across the many country towns and major cities of Australia or working for someone, Lebanese-Australian, both Lebanon-born and their descendants, have contributed much to the Australian economy. They have also been contributing in a wide range of fields such as politics, education and the arts, as well as to the religious life of Australia. The establishment of the churches occurred as early as 1895 and mosques in the 1960s and they have continued to be the focus of community life. The three religious groups also established Lebanese social and sports organizations or associations and Arabic newspapers and radio programs in almost all states and territories to meet the extensive welfare needs of both settled Lebanese and newcomers and other Middle-Easterners, and cater for the spiritual, cultural, educational and social needs of the Lebanese immigrants. Such organizations also aimed to facilitate their community participation in the wider Australian community, provide programs and services to accommodate the needs of the community, help promote the image of the community and assist in integrating into the Australian society. At the 2006 census, the median age of the Lebanon-born persons was 43 years and the gender ratio of males to females was small but significant different. The main language spoken at home is Arabic, although other languages were also evident. In Victoria, the Lebanon-born were mainly concentrated in Melbourne’s northern
suburbs. In short, the Lebanese-Australian community is very heterogeneous in terms of religious affiliation, educational levels and employment status, including successful persons in the workforce, whether working for someone or having their own business.

1.6.2 Egyptian Profile

The Egyptian community is one of the early non-English speaking communities established in Australia. Although the majority of Egyptian migrants arrived in Australia after World War Two (Batrouney, 1998), there were over 500 Egypt-born persons in Australia in 1933, many of whom were of Greek, Italian, Maltese, Armenian and other origins as well as those of Egyptian origin. The majority of the first influx of Egyptian migrants was Christian: Coptic Orthodox and Latin-rite Catholic, especially those of Italian and Maltese origin, Protestant and other Christians as well as smaller numbers of Jews and Muslims (Batrouney, 1998; Girgis, 1988; Price & Pyne, 1970). The majority of early Egyptian settlers resided in Sydney where they established the first Coptic Orthodox Church in Marrickville in 1969-70 (Attia, 1995; Batrouney, 1998; Girgis, 1988; Ham, 2001). Almost half had educational or occupational qualifications and many males were employed as professionals and paraprofessionals (Batrouney, 1998; Guindy, 1988).

The number of Egyptian-born persons in Australia by 1947 was 1,981, including 271 in Victoria (Pidgeon & Robinson, 1986). By 1954 this number rose to 8,150 persons due to the political unrest as a result of overthrowing King Farouk I in the Egyptian Revolution of 1952 and abolishing the monarchy by Free Officers Movement among whom were Naguib and Nasser who then became the first and the second presidents of the Arab Republic of Egypt. This number then doubled to 16,287 persons by 1961 (ABS, 2008b). According to Guindy (1988:45), “after the 1952 Revolution a few privileged Egypt-born began to consider emigration as a means of maintaining their personal, political and economic stability.” The second influx of Egyptian migrants, which happened in the early 1950s and late 1960s, also occurred because educated Egyptians were under threat from the system of military rule (Guindy, 1988). Girgis (1988) added that many Copts suffered financial losses as a result of a pan-Arabist policy and pan-Islamic ideology adopted in Egypt during the period of President Nasser's leadership. Private businesses were nationalized by the new government and, as a result, Egypt-born migrants increased in the 1960s. It was against this background that significant numbers of Egyptian-born people migrated to Australia in the post Second World War period.
At the 1966 census, there were 22,041 Egyptian persons in Australia of whom nearly 87 per cent lived in New South Wales and Victoria (ABS, 2008c). As a result of the Arab-Israeli conflict in June 1967, the Six-Day War, and the October War with Israel in 1973 during El-Sadat era who succeeded Nasser in 1970, the number of immigrants increased, reaching 30,645 by 1981 (Department of Immigration and Ethnic Affairs (DIEA), 1984). By 1985, there were nearly 32,000 Egypt-born persons in Australia, of whom 12,080 lived in Victoria (Pidgeon & Robinson, 1986). Almost three-quarters of all Egyptian-born persons living in Australia had settled before 1976 (Batrouney, 1998). However, this number did not represent the true size of the Egyptian community in Australia as it did not include Australian-born children or other first and second-generation family members (Pidgeon & Robinson, 1986).

Almost all early Egyptian immigrants were concentrated in the metropolitan areas of New South Wales and Victoria to a greater extent than most other immigrants at the time with the exception of the Jews (Girgis, 1988; Pidgeon & Robinson, 1986). This reflects the nature of the occupations of Egyptian-born persons in Australia (Jupp, 1988; Price & Pyne, 1970). They worked in all areas of industry and in a broad range of occupations including government administration, education, research, food, wholesale, transport, motor vehicle equipment dealers, health, tradesmen, production process and as labourers (Pidgeon & Robinson, 1986). At the 1966 census, the total number of Egyptian-born persons in the Australian workforce (both male and female) was 13,410, of whom 6,512 persons were craftsmen, production-process workers or labourers; 2,952 persons were clerical workers; 1,547 persons were described as professional, technical, administrative or executive and managerial. Only 50 persons were farmers, fishermen, hunters or timber-cutters and four persons were miners or quarrymen (Price & Pyne, 1970). This reflects their qualifications and possession of multiple skills. In addition, Egyptian migrants often owned their own businesses (Guindy, 1988). Overall, these figures reflect the fact that Egyptian-born persons were generally well educated, tended to come from the professional, commercial and artisan communities of Egypt and were often excellent linguists (Ham, 2001; Pidgeon & Robinson, 1986).

The third influx of Egypt-born migrants in the late 1960s and early 1970s was linked to a number of social and economic factors such as a population explosion in Egypt due to an improved health system and the expansion of free education, which led to an oversupply of skilled and trained people and, in turn, to a shortage of jobs (Guindy, 1988). By 1996 census the number of Egypt-born persons in Australia had risen to 34,000, of whom 17,669 persons had settled in New South Wales and 11,911 persons in Victoria (Ham, 2001).
The leader of the Egyptian Orthodox Coptic community in the outer Sydney suburb of Mount Druitt stated that the underlying reasons for Egyptian migration to Australia included: to improve their economic situation, to have a better future with regard to education and work opportunities, family reunion, to have personal, political, religious, and social freedom, to enjoy the good Australian economy, Australian law and order, Australian concern and respect for human rights, and no racial and religious discrimination according to the Australian constitution and law (El-Turk, 1992b).

The 2006 census showed that the major religious affiliations amongst Egypt-born persons in Australia were approximately 75 per cent Christian as follows: 32.2 per cent Oriental Orthodox; 26 per cent Catholic; and 17 per cent Eastern Orthodox. Islam accounted for 10.3 per cent, whereas precisely 15 per cent indicated other religions (DIAC, 2008a). In Victoria, the religious affiliation of Egypt-born people was 79.2 per cent Christian as follows: 26.9 per cent Western Catholic; 25.6 per cent Coptic Orthodox; nearly 20 per cent Greek Orthodox; 1.6 per cent Armenian Apostolic; 1.5 per cent Anglican; Eastern Orthodox 1.4 per cent; and 2.3 per cent other Christians. The proportion of the Egypt-born Christians was significantly higher than that of the total Victorian population in this category (49 per cent). Islam represented nearly 10 per cent of the total Egypt-born population, compared to 2.2 per cent of the total Victorian population who are Muslims, whereas 11 per cent indicated other (VMC, 2007a).

Egyptians formed the Coptic Orthodox Society in Sydney in 1967 in order to assist new arrivals in finding accommodation and jobs and learning English using Orthodox Churches and their halls for services and activities (Attia, 1995). In the same year, the Egyptian Coptic Orthodox Society’s members sent a letter to the Coptic Pope in Egypt requesting an establishment of a Coptic Church in Australia and a priest to serve their community in Sydney. Thus, in 1969 St Mary and St Mina's, the first Coptic Orthodox Church, was established (For Sydney’s Copts a very special day, 1969). Egyptians have established flourishing Coptic Orthodox churches in Sydney and in Melbourne (Batrouney, 1998). In 1982, the first Coptic Theological College, the Late Pope Shenouda III College for Theological Studies, was opened in Sydney (Bureau of Immigration, Multicultural and Population Research (BIMPR), 1995). In Melbourne, in 2001, St. Athanasius Theological College and a bookshop were established to cater for the spiritual and educational requirements of the community, particularly of the students of the College (Attia, 2009). The Coptic Orthodox Church is central to the religious services and social activities of the community (Attia, 1995; Girgis,
As such, it has assumed an important role in the settlement of the Egyptians in Australia, as well as functioning as a “hub of cultural pursuits and social support networks” (Ham, 2001:275). The Egyptian-Copts continued establishing their own churches and schools in Melbourne and Sydney to meet their religious, educational and social needs (Attia, 2009); for example, St Mary’s Coptic Orthodox College was founded in 1991 in Melbourne, initially as a primary school, then in 1994 as a primary and secondary college in Coolaroo. The Coptic Church is the integral part of the Coptic community life. To-date, there are five Coptic Orthodox colleges in Sydney and Melbourne.

The Coptic Orthodox community also established social and cultural organizations, for example, the Australian Coptic Association-a cultural organization-was established to serve the Egyptian Coptic community (Ham, 2001). The Australian Egyptian Council Forum, a cultural non-profit organization, was formed to promote Egyptian culture in Australia, assist newly arrived Egyptians and to connect the community with the Australian culture. The Egyptian Federation of Victoria Inc. was also established to support the community with their settlement through conducting activities and training programs. Egyptian-Australians publish various community newspapers and bulletins which link the community to other Copts around the world. The Copts is a bilingual newspaper published in Australia (VMC, 2011).

There are strong ties between the Coptic Orthodox community in Australia and that in Egypt. Therefore, communication and travel between Egypt and Australia is frequent as many Egyptian-born people in Australia still have immediate and/or extended family members in Egypt. Trade relationships also exist between the two countries (Ham, 2001).

Most Egyptian Muslim immigrants arrived in Australia in the 1970s (Girgis, 1988). By the 1996 census there were about 2,850 Egyptian Muslims in Australia, the vast majority living in Sydney and Melbourne (Girgis, 1988). Egyptian Muslims in Sydney share with other Muslim communities the Imam Ali Mosque in Lakemba and the Al-Zahra Mosque in Arncliffe; as a result, their relationships with Muslims from other Middle-Eastern countries have been strengthened. These are predominantly Lebanese mosques (Girgis, 1988). Egyptian-Muslims also founded community organizations and associations such as the Australian Federation of Islamic Councils in 1965 in an attempt to promote their interests and concerns, and joined with other Middle Eastern Muslims to found an Arab-Muslim community in Melbourne (Ham, 2001; Price & Pyne, 1970).
At the 2006 census, there were 11,581 Egypt-born persons in Victoria (approximately 35 per cent of Australia’s total), decreasing from 11,566 persons in 2001, reflecting the aging of the community (VMC, 2008a). This number represented 0.2 per cent of the total Victorian population or nearly one per cent of the total Victorian overseas-born population (VMC, 2008d). Also at the 2006 census, the number of persons who identified with Egyptian ancestry in Victoria was 10,488 (VMC, 2008a), which represented 0.2 per cent of the total Victorian population (VMC, 2008d). The Egyptian ancestry number was slightly smaller than the total Egypt-born population. This is because “many Egypt-born persons, including their Australian-born descendents, identified with various other ancestry origins such as Greek, [Italian] and Arabic” (VMC, 2008a:1). At the 2006 census, the median age of the Egypt-born community was 56 years, compared to 37 years of the Victorian population, and the gender ratio was nearly balanced (VMC, 2008a).

The 2006 census showed that the three top languages spoken by the Egypt-born at home are: Arabic (nearly 47 per cent); Greek (around 15 per cent); and Italian (10.8 per cent). Approximately 5.5 per cent spoke other languages including French, Armenian, Dinka or Maltese, whereas around 20 per cent spoke English only (VMC, 2007a). Nearly 43 per cent and around 26 per cent rated themselves as speaking English very well or well respectively. These were far higher than the corresponding rates in the total Victorian population (11 per cent and 5 per cent) respectively. Just 9.6 per cent rated themselves as speaking English not well or not at all compared to 3.8 per cent of the total Victorian population in this category (VMC, 2008a).

The 2006 census also showed that educational attainment of Egypt-born people as follows: school education level including persons who completed school to between year 8 and 12 level 4,657 (approximately 43 per cent) of the total Egypt-born compared to 47.5 per cent of the Victorian people in this category; bachelor degree 2,303 (21 per cent) of the total Egypt-born, which represented the second highest proportion of educational level, not the diplomas, as was the case for the Lebanon-born population in Victoria, compared to approximately 13 per cent of the Victorian people in this category; and diplomas (including advanced diploma, diploma and certificate) 1,894 (around 17 per cent), somewhat lower than that of the total Victorian population in this category (21 per cent) (VMC, 2007a).

Moreover, the 2006 census indicated that the total number of Egypt-born persons employed in Victoria was 4,848 (42 per cent), compared to around 46 per cent of the total Victorian population who were employed. This reflects the fact that many have now retired. Professionals and clerical
and administrative workers make the two largest occupational categories of the Egypt-born people who were employed (1,179 or 24 per cent and 735 or 15 per cent) respectively. These compared to approximately 21 per cent and 25 per cent of the total Victorian people who were employed in these categories respectively (VMC, 2007a). Wholesale and retail trade, and health care and social assistance represented the two largest industry of employment categories for Egypt-born people (824 or 17 per cent and 708 or 14.6 per cent) respectively. While the former was similar to that of the total Victorian population in this category (16.5 per cent), the latter was somewhat higher than that of the total Victorian population in this category (10.4 per cent). Manufacturing industry of employment was the third highest category in which Egypt-born people were employed (592 or around 12 per cent), compared to that of the Victorian population in this category (12.6 per cent) (VMC, 2007a). The Egypt-born people have been also found in other occupations such as managers, community and personal service workers, sales workers, etc.

Further, the 2006 census also showed that 4,037 persons (or precisely 37 per cent), and 3,181 persons (or 29 per cent) of Egypt-born population in Victoria earned between $1 and $249, and between $250 and $599 in a week respectively. The two figures were higher than those for the total Victorian population in the two categories (29 per cent and 26 per cent) respectively. Only 368 persons (or 3.4 per cent) of the total of Egypt-born in Victoria earned $2,000 or more in a week, which found to be similar to that for the total Victorian population in this category (3.3 per cent) (VMC, 2007a). Accordingly, the above figures showed that two-thirds (66.1 per cent) of Egypt-born population in Victoria were in the low-income brackets compared to slightly over one half (55.4 per cent) of the total Victoria in this category.

Furthermore, the 2006 census showed that the Victorian Egyptian-born people were concentrated in the following Local Government Areas: Brimbank (9.1 per cent); Hume and Monash (nearly 7 per cent equally); and Whittlesea and Moreland (around 6 per cent equally) (VMC, 2008a). As such, they were very much more dispersed than the Lebanese-born community. Most Egypt-born (95.6 per cent) held Australian citizenship much higher than that of the total overseas-born population in Australia (75.6 per cent) (VMC, 2008a).

Generally, Egyptian-Australians have formed the second largest Middle-Eastern and Arabic speaking community in size established in Australia after the first quarter of the twentieth century, of a sizeable majority of its members resided in Sydney. Over three-quarters of the century, like the Lebanese-Australian, Egyptian-Australians, and their descendants, have been contributing to
Australian economy. Since their arrival in Australia, Egyptian-Australians have been found in a broad range of industry areas as professionals and paraprofessionals due to their educational and multi-skills levels, as well as owning their own enterprises. They have also been contributing to religious (particularly the Copts), educational and social aspects of its community and wider communities. The major religious groups amongst the Egypt-born people, namely the Coptic Orthodox, have established the first Coptic Orthodox church in Sydney in 1969, as well as in Melbourne. The first Coptic Colleges were founded in 1982 in Sydney, and in Melbourne in 2001, to cater for the spiritual and educational requirements of the community, particularly the students of the College. They continued establishing their own churches and schools both in Sydney and Melbourne to meet the diverse needs of their community. The Coptic Orthodox Church has been playing a central role not just on spiritual and educational aspects of its community, but also on the social side through social services and social activities of the community, particularly in the settlement of the Egyptians in Australia. The Copts also formed societies and cultural organizations as early as 1967 to assist new arrivals in their settlement and in finding jobs and learning English using Orthodox Churches and their halls for services and activities. These organizations were also formed to promote Egyptian culture in Australia and to connect its community with the Australian culture. Egyptian-Australians publish various community newspapers and bulletins which link the community to other Copts around the world. Unlike the Egyptian-Australians Coptic Orthodox, the Egyptian-Muslims shared with other Muslim communities, particularly the Middle-Eastern, places of worship, the Mosques; however, they have also established community associations in an attempt to promote their interests and concerns. The median age of the Egyptian-born persons was 56 years, and the gender ratio of males to females was nearly balanced. The main language spoken at home is Arabic, although other languages were also evident. In Victoria, the Egyptian-born were mainly concentrated in western and north-western suburbs of Melbourne. Thus, they were very much more dispersed than the Lebanese-born community. Over all, apart from the differences in religious heritage, Egyptians, in general, share a common culture and traditions, including the language, and they highly value family unity and education. They encourage their children to obtain higher levels of education which, in turn, leads to greater social mobility and employment opportunities. In short, migration of Egyptian to Australia is expected to increase due to the political turmoil in Egypt since early 2011, as well as the financial crisis and social instability.
1.6.3 Iraqi Profile

Three Christian families were the first Iraq-born people to (officially) arrive in Australia in 1963. It was reported that individuals arrived prior to 1963, but not enough information is available to verify this claim (Darmo, 2001). The Iraq-born population was first included in the 1971 census along with Iran-born population as a combined entry grouped under the Asia category. Thus, there were 1,593 Iraq-born persons in Australia (ABS, 2008d). However, at the 1976 census, Iraq, a country of birth, was created as a separate entry grouped under Asia. The number of Iraq-born population continued increasing from 2,266 in 1976, of whom 1,928 persons lived in New South Wales (NSW) and 198 persons lived in Victoria, to 3,204 in 1981, of whom 2,649 persons lived in NSW and 367 persons lived in Victoria (ABS, 2008e, 2008f).

The powerful forces pushing people out of Iraq included political struggles, religious and ethnic conflict, government discriminatory policies and, perhaps chief among these, the first Gulf War, the eight-year Iran-Iraq war which ended in 1988. These events forced Iraqis to flee their country to different continents, including Australia. Consequently, the number of Iraq-born increased to reach 4,494 persons in the 1986 census (ABS, 2008g). In early March 1991, the Australian Federal Government allocated 14,000 places in its immigration program for refugees, many of whom were from Iraq (Allison, 1991) fleeing the aftermath of the first Gulf War. As a result, regardless of the category under which the Iraq-entry was grouped, the number of Iraq-born population continued climbing in the 1991 census to 5,172, of whom 4,089 lived in NSW and 781 in Victoria (ABS, 2008h). It was not until the 1991 Australian census when the Iraq-entry group was more appropriately classified under the Middle East category rather than the South-West Asia category.

The Iraq-born population in Australia increased to reach 14,004 persons in the 1996 census, of whom 9,441 persons lived in NSW and 3,500 in Victoria (ABS, 2008i). Migration to Australia has been mainly humanitarian with relatively large numbers arriving in the 1990s. Nearly 33 per cent of the Iraq-born people were in Australia prior to 1996 compared to 68 per cent of the total of overseas-born population (DIAC, 2008b). This was largely due to the United Nation’s harsh economic sanctions imposed on Iraq in 1990, which had a devastating impact on the Iraqi population and was the major cause of people fleeing Iraq after the second Gulf War in early 1991 (Jupp, 2001; 2002).
Among the total Iraq-born in Australia at the 2006 Census, almost 30 per cent arrived between 1996 and 2000, and nearly 34 per cent arrived during 2001 and 2006 (DIAC, 2008b). This was largely due to the invasion of Iraq in March 2003. Thus, the Iraq-born population increased from 24,832 in the 2001 census to 32,520 in the 2006 census (ABS, 2008j, 2008k).

At the 2006 census, there were 8,615 Iraq-born persons in Victoria (about 27 per cent of Australia’s total), increasing by around 41 per cent from 6,093 persons in 2001 (VMC, 2008b). This number also represented 0.2 per cent of the total Victorian population or 0.7 per cent of the total Victorian overseas-born population (VMC, 2008d). Also, at the 2006 census, the number of persons who identified with Iraqi ancestry in Victoria was 4,806 (VMC, 2008b), compared to approximately 0.1 per cent of the total Victorian population (VMC, 2008d). The large difference in numbers between the Iraq-born population and Iraqi ancestry persons is attributed to the fact that many Iraq-born, and their Australian-born descendents, had identified with other ancestries or cultural origins such as Chaldean, Assyrian, Armenian, Kurdish, Arabic, etc. as well as “there only being a relatively small number of second generation” (VMC, 2008b:1). The median age was 35.7 years, compared to 37 years of the Victorian population. It is a reasonably young population compared to the Lebanon-born and Egypt-born populations, with a larger proportion of males than females; the gender ratio was 110 males to 100 females, similar to that of the Lebanon-born population (DIAC, 2008b).

The proportion of Iraq-born people who belonged to various Christian denominations had increased to around 50 per cent by 1996 (ABS, 2000). The 2001 census showed that the major religious affiliations amongst Iraq-born persons in Victoria were approximately 60 per cent Christian as follows: 53.7 per cent were Catholic; 4.3 per cent were Assyrian Church of the East; and 1.7 per cent was Greek Orthodox. Islam accounted for 28.5 per cent, whereas other religions indicated 8.6 per cent (VOMA, 2003b). In the 2006 census, Christian denominations amongst Iraq-born population in Victoria had increased to just over two-thirds (approximately 67 per cent) as follows: almost 56 per cent Western Catholic and Chaldean Catholic; 4.7 per cent of the Assyrian Church of the East; around 2 per cent Eastern Orthodox; one per cent Greek Orthodox; Ancient Church of the East and Armenian Apostolic each accounted for 0.8 per cent; and 1.2 per cent were other Christians. The corresponding rate in the total Victorian population was 34 per cent Christian. Islam represented around 27 per cent of the total Iraq-born population, compared to 2.2 per cent of the total Victorian population in this category, whereas other religions indicated 2.6 per cent, which
may include Syriac, Jacobite, Nestorians, Mandaean, Yazidi and other religion denominations in Iraq (VMC, 2007b). Churches and mosques play an important part in the lives of the Iraq-born population.

The Chaldean and the Assyrian Churches have parishes in Sydney, Melbourne and New Zealand (Darmo, 2001; Pitrus, 2009). Both the Assyrian Church of the East and the Chaldean Catholic Church in Fairfield, Sydney established non-government primary schools in 1978: on the St. Hurmized Cathedral site in Fairfield and on the St. Thomas the Apostle Cathedral site respectively. The Chaldean Catholic Church in Melbourne also established a non-government primary school of St. Aphram Saturday School in 1994, which was officially recognized by the Hume local government authorities in 2000. The Chaldean Catholic Church, named Our Lady Guardian of Plants, established in 1984, is located in Campbellfield in the City of Hume in Melbourne’s outer northern suburbs (Pitrus, 2009), but it has not established its own school, preferring to send their children to the Latin-rite schools.

All Churches organize and form youth groups, adult groups and elderly groups of both genders for religious, social, educational and entertainment purposes. Most importantly, the churches serve to preserve their ancient Aramaic language-Chaldean/Assyrian dialects, to maintain their ethnic identity, to promote pride in their cultural background and the true spirit of unity and harmony among its communities and within Australian society. For example, the Assyrian language schools of St. George and Orhai (Edessa) were established to offer the Assyrian dialect of the Aramaic language classes on Saturdays during school terms for children 8-12 years old and young people 13-18 years old. A number of classes are also conducted for adults.

The leaders of these groups are elected annually and, with the help of the Church and community groups, play a vital role in planning, organizing and controlling religious, educational and social activities, as well as establishing and maintaining positive relationships with other government and non-government organizations in the community and Australia at large (Pitrus, 2009). The Assyrian Youth Group and the Chaldean Brotherhood Group of the Chaldean and Assyrian Catholic Church of Victoria publish and edit offline and online magazines called Nakosha (Church Bell) and Nohra (Light) respectively.

Most Iraq-born people spoke a language other than English at home. At the 2006 census, the main languages spoken at home were: approximately 46 per cent modern or Neo-Aramaic-
Chaldean/Assyrian dialect, which nearly reflects the proportions of the Iraq-born Christian in Victoria; and almost 45 per cent Arabic. Around 3 per cent spoke Kurdish or Armenian (VMC, 2007b). While around 3 per cent of Iraq-born people indicated they spoke English only at home, around 31 per cent and over one-third (36 per cent) assessed themselves as speaking English very well or well respectively. The corresponding rates of the total Victorian population were lower (11 and 5 per cent) respectively. However, just over one-fifth (21 per cent) rated themselves as speaking English not well, and around 7 per cent not at all (VMC, 2008b).

The 2006 census also showed that school education level (including persons who completed school between year 8 and 12 level) represented the highest number of the Iraq-born (4314 persons or approximately 56 per cent of the total), which was moderately higher than that of the total Victorian population in this category (almost 48 per cent). Diplomas (include advanced diploma, diploma and certificate) represented the second highest category (823 persons or almost 11 per cent), compared with over one-fifth (nearly 21 per cent) of the total Victorian population in this category, whereas 794 persons (or around 10 per cent) possessed a bachelor degree, slightly higher for the total Victorian population in this category (12.6 per cent) (VMC, 2007b). These figures reflect the above proportions of proficiency in English outlined above. Thus, many of the Iraq-born people in Australia, particularly in Victoria, are highly educated. English was widely spoken as a second language by educated Iraqis. Consequently, a significant number of these immigrants were likely to engage in Australian society through their knowledge of English or trade skills (Jupp, 2002).

However, as with other migrant communities, some Iraqis found that problems such as lack of fluency in English, unacceptability of their overseas qualifications and skills, or lack of labour market knowledge prevented them from pursuing their chosen careers (Darmo, 2001), mostly prior to the Gulf War influx. While a number of individuals were engaged in running their own businesses, the youth pursued careers in different industries and professions such as banking and finance, business, teaching, law and medicine (Darmo, 2001). Nevertheless, many Iraq-born migrants were employed in semi-skilled or unskilled occupations upon first arriving in Australia due to limited professional and para-professional job opportunities. At the 2006 census, the total number of Iraq-born persons employed in Victoria was 2251 persons (over one-quarter or 26 per cent of the total), much lower than the total Victorian population in this category (around 46 per cent). Labourers, technical and trades workers and machinery operators and drivers made the three largest occupational categories of the Iraq-born people who were employed: 492 or 22 per cent,
413 or 18 per cent and 326 or 14.5 per cent respectively, lower for the total Victorian population in these categories: approximately 10 per cent, 14 per cent and 6.6 per cent respectively (VMC, 2007b). A significant proportion of the Iraq-born people were employed as managers or professionals (470 or 21 per cent of the total Iraq-born in Victoria. However, this was lower than the total Victorian population in this category (43 per cent). The occupational structure corresponded with proportions of Iraq-born educational levels. Manufacturing, wholesale and retail represented the highest industry of employment categories for Iraq-born people: 441 (20 per cent) and 354 (16 per cent) respectively, compared with 12 per cent and 17 per cent of the total Victorian population in these categories respectively. However, a considerable number (499 or 22 per cent) were employed in professional, scientific and technical administration or health care and social assistance industry (VMC, 2007b). In fact, most Iraq-born people work hard as their top priority is to own a house and have a stable life in their new country.

Moreover, at the 2006 census, weekly individual income levels of the Iraq-born people in Victoria were as follows: 57 per cent received between $1 and $249, which was far higher than for the total Victorian population in this category (29 per cent); and 23 per cent received between $250 and $599, slightly lower than for the total Victorian population in this category. Only one per cent received $2000 or more in a week, somewhat lower than for the total Victoria in this category (around 3 per cent) (VMC, 2007b). Thus, the 2006 census showed that the vast majority (80 per cent) of Iraq-born population in Victoria was in the low-income category, compared with around 55 per cent for the total Victorian population.

On the social and cultural level, like other Australian migrant communities, Chaldeans and Assyrians have established social and cultural organizations and associations. In Sydney, the Assyrian Australian Association was established in 1969. Other groups in New South Wales include the Nineveh Club, Assyrian Australian Academic Association, Assyrian Sports and Cultural Club, Assyrian Charity and Educational Community, New South Wales Babylon Cultural Association and the Chaldean Cultural Society of New South Wales (Darmo, 2001). In Victoria, groups include: the Chaldean Cultural Society of Victoria, which provides welfare and migration assistance for Iraqi Christians, as well as organising cultural, social and sporting activities; the Chaldean Tower of Babylon Club (Social and Sport); the Christian Akkad Educational Forum; the An Kawa Social Club; Zahrira (Ray) Social Club, which is a social, educational and recreational club with members of Iraqi Chaldean, Assyrian, Syriac and Armenian backgrounds; the Victorian Assyrian Community Inc., which promotes and maintains Assyrian culture and traditions through
cultural, social and recreational activities, as well as encourages the integration of the Assyrians into the Australian society; the Hammurabi Cultural Society, which is a joint Chaldean and Assyrian organization, organises a broad range of cultural, social and sporting events to preserve the culture of the people who have a history that goes back thousands of years (VMC, 2011).

Assyrians published the 1996-1997 Assyrian Business Directory of Australia, and the Assyrian Australian Academic Society publishes a quarterly magazine in Aramaic Assyrian called Purely Academic as well as an annual journal. The Bet-Nahrain Democratic Party also publishes a quarterly newsletter called The Progressive Assyrian. The Social Welfare Office houses the Assyrian Ashurbanipal Library and other arts and crafts facilities. In addition there are eight radio programs and one television program (Channel 31) that broadcast in the Assyrian language for one to three hours per week (Darmo, 2001).

Iraqi Muslims also established a number of organizations including: Iraqi and Australian Friendship Association, which was established in 2007 to promote strong relations between the Iraqi community and wider Australian community; Al-Amen Iraqi Association Inc., which is a community organization; Australian Iraqi Forum Inc., which is dedicated to improving understanding between the Iraqi and Australian communities through forums and informed discussions; and the Australian Iraqi Association which aims to provide support for the Iraqi community and new Iraqi arrivals, and to promote understanding of Iraqi culture. It runs an ethnic school to maintain the community’s language and culture, as well as a youth soccer team (Service Seeker Community Directories, 2011; VMC, 2011)

According to the 2006 census, a significant proportion of Victoria’s Iraq-born lived in the Local Government Area of Hume (52 per cent). This may be due to the fact that a number of religious and social establishments are located in this area such as churches, mosques and social and cultural clubs. Other Local Government Areas were: Whittlesea (11 per cent); Moreland (9 per cent); Greater Shepparton (4 per cent); and Darebin (3 per cent) (VMC, 2008b). Most Iraq-born (85.3 per cent) held Australian citizenship, compared to 75.6 per cent of the total overseas-born population in Australia (VMC, 2008b).

In general, being the third largest Middle-Eastern and Arabic community in number, like the Lebanese and Egyptian Australians, although to a certain extent, for almost 50 years many Iraqi-Australians, and their descendants have also been contributing to Australian economy, whether
pursuing careers in different industries and professions or engaging in running their own enterprises, and to religious, educational and social aspects of its community and wider community. The Christians, both Assyrians and Chaldeans, established their own churches in the early 1980s in Sydney and later in Melbourne. For the purpose of maintaining their ethnic identity, preserving their ancient Aramaic, promoting their cultural heritage and integrating with wider Australian communities, these churches have been playing central spiritual, social and educational roles in the life of their believers through religious, educational and social programs and activities for all ages and both genders. Iraq-born Muslims have also established religious and educational organizations and associations for the purpose of preserving Islam and Arabic. Like other Australian migrant communities, Iraq-born Australian have established a number of educational, social, cultural and sports organizations and clubs as early as 1969 in Sydney and Melbourne to maintain the Iraqi heritage and culture that go back thousands of years, assist new arrivals in their settlement and help integrate with the Australian wider community. Iraq-born people have also published a number of newspapers and magazines in Arabic and Aramaic, as well as a number of radio programs and two television programs that broadcast and televised in Arabic and Aramac.

For Iraqi Chaldean and Assyrian Australians, the main language spoken at home is Neo-Aramaic-Chaldean/Assyrian dialect, and Arabic is the main language spoken at home by Iraqi Australian other than the Kurds or Armenians. The median age was 35.7 years, a reasonably young population compared to the Lebanon-born and Egypt-born populations, with a larger proportion of males than females; the gender ratio was 110 males to 100 females, similar to that of the Lebanon-born population. In Victoria, the Iraq-born were mainly concentrated in the Local Government area of Hume. This may be attributed to the fact that a number of religious, social and service establishments are located in this area such as churches, mosques, social and cultural clubs and Iraqi businesses, including general practitioners and the like. Thus, despite the different religious affiliations among the Iraq-born population, as with both the Lebanon-born and Egypt-born populations, they generally share a common cultural and traditional heritage and language. They also value the family unit and encourage their children to continue their schooling and participate in higher education which, in turn, may lead to greater social mobility and employment opportunities. As the number of Iraq-born community has been growing since early 1970s, so have its infrastructure facilities and events. In short, the migration of the Iraq-born to Australia is expected to increase due to the continued unrest in all aspects of every-day life of the Iraqis.
1.7 PARAMETERS OF THE STUDY

To ensure this research was manageable, a number of self-imposed boundaries were put in place. Firstly, although immigrants’ small businesses are scattered all around Australia, the scope was limited to respondents who owned/managed a small business among the Middle Eastern communities in Melbourne, Victoria, specifically the Lebanese, Egyptian and Iraqi, across all 32 suburbs within three of the five Melbourne metropolitan areas. Secondly, the sample size from the three studied communities was limited to the stratified random probability sample proportionate to the size of each community. That is, the total number of persons of each community divided by the total number of the three communities. This resulted in the ratio of each community then multiplied by one hundred. Thirdly, the current study instrument was piloted within the sample boundaries and characteristics of the target population (Babbie, 2004; Cavana, Delahaye & Sekaran 2001). Fourthly, the response timeframe for the questionnaire was two to five months from the distribution date. Fifthly, interviews were carried out between February and May 2004 over a 2-3 hour time slot at interviewees’ business premises. Lastly, with reference to the main purpose of this study (see 1.2), comparisons among the three communities under study concerning their characteristics will not be made. Also, due to technical issues associated with the sample sizes where the majority of the respondents were Lebanese compared to the Egyptians and the Iraqis, comments on the differences in the findings for the three communities will not be made.

1.8 STRUCTURE OF THE THESIS

The thesis is organized as follows: chapter one introduces the purpose and rationale for the study, research objectives, literature review, operational definitions of key terms, background information on Middle Eastern immigration to Australia, and on the profiles of the Lebanese, Egyptian and Iraqi communities; limitations and delimitations of the study; assumptions of the study; and theoretical and practical outcomes of the study. Chapter two provides a literature review on entrepreneurship and small business, as well as on personal networks and social support. Chapter three presents the research design, methods and instrumentation of the study. Chapter four describes the characteristics of the owner/managers from the Middle Eastern communities, while chapter five analyzes personal networks, social support and business success of owner/managers using relevant and appropriate statistical techniques. Chapter six analyses the personal networks, social support and business success of owner/managers using qualitative data and, finally chapter
seven outlines the conclusions and implications of the study. A list of relevant references and appendices are also included.
CHAPTER 2
LITERATURE REVIEW

I help ethnic organizations, in particular Arabic organizations, advertising their meetings, events or other gatherings by placing their advertisements in the Arabic media. I make sure that their ads would be prioritized in some cases due to my good relations with the media people (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

2.1 INTRODUCTION

This chapter surveys the literature related to the current study. Beginning with reviewing ethnic entrepreneurship and the importance of small business, it then examines reasons for immigrants establishing small businesses, and demographic characteristics of owner/managers; lastly, it examines the key concepts of this thesis, namely personal networks and social support of owner/managers, the relationships between personal networks and social support and the notion of small business success.

2.2 ENTREPRENEURSHIP

2.2.1 Ethnic Entrepreneurship

Research concerning ethnic entrepreneurship has a long history, much focused on businesses in the United States of America. Ethnic entrepreneurship is most often described as consisting of relationships and interactions between people from the same cultural background (Waldinger et al., 1990), although Basu (2001) considered ethnic entrepreneurs as identifiable by their use of “outsider strategies and resources”, such as supplying to their own community or utilizing close family ties and co-ethnic networks as a resource for finance, information and labour. Chaganti and Greene (2002) sought a more explicit description, believing that the term “ethnic entrepreneur” was too often used where “minority” or “immigrant” entrepreneur was more appropriate. They contend that it is the level of involvement in one’s ethnic community which defines an “ethnic entrepreneur”, as opposed to an “immigrant” (recent arrival) or “minority” (different race) entrepreneur (Greene & Chaganti, 2004). For the purpose of the current study, an ethnic entrepreneur is one who owns/manages a small business, and relies on his/her relations and networks among people with a common cultural and historical heritage. Also, in the current study,
the two terms, immigrant entrepreneurs and ethnic entrepreneurs, though not identical, are used interchangeably (Collins, 2003a:148).

Other studies on ethnic entrepreneurship focus on business start-ups, explaining why members of different ethnic groups start new businesses and how they create them (Aldrich & Waldinger, 1990; Juteau & Paré, 1996; Light, 1980; Waldinger et al., 1990). Some researchers have found that ethnic entrepreneurs can limit opportunities for business growth if they continue to rely too heavily upon co-ethnic markets, suppliers and employees, rather than expanding into the wider society (Basu, 2001; Bates, 1994; Ram, Sanghera, Khan & Abbas, 1998; Yoon, 1991). At the same time, it has also been noted that some of these business owners are comfortable with this limitation, preferring the lifestyle, social and community aspects of concentrating on the ethnic economy, and serving the needs of the ethnic community (Chaganti & Greene, 2002; Chaudry & Crick, 2003).

Early studies have found that ethnic entrepreneurs have been viewed as strangers by members of the host community (Simmel, 1950; Wilkie, 1972), and were considered to have different lifestyles (Greene & Butler, 1996). Butler and Greene (1997) tested the critical components of both ethnic enclave theory and middleman minority theory regarding moving to a new place, discrimination in the labor force and the type of business enterprise generally considered as retail and service. Ethnic enclave theory concentrates on geographically self-contained ethnic communities within metropolitan areas which realize a sense of strong economic security. Such concentration allows ethnic groups to create their own businesses relying on community trust and social capital, thus speeding their economic progress (Portes & Bach, 1980; Zhou, 1992). Middleman minority theory is concerned with the development of enterprises by immigrants throughout the metropolitan area regardless of their locations (Bonacich & Modell, 1980; Zimmer, 1991). The current study drew on the above theories and went beyond their aspects to test how entrepreneurs’ ethnic communities play a crucial part in ensuring business survival and economic security regardless of the business location. The idea of ethnic restitution through economic behaviour is given broad meaning by Joel Kotkin’s work Tribes (1992); that is, migrants rely heavily on social contacts within their own communities in establishing their own businesses. This idea is supported by Thomas Muller in Immigrants and the American City (1993). He enumerated the many benefits that immigration has on the American economy and employers, as well as on the middle-class households who rely on immigrants’ businesses for everything.
The development of ethnic enclaves in some areas has largely been recognized as being socially and economically beneficial for immigrants (Portes & Bach, 1980). As the networks built through these communities are based on relationships between people with the same background, there is a shared understanding of cultural norms and values (Salaff, Greve, Wong & Li Ping, 2003). This commonality provides opportunities for immigrants to build the social capital (norms, values, trust, and relationships) required to start a business, to provide products, particularly cultural goods, for a niche market, and to employ those with the same language (Basu, 2001; Fadahunsi, Smallbone & Supri, 2000; Salaff et al., 2003). Thus, migrants who are new to a host country rely to a large extent on social contacts within their own communities in order to become established (Kotkin, 1992; Muller, 1993). Further immigration to these areas is encouraged largely by the availability of employment and co-ethnic networks, especially through close family or friends (Butler & Greene, 1999; Salaff et al., 2003; Wilson, 1998).

In other American studies Light (1972, 1980) compared the entrepreneurial behaviours of Chinese, Japanese, and African Americans and Chinese, Japanese and Koreans respectively. He found that, among others, the disadvantages such as poverty, unemployment and discrimination in the labour market to be the major factor for minorities to seek self-employment. Bonacich and Modell (1980) studied the history of Japanese in California and showed the positive impact of small firms on the education of children and the social mobility of subsequent generations. Portes and Bach (1985) described how Cuban refugees built entrepreneurial enclaves in Southern Florida. Peterson and Roquebert (1993) also studied the experiences of Cuban Americans, while Donthu and Cherian (1994) looked at the impact of strength of ethnic identification on Hispanic American shopping behaviour, and found that strong Hispanic identifiers were more likely to be brand loyal and buy products used by family and friends. Min (1988) studied Koreans in Atlanta, and found that many Korean immigrants of middle-class backgrounds brought with them money from their home country as start-up funds, which, in turn, had a direct influence on their entrepreneurship. Zhou (1992) illustrated how immigrant Chinese entrepreneurs in New York established informal reciprocal relationships with their workers which had impact on the survival and growth of their ethnic businesses. The current study examined whether such reciprocal relationships existed and, if so, whether they had an impact on business survival and growth.

Aldrich and Waldinger (1990) and McDaniel, Gates and Lamb (1992) studied ethnic businesses and ethnic ties. The former found that ethnic entrepreneurs use the resources available to them based on the nature of environments surrounding the business, which vary substantially across
cultures and time, while the latter found that consumers look for services outside their own community where confidentiality is an issue. In their research, Light and Rosenstein (1995) stated that not all immigrant groups exhibit a propensity towards entrepreneurial activities. So, do networking and social support make the difference?

In other studies on ethnic entrepreneurship Fukuyama (1995) examined trust in ethnic communities in America, and found that trust, among ethnic communities, aids in securing business relationships and achieving positive economic outcomes. Further, Butler and Green (1997) studied the businesses in the Pakistani/Ismaili community in the United States focusing on the relationship between wealth building and ethnic enterprise. The results showed that, despite the fact that the owners were slightly less educated; these businesses reported larger annual sales and therefore employed more full-time employees. These businesses were heavily involved in the retail industry sector compared to any other group considered. In the same year, White and Reynolds (1997) examined factors that inhibit ethnic participation in the entrepreneurial process among ethnic groups. Their major findings were that having less than a high school education; an annual income below $10,000; being in their country of residence for less than five years; and having limited networks of friends and family would inhibit their participation in the entrepreneurial process. Raijman and Tienda (1999) also examined how and why different ethnic groups enter the world of business. Their sample included Hispanic (mostly Mexican), Korean, non-Hispanic white, and Middle-Eastern/South-Asian in Chicago. The study showed mixed results with respect to pathways to business ownership. Informal entry through employment in a co-ethnic business was somewhat a common pathway for Hispanics, but a more common pathway among Korean than the Mexican, the Middle Eastern and South Asian groups. One common reason that the groups entered self-employment was to improve their economic situation. Although overcoming blocked mobility was another reason, particularly for the Korean group, they all desired their children to gain better job opportunities than they experienced as immigrants. However, the results of the study made no reference to a Middle Eastern sample in terms of their country of origin as it was combined with the South Asian sample. In the same year, Friga, O’Neill and Bateman (1999) examined the structure of entrepreneurial networks based on interviews with entrepreneurs in three countries—Thailand, Hungary and the United States. They found that external network such as customers, employees, alliance partners, and family members were the main entrepreneurial networks. However, Friga et al. (1999) have identified a need for further research into entrepreneurial networks.
In other American studies, Dyer and Ross (2000) examined the relationships between the black owner/managers and their co-ethnic customers and found that owner/managers who operate in the ethnic enclave serving a substantial number of their co-ethnic customers revealed both positive and negative experiences in dealing with those customers, thus accentuating ambivalent relationships that exist between many of those owner/managers and their co-ethnic customers. Galbraith, Stiles and Benitez-Bertheau (2004) were also interested in studying the evolutionary development of entrepreneurial activity of Mexican/Latin Americans (Hispanic) immigrants in North Carolina. They identified the important “critical mass” and “trigger points” that led to the various stages in the development of the Hispanic community including the concentration of ethnic community, the establishment of the specialized ethnic business community, the establishment of the social and political organizations and the development of the co-ethnic capital market. Further, several researchers (Brush, Monti, Gannon & Ryan, 2006) examined and compared minority-owned ventures from the inner city to those non-minorities-owned businesses outside the inner city in Boston. The results showed that, unlike mainstream entrepreneurs operating outside the inner city, inner city entrepreneurs’ involvement in the community was tied to their social and economic values, motives and strategic actions. Their involvement also had impacts on the growth of their ventures.

Further studies on Asian entrepreneurs in America were conducted including Robb and Fairlie (2008) who explored why Asian-owned businesses were more likely to have, on average, better outcomes than white-owned businesses. The results suggested that high levels of human capital such as education and previous experience, and substantial start-up capital were contributing factors that Asian-owned businesses were more likely to survive and grow than their white counterparts. Kim (2009) studied minority entrepreneurs in the U.S.A. proposing that important differences existed among minority entrepreneurs themselves in order to test whether the negative perceptions about financing relationships were justified, and their relationships to business financing and its performance outcomes. The results indicated that minority entrepreneurs had more positive financing experiences than non-minority groups, and that the characteristics of enterprise entrepreneur, and employee had significant impact on the enterprise’s performance. Studying ethnic entrepreneurs was also the interest of Price and Chacko (2009), in particular the Ethiopian and Bolivian immigrants in the US. They utilized the concept of mixed embeddedness to explain the impact of economic and political opportunity structures and the two groups’ characteristics in establishing and developing businesses in metropolitan Washington, DC. Relatively speaking, being a new immigrant destination, this geographic area lacked much of the
institutional support compared with older gateway cities. Block mobility and labour market segmentation were key factors in the two groups establishing their own businesses. Characteristics such as settlement and relations with particular authorities in the region played a significant role in economic and social entrepreneurial activity. From the above however, there has been very little research on entrepreneurs from the Middle East who began to land on American shores during the late 1880s, specifically, their social support sources and personal networks characteristics.

Some studies sought to better understand how immigrants and ethnic communities develop a sense of economic stability. For example, drawing on 50 Asian entrepreneurs in West Midlands in England, Ram (1994) examined the role of networks of the firms, and found that social networks comprising the community and the family, more precisely the active role of the family women, played a central role in the operation of the ethnic ventures. Dhaliwal (2000) explored the contribution of Asian women entrepreneurs in Great Britain in their own right (or independent women), and those working in family businesses (or hidden women) to both entrepreneurship and the management of the family businesses of women. Among other results, this study revealed that for the independent women, children come first unless they are at school or left home-they find something to do and utilize their skills, thus having meaningful lives. Hence, they are more aware of their self and time worth compared to the hidden women. Despite making their own decisions, most of the independent women seek advice from male family members who play a role in the business, particularly those who are married to more educated men. However, for the hidden women, children are often neglected as work is their priority. They perceive their work as a responsibility to serving customers, supervising employees and checking inventory rather than making business decisions and tending financial matters. Thus, they seem to become completely involved in day to day internal activities and to feel being exploited. All in all, the main difference between the independent and hidden women is the nature of the class status of the husband/extended family. It is required that the independent women look after the children and reinforce status, whereas the hidden women are to reproduce domestic and market relations and carry out daily routine tasks. Drawing on existing theories of immigrant and ethnic entrepreneurship, Levie, Hart, Anyadike-Danes and Harding (2007) developed hypotheses on the tendency of migrants and non-migrants in the UK to create innovative, international-focused, transforming and service-oriented businesses for the two groups. The results suggested that, among others, that regional migrant entrepreneurs (both internal migrants and immigrants from overseas) were significantly better educated than regional life-long resident entrepreneurs, though the internal migrants group was more likely to start innovative businesses. However, in addition to
regional and sectoral effects, ethnicity and migrant status do combine to form patterns of
difference in creating high expectation entrepreneurship. In the same year, Minniti and Nardone
(2007) investigated reasons for differences in the rate of entrepreneurial propensity and new
business creation between ethnic groups in the UK. The results showed differences in
entrepreneurial propensities, at least for some ethnic groups. In other UK studies Ekanem and
Wyer (2007) identified the reasons that ethnic minority entrepreneurs had previously failed, and
factors that promoted them to start again. Among other findings, learning from their mistakes, their
actions in the development processes and activities of the first business, failed entrepreneurs were
found to be more successful the second time around. Several researchers, for example,
Kalantaridis, Rembielak-Vitchev and Vasilieva (2009) explored the role of an Eastern European
Jewish entrepreneur in mid-19th century, and a Polish entrepreneur in the post World War Two era
in the process of institutional change based on insights from a small number of studies relating to
the role of those entrepreneurs in influencing institutions. The results showed that immigrant
entrepreneurs, to a certain extent, could shape both their enclave and central institutions in
destination countries. In an attempt to explore and explain the differences/similarities in the
female’s personal networks and their use, Rauf and Mitra (2011) studied immigrant and British
born Pakistani female entrepreneurs for business growth. The study results revealed subtle
differences in the way personal networks are established and maintained by the sample. That is,
“personal networks are a product of gender, culture and religion and they have a deep impact on
the entrepreneurial practices and conceptions of growth” (Rauf & Mitra, 2011:392).

Other studies concerning ethnic entrepreneurs and their ventures have been conducted in other
parts of the world. For example, Wilkie (1972) studied the entrepreneurial experiences of the
Lebanese in Montevideo, Uruguay, and found that Lebanese entrepreneurs would more often
utilize the expatriate community as their reference group, were more likely to turn to their web of
interpersonal relationships, were more family centered and more cosmopolitan in their inter-
personal relationships than were Lebanese non-entrepreneurs. Van der Laan (1975) conducted
fieldwork on Lebanese traders in Sierra Leone which explored the role of the early Lebanese
immigrants in the history of West African economic development, especially how they acted as
intermediaries between the British and the French trading companies. He also investigated their
effective role in trading commodities such as rice and kola, and how later they moved into gold-
mining and then the diamond industry. The influence of gender on the business performance in
Ghana was also examined. Boohene, Alison and Kotey (2008) explored the impact of personal
values on small business owners’ choice of strategies based on the gender issue, and the impact of
these strategies on business performance. The results indicated that gender differences in personal values exist—that women and men adopt different strategies, which, therefore, influence performance. Ghanaian women owner/managers are more risk-averse than Ghanaian men, which affects their choice of specific functional strategies, and hence, their performance.

Ethnic small businesses in Canada were also the focus of several researchers. For example, Perreault, Brenner, Menzies & Filion (2007) examined the links between social capital and the performance of ethnic businesses in four ethnic communities including Chinese, Italian, Indian/Sikh and Jewish in the metropolitan areas of Montreal, Toronto and Vancouver in Canada. The results showed a link between business performance and social capital. Being a member of ethnic organizations can be seen as a positive link, as these organizations can possibly provide the business owners with the workforce when needed; whereas relying on a co-ethnic workforce and social capital can be considered as a negative link. Koreans in Canada were also the interest of other researchers; for example, Oh, Kilduff and Brass (2006:2) examined whether “networks ties predicted business performance and whether these ties mediated the positive effects of entrepreneurs’ local language abilities on business performance”. The results revealed that not all network ties facilitated business success, particularly if the focus of the business owner/manager was on cross-community activity. However, they found that small business owner/managers who stretched their networks beyond their community were likely to improve business success.

Studies relating to ethnic minorities in Scotland have also been conducted. For example, building upon past research conducted in the United Kingdom and Scotland, Deakins, Ishaq, Smallbone, Whittam and Wyper (2007) investigated ethnic minority businesses and their distinctive importance in Scotland. Such communities included Pakistani, Indian, Bangladeshi, Chinese and African. The study results showed the important role of social capital. According to Nahapiet and Ghoshal (1998) and Putnam (1993, 1995, 2000), social capital refers to resources obtained from knowing others and having connections with many individuals, that is, being part of a social network with these individuals. Social capital provides individuals with a favourable social identity and significant benefits of accessing vital information required for a better life (Boissevain, 1974). It also allows people to resolve conflict and solve problems more easily by cooperating with each other. Social networks that constitute social capital also improve individual’s lives physically and psychologically. Forms of social capital are general moral resources of the community including: positive collective values with respect to community development through trust and repeated interactions with each other which, in turn, can make everyday business and non-business
associations less costly; result in a favourable reputation together with reciprocity, obligations and trustworthiness; and social networks of individual activities. Thus, the more social capital is used, the more it grows, which may result in receiving more accurate information, increasing cooperation, expanding trust, strong links of reciprocity, and thus collective well-being (Baron & Markman, 2000; Burt, 1997; Coleman, 1988; Fukuyama, 1995; Portes, 1998; Portes & Landolt, 1996, 2000; Putnam 1993; Shane & Cable, 1999).

From the above, the social networks of immigrants small business owner/managers comprising the family, both immediate and extended, friends, the ethnic community and ethnic organizations could possibly play a central role in the operation of ethnic ventures as these may provide opportunities for immigrants to build a high level of social capital beneficial to entrepreneurs in building favourable reputation, receiving funds from venture capitalists required to start a business providing the business owners with the workforce when needed and having a sense of strong economic security, thus speeding their economic progress. Thus, social capital can be viewed as an accumulated asset. However, strong and weak ties both within informal networks were not always positive factors as suggested by other empirical work. Thus, Deakins et al, (2007) recommended further research to increase the understanding of the complexity of the role of social capital and social networks and different ethnic business owner/managers. The current study examined both informal and formal networks of owner/managers in an attempt to examine their impact on their business performance.

Other research concerning ethnic small businesses was carried out in Europe. For example, Justo, De Castro, Coduras, and Cruz (2006) examined the differences between female and male Spanish entrepreneurs in the way they perceive and assess entrepreneurial success, measured by extrinsic or intrinsic dimensions. Despite a number of similarities between female and male entrepreneurs, their study results also yielded interesting gender-based differences concerning family status. They found that “parental status plays a key role in shaping fundamentally different perceptions of entrepreneurial success amongst different types of women entrepreneurs” (Justo, De Castro, Coduras & Cruz, 2006:1). That is, women with dependent children emphasise independence as an aspect of business success more than other types of entrepreneurs. Drawing on theories of human capital and location economy, Irastorza and Peña (2007) studied the effect of being an immigrant on the individual’s decision to become self-employed, and compared the determining factors for becoming self-employed for immigrants versus native Spanish in Spain, as well as among immigrants coming from different origins. The findings suggest that immigrants are more likely to
become self-employed than native Spanish, and factors such as personal, human capital (knowledge, skills and qualifications), among others, explain the propensity of immigrants and natives to become entrepreneurs. Amaral and Mendonça (2009) examined the importance of immigrants’ personal and professional characteristics such as education and their various types of previous occupational experience in explaining immigrants’ entrepreneurship in Portugal. The results indicated that human capital played a vital role in achieving better business results. However, the study made no reference to the cultural backgrounds of those immigrant entrepreneurs. Fertala (2006) also examined the extent to which immigrant entrepreneurs in Germany relied on past experience when taking decisions relating to their business ventures, and the extent to which they utilise new information about their economic performance to learn about their true abilities and business environment. Among others, the main results suggested that, on average, immigrant entrepreneurs made good use of new information, and relied heavily on their present experience when forming their expectations, whereas German entrepreneurs were less active compared to immigrant counterparts. From the above review, it is reasonable to conclude that there have been studies concerning different immigrant entrepreneurs in research conducted in the U.S.A. and Europe, yet few, if any, considered Middle Eastern entrepreneurs and their ventures.

Research has been conducted in Australia concerning the characteristics and performance of ethnic entrepreneurs and their small businesses. For instance, in an attempt to investigate small business migrants and their ventures, Hearn (1982) undertook a pioneering, exploratory study of migrants’ experiences in developing small business firms. The focus was on 25 Lebanese, 25 Turks and 26 Vietnamese businesses drawn from 15 suburbs scattered widely across four of the five Melbourne metropolitan areas. The results indicated that the need to meet operating costs was common to all three groups, that these businesses were generally locally concentrated and that they provided ethnic products and/or services. In an effort to expand the geographic area where ethnic entrepreneurs operate, the current study sample was scattered more widely across 32 suburbs located within three of the five Melbourne metropolitan areas. Studying ethnic businesses was also the interest of Manderson and Inglis (1984) who examined individual patterns of workforce participation of Turkish migration in Sydney, Australia, particularly their work experience. They found, among others, that very few have a small scale family business, either with a few employees or without, and those businesses were low capital intensive. Lack of business opportunities coupled with lack of business networks in various areas, rather than lack of interests explained why the Turks were predominantly employees. Strahan and Williams (1988) also
studied immigrant entrepreneurs in Australian, specifically factors internal to small business firms which determined success or failure. The results showed that businesses owned by immigrants as a whole had lower failure rates and more sustained growth than those of locals. Formal education was not significant in their study.

Immigrant entrepreneurs were also the focus of several researchers for example, Evans (1989). She investigated the impact of the size of the ethnic market and the size of those who were linguistically isolated as labour sources. The researcher found that the probability of owning a business depended upon the size of the target market, the percentage of the group who lacked English proficiency as a labour pool and the individual's own language skills and human capital characteristics. Evans (1989) specifically concludes that the inability to speak English would increase the probability of ethnic businesses. That same year Lampugnani and Holton (1989) surveyed 98 Italian entrepreneurs’ businesses across a broad range of industry types in South Australia, and found that most of the Italian entrepreneurs rely on banks to obtain finance, but on their families as an important source of labour. Tait, Castles, Gibson, Collins and Alcorso (1989) conducted a case study in Marrickville, New South Wales, which involved eight Vietnamese and six Greek small business owners in early 1988. They found no evidence of a well-developed ethnic enclave economy despite the fact that ethnicity shaped these businesses. They also concluded that factors such as desire for independence and capacity to work hard were the main triggers to open a small business.

Other studies concerning Australian ethnic enterprises were carried out by several researchers. For instance, Lever-Tracy, Ip, Kitay, Phillips & Tracy (1991) studied 104 Chinese small businesses in Brisbane and 40 Indian small businesses in Sydney, Australia. Their findings indicated mixed results among which were that a high proportion of these ethnic businesses were “successful, innovative and export oriented, and few were much tangled in dependency relations with banks, landlords or large companies” (Lever-Tracy et al., 1991:113). Also, those ethnic businesses were the source of new arrivals’ employment and training. Stromback and Malhotra (1994) surveyed 45 South Asian business owners in Perth, Western Australia, and found that, among others, ethnic entrepreneurs failed to have their qualifications recognized in Australia, and that they experienced difficulties in gaining access to the labour market. Therefore, many South Asians started their own businesses. Burnett (1998) in her research titled Issues in immigrant settlement in Australia over the last 50 years also concluded that, at the time of their immigration, the Turks were mostly employees rather than self-employed, partially because of the lack of business opportunities. Such
economic factors affect, to some extent, the settlement process. Further, a study carried out by Adhikari (1999) to investigate whether there were migrant enclaves in the Australian labour market where migrants can obtain higher status or higher earnings. The study reports that no such separate economy for ethnic people existed in the Australian labour market, and that the degree of difference in possessing human capital and other variables led to different socio-economic attainments. The paper also concludes that “the formation of ethnic enclaves as a separate economy needs much more than the establishment of ethnic owned enterprises” (Adhikari, 1999:191).

Several studies were undertaken by one of the prominent academics and scholars in Australia, Jock Collins, concerning immigration, ethnicity and ethnic entrepreneurship. For example, Collins (1996) explored the relationship between Australian ethnic small businesses, in particular Asians and Lebanese, and the employment rate in the 1990s. The results indicated the importance of the Australian ethnic small business sector for employment growth. The results also showed a trend towards employing co-ethnic people in these businesses who were mainly family and own community members. In an attempt to better understand ethnic entrepreneurship in Australia, and test and further refine the international theories of both ethnic businesses and ethnic entrepreneurs, Collins (2000) cross-examined original Australian survey data on Australian ethnic entrepreneurs. The analysis was within the broader framework of the history of Australian ethnic entrepreneurs. The findings showed no evidence that ethnic businesses were “enclave” businesses; however their co-ethnic people played vital roles in the survival of one-third of the ethnic businesses. The emergence of female entrepreneurs and of working class entrepreneurs were also other main findings. Collins (2002) also explored the historical and contemporary characteristics of Arab entrepreneurship in Australia. He then compared them with other immigrant and non-immigrant entrepreneurs. Due to historical factors such as racism, blocked mobility and the economic recession, which constrained employment opportunities, many Arabs had no choice but self-employment. Other findings related to characteristics such as hard work, reliance on family and community support made ethnic small businesses possible. These businesses also created many job opportunities and played a crucial role in the Arab community.

Collins (2003a), conducted a further study when he looked at whether the spatial dimensions of immigrant entrepreneurs, i.e. the relative importance of immigrant entrepreneurs in each Australian State and Territory and their geographic location in Australian main cities, and changing the macro and micro policies concerning immigrant entrepreneurship in Australia at
different levels of government had an impact on the rate and shape of ethnic enterprise in Australia. The study concluded that, despite the fact that policymakers in Australia have just begun to address Australian cultural diversity, there were “few direct policy initiatives to promote immigrant entrepreneurship in Australia” (Collins, 2003a:137). Drawing on the existing literature of immigrant entrepreneurship in Australia prior to 1996 census data, Collins (2003b) also reported the significant role of this aspect of the economy for employment growth based on the fact that these self-employed immigrants utilize both their own group resources and ethnic resources for employment. They suggested that a package of programs and policies should be introduced to help and encourage both the employed and unemployed non-English speaking background (NESB) immigrants (men and women) to establish their own businesses, and to enhance the performance of these businesses. This would result in, if successful, increasing the employment opportunities of this aspect of the Australian economy. A study of 28 ethnic Chinese businesses in Brisbane, Adelaide and Perth which was carried out in 2000 and 2001, focused on diversification of network strategies, activities, products, markets and practices adopted by these businesses. The results demonstrated that “these practices [were] socially embedded in their preference for using personal networks” (Lever-Tracy & Ip, 2005:73). The ethnic Chinese businesses also used weak ties to facilitate non-related diversification so that new contacts could be created and linked Chinese to others of different nationalities, and to those of other ethnicities. Others such as Strickland (2008) highlighted the contribution of ethnic small businesses to Australia’s GDP and employment levels, particularly ethnic restaurants; and Liu and Louw (2009) investigated the impact of interdependency of economic, socio-cultural and individual characteristics of Chinese entrepreneurs in Brisbane on their economic survival. Findings indicated that the ability of many Chinese entrepreneurs under study to live across two cultures, and act as translators helping their people explained their success in running and sustaining their businesses. Drawing on an original field study of a group of Asian immigrant women entrepreneurs in Sydney, Low (2006) investigated the economic contribution of a group of Asian-born women entrepreneurs in Sydney. The findings indicated that this group of Asian-born women make significant economic contribution to Australian economy, as well as creating jobs and other economic benefits. Walker and Webster (2007) investigated age and gender differences in initial motivations for starting-up a business of business owners of all ages who used West Australian Business Enterprise Center (BCE’s) network in both metropolitan and regional locations. The results indicated that, among others, pursuing the self-employment option is a reactive rather than proactive decision for both older women and men, mainly because of retrenchment and redundancy, lack of job advancement in their previous employment
and the inability to find suitable alternative employment, although women were not as motivated to seek self-employment as older men were. In contrast, younger women pursued self-employment due to the need for flexible work arrangements, as well as the need to balance work and family. In addition, the results also reveal that “a significant motivation for many younger women is still because of the double domestic shift, indicating therefore that some things change but some things stay the same for women” (Walker & Webster, 2007:122).

Thus, many ethnic groups are overrepresented in the entrepreneurial literature both internationally and in Australia. However, little attention has been given to ethnic entrepreneurs from the Middle East, specifically the Arabic-speaking population. Additionally, studies into ethnic entrepreneurship have largely focused on the importance of entrepreneurship for immigrant communities, motivations for starting a business, personal characteristics of small business entrepreneurs and factors which contribute to the success or failure of businesses. The current study goes beyond these aspects to include examining the relationships between personal networks and social support and their impact on small business success. This has received little attention in the academic literature.

2.2.2 The Importance of Small Business

In June 2009, it was estimated that there were 1,961,367 small business operators in Australia, representing approximately 96 per cent of all Australian businesses (2,051,231) (ABS, 2010a). In Victoria, as at June 2009, there were approximately 495,000 small businesses representing around 24 per cent of the national total, and 96 per cent of all businesses in Victoria (Business Victoria, 2010). Small business is thus a very important sector of the Australian economy; it employs around 4,800,000 million as at June 2010, accounting for approximately 48 per cent of private sector employment (10,000,000) people (ABS, 2010a), and creates more jobs than big companies (English, 1995; Hope, 1997; Reynolds, Savage & Williams, 2000). It is estimated that small firms contribute around 31 per cent of Australia’s gross domestic product (GDP) (Department of Innovation, Industry, Science and Research (DIISR), 2011) and are a rich source of new ideas, inventions and innovation (English, 1995; Hope, 1997; Reynolds et al., 2000).

Small businesses provide greater competition, a greater variety of goods and services and in some cases, can better meet the needs of customers, especially in niche markets, than larger companies (Kotey & Meredith, 1997; Strickland, 2008). Further, small businesses contribute to social stability
by providing worthwhile and meaningful employment for immigrants who are uncomfortable with or not suited for employment in larger organizations (Butler & Green, 1999; English, 1995; Reynolds et al., 2000). They can also offer job and personal satisfaction for those who prefer self-employment (Walker & Brown, 2004). Given the importance of small business in the Australian economy and for society well-being, the current study will also identify areas for further research.

2.2.3 Reasons for Immigrants Establishing Small Businesses

A number of studies have investigated why immigrants tend to establish their own businesses than seek employment (Amatucci & Young, 1998; Waldinger et al., 1990; Wickham, 2001). In many cases, immigrants are predisposed towards self-employment; their motivations may be fairly universal: to make money, for survival, independence, self-interest as well as belief that it offers them and their family a better lifestyle (Burns & Harrison, 1996; Collins et al., 1995; Ekanem & Wyer, 2007; Waldinger et al., 1990). Butler and Greene (1999) also stated that, in addition to serving the needs of their community, immigrants start up their own business to avoid “falling to the bottom of the economic ladder”. Waldinger et al. (1990, as cited in Collins et al., 1995) suggest that three factors can also have impact on immigrants pursing the self employment choice. These are: (i) ethnic group characteristics prior to migrating into a new country for settlement such as skills, qualification, language ability, education, previous work-experience and personal networks characteristics; (ii) migration status, which varies across countries, for example humanitarian refugees, family reunion, guest-workers and skilled migrants. Each status may influence the immigrants to enter the world of business, particularly under family reunion and skilled migration categories; and (iii) post-migration characteristics such as economic conditions, for example recession, inflation rate, interest rates, etc., blocked mobility in the labour market, availability of wage-labour jobs, availability of ethnic resources, business opportunity structure for immigrants, etc.

Many immigrants, especially those of non-English Speaking Background (NESB), suffer from the blocked mobility factor in that they are unable to work in the field of their previous occupations due to a lack of recognition of job skills and qualifications gained prior to their emigration or due to lack of occupational opportunities in the labour market (Castles, Alcorso, Mitchell & Morrissey, 1989; Light, 1979a; Light & Rosenstein, 1995; Reynolds et al., 2000; Salaff et al., 2003; Waldinger, 1989; Waxman, 2001). In some cases, immigrants had experienced discrimination and hostility in workplaces (Butler & Greene, 1999; Reynolds et al.,
Some immigrants are reluctant to seek, or cannot gain, employment in larger organizations due to lack of confidence, inappropriate work experience, lack of local knowledge concerning employment opportunities or a poor command of the English language (Amatucci & Young, 1998; Bates, 1999; Kipp, Clyne & Pauwels, 1995; Reynolds et al., 2000). Therefore, immigrants are highly likely to become self-employed rather than work for someone else (Amatucci & Young, 1998). However, the fact that the propensity toward entrepreneurship is higher amongst some immigrant communities has been observed in the literature (e.g. Butler & Greene, 1997; Centre for Enterprise and Economic Development Research (CEEDR), 2000; Johns, Dunlop & Sheehan, 1978; Waldinger et al., 1990).

Furthermore, immigrants can also benefit from informal ethnic resources that provide them with competitive advantage compared to non-immigrants. Ethnic informal social networks factors can allow them access to ethnic resources that help them enter, and possibly survive, the world of business. Such ethnic resources can provide capital for starting a business, information and business advice, reliable employees from within as well as customers and suppliers. Examples include the Chinese, Indians, Japanese, Koreans, Moroccans, Pakistanis and Tunisians in many countries around the world, and the Chinese, Greeks, Italians, Koreans, Lebanese, and Vietnamese in Australia, (Collins et al., 1995; Kim, 1987; Waldinger et al., 1990).

Waldinger et al. (1990, as cited in Collins et al., 1995) also investigate factors that affect business opportunity structures faced by immigrants in their new home that determine the choice of being self-employed or working for others. Such factors are: (i) an ethnic market that is not yet serve, thus providing them with a comparative advantage, which includes both goods producing and/or service providing businesses. Such businesses can provide immigrants the opportunities to connect with their home country, preserve their culture, language, employ people from within, etc. Examples of the ethnic market may be clothes, newspapers, travel agents, jewellery, exotic foods, etc. (Aldrich, Cater, Jones, Mc Evoy & Velleman, 1985; Collins et al., 1995). For example, the Cubans in Miami (Levine, 1985; Mohl, 1986); the Chinese refugees in Paris (Waldinger et al., 1990); the Greek, Hungarians and Italians in Australia (Ostrow, 1987); (ii) an opportunity to enter non-ethnic underserved or neglected markets due to the domination of suburban supermarkets and shopping centres, to the unstable and uncertain nature of the market or as a result of changes in industry rules and regulations. These markets are characterised by low entry cost, the non-requirement of formal skills and low returns (Collins et al., 1995). Such markets also provide opportunities for ethnic products and services (Waldinger
et al., 1990). For example, Asian shopkeepers in the UK, (Ward, Randall, & Krcmar, 1986), immigrant retailers in New York (Waldinger, 1986), Greeks, Italians, Lebanese and Vietnamese in Australia in fruit and vegetable shops, cafes, take-away shops, hot bread shops, milk-bars, bottle shops, seafood restaurants, taxi driving, clothing and the building and construction industry (Collins, 1989a, 1989b; Ostrow, 1987); (iii) an opportunity to own a business in ethnic or non-ethnic market (Waldinger et al., 1990) depending on the number of ethnic or non-ethnic businesses available for ethnic succession (Collins et al., 1995). Examples of ethnic succession include: the Jews as grocery store-keepers and clothing shop-operators in New York, succeeded by the Italians and later the Chinese and other Asians, the Jews in London’s East End in the 1880s, who were later succeeded by Cypriots and Asians (Waldinger, 1986), and the Italian or Greek small businesses in Australia, which were later sold to the Lebanese, Vietnamese, Turkish and Chinese immigrants. This ethnic succession was partially due to the fact that most of the children of these ethnic business owners chose professional jobs instead of moving into their parents’ businesses. Other factors were the business failure rate within the small business sector and government policies on immigration and legal conditions which influence the access to small business ownership (Castles, Collins, Gibson, Tait & Alcorso, 1991; Kim, 1981; Price, 1963, Waldinger et al., 1990).

In addition to the above, the emphasis on the impact of different regimes of governance, regulation and policy on the different experiences of immigrant entrepreneurs in different countries at their different levels of governments shape opportunity structures for immigrant entrepreneurs in different ways (Kloosterman, van der Leun & Rath, 1999; Kloosterman 2000; Kloosterman & Rath, 2001, 2003; Rath, 2002). Such rules and regulations include hours of labour, wages, occupational health and safety, taxation and social contributions of which the survival of immigrants’ businesses depended on governing regimes (Rath, 2002). The three levels are: (i) national, “laws, rules and regulations are important in determining what is marketable or commodified and what is decommodified or provided by ways other than market allocation” (Kloosterman & Rath, 2001:194). For example, national institutions regulate the starting of a business where specific educational qualifications acquired in the host county and in the language of this country are required for an immigrant to start a business (Kloosterman & Rath, 2001). Thus, a lack of specialized skills or specific educational qualification can affect the tendency for immigrant entrepreneurs to open a business; (ii) regional’s/urban’s (new industrial districts) forces-rules, regulations and policies can also shape the market opportunity structure for aspiring immigrant entrepreneurs. That is “within one national institutional framework, cities
and regions can have quite different economic fates [and specific socio-economic make-up] and thus contribute to significant differences with regard to the opportunity structures within one country” (Kloosterman & Rath, 2001:196). Within each city, governments have, to a great extent, freedom “to implement and enforce these national urban measures in ways they see fit…of which some are aimed at boosting the opportunity structure for small-scale entrepreneurs” (Kloosterman & Rath, 2001:197). Examples of such regional regulations are cases where the aspiring immigrant entrepreneurs can start a business with the use of their expertise from their home region in their new region of settlement, as well as cases involving policies related to opening hours; (iii) the neighbourhood level and the spatial patterns of the distribution of specific groups of immigrants. Such patterns can also shape the opportunity structure for immigrant entrepreneurs. That is, the concentration of a specific immigrant community in a particular neighbourhood may captivate markets for inspired immigrant entrepreneurs offering their co-ethnic community specific products or services that are not provided by other business people. Simultaneously, such neighbourhoods may block newcomers from opening a business. In contrast, it may welcome immigrant entrepreneurs to start their businesses and provide them with the opportunity to create a web of social networks crucial for business survival. However, the opening of such businesses is also dependent on the socio-economic status of such co-ethnic communities.

From the above, the complex interaction between the group characteristics of ethnic entrepreneurs-their pre-immigration, their migration status and their post-immigration, the characteristics of the opportunity structure and the three levels of regimes of governance of the country of settlement can be the reasons why immigrants entrepreneurs open their own businesses. They can also have effects on the success of their businesses. In the current study, many of the above mentioned group characteristics and the forces of the opportunity structures were investigated to see their impact on the Middle Eastern immigrant entrepreneurs featured in the study and on the success of their businesses.

2.2.4 Demographic Characteristics of Small Business Owner/Managers

Many studies have been undertaken to try to identify personal characteristics which lead, in general, to small business success. Characteristics such as age, gender, education, prior experience, marital status, ethnicity and role perception, duration of unemployment, competencies, family background, family support and social class have all been considered, and their relationships to
small business success have been investigated (Bailey, 1985; Brush & Hisrich, 1991; Burgoyne, 1989; Caird, 1992; Dennis & Dial, 1996; Dyke, Fischer & Reuber, 1992; Gartner, 1988; Gasse, 1982; Hisrich, 1986; Kimberly & Evanisko, 1981; King & McGrath, 1998; Krueger, 1993; Phizacklea, 1988; Rosa, 1993; Watkins & Watkins, 1984; Wooden, 1988). Peacock (2004) found, for example, that those who started small businesses were more likely to be partnered, in their thirties and have completed some type of post-secondary education. Other research agrees with this picture, but includes the influence of parents who ran their own businesses, and prior work experience (Birley, 1996; Day, 1992). Successful entrepreneurs are also generally described as being hardworking, committed and determined people with a high need for achievement and control (Collins, Hanges & Locke, 2004; Peacock, 2004; Walker & Webster, 2007). Based on McClelland’s classic conceptions of basic needs (McClelland, 1965, 1975; McClelland & Winter, 1969), need for achievement is “the drive to excel, to achieve in relation to a set of standards and to strive to succeed” (Robbins, Bergman, Stagg & Coulter, 2009: 603). Several researchers (Begly & Boyd, 1987; Carsrud & Olm, 1986) found that high achievement motives have been associated with some aspects of venture performance. Jenssen and Greve (2002:262) believe that, to start a business, a person must be “an active entrepreneur who is able to implement his or her ideas”.

It is important to evaluate whether the personal characteristics identified by researchers have the same impact on the survival of small businesses established by immigrants. Such investigations have shown mixed results. Several studies have concluded that the experiences of, and influences upon, small business owners from diverse cultures can vary, despite many similarities (Ahmad & Seet, 2009; Lee & Osteryoung, 2001; Lin, 1998; Luk, 1996; Puryear et al., 2008; Rose, Kumar & Yen, 2006; Yusuf, 1995). However, some researchers have concluded that many values and characteristics are common to entrepreneurs regardless of cultural background (Galbraith et al., 1997; Mitchell, Smith, Seawright & Morse, 2000; Morris & Schindehutte, 2005), while Morris and Schindehutte (2005) further conjectured that it may be geographical and political factors which encourage the development of entrepreneurial qualities in some immigrants. Therefore, using both quantitative and qualitative data in the current study, several personal characteristics were investigated to gain further understanding of the factors that influence small business success among Middle Eastern communities in Victoria.
2.3 PERSONAL NETWORKS

Most people have personal contact with many other people, whether frequently or occasionally, and the connections with these people can be strong or weak, formal or informal (Barnes, 1972; Burt, 1986; Mitchelle, 1969; Pool & Kochen, 1978). Based on Herbert A. Simon’s notion of “bounded rationality” (Simon, 1957, as cited in Daft, 1997:284), that is, the ability of an individual to process and store only a limited amount of information (Daft, 1997; Robbins, et al., 2009), no one person possesses all the available knowledge necessary to make informed choices and decisions about every aspect of their life. Personal networks can help expand the boundaries of rationality by creating different webs of relationships and extending the amount of information and assistance necessary to carry on daily operations, as well as identify promising opportunities to grow (Singh, Hills, Hybels & Lumpkin, 1999; Stuart & Sorenson, 2005). A personal network can be defined as those people or groups with whom an individual (an entrepreneur) has a connection and is most likely to turn to when in need of help or advice (Dubini & Aldrich, 1991; Smith-Doerr & Powell, 2005; Thorelli, 1986; Waloszek, 2002).

A common approach in the examination of networks is to classify them as consisting of formal or informal relationships, and strong or weak ties (Barnes, 1972; Granovetter, 1973; Krackhardt, 1992; Mitchelle, 1969). Informal relationships are those with families, friends and acquaintances which involve personal contact (Das & Teng, 1997), while formal relationships are more structured associations between people or groups formed for a particular, usually professional, purpose. These include associations with banks, accountants, lawyers, or other groups such as trade associations (Das & Teng, 1997; Froland, Pancoast, Chapman & Kimboko, 1981; Sawyerr & McGee, 1999). Where contact occurs often and over a longer period of time it is more varied in type and is more likely to be cooperative or supportive, such a connection would be described as a strong tie. That is, relations entrepreneurs can “count on” (Dubini & Aldrich, 1991:307). Where contact is outside a person’s close network, infrequent, similar in nature each time, utilised primarily for information, and not necessarily implying commitment, such a connection would be described as a weak tie (Adelman & Ahuvia, 1995; Baker, 1994; Goza & DeMaris, 2003; Granovetter, 1973; House, 1981; Waloszek, 2002). That is, relations which “are superficial or casual, and people typically have little emotional investment in them” (Dubini & Aldrich, 1991:307).
A critical aspect of running a successful small business is the ability of the founder to develop appropriate personal and professional networks in order to obtain various necessary resources for the business (Aldrich & Zimmer, 1986; Camaghi, 1991; Tjosvold & Weicher, 1993; Zimmerer & Scarborough, 1996). Business networking involves the development and maintenance of relationships between organizations and their stakeholders which create and support competitive advantage (Baker, 1994; Cole, 2001; Day, 1991; Stone, 2008; Wickham, 2001). This process includes building relationships with team members, peers, employees, suppliers, investors, customers, competitors, communities, service and social clubs, industry groups and special interest groups. The development of trust through social interaction is a key aspect of building and maintaining beneficial network connections for small business owners (Dubini & Aldrich, 1991; Larson, 1991; Morrissey & Pittaway, 2006; Silversides, 2000). Both formal (e.g. banks, accountants, solicitors) and informal (e.g. family, friends, business partners) connections have the capacity to introduce entrepreneurs to new ideas and relationships and, in so doing, lead them to resources and opportunities which may contribute to the growth and survival of their businesses (Day, 1992; Perry & Goldfinch, 1996; Premaratne, 2001). While most studies focus on external networking, internal networking (i.e. with employees) is also an important source of knowledge and support for small business owners, particularly in uncertain or difficult times (Sawyerr, McGee & Peterson, 2003; Widding, 2005).

Granovetter’s (1973) assertion that it is likely weak ties will offer more unique information than strong ties has been widely accepted and demonstrated in the literature (Burt, 1997; Jenssen & Greve, 2002; McEvily & Zaheer, 1999; Singh et al., 1999; Smith-Doerr and Powell, 2005; Wilson, 1998). Related to this theory is the concept of network density. Where a person has a very dense network (i.e. members are all strongly linked to each other) information acquired by one member is likely to be known by all. Therefore, it is valuable to have a wider network (preferably including people who themselves have wide networks) in order to increase the capacity to gather new information (Dubini & Aldrich, 1991; Granovetter, 1973; Greve, 1995). On the other hand, strong ties, especially family, tend to provide greater material and emotional support, and are therefore often vital to the success of a business (Bruderl & Preisendorfer, 1998; Chaudry & Crick, 2003; Collins, 2000; Wilson, 1998). Hence, both strong and weak ties are important in business networks for the different resources they provide (Greve, 1995; Smith-Doerr & Powell, 2005). However, undue dependence on family for informational support can have a negative effect on businesses (Greve & Salaff, 2003; Renzulli & Aldrich, 2005). More recent researchers have also differentiated between “homogeneous” (similar in nature) and “heterogeneous” (diverse) networks, contending
that the latter provide access to a wider range of information and resources, even if the network is fairly dense. Further, some argue that even a large number of family members in the close network can provide diversity in types of support, as long as there is “occupational heterogeneity”, that is, the owner/managers’ immediate family members hold different occupations (Ostgaard & Birley, 1996; Renzulli & Aldrich, 2005).

In their research, Greening and Barringes (1999) argued that the development of network channels with stakeholders assisted entrepreneurs in founding businesses, establishing and maintaining legitimacy, and promoting a positive image in the wider community, as well as contributing to the survival of the business. Reynolds et al. (2000) found that there was a strong preference for hiring employees with the same ethnic background, shared values, beliefs and language which improved the small business founder’s personal networks and social support and, in turn, led to business success. Much research has acknowledged a positive relationship between new business survival and personal network activity (Aldrich, Rosen & Woodward, 1987; Bruderl & Preisendorfer, 1998; Hills, Lumpkin & Singh, 1997). Galbraith et al. (1997) and Mugler (1988, as cited in Sawyerr & McGee, 1999) proposed that where businesses survived beyond the start-up phase, entrepreneurs were often more active in social relations than their unsuccessful counterparts. Similarly, Hills et al. (1997) found that entrepreneurs who used network sources learned more of entrepreneurial opportunities for their ventures. Baron and Markman (2000) deemed personal contacts, that is, face-to-face interactions, to be significantly and positively related to entrepreneurs’ financial success. Weinstein (1999) also found that networks provided business owners with ideas and financial resources which facilitated the creation of new business and acted as a conduit through which norms of the network were incorporated into the strategies of the firm and its daily operations. Some studies have concluded that the positive impact of personal networks is predominantly at the start-up phase of a new business (Rose et al., 2006; Sawyerr & McGee, 1999). On the other hand, Johannisson’s study (1996) showed no direct relationships between business performance and personal network activity. Likewise, Ostgaard and Birley (1996) failed to show significant relationships between growth and personal networks among their sample of English businesses. The current study attempted to clarify the relationships between business performance and the sample’s personal networks.

A number of studies, particularly those involving minority entrepreneurs or set in small towns, have found that many small business owners tend to express dissatisfaction with formal structures for networking and information, such as banks or government agencies, and some actually prefer
more informal interactions such as business clubs or associations (Atterton, 2007; Fadahunsi et al., 2000; Ram et al., 1999). De Faoite, Henry, Johnston and van der Sijde (2004) suggest that one of the reasons for this is that formalised programs do not take into account influential factors such as culture, education and background. d’Abbs (1982) theorised that dislike of formal support providers could be due to their institutionalised and impersonal nature but that they could, perhaps, improve their support structures with a greater understanding of the appeal of informal networks.

Greve (1995) and Greve and Salaff (2003) examined the different phases involved in small business, usually motivation, planning, and establishment (or takeover of an existing business), and concluded that different networks may be drawn upon, sometimes for different resources, depending upon the phase. Others have emphasised the importance of small business owners taking the time to evaluate their networks in order to determine which of their connections contributes the most value to their business; these are the relationships which should be the focus of attention (Baker, 1994; Beekman & Robinson, 2004; Sandberg & Logan, 1997; Zolkiewski & Turnbull, 2002). However, only a few of these previous studies have examined the impact of personal networks on business success. Thus, a better understanding of the impact of personal networks on small business success is required. Therefore, the current study investigated whether there were significant differences between those ethnic entrepreneurs who were highly involved in ethnic community activities and those who were less involved. That is, the current study examined the business linkages with the ethnic communities in order to detect whether entrepreneurs would operate successfully depended on their level of community involvement.

A network, therefore, is a pattern of relationships between individuals, groups and organizations (Baker, 1994; Dubini & Aldrich, 1991; Wickham, 2001), and is shaped by the culture in which it is formed (Wickham 2001). The current study aims to clarify the relationship between network activity and small business success among Middle Eastern businesses. Based on data gathered using quantitative and qualitative methods, this may provide a better understanding of how these entrepreneurial networks are developed and their relationship to small business success for this particular group.

2.4 SOCIAL SUPPORT

According to Luthans, Wahl and Steinhaus (1992) and Vaux (1992), social support is both extremely broad and complicated in scope; similarly, Rodriguez and Cohen (1998) allude to the
wide range of definitions and measurements of social support in the literature. Generally, social support refers to a dynamic process involving both verbal and non-verbal transactions between individuals and those within their social networks (usually with an emphasis on family and close friends) for the purpose of meeting demands, achieving goals or coping with stress (Albrecht & Adelman, 1987; Maguire, 1991; Pierce, Sarason & Sarason 1990; Rodriguez & Cohen, 1998; Vaux, 1992). Albrecht and Adelman (1987:19) further stressed that social support “reduces uncertainty about the situation, the self, the other, or the relationship, and functions to enhance a perception of personal control in one’s life experience.”

Social support is often classified by researchers into four types, namely appraisal, emotional, informational and instrumental (Cutrona & Russell, 1990; Dunkel-Schetter & Skokan, 1990; House, 1981; Noller, Feeney & Peterson, 2001). These types hereafter would be referred to as appraisal (Appr), emotional (Emo), informational (Info) and instrumental (Inst) social support. For the entrepreneurs, Appr support consists of subjective evaluative beliefs, assessment, feedback on their daily operations, ideas or behaviour and the effects these have on their businesses (Vaux, 1987, 1988). Emo support is provided by a relationship characterised by understanding, safety and listening, where small business entrepreneurs can express their feelings, liking or concern, discuss their experiences, frustrations or stresses knowing that they will be listed to and receive a sympathetic and understanding response (Lehmann & Coady, 2001; Whittaker & Garbarino, 1983). Info support refers to advice, suggestions, directives, knowledge, skills or relevant data to help the entrepreneurs improve their ability to make decisions regarding the business and helpful changes in their lives (Kahn, 1994; Rothery, 2001). Inst support is direct, pragmatic and tangible assistance with daily business or family issues, such as providing financial aid, helping in the business in busy times, assisting the family in times of trouble time or other resources supplied to help a person cope with the demands made on them (La Gaipa, 1981; Lehmann & Coady, 2001; Whittaker & Garbarino, 1983).

These types of social support are simply a useful instrument that allows the researcher to conceptualise social support in a differentiated way (Cameron & Rothery, 1985; Rothery, 1999). However, other constructs of social support do tend to overlap with these four categories, for example: emotional, esteem and social support (Cobb, 1976); emotional, informational, instrumental and social companionship support (Cohen & Wills, 1985); emotional, cognitive and materials support (Jacobson, 1986); helpful, supportive and sensitive support (Goldsmith, McDermott & Alexander, 2000).
Despite the differences in description, there is widespread agreement on the benefits of social support for physical and psychological health and wellbeing (Cobb, 1976; d’Abbs, 1982; House, 1981; Richman, Rosenfeld & Bowen, 1998; Rodriguez & Cohen, 1998; Wellman, 1981). In their 1985 paper, Cohen and Wills discussed two models of support examined in much of the previous literature: the “buffering” model, which proposes that social support protects a person from a stressful occurrence by providing a “buffer”, and the “main effect” model, where social support is seen to enhance a person’s well-being in general. They concluded that there is room for both models in understanding the effects of social support on stress and health. A number of studies have highlighted that the perception that help and support is available if needed can, in itself, have a positive impact or buffering effect on a person’s reaction to stress or illness (Chay, 1993; Cohen, 1992; Hopkins, 1998; Lincoln, 2000).

In examining the impact of social support, there are other variables to be considered. An individual is not a mere vessel into which types and amounts of support can be poured, rather he or she actively interprets, pursues and chooses (d’Abbs, 1982). The way a person lives, the nature of their relationships, and their personality all contribute to their perception of support, to the support they are able to draw from or give to others and to the type of support which is most beneficial for them (Chay, 1993; LaRocco, House & French, 1980; Rodriguez, 2000). The level of an individual’s social involvement and number of social roles have been shown to have an effect on both physical and mental health, as well as contributing to the network of people from whom they receive support (Brisette, Cohen & Seeman, 2000; Cohen & Wills, 1985; Krause, 2002; Rodriguez & Cohen, 1998). Galbraith et al. (1997) found that the more successful entrepreneurs in the Hispanic community they studied tended to be leaders in the community with a high involvement in the local church.

Another factor which has been found to affect social support is the nature of the sources of stress and support. According to Goldsmith et al. (2000:372), “there are multiple types of support…and some types of responses may be more effective than others in a given instance”. What will be effective can depend on the nature of the stress, the nature of the stressed person and the relationship between this person and the one who offers them support (Goldsmith et al., 2000; Jacobson, 1986). Different studies into occupational stress have also concluded that, not only does support decrease stress, but that the effect tends to be more significant when the supporter shares the same context as the stress i.e. that the most effective support for work related stress would
likely come from a work colleague, and for family stress from a family member (Etzion, 1984; Hopkins, 1998; LaRocco et al., 1980; Parasuraman, Greenhaus & Granrose, 1992).

Informal close networks are generally seen as able to provide stronger emotional support and tangible assistance; however, extended networks are sometimes required in order to access information, help or resources which one’s closer friends or family are unable to provide (Collins, 2000; d’Abbs, 1982; Storer, Faulkner & McCaughey, 1983). While lower density networks and multi-dimensional relationships can be shown to lead to better support and therefore health outcomes (Hirsch, 1980; Langford, Bowsher, Maloney & Lillis, 1997), many people tend to consider their family as their primary source of support, even indicating a belief that providing support is the responsibility of the family first and foremost (d’Abbs, 1991; Garbarino, 1983; Storer et al., 1983). In their review of 81 papers examining the link between social support and positive health outcomes, Uchino, Cacioppo and Kiecolt-Glaser (1996) confirmed that family support was an important factor, and Cohen and Wills (1985) surmised that strong, long lasting relationships, such as marriage, would supply various types of support, hence their positive effects. While this may explain why some people turn primarily to those with whom they have the closest kin relationships, d’Abbs (1991) observed that a reluctance to utilise other sources of support, or the unavailability of such sources, could equally lead to a reliance on close family.

Rodriguez (2000) evaluated the four dimensions of social support, namely Appr, Emo, Info and Inst, and their moderating effects on entrepreneurial performance outcomes. She concluded that two of these dimensions, namely Appr and Emo social support, significantly moderated the relationship between psychological hardness, namely commitment and challenge, and performance outcomes. However, Jenssen and Greve (2002:263) found information and financial resources to be the most important aspects and that a “too supportive network seems to be counterproductive”. Bonacich and Modell (1980) and Greene and Butler (1996) cited both economic and social support from the community as needed for the small business to survive (see also Premaratne, 2001; Salaff et al., 2003). Support from family and close friends is also highly utilised by entrepreneurs and is, in fact, often the preferred source of help and advice, particularly for ethnic entrepreneurs (Allen, 2000; Chaudry & Crick, 2003; Collins, 2000; Renzulli & Aldrich, 2005; Walker & Webster, 2007). Thus, the current study examined how social support facilitates the process of running independent enterprises among Middle Eastern communities in Victoria.
In this study, quantitative and qualitative methods were used to measure social support through a questionnaire and interviews with participants. These methods provided important information regarding how ethnic entrepreneurs run their own businesses. Ethnographic insights into the norms guiding the multiple business relations of the small business owners were also gained.

2.5 THE RELATIONSHIP BETWEEN PERSONAL NETWORKS AND SOCIAL SUPPORT

Past research on the structure of supportive relationships has relied heavily on the concept of networks (Barnes, 1972; Fischer et al., 1977; Harary, 1969; Wellman, 1981). The support that individuals receive as a result of their personal network is characterized by most studies of social support (Kahn, 1994). The aim of this study is to illustrate the dynamic relationships between personal networks and social support, and how they impact on venture success. Specifically, how different types of personal networks may affect the different dimensions of social support and vice versa. Personal networks may provide the necessary social support to enhance small business entrepreneurs’ daily business operations in a way which contributes to small business success (Oh et al., 2006; Staber & Aldrich, 1995). Equally, social support may contribute to establishing, maintaining and strengthening different types of relationships which lead to small business success (Birley, 1996; Greve & Salaff, 2003). The validation that personal networks can play a vital role in providing social support which enhances business success has important implications for Middle Eastern entrepreneurs and for others wishing to assist them in their effort to start new ventures.

Personal network connections can range from lifelong relationships to very short lived contacts, with lots of variations between the two extremes (Baker, 1994). Dubini and Aldrich (1991: 307) state that “a personal network consists of all those persons with whom an entrepreneur has direct relations (or, for some purposes, indirect relations via direct relations)”’. This study focuses on particular relationships within personal networks to describe the four types of affiliations within personal networks; that is, strong and weak ties (Granovetter, 1973; Wilson, 1998), and formal and informal relationships (Birley, 1985; Das & Teng, 1997; Johannisson, 1987). Thus, this study examined in detail how the small business owner/managers’ personal networks, both informal/strong ties and formal/weak ties provided and/or received the four types of social support discussed in 2.4.
Not all networking results in satisfactory outcomes, whether in the personal realm (Wellman, 1981) or for business purposes. Ram et al. (1999) found that, while ethnic networking was beneficial in shared understanding, it could also cause insularity, and exclude others from joining the network. Atterton (2007) found a similar resistance to outsiders or outside information in her study on small rural businesses, when business networks were too close and too small. These findings were repeated for small networks consisting largely of family members (Greve & Salaff, 2003). Close community networks can provide personal and business support, but the reverse side of this is that unscrupulous suppliers or grasping customers can take advantage of entrepreneurs’ trust, for their own gain and to the detriment of the business (Staber & Aldrich, 1995; Zolkiewski & Turnbull, 2002). Brokering between previously un introduced members of one’s own network can result in business advantage to these others rather than enhancing the network of the owner (Oh et al., 2006).

In addition, although personal networks may have a positive or negative impact, the study of personal networks should assist in examining how and why people affect each other through various types of personal exchanges, that is, giving and receiving resources from each other. Therefore, this study will consider the ways in which small business owners provide social support to those in their networks. While the mutual nature of social support is often stressed in the literature (d’Abbs, 1982; Parasuraman et al., 1992), Hopkins (1998) furthered conjectured that effective social support provides benefits to the one who gives the support as well as the one who receives it.

Some studies have described the benefits to employees of a supportive work environment (Etzion, 1984; Hopkins, 1998). Other studies have shown that, not only do employees benefit from such an environment, but so do their employers and other colleagues; where people experience a high level of social support in their workplace, they tend to be less stressed, are more highly satisfied with their job, more highly committed to their employer and also more likely to themselves offer support, thereby creating a positive work atmosphere (Luthans et al., 1992; Savery, 1987; Stephens & Sommer, 1995). Adelman and Ahuvia (1995) found that social support provided to customers (in this study an introduction service) can increase the likelihood of the customer recommending the business. Building good relationships with customers and making the effort to fulfil their needs through positive interactions can increase customer loyalty, lead to the identification of opportunities for new products and encourage word-of-mouth advertising (Chaudry & Crick, 2003; Khalifa, 2004). Small business owners who ‘do the right thing’ by their suppliers, creditors and
advisors can find that these people reciprocate when the need arises (Day, 1991; Morrissey & Pittaway, 2006). Galbraith et al. (1997) saw a link between community leadership roles and business success.

Research into social support usually describes positive effects such as help, guidance, knowledge, understanding and caring provided by family, friends, neighbours or others (Kahn, 1994; Lehmann & Coady, 2001; Maguire, 1991; Zimmer & Aldrich, 1987). Shumaker and Brownell (1984) also listed several benefits of providing support: the satisfaction of helping another, the compliment of trust, the strengthening of the relationship, the experience gained and the probability of return. On the other hand, they note that offering support can negatively affect the provider in terms of stress, time spent, financial cost or emotional strain. Other researchers have also emphasised the fact that not all social interactions provide support, and not all support is effective (Lincoln, 2000; Parasuraman et al., 1992; Wellman, 1981). Rook and Pietromonaco (1987) observed that, while positive interactions provide support, companionship and social control, some attempts at support may be unwanted, unhelpful or unpleasant, and that these interactions have the potential to do tremendous harm (see also Lincoln, 2000).

d’Abbs (1982) recommends taking into consideration reciprocity in social support when studying sources and types of support, particularly informal support. That is, the receiving and giving of four types of social support. Therefore, the current study is investigating reciprocity not only in relation to informal (strong ties) support, but also formal (weak ties) support. Specifically, (a) whether strong ties facilitate or discourage the giving or receiving of social support; (b) whether weak ties foster or inhibit the giving or receiving of social support; (c) whether formal networks facilitate or impede the giving and receiving of social support; and (d) whether informal networks facilitate or inhibit the giving and receiving of social support.

2.6 SMALL BUSINESS SUCCESS

Success measures are required to evaluate any organizational performance (Francis, 1990). Success for small business, in general, has been measured by conventional accounting and budgetary measurements to indicate business growth such as market share, return of sale, return on investment, net cash flow and profitability, sales growth and percent of repeat sales (Capon, Farley and Hoenig, 1990; Hoy, McDougall & Dsouza, 1992; Neiswander & Fulton, 1989; Olson & Bokor, 1995; Venkatraman & Ramanujam, 1986). Other measures of business performance such
as the importance of building a positive company status and reputation (Goldberg, Cohen & Fiegenbaum; 2003; Hambrick, 1983), survival, employment size, or goal achievement (Bruderl & Preisendorfer, 1998; Butler & Greene, 1997) are also used.

On the other hand, it is also important to realize the significance of non-financial measures of success, especially considering that many of the reasons people start a small business can be personal and non-fiscal (Walker & Webster, 2007). In addition, utilizing non-financial measures of small business success has been found to have high validity and reliability (Dess & Robinson, 1984; Gupta & Govindarajan, 1984). Several studies have emphasized personal satisfaction, independence, freedom, lifestyle or the prospect of enjoying the rewards from past performance as indicators of success (Chaganti & Chaganti, 1983; Ibrahim & Goodwin, 1986; MacMillan, Siegel & Narasimha, 1985; Paige & Littrell, 2002; Petrin, 1994; Walker & Brown, 2004; Wijewardena & Tibbits, 1999). However, in their study into Australian and Malaysian small business owners, Ahmad and Seet (2009) were unable to find that both financial and non-financial success indicators could be interpreted differently across cultures.

Other studies have concluded that access and availability of finances and government support are critical success factors as perceived by small business owner/managers (Busch, 1989; Gosh, Kim & Meng, 1993; Hess, 1987). Others have investigated marketing factors (such as finding a market niche, advertising, sales promotion and information from the external environment to identify important business opportunities), good quality of customer service and satisfaction, as well as personal qualities such as educational level and training of the small business owner/managers, and prior experience in the field as essential elements for business success (Attahir, 1995; Herbert, 1997; Johnson & Kuehn, 1987; Simpson, Tuck & Bellamy, 2004; Trulsson, 2002).

Filion, Brenner, Menzies & Ramangalahy (2001) considered factors such as gender and the role of trading connections with the country of origin, while several researchers (Coyne & Binks, 1983; Rokeach, 1973; Silver, 1988; Tait et al., 1989; Werbner, 1990; Williams, 1991) stressed the individual’s motivation, commitment and hard work, the personality traits of the individuals and the ‘entrepreneurial spirit’ as success ingredients.

In fact, while the impact of external factors such as location, strategy and industry cannot be discounted (Davidsson, Kirchhoff, Hatemi & Gustavsson, 2002; Hand, Dunkleberg & Sineath, 1979; Stearns, Carter, Reynolds & Williams, 1995) most studies into the success or failure of small
business ventures have concluded that business survival depends on careful planning, start-up and running (Reynolds et al., 2000). Competencies in management functions and operations, including technical and financial skills, are vital for the small business owner (Ekanem & Wyer, 2007; Haber & Reichel, 2005; Johns, Dunlop & Sheehan, 1978; Yusuf, 1995). Further, high social competence is seen as significant, including good communication skills, responsiveness and emotional intelligence (i.e. the ability to read, understand and respond to oneself as well as others), as well as the ability to persuade and to be assertive when necessary (Baron & Brush, 1999; Inman, 1978; Markman & Baron, 1998; Oh et al., 2006). Possession of these skills would no doubt contribute to an entrepreneur’s ability to build and maintain the strong social and business networks, including mutually beneficial relationships with suppliers, customers, and advisors, which contribute to the success of an enterprise (Beekman & Robinson, 2004; Day, 1992; Larson, 1991; Sherman, 2006). In particular, several researchers have highlighted the importance of outside advisors as a source of advice and information, including an emphasis that a good accountant is crucial for the small business owner (Burns & Harrison, 1996; Day, 1992; Jarillo, 1989; Jenssen & Greve, 2002; O’Neill & Duker, 1986). Amatucci & Young (1998) explored the critical success factors for immigrant entrepreneurs including Italians, Asians, Indians, Dominicans, Cambodians and Russians. They suggested that the importance of social networks, serendipity and perseverance were the critical success factors.

According to Wickham (2001:125), “success is achieved if the organization uses its performance to meet, or better to exceed, the financial, social and personal growth expectations of the people who have an interest in it.” Drucker (1967) contends that organizational performance is measured in terms of both effectiveness and efficiency. Business effectiveness is setting goals and priorities and focusing on working towards them, i.e. goal achievement, while business efficiency involves minimizing inputs and costs i.e. reducing waste in terms of capital, time, information and technology (Bartol, Martin, Tein, & Matthews, 1995; Robbins et al., 2009).

Although there are no universally accepted criteria for measuring success (Brush & Vanderwerf, 1992; Chandler & Jansen, 1992; Kunkel & Hofer, 1991; Murphy, Trailer & Hill, 1996; Wickham, 2001), Helms and Renfrow (1994) recommend three quantitative criteria deemed suitable for measuring business success. Thus, in the current study annual net profit (or net income), despite being shown to be an unreliable measure of business success when considered alone (Gome, 1994; Schuman & Seeger, 1986), was used as one among two other indicators of success. Survival in business (or length of time in business), and growth in number of employees were the other two
criteria considered for measuring small business success (Helms & Renfrow, 1994; Liedholm, 2001).

Researchers who suggest that, as the motivations of the small business owner are personal and varied so too will be their evaluations of “success” (Haber & Reichel, 2005; Luk, 1996; Walker & Brown, 2004). In line with the literature, the importance of non-financial measures of success is also emphasised. In the current study therefore, participants were asked to indicate how successful they perceive their business to have been. Respondents were given the choice of providing reasons for their ratings. What indicated that they were successful in their businesses was another question given to gauge the success of respondents’ businesses.

It is noteworthy that the business histories of owner/managers which the researcher obtained through interviews included the most crucial reasons for their business success and the most critical barriers to success in small business. This provided another perspective on factors which affect business performance.

2.7 SUMMARY

This chapter covered relevant literature on characteristics of personal networks, social support and small business success in addition to the characteristics of small business owner/managers and their ventures. Given the dynamic nature of small business and its owner/managers, this review of the literature drew on research and studies in the fields of business, communication, cultural and ethnic studies, health, human anthropology, management, organizational behaviour, religion, psychology, social psychology and entrepreneurship.

In the current study, in addition to data that were gathered about respondents’ personal and professional characteristics and on characteristics of respondents’ businesses, the main focus was on respondents’ personal networks sources and social support dimensions as well as business success variables. The relationships among the independent variables, the background variables and the dependent variable were investigated and examined.
CHAPTER 3

RESEARCH DESIGN, METHODS AND INSTRUMENTATION

The internet where I email a power-point presentation of the onsite service to prospective organizations; a possible website and videos which use the state-of-the-art technology, the yellow pages, the telephone, i.e. phone calls to real estate agents and door knocking. Many of these advertising techniques are carried out through a word-of-mouth method, which has proved to be the most effective medium for the business (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

3.1 INTRODUCTION

This chapter outlines the research design of the study based on the collection of quantitative and qualitative data; the research procedures used to obtain the required data; the instrumentation used in the study and the methods of data analysis.

3.2 RESEARCH DESIGN

3.2.1 Nature of the Study

The study was both descriptive and exploratory in nature. Descriptive research was undertaken to describe the characteristics of the variables of interest in a situation (Babbie, 2005) to answer the research question stated in 1.2. Thus, the current study was descriptive in terms of describing the characteristics of the sample, both in personal and professional terms, and examining the characteristics of owner/managers’ ventures as well as their perceptions of small business success within Middle Eastern communities in Victoria.

The current study was exploratory in that it sought to clarify and explain how and why there is a relationship among two or more aspects of a phenomenon (Babbie, 2005; Kumar, 1996), and to develop concepts and hypotheses through theory building, learn something new about a situation under study and develop questions for further research (Cooper & Emory, 1995; Sekaran, 2003). That is, exploratory in terms of providing greater insight into the relationship between personal networks and social support and the extent to which the two variables influence small business success among members of Middle Eastern communities in Victoria, as well as providing a better
understanding of the relationship between selected background variables and business success variables of the current study.

3.2.2 Incorporating a Generative Strategy

Informal research was conducted before commencing the current study. The researcher interviewed family, friends, relatives and others from her own community and other communities who owned and managed small businesses located in Melbourne’s metropolitan areas. The purpose was to generate patterns and themes to supplement the review of current literature. Such inside knowledge was invaluable in increasing the richness of the research and in the accuracy of data preparation (Cooper & Schindler, 2006). In addition, the researcher attended a number of workshops and seminars in the areas of small business and entrepreneurship and cultural diversity conducted by RMIT Business and School of International Studies and Community Services respectively at RMIT University (City campus). These sessions assisted in the development of the pilot and main interview schedules, and afterwards, the pilot and the main questionnaires.

3.2.3 Quantitative versus Qualitative Research

Both quantitative and qualitative data were gathered to address the research objectives stated in 1.3. There has been a considerable debate over which research method is most appropriate or scientific for different types of research (Ayer, 1969; Garman, 1996; Huber, 1995; Hughes, 1994; Light, 1979b; Marshall & Rossman, 1989; Mishler, 1986; Parahoo, 1997; Philips, 1990; Reichardt & Rallis, 1994a; Richardson, 2003; Silverman, 1997; Snow & Morrill, 1995; Weiss, 1968). Because of its concrete nature, quantitative research is often described as being objective since no alterations or adjustments are allowed once the research has commenced; in contrast, qualitative research is characterized as too subjective and prone to human error and bias at both data collection and data analysis stages due to its flexible nature (Cooper & Schindler, 2006; Creswell, 1998). The purpose of quantitative research is to explain, predict and validate relationships with the possibility of developing generalization of findings. On the other hand, the purpose of qualitative research is to provide a detailed and deep description, explanation and understanding of persons, events and complex situations that can be generalized to other persons (Brewer, 2001; Coll & Chapman, 2000; Flick, 1998; Glasser & Strauss, 1967; Neuman, 1997; Travers, 2001).
Quantitative research is defined as “the precise count of some behaviors, knowledge, opinion or attitude” (Cooper & Schindler, 2006:716), whereas qualitative research is defined as an “array of interpretive techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency, of certain…phenomena” (Van Maanen, 1979:520). More precisely, quantitative research involves questions related to what, how much, how often, how many, when, where and who to measure respondents’ knowledge, attitudes and perceptions (Buglear, 2005; Laws, Harper & Marcus, 2003). In contrast, qualitative research involves questions related to why and how things happen in a detailed interpretation (Bouma & Ling, 2004; Denzin & Lincoln, 2003). From the above discussion it seems that the main difference between the two types of research is the method by which social reality is studied.

Despite the conflicting views on how social reality should be studied, Hultgren (1993:33) suggests that, “we need a multiplicity of voices and discourses in research”. This is supported by Salomon (1991, as cited in Garrison & Shale, 1994:25) who argues that “no single paradigm provides a fully satisfactory understanding all on its own”. Increasingly, researchers are utilizing more methods of research to study the ever-changing and complex social and cultural practices in order to better understand how people construct their lives (Denzin & Lincoln, 2003). Therefore, quantitative research in the current study was used to test the nature of the variables for the study, i.e. personal, professional, the small business, personal networks, social support and small business success, as well as the relationships among these variables; whereas qualitative research was utilized to validate and triangulate the quantitative findings through qualitative data and to build theories of the three variables under study (Cooper & Schindler, 2006; Leedy & Ormrod, 2005). Thus, distinctions between quantitative and qualitative research and methodologies used in the current study were made in relation to the sample design, data collection processes and procedures and data analysis techniques.

3.2.4 Triangulation and Objectivity

Since both quantitative and qualitative research methods have particular weaknesses or limitations, using multiple and complementary methods in studying the same phenomena compensates for the weaknesses or biases of each research method (Babbie, 2004; Bradley, 1995; Denzin, 1997; Jick, 1979). The use of a combination of methodologies provides breadth to the analysis of data as well as an in-depth understanding and a detailed description of complex situations, and sees the world as
a scuba diver might (Datta, 1994; Ghauri & Grønhaug, 2002; Patton, 1990). According to Patton (2002:193), when the quantitative method has shown significant patterns of responses,

“It is often helpful to fill out the meaning of those patterns through in-depth study using qualitative method. The quantitative data identify areas of focus; the qualitative data give substance to those areas of focus”

Denzin (1997:318) refers to “the application and combination of several research methodologies in the study of the same phenomenon as triangulation”. It is believed that triangulation allows a wider and clearer picture to emerge than relying on a single research method (Denzin, 1989). It can improve validity (Hammersley & Atkinson, 1993; Woolgar, 1988) and verify the quality of the research (Flick, 1998). In the current study the integration of both strategies was used in testing the same findings in order to improve the study design which in turn achieved the study objectives stated in 1.2.1.

3.2.5 Methodological Triangulation

Many researchers suggested that the use of multiple research strategies enhances describing in detail what is happening in the respondents’ real world, explains how their reality works and assists in the development of building and constructing concepts and theory through investigation of the relationships among categories and emerged themes and patterns (Berg, 1995; Jackson, 1995; Tesch, 1990). Leedy and Ormrod (2005:94) paint a verbal picture to describe the use of multiple research methods. They stated that:

“No single highway leads us exclusively towards a better understanding of the unknown. Many highways can take us in that direction. They may traverse different terrain, but they all converge on the same destination: the enhancement of human knowledge”.

Hence, the researcher of the current study used some form of “methodological triangulation” (Denzin, 1997:319). That is, the researcher combined quantitative and qualitative research methods “to corroborate each other” (Mason, 1996:25), to support the validity and reliability of the study findings and to look for the convergence of results (Lancaster, 2005; Rank, 1994; Silverman, 2001, 2000). Further, Denzin also stated that “interpretations that are built upon triangulation are certain to be stronger than those that rest on more constricted framework of a single method” (Denzin, 1997:319).
Among other types of triangulation, Denzin (1997) and Jick (1979) list within-method triangulation and between-method triangulation that were incorporated in the current study to investigate the same units. Quantitative research in the form of a questionnaire with closed and open-ended questions and qualitative research in the form of individual face-to-face in-depth and semi-structured interviews to examine the same situation and phenomenon were used to verify research validity and reliability. Using open-ended responses in the questionnaire (a total of six were used in the current study) would involve utilizing within-method strategy of methodological triangulation, and utilizing more than two methods of research is referred to as multiple triangulations (Fielding & Fielding, 1986).

Therefore, in the current study, the decision was made to conduct qualitative research first to learn about small business reality world, its owner/manager and situations under investigation in order to pave the way for using quantitative research techniques (Bouma, 2000; Cooper & Schindler, 2006). Having identified certain patterns, themes or emerging variables utilizing qualitative techniques, the quantitative approach was then used to enable the researcher to describe and quantify such emerging patterns and themes through quantitative techniques (Cooper and Schindler, 2006; Fielding and Fielding, 1986). However, Patton (1980:330) notes that, “there is no magic in triangulation…the researcher [who uses] different methods should not expect findings generated by different methods to fall into a coherent picture, for each method provides a different picture”. Hence, this supports the purpose of using quantitative and qualitative research for theory testing and theory building respectively. Quantitative and qualitative research approaches are therefore not mutually exclusive and certainly not dichotomous as they can be combined successfully (Bouma & Ling, 2004; Ghauri & Grønhaug, 2002). In spite of everything, the most important matter is the content of findings from both types of research (House, 1994), and above all, “it is the recognition…that in social science inquiry, there is no last word” (Smith, 1994:43).

3.2.6 Ethical Considerations in Qualitative and Quantitative Research

Prior to conducting the interviews and distributing the questionnaire, an application was made to the RMIT Human Research Ethics Committee to conduct the study and approval was given to proceed. A copy of the letter granting approval for the study has been included in Appendix A.
The study sought to achieve a high level of ethical standards by maintaining confidentiality and anonymity of respondents in the study. Further, to protect the privacy and security of participating individuals, the small businesses and owner/managers could not be mentioned by name in the report, and no reference would be made to the suburbs in which these businesses were located. Instead, the focus was on the three Melbourne metropolitan areas selected. Results would appear in the study in a manner that would not be possible for anyone to identify them as all data would be aggregated. Additionally, the data collected by the researcher would not be passed on to any unauthorized parties.

No actual names were used during the analysis of qualitative interview data but assigning pseudonyms to each interview during data collection. That is, the small businesses would not be mentioned by name in the final research report so their identities would be kept secret. Instead, relevant background details are provided for the purpose of this research without violating anonymity. These include ethnic background, gender, age, length of time in business (survival), business classification, and the number of employees as an indication of growth where required. All the interviewees provided their informed consent to participate in the study.

Participants were truthfully and fully informed about the nature of the research, that participation in this study was voluntary and that they were free to withdraw from the study at any time and to withdraw any unprocessed data previously supplied.

### 3.3 QUALITATIVE RESEARCH PROCEDURES

The current study was a cross-sectional type in which data were collected at one point in time sufficient to achieve the study objectives (Cavana et al., 2001). The current study was also a communication-based research approach which involved studying small business owner/managers of the three Middle Eastern communities and recording their responses using an interview schedule. Actual ‘field conditions’ of this study were used to conduct the interviews, i.e. respondents’ workplaces.

#### 3.3.1 The Rationale of Qualitative Research

According to several researchers (Creswell, 1998; Eisner, 1991; Lee, Mitchell & Sablynski, 1999; Merriam, 2002; Reichardt & Cook 1979), qualitative research is characterized by its natural setting
in which respondents are examined over an extended period of time; its emphasis is on the respondent’s words and researcher’s interpretation of these words and other expressive descriptions; its flexible nature allows the researcher to make ongoing adjustments and alterations as he/she proceeds; and its instrument is the researcher him/herself who collects and analyses data through personal involvement. Additionally, qualitative research is characterized by its rich and thick description of quotations and narratives (Geertz, 1973) and its continuous reflective nature on the research in progress (Neuman, 1997; Creswell, 1994).

Given these characteristics, using qualitative research in the current study seemed appropriate for such an underresearched area, especially if conducted prior to quantitative data gathering. Therefore qualitative research was utilized to provide a better understanding and description of respondents’ thoughts and behaviour in owning/managing their businesses that might have been unrevealed or unexamined using only quantitative research (Denzin & Lincoln, 2003). The use of qualitative procedures gave a voice to respondents and provided a wider perspective, which allowed further investigation of the relationships between respondents’ personal networks sources of social support types, reasons for running successful businesses and barriers that inhibit success, and assisted in the development of theory (Charmaz, 2002; Schram, 2003; Strauss & Corbin, 1994).

### 3.3.2 Sampling Design and Procedure for the Interviews

Neergaard (2007) suggests that in order to demonstrate that qualitative research methodology can be as rigorous as that of quantitative research; qualitative researchers should provide thorough step-by-step sampling procedures. Hence, for pragmatic reasons such as cost and time, and to enhance representativeness of the sample, around 10 per cent (n=16) in proportion to the total number of working population (N=165) were interviewed. A stratified random probability sampling proportionate to the size technique, to be discussed in 3.4.1, was used to identify the proportion of each sample for each community for interviews. Stratified random sampling is a process of segregation of mutually exclusive strata followed by random selection of subjects from each stratum proportionate to size that is relevant in the context of the study (Babbie, 2004). Using the mathematical expression and the percentage ratios to be explained in 3.4.1, the interview sample consisted of 10 per cent of 75 Lebanese, 59 Egyptian, and 31 Iraqi was obtained, i.e. a total of 16 small businesses for the three designated communities were invited to take part in in-depth semi-structured interviews. The interview sample consisted of 15 males and one female.
In fact, the number of Egyptian respondents should have been six instead of two. The reason was that four of the respondents apologized for not being willing to participate in the interview as they feared that their businesses enterprise would be easily identifiable if results were published despite the researcher’s guarantee of confidentiality and anonymity. At the same time, the researcher had the opportunity to interview four respondents from the Lebanese community that could not be missed. Thus, the number of Lebanese participants was 11 instead of seven. A chi-square value indicated that there was no significant difference at the .05 level between the survey sample and the interview sample, which yielded small effect size as shown in Table 3.1.

Table 3.1
Melbourne Metropolitan Areas by Ethnic Community for Interviews

<table>
<thead>
<tr>
<th>Melbourne Metropolitan Areas</th>
<th>Study Sample</th>
<th>Interview Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percent(^a)</td>
</tr>
<tr>
<td>North-east</td>
<td>48</td>
<td>42.0</td>
</tr>
<tr>
<td>North-west</td>
<td>44</td>
<td>39.0</td>
</tr>
<tr>
<td>Melbourne Central</td>
<td>21</td>
<td>19.0</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

\(\chi^2 = 5.25, df = 2, p = .51, Cramer’s V: small = .15\)

\(^a\)Percentages have been rounded to one decimal place
3.3.3 Qualitative Data Collection Stages

Exploratory investigations for this study were undertaken to achieve the objectives stated in 1.3 A preliminary review of the literature was undertaken during the early stages of the current study; and the generative strategy discussed in 3.2.2 was incorporated in which informal research with colleagues, family and friends and small business owner/managers within the Middle Eastern communities was conducted prior to commencing the qualitative data collection phase. These sessions provided opportunities to discuss relevant issues on an informal basis. This, in turn, assisted in the development of the design of the schedule for interviewing the sixteen entrepreneurs.

Since conducting interviews first was considered, certain responses or findings were checked through quantitative work as well as “to increase the perceived quality of the research…and provide validation for the qualitative findings” (Cooper & Schindler, 2006:219).

3.3.4 The Interview Process

Insightful information was obtained through conducting individual face-to-face in-depth semi-structured interviews. The interview schedule included open-ended questions to obtain descriptive information from respondents concerning the latent variables with social support, personal networks and business success. These questions were generated from the instruments and interview protocols through extant literature (House, 1981; House & Kahn, 1985; House & Wells, 1978; Vaux, 1982, 1988, 1992; Vaux, Riedel & Stewart, 1987), as well as inputs from small business experts.

The face-to-face semi-structured interview is the most popular type of interview as it provides direct contact with interviewees, allowing the researcher to probe and explore within predetermined questions, as well as providing opportunities to check the accuracy of information gained through conversation where required (Fraenkel & Wallen, 1993; Kerlinger, 1973). Interruptions were minimal to encourage the interviewees to carry on with their train of thought and provide meaningful information in a logical and structured sequence (Mason, 2002; Rubin & Rubin, 2005). As a result, latent and manifest variables emerged concerning topics under study.

All the interviews were audio-taped (after gaining interviewees’ permission to do so) in order to avoid the disruption caused by constant note-taking and to form the basis of accurate transcripts. Recording also provides more accurate data and allows the researcher to focus on the interview
instead of hurriedly writing notes. However, the use of a tape-recorder has been contested based on the “intrusiveness of recording devices and the possibility of technical failure” (Lincoln & Guba, 1985:241). Therefore, the researcher of this study provided interviewees with the option of switching off the device should they feel uncomfortable being audio-taped. Notably, no such cases occurred. Thus, it was assumed that respondents were comfortable in expressing their feelings and disclosing information relevant to the current study purpose. Additional tape-recorders along with accessories were taken to every interview in case of unexpected problems.

Interviews were carried out between February and May 2004 for 2-3 hour time slots at interviewees’ business premises, which Creswell (1998:15) refers to as the ‘natural setting’. Such a setting facilitates comfortable and open discussion, establishes trust and encourages communication and cooperation (Creswell, 1998; O’Donnell, Gilmore, Cummins & Carson, 2001). Additionally, a quiet environment in which interviews were conducted was assured and any discouraging factors, such as noise or respondents’ busy daily schedule were eliminated. It is worth mentioning that the researcher’s clothing was appropriate to the nature of businesses and their location. A high level of involvement in collecting qualitative data was achieved in which respondents were encouraged to express their feelings and disclose information using an informal mode of interviewing.

Fowler (1988:111) suggests that “answers may be systematically inaccurate or biased when [researchers] fail to appropriately…motivate participants or fail to establish a suitable interpersonal setting”. The researcher of the current study therefore started asking respondents a few specific questions and then followed their descriptive dialogue and train of thought with probes. The open-ended questions were concerned with personal networks, social support and small business success. The pre-coded questions were concerned with general personal and professional demographic data as well as questions about the respondents’ small ventures. Hence, conducting this type of interview allowed the researcher to formulate a good idea of what variable needs further in-depth investigation. Various pseudonyms were assigned to different participants during the data collection and in the final research report.

3.4 QUANTITATIVE RESEARCH PROCEDURES

According to Zikmund (2003:175), a survey “provides quick, efficient and accurate means of accessing information about the population”. Its great advantage is being versatile where a range of critical and analytical questions can be asked in a flexible way (Babbie, 2004; Zikmund, 2003).
Also, Gray (2003) added that a survey method, drawing on a large number of people, can produce overall trends, develop theories and categories for a better understanding of the population under study. Therefore, in the current study a survey, as a measurement process by ‘personal or impersonal means’ (Cooper & Schindler, 2006), was also used in addition to interview technique.

3.4.1 Sampling Design and Procedure for the Survey

For pragmatic reasons such as cost, labor, accessibility and time, it was inappropriate to investigate all the individual elements of the target population for the current study. Therefore, a sample frame was utilized rather than a complete census (Babbie, 2004; Zikmund, 2003).

The sampling frame is a “list of elements from which the sample may be drawn” (Zikmund, 2003:373). Unfortunately, a list of the total target population did not conveniently exist for sampling purposes; and it was impractical to compile such a list. While a small business directory could have been used, “sampling from this too inclusive frame would be costly and inefficient” (Cooper & Schindler, 2006:412). Such a directory would also include many small businesses among members of communities other than the ones studied. The current sample design was therefore much more complex.

Consequently, cluster sampling was used in order to “sample economically while retaining the characteristics of a probability sample” (Zikmund, 2003:389). In particular, area sampling as the most important and popular form of cluster sampling is used when geographic areas are identified (Cooper & Schindler, 2006; Sekaran, 2003).

To ensure coverage and avoid bias (which could be caused consciously and/or unconsciously by sampling) a decision was made to use a multi-stage sampling technique. The initial chosen clusters were sub-sampled afterwards. So, the researcher only needed to enumerate and examine the last identified elements in the selected clusters which resulted in saving resources (Babbie, 2005; Deacon, Pickering, Golding, & Murdock, 1999; Wimmer & Dominick, 2000).

According to Snedecor and Cochran (1989:448), “the primary units in urban areas are what are called standard metropolitan areas … these units have all been defined and listed”. So, through carrying out a screening task, it was easy to identify geographic locations of such small businesses. According to the report of the Victorian Office of Multicultural Affairs (VOMA) (2005) the largest
numbers of overseas-born Middle Eastern immigrants were living in metropolitan Melbourne. Metropolitan Melbourne consists of five areas: north-east, south-east, north-west, south-west and Melbourne Central (see Figure 3.1). Since Middle Eastern communities’ small businesses frequently cluster in certain areas, it was unproblematic to identify these areas. It was decided to focus on the three areas where the three communities’ businesses were mostly located, namely North-east, North-west and Melbourne Central. This would considerably reduce the workload, the cost of creating a sampling frame, and the time spent travelling (Moser & Kalton, 1981).

This stage is referred to as the primary sampling unit, or more specifically, the primary sampling selection stage (Leedy & Ormrod, 2005; Snedecor & Cochran, 1989). Here, a sub-sample of the second stage units was selected from each selected primary unit. That is, each of the selected primary samples (areas) was divided into sub-samples (suburbs) (Babbie, 2004).

Using Melway Publishing Pty. Ltd., Melway Greater Melbourne street directory (2004) further screening was needed to identify suburbs in which small businesses were located. Since the largest numbers of Middle Eastern people lived in certain suburbs, (VOMA, 2003a, 2003b, 2003c), it was easy to identify these suburbs. Therefore, the current study examined small businesses scattered around a wide range of suburbs within the Melbourne metropolitan area. Accordingly, respondents were drawn from 32 different suburbs within the three Melbourne metropolitan areas as follows: 14
suburbs within the North-east area; 10 within the North-west area; and 8 suburbs within the Melbourne Central area of metropolitan Melbourne.

A sample frame consisting of a carefully designed and developed, yet incomplete, list of the target population, which may be termed the ‘working population’ of the current study, was then compiled (Deacon, et al., 1999; Wimmer & Dominick, 2000). This list of small businesses owned/managed by members of Middle Eastern communities was compiled from different sources such as community organizations, religious bodies, ethnic media and social networks, among others.

Driven by the belief that the data extracted would be richer in terms of geographic location and the sample’s background (Cooper & Schindler, 2006), clusters were constructed to contain different regions of Melbourne Metropolitan areas, a diverse number of suburbs within these regions, the owner/managers’ country of origin and the types of business industry according to ABS, *Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006* (2008a). These clusters were also diverse with respect to the number of employees, owner/managers’ age, gender, marital status, religious affiliation, etc. as well as the types of customers; this made the sample heterogeneous. Consequently, the researcher compiled an incomplete list of \((165 \times 3 = 495)\) small businesses owned/managed by members of the three studied Middle Eastern communities in Victoria.

Since the three communities differed in size according to the 2001 census of population (DIMIA, *Australian immigration statistics: Community information summary*, 2003), the sampling frame or the ‘working population’ of the current study was designed to contain a greater proportion of the community with the highest population of the three communities. Therefore, the probability proportionate to size cluster sampling technique (PPS) was utilized, which preserves equal probability across all elements in the population (Levy & Lemeshow, 1999). With PPS, the researcher chose the number of respondents for each community in proportion to the community size. The following mathematical expression was used to identify the proportion of each sample for each community: the total number of persons of each community divided by the total number of persons of the three communities. This would result in a balanced and representative ratio of each community. As a result, the percentage ratios of the equal sample size of \((165)\) of each community were as follow: Lebanese 45 per cent (75 businesses); Egyptian 36 per cent (59 businesses); and Iraqi 19 per cent (31 businesses).
Thus, the number of businesses surveyed within each area was as follows: The Lebanese sample of 75 consisted of 33 from North-east; 30 from North-west; and 12 businesses from Melbourne Central; the Egyptian sample of 59 consisted of 24 from North-east; 22 from North-west; and 13 from Melbourne Central; and the Iraqi sample of 31 consisted of 12 from North-east; 11 from North-west; and 8 from Melbourne Central. Therefore, the percentage ratios of the total of the (32) suburbs within the three Melbourne metropolitan areas identified above were as follows: North-east 42 per cent; North-west 38 per cent; and Melbourne Central 20 per cent of the total suburbs.

Thus, the sampling frame of 165 of the three communities was developed on the basis of feasibility, cost, time management, and, most of all, comprehensiveness and coverage, which could be viewed as representing the population fairly. Scientifically and practically speaking, it was necessary to take a multi-stage sampling technique to ensure fair representation of the sample (Abu Duhou & Teese, 1992; Babbie, 2004).

A crosstabulation analysis was performed to investigate if there was a relationship between Melbourne Metropolitan Areas after counting the useable questionnaires and ethnic communities under study. Table 3.2 shows that North-east represented the largest proportion of the sample (around 42 per cent) followed by North-west (nearly 39 per cent). Melbourne Central represented almost 19 per cent of the sample. The proportions of the Lebanese and the Iraqi were almost equal in the North-east (44 per cent and nearly 43 per cent) respectively compared with the Egyptian proportion in the same area (around 35 per cent). The Egyptian and Lebanese proportions were almost equal in the North-west area (around 41 per cent and 40 per cent) respectively. However, the Iraqi and the Egyptian small businesses proportions were equal (almost 24 per cent) in the Melbourne Central area. Data also indicated that there was no significant difference at the .05 level between geographic location and ethnic community, which produced small effect size.

Survey packages were given to the above participants. The package included an introductory letter which outlined the purpose of the study and contained proper instructions for completing the questionnaire. This was signed by the researcher in front of the participants to emphasize the credibility of the research and gain the participants’ trust as well as to increase response rate. Two original copies of the informed consent were signed, one left with the participants, with a copy of the questionnaire, and the other kept by the researcher. The introductory letter also contained a statement promising participants that information provided would be kept anonymous. Copies of these documents have been included in Appendices B and C.
Although costly both in terms of time and money, the opportunity was given to all 165 respondents to receive the questionnaire in person. Therefore, the researcher made prior arrangements to visit 158 participants in their workplaces. This provided the researcher the opportunity to personally meet the participants, which in turn assisted in creating willingness and motivation to encourage participation and complete the questionnaire as well as to increase the response rate. As a result, out of 165 distributed questionnaires 29 (18 per cent or 26 per cent of 113 useable questionnaires) were researcher-administered. This saved time and money, as well as providing the opportunity to clarify any questions on the spot. Only seven participants were inaccessible due to the nature of their business. Those seven respondents returned fully completed questionnaires.

To maximize response rate for the current study and minimize the burden on participants, a pre-stamped and addressed envelope was given to those participants who preferred the self-administered method. A follow-up reminder letter was sent two weeks after the first delivery; and on several occasions, a telephone follow-up reminder approach was also used to see if there were any questions about the study and to request for their assistance as recommended by several researchers (Dillman, 1978; Kanuk & Berenson, 1975; Linsky, 1975).

### 3.4.2 The Survey Response Rate

The total number of usable responses received was as follows: Lebanese 75; Egyptian 17; and Iraqi 21. So, the average response rate of a sample of 113 was around 68 per cent, which is believed to be moderately good (Babbie, 2004). Using a statistical analysis formula developed by Krejcie and Morgan (1970:607-610) for determining sample size of a randomly chosen sample from a known population such that the sample proportion $p$ will be within .05 of the population proportion $P$ with
a 95 per cent confidence level, the current study would require a sample size of 113-118. The 113 received was just within the recommended range of sample size. As a rule of thumb for determining sample size, Roscoe (1975, as cited in Sekaran, 1992) proposes sample size larger than 30 (and smaller than 500) is appropriate for most research. Therefore, a sample size of 113 of the three Middle Eastern communities was deemed appropriate.

3.5 THE QUESTIONNAIRE

Quantitative research involves studying information that can be quantified using scientific methods (Anderson, Sweeney & Williams, 2009). Therefore, a questionnaire was developed with reference to the current literature and the research objectives stated in 1.3 as well as the generative strategy described in 3.2.2. A questionnaire is an efficient tool for data collection that consists of a set of questions to which respondents record their answers (Neal, Quester & Hawkins, 2001; Stone, 1978).

The questionnaire gathered data about the characteristics of personal networks sources and social support types of small business owner/manager in the Middle Eastern communities in Melbourne, Victoria. Characteristics of the small businesses, business success components and respondents’ personal and professional characteristics were also gathered. The questionnaire was translated into Arabic by the researcher and the responses were translated back into English. The questionnaire was then given to an accredited translator (and later the responses) to ensure consistency between English and Arabic questionnaires as well as to maximize the reliability of both versions (Galbraith et al., 1997). Respondents were given a choice concerning the language in which the questionnaire was presented.

Guidelines for questionnaire design were taken into account to try to minimize bias and error as well as the quality and quantity of data (Dooley, 2001; Sudman & Bradburn, 1982). The appropriateness of the content and purpose of the questions were carefully considered so that the variables were adequately measured. Respondents’ level of education in the current study, for example, was measured using an ordinal scaled set of categories. Moreover, questions were appropriately worded so that they were meaningful to the respondents; any questions, which were inherently sensitive such as age and annual net income questions, were devised in ranges rather than using a free-open response question so that respondents would feel less threatened in answering such questions. Further, limits were placed on the number and the length of questions to ensure respondents’ cooperation; and the order in which questions appear was considered to ensure the
smooth progress of the responses; for instance, the questionnaire started with more interesting items such as the personal networks and social support instrument. Lastly, the format and response recording were logically designed to ensure clarity of flow from item to item.

3.6 MEASURES

A variable is the indicant or a symbol of an event, act, property or attribute of an object being measured, and may take different numerical or categorical values (Kerlinger, 1986; Zikmund, 2003). The variables for this study were carefully chosen on the basis of the research objectives and were selected and developed using extant literature and the generative strategy discussed in 3.2.2.

3.6.1 Background Variables

A range of background variables were identified and examined such as:

1. Personal variables i.e. gender, age, marital status, country of origin, length of time in Australia, religious affiliation, importance of religion in the conduct of the business, sources of finding the first job in Australia, the number of people from own community respondents meet in a week, and the number of people from other communities respondents meet in a week;

2. Professional variables i.e., level of education, field of the study, proficiency in English, importance of speaking English in the conduct of the business, speaking languages other than English (henceforth LOTE), importance of speaking LOTE in the conduct of the business, attending small business courses/training, occupation and duration of employment in home country, self-employment and duration of self-employment in home country, duration of unemployment after first arriving in Australia and first occupation in Australia; and

3. Characteristics of the small business i.e. type of industry, type of legal structure, start-up method, sources of finding the business location, sources of customers’ knowledge of the business, the number of places of selling products and/or providing services, employees backgrounds and customers’ cultural background.
3.6.2 Independent Variables

An independent variable is defined as “one that influences the dependent variable in either a positive or a negative way” (Sekaran, 2003:89); and its value may be changed independently of any other variable (Zikmund, 2003). In the current study, the following independent variables were used to investigate whether there were significant relationships between these variables and the dependent variables, as well as to predict the value of the dependent variable:

1. Personal networks sources; and
2. Social support types

Due to the complexity of the social support construct, a literature review revealed a plethora of social support measurement instruments used in a large number of studies (Blau, 1981; Brim, 1974; Henderson, 1980; House & Kahn, 1985; Luborsky, Todd & Katcher, 1973; Tardy, 1985; Thoits, 1982; Turner, Frankel & Levin, 1983; Van Sonderen, 1990, 1991; Vaux, 1988; Vaux et al., 1986). There is a lack of consensus, both theoretical and empirical, for an acceptable measure of a social support construct (Rodriguez, 2000). Additionally, many researchers have adopted different measures to assess social support, but few have been developed and used to examine a small business population. As a result, an appropriate social support measure was developed in accordance with the extant literature and tailored to the purpose of the current study. Thus, the current study instrument was constructed to collect data from respondents concerning the personal networks sources of the four types of social support. Additionally, d’Abbs (1982:15) recommends that reciprocity in social support needs to be considered in the area of social support and should be reflected in a model of the respondent being both recipient and giver of support. Therefore, research should embody a model of measuring social support that exemplifies the respondents as both recipients and givers of type of support, in particular in the study of informal support “since such support is by its very nature usually associated with some sort of reciprocated service…and the ability to receive support is clearly related to the ability to provide it”. Hopkins (1998) furthered conjectured that effective social support provides benefits to the one who gives the support as well as the one who receives it. According to House (1981:29)

“Giving and receiving social support usually involves expectations of reciprocity. Thus flows of social support occur primarily in the context of relatively stable social relationships rather than fleeting interactions among strangers. The people we
intuitively think of as sources of support are not people we barely know, but [people] with whom we have continuing relationships.”

Therefore, similar items under each social support type were included in the instrument measuring the receiving and giving social support from and to each of the six given personal networks sources of support. Thus, the respondents were provided the opportunity to identify the degree to which flows of social support are reciprocal.

Many researchers have adopted various support types which formed the bases for the kind of activities or items that were used to assess these types. In the current study, House’s four types of support were used as social support types. These types were: (1) appraisal (Appr), (2) emotional (Emo), (3) informational (Info) and (4) instrumental (Inst) (House, 1981). Some of the types’ items were modified from previous studies on social support (Barrera, 1981; Barrera, Sandler & Ramsay, 1981; Cohen & Hoberman, 1983; Cohen, Mermelstein, Kamarck & Hoberman, 1985; Fischer, 1982; Hirsch, 1979; Holahan & Moos; 1982; House, 1981; McFarlane, Neale, Norman, Roy & Streiner, 1981; Procidano & Heller, 1983; Russell & Cutrona, 1984; Sarason, Levine, Basham & Sarason, 1983; Sherbourne & Stewart, 1991; Vaux, 1982, 1988, 1992; Vaux & Harrison, 1985; Vaux et al., 1986; Veiel, 1990); others were constructed specifically for the current study. Participants were given the definition of each type and provided numerical data within each item using a five-point Likert scale. Using such a scale would minimize construct validity problems (Ray, 1980), and provided “the opportunity for gradations” (DeVellis, 1991:70).

Researchers have examined support measures in the work environment concerning the sources of support such as peers and supervisors. Given the very nature of the small business venture, these types of sources are not available to their owner/managers. Therefore, based on the existing literature (Birley, Cromie & Myers, 1990; Gulati, 1998; Hansen, 1995; Hurlbert, 1991; Jarillo, 1989; Johannisson, 1996; Kwon & Arenius, 2010; Nelson, 1989; Robinson, 1982; Wilson, 1998), the data gathered from the interviews and the generative strategy discussed in 3.2.2, sources of support were identified. It was decided to limit these sources according to the type of the relationship (informal/formal) and the strength of the relationship between the respondents and these sources (strong/weak), as well as the number of such sources. These sources were: (1) immediate family (hereafter Imm Fam), (2) extended family (henceforward Ext Fam), (3) friends, (4) employees (hereafter Empl), (5) suppliers (hence forth Supp) and (6) accountants, bankers and solicitors (hereafter Professionals). While the first three were considered strong ties and informal sources of
support, the last three were classified as weak ties and formal sources of support. Further information concerning the development of the instrument is covered in detail in sections 3.9.6.1.

3.6.3 The Dependent Variable

The dependent variable is the variable to be predicted and explained and assumed to be potentially influenced by, or depend on, the independent variables (Leedy & Ormrod, 2005; Zikmund, 2003). Small business success constituted the dependent variable in this study. Both quantitative and qualitative data were gathered on the dependent variable by a questionnaire.

Quantitatively, research findings suggest that there is no universal agreement on criteria for measuring business performance (Wickham, 2001; Wiklund, 1999). Most researchers therefore consider business performance as multi-dimensional in nature (Chandler & Jansen, 1992; Lumpkin & Dess, 1996; Wiklund, 1999). To address the problems inherent in the use of financial measures in order to predict small business performance (Alexander, Britton & Jorissen, 2005; Fiorito & Laforge, 1986; Holmes & Nicholls, 1990), Simpson, Padmore and Frecknall-Hughes (2007) suggest the use of non-financial measures to assess small business performance. Therefore, in the current study, number of employees and length of time in business as well as annual net profit (or net income) were used to measure small business success (Butler & Greene, 1997; Chaganti & Greene, 1999; Reynolds et al., 2000). Such measures provide a better indication of overall business performance (Wiklund, 1999). In their research, Chandler & Hanks (1993) found that self-reported measures of business growth (e.g. number of employees) were most familiar to and most commonly referenced by the founders. They also found that such self-reported measures demonstrated high level of relevance, accuracy, external validity and reliability. What is more, using a five point Likert scale ranging from 1, very unsuccessful, to 5, very successful, respondents were asked to provide their perception on how successful or unsuccessful their business was. Qualitatively, respondents were asked to provide description(s) of those factors indicating their business success.

3.7 INSTRUMENTATION

3.7.1 The Criteria for Evaluating Instrumentation

The quality of any research design and data analysis function is reliant on carefully selected best possible variables (Yin, 1994). Sekaran (2003:203) states that, “to assess the goodness of the measures developed…we need to be reasonably sure that the instruments…do indeed measure the
variables they are supposed to, and that they measure them accurately”. According to Thorndike and Hagen, (1969:5 cited in Cooper & Schindler, 2006):

“Validity is the extent to which a test measures what we actually wish to measure. Reliability has to do with the accuracy and precision of a measurement procedure. [And] practicality is concerned with a wide range of factors of economy, convenience and interpretability”.

In the current study, several criteria for evaluating a measurement tool were taken into account in crafting its measurement scale, namely (i) validity, (ii) reliability, (iii) unidimensionality and (iv) practicality (Cooper and Schindler, 2006).

i. **Validity**

Babbie (2004:275) states that a “survey researcher rarely develops the feel for the total life situation in which respondents are thinking and acting [than] the participants [themselves] can”. To compensate for this weakness in the questionnaire, combining quantitative and qualitative data (i.e. triangulation) in the current study may improve the internal validity of the study. Additionally, incorporating a generative strategy to develop the questionnaire described in 3.2.2 means the “…measuring instrument is inherently valid” (Simon, 1990:249).

To ensure the measuring instrument is valid, two widely accepted approaches to assess validity were used in the current study: content validity and construct validity (Cochran, 1963; Cooper & Schindler, 2006).

Zikmund (2003:302) states that “content validity refers to the subjective agreement among professionals that a scale logically appears to reflect accurately what it purports to measure”. Hence, a panel of academics, supervisors and colleagues were consulted to check and ascertain that the dimensions of the instrument reflect what they intend to measure. It was then piloted among small business owner/managers of Arabic speaking backgrounds to ensure the adequacy of the instrument (Cavana et al., 2001; Kidder & Judd, 1986) (see 3.7.3).

Construct validity is “the degree to which a research instrument is able to provide evidence based on theory” (Cooper & Schindler, 2006:720). In other words, how well the results obtained using a measure fit the theories around which the test is designed (Cronbach & Meehl, 1955; Sonquist &
Dunkelburg, 1977; Zikmund, 2003). This way of testing the construct validity of a measure is called convergent validity in which results of same constructs ‘converge’ using multiple measures (Romney & Bynner, 1992; Sekaran, 2003). In the current study, several items testing the same as well as different constructs were included in each scale. Correlational techniques were used to assess convergent validity (Ghauri & Grønhaug, 2002; Zikmund, 2003). Additionally, construct validity was established using a factor analysis procedure (see 3. 9.6.1), which showed high factor (construct) loadings on similar items within a scale (Kim & Mueller, 1978).

ii. Reliability

Reliability is the consistency of a measurement instrument in producing consistent and stable results across time and under the same set of conditions (Cooper & Schindler, 2006). Calculating reliability is important, particularly for newly developed instruments (Hinkin, 1995). Churchill and Peter (1984) state that as the number of scale points increases, the reliability of the measure increases. Therefore, respondents were asked to respond to the statements using a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree) (Likert, 1931), due to its popularity and it is as good as any other scale (Elmore & Beggs, 1975). Reliability of the current study instrument (or the internal consistency or the homogeneity among its items) was assessed through applying a statistic called Cronbach’s alpha (Cortina, 1993). Field (2005:728) defines Cronbach’s alpha as

“The number of items (\(N\)) squared multiplied by the average covariance between items (the average of the off-diagonal elements in the variance-covariance matrix) then divided by the sum of all the elements in the variance-covariance matrix [i.e., \(N^2x M(\text{COV})/\text{SUM (VAR/COV)}\)]”.

Cronbach’s alpha coefficient was applied as the basic formula for determining how well the current study’s multipoint-scaled instrument’s items group together as a set when measuring the same construct or they are internally consistent (Cronbach, 1984). Cronbach’s alpha (\(\alpha\)) coefficient of reliability value ranges between 0 and 1 and the closer it is to 1, the greater the correlation among the instrument’s items. However, Nunnally (1978) suggests that an alpha coefficient of .6 and above is deemed acceptable for basic research.

Reliability tests were conducted on the original twelve social support scales before the deletion of the cross-loaded items discussed in 3.9.6.1.3 to see the effect of deletion of items on reliability values (Field, 2005). Thus, the values of corrected item-total correlation should be greater than
about .3. These values “are the correlations between each item and the total score from the questionnaire” (Field, 2005:672). For a scale to be reliable, all items (variables) should correlate very well with the scale overall. For the current study data, all had corrected item-total correlations well above .3. Additionally, the values of Cronbach’s $\alpha$ if an item is deleted should be around the overall scale $\alpha$ value as “they reflect the change in Cronbach’s $\alpha$ that would be seen if a particular item were deleted” (Field, 2005:672). That is, if the deletion of any item with an $\alpha$ value substantially greater than the scale overall $\alpha$ increases Cronbach’s $\alpha$, then the deletion of that item improves reliability. Thus, the current study results showed that none of the twelve-scale instrument and its forty-eight sub-scales items would significantly affect reliability if they were deleted. The worst case scenarios were receiving instrumental social support from Imm Fam sub-scale (item # 16) ($\alpha$ from .770 to .778), receiving informational social support from Ext Fam sub-scale (item # 15) ($\alpha$ from .934 to .946) and receiving instrumental social support from Imm Fam scale (item # 16) ($\alpha$ from .929 to .938). Deleting these items would not significantly increase overall Cronbach’s $\alpha$ values as these items’ values and overall values reflected an excellent degree of reliability.

Cronbach (1951) suggests that $\alpha$ should be applied separately to the questionnaire’s subscales. Therefore, Cronbach’s $\alpha$ was applied separately to the three refined scales and their three sub-scales. Accordingly, both basic and overall reliability tests for the twelve scales and their forty-eight sub-scales were all well above the threshold of .6, as recommended by Nunnally (1978), which ranged from .77 to .97, and .87 to .96 respectively. This is considered to be excellent (Bryman & Cramer, 1990; Kline, 1999). Moreover, they all had corrected item-total correlations well above .3 (Field, 2005), and the values of $\alpha$, if an item was deleted, were around the overall scale $\alpha$ value. See Appendices E, F and G for basic and overall reliability results.

### iii. Unidimensionality

Unidimensionality is defined as the existence of only one latent construct underlying a set of items (Hattie, 1983; 1985; Kumar & Dillon, 1987; McDonald 1981). That is, “the extent to which the scale [or sub-scale] measures one underlying factor or construct” (Field, 2005:668). A high alpha does not imply that a scale is unidimensional, but rather assumes it (Green, Lissitz & Mulaik, 1977; Harty & Beall, 1984). So, in order to test the unidimensionality of a measure, at least three to four items of a construct (factor) are needed (Anderson, Gerbing & Hunter, 1987). Exploratory factor analysis is one method of providing the strongest evidence of dimensionality of a measure where the
items have substantial loading on a single factor (Gardner, 1995, 1996; Hair, Black, Babin, Anderson & Tatham, 2006) (see 3.9.6.1-3.9.6.1.4).

Thus, the current study Exploratory Factor Analysis’s (EFA) results showed the multi-dimensional nature of the social support construct. That is, each of the study’s 48 sub-scales were unidimensional, or each sub-scale was a single dimension of a multidimensional twelve scales of the study instrument that consisted of a set of items (variables) that correlated well with each other (DeVellis, 1991). More exactly that “each factor had only one underlying concept in common” (Hair, Anderson, Tatham & Black, 1992:431), and each factor had at least four items. However, according to Hattie (1984:50), “a unidimensional test is not necessarily reliable, internally consistent or homogenous”. Therefore, the overall reliability of each of the twelve social support scales was tested before and after the deletion of cross-loaded items, as well as the reliability of the forty-eight sub-scales before and after the deletion of complex items. That is, the reliability of the current study instrument was therefore established.

iv. Practicality

A measuring device is also considered more reliable if it contains more items to which informants can respond and it is easy to administer (Cooper & Schindler, 2006). In the current study, despite the length of the questionnaire, clear instructions and simple constructs, as well as adequate design and layout, were provided that made completion of the measuring instrument easier.

3.7.2 Pretesting the Questionnaire

Pre-testing questions and instruments is essential to ensure that systematic error such as misunderstanding questions, questions sequencing and misinterpreting the instructions are minimized (Deacon et al., 1999; Zikmund, 2000).

The bilingual questionnaire was piloted in January 2006 with a sample of 20 owner/managers within the three communities under study. Thus, the pretest attempted to address the face validity concern of whether the questionnaire seemed a reasonable measure of the concepts being examined in terms of understandability and clarity of questions and item wording (Burns, 2000; Sekaran, 2003). Moreover, the pretest was an effort to test the content and construct validity of the questionnaire length, sequencing of questions, precoding of data and data entry to improve
effectiveness and efficiency. Modifications and amendments based on feedback provided were made to the questionnaire. For example, questions such as age, date of arrival in Australia, period of time in Australia before respondents found their first job, number of employees and their type of employment and business net income (after tax), were amended due to their sensitive nature and brackets categories used instead. A few questions were deleted as they proved unnecessary.

3.8 ANALYSIS OF QUALITATIVE DATA

The sixteen individual interviews were thoroughly transcribed and manually content-analyzed concerning the latent and manifest variables of social support, personal networks and business success. After transcribing the audio-taped interviews, each participant was given a unique source code that could be identified and traced back easily to the original data as it would frequently be used in the content analysis.

3.8.1 Interview Data Analysis

Interview data were analysed using conventional content analysis and constant comparative method by which the process of systematic examination of the data and constantly comparing the emerged patterns and themes forming manifest constructs was followed (Berelson, 1971; Cassell & Symon, 1994; Glaser & Strauss, 1967; Miles & Huberman, 1994).

Thus, an iterative interpretation process of first reading responses was conducted to capture and locate significant themes relevant to the current study. In order to reorganise and develop the data according to conceptual themes (Minichiello, Aroni, Timewell & Alexander, 1990) the process of open coding was applied (Strauss & Corbin, 1998) which involved naming theme categories, and assigning codes to reduce raw data without predetermined ideas (Allan, 2003; Ryan and Bernard, 2003). Re-reading of the raw data enabled axial coding (Mäkelä & Turcan, 2007; Neuman, 1997) to review, examine and build the initial hierarchies of themes located during the open coding step; re-reading to establish meaningful categories under which themes could be grouped forming the discernible constructs, and to check for relationships between and among these categories (Agar, 1979, 1980; Insch, Moore & Murphy, 1997; Opler, 1945; Ryan & Bernard, 2003; Strauss & Corbin, 1990); and, finally, re-reading enabled selective coding to be utilized to identify rules for inclusion by refining meaning from the words and reducing the number and meaning of categories that best represented participants’ text, and to illustrate themes and sub-themes (Lincoln & Guba, 1985;
Maykut & Morehouse, 1994). The process of open coding continued until data saturation occurred. That is, after removing the ones that did not match the emerging themes and sub-themes, no more codes could be identified, and the categories were coherent and sufficient (Eisenhardt, 1989; Richards, 2005). Thus, themes contained within and across a conceptual category were constantly compared in order to establish internal homogeneity and consistency and external heterogeneity (Babchuk, 1997; Berg, 1989; Creswell, 2002; Dey, 1993; Erlandson, Harris, Skipper, & Allen, 1993; Glaser & Strauss, 1967; Gray, 1998; Guba, 1978; Schram, 2003).

Dealing with the manifest content has the advantage of reliability, but not validity, in coding (Babbie, 2005). Therefore, Babbie (2005) and Minichiello et al. (1990) suggest using the latent content or reading between the lines method to ensure validity. Hence, data were examined for latent content, i.e., “meanings implied by the written content that do not actually appear in the text” (Gray, Williamson, Karp & Dalphin, 2007:286). In the current study, the transcriptions were examined for evidence of the latent variables identified through quantitative analyses. These included receiving and giving appraisal, emotional, informational and instrumental social support from and to the respondents’ six personal networks sources listed in this study’s instrument. The above provided a framework for the analyses of manifest data. Themes concerning reasons for business success and barriers to business success were extracted through the identification of key words, phrases or sentences in respondents’ comments to form propositional descriptive units (Chen and Meindl, 1991). The latent content concerning reasons for business success and barriers to success was also examined. Moreover, further personal networks sources of social support also emerged through examining the transcriptions of the interview data.

The purpose of using the content analysis approach in the current study was twofold. First, content analysis was used to identify and present responses particularly relevant and valuable to this study (Zikmund, 2003). Second, it systematically and quantitatively described and calculated the frequencies of the manifest content of responses to questions; for example, receiving appraisal support from Imm Fam comments and business success indicators comments that represented homogenous feelings or opinions were grouped together under a particular category to form a preliminary framework for analysis; and thus, it facilitated analysis of lengthy and detailed responses (Berelson, 1971; Burrell & Morgan, 1979; Krippendorff, 1980; Lancaster, 2005). Therefore, frequencies were calculated for the different categories of comments made the respondents (Gray et al., 2007).
3.8.2 The Criteria for Evaluating Interview Data

i. Validity

Validity is one of the integral concepts in assessing the quality and rigour of the research. Validity, according to Hammersley (1990:57), is the truth "interpreted as the extent to which an account accurately represents the social phenomena to which it refers". In the current study, to capture what respondents actually said, excerpts from the transcriptions of the interviews were shown to illustrate the actual meaning of concepts and themes, representing respondents’ voices, and these excerpts were of sufficient detail, richness and frequency to demonstrate accuracy and validity (Burns, 1994; Eisner, 1991). Therefore, at least three examples for each interpretation of the latent variables were included (Berg, 1995). This is consistent with the factor analysis technique used in this study in that three or more items must represent each construct (latent variable) (Anderson et al., 1987).

ii. Reliability

Reliability is another of the integral concepts in assessing the quality and rigour of the research. Hammersley (1992:67) refers to reliability as “the degree of consistency with which instances are assigned to the same category by different observers or by the same observer on different occasions”. To establish the reliability of interpretation of codes, the researcher of the current study interpreted a code the same way across time (Richards, 2005). Additionally, as an aid to verification, three types of triangulation methods were used. The method of consultation and confirmation from readily available theories or perspectives in the literature about certain concepts and themes was useful. Moreover, respondent-checking method during the interview and after interpretations of the raw data was utilized to clarify and check adequate understanding of the key terms and phrases used where needed, and which were unique to a country other than the researcher’s background, and to ensure corroboration (Cohen & Manion, 1989; Gubrium, & Korol-Ljungberg, 2005; Holstein & Gubrium, 1995). Amendments were then made accordingly. Further, the researcher’s colleagues used interpretation of codes the same way to verify that reality was well-constructed (Huberman & Miles, 1998). Interpretation of codes was compared to check consistency and consensus. Above all, two data collection methods were used, which “converge onto consistent conclusions (triangulation), and any contradictions within the data are reconciled” (Leedy & Ormrod, 2005:155).
Despite the fact that the current study results indicated that around 87 per cent of respondents spoke English fluently or adequately, and around 74 per cent and 69 per cent felt that they could read and write English ‘well or very well’ respectively, a substantial number of interviews were conducted in languages other than English, these being Arabic and/or Neo-Aramaic-Chaldean/Assyrian dialect. This was the case mainly because there are different ways of saying things in different languages. Given that the researcher of this study speaks the three languages fluently, there was no need for a middle person, i.e. an interpreter who might have added layers of meanings and biases which may have led to unreliable interpretations (Freeman, 1983; Heider, 1988), and coding mistakes. Therefore, the researcher needed to transcribe and, at the same time, translate the interviews into English. These transcriptions were then checked by a professional translator and interpreter to ensure consistency in translating and interpreting, as well as the interpreter serving as a colleague checking method. Adjustments were then made where required.

3.9 ANALYSIS OF QUANTITATIVE DATA

Analysis is the application of logic to understand and interpret quantitatively, and qualitatively, the data that are collected for any study research (Zikmund, 2000; Zimmerer & Scarborough, 1996). Quantitative data analysis is the scientific approach in which study results are described logically, statistically and mathematically (Anderson et al., 2009; Dey, 1993). Therefore, to achieve the objectives listed in 1.3, data were analyzed using statistical techniques (simple and complex) appropriate for the research questions. Additionally, every variable selected for investigation was operationally defined in terms of specific measurement and testing criteria that can be quantitatively measured (Cooper & Schindler, 2006); and a series of descriptive and exploratory statistical techniques was used. The appropriate level of measurement scales, which affect the type of data analysis that is appropriate, were selected depending on the nature and the purpose of variables being measured. For example, gender is a dichotomous (nominal) variable coded into male and female, whereas level of education is a categorical variable (ordinal) coded into four categories ranged from up to secondary education to postgraduate education.

3.9.1 Coding of Data

Before questionnaire data can be tabulated, they had to be converted to a numerical format that can be read and manipulated using Statistical Package for Social Sciences (SPSS®) for windows, version 15. In the current study therefore, a codebook, or coding scheme, was constructed which
contained each variable in the study and their location as well as their assigned numerical value to represent different attributes of these variables (Sonquist & Dunkelberg, 1977; Zikmund, 2003). Some data transformation was necessary in order to “correct violations of the statistical assumptions underlying the multivariate techniques [such as non-normality], or to improve the relationship between variables” (Hair, et. al., 2006:87), particularly the case with the small sub-group sample sizes. This was done by collapsing or merging adjacent categories of a number of the current study’s variables. For example, the categories of speaking LOTE and customer’s cultural backgrounds variables were later combined and recoded into the same variable name but with three categories, namely ‘1 LOTE’, ‘2 LOTEs’, and ‘3+ LOTEs’ and ‘Arabic-speaking customers’, ‘non-Arabic-speaking customers’ and ‘both customers’ respectively. Additionally, the categories used to label sources of finding the first job in Australia and sources of customer’s knowledge of the business variables were later collapsed and recoded into the same variable name but with three categories, namely ‘informal sources’, ‘formal sources’ and ‘both sources’ respectively. Further, the importance of religion in the conduct of the business variable was measured using the five-point Likert scale ranging from (1) very unimportant to (5) very important. The Frequency table showed that ‘very unimportant’ and ‘very important’ categories were not selected (see 4.2.5), therefore the variable was recoded into the same variable name but with three categories, namely unimportant, neither important nor unimportant (ninu) and important. Transformation of data was also necessary to avoid the presence of empty cells or low expected cell frequencies when calculating cross-tabulations for a few variables (Buglear, 2005; Everitt, 1977; Hays, 1988).

### 3.9.2 Editing of Data

Before actual analysis was carried out in the current study, raw data from questionnaires were graphically screened and edited for errors and omissions. Obvious mistakes during data entry were spotted; and outliers which bias the mean and inflate the standard deviation (Field & Hole, 2003), were edited and replaced with correct values where applicable. Outliers were also identified using descriptive (univariate) statistics, namely frequencies and percentages in each category, means and standard deviations.

### 3.9.3 Missing Data

Handling missing data was another significant issue in the current study. Respondents were asked the following question: *Which of the following ranges is the best indication of your business net*
income (after tax). This net income was for the year in which the survey was conducted. Around 10 per cent of this question’s response data were missing and were of non-ignorable nature. That is, data were missing not at random (MNAR) (Hair, et al., 2006). Despite ensuring the anonymity and confidentiality of responses, this question was of a sensitive nature as a number of respondents failed to respond. The mean missing response rate for this question was 16 per cent. According to Tabachnick & Fidell (2007:62),

“The pattern of missing data is more important than the amount missing…Missing values scattered randomly through a data matrix pose less serious problems. Nonrandomly missing values…are serious no matter how few of them there are because they affect the generalizability of results.”

Therefore, one of the most common remedies for non-random missing data which produces nearly unbiased estimates of means was to apply Expectation-Maximization algorithm approach, abbreviated as the EM algorithm (Dempster, Laird, & Rubin, 1977; Graham & Donaldson, 1993; Little & Rubin, 2002; Schafer, 1999). This approach is “an iterative two-stage method (the E and M stages) in which the E stage makes the best possible estimates of the missing data and the M stage then makes estimates of the parameters [means] assuming the missing data were replaced” (Hair, et al., 2006:58).

Moreover, out of 113 participants, one did not respond to the age question. However, this missing value was replaced based upon this one respondent’s personal and professional data. Given that this participant’s date of arrival in Australia, educational level, previous occupation in home country, first occupation in Australia; and participant’s eldest child’s age ranged from 22 to 29, a calculated guess was used to impute this participant’s age with a value ranged between 30 and 49. When the missing number of values is small, Tabachnick & Fidell (2007:66) state that prior knowledge is one of the popular schemes for estimating missing values; i.e., using ‘a well-educated guess’. Hence, the current study’s sample contained 113 participants with respect to age variable, not 112.

3.9.4 Univariate Statistical Analysis

Univariate descriptive analysis was used to summarize raw data from the questionnaire into a form that would make them easy to understand and describe in terms of the characteristics of the sample by examining one variable at a time (Blaikie, 2003; Zikmund, 2003). The univariate statistical techniques were used in the current study to assist in assessing the statistical significance of various
hypotheses of certain variables and suggest directions for further analysis. These include: frequency
distribution and percentage frequencies; measures of central tendency such as the mean and the
median; and measures of dispersion such as the range and the standard deviation.

3.9.5 Bivariate Analysis

The bivariate analysis, or measures of associations, was used to explore the simultaneous analysis of
two variables in terms of the strength of their relationships. Cross tabulations, correlational analyses
and t-tests were used to determine the strength of relationships between variables (Dooley, 2001).

3.9.5.1 Cross Tabulation

A cross-tabulation, or contingency table, of two categorical variables and their frequencies was
conducted to see whether the two variables were interrelated (Zikmund, 2003). Based on the
assumption that in 2x2 tables, all expected frequencies should be greater than 5; hence, where this
assumption has not been violated, then Yates’ Correction for Continuity was computed. Otherwise,
Fisher’s Exact Test was used instead (Howell, 2002). Pearson’s chi-square statistics was used to
detect whether the classification variables were significantly dependent on each other (Field, 2005).
Effect size (or the strength of association), was also calculated to measure the magnitude of the
strength of associations between two dichotomous variables such as gender and marital status, one
dichotomous and one categorical variables as was the case with gender and level of education
variables or two categorical variables such as length of time in business and business net income
variables. Table 3.3 presents measures of the strength of associations utilized in the current study,
and the guidelines used to indicate effect sizes.

3.9.5.2 Correlational Analysis

The Coefficients and Significance levels were used to examine the strength of the inter-correlations
between the 20 items of each of the twelve social support scales. The most common statistical
measure of association is the Pearson's $r$. The correlation coefficient $r$ can range in numerical value
from -1.00 to 1.00 (Buglear, 2005). Tabachnick & Fidell (2001) recommend that with correlation
coefficients greater than .30, statistical significance level is acceptable. Correlational analysis was
also used to investigate the strength of the intercorrelations between the five business success
variables.
An important part of determining the test statistic was to determine the number of degrees of freedom \((df)\). In the current study, the degrees of freedom were determined for different sizes of contingency tables; and the chi-square value was compared with those in a table of critical values for the confidence level. Effect size (or the strength of association), was calculated. It is a standardized measure of group difference and is calculated as the difference in group means \((M_1–M_2)\) divided by the standard deviation of either group. The magnitude of the effect size has direct impact on the power of the statistical test (Cohen, 1988). They can range from 0 to 1 and, the larger the effect size, the higher the power of the statistical test and vice versa (Field, 2005; Hair et al., 2006) (see Table 3.3).

3.9.5.3 T-tests

In the current study, an independent \(t\)-test was used to establish whether two independent samples’ mean factor scores, which are simply the same thing as the average factor scores, were significantly different. That is, the independent \(t\)-test statistical technique helped determine whether the mean factor scores for RSS and GSS Sub-scales by dependent business success variables discussed in 3.6.3 were significantly different at the alpha value \(p \leq 0.05\). Levene’s test was used to determine whether the group variances were approximately equal. If Levene’s test was non-significant (i.e. \(p \geq 0.05\)), then the null hypothesis (that there was no significant difference between the means) was accepted, and “Equal variances assumed” was used to report the \(t\)-test. However, if Levene’s test was significant at \(p \leq 0.05\), then the null hypothesis (that there was no significant difference between the means) was rejected, and the variances were significantly different which violated the key assumption of the conventional \(t\)-test. In this case, the “Equal variances not assumed” was used to adjust for unequal group variances (Field, 2005).

To measure the effect size (ES) of the relationship for the independent-samples \(t\)-test, eta-squared \((\eta^2)\) was employed (see Table 3.3). Eta squared defined as the proportion of variance in dependent variable accounted for by each of the independent variables (Maxwell & Delaney, 1990; Olejnik & Algina, 2000; Thompson, 2006; Thomas, Salazar & Landers, 1991). For independent sample \(t\)-test using Pearson’s (1948), eta-squared was calculated as \((t^2/(t^2+df))\) (Field, 2005). All effect sizes were calculated manually.
Table 3.3
Measures of the Strength of Association and the Guidelines Used to Indicate Effect Sizes

<table>
<thead>
<tr>
<th>Statistical Testing</th>
<th>Measures of the strength of association</th>
<th>Effect Size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No to little relationship</td>
</tr>
<tr>
<td>-2x2 table with two nominal variables each with two categories</td>
<td>Phi ($\phi$) Coefficient with df= 1</td>
<td>.00-.009</td>
</tr>
<tr>
<td>-2x3 table with one nominal variable and one ordinal. On with three categories</td>
<td>Cramer’s $V$ Coefficient with df= 2</td>
<td>.00-.06</td>
</tr>
<tr>
<td>-2x4 table with one nominal variable and one ordinal. On with three categories or more</td>
<td>Cramer’s $V$ Coefficient with df= 3</td>
<td>.00-.05</td>
</tr>
<tr>
<td>-3x3 table with two ordinal variables</td>
<td>Gamma ($\gamma$) Coefficient with df= 4</td>
<td>.00-.19</td>
</tr>
<tr>
<td>- used in t-test and analysis of variance (ANOVA)</td>
<td>Eta squared ($\eta^2$)</td>
<td>.00-.009</td>
</tr>
<tr>
<td>- used in linear correlation, logistic regression and ordinal regression</td>
<td>$R^2$</td>
<td>.00-.009</td>
</tr>
<tr>
<td>- used in linear correlation</td>
<td>$r$</td>
<td>.00-.009</td>
</tr>
</tbody>
</table>


### 3.9.6 Multivariate Statistics

Multivariate analysis techniques were used to analyze and examine the relationships (or influences) between and among three or more variables simultaneously (Hair et al., 2006). Multivariate analysis provides easy visualization and interpretation of data, gives greater power as it allows more information to be analyzed simultaneously, provides a better understanding of the relationship between variables and it is simply more sensitive to examining complex interrelationships among variables than univariate or bivariate statistics (Blaikie, 2003; Tabachnick and Fidell, 2007). These statistics are: exploratory factor analysis (EFA); analysis of variance (ANOVA); logistic regression (binary and ordinal).

#### 3.9.6.1 Exploratory Factor Analysis

The term factor analysis is “an interdependence [statistical] technique in which a large set of variables is considered simultaneously in terms of their bivariate relationships” (Blaikie, 2003:155). Factor analysis was used in the current study to discover

“Which variables in the set form coherent subsets that are relatively independent of one another. Variables that are correlated with one another but largely independent
Factor analysis was used to summarize data into a smaller number of underlying factors than the original individual variables; and to reduce the data by obtaining factor score values for each factor and then substituting this value for the original individual values (Hair et al., 2006). Each factor represents a collective generalized concept. Further, factor analysis was conducted “to explain the relations among a set of indicators” (Pedhazur, & Schmelkin, 1991:67).

Another purpose of factor analysis is to identify which items form potentially a smaller number of coherent subscales that are independent of one another (Field, 2005; Tabachnick & Fidell, 2001). Since the current study questionnaire was developed based on theories in a number of fields and extant literature of social support and personal networks underlying their measurement model (e.g., Barrera & Ainlay, 1983; Heller & Swindle, 1983; House, 1981; Stewart & Vaux, 1986; Vaux & Harrison, 1985), it was necessary to assess and further understand the structure of its scales, as well as its constructs validity, reliability and unidimensionality, through using exploratory factor analysis (Byrne, 2001; Campbell & Fiske, 1959; Ford, McCallum & Tait, 1986; Kelloway, 1995; Hair, Anderson, Tatham & Black, 1998). Exploratory factor analysis was applied separately on ratings for the six sources (of both receiving and giving social support) scales as recommended by Vaux et al. (1986).

3.9.6.1.1 Preliminary Analysis

Several researchers recommend taking into consideration sample size and strengths of the relationships between items to determine whether the data set is suitable for factor analysis (Bartlett, 1954; Field, 2005; Pedhazur & Schmelkin, 1991). Sample size rules have been reduced over the years and many studies have shown that what must be evaluated is the strength of the data in terms of uniformly high communalities without cross loadings (complex items) and where several items are loading strongly on each factor (Fabrigar, Wegener, MacCallum & Strahan, 1999; MacCallum, Widaman, Zhang, & Hong 1999; Stevens, 1996). However, several researchers (Bryman & Cramer, 1997; Grimm & Yarnold, 1995; Hair et al., 1998) recommend at least 100 respondents in order to conduct EFA. The present study sample exceeded this recommended figure.

Further, it is suggested that the subject-to-variables (items) (STV) ratio not the sample size should be considered. Several researchers recommend that a subject to items ratio of around five to one is
adequate for factor analysis (Bryant & Yarnold, 1995; Kass & Tinsley, 1979; Payne, 1993; Tinsley & Tinsley, 1987). In the current study, the total of items included in each of the twelve scales was 20 and sample size \( (n=113) \), hence the ratio of respondents to items exceeded five to one by a small margin.

The second issue of concern was examining the strength of the inter-correlations between the items using the coefficients and significance levels. The correlation coefficient, \( r \), measures the strength of the relationships. As already mentioned, Pearson's \( r \) can range in numerical value from -1.00 to 1.00 (Buglear, 2005). Tabachnick & Fidell (2001) recommend that correlation coefficients should be greater than .30. Scanning the present study’s correlation coefficients of the 20 items of each of the twelve personal networks and social support scales correlation matrix, they revealed several significant correlations of items. Further, the determinant value of the correlation matrix was checked to detect any potential multicollinearity, i.e. items that were highly correlated (Field, 2005). The determinant value of the correlation matrix should be greater than .00001 (Field, 2005). The current study results showed that the determinant values of the twelve scales matrices were greater than the necessary value of .00001. Thus, variables in all twelve personal networks and social support scales correlate moderately well with all others; therefore, no question was eliminated at this stage (Field, 2005). Hence, considering the above conditions, the factor analysis method was deemed appropriate.

Further, to establish the suitability of factor analysis, two statistics measures were used. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy, which tests whether the partial correlations among variables are small (Kaiser, 1974), and Bartlett’s test of sphericity which tests whether the correlation matrix is an identity matrix, that is, to test whether there would be some relationships between the items for factor analysis to be appropriate (Bartlett, 1954). Kaiser (1974) states that a KMO value greater than .5 is barely acceptable; while Tabachnick and Fidell (2001) suggest .6 as the minimum value; and the Bartlett test should be significant \( (p<.05) \) (Bartlett, 1954). The KMO values for the current study set of items for the twelve personal networks and social support scales ranged from .824 to .917, which are considered very good (Hutcheson & Sofroniou, 1999:224-225); and the Bartlett’s test was statistically highly significant \( (p<.000) \), that is, there were correlations between the items and thus factor analysis was deemed appropriate.

Additionally, to further assess the appropriateness of factor analysis for the current study’s twelve scales’ items, it was necessary to examine the diagonal elements of the anti-image correlation
matrices to see whether there were any low degrees of correlations between any items when the other items were held constant (Field, 2005; Walker, 1999). The anti-image correlation matrix contains measures of sampling adequacy for each item along the diagonal, and the negatives of the partial correlation on the off-diagonal. The diagonal elements, like the KMO, should all be greater than .5 as the minimum value if the sample is adequate for a given pair of variables (Kaiser, 1974); and the off-diagonal elements should all be very small, i.e., close to zero, in a good factor model (Field, 2005). The current study’s anti-image matrix of correlations of the twelve scales revealed that the off-diagonal elements pair of items (the individual variables included in the analysis) all had a value well above .5. A great number of these values were between .8 and .9, or more, which is considered very good (Hutcheson & Sofroniou, 1999: 224-225); and the off-diagonal elements all had very small values supporting their retention in the analysis; therefore, it was appropriate to proceed with factor analysis.

3.9.6.1.2 Factor Extraction

Factor extraction involves determining “the linear components with the data set (the eigenvectors) by calculating the eigenvalues of the [correlation matrix]” (Field, 2005:652). The main purpose of this step is to test the twelve scales’ (forty-eight sub-scales’) unidimensionality. That is, that these subscales measured a single characteristic (construct) (Hattie, 1984). This was because all latent constructs in the theoretical ground were operationalized as unidimensional.

Factors were initially extracted using the principal component analysis (PCA) method which amounts to a variance maximizing item reduction (Hotelling, 1933, as cited in Arrow & Lehmann, 2005). Kaiser’s criterion is accurate when there are less than 30 variables (Child, 1990; Field, 2005). Kaiser (1960) recommends keeping all factors with eigenvalues greater than one. The current study results produced four linear components (factors) with eigenvalues greater than one. In addition, Gorsuch (1983) suggests that the cumulative proportion of the total variance would be to account for at least 70 per cent of the total variance in determining the number of factors to retain. In the current study analysis, the cumulative proportion of the total variance ranged from 72.44 per cent to 86.23 per cent of the total variance, which exceeded the recommended percentage. The four factors that met the Kaiser criterion were: (i) emotional support; (ii) appraisal support; (iii) informational support; and (iv) instrumental support that respondents received from and gave to (i) Imm Fam, (ii) Ext Fam, (iii) Empl, (iv) friends, (v) Supp and (vi) Professionals.
Cattell (1966) proposed using the scree test to determine the number of components (factors) to retain. The proposal is “to plot a graph of each eigenvalue (Y-axis) against the factor with which it is associated (X-axis). This graph is known as a ‘scree plot’ (Field, 2005:632). By the very nature of this graph, each component (factor) explains less variance than the preceding ones until the curve tails off. As a result, a break point appears in the plot as an ‘elbow’. The factors occurred above the elbow should be retained as they explained the most variation in the data set (Cattell, 1966). Consequently, the plot indicated that the four components (factors) extracted initially occurred above the elbow and the remaining factors took place where the curve flattened out. These components were retained for further analysis. Therefore, it was worthwhile conducting factor analysis.

Further, the communality measure was considered as a third technique to find out the proportion of the variance of an item (variable) that is accounted for by the common extracted factors using principle component analysis method (Hatcher, 1994); and then to decide on retaining those significant factors and discarding the ones otherwise (Field, 2005). The factor solution should explain at least half of each original variable's variance, i.e. originally 1, so the communality value for each variable should be 0.50 or higher for a sample size ranging between 100 and 200 (Field, 2005; McCallum, Widaman, Zhang & Hong, 1999). The Communalities table for the results of the twelve personal networks and social support scales indicated that these values ranged between .530 and .964 which is the proportion of each variable's variance that can be explained by the principal components.

Furthermore, the residuals, or differences between the observed (original) correlation values and the reproduced correlations values, were examined in order to assess the fit of the factor model. It is recommended that residuals be as close to zero as possible (Field, 2005). For a good factor model, it is also recommended that “the percentage of nonredundant residuals with absolute values greater than .05 should be less than 50 per cent and the smaller it is, the better [the fit]” (Field, 2005:656). Thus, the data of the twelve scales indicated that there were between 14 and 60 nonredundant residuals (or 7 per cent to 31 per cent) had differences greater than .05 which were considerably lesser than the recommended 50 per cent. Thus, this reflected a moderate goodness of fit.
3.9.6.1.3  Factor Rotation

The principal component technique discussed in 3.9.6.1.2 was used in order to decompose the original set of correlated variables into a set of uncorrelated variables (the components) that become easier to interpret. A relatively smaller number of these components will account for most of the variance in the original data set (Stevens, 2002). Factor rotation was then used to see which variables ‘hang together’ (Pedhazur & Schmelkin, 1991:67) and under which components (factors). Orthogonal rotation was chosen for its simplicity, and because its results are more parsimonious and thus, more replicable (Kieffer, 1999; Thurstone, 1947 as cited in Tabachnick & Fidell, 2001). It was assumed that the underlying factors are not correlated (Tabachnick & Fidell, 2001). Therefore, the Varimax technique, proposed by Kaiser (1960), was used because “it tries to load a smaller number of variables highly onto each factor resulting in a more interpretable cluster of factors” (Field, 2005:636-637), and it “maximizes parsimony by shifting from general factors involving all the variables to group factors involving different sets of variables” (Rummell, 1967:33).

When using orthogonal rotation, the factor loading is the relationship of any original item (variable) to its factor (Blaikie, 2003). For interpretative purposes, Stevens (2002:394) recommends that “the critical values for a simple correlation at $\alpha = .01$ (two-tailed test) for a sample size ranging from 100 to 140 [in the current study n=113], then interpolation between [100 and 140] would give a very good approximation to the critical value”. Using the following formula for linear interpolation, only loadings >.50 in absolute value “would be declared statistically significant” (Stevens, 2002:394):

\[
d = d_1 + (n - n_1) \times (d_2 - d_1) / (n_2 - n_1) 
\]

\[
d = .256 + (113 - 100) \times (.217 - .256) / (140 - 100). 
\]

Then

\[
d \times 2 = \approx .50. \]  

\[d = \text{desired critical value}, d_1 = \text{approximate desired critical value corresponding to } n_1 \]  

(Critical Value (CV) .256), \[d_2 = \text{approximate desired critical value corresponding to } n_2 \]  

(CV) .217), \[n = \text{given sample size value (Current study sample size, } n=113), n_1 = \text{closest approximation to } n \text{ in the table (100), n}_2 = \text{closest approximation to } n \text{ in the table (140).}\]

Consequently, it was requested that loadings less than .50 were not displayed; and that “variables [were] listed in order of size of their factor loadings” (Field, 2005: 659). In addition, when a variable contributed to more than one factor with loadings >.50 it was excluded from further analysis due to its complex structure (Gerbing & Anderson, 1988; Straub, Boudreau, & Gefen, 2001). As a result, rotated component (factor) matrix using principal component analysis showed that out of the twelve scales, nine loaded highly onto only one factor. Thus, a simple structure model of these nine scales each containing four factors (four types of social support) was achieved (Thurstone, 1947 as cited in Tabachnick & Fidell, 2001). These scales included receiving social
support (hereafter RSS) from (i) Imm Fam, (ii) RSS from friends, (iii) RSS from Supp and (iv) RSS from professionals; and giving social support (hereafter GSS) to (i) Imm Fam, (ii) GSS to Ext Fam, (iii) GSS to friends, (iv) GSS to Supp and (v) GSS professionals.

However, for the three remaining scales, factor analysis showed that RSS from extended family’s scale (item # 13), RSS from employees’ scale (item # 18) and GSS to employees’ scale (item # 19) contributed to two factors. There was substantial variation in responses to these items; and by the nature of the questions, it was unsurprising that these items were complex, given they were either double-barrelled or multi-barrelled items (questions). These questions ask two or more questions simultaneously (Brown, 2001). Some respondents were probably confused as to which part of the question they should have agreed with, which, in turn, confounded the results. These items were therefore deleted from further analysis. Thus, the three refined sub-scales, now containing four instead of five items, were then subjected to the exploratory factor analysis test. See Appendices D-1 and D-2 for the twelve-scale instrument of the original five items grouped under the four types of receiving and giving social from and to the respondents’ six personal networks sources including the items deleted as they tapped into two factors.

In summary, all the forty-eight sub-scales of the current study were acceptable and the nature of the underlying latent variables represented by each factor was easy to interpret. Thus, the current study analysis revealed that the instrument’s sub-scales items tapped into four latent constructs. This implies that the factor analysis results served to establish the current study instrument construct validity. As Stapleton (1997: 9) suggests that

“… factor analysis [is a useful] tool in evaluating score validity…. Conducting a factor analysis of the observed scores on a given instrument, one can determine [that] the test is measuring the variables it purports to. This, in essence, is the definition of construct validation”.

Thus, common themes were identified and labelled with their corresponding factors (or constructs) as follows: variables loaded highly onto a factor that included terms such as listen, celebrate, comfort, understand, concern, like, affect, involve, feel and sense; therefore, this factor was characterized as emotional social support; variables that highly loaded on a factor that appeared to be about sharing, informing, advising and suggesting; thus, this factor was identified as informational social support; variables loaded highly onto a factor that included words like appraise, pride, assess, evaluate, judge, consider, comment and respond; hence, this factor was
regarded as *appraisal social support*; and variables loaded highly onto a factor that was concerned with assisting, helping, giving a hand and aiding; thus, this factor was labelled as *instrumental social support*. Table 3.4 shows the sources of receiving and giving four types of social support from and to respondents’ six sources of personal networks and their corresponding factor loadings.

<table>
<thead>
<tr>
<th>Types of Social Support</th>
<th>Emotional Social Support</th>
<th>Appraisal Social Support</th>
<th>Informational Social Support</th>
<th>Instrumental Social Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSS Imm Fam</td>
<td>Factor 1</td>
<td>Factor 3</td>
<td>Factor 2</td>
<td>Factor 4</td>
</tr>
<tr>
<td>RSS Supp</td>
<td>Factor 2</td>
<td>Factor 1</td>
<td>Factor 3</td>
<td>Factor 4</td>
</tr>
<tr>
<td>GSS Ext Fam</td>
<td>Factor 1</td>
<td>Factor 4</td>
<td>Factor 2</td>
<td>Factor 3</td>
</tr>
<tr>
<td>RSS Ext Fam</td>
<td>Factor 1</td>
<td>Factor 2</td>
<td>Factor 4</td>
<td>Factor 3</td>
</tr>
<tr>
<td>RSS Emp</td>
<td>Factor 3</td>
<td>Factor 1</td>
<td>Factor 4</td>
<td>Factor 2</td>
</tr>
<tr>
<td>RSS Friends</td>
<td>Factor 1</td>
<td>Factor 2</td>
<td>Factor 4</td>
<td>Factor 3</td>
</tr>
<tr>
<td>GSS Imm Fam</td>
<td>Factor 1</td>
<td>Factor 4</td>
<td>Factor 2</td>
<td>Factor 3</td>
</tr>
<tr>
<td>RSS Prof</td>
<td>Factor 3</td>
<td>Factor 2</td>
<td>Factor 4</td>
<td>Factor 1</td>
</tr>
<tr>
<td>GSS Emp</td>
<td>Factor 1</td>
<td>Factor 2</td>
<td>Factor 4</td>
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<td>GSS Friends</td>
<td>Factor 1</td>
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<td>GSS Supp</td>
<td>Factor 1</td>
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<tr>
<td>GSS Prof</td>
<td>Factor 3</td>
<td>Factor 2</td>
<td>Factor 4</td>
<td>Factor 1</td>
</tr>
</tbody>
</table>

### 3.9.6.1.4 Factor Scores

Upon completion of the interpretation of the newly identified factors, factor scores method was utilized in subsequent analyses (Hair et al, 2006). Factor scores represent composite scores estimated for each case (respondent/row) on each particular (derived) factor (column) extracted in the factor analysis (Garson, 2005; Hair et al, 2006). Factor scores were computed based on an individual score of each of the items (variables) loading on each factor and multiplied by the corresponding factor loading for the item (variable), after which these values were added together (Field, 2005; Rummel, 1967).

In the current study, the Anderson-Rubin method of estimating factor score coefficients was used to produce factor scores (on the factor patterns) that are uncorrelated and standardized (Anderson & Rubin, 1949). According to Tabachnick & Fidell (2007) and Kim and Mueller (1978) this method is best when uncorrelated scores are required. That is, the factor scores for this study sample are standardized, which means they have a mean of 0 and a standard deviation of 1 (Field, 2005). Cases (respondents) may have high or low factor scores depending on their values on the variables (the group of items that load on a factor) entering a pattern (Hair et al, 2006). Thus, respondents who
have ‘higher values on the variables with high loadings on a factor will result in a higher factor score...[So], the factor score is computed based on the factor loadings of all variables on the factor” (Hair et al., 2006:139). For each subscale in this study instrument, the scores lie between +2 and -2. Using factor scores in other multivariate techniques, composite measures provide a richer description of the case under study while maintaining parsimony, and can also contribute to increase validity of the measurement (Grapentine, 1995; Hair et al., 2006). Therefore, Hair et al. (2006:140) recommend using factor scores approach in subsequent analyses if “orthogonality must be maintained”. Additionally, given that the current study’s twelve scales, and their forty-eight subscales, are "well-constructed, valid, and reliable” (Hair et al., 2006:140), then factor scores are suitable.

3.9.6.2 Analysis of Variance (ANOVA)

One way analysis of variance (ANOVA), where more than two independent groups’ mean factor scores were compared using $F$ statistic, was utilized to determine the strength of relationships between and among variables (Babbie, 2001; Welch, 1951). That is, ANOVA statistical techniques helped determine whether the mean factor scores for RSS and GSS by dependent business success variables were significantly different. Where there was a statistically significant difference at the alpha value or where $p \leq .05$ between the means of more than two samples, the null hypothesis of no significant difference in means across groups was rejected. The $F$ statistic is calculated as

“The ratio of [the mean square between groups] $MS_B$ to [the mean square within groups] $MS_W$ is a measure of how much variance is attributable to the different treatments versus the variance expected from random sampling” (Hair et al., 2006:391-92).

In the ANOVA summary table, if the $F$-statistic was greater than the tabled critical value, then a significant difference between the means at the $p < .05$ level was evident. In this instance, a post-hoc comparisons procedures using the Tukey’s honestly significant difference (HSD) test were carried out to check that the result has not occurred by chance alone; and to find out which of the groups’ mean factor scores differ from each other (Field, 2005). The Tukey HSD test provides better control over the Type I error rate (Field, 2005; Hair et. al, 2006). The difference between the means of the groups was compared to a (HSD) critical value to see if the differences between the means of the groups were significant. This critical value is the point where the mean difference
becomes honestly significantly different \( \text{HSD} = q \sqrt{\frac{MSW}{n}} \) (Gravetter & Wallnau, 2008). If the difference is larger than the Tukey value, the comparison is significant.

Levene's test of homogeneity of variance was computed to test the ANOVA assumption that each category of the independent variable (such as employment of others variable) has the same variance (Tabachnick & Fidell, 2007). If the test was violated, i.e. the variances were significantly different for the value of significant \( p < .05 \), then the Welch’s \( F \)-ratio was consulted (Welch, 1951). The Welch’s \( F \)-ratio is “a version of the \( F \)-ratio designed to be accurate when the assumption of homogeneity of variance has been violated” (Field, 2005:749). If the Welch’s \( F \)-ratio produced significant difference at the \( p < .05 \) level, then the ANOVA summary table was checked to see whether it confirmed this result. If so, then Post-hoc comparisons utilizing the Tukey HSD test were taken into account.

In addition, the magnitude of the differences between means or strength of association was estimated using eta squared \( (\eta^2) \) to determine whether the effect for ANOVA was significant (Cohen, 1988, 1994; Vacha-Haase, 2001) (see Table 3.3). Eta squared was calculated by dividing the sum of squares between groups (or the model) \( (SS_b) \) by the total sum of squares \( (SS_t) \) and it indicates the proportion of variance explained in ANOVA (Field, 2005).

### 3.9.6.3 Logistic Regression

Logistic regression analysis was used in the current study to predict the probability of the dependent (outcome) variable that is nonmetric, categorical dichotomous (binary) variable, occurring in response to changes in one or more independent variables (predictors) (Field, 2005; Neter, Wasserman & Kutner, 1989). Logistic regression, particularly the binary logistic procedure, is a useful tool because the dependent variable with categorical dichotomy violates the assumption of linearity in multiple linear regression (Berry, 1993; Field, 2005). As such, logistic regression is more robust when these assumptions are not met (Hair et al., 2006). Logistic technique provides an indication that one or more predictors produce statistically significant results to predict group membership by assessing their ‘goodness-of-fit’ (Tabachnick & Fidell, 2007). Therefore, this technique is an “inherently difficult concept” (Albright, Winston, & Zappe, 2002:834). Because of the abovementioned advantages, a great deal of research is being conducted using the logistic regression model (Aczel, 1999).
In the current study, the binary logistic procedure was utilized to measure the overall dependence of business success variable as measured by *Employment of others (growth)* and *the number of business success indicators* on receiving and giving social support from and to the six sources of personal networks predictors (explanatory) and on the fourteen selected background predictors. *Employment of others (growth)* and *the number of business success indicators* as a dichotomous outcome variables were dummy-coded as 0 to distinguish between those respondents without employees and 1 who employed others, and 0 to distinguish between those respondents who indicated ‘1-6’ success indicators, and those who indicated ‘7+’ success indicators’ as 1 respectively on the above predictors variables. Additionally, dichotomous selected background variables were also dummy-coded as follows: *gender* into 0 = female and 1 = male; *marital status* into 0 = with a partner and 1 = without a partner; and *the number of people from own communities respondents meet in a week* and *the number of people from other communities respondents meet in a week* into 1 = up to 100 persons and 0 = 101+ persons.

Forced Entry Method of regression was used where all predictor variables entered simultaneously in one block to test their predictive ability, while holding the other predictors’ effects in the model constant (Studenmund & Cassidy, 1987).

SPSS®, v15.0 (SPSS® Inc., Chicago, IL, 2006) was used for all analyses and transformation procedures, and each of the fourteen-predictors was subjected to several transformations of their original scores to suit logistic regression requirements and to improve prediction as well as a solution for outliers until the best picture was obtained (Field, 2005; Hair et al., 2006; Tabachnick & Fidell, 2007).

### 3.9.6.3.1 Preliminary Considerations

A number of considerations were taken into account in performing logistic regression technique. The first issue of concern was the sample size and the number of predictors (independent variables) to be included in the logistic regression model. To avoid the problem of producing extremely large parameter estimates and standard errors and the problem of the solution failing to converge, descriptive statistics on each of the selected background predictors variables were run to consider collapsing or deleting categories with limited cases (numbers) where deemed not important to the analysis (Berry & Feldman, 1985; Tabachnick & Fidell, 2007). Accordingly, none of the categories
of each of the selected personal and professional background variables was deleted. Hair et al. (2006:197) state that, as a rule of thumb:

“The minimum ratio of observations to variables is 5:1, but the preferred ratio is 15:1 or 20:1…Maximizing the degrees of freedom improves generalizability and addresses both model parsimony and sample size concerns”.

Thus, in the current study, the ratio of cases to receiving and giving social support from and to the six sources of personal networks was around 28:1 for business success variables which satisfied the minimum requirement and exceeded the preferred ratio. When testing the effect of the fourteen selected background variables on each of the two business success variables, the ratio of cases to selected background variables was 13:1 for employment growth outcome variable and 9:1 for business success indicators variable, which both satisfied and exceeded the minimum required ratio.

The second issue of consideration was multicollinearity. Multicollinearity is a situation in which two or more predictor variables are strongly related to each other (Hair et al., 2006; Stevens, 2002), which, in turn, makes it difficult to determine which predictor produces the effect on the outcome variable. Multicollinearity was detected after running an initial linear regression analysis procedure. Statistics such as the Tolerance, which is the amount of variability of the selected independent variables not explained by the other independent variables, and the Variance Inflation Factor (VIP), which is inversely related to the tolerance value \(1/Tolerance\), were obtained to test collinearity (Farrar & Glauber, 1967; Field, 2005). Menard (1995) suggests that a tolerance value less than 1 indicates that the variable has a collinearity problem with other variables in the model. Bowerman & O’Connell (1990) and Myers (1990) also suggest that a VIF value greater than 10 is cause for concern.

The results, however, indicated no collinearity was evident, and collinearity diagnostics, in which the eigenvalues of the scaled and uncentered cross-products matrix, condition indices, and variance-decomposition proportions were produced, were also tested (Belsley, Kuh & Welsch, 2004). Where eigenvalues in the Collinearity Diagnostics table “are fairly similar, then the derived model is likely to be unchanged by small changes in the measured variables” (Field, 2005:260). Thus, the current study results indicated that no collinearity was evident as the eigenvalues were either similar or fairly similar. Condition index, a measure of tightness or dependency of one variable on the others (Tabachnick & Fidell, 2007) was also inspected. Belsely et al. (2004) suggest that when all condition indices above the threshold value of 30 together with variance proportions greater than .50
for at least two coefficients, multicollinearity is a concern. The current study results were within these criteria.

The third issue of consideration is the outliers and residuals. An outlier is an extreme case which is very different from the rest of the data. Such cases could bias the mean and could have a great impact on the regression model (Field, 2005; Steven, 2002; Tabachnick & Fidell, 2007). A residual is “the difference between the value a model predicts and the value observed in the data on which the model is based” (Field, 2005:743). Logistic regression statistical measures for identifying outliers and influential data points were used to make sure that the data fitted the model well and that whether a case(s) was/were exerting an undue influence on the model. Studentized residuals measure, which is the most commonly used form of standardized residual, that approximately 95 per cent of cases should have values which lie within ±1.96, and approximately 99.7 per cent of cases should have values that lie within ±2.58 (Rowntree, 1981) was inspected. Therefore, any case with the standardized residual, expressed in standard deviation units, greater than about 3 in absolute value should be closely examined (Stevens, 2002).

Additionally, leverage (or a hat element) statistic for a case should lie between 0 (no influence at all) and 1 (complete influence). The expected leverage is \((k + 1)/N\), where \(k\) is the number of predictors and \(N\) is the sample size. The current study expected leverage would be \((4 + 1)/113 = 0.04\). Thus, any value greater than 0.04 was considered to be problematic. Moreover, a case that has Cook’s distance value of greater than 1 is possibly influential; that is, an outlier (Cook & Weisberg, 1982; Stevens, 2002). Cook’s distance statistic is a measure of the change in at least one of the regression coefficients if a case is omitted from the model (Fox, 1991; Stevens, 2002).

Finally, DFBeta, which is “a measure of the influence of a case on the values of \(b_i\) in a regression model” (Field, 2005:729) was used to detect outliers. Thus, DFBeta for a particular case is the difference between the regression coefficient for an included variable calculated for all cases and the regression coefficient calculated with the case deleted, scaled by the standard error calculated with the case deleted (Field, 2005). For a well-fit model, the cut-off value for DFBeta is less than 1. Thus, a case that has an influence on the parameters of the regression model could be identified by examining its DFBeta value.

In the current study, cases with standardized residuals value (ZResid) of greater than ±2.5, the process of removing these outliers was followed based on the case that had the highest standardized
residual for any of the logistic model and following. The removal of an outlier(s) only improved the accuracy rate in classifying cases of the logistic regression model slightly; therefore, the logistic regression model with all cases was interpreted. In addition, Field (2005) states that in a sample of 100, one would expect around 5-10 per cent of cases with standardized residual with absolute values greater than 2. Accordingly, the number of outliers in the current study ranged from ‘zero to five’. This was calculated based on the sample size (N=113), and approximately 5 per cent of the cases should lie outside ±1.96 and approximately 3 per cent should lie outside ±2.58. Thus, 113 x 0.05 = 5.65 (≈ 6 outliers), and 113 x 0.003 = 0.339 (≈ 1 outlier); hence, the results were below the expected values.

3.9.6.3.2 The Effectiveness and Fitness of the Model

*The Omnibus Tests of Model Coefficients* was used to provide an overall indication of how well the model performed. This was examined by inspecting the significant value of the model after entering the predictors. A significant value of less than .05 ($p < .05$) indicated that the model with the predictor(s) was better than without the predictor(s). This is referred to as the model ‘goodness-of-fit’. The chi-square value with degree of freedom ($df$) was also reported. This was calculated as: the number of parameters in the new model minus the number of parameters in the baseline model, i.e. $2–1=1$. The *Hosmer and Lemeshow Test* was used to assess the statistical significance of the model. Where a significant value was greater than .05 was an indication of good fit (Hosmer & Lemeshow, 1980).

Hosmer and Lemeshow $R^2$ was calculated to show the amount of variance the model can account for in the outcome variable. This was done by dividing the model chi-square based on the log-likelihood [$(-2LL (Model)]$ by the initial value of -2LL (the log-likelihood of the model before any predictors were entered). Moreover, pseudo $R^2$, such as the Cox & Snell Square and the Nagelkerke $R$ Square, were used to estimate the overall usefulness of the model. These values provided information about the amount of variation in the business success outcome variable explained by the model. Their values range from 0 to 1, so the model with 1 is the perfect one. To estimate the magnitude of the size effect, the coefficient of determination, *r-squared* ($R^2$) was used. Cohen’s (1988) guidelines about what constitutes a small, medium or large effect were utilized (see Table 3.3).
Further, percentage accuracy in classification (PAC) with constant only in the model, which served as a baseline for comparing the model with predictor(s) included, was used to assess how well the model was able to predict the correct category of the success outcome variable for each case. A higher percentage of cases correctly identified by the model indicated a good model (SPSS® Inc., Chicago, IL, 2006).

3.9.6.3.3 Estimates of Logistic Regression Coefficients

The parameter estimates table summarizes the effect of each predictor. The *Wald statistic* was used to test the significance or contribution of this predictor variable; i.e. regression coefficient to the model fitness. If a predictor’s significant level of *Wald statistic* is less than .05, then the parameter is useful to the model (Field, 2005).

The beta (β) value was also used to establish the probability that a case fell into a certain category should a predictor contribute significantly to the model. A positive B value indicated that an increase in the independent variable score would result in an increased probability of the case recording a score of 1 in the dependent variable. A negative B value, on the other hand, indicated that an increase in the independent variable score would result in a decreased probability of the case recording a score of 1 in the dependent variable (Field, 2005). Moreover, *Exponentiated logistic coefficient* (Exp(β)) values (the odds ratio for each independent variable) were used to assess the effect of the predictor variable on the outcome variable in comparison to the reference group for the independent variable (Field, 2005). Thus, if (Exp(β)) value

“is greater than 1 then it indicates that as the predictor increases, the odds of the outcome occurring increase. Conversely, a value less than 1 indicates that as the predictor increases, the odds of the outcome occurring decrease”. Field (2005:730).

The 95 per cent confidence interval lower value and an upper value for each of the odds ratios (95% CI for Exp(β)) were also reported. These intervals are the range of values that,

“if [one] ran 100 experiments and calculated confidence intervals for the value of [(Exp(β))], then these intervals would encompass the actual value of [(Exp(β))] in population rather than the sample on 95 occasions. However, there is a 5% chance that a sample could give a confidence interval that ‘misses’ the true value” (Field, 2005:241-42).
3.9.6.4 Ordinal Regression

In the current study, the ordinal regression statistical technique was utilized to predict the magnitude of the effect of multiple independent variables (continuous covariates or categorical) on the ordinal dependent (multinominal) variables. That is, receiving and giving social support variables from and to the six sources of respondents’ personal networks on business success variables as measured by \textit{length of time in business} (survival), \textit{net income} and \textit{how successful or unsuccessful this business is}. Ordinal regression analysis was also utilized to investigate the effect of the independent variables (categorical factors) regarding the fourteen selected background variables on the three abovementioned business success variables.

3.9.6.4.1 Preliminary Considerations

A number of considerations were taken into account in carrying out the ordinal regression technique such as the sample size and the number of predictors in the regression model. The ratio of cases to receiving and giving social support from and to the six sources of personal networks was around 28:1 for business success variables, which satisfied the minimum requirement and exceeded the preferred ratio. When testing the effect of the fourteen selected background variables on each of the three abovementioned business success variables, the ratio of cases to selected background variables were 6:1 for \textit{length of time in business} (survival) variable, 10:1 for \textit{net income} variable and 9:1 for \textit{how successful or unsuccessful this business is}, a self-rated variable, which all satisfied and exceeded the minimum required ratio of 5:1 as discussed in 3.9.6.3.1.

In ordinal regression, the threshold rows contain the intercepts estimated for all of the ordinal dependent variable categories but the highest level as the cumulative probability equals 100 per cent. That is, there is a \( K-1 \) prediction where \( K \) is the number of a category in a dependent variable. The link function specifies what transformation is applied to the cumulative probabilities of the ordinal categories of the dependent variable. Five link functions are available in the ordinal logistic regression procedure to analyse the ordered categorical data. Frequency distribution of responses for the dependent variables determines the choice of the link function (Field, 2005).

After examining the frequency distribution for the outcome variables of the current study using bar charts, the logit link function was appropriate as the dependent ordinal variable had relatively equal categories, as was the case with respect to \textit{length of time in business} (survival). When variables had
extreme distribution values, the cauchit link function was applied, as was the case in relation to net income and how successful or unsuccessful this business is (SPSS® Inc., Chicago, IL, 2006).

The test of parallel lines was used to test the assumption that the effect of the predictors was equivalent across all levels of the categorical outcome variable (McCullagh, 1980). The results produced a non-significant value at the $\alpha$ level < .05 between the -2LL for the null hypothesis compared to the -2LL for the general model. Therefore, this assumption had not been violated and the results were a set of parallel lines (SPSS® Inc., Chicago, IL, 2006).

Regression models were checked for singularity using ‘singularity tolerance’ value. Singularity is the mathematical condition in which an independent variable is perfectly correlated or predicted by one or more independent variables (Hair et. al, 2006). Further, the cross-tabulation method was used prior to running ordinal regression by cross-tabulating the predicted categories with the actual categories. The purpose of this step was to assess adequate cell count assumption of which 80 per cent of cells of the variables under examination have a minimum count of 5, and no cells should have a zero count (Field, 2005; Norušis, 2007). As a result, the SPSS® “Case Processing Summary” output was examined, and procedures such as reordering or merging certain categories of these variables were considered in order to improve their adequacy of probability prediction and the reliability of chi-square goodness of fit test.

3.9.6.4.2 The Effectiveness and Fitness of the Model

In the current study, the difference between the research model and the null (intercept-only) model was tested using Model fitting information table (likelihood ratio test) (McCullagh & Nelder, 1989). Thus, where the test indicated a significance value at the $\alpha$ level < .05 using $\chi^2$ statistic and $df$, the model provided a better prediction and a significant improvement over the baseline intercept-model; and the null hypothesis that the model without predictors is as good as the model with the predictors could be rejected, and that at least one of the regression coefficients in the model was not equal to zero.

To assess how much predicted cell frequencies differed from observed frequencies in the fitted model, the Goodness of fit table using $\chi^2$ goodness of fit (chi-square goodness of fit) was examined. Where both Pearson $\chi^2$ and deviance $\chi^2$ coefficients produced non-significant results at the $\alpha$ level <
, a well-fitting model was achieved. Both Pearson and Deviance goodness-of-fit measures were computed using the observed and expected frequencies (Field, 2005).

The pseudo $R^2$ was also used to check the strength of the association between the outcome variables and the predictor variables (or the model effect size). The three most commonly used statistics were utilized to gauge how successful the model was in explaining the variations in the data, namely Cox and Snell’s $R^2$, Nagelkerke's $R^2$ and McFadden's $R^2$ (Cox & Snell, 1989; Magidson, 1981; McFadden, 1974; Nagelkerke, 1991). The higher the three $R^2$ values were, the stronger the association between the outcome and predictor variables was. Cohen’s (1988) guidelines to estimate the magnitude of the size effect were utilized (see Table 3.3).

### 3.9.6.4.3 Estimates of Ordinal Logistic Regression Coefficients

The "Location" rows of the parameter estimates table contain the logit coefficients (or slopes) for the independent variables (covariates or factors), and interactions for each level, but by default the highest level is the reference level and has a parameter value of 0 and is not shown in in the parameter estimates table. The "Threshold" rows contain the information on the intercepts estimated for all but the highest level of the ordinal dependent variable which has a parameter value of 0 that is not shown in the parameter estimates table.

The parameter estimates table provides a summary of the effect of each predictor variable on outcome variables; and for each parameter, the significance level by the Wald test is provided, along with the upper and lower confidence limits. If 0 is between the upper and lower confidence limits for a logit coefficient, that coefficient cannot be assumed to be different from 0 and therefore will be non-significant (Norušis, 2007). Wald statistics is used to test the significance of the independent variable with $df$ and standard error. The Wald statistic is the square of the ratio of the coefficient to its standard error. If the significant level is < .05, then the null hypothesis, that no relationships exist between the independent and dependent variables, can be rejected. This effect is given by the signs of the coefficients for covariates and relative values of the coefficients for factor levels. Provided that an effect was significant at the $\alpha$ level < .05, positive coefficients sign means positive relationships between predictor variables and outcome variables; and an increasing value of a covariate (or location variable) corresponds to an increasing probability of being in one of the higher cumulative outcome (ordinal or threshold variable) categories relative to the reference category (Norušis, 2007). The reverse also applies.
For a dichotomous variable such as gender, where level 1 (male) was estimated and level 0 (female) was the reference category, a positive coefficient means that males are more likely to have higher scores on the ordinal dependent variable than the reference category (females); and the reverse also applies. This also applies to the other dichotomous variables, namely marital status, the number of people from own communities respondents meet in a week and the number of people from other communities respondents meet in a week.

The regression coefficient estimates (the expected ordered log odds) were used to estimate the probability of the outcome variable moving to the next higher level of independent variable. If the value of log odds is greater than 1, then as the predictor increases, the log odd of the outcome moving to the next level of the predictor variable increases by the log odd value compared to other outcome variable categories, provided that all of the other variables in the model are constant. Conversely, if the value of log odds is less than 1.0, then as the predictor increases, the log odd of the outcome moving to the next level of the predictor variable decreases by the log odd value compared to other outcome variable categories, holding other variables in the model constant. Finally, if the value of log odds is 1.0, then it indicates no difference and the null hypothesis that there is no difference between predictor variable and the outcome variable can be accepted.

3.10 SUMMARY

This chapter has described and examined the methods and procedures by which the current study’s research design was followed in order to investigate the objectives stated in section 1.3. The purpose and the nature of the study as well as the rationale for conducting both the quantitative and the qualitative research were explained. Ethical considerations and procedures for conducting qualitative and quantitative research were also discussed.

Details of the sampling design and procedures for collecting qualitative data were explained, and the interview process was discussed. Probability proportionate to size cluster sampling techniques, utilized to determine the sample for the in depth semi-structured interviews, were also described. A number of criteria for evaluating the interview data were discussed.

Moreover, details of the sampling design and procedures for the survey particularly the multi-stage cluster sampling techniques, were discussed. The method of probability proportionate to size cluster
sampling techniques (PPS) used to determine the sample for the survey as the three Middle Eastern communities in the study differed in size were explained. As a result, a sample size of 113 respondents who were small business owner/managers among the Lebanese, Egyptian and Iraqi communities was obtained, particularly those who were residing in the thirty-two suburbs within the three of the five Melbourne metropolitan regions, namely north-east, north-west and Melbourne central. Quantitative data collection techniques and procedures were explained, and a range of independent and dependent variables as well as a number of background variables were identified. The current study instrument, used to investigate the four types of social support from respondents’ six personal networks sources was described. A number of criteria for evaluating this instrument were discussed.

Qualitative data analysis was conducted using conventional content analysis and constant comparative methods. Content analysis was based on the process of identifying patterns systematically and discovering themes and sub-themes constantly, particularly those relevant to the current study was followed. These themes and sub-themes were then linked to relevant theories that could be grouped under major categories. This systematic examination of the data and constantly comparing the emerged patterns and themes led to forming manifest constructs. These constructs were then calculated to produce frequencies and percentage frequencies. To demonstrate accuracy and validity of qualitative data analysis, at least three excerpts for each interpretation of the latent variables from the transcriptions of the interviews were provided to illustrate the actual meaning of themes. Reliability of interpretation was also established by checking methods during the interview and after interpretations of the raw data by the participants, consultation of readily available theories and interpretation of codes by colleagues were compared for consistency and consensus. Amendments were then made accordingly.

Quantitative data analysis techniques, utilized to achieve the current study objectives listed in 1.3 were discussed. Univariate (or descriptive) analysis used to describe the study sample using statistical techniques such as frequencies, percentage frequencies, mean, median, range and standard deviations. Bivariate (or exploratory) statistical techniques used to examine the relationships between variables using statistical techniques, namely crosstabulation, correlational analysis and \( t \)-test were discussed. Finally, Multivariate (or exploratory) statistical techniques used to investigate the relationships among variables such as exploratory factor analysis and analysis of variance (ANOVA) were discussed. The structure of the current study instrument was assessed and refined using EFA analysis. The analysis of the Personal Networks Sources of Social Support Instrument
supported a four-factor structure, namely Appr, Emo, Info and Inst Social Support both receiving from and giving to respondents’ six personal networks sources of social support, namely Imm Fam, Ext Fam, Empl, Friends, Supp and Professionals. The results of EFA analysis support the unidimensional nature of the forty-eight sub-scales of this study instrument. More exactly, the Social Support construct is of multi-dimensional nature. The overall reliability of the twelve scales was established as well as the basic reliability of the forty-eight sub-scales of the instrument. Factor scores were calculated for each factor to allow comparisons to determine how factor scores of the forty-eight social support sub-scales differ between each of the business success variables’ groups. Logistic regression analysis (binary and ordinal) was utilized to predict the probability of the dependent variables (business success variables) occurring in response to changes in one or more independent variables, namely personal networks and social support variables and the fourteen selected background variables.
CHAPTER 4
CHARACTERISTICS OF THE OWNER/MANAGERS FROM THE
MIDDLE EASTERN COMMUNITIES

I was approached and offered the business location after which
I accepted the deal. They [the owners of the complex] did a
character check and all was excellent. It was my
characteristics: the way I present myself and the shop; the way
I manage and deal with staff and customers; and speaking
many languages that the Group did not go for the second best
(Iraqi male, 44 years old, retail business, 17 years in business,
5 employees).

4.1 INTRODUCTION

This chapter examines the characteristics of respondents based on data gathered on a range of
variables, personal and professional, and on personal networks’ characteristics. The key
characteristics of the small businesses as well as profiles of respondents in relation to five aspects of
business success are also described. This chapter also investigates the relationships between gender
and selected background variables, among small business success variables and selected
background variables and business success variables. For the purpose of reinforcing the findings of
the current study, in many cases, the sample profile is compared with the characteristics of
Australian small businesses, particularly immigrants’ small businesses.

4.2 PERSONAL VARIABLES

4.2.1 Gender

As initially expected, even though the gender ratio is close to equal in the overall communities in
Victoria, 83.2 per cent of respondents were male and 16.8 per cent female (see Table 4.1), a gender
ratio of approximately 1:5. This result was found to be different compared to ABS (2008l), where
68 per cent were male and 32 per cent female (a ratio of 1:2). The ratio of males to females in the
sample was however, very consistent with three earlier studies on Australian ethnic entrepreneurs
where male proportions were larger (80 per cent, 70 per cent and 72 per cent as compared to 20 per
cent, 30 per cent and 28 per cent respectively) (Adhikari, 1999; Hearn, 1982; Liu & Louw, 2009).
Therefore, it seems safe to suggest that Victorian small ethnic businesses, particularly the Middle
Eastern communities’ small businesses are dominated by males more so than shown in other studies, even ethnic business studies.

**Table 4.1**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>94</td>
<td>83.2</td>
</tr>
<tr>
<td>Female</td>
<td>19</td>
<td>16.8</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

### 4.2.2 Age

Table 4.2 shows that the mean age of the respondents was 40.5 years, that the median was 39.7 years, and that the range was from 20 to 65 (45 years). The sample was divided into five age categories. The age structure indicated that around 14 per cent of respondents were aged less than 30 years. This was found to be higher than that of the ABS 2005-06 survey (nine per cent) of all small business operators (ABS, 2008l). Also, around 8 per cent of respondents were aged 50 years and over. However, this was found to be much lower than that of the ABS 2005-06 above survey (33 per cent). Almost 71 per cent of respondents were aged between 30 and 49 years, which was higher than that found in the above ABS survey (58 per cent). According to ABS (2010b), older employed people were more likely to be self-employed than their younger counterparts. Approximately 70 per cent of business operators were aged between 25-54 years (ABS, 2008m). Only one respondent declined to answer the age question despite ensuring anonymity and congeniality.

It was expected that middle-aged and older people would more likely possess and/or have access to capital than younger people. While this study has no reference data on the age distribution of owner/managers of ethnic small businesses in Victoria, apart from Hearn’s (1982) study where around 76 per cent were represented in the above 30 years of age to over 49 years category, it would appear that the proportion of owner/managers in the 30-49 years might represent ethnic businesses patterns.
Table 4.2
Respondents Classified by Age Range
(N=113)

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-29</td>
<td>16</td>
<td>14.2</td>
</tr>
<tr>
<td>30-39</td>
<td>41</td>
<td>36.3</td>
</tr>
<tr>
<td>40-49</td>
<td>39</td>
<td>34.5</td>
</tr>
<tr>
<td>50-59</td>
<td>9</td>
<td>8.0</td>
</tr>
<tr>
<td>60+ years</td>
<td>7</td>
<td>6.2</td>
</tr>
<tr>
<td>No response</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.2.3 Marital Status

The majority of respondents (around 84 per cent) were married, with almost 4 per cent divorced or widowed; around 12 per cent had never married (Table 4.3). In Victoria, in the 2006 Census, the proportion of people with partners and without partners was almost equal (50 per cent) (ABS, 2007c). Also, over three-quarters (79 per cent) of Australian business operators were identified as being with a partner (ABS, 2008m). Thus, the study sample appeared to be a group with a very low divorce rate, and hence, it could be surmised that such stability may perhaps provide more opportunities for support by partners and their children, if any.

Table 4.3
Respondents Classified by Marital Status
(N=113)

<table>
<thead>
<tr>
<th>Marital status</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>95</td>
<td>84.1</td>
</tr>
<tr>
<td>Divorced</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>Widowed</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>Never married</td>
<td>14</td>
<td>12.4</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.2.4 Religious Affiliation

An optional question on religious affiliation was included. The vast majority of respondents (almost 90 per cent) agreed to respond. Table 4.4 shows that the religious composition of the sample across the three ethnic communities was approximately 55 per cent Christian including Maronite Catholic (13.3 per cent), Chaldean Catholic (11.5 per cent), Antiochian Orthodox (10.6 per cent), Coptic
Orthodox (8.8 per cent), Melkite Catholic (5.3 per cent), Assyrian Catholic (2.7 per cent), Syriac Catholic (1.8 per cent) and Assyrian Orthodox (1 per cent). About one-third (34.5 per cent) of respondents were Muslims with Sunni (22.1 per cent), Shiite (5.3 per cent) and Alawite (4.4 per cent). Approximately 3 per cent of respondents were Druze, while the remainder (almost 11 per cent) gave no response. From the time of European settlement and over subsequent decades, Australia's religious profile has been overwhelmingly Christian. Christianity continued to be (and still is) the most common affiliation in Australia (Batrouney & Goldlust, 2005). Australian post-war society has become more diverse with regard to religions practised (Bouma, 1997, 2002). This change was partly due to trends in immigration. Immigration from other parts of the world, more specifically from the Middle East, has contributed to religious diversity such as Islam and Druze (ABS, 2003:143). According to the 2006 Census, Australians stated religious affiliations were: nearly 64 per cent Christian and Islam 1.7 per cent (ABS, 2010c). In Victoria, the most popular response for religious affiliation was also Christian (about 61 per cent), while Islam was around 2 per cent (VMC, 2008d). Thus, the most common response in this study sample was ‘Christian’ similar to that of the Victorian population response. However, the religious profile of the three communities in Victoria, or in Australia, did not reflect the profile in the three home countries. That is, Christian is underrepresented compared to Islam.

4.2.5 Importance of Religion in the Conduct of the Business

In the conduct of their businesses, respondents, asked to rate how important or unimportant was religion in the conduct of the business, gave a divided response pattern. On a scale from 1 to 5 the results showed that almost 49 per cent of respondents rated religion as a very unimportant or unimportant matter in the conduct of their businesses, compared with 34 per cent of respondents who rated religion as very important or important. The remaining (approximately 17 per cent) rated religion as neither important nor unimportant (hereafter ninu) in the conduct of their businesses.

Converse and Presser (1986) suggest adding an ‘other’ category to the questionnaire questions, if applicable, to allow respondents to express their feelings in relation to these questions and to improve the quality of data provided by the respondents. Therefore, in order to establish the reasons regarding the current study respondents’ ratings, they were asked to provide comments on their ratings if they chose. Thus, of 113 respondents, only 44 (nearly 39 per cent) provided comments for their choices. Of those, 35 (about 80 per cent or nearly 31 per cent of the sample), commented that religion was very important or important in the conduct of their businesses, while 9 (around 20 per
cent or nearly 8 per cent of the sample) stated that religion was very unimportant or unimportant in running the business. All those who responded that religion was ninu in the conduct of the business provided no written comments.

Table 4.4
Respondents Classified by Religious Affiliation
(N=113)

<table>
<thead>
<tr>
<th>Religion</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christian Maronite Catholic</td>
<td>15</td>
<td>13.3</td>
</tr>
<tr>
<td>Christian Chaldean Catholic</td>
<td>13</td>
<td>11.5</td>
</tr>
<tr>
<td>Christian Melkite Catholic</td>
<td>6</td>
<td>5.3</td>
</tr>
<tr>
<td>Christian Assyrian Catholic</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>Christian Syriac Catholic</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Total Catholic</td>
<td>39</td>
<td>34.6</td>
</tr>
<tr>
<td>Christian Antiochian Orthodox</td>
<td>12</td>
<td>10.6</td>
</tr>
<tr>
<td>Christian Coptic Orthodox</td>
<td>10</td>
<td>8.8</td>
</tr>
<tr>
<td>Christian Assyrian Orthodox</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Total Orthodox</td>
<td>23</td>
<td>20.3</td>
</tr>
<tr>
<td>Muslim Sunni</td>
<td>25</td>
<td>22.1</td>
</tr>
<tr>
<td>Muslim Shiite</td>
<td>6</td>
<td>5.3</td>
</tr>
<tr>
<td>Muslim Alawite</td>
<td>5</td>
<td>4.4</td>
</tr>
<tr>
<td>Total Muslim</td>
<td>39</td>
<td>34.5</td>
</tr>
<tr>
<td>Druze</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>No Response</td>
<td>12</td>
<td>10.6</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

Responses were processed using conventional content analysis and constant comparative method (see 3.8.1).

(i) Religion is very important or important in the Conduct of the Business

Content analysis produced the following themes: (a) religious dietary requirements and practices; and (b) values derived from a religious perspective.

(a) Religious Dietary Requirements and Practices

Responding to the dietary requirements of customers of other religions has been well documented (Assadi, 2003; Dugan, 1994; Queensland Rural Medical Support Agency, 2003; Pratten & Towers,
For example, the Holy-Book of Islam, the Qur’an, prohibits the consumption of alcohol and pork (including derivatives such as some types of gelatine) (Chaudry, 1992; Regenstein, Chaudry, & Regenstein, 2003; Woodlock, 2009). So, practising Muslims are careful about the food they consume and how it is prepared. For example, Muslims follow certain standards with regard to the method by which animals are slaughtered. Thus, halal meat is a religious requirement, which is usually referred to as al-thabiha (halal slaughter) in the preparation of meat and poultry in accordance with Islamic law. Also, pork items as well as alcohol are prohibited in every way—alcohol is deemed haram or (prohibited) (Aitelmaalem, Breland & Rynolds-Zayak, 2005; Jandt, 1995; Woodlock, 2009). Hence, to accommodate such religious needs, some respondents gave the following comments: Australia is a multicultural country, so we have to be aware of different religious needs; certain standards must be followed when importing food products such as meat and poultry; maintaining a correct diet of halal food (authentic) is strictly followed as a significant number of our customers are Muslims; I don’t mind doing things differently, so I provide alcohol free sweets, desserts, cakes and the like; understanding religious requirements and practices of other religions is part of our philosophy; and the vast majority of my retailers’ customers are Arab and non-Arab Muslims. I import halal products to cater for their customers’ dietary needs. Other religious followers such as Hindus and Buddhists also follow certain standards in relation to dietary requirements such as vegetarian food and no alcohol is used in cooking as alcohol use is strongly discouraged (Huang & Ang, 1992; Kilara & Iya, 1992). A total of 26 comments reflected religious dietary requirements and practices including:

Our reception is often booked by customers with different racial and religious backgrounds. So, we have no problems in providing appropriate service to accommodate their request for halal meat and poultry, no food is cooked with alcohol and vegetarian dishes in case of Hindus and Buddhist customers (Lebanese male, 43 years old, reception business, 20 years in business, 18 employees).

We here look after Muslims, Hindus and Buddhist customers too as their needs are different to other customers, we provide options like halal food, and vegetarian dishes and sandwiches. We also increase the amount of vegetarian food during the Lent period (Iraqi female, 26 years old, café business, 3 years in business, 6 employees).

Muslims have special dietary requirements which are easily catered for in our business. We provide halal meat and poultry; also no alcohol is used in the preparation of certain types of finishing products (Egyptian male, 39 years old, butcher business, 9 years in business, 8 employees).
Australia is a mix of people of different cultures and beliefs, and accommodating such differences is essential, especially for those who run businesses which target a wide range of customers. Such businesses like importing or exporting food products, café and restaurants, butcher shops and the like, need to be aware of and understand customers’ religious requirements and practices in advance and then take steps to meet these requirements. Thus, the comments above reflect respondents’ awareness of their customers’ mix and of their needs. These comments also indicated that respondents have anticipated the needs of people of such diverse cultures and provided appropriate service to accommodate them. Such anticipation might have resulted from scanning the customer environment surrounding their business. Information might have been obtained through direct dialogue with customers, which often leads to greater understanding of their needs, through their personal contacts, population figures obtained from official bodies, or by any other means of gathering information about business customers. This business opportunity is believed important not just to increase sales but also to widen the business’s networks and eventually strengthen the position of the business in the market that would have been lost otherwise (Mattson, 2000).

(b) Values Derived from a Religious Perspective

Cash, Gray and Rood (2000:127) state that “for many people of religious faith, values are intrinsically woven into their religious faith… [and] separating their faith from their moral values might well be impossible”. A total of nine comments related to religious values for example,

- my religion puts emphasis on respect, honesty and trustworthiness which I reflect through providing quality product and decent customer service;
- it is my religion that my employees and I have obligations to respect our clients’ needs regardless of their backgrounds;
- it is against my religious beliefs that I change the expiry date label if the products do not sell quickly even at times of despair;
- as a female masseur, I do provide my services to Muslim females, this increases the opportunities to serve a considerable segment of the client base; so religion is important to my business.

Other comments were:

- It is our practice that all types of food/dishes are clearly labelled to cater for religious reasons as well as for those customers with food allergies (Lebanese male, 44 years old, café business, 12 years in business, 6 employees).

- Some Muslim females prefer hairdressing and other related services are to be provided by a female hairdresser, and these services are to be provided in a private room. So I employed two females to look after these clients (Egyptian male, 35
Respondents’ comments reflect the ethical principles founded in religious belief, traditions, practices and norms. Such values and principles may guide the respondents in making business choices insofar as choices made are justified by and associated with these religious values. Such decisions mirror the considerate culture of the business, which may perhaps increase its trading opportunities.

(ii) Religion is very unimportant or unimportant in the Conduct of the Business

A total of nine comments echoed this category reflecting a combination of themes including: religion is a personal matter; it’s nobody’s business; and if we mix religion with business, we will never be able to go anywhere. One respondent even requested to take out this question off the questionnaire politely. Other comments were:

All people need petrol; I deal with lots of people irrespective of their religious backgrounds (Iraqi male, 38 year old, petrol station business, 10 years in business, 3 employees)

As an electrician, I deal with a whole range of customers, Muslims and non-Muslims (Egyptian male, 41 years old, electrician, 19 years in business, no employees).

My type of business is nothing to do with customers’ backgrounds. I deal with the huge number of passengers, local and international. All they need is reaching their destinations with good service (Lebanese male, 34 years old, taxi business, 8 years in business, 1 employee).

Clearly, the type of business and its surrounding environment may influence the behaviour of the small business owner/managers towards their customers, particularly with respect to their religious and cultural needs. However, values such as respect, trustworthiness, honesty, etc. are authentic values that one holds irrespective of one’s religious belief. Holding these values could improve one’s life and small business owner/managers are no exception. Surprisingly, it was expected that all respondents would provide comments regarding personal values and work ethics irrespective of gender, religious beliefs or ethnic backgrounds. The reasons could be that respondents did not understand the question, which is highly unlikely as about 26 per cent of the questionnaires (n=113) were administered by the researcher of this study, as well as 38 per cent of the respondents
answered the questionnaire in Arabic, or that respondents could not be bothered to provide comment, or that they hold different work ethics.

Judging from the above, the sample of the current study is heterogeneous in terms of the types of products they deal with and/or services they provide, and that they are not confined to specific religious requirements by certain groups of the Australian people. It also implies that the sample is generally flexible in accommodating the wide range of customers’ needs which give competitive advantage to the businesses.

4.2.6 Years in Australia

The results showed that the respondents’ mean years in Australia was 20.3 years at the time of the interview, that the median was 20.5 and that the range was from 5 to approximately 50 years (45 years). Table 4.5 shows that around 40 per cent of respondents had been in Australia between 16 and 30 years. Over one-third (35.4 per cent) had been in Australia between 5 and 15 years, and 15 per cent over 31 years. Nearly 10 per cent gave no response. The composition of the sample reflects the migration patterns of the three groups. For example, in the (Lebanese, Egyptian and Iraqi) subsample, the pattern of residence can be linked to Australia’s immigration policy (ABS, 2001c; Hugo, 2001), and to the significantly greater intake of the three ethnic groups in the current study from 1975 onwards due to the political unrest in the Middle East with Lebanon, Egypt and Iraq as major centres of conflict (Jupp, 2002). This is manifested in the mean years of residency of 20.3 years for the sample surveyed.

As respondents in the current study have resided in Australia for at least 5, and as long as over 41 years, it is believed that the vast majority of respondents may have well established and maintained personal networks of formal and/or informal relationships.

4.3 PROFESSIONAL VARIABLES

4.3.1 Level of Education

Respondents were asked the following question: What is the highest level of education (or nearest equivalent) you have completed whether in Australia or overseas? Table 4.6 presents the data according to the same categories and in the same order used by the ABS, Australian Standard Classification of Education (ASCED), 2001 (2001a). Over one-half of respondents 57 (about 51 per
cent) had post-secondary qualifications, compared to nearly about 38 per cent of the total Victoria (ABS, 2007c). This was very much lower than the proportion of Australian small business operators generally with post-secondary qualifications (approximately 92 per cent) (ABS, 2008m). However, this study result is similar to the findings of a study of 255 New Enterprise Incentive Scheme (NEIS) graduates in Victoria by Gray (1998), which showed that around half the sample had post-secondary qualifications.

Table 4.5
Respondents Classified by Length of Residence in Australia
(N=113)

<table>
<thead>
<tr>
<th>Years in Australia</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-10</td>
<td>12</td>
<td>10.6</td>
</tr>
<tr>
<td>11-15</td>
<td>28</td>
<td>24.8</td>
</tr>
<tr>
<td>16-20</td>
<td>23</td>
<td>20.4</td>
</tr>
<tr>
<td>21-30</td>
<td>22</td>
<td>19.5</td>
</tr>
<tr>
<td>31-40</td>
<td>13</td>
<td>11.5</td>
</tr>
<tr>
<td>41+ years</td>
<td>4</td>
<td>3.5</td>
</tr>
<tr>
<td>No Response</td>
<td>11</td>
<td>9.7</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

The results showed that 14.2 per cent of respondents had obtained a trade/apprenticeship certificate or diploma/advanced diploma, which was found to be lower than that of Victorian 2006 Census (approximately 21 per cent) of total Victoria (ABS, 2007c), much lower than that of the (NEIS) graduates study in Victoria (34 per cent) (Gray, 1998) and far below that of Australian small business operators in this category (around 61 per cent) (ABS, 2008m). Around one-third of respondents (32.7 per cent) had completed a degree and about four per cent held a postgraduate degree. The former was much higher than that of the Victorian population with a degree (about 13 per cent) (ABS, 2007c), but it was fairly similar to that of total Australian small business operators (around 29 per cent) (ABS, 2008m), while the latter found to be similar to that of the total Victoria (around 4 per cent) (ABS, 2007c), but lower than that of total Australian small business operators (ABS, 2008m).

Over one-half of respondents 56 (about 50 per cent) had only a school qualification. This proportion was almost comparable to that of the total Victoria in this category (about 48 per cent) (ABS, 2007c); but it was very much higher than that of the Australian small business operators with a school qualification (ABS, 2008m).
Quite clearly, the sample in the current study was reasonably well-educated. According to Cooper, Gimeno-Gascon and Woo (1994:376) education is “related to knowledge, skills, problem-solving ability, discipline, motivation and self-confidence”. Hence, the impact of education and its value in pursuing self-employment should not be downplayed, as this may play an important role in one’s small business career (Hisrich & Brush, 1986; Storey, 1982). Thus, it is expected that formal education could generally influence the performance of the sample’s businesses positively, and therefore a significant number of the study’s sample may well enjoy healthy ventures. However, given that a significant proportion of the sample (almost one half of the sample) had not gone beyond primary or high school, this contradicts studies which concluded that entrepreneurs are generally more highly educated than the general population (Dunkelberg, Cooper, Woo & Dennis, 1987; Hay & Ross, 1989).

Table 4.6
Respondents Classified by Level of Education
(N=113)

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>19</td>
<td>16.8</td>
</tr>
<tr>
<td>High school certificate</td>
<td>37</td>
<td>32.7</td>
</tr>
<tr>
<td>Trade/apprenticeship certificate</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>TAFE: Diploma/Advanced Diploma</td>
<td>14</td>
<td>12.4</td>
</tr>
<tr>
<td>Bachelor/Honours Degree</td>
<td>37</td>
<td>32.7</td>
</tr>
<tr>
<td>Master Degree</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>Doctoral Degree</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.3.2 Field of Study

Respondents were asked to indicate their field of study (qualification). This question was coded using the ABS, Australian Standard Classification of Education (ASCED), 2001 (2001a). “It describes the field of study of a person’s highest completed non-school qualification [post-secondary education]” (ABS, 2001b:129). Of the 50.4 per cent of the sample with a qualification, qualifications most commonly held were as follows: engineering and related technologies (11.5 per cent); management and commerce (9.7 per cent); health (8 per cent); and society and culture (4.4 per cent). These categories were similar to that of the 2006 census in Victoria with regard to the nature of the qualifications most commonly held. However, the current study results were
characterised by a great spread of fields compared to the Victorian 2006 profiles: management and commerce, and engineering and related technologies, almost similar, (each 15 per cent); society and culture (9.1 per cent); and health 8.5 per cent (ABS, 2007c). Similarly, engineering and related technologies was the most common field of study indicated by business operators in Australia (24 per cent); however, architecture and building was the second category reported by business operators (17.3 per cent), followed by management and commerce (16.5 per cent), whereas society and culture indicated 8.2 per cent (ABS, 2008m).

The fifth commonly held field was education (3.5 per cent) which was similar to that of the Victorian 2006 census, however, it was lower compared to that of the Victorian population (nearly 8 per cent) (ABS, 2007c). Equally ranked were natural and physical sciences, information technology and mixed field programs (2.7 per cent), followed by architecture and building, agriculture, environment and related studies and creative arts (each 1.8 per cent).

Despite the fact that management and commerce represented a small proportion of the sample’s field of study, a significant number of respondents may have essential business skills and knowledge to manage a business ranging from technical to interpersonal and conceptual, and therefore, these skills are needed to achieve positive business outcomes.

4.3.3 English Language Proficiency

Responses to the question asking how well respondents felt that they could understand, speak, read and write English showed no respondent selecting the ‘not at all’ range. Table 4.7 presents the distributions of respondents classified by English language proficiency. Almost 87 per cent of respondents felt that they could understand and speak English ‘well or very well’ and around 74 per cent and 69 per cent felt that they could read and write English ‘well or very well’ respectively. Respondents’ standard of English was independently assessed through the language in which the questionnaire was answered. Results show that of the 113 respondents 70 (nearly 62 per cent) answered the written questionnaire in the English language. The remaining 43 respondents (around 38 per cent) answered the questionnaire in written Arabic. Also, 84 of the questionnaires were self-administered, representing almost three quarters of the sample (around 74 per cent), whilst 29 questionnaires, the remaining quarter, were researcher-administered. These results support the inference that the sample was generally equipped with the English language skill.
Some 13.3 per cent of respondents felt that they could understand and speak English ‘so-so’ and around 20 per cent felt that they could read and write English ‘so-so’. Nearly 11 per cent and around 5 per cent of the sample felt that they could write and read English only poorly. This compares with the proportion of people who assessed themselves as having low English proficiency in 2006, approximately 4 per cent of the total Victorian population, or nearly 16 per cent of the overseas born population in Victoria (ABS, 2007c).

Overall, the current study findings showed that the majority of respondents seemed to have been reasonably well-equipped in their capability to communicate with people other than those of Arabic backgrounds. Self-rating of English skills could be inaccurate due to respondents receiving assistance in filling out the questionnaire, or differing interpretations of levels of competency. However, these results still give a good indication that the sample has a good command of the English language. This might have encouraged respondents to establish their own businesses, because English proficiency has direct implications for the likelihood of self-employment (Aronson, 1991; Borjas, 1986; Fairlie & Meyer, 1996). Thus, this study result is different to that of Evans’s (1989) study which concludes that a lack of fluency in the host country’s language leads to entrepreneurship.

![Table 4.7](image)

<table>
<thead>
<tr>
<th>English Language Proficiency</th>
<th>Not at all</th>
<th>Poor</th>
<th>So-So</th>
<th>Well</th>
<th>Very well</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>How well do you feel you can understand English?</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>13.3</td>
<td>29</td>
</tr>
<tr>
<td>How well do you feel you can speak English?</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>13.3</td>
<td>39</td>
</tr>
<tr>
<td>How well do you feel you can read English?</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>5.3</td>
<td>23</td>
<td>20.4</td>
</tr>
<tr>
<td>How well do you feel you can write English?</td>
<td>0</td>
<td>0</td>
<td>12</td>
<td>10.6</td>
<td>23</td>
<td>20.4</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

### 4.3.4 Importance of Speaking English in the Conduct of the Business

Respondents were asked to rate the importance of speaking English in the conduct of their businesses. The results indicated that the vast majority, 102 respondents (or around 90 per cent), reported that speaking English was very important or important in running the business. Of those, 41 respondents (around 36 per cent), 33 respondents (around 29 per cent) and 28 respondents
(approximately 25 per cent) were operating in the following industries: retail trade; agriculture, forestry and fishing, manufacturing, wholesale trade, health and community services or other service; and personal services industries respectively.

Some 5.3 per cent (six respondents) stated that English was neither important nor unimportant. Five of those respondents’ businesses were part of the retail trade industry, while the other was operating in personal services. Also, 4.4 per cent of the sample (the remaining five respondents) indicated that English was very unimportant in the conduct of their business. Three of these were operating in arts and recreation services industry; while the other two were either part of construction or personal services. From these mixed results, it seems that how important or unimportant speaking English in the conduct of the business is not confined to a specific industry that these businesses were part of. The results may also imply that respondents who indicated that English was neither important nor unimportant or very unimportant in the conduct of their business (11 or about 10 per cent) may either deal exclusively with Arabic-speaking customers or that the vast majority of their customers are of Arabic background. No rating was provided regarding the unimportant category.

Additionally, respondents were also asked to provide comments on their ratings regarding the importance of speaking English in the conduct of the business if they chose. Thus, of the 102 respondents, 25 (22 per cent of the sample) provided comments regarding speaking English is very important or important in the conduct of the business which reflected mixed themes as follows: Australia is an English speaking country (36 per cent); inability to speak English could well affect the business negatively (24 per cent); dealing with all kinds of locals and internationals (24 per cent); dealing with a substantial number of customers, suppliers and others who only speak English (12 per cent); and professionalism (4 per cent). However, respondents provided no comments with regard to the other two ratings.

Immigration research has consistently found that proficiency in English has always been an important issue for immigrants for whom English is a second language to be able to succeed in the labour market, in building up their self-identity, in establishing and maintaining social networks and in attaining socioeconomic goals (Esser, 1986; Fitzgerald, 1988; McManus, Gould & Welch, 1983; Wooden, Holton, Hugo & Sloan, 1994). Thus, the results of this study are consistent with past immigration research results in that, being an migrant-receiving country, Australia is no exception, and proficiency in English is of major significance in immigrants’ daily life, specifically in the life of those who own/manager a business in order to be able to deal with suppliers, banks and people
outside their ethnic market. For example, a Chilean-Australian immigrant couple would close the business whenever their daughter was unable to be there to speak to customers in English (Collins, et. al, 1995).

4.3.5 Speaking Languages other than English (LOTE)

The response to the question: “Do you speak a language(s) other than English?” indicated that all 113 respondents speak Arabic. In the 2006 Census, the Arabic language was found to be sixth among the six most popular languages spoken at home in Australia (1.2 per cent) (ABS, 2010c); and fifth among Victoria’s top thirty languages spoken at home; representing about 6 per cent of LOTE speakers in Victoria. Additional LOTEs were also spoken by considerable proportions of respondents for example, French with (31 or about 44 per cent of total additional LOTEs). These respondents are of Lebanon-born whose second language in their home country is French. Given that Neo-Aramaic-Chaldean/Assyrian/Syriac dialect, language is spoken by the Chaldeans, Assyrians and the Syriac in the Middle East, it is not surprising that 21 respondents (about 30 per cent of the total additional LOTEs) spoke this ancient language. This language, with its three dialects, was not listed correctly according to its ancient or modern name, i.e. Neo-Aramaic in the 2006 census. Thus, Assyrian (including Aramaic) was found to be the thirtieth most commonly spoken language at home, representing 0.5 per cent of LOTE speakers (ABS, 2002). Further, 19 respondents (around 26 per cent of the total additional LOTEs) spoke Italian, Greek, Kurdish, Turkish, Spanish, Russian and Japanese. These LOTEs, including French but excluding Kurdish, were also among Victoria’s top thirty languages spoken at home, with Italian and Greek the first and second respectively (ABS, 2007c).

It is apparent that all respondents have preserved their Arabic language, and a considerable proportion of respondents have maintained their Neo-Aramaic language with its three dialects which they may consider as an important priority in maintaining their cultural identity. Being bilingual and trilingual respondents may well be more attentive to their employees’, suppliers’ and customers’ needs. This may give them a deeper understanding of different traditions and cultures, and offer them opportunities to contact people from other communities in order to have access to their cultural, social and religious events, particularly for those respondents whose businesses’ performance is likely to improve during such events. At an individual level, bilingualism and trilingualism may improve way of thinking and increase self-esteem. According to Fatehi (1996)
and Kipp et al. (1995), language skills may be considered as a significant asset in today’s world as they facilitate communication with a wide range of people and create a more informal and friendly environment. Given that the current study sample is a multilingual group, speaking more than a language, respondents may have the advantages of finding business opportunities in the market that address a wider customer base.

4.3.6 Importance of Speaking a LOTE in the Conduct of the Business

Respondents were asked to rate the importance of speaking a language(s) other than English in the conduct of their businesses. Just over two-thirds (66.3 per cent) indicated that it was very important or important to speak a LOTE, while approximately 18 per cent of the sample rated the issue as very unimportant or unimportant. The remaining 15 per cent indicated that it was neither important nor unimportant in the conduct of their businesses.

Respondents were also asked to provide comments on their ratings if they chose. Of the 75 respondents, 27 (36 per cent) made 27 comments. Major themes extracted from these comments related to gaining business opportunities, attracting customers from different backgrounds and communicating easily with non-English speaking employees, customers and suppliers. For example, we deal with lots of Arabic-speaking customers of whom a significant number does not speak English well; my employees are Arabs; a considerable number of customers are French speaking; my customers are Arabs only; most of my suppliers are Arabs and a number of them speak Neo-Aramaic; establish and maintain rapport with those who speak poor English and improve sales.

Other comments were:

*I meet with lots of Arabic-speaking people who run the same type of business as mine. While waiting for our turn at the taxi rank, at Melbourne airport, major Melbourne hotels or at hospitals, we socialize and exchange information about available business opportunities during the day or at night* (Lebanese male, 53 years old, 17 years in business, taxi driver, 1 employee).

*The ability to communicate in other languages in insurance business is very important as insurance is one of difficult fields to understand. Also, it is an opportunity to attract those customers you speak their language like the Italians, French and, of course, the Arabs* (Lebanese male, 61 years old, 22 years in business, insurance broker, 2 employees).
As an Arabic food supplier, the vast majority of my customers are Middle Eastern. It makes it much easier to communicate in Arabic than in other languages especially when it is related to certain Middle Eastern products (Egyptian male 38 years old, 13 years in business, import business, 1 employee).

The vast majority of my female customers either speak Arabic and/or Neo-Aramaic. Certainly, it is much easier to speak these languages than any other language, in particular with those customers who find it difficult to express themselves in English (Iraqi female, 32 years old, 4 years in business, import evening wear business, 2 employees).

However, almost 18 per cent of the sample rated the question as either very unimportant or unimportant. Of the 20 respondents four (20 per cent) commented on this issue, for example: I deal with the general public; the vast majority of my clients speak English only; I do tutoring and I am in the city so I deal with all kinds of people.

The other 15 per cent of respondents indicated that it was neither important nor unimportant speaking LOTE in the conduct of their businesses; two out seventeen respondents (around 12 per cent) made comments indicating that a substantial number of respondents’ clients speak English only.

Thus, it is the nature of the business and the background of its clients that decide whether speaking LOTE is important or unimportant. That is, the market they are in serves their own ethnic communities and other similar communities; or that the business is located where there is considerable number of co-ethnic people. Generally, one way to attract customers, particularly those customers who have a poor command of the English language, is through speaking their language as they may feel more confident expressing themselves. The ability to speak a customer’s language may also assist small business owner/managers and their employees, if any, understanding of their needs and create opportunities for interaction with customers. Expanding personal networks size may perhaps result in improving the financial status of the business. According to Peterson and Roquebert (1993) Cuban-American small business operators were successful partly because they spoke Spanish which aided their understanding of customers’ needs. After all, regardless of the importance relevance of the issue, conventional wisdom suggests that speaking LOTE is an asset not liability.
4.3.7 Attending Small Business Courses/Training

Respondents were asked the following question: *Have you attended any small business and/or any relevant courses/training whether overseas or in Australia?* Around 30 per cent of respondents stated that they had attended small business and/or other courses/training in Australia or overseas. Respondents were asked to provide details about these courses if they wished. Of the 30 per cent approximately 18 per cent had attended industry-related training/courses such as Food Safety Program, Pest Control, Occupational Health and Safety (OHS), Professional Driving, Travel and Ticketing, Quality Control, Cosmetic Products and Computer/Information Technology training. Another almost 11 per cent had completed courses or attended training in the fields of Business Management, Business Accounting, Record Keeping and Customer Relations. Only about two per cent of respondents who had attended small business training had completed both Business management and industry related courses.

Small business courses or training usually covers all the areas that are vital to the success of the business from the start-up phase, such as business planning, organising, leading, communicating, controlling, as well as market research and marketing, legal and financial matters and other areas. Several researchers found that knowledge gained through training and formal education has a positive effect on small business (Aldrich & Martinez, 2001; Harada, 2002). Despite the small percentage of the respondents who had completed business courses or undertaken business training, the current study sample seemed to be equipped with the knowledge and skills required to manage a small business.

4.3.8 Occupation and Duration of Employment in Home Country

Respondents were asked to state their employment status in their home country or in Australia prior to undertaking their own business. Responses were categorized as per the ABS, *Australian and New Zealand Standard Classification of Occupations (ANZSCO)*, 2009) and in the same order. The results indicated that 31 respondents (27.4 per cent) were employed, 14 (12.3 per cent) were self-employed, 10 (nearly 9 per cent) were employed and self-employed at the same time and 6 (5.3 per cent) were employed and students simultaneously. The remainder, 52 (46 per cent) of respondents were students or soldiers together with those who were undertaking home duties, unemployed or were minors in their home country and/or in Australia. That is, 47 respondents (about 42 per cent) were employed and 24 (around 21 per cent) were self-employed. Thus, the results indicated that the
vast majority of the current study sample (89 respondents or approximately 79 per cent) had no prior business experience, which was found to be different to that of previous Australian studies on immigrant entrepreneurs, which indicated that the majority of their studies’ samples came from an entrepreneurial background equipped with significant business resources (Lever-Tracy et al., 1991; Stromback & Malhotra, 1994).

Table 4.8 shows that the most often indicated category was professional (nearly 24 per cent). Employment in a range of categories was as follow: Labourers 6.1 per cent; technicians and trades workers 4.4 per cent; managers 2.6 per cent; and clerical and administrative workers almost 2 per cent. Very few respondents had been employed in the following occupations: sales workers; community and personal service workers; and machinery operators and drivers. These three categories accounted for only about one per cent each. Thus, the results suggest that previous occupation of those respondents who were employed in their home country was broadly distributed to include a wide range of occupations. However, a significant number of respondents had managerial, professional or trade backgrounds.

<table>
<thead>
<tr>
<th>Previous occupation</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>3</td>
<td>2.6</td>
</tr>
<tr>
<td>Professionals</td>
<td>27</td>
<td>24.0</td>
</tr>
<tr>
<td>Technicians and Trades Workers</td>
<td>5</td>
<td>4.4</td>
</tr>
<tr>
<td>Community and Personal Service Workers</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Clerical and Administrative Workers</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Sales Workers</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Machinery Operators and Drivers</td>
<td>1</td>
<td>.9</td>
</tr>
<tr>
<td>Labourers</td>
<td>7</td>
<td>6.1</td>
</tr>
<tr>
<td>Self-employed</td>
<td>14</td>
<td>12.3</td>
</tr>
<tr>
<td>NA</td>
<td>52</td>
<td>46.1</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

Respondents were also asked to indicate the number of years they had been employed in their previous occupation, whether in their home country or in Australia. Excluding the 52 respondents to whom the question did not apply, the results indicated that 35 respondents (31 per cent), had been employed for one to ten years, 8 respondents (around 7 per cent), had been employed for eleven to
fifteen years and only 4 respondents (3.5 per cent), had been employed for sixteen years or more. Given that over two-fifths of respondents had considerable working experience, one would infer that respondents, in general, may have a great deal of knowledge and skills which had been developed throughout these working years. Such considerable ‘know-how’ may assist them in daily activities and contribute to their level of performance.

4.3.9 Self-Employment and Duration of Self-employment in Home Country

While the vast majority of the respondents (89 or nearly 79 per cent) had not owned a business prior to their arrival in Australia, 24 (around 21 per cent) indicated that they had actually owned a business in their home country.

Respondents’ businesses were classified according to ABS, *Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006* (2008a). Industry data were amalgamated into two broad groupings: goods-producing and service-providing industries. Further industry breakdown is discussed in section 4.5.1 below to describe the type of industry sector of the current study sample. Just over two-thirds (16 or 66.6 per cent) of respondents’ small businesses in their home country were under the service-providing grouping while precisely one-quarter (6 or 25 per cent) were under the goods-producing grouping. Only two respondents’ businesses (around 8 per cent) were part of both industries. Thus, it is probable that respondents who were self-employed in their home country or in Australia may possibly run a business which is part of the same industry type as the previous one.

Of the 24 respondents, 13 (around 54 per cent) had been self-employed for one to ten years, 9 (about 38 per cent) for eleven to fifteen years and only 2 respondents (around 8 per cent) had been self-employed for sixteen years and over. However, despite the small number of respondents who had been self-employed in their home country for quite some period, the sample was, to some extent, equipped with experiences and skills that may have an impact on business success. Generally, immigrants who acquire previous self-employment experience can be more successful than their counterparts who lack such background (Portes & Bach, 1985).
4.3.10 Duration of Unemployment after First Arriving in Australia

Respondents were asked the following question: *How long were you in Australia before you found your first job?* The results indicated that, of the 113 respondents, 55 (48.6 per cent) found a job within one month to 11 months after first arriving in Australia. While 15 respondents (13.3 per cent) had been unemployed between one year and four years, 17 respondents (around 15 per cent) had been unemployed between one day and three weeks at the time of commencing their first job in Australia.

According to Liu (2007) immigrant duration of unemployment is, to a great extent, affected by one’s skills, abilities and capabilities in finding a job, particularly where the host country’s language is different to one’s own. Given that a considerable number of respondents (over two-thirds) had trade and/or professional backgrounds (see the previous sections), this might have contributed to finding a job earlier than those who lacked such expertise. Additionally, those 55 respondents may not only have gained economic benefits which may allowed them to accumulate assets of any kind, but have also increased their social networks by meeting people from their own community and/or from other communities, as well as improved their human assets, such as their knowledge, skills, abilities, etc.

4.3.11 First Occupation in Australia

Table 4.9 shows that labourer was the first most common occupation (27 per cent), professional ranked the second most common occupation, which accounted for 17 per cent, technicians and trades workers and machinery operators and drivers categories accounted for 16 per cent and around 12 per cent respectively. Sales workers, clerical and administrative workers, and community and personal service workers together accounted for 23 per cent of the sample. Only around 5 per cent of respondents had been managers. Despite the above ranges, it seemed that the sample, in general, had practical, experience or proficient expertise necessary to manage a business.

4.4 CHARACTERISTICS OF RESPONDENTS’ PERSONAL NETWORKS

4.4.1 Sources of Finding their First Job in Australia

Respondents were asked to indicate the ways through which they found their first job in Australia. The results show that the total number of choices exceeded the sample size, n=113. This was because 19 respondents reported more than one source of finding their first job in Australia.
Table 4.9
Respondents Classified by First Occupation in Australia
(N=113)

<table>
<thead>
<tr>
<th>Classification of Occupation</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>6</td>
<td>5.3</td>
</tr>
<tr>
<td>Professionals</td>
<td>19</td>
<td>16.8</td>
</tr>
<tr>
<td>Technicians and Trades Workers</td>
<td>18</td>
<td>15.9</td>
</tr>
<tr>
<td>Community and Personal Service Workers</td>
<td>7</td>
<td>6.2</td>
</tr>
<tr>
<td>Clerical and Administrative Workers</td>
<td>9</td>
<td>8.0</td>
</tr>
<tr>
<td>Sales Workers</td>
<td>10</td>
<td>8.8</td>
</tr>
<tr>
<td>Machinery Operators and Drivers</td>
<td>14</td>
<td>12.4</td>
</tr>
<tr>
<td>Labourers</td>
<td>30</td>
<td>26.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>113</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

The results revealed that around 83 per cent of respondents found their first job after arrival in Australia through informal sources, namely immediate and extended family members and friends from their own community and other communities. While approximately 10 per cent of respondents reported other sources such as Centrelink, formerly known as the Commonwealth Employment Service (CES), self-search or through business people, only 7 per cent indicated the use of formal sources to find their first job in Australia, such as newspapers/radio advertisements in Arabic or English.

Several studies have found that, in general, immigrant and non-immigrant duration of unemployment is, to a great extent, affected by the type and number of personal contacts in the country of destination (Granovetter, 1973, 1974; Hagan, 1998; Menjivar, 2000). This is supported by the fact that the traditions of many Middle Eastern people call for helping new arrivals among their co-ethnic people become settled. (Batrouney, 2001; Grassby, 1981; Service Seeker Community Directories, 2011; VMC, 2011), Given that a substantial number of the study’s sample had a shorter period of unemployment after they first arrived in Australia (see the previous sections), and that the vast majority of respondents found their first job in Australia through informal sources, this study finding conforms to the research regarding the importance of strong ties for securing employment and of ethnic network in helping newly arrived immigrants become settled (Goza & Demaris, 2003; Granovetter, 1974; Andersson & Narayan Pradhan, 2005). Therefore, informal sources could possibly be vital sources for survival in an unfamiliar environment as one
would expect that these sources would continue providing some sort of support to the respondents when needed.

4.4.2 Sources of Finding the Business Location

Respondents were asked the following question: *How did you find this current business location?* The results produced a total of 138 responses because 25 respondents indicated more than one source of finding their current business geographical location. Over half the respondents (around 57 per cent of 138) found their current business geographical location through informal sources, namely immediate and extended families and friends from their own community and other communities. While around 25 per cent of respondents indicated formal sources such as newspapers/radio advertisements in Arabic or English or real estate agents, around 17 per cent reported other sources, among which were self-searching, door-knocking, passing or driving by, being a former employee, being a regular customer of the ex-owner and through direct application. Thus, the results may suggest that a considerable proportion of the sample have maintained their ties with their immediate and extended families and friends since their first arrival in Australia. The networks of the respondents may have developed as a result of these existing informal ties.

Respondents were asked to provide the reasons for choosing this business location. The results produced 273 responses with many respondents indicating more than one reason for choosing the current business location. The results showed that close to Arabic-speaking communities was the most popular response 69 (around 25 per cent of 273) followed by close to home 48 (around 17 per cent). Other reasons were: existing business location 38 (nearly 14 per cent); parking facilities 32 (about 12 per cent); close to public transport 27 (almost 10 per cent); and other reasons 59 (about 22 per cent). Respondents did not identify what the other reasons were. Thus, it seems that a significant number of respondents operate where enclave markets exist.

4.4.3 Sources of Customers’ Knowledge of the Business

Respondents were asked the following question: *How do your customers know about your products/services? Please tick all that apply.* The results indicated that over two-thirds of respondents (nearly 70 per cent) revealed informal sources such as immediate and extended families and friends from their own community and other communities as sources of customers’ knowledge of the business. Formal sources such as newspaper/radio advertisements in Arabic or in English
accounted for approximately 18 per cent, whereas other sources, namely local traffic, flyers placed in people’s letter boxes, internet and window display signs, accounted for approximately 12 per cent. Undoubtedly, informal sources provide the respondents with instrumental support, particularly financial. Hendricks (1998) states that customers can be the most effective and least expensive option of advertising, i.e. through word-of-mouth, by recommending the business to their family members, friends and acquaintances.

4.4.4 The Number of People from Own Community Respondents Met in a Week

Respondents were asked to indicate the number of people from their own community they met in a week. Table 4.10 shows that the largest proportion of respondents (about 78.8 per cent) was in the ‘up to 100 person’ category. While about 17.7 per cent of respondents indicated that they met between ‘101 and 300 persons’ from their own community in a week, only 3.5 per cent of respondents reported in the ‘more than 300 persons’ category. Given that a significant number of the current study sample engages in informal networking relationships, the results suggest that respondents’ network activity is largely made up of informal contacts. These results also suggest that the respondents’ own community members may not only provide them with the instrumental support they need most, that is, shopping at the respondents’ businesses, but also informational support regarding customers, products and/or services, etc., as the business environment is an ever changing setting.

4.4.5 The Number of People from Other Communities Respondents Met in a Week

Respondents were asked to indicate the number of people from other communities they met in a week. Table 4.10 also shows that around 67 per cent of respondents reported that they met ‘up to 100 persons’ from other communities followed by around 21 per cent in the ‘101-300 persons’ category. Only about 12 per cent of respondents indicated that they met ‘more than 300 persons’ from other communities in a week. Given that over two-thirds of respondents meet a significant number of people from other communities, the results imply that opportunities may potentially exist for respondents and those people alike to build relationships in which sharing knowledge, experiences and resources may become routine.

Despite the fact that the proportions of the number of people from other communities respondents met in a week in the ‘101-300+’ category (approximately 32.5 per cent), the results of the last two
sections overall imply that such contacts may help develop and strengthen respondents’ personal networks across times and situations. Such contacts may also satisfy respondents’ security and well-being needs in order to be safe from [economic] and psychological harm in times of crises, as well as satisfy social and belonging needs (Kreitner and Kinicki, 2010).

Table 4.10
Respondents Classified by the Number of People from Their Own Community and Other Communities They Met in a Week (N=113)

<table>
<thead>
<tr>
<th>Number of People Respondents Met in a Week</th>
<th>From Their Own Community</th>
<th>From Other Communities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>f</td>
<td>%a</td>
</tr>
<tr>
<td>1-100</td>
<td>89</td>
<td>78.8</td>
</tr>
<tr>
<td>101-300</td>
<td>20</td>
<td>17.7</td>
</tr>
<tr>
<td>300+</td>
<td>4</td>
<td>3.5</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*a Percentages rounded to one decimal place

4.5 CHARACTERISTICS OF RESPONDENTS’ SMALL BUSINESSES

4.5.1 Type of Industry

Respondents were asked to indicate the industry sector in which they operated. Respondents’ businesses were classified according to ABS, Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 (2008a).

For the purpose of the current study, one method of organising data about business units is using industrial classification. Thus, data were amalgamated into two broad industrial groupings: Goods-producing and Service-providing industries (ABS, 2008a). Table 4.11 shows that the vast majority of respondents, (80.5 per cent), were operating in the service-providing industry sector compared with only 2.7 per cent in goods-producing groupings. In fact, in the last five decades, Australia’s economy has shifted from a manufacturing-based to a service economy, and this trend is likely to continue (Skills Australia, 2010). Additionally, at the end of 2010, service industries accounted for 77 per cent of Gross Domestic Product (GDP) as the largest proportion of Australia’s work force is engaged in service industries (Skills Australia, 2010). The results also show that nearly 17 per cent of respondents’ businesses were operating in both industry groupings. Thus, since the vast majority of the businesses in the current study sample are operating in the service industry sector, the results
of data analyses may be more generalizable to the service industry than the goods-producing industry sector.

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods Producing</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>Service</td>
<td>91</td>
<td>80.5</td>
</tr>
<tr>
<td>Both</td>
<td>19</td>
<td>16.8</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

A further classification breakdown was necessary. Industry divisions that carry out and produce similar productive and economic activities were grouped together as part of either goods-producing industry or service industry (see Table 4.12). Comparisons were made with all Australian small businesses by industry division at the end of June 2009 (ABS, 2010a).

Data indicated that 8.2 per cent of respondents were operating in the manufacturing industry division, followed by 3.5 per cent in agriculture, forestry and fishing. While the former was twice that of all Australian small businesses in this industry at the end of June 2009 (4.1 per cent), the latter was higher than that of all Australian small businesses in this industry (around 10.2 per cent). Almost 2 per cent of respondents were operating in the construction industry, barely one per cent (0.6) in electricity, gas, water and waste services. The first was significantly lower than that of all Australian small businesses in this industry (17 per cent), while the second was twice that of all Australian small businesses operating in this industrial division at the end of June 2009 (0.3 per cent).

The highest proportion of the respondents’ service industry divisions were: 27.1 per cent in retail trade. This result is comparable to previous ethnic entrepreneurs’ research which found that ethnic enterprises were generally considered as service and retail businesses (Butler & Greene, 1997). Around 18 per cent in the other services (no respondent specified what the other services were); and 17 per cent in the accommodation and food services. These proportions were significantly higher than those for Australian small businesses in these three service industry divisions, which accounted for 6.6 per cent, around 4 per cent and around 3 per cent respectively. The wholesale trade industry formed the fourth highest proportion of respondents’ businesses (nearly 9 per cent), which was also
considerably higher than that of all Australian small businesses in this industry division (about 4 per cent). Equally, respondents who were operating in health care and social assistance or arts and recreation services each represented almost 5 per cent of the sample total industrial divisions. The former was similar to that of all Australian small businesses operating in this industry division (almost 5 per cent) while the latter was lower than that of all Australian small businesses in this category (around 2 per cent). Administrative and support services and information media and telecommunications accounted for around 2 per cent and almost 2 per cent respectively. The former was slightly lower than that of all Australian small businesses in this industry (about 4 per cent), while the latter was as twice as that of all Australian small businesses in this industry (0.9 per cent). The remainder (1.2 per cent) of respondents were operating in rental, hiring and real estate services industry, which was much lower than that of all Australian small businesses operating in this industry division (nearly 11 per cent) (ABS, 2010a).

Noticeably, Table 4.12 shows that the total of frequency column exceeds the sample size, n=113. This is because a number of respondents’ businesses (57), which represents approximately 34 per cent, were either operating in both industry groupings, i.e. goods-producing and service-providing industries, or the businesses were in two of service-providing industry divisions. For example, a bakery business that makes all types of Middle-Eastern bread and pastries and all types of cakes and cookies, as well as operating in accommodation and food services, recreation or other services for example, the café, restaurant or reception businesses. Another example would be a business that acts as a wholesaler and retailer selling diverse types of goods.

Clearly, the current study findings indicate that respondents prefer operating in the service industry to the goods producing sector, particularly retail, wholesale, accommodation and food services or other services industry divisions. This preference may be attributed to the fact that it is easy to enter this sector as it requires low capital to start with, or that it is less complicated in terms of its rules and regulations required. It also operates in non-traditional hours and is often seasonal in nature and thus it is easier to manage (ABS, 2005; Department of Education, Science and Training (DEST), 2006b).
Table 4.12
Respondents’ Businesses Classified by Industry Division
(N=113)

<table>
<thead>
<tr>
<th>Industry Division</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods Producing:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Agriculture, Forestry and Fishing</td>
<td>6</td>
<td>3.5</td>
</tr>
<tr>
<td>-Manufacturing</td>
<td>14</td>
<td>8.2</td>
</tr>
<tr>
<td>-Electricity, Gas, Water and Waste Services</td>
<td>1</td>
<td>.6</td>
</tr>
<tr>
<td>-Construction</td>
<td>3</td>
<td>1.8</td>
</tr>
<tr>
<td>Service:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Wholesale Trade</td>
<td>15</td>
<td>8.8</td>
</tr>
<tr>
<td>-Retail Trade</td>
<td>46</td>
<td>27.1</td>
</tr>
<tr>
<td>-Accommodation and Food Services</td>
<td>29</td>
<td>17.0</td>
</tr>
<tr>
<td>-Information Media and Telecommunications</td>
<td>3</td>
<td>1.8</td>
</tr>
<tr>
<td>-Rental, Hiring and Real Estate Services</td>
<td>2</td>
<td>1.2</td>
</tr>
<tr>
<td>-Administrative and Support Services</td>
<td>4</td>
<td>2.4</td>
</tr>
<tr>
<td>-Health Care and Social Assistance</td>
<td>8</td>
<td>4.7</td>
</tr>
<tr>
<td>-Arts and Recreation Services</td>
<td>8</td>
<td>4.7</td>
</tr>
<tr>
<td>-Other services</td>
<td>31</td>
<td>18.2</td>
</tr>
<tr>
<td>Total</td>
<td>170</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.5.2 Type of Legal Structure

Respondents were asked the following question: *According to Australia’s small business legal form or structure, what is the structure of your business?* Type of legal structure refers to how respondents have structured their business affairs legally to identify their operation as a trading business according to the Australian legal small business system (ABS, 2012). Table 4.13 shows that Sole trader/Proprietorship was the most common form of legal structure among the sample 59 respondents (or over 50 per cent), followed by Proprietary Limited Company with 31 (over 25 per cent), and Partnership with 21 respondents (almost 19 per cent). Only 2 respondents (nearly 2 per cent) were operating as Trusts.

It is worth mentioning that no evidence is available to this study concerning the form of legal structure of the Middle Eastern small businesses in Australia or Victoria. Also, in its publications, the Australian Bureau of Statistics made no reference regarding the size of the business, that is, small, medium or large, when discussing the type of legal organization to be able to carry out comparisons. Therefore, comparisons should be accepted with caution. Thus, at June 2009, unlike the current study results, Companies in Australia formed the highest proportions (702,342 or 32.9
per cent), followed by Sole proprietors, 622,832 (or 29.2 per cent), Trusts, 465,802 (or 21.8 per cent) and Partnership 340,839 (or precisely 16.0 per cent) (ABS, 2012). Over 2007-2011 period the number of Partnership legal structure declined sharply (around -14 per cent), which made it the least common form of legal organization for Australian businesses (ABS, 2012), and Middle Eastern businesses are no exception.

Thus, given that half of the sample operated under the Sole trader/Proprietorship, it seems that Middle Eastern small business owners’ have a preference for this form of structure. This could be attributed to the fact that this form of ownership, despite its drawbacks, is generally “the simplest form of business status” (John, Dunlop & Sheehan, 1978:36). This is because it is an easy and quick structure to set up in terms of financial and legal requirements where the owner/manager is in total control of the business operations and he/she reaps all the profits. Furthermore, it is easy to change this type of structure into another legal form and is easy to exit (Longenecker Moore, Petty & Palich, 2006; McCrea, 2003; Reynolds et al., 2000).

Table 4.13
Respondents’ Businesses Classified by Australia’s Legal Structure (N=113)

<table>
<thead>
<tr>
<th>Legal Structure</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole trader/Proprietorship</td>
<td>59</td>
<td>52.2</td>
</tr>
<tr>
<td>Proprietary Limited Company</td>
<td>31</td>
<td>27.4</td>
</tr>
<tr>
<td>Partnership</td>
<td>21</td>
<td>18.6</td>
</tr>
<tr>
<td>Trusts</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>113</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.5.3 Start-up Method

Respondents were asked the following question: What start-up method did you use in starting your business? Table 4.14 shows that over three-quarters of respondents (around 68 per cent) started their businesses from scratch, while a further 29.2 per cent resulted from the purchase of an existing business. Very few respondents (nearly 3 per cent) inherited businesses.

The results are similar to the findings of a study of immigrant entrepreneurs in Australia conducted by Strahan and Williams (1988), which concluded that 70 per cent of the firms were established from scratch, over a quarter (28 per cent) were the result of purchasing an existing business and
only 0.14 per cent inherited businesses. According to Reynolds et al. (2000), the vast majority of small business operators in Australia start their own business from scratch. Despite its disadvantages, this type of start-up option is less expensive as no goodwill payment is required. It is also free from unforeseeable problems associated with small businesses for sale such as poor location, poor reputation among business stakeholders, unsuitability of employees, obsolete equipment or inventory and so forth (Reynolds et al., 2000; Scarborough & Zimmerer, 2006). Given these factors, this type of start-up mode is one more likely to survive (Williams, 1991). Judging from the above, one can assume that the majority of this study sample’s businesses are more likely to survive.

Table 4.14
Respondents Classified by Start-up Method
(N=113)

<table>
<thead>
<tr>
<th>Start-up Method</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Started from scratch</td>
<td>77</td>
<td>68.1</td>
</tr>
<tr>
<td>Purchased an existing business</td>
<td>33</td>
<td>29.2</td>
</tr>
<tr>
<td>Inherited business</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.5.4 The Number of Places for Selling Products and/or Providing Services

Respondents were asked the following question: Where do you normally sell your products and/or provide your service? Please tick all that apply. Table 4.15 shows that a significant proportion of the sample (around 61 per cent) sold their products and/or provided their services at the business premises, in the immediate local area, followed by those who did so across the major cities of Victoria (20.9 per cent). While 14.5 per cent of the places of business operations were throughout Victoria and throughout Australia, only 3.2 per cent operated overseas. The results showed that a number of respondents indicated more than one place of business operations; therefore, the total number of respondents exceeded the sample size of 113. The proportions of this study are significantly lower compared to Australian geographic markets in which businesses sold goods or provided services in terms of their sizes. This may possibly be due to the fact that a considerable proportion of businesses in this study (almost 15 per cent) are part of industries that the products and/or services can only be sold or delivered at the business immediate local area among which are rental, hiring and real estate services, health care services and social assistance. Thus, in the year 2009-10 the proportions of Australian businesses that reported operating in their local area ranged
from 79.1 per cent with 0-4 employees, to 83.2 per cent for businesses with 5-19 employees. Significantly lower for those Australian businesses that indicated selling products and/or providing services outside of local area but within the state/territory: 38.2 per cent for businesses with 0-4 employees; and almost 45 per cent with 5-19 employees. Extremely lower for those businesses that indicated outside of state/territory but within Australia as their geographic markets as follows: 20.7 per cent for businesses with 0-4 employees; and 23.4 per cent for 5-19 employees. The lowest proportions were in the overseas markets ranging from 5.5 per cent of businesses with 0-4 employees, to 8.5 per cent with 5-19 employees. (ABS, 2011). In this study, the overseas trading proportion is even less, which may be surprising. This may possibly be attributed to a number of factors such as the fluctuating value of the Australian dollar, Australian higher interest rates than its trading partners, the high inflation rates, high levels of world economic growth which increase the demand for the Australian dollar, the competitive global market and fierce competition in the exports business.

Nevertheless, it is apparent that respondents spend a great deal of their time communicating with a wide range of customers, whether at their trading locations or other locations. This may enhance respondents’ understanding of different customers’ needs which can generate new business opportunities such as investing in new products and/or services that could have been missed otherwise.

<table>
<thead>
<tr>
<th>Area of Trading</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the business premises in</td>
<td>97</td>
<td>61.4</td>
</tr>
<tr>
<td>Melbourne Metropolitan Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the major cities of Victoria</td>
<td>33</td>
<td>20.9</td>
</tr>
<tr>
<td>Throughout Victoria</td>
<td>16</td>
<td>10.1</td>
</tr>
<tr>
<td>Throughout Australia</td>
<td>7</td>
<td>4.4</td>
</tr>
<tr>
<td>Overseas</td>
<td>5</td>
<td>3.2</td>
</tr>
<tr>
<td>Total</td>
<td>158</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.5.5 Employees’ Backgrounds

Respondents were asked to indicate their employees’ cultural backgrounds. Of the 113 respondents, 16 indicated that they solely managed their own businesses, and thus had no employees. The remaining 97 indicated that employees were from diverse cultural backgrounds. Table 4.16 shows
that a number or respondents indicated more than one cultural background; therefore, the total number of respondents exceeded the sample of 97. Employees’ background composition across the three communities was over three-quarters (76 per cent) Arabic-speaking employees with Lebanese 39 per cent, Iraqis 21 per cent, Egyptians 6 per cent and other Arabs 10 per cent. The remaining 24 per cent were from other backgrounds. According to Williams (1992) ethnic businesses had a strong preference for employing people from the same background. Thus, it can be said that Middle-Eastern small businesses are much more likely to employ people from their own community and other Arabic communities.

A culturally diverse workplace can be a source of tension and conflict; however, given that the vast majority of these employees are Arabic speakers, this may enhance understanding between employers and employees, as well as among employees, and therefore reduce conflicts. As well, employing non-Arabic speakers could also enhance understanding of different cultures and improve knowledge of different needs, which may open the door to culturally differentiated markets.

### 4.5.6 Customers’ Cultural Background

Respondents were asked to indicate their customers’ cultural backgrounds. Table 4.17 presents the data according to the same categories used in the previous section, and shows that a number of respondents indicated more than one cultural background; therefore, the total number of respondents exceeded the sample size of 113. The results showed that over half (58 per cent) of their customers were from Arabic-speaking backgrounds. This suggests that a significant number of those respondents may provide products and/or deliver services that are most needed by their co-ethnic customers, or that their businesses are located where Arabic communities reside, and hence this may have resulted in establishing and maintaining positive relationships with those co-ethnic customers. This may also confirm the conclusion of the previous section.

### 4.6 BUSINESS SUCCESS

To examine small business success of the current study sample, three quantitative measures were employed: *length of time in business, employment of others* and *net income*. Two other measures were also used to support these numerical indicators, namely respondents’ views on *business success indicators* and *how successful or unsuccessful this business is*, a self-rated measure.
Table 4.16
Respondents Classified by Employees’ Backgrounds
(N=97)

<table>
<thead>
<tr>
<th>Employees Backgrounds</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lebanese</td>
<td>185</td>
<td>39.0</td>
</tr>
<tr>
<td>Egyptians</td>
<td>28</td>
<td>6.0</td>
</tr>
<tr>
<td>Iraqis</td>
<td>102</td>
<td>21.0</td>
</tr>
<tr>
<td>Other Arabic Speaking</td>
<td>47</td>
<td>10.0</td>
</tr>
<tr>
<td>Other Backgrounds</td>
<td>115</td>
<td>24.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>477</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

Table 4.17
Respondents Classified by Customers’ Backgrounds
(N=113)

<table>
<thead>
<tr>
<th>Customers’ Background</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lebanese</td>
<td>105</td>
<td>16.9</td>
</tr>
<tr>
<td>Egyptians</td>
<td>79</td>
<td>12.7</td>
</tr>
<tr>
<td>Iraqis</td>
<td>98</td>
<td>15.8</td>
</tr>
<tr>
<td>Other Arabic Speaking</td>
<td>78</td>
<td>12.6</td>
</tr>
<tr>
<td>Other Backgrounds</td>
<td>259</td>
<td>42.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>619</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.6.1 Length of Time in Business

Survival is the most basic measure of business success. Early studies have linked length of time in business and survival of small ventures (Churchill, 1955; Dickerson & Kawaja, 1967). Number of years was rounded to the closest calendar year since the firm was founded. The results indicated that the respondents’ estimated mean years in business was 8.9 years, that the median was 8.1 and that the range was between 1 to 35 years (or 34 years). Table 4.18 shows that over one-third of respondents (36.3 per cent) had been in operation from 6 to 10 years, another 34.5 per cent from 1 to 5 years, and 13.3 per cent from 11 to 15 years. While 11.5 per cent of respondents recorded that they had been in business from 15 to 20 years, very few (4.4 per cent) indicated that they had been in operation over 21 years. According to ABS (2008m) 44 per cent of business operators had been in business for up to five years, 13 per cent between six and less than ten years, around 50.4 per cent from ten to 19 years and 48.6 per cent for twenty years or more. It is difficult to compare the current study results with that of the Australian businesses with respect to the number of years in business.
as they were presented according to different interval categories. However, Australian businesses results indicate that the estimated mean years in business was 18 years, and that the estimated range was 38 years (ABS, 2008m). The former was far much longer than the sample of the current study, and latter was slightly wider than the current study sample. Nevertheless, the current study indicated that respondents had survived at least one year in business.

Vesper (1990) points out that, on average, about 10 per cent of small businesses survive three years of operation, while Reynolds et al. (2000) found that 40 per cent survive within the three years period. However, past research has concluded that the life expectancy of a business firm increased with its age. Meaning, “the longer a business survives, the greater its chances of continuing survival” (ABS, 2007b:4). Given that nearly two-thirds of respondents (65.5 per cent) had been in operation for six years and over, it is expected that these businesses may continue to exist, and thus their life expectancy increase with their age.

Table 4.18
Respondents Classified by Length of Time in Business (N=113)

<table>
<thead>
<tr>
<th>Length of Time in Business</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5</td>
<td>39</td>
<td>34.5</td>
</tr>
<tr>
<td>6-10</td>
<td>41</td>
<td>36.3</td>
</tr>
<tr>
<td>11-15</td>
<td>15</td>
<td>13.3</td>
</tr>
<tr>
<td>16-20</td>
<td>13</td>
<td>11.5</td>
</tr>
<tr>
<td>21 and over</td>
<td>5</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.6.2 Employment of Others

The results showed that the average number of employees per business was 4.7 employees, that the median was 4.5 employees and that the range was from no employees to 37 employees. According to Chandler and Hanks (1993), self-reported measures of business growth display high reliability and external validity. Therefore, full-time and part-time employment status was used in the present study as the second measure of business success, that is, as one measure of business growth. Table 4.19 shows that over two-thirds of respondents (67.3 per cent) had between one and five employees, followed by around 13.3 per cent who had between six and fifteen employees. While 3.5 per cent had between sixteen and twenty-five employees, only approximately 2 per cent of the sample had more than twenty-six employees. Those businesses which employed no other workers account for
around 14 per cent. These proportions can be compared with those of Victorian small businesses classified by employment size in 2010 despite the fact that these data were presented according to different interval categories and order used by Australian Bureau of Statistics (Business Victoria, 2010). Businesses which employed 1-4 people accounted for 27 per cent; approximately 12 per cent employed 5-19 people; and 61 per cent were non-employing businesses, which was much higher than in this study sample. Although comparisons should be accepted with caution, one can assume that this study sample may perhaps experience a considerable growth in job generation.

Previous research indicated that ventures with a small team of employees are more likely to grow than those with a single operator (Barkham, 1992; Kinsella, Clarke, Coyne & Storey, 1993; Reynolds, 1993; Richter & Kemter, 2000; Storey, Watson & Wynarczyk, 1989; Woo, Cooper, Dannelberg, Daellenbach & Dennis, 1989). Given that 67.3 per cent of the sample employed between one and five employees, it is likely to believe that this study sample will continue to grow as “the team brings a greater accumulation of human capital to the business” (Peacock, 2004:377).

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>No employees</td>
<td>16</td>
<td>14.2</td>
</tr>
<tr>
<td>1-5 employees</td>
<td>76</td>
<td>67.3</td>
</tr>
<tr>
<td>6-15 employees</td>
<td>15</td>
<td>13.3</td>
</tr>
<tr>
<td>16-25 employees</td>
<td>4</td>
<td>3.5</td>
</tr>
<tr>
<td>26+ employees</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.6.3 Net Income

Although income has been demonstrated as an unreliable measure of business success (Gome, 1994; Kennedy, 1995; Shuman & Seeger, 1986), profitability is generally viewed as an important indicator of business success. In the current study, annual net profit (or net income), that is, gross earnings generated by the business minus expenses (McLaughlin, 1990) was examined, specifically for the year in which this survey was conducted. Table 4.20 shows that 16 respondents (around 14 per cent of the sample) gave no response to this question despite being assured of anonymity and confidentiality of information; this may reflect respondents’ unwillingness to disclose information concerning their earnings.
It is worth stressing that the business net income reported by the respondents was exclusive of their individual salary. The results showed that the estimated mean respondents’ annual net income was $106,955, that the median was $101,584 and that the range was from less than $50,000 to $500,000 (the highest net income reported by one respondent only was $500,000). The results indicated that around 50 per cent of respondents earned between $50,000 and $100,000 per annum from their businesses and nearly 16 per cent earned between $101,000 and $175,000. Approximately 11 per cent of respondents claimed that their net income was less than $50,000 per annum, which was found to be considerably lower than that of the Australian comparison figure of 25 per cent (ABS, 2012). Almost 10 per cent reported between $176,000 and $250,000, while nearly 1 per cent of respondents’ annual net income was between $251,000 and $400,000, slightly higher, almost 2 per cent, their annual net income was over $401,000 per annum.

Given that the respondents provided no negative figures relating to the business net income, (i.e. a loss), they may possibly inject some proportion of the business net income into the business to improve its operations. However, being self-enumerated, this data may not be very reliable and therefore should be accepted with caution. For this reason, non-financial measures of business success were investigated as Murphy et al. (1996:22) suggest that

“Organizational performance is composed of multiple dimensions. Financial measures are necessary but not sufficient to capture total organizational performance. Thus, future studies should continue to include financial measures, but non-financial measures need to be emphasised as well.”

<table>
<thead>
<tr>
<th>Net Income</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $50,000</td>
<td>12</td>
<td>10.6</td>
</tr>
<tr>
<td>$50,000-$100,000</td>
<td>57</td>
<td>50.4</td>
</tr>
<tr>
<td>$101,000-$175,000</td>
<td>18</td>
<td>15.9</td>
</tr>
<tr>
<td>$176,000-$250,000</td>
<td>11</td>
<td>9.7</td>
</tr>
<tr>
<td>$251,000-$400,000</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>$401,000 and over</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>No response</td>
<td>12</td>
<td>10.6</td>
</tr>
<tr>
<td>Total</td>
<td>113</td>
<td>100.0</td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place
4.6.4 The Number of Success Indicators

Based on the above recommendation, non-financial measures were taken into consideration in the current study for examining business success. So combining the two will provide better insights into business performance (Beaver, 2002; Buttner & Moore, 1997; Kuratko, Hornsby & Naffziger, 1997; Jennings & Beaver, 1997; Wiklund, 1999). Therefore, respondents were asked the following question: *What do you think would indicate that you are successful in your business?*

Table 4.21 shows a variety of indicators, and that a number of respondents reported more than one success indicator; therefore, the total number of respondents exceeded the sample size of 113. Around 15 per cent of respondents reported business stability, and 14 per cent of respondents equally cited profit and family stability as success indicators. Despite the small proportion, it seems that the sample have achieved financial gains. A further 13 per cent indicated business growth and independence. Better lifestyle was an indicator for around 11 per cent of respondents followed by creative and innovative leadership (7.3 per cent). While 5 per cent of respondents indicated contribution to community development, almost equally (4.7 per cent) pointed to creating jobs. Only two per cent gave other indicators these were: years in business, maintenance of good employee relations, establishment of good clientele and having acquisition of much expertise. Despite a wide range of responses, 52.1 per cent of success indicators related to respondents’ businesses. That is, a considerable proportion of the sample was likely enjoying successful businesses. Thus, non-economic aspects of business success seem to be as important as financial measure.

<table>
<thead>
<tr>
<th>Indications of Success</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business stability</td>
<td>99</td>
<td>15.1</td>
</tr>
<tr>
<td>Profit</td>
<td>93</td>
<td>14.2</td>
</tr>
<tr>
<td>Family stability</td>
<td>92</td>
<td>14.0</td>
</tr>
<tr>
<td>Business growth</td>
<td>86</td>
<td>13.1</td>
</tr>
<tr>
<td>Independence</td>
<td>86</td>
<td>13.1</td>
</tr>
<tr>
<td>Better life style</td>
<td>75</td>
<td>11.4</td>
</tr>
<tr>
<td>Creative and innovative leadership</td>
<td>48</td>
<td>7.3</td>
</tr>
<tr>
<td>Contribution to community development</td>
<td>33</td>
<td>5.0</td>
</tr>
<tr>
<td>Creating jobs</td>
<td>31</td>
<td>4.7</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>2.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>656</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*N Percentages rounded to one decimal place*
4.6.5 Success of the Business

Another non-financial and self-rated measure asked of respondents was: *Using a scale from 1 being very unsuccessful to 5 being very successful, what number would you give to how successful or unsuccessful your business is?* The results indicated that 51 respondents (around 45 per cent) and 44 respondents (almost 39 per cent) indicated that their businesses were either successful or very successful respectively. Only 18 respondents (nearly 16 per cent) rated their businesses as neither successful nor unsuccessful. No respondent considered his/her business to be very unsuccessful or unsuccessful. Thus, the vast majority of the sample appears to have enjoyed having successful businesses.

Regardless of respondents’ ratings, they were asked to provide reason(s) for their choice, if they decided. Hence, all 95 respondents who reported having successful or very successful businesses provided reasons for their choices. Table 4.22 shows that the total number of responses (804) exceeded the sample size of 95; this is because a significant number of respondents provided more than one reason for being successful in their businesses. Responses were analysed through content analysis producing 11 categories (reasons for having successful or very successful businesses) as listed in Table 4.22 as follows: around 11 per cent delivering quality products/services; 10.7 per cent having a good business reputation: honesty, respect, trustworthiness and responsibility; 10.3 per cent working hard and committed; precisely 10 per cent having well-maintained networks of relationships; around nine per cent having good employees’ relationships and adding additional products and/or services; exactly nine per cent having satisfied customers; around eight per cent having loyal and dedicated customers; precisely eighth per cent employing more staff; and exactly seven per cent having survived the first years of operations and profit. Thus, human capital (personal qualities and skills), personal networks and adopting of particular strategies appeared to be essential for business success.

Several researchers have indicated that, among others, business networking, differentiating products/services and superior customer service to satisfy customers’ needs, personal values such as honesty, trust, respect and responsibility, and business values such as healthy employees’ and customers’ relations are critical to building a long-standing business reputation which can make a difference between successful and unsuccessful businesses (Bowen, Morara & Mureithi, 2009; Day, 1994; Jensen, 2001; Parasuraman, 1997; Simovà & Odziemczyk, 2007; Slater, 1997; Zeithaml, 1988; Woodruff, 1997). Judging from the above section’s finding relating to creative and innovative
leadership as one of business success indicators, it can be deduced that the sample, in general, may perhaps have used creative and innovative business strategies to meet employees’ and customers’ demands, which could possibly lead to success. All in all, these results confirm the results of the previous section with respect to business stability, business growth and profit.

Table 4.22
Respondents Classified by Reasons for Being Successful in Their Own Business
(N=95)

<table>
<thead>
<tr>
<th>Reasons for Success</th>
<th>Frequency</th>
<th>Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivering quality products and/or services</td>
<td>89</td>
<td>11.1</td>
</tr>
<tr>
<td>Having a good business reputation: honesty, respect, trustworthiness and responsibility</td>
<td>86</td>
<td>10.7</td>
</tr>
<tr>
<td>Working hard and committed</td>
<td>83</td>
<td>10.3</td>
</tr>
<tr>
<td>Having well maintained networks of relationships</td>
<td>81</td>
<td>10.0</td>
</tr>
<tr>
<td>Having good employees’ relations</td>
<td>77</td>
<td>9.6</td>
</tr>
<tr>
<td>Adding additional products and/or services</td>
<td>74</td>
<td>9.2</td>
</tr>
<tr>
<td>Having satisfied customers</td>
<td>71</td>
<td>9.0</td>
</tr>
<tr>
<td>Having loyal and dedicated customers</td>
<td>67</td>
<td>8.3</td>
</tr>
<tr>
<td>Employing more staff</td>
<td>64</td>
<td>8.0</td>
</tr>
<tr>
<td>Having survived the first years of operations</td>
<td>57</td>
<td>7.0</td>
</tr>
<tr>
<td>Profit</td>
<td>55</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>804</td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

* Percentages rounded to one decimal place

4.7 RELATIONSHIPS BETWEEN VARIABLES

The following section examines the relationships between gender and a number of background variables which were selected on the basis of the different characteristics of the current study sample and their relevance to the study.

4.7.1 Gender and Selected Background Variables

A crosstabulation analysis was performed to explore whether there was a link between the gender of respondents and the type of their first occupation in Australia distribution. The Adequate cell count and adequate dispersion of categorical dependent variables’ levels were investigated; and, where necessary, procedures such as reordering or collapsing certain categories of these variables were considered in order to improve both their adequacy of probability prediction and adequacy of count in each level as discussed in 3.9.6.4.1. Thus, for simplicity, and due to small sub-group sample sizes, first occupation in Australia was recoded into three categories, namely ‘professional’,
‘skilled’ and ‘unskilled’. Gender was coded into ‘male’ and ‘female’. Table 4.23 shows a significant difference at the .05 level between males and females classified by first occupation in Australia, which produced a medium size effect.

<table>
<thead>
<tr>
<th>Selected Variables</th>
<th>Gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>$\chi^2 = 2.06$</td>
</tr>
<tr>
<td></td>
<td>$df = 2$</td>
</tr>
<tr>
<td></td>
<td>$p &gt; .05$</td>
</tr>
<tr>
<td></td>
<td>$V = .14$</td>
</tr>
<tr>
<td>Level of Education</td>
<td>$\chi^2 = 3.22$</td>
</tr>
<tr>
<td></td>
<td>$df = 2$</td>
</tr>
<tr>
<td></td>
<td>$p &gt; .05$</td>
</tr>
<tr>
<td></td>
<td>$V = .17$</td>
</tr>
<tr>
<td>First occupation in Australia: Professional</td>
<td>$\chi^2 = 8.91$</td>
</tr>
<tr>
<td></td>
<td>$df = 2$</td>
</tr>
<tr>
<td></td>
<td>$p &lt; .01^{**}$</td>
</tr>
<tr>
<td></td>
<td>$V = .28$</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia: &gt; 4 weeks</td>
<td>$\chi^2 = 6.68$</td>
</tr>
<tr>
<td></td>
<td>$df = 2$</td>
</tr>
<tr>
<td></td>
<td>$p &lt; .05^*$</td>
</tr>
<tr>
<td></td>
<td>$V = .24$</td>
</tr>
<tr>
<td>Speaking LOTE</td>
<td>$\chi^2 = 2.54$</td>
</tr>
<tr>
<td></td>
<td>$df = 2$</td>
</tr>
<tr>
<td></td>
<td>$p &gt; .05$</td>
</tr>
<tr>
<td></td>
<td>$V = .15$</td>
</tr>
<tr>
<td>The number of places of selling products and/or providing services</td>
<td>$\chi^2 = 1.37$</td>
</tr>
<tr>
<td></td>
<td>$df = 2$</td>
</tr>
<tr>
<td></td>
<td>$p &gt; .05$</td>
</tr>
<tr>
<td></td>
<td>$V = .11$</td>
</tr>
<tr>
<td>The number of people from own community respondents meet in a week</td>
<td>$\chi^2 = .89$</td>
</tr>
<tr>
<td></td>
<td>$df = 1$</td>
</tr>
<tr>
<td></td>
<td>$p &gt; .05$</td>
</tr>
<tr>
<td></td>
<td>$\phi = -.12$</td>
</tr>
<tr>
<td>The number of people from other communities respondents meet in a week</td>
<td>$\chi^2 = .15$</td>
</tr>
<tr>
<td></td>
<td>$df = 1$</td>
</tr>
<tr>
<td></td>
<td>$p &gt; .05$</td>
</tr>
<tr>
<td></td>
<td>$\phi = -.06$</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.05 level (two-tailed) **Correlation is highly significant at the 0.01 level (two-tailed)

$\Phi$: small = .01-.29, medium = .30-.49 and large = .50-1.00. $\Phi$: small = .07-.20, medium = .21-.34 and large = .35-1.00

The results indicated that around 63 per cent of females had been employed in professional occupations compared to 31.5 per cent of males. This is consistent with an Australian study of 255 NIES graduates, which found that 68 per cent of females had been employed in professional occupations compared to 52 per cent of males (Gray, 1998). However, these proportions were different from the participation rates in major occupation groups according to the 2006 census.
Victoria-wide (ABS, 2007d), where the proportions of males and females who had been employed in professional occupation were nearly equal (34.7 per cent and 33.5 per cent respectively). But some 44 per cent of males had been employed in skilled occupation compared to about 11 per cent of females. This was found to be different to that of the 2006 Victoria wide occupation groups in that the proportion of females who had been employed in skilled occupation was considerably higher (about 55 per cent) compared to about 41 per cent of males (ABS, 2007d). However, with respect to unskilled occupation, female respondents were 1.3 per cent higher (26.3 per cent) than that of males (precisely 25 per cent) in this occupation group. Therefore, this result contradicts Gray’s (1998:120) statement in that “female respondents were less likely to be employed in … unskilled jobs prior to becoming self-employed”. These results were also found to be different to the 2006 census Victoria wide where the proportion of males who had been employed in unskilled occupations was over two times (around 22 per cent) higher than that of females in this group (about 10 per cent) (ABS, 2007d).

Given that around 26 per cent of females had been employed in unskilled occupations, this may be attributed to nearly 8 per cent of females having no qualifications. This might have resulted in poor command of English, that they lacked skills in particular fields of work, or simply their overseas qualifications were not recognized. In short, regardless of differences in gender occupations, the study sample, generally, had considerable knowledge and essential skills sufficient to manage a small business.

Additionally, the gender of respondents and their duration of unemployment after first arriving in Australia were also cross-tabulated. To avoid having small sample sizes, the latter was recoded into three categories, ‘less than 4 weeks’, 1-11 months’ and ‘1-4 years’. Table 4.23 shows a significant difference between males and females classified by duration of unemployment after first arriving in Australia. The magnitude of this relationship was medium. The results indicated that around 88 per cent of males had less than four weeks period of unemployment after first arriving in Australia compared to 11 per cent of females. Also, the proportion of males who were in the 1-11 months period was higher (86 per cent) than that of females in this category (14 per cent). However, 60 per cent of females had longer period of unemployment which ranged from 1-4 years compared with precisely 40 per cent of males. Thus, male respondents had by far a much shorter unemployment period after first arriving in Australia than that for females. This was not surprising as a considerable proportion of males’ first occupations in Australia had been professional (approximately 32 per cent) or skilled (44 per cent occupations) (see the previous section). The
reasons that female respondents had a longer period of unemployment may be that migrating to a
totally different environment to one’s own including a different language, this proportion may have
opted to stay home and fulfil family duties or bring up their children, in case of married females,
than to work. In short, male respondents could possibly have developed a web of informal and
formal web of networks due to a considerable length of employment in Australia.

However, the results indicated no significant difference between gender and a number of selected
background variables as shown in Table 4.23 above.

4.8 RELATIONSHIPS BETWEEN BUSINESS SUCCESS VARIABLES

The Pearson Product-Moment Correlation Coefficient \((r)\) and significance levels were used to
examine the magnitude and significance of the inter-correlations between the current study five
business success measures, i.e. whether these measures were independent of each other. Thus, Table
4.24 shows that the analysis of the correlation matrix of these variables indicated only two of the ten
observed relationships were significant. The first relationship was between net income and the
number of business success indicators \((r=0.33)\). This positive association indicated that respondents
who had declared higher annual net income reported a greater number of business indicators on the
average than those who had not. This result could be that two of the respondents who reported more
success indicators only made a net income of less than $50 000 a year. Similarly, the length of time
in business was positively correlated with the self-rated question how successful or unsuccessful the
business is; however, the effect of this relationship was small \((r=0.25)\). In other words, respondents
who had been longer in business were more likely to have affirmed having successful businesses.
This relationship could possibly be attributed to the fact that 29 of the respondents who indicated
that their businesses were successful or very successful had only been in business between one and
five years, which was considerable below the sample’s estimated mean years in business (i.e. 8.9
years). However, given that the analysis only produced two out of ten observed relationships of
small or slightly medium effect size, the five business variables, may, to a great extent, be
considered independent measures of business success. Further examination of the relationships
between these business success variables and the four types of RSS and GSS, and the fourteen
selected background variables should clarify this finding.
4.9 RELATIONSHIPS BETWEEN SELECTED BACKGROUND AND BUSINESS SUCCESS VARIABLES

The relationships between the five success variables and fourteen selected background variables are examined in the following section. These background variables were selected in order to consider and assess the unique contribution of different aspects of respondents’ personal, professional, networking, religiosity and social characteristics. Thus, these background variables were crosstabulated against business success variables. This analysis is necessary to try to determine if there is a relationship between background variables and business success for use in modelling in chapter five of the current study. Table 4.25 presents crosstabulation analysis results of selected background variables and business success variables.

4.9.1 Selected Background Variables and Length of Time in Business (Survival)

A crosstabulation analysis was carried out to explore whether there was a relationship between gender of respondents and small business success as measured by length of time in business (survival). The latter was recoded into three categories, ‘1-5 years’, ‘6-10 years’ and ‘11+ years’. Table 4.25 shows a significant difference at the .05 level between length of time in business (survival) in the distribution of gender with a medium size effect.

The results indicated that males’ proportions in ‘1-5 years’, ‘6-10 years’ and ‘11+ years’ length of time in business categories were higher (approximately 67 per cent, 93 per cent and nearly 91 per cent) respectively compared to the proportions of females proportions in the same categories (around 33 per cent, seven per cent and nine per cent) respectively. Thus, it is safe to suggest that
male respondents had longer period in business than their female counterparts, and therefore were more likely to have been successful in their businesses as measured by survival. One interpretation for females being in business for a short period of time could be the changing attitudes of the people of the Middle East in general towards women and self-employment. This way of thinking may possibly be due to immigrants’ second or third generations adapting to Australia’s way of life in which women have the choice of entering the self-employment world.

Further, the relationship between age of respondents and length of time in business (survival) was investigated. To avoid small subgroup sample size, age was recoded into three categories, ‘20-29 years’, ‘30-49 years’ and ‘50+ years’. The results indicated an extremely significant difference between the two variables, and the strength of this association was very large. Older respondents, ‘50’ years’, had been in businesses for six and more years; therefore, they gave no responses in the ‘1-5 years’ category. Data indicated that proportions of respondents years in business increased as age increased. Meaning, the proportions of the ‘50+ years’ category increased from around 31 per cent in the ‘6-10 years’ category to about 69 per cent in the ‘11+ years’ category. While the highest proportion of ‘30-49 years’ age group was around 38 per cent in the ‘6-10 years’ category, the highest proportion of younger respondents, ‘20-29 years’ category, was about 69 per cent in the ‘1-5 years’ category. Younger respondents gave no indication that they had been in business for 11 years and over. Obviously, younger respondents have only been in business for some time compared with older respondents. Thus, the results imply that older respondents were more likely to have survived in their businesses than younger respondents.

Furthermore, the relationship between respondents’ marital status and length of time in business (survival) was also investigated. The results indicated that there was a significant difference between the two variables, which revealed a medium size effect. Marital status was collapsed into two categories ‘without a partner’ and ‘with a partner’. The results indicated that as the length of time in business increased, so did the proportions of respondents with a partner. Specifically, around 69 per cent of respondents with a partner were in the ‘1-5 years’ category, around 85 per cent in the ‘6-10 years’ category and exactly 97 per cent in the ‘11+ years’ category. On the contrary, as the length of time increased, the proportions of respondents without a partner decreased. That is, the proportions of respondents without a partner decreased from approximately 31 per cent in the ‘1-5 years’ category to about 15 per cent in the ‘6-10 years’ category and just to three per cent in the ‘11+ years’ category. Thus, respondents with a partner were more likely to have survived in their businesses than those without a partner. This could possibly be due to the fact that this study’s
respondents had high level of marriage stability (see 4.2.3), that they became more mentally and physically focused as they have responsibility towards their families and children, if any, that their goals in life, generally, become more realistic compared to respondents without a partner or simply that they get more support from their spouses and children, if any, and their extended family than those without a partner.

In contrast, there was no significant relationship at the .05 level for any of the remaining selected background variables classified by length of time in business (survival).

4.9.2 Selected Backgrounds Variables and Employment of Others (Growth)

The relationship between age of respondents and small business success as measured by employment of others (growth) was investigated. Employment of others variable was recoded into two categories, ‘without employees’ and ‘with employees’. Table 4.25 shows a significant relationship at the .05 level between employment of others and respondents’ age with medium magnitude. Data indicated that as the age of respondents increased, so did the probability of employing others. That is, approximately 94 per cent of respondents with employees were in the ‘50’ years’ group, compared with nearly 89 per cent and about 63 per cent in ’30-49 years and ‘20-29 years’ groups in the same category respectively. Quite the opposite, as the age of respondents increased, the proportions of respondents without employees decreased. For example, about 38 per cent of respondents without employees were in the ‘20-29 years’ group, compared to around 11 per cent and around 6 per cent in ’30-49 years and ‘50’ years’ groups in the same category respectively. In short, older respondents were more likely to have reported success as measured by employment of others than their younger counterparts. One interpretation could be that older respondents had been longer in business (see the previous section) which resulted in business growth, and another could be that, in general, as people aging, the probability that they needed assistance, particularly physical, may increase over time. Therefore, business owner/managers are no exception, they might hire additional staff to assist them carrying out daily tasks. After all, employing others implies business growth (Woo et al., 1989).

Additionally, Table 4.25 also shows another significant relationship at the .05 level between respondents’ marital status and employment of others with a medium effect size. The results indicated that around 90 per cent of respondents with a partner employed others compared to around 63 per cent of those without a partner in the same category. The results also showed that the ratio of
respondents who employed others but were without a partner to respondents who employed others and with a partner was 1:7. This may confirm the previous section results with respect to survival in business and the high level of marriage stability in Middle Eastern communities to find such a fairly sizeable difference. Thus, respondents with a partner were more likely to have reported business growth than those without a partner. Respondents with a partner may also receive and/or provide some sort of social support from and to their immediate and extended families which could contribute to their business growth.

Further, a crosstabulation analysis was carried out between respondents’ level of education and employment of others (growth) variable. The former was collapsed into three categories, ‘up to secondary education’, ‘completed trade certificate/TAFE education’ and ‘completed undergraduate/postgraduate education’. The results showed a significant relationship between the two variables with a medium effect size (see Table 4.25).

The analysis showed that about 95 per cent of respondents who employed others had ‘up to secondary education’, compared to 78 per cent and 75 per cent who had ‘completed undergraduate/postgraduate education’ and had ‘completed Trade Certificate/TAFE education’ in the same category respectively. This seems to show that respondents with lower level of education were more likely to have reported business growth than those with higher level of education. This implies that lack of formal education could possibly lead to employing more people to compensate this lack of area of expertise, or that the nature of their businesses demanded employing others such as petrol station and automotive services, bakery, grocery store, café, beauty salons and cleaning businesses. However, since significant proportions of respondents who employed others had ‘completed undergraduate/postgraduate education’, or ‘completed Trade Certificate/TAFE education’, the current study results may partially support previous research which indicated that higher levels of educational attainment and self-employment have been associated with business success in terms of employment (Attahir, 1995; Brush & Hisrich, 1988; Cooper et al., 1994; Davidson, 1991; Gray, 1998; Hay, Ross & Walker, 1988; Robinson & Sexton, 1994; Rose et al., 2006).

Further, given that a significant proportion of respondents (47 per cent) who were without employees but had ‘completed undergraduate/postgraduate education’ or ‘completed Trade Certificate/TAFE education’, this could possibly be that these respondents were running businesses that required one-person where para-professional and professional knowledge and skills were
essential such as accounting, consultancy, business brokers, architectural and drafting businesses. All in all, this study produced slightly mixed results regarding the relationship between these two variables.

Conversely, there was no significant relationship for any of the remaining selected background variables classified by employment of others (growth).

### 4.9.3 Selected Background Variables and Net Income

The relationship between the number of places of selling products and/or providing services variable and small business success as measured by net income was examined. These variables were recoded into three categories, namely ‘at one place’, at two places’ and ‘at three places+’ and ‘less than $50 000’, ‘$50 000-$175 000’ and ‘$176 000+’ respectively. Table 4.25 shows a significant association between the two variables, which yielded a large effect size.

The results indicated that around 80 per cent of respondents who used one place of business trading were in the ‘$50 000-$175 000’ annual net income category; however, this proportion dropped to just seven per cent in the ‘$176 000+’ net income category. Similarly, the proportion of respondents who utilized two places of business transactions dropped from around 68 per cent in the ‘$50 000-$175 000’ annual net income category to around 27 per cent in the ‘$176 000+’ category. Although the proportion of respondents who used three or more places of business trading dropped from precisely 60 per cent in the ‘$50 000-$175 000’ category to exactly 40 per cent in the ‘$176 000+’ category, this group of respondents reported the highest annual net income compared to ‘at one place’ and ‘at two places’ of business transactions. Additionally, no respondents in this category, i.e., ‘at three places’, reported an annual net income of ‘less than $50 000’. However, given that significant proportions or respondents who utilized one or two places of business trading were in the second net income category, these results should not be discounted as they indicated sizeable annual net income figures; therefore, respondents who used one or two places may also report success. Nevertheless, the results mostly imply that respondents who used three or more places of selling products and/or providing services were more likely to have reported highest income. Clearly, one would deduce that as the number of places of selling products and/or providing services increases, so does the likelihood of the number of personal networks sources of social support, and hence so does the profit.
However, there was no significant relationship at the .05 level for any of the remaining selected background variables classified by net income.

4.9.4 Selected Background Variables and the Number of Business Success Indicators

The relationship between the number of places of selling products and/or providing services and business success as measured by the number of business success indicators was examined. The former variable was collapsed into two categories, ‘1-6 indicators’ and ‘7+ indicators’. Table 4.25 shows an extremely significant association between the two variables, with a large size effect.

Data showed that around 79 per cent of respondents who were in the ‘1-6 indicators’ category utilized one place of business transactions compared to 36 per cent and exactly 40 per cent of respondents who used two or more places of business trading respectively. However, a different representation the results showed with respect to the ‘7+ indicators’ category. The proportion of respondents who used one place of business transaction decreased in the ‘7+ indicators’ category to nearly 21 per cent, while the proportions of respondents in the two or three plus places of business trading increased to nearly same proportions (63 per cent and 60 per cent) respectively. In short, the results imply that respondent who utilized two or more places of business trading were more likely to say that they were successful in their businesses than those respondents who used only one place of trading. Given that the vast majority of respondents in this study may exhibit marriage stability (see section 4.2.3) this could possibly contribute to exploring different avenues of marketing products and/or services in that more time is allocated for these purposes. The results may also imply that respondents with more places of business trading may receive the type of social support from immediate family necessary to carry out business routines when respondents are at different trading places. Or it could be that an immediate family member takes the responsibility of selling business products and/or providing services at these places, or simply an employee(s) being hired for this purpose. Generally, given that 52.1 per cent of success indicators related to respondents’ businesses (see section 4.6.4); these businesses are likely to continue trading and therefore employing others.

Further, the relationship between the number of people from other communities respondents meet in a week and business success indicators was examined. For simplicity, the former was recoded into two categories, ‘up to 100 persons’ and ‘101+ persons’. Table 4.25 shows a significant difference between the two variables, yet its effect size was small.
The results indicated that about 78 per cent of respondents who indicated that they met ‘up to 100 persons’ from other communities in a week selected ‘1-6 indicators’. This compared to around 48 per cent in the ‘101+ persons’. However, around 22 per cent of respondents who indicated that they met ‘up to 100 persons’ selected ‘7+ indicators’ category. This proportion was far lower than that of those respondents who met ‘101+ persons’ in this category (about 52 per cent). The results suggest that the larger the size of personal networks from other communities respondents had, the greater the number of business success indicators. There is a possibility that these personal networks are employees, friends, customers, suppliers or others in the communities from whom respondents received some form of social support, e.g. instrumental, or to whom respondents provided some type of support such as significant contributions to these communities, e.g. donations or sponsorship, which ultimately benefit their businesses.

However, there was no significant relationship for any of the remaining selected background variables classified by the number of business success indicators.

4.9.5 Selected Background Variables and Business Success

The relationship between the sources of finding this business location variable and small business success as measured by the self-rated question how successful or unsuccessful this business is was investigated. The former was recoded into the same variable name but with three categories, namely ‘informal sources’, ‘formal sources’ and ‘both sources’ respectively, while the latter was measured using a five-likert scale ranging from (1) very unsuccessful to (5) very successful. Frequency table showed that ‘very unsuccessful’ and ‘unsuccessful’ categories were not selected (see 4.6.5); therefore, this variable was recoded into three categories, ‘neither successful nor unsuccessful (hereafter nsnu)’, ‘successful’ and ‘very successful’. Table 4.25 shows a significant difference between the two variables with a small size effect.

The results indicated that around 88 per cent of respondents who used informal sources of finding the current business location reported successful or very successful businesses. This compared to 80 per cent and 75 per cent for those respondents who utilized formal or both sources of finding the current business location respectively. Although the last two proportions are significant, i.e., utilizing formal and both sources may also indicate success, the results showed that respondents who used their informal sources were more likely to have reported successful or very successful
businesses. Once again, it seems that respondents’ informal sources of support were readily available when necessary; this may perhaps continue to exist in respondents’ business career.

Further, the relationship between the number of people from own communities respondents meet in a week and the question how successful or unsuccessful this business is was investigated. For simplicity, the former was recoded into two categories, ‘up to 100 persons’ and ‘101+ persons’. Table 4.25 shows a significant difference between the two variables with a medium size effect.

The results indicated that about 96 per cent of respondents who met ‘up to 100 persons’ in a week reported successful or very successful businesses. This compared to around 80 per cent for those respondents who met ‘101+ persons’ in a week, which was also found to be significant. However, the result overall showed that respondents with fewer number of people from own community they met in a week were more likely to have enjoyed successful or very successful businesses. This could be the case because those respondents may have focused on the quality of relationships rather than quantity, particularly with those people who were known to respondents, i.e. from their own community. Such quality relationships may possibly assist respondents in many ways which could result in positive outcomes. Several researchers (Cable & Shane, 1997; Carter, Gartner, & Reynolds, 1996; Stevenson & Jarillo, 1991) suggest that community interactions may assist entrepreneurs in recruiting key people in the field of business who are well known in the community, spreading the word about the business activities and persuading potential suppliers and customers to deal with the business.

On the other hand, the crosstabulation analysis between any of the remaining selected background variables classified by how successful or unsuccessful this business is showed no clear pattern. That is, there was no significant relationship between the remaining selected background variables and business success.
<table>
<thead>
<tr>
<th>No</th>
<th>Selected Background Variables</th>
<th>Length of Time in Business (Survival)</th>
<th>Employment of Others (Growth)</th>
<th>Net Income</th>
<th>Success Indicators Number</th>
<th>Business Success (Self-rating)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender: Males</td>
<td>$\chi^2 = 11.66, df = 2, P &lt; .01^{**}$</td>
<td>$df = 1, p &gt; .05, \phi = .16$</td>
<td>$\chi^2 = 4.30, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.39, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Age:</td>
<td>$\chi^2 = 24.63, df = 4, P &lt; .001^{***}$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.19, df = 2, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.41, df = 2, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Marital status: With a partner</td>
<td>$\chi^2 = 10.10, df = 2, P &lt; .01^{**}$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.10, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.08, df = 2, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Importance of religion</td>
<td>$\chi^2 = 2.19, df = 2, P &lt; .10^{*}$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 6.38, df = 2, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 2.20, df = 2, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Level of education: lower levels of education</td>
<td>$\chi^2 = 3.67, df = 4, P &lt; .01^{***}$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 2.79, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.56, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Speaking LOTE</td>
<td>$\chi^2 = 7.51, df = 1, P &lt; .10^{*}$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.38, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 4.53, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Duration of unemployment after first arriving in Australia</td>
<td>$\chi^2 = 6.94, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 2.73, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.10, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Sources of finding first Job in Australia</td>
<td>$\chi^2 = 1.86, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.90, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 4.53, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>The number of places of selling products and/or providing services: 3 places</td>
<td>$\chi^2 = 2.0, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.15, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.70, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Customers’ cultural background</td>
<td>$\chi^2 = 8.13, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.75, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 3.81, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Sources of customers’ knowledge of the business</td>
<td>$\chi^2 = .92, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.87, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = .38, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>The number of people from other communities respondents meet in a week 101 persons</td>
<td>$\chi^2 = .60, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 2.34, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = .86, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Sources of finding this business located Informal sources</td>
<td>$\chi^2 = 3.86, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 4.94, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.8, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>The number of people from their own community respondents meet in a week: Up to 100 persons</td>
<td>$\chi^2 = 2.49, df = 4, P &lt; .05$</td>
<td>$df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.67, df = 1, p &gt; .05, \phi = .20$</td>
<td>$\chi^2 = 1.06, df = 1, p &gt; .05, \phi = .20$</td>
<td></td>
</tr>
</tbody>
</table>
4.10 SUMMARY

The objective of this chapter was to profile and describe the personal and professional characteristics of the current study sample (N=113), characteristics of the small business venture and its success characteristics, as well as to identify and examine the relationships between selected background variables, and between business success and selected background variables. The intercorrelations between business success measures were also investigated. As a result, major conclusions that can be drawn from the analysis of the study sample data are presented. The ratio of males to females was five to one, or around 83.2 per cent of sample was males. The mean age of respondents was 40.5 years and the range was from 20 years to 65 years, and 71 per cent were between 30 and 50 years of age. The sample is characterised by high marital stability as the majority of respondents were with a partner (around 84 per cent). The most common response in relation to religious affiliation was Christian (55 per cent) followed by Muslim (about 35 per cent), and almost half of the sample rated religion as a very unimportant or unimportant matter in the conduct of their businesses mainly because the nature of those respondents’ businesses is irrelevant to one’s religion; however, about 34 per cent of respondents rated religion as important or very important in the conduct of the business mainly because of particular religious dietary requirements and practices, and that values are derived from a religious perspective.

The sample had a considerable knowledge of the Australian society and culture as the mean years respondents living in Australia was 20.3 years and the range was from 5 years to 50 years, and around 40 per cent had been in Australia between 16 and 30 years. Almost equally (50 per cent) of respondents had post-secondary qualifications or up to secondary school qualifications. The most commonly held qualifications were in the fields of engineering and related technologies (11.5 per cent) followed by management and commerce (9.7 per cent) and health (8 per cent). Only 30 per cent of respondents undertook business training. The majority of respondents (almost 87 per cent) felt that they could understand and speak English well or very well and around 74 per cent and 69 per cent felt that they could read and write English well or very well respectively. The vast majority of the sample (around 90 per cent) indicated that speaking English was very important or important in running the business. Twenty-five respondents provided reasons for their choices, which were mainly because Australia is an English speaking country (36 per cent), the inability to speak English could well affect the business negatively and the customers are both locals and internationals (each 24 per cent) respectively. The sample to a great extent had LOTE skills as all 113 respondents speak Arabic and additional 71 speak French (about 44 per cent), Neo-Aramaic-Chaldean/Assyrian/Syriac
dialect (about 30 per cent) and Italian, Greek, Kurdish, Turkish, Spanish, Russian and Japanese (around 26 per cent). Being a bilingual or multilingual was perceived as very important or important by around 66 per cent of respondents reasoning that gaining more business opportunities, attracting customers from different backgrounds and communicating easily with non-English speaking employees, customers and suppliers.

About 42 per cent of respondents were employed in their home country and the majority (79 per cent) had no prior skills and experience in owning a business in their home country. Approximately one-half of the respondents (49 per cent) found a job within one month to 11 months after first arriving in Australia, and labourer was the most common occupation held by respondents after first arriving in Australia (27 per cent) followed by professional (nearly 17 per cent) and technicians and trades workers 16 per cent. Thus, the sample is reasonably equipped with the necessary knowledge and skills to be as a self-employed. The prime sources through which around 83 per cent of respondents found their first job after arrival in Australia, around 57 per cent found their current business location and nearly 70 per cent of respondents customers’ knew about their businesses were informal, namely immediate and extended families, and friends from respondents’ own community and from other communities. Approximately 79 per cent and around 67 per cent of respondents met up to 100 persons from their own community and other communities in a week respectively. Thus, it seems that informal sources play a lively role in respondents’ business world.

The majority of respondents (80.5 per cent) were operating in the service-providing industry, only 2.7 per cent were in goods-producing groupings and 16.8 per cent in both industries. Retail trade formed the highest proportion among service industry divisions (27.1), and manufacturing industry division formed the largest of the goods-producing industry divisions (8.2 per cent). Sole trader/Proprietorship was the most common form of legal structure among the sample (over 50 per cent), followed by Proprietary Limited Company with (over 25 per cent), and over two-third of respondents (around 68 per cent) started their businesses from scratch. Around 61 per cent of respondents had used the business premises as the only point of trading. Around 76 per cent and 58 per cent of respondents indicated that their employees and their customers were Arabic-speakers. This may possibly partially justify that more than two-third of respondents reported the importance of speaking LOTE.

The mean years respondents’ being in business was 8.9 years and the range was from 1-35 years, and almost 71 per cent of respondents had been in operation between 1 and 10 years. Thus, a
significant proportion of the sample had survived at least one years of operation. The mean number of employees per business was \( \approx 5 \) employees and the range was from no employees (14 per cent) to 37 employees. Around 67 per cent of respondents had between one and five employees followed by around 13 per cent who had between six and fifteen employees. The mean respondents’ annual \( \textit{net income} \) was $106,955 and the range was between less than $49,000 and $500,000. Around 50 per cent of respondents earned between $50,000 and $100,000 per annum and nearly 16 per cent earned between $101,000 and $175,000 from their businesses. Almost equally, 15 per cent of respondents each reported that business stability, profit and family stability as the main indications of being successful in their businesses followed by business growth and independence (around 13 per cent each). Around 84 per cent of respondents indicated that their businesses were either successful or very successful. Respondents provided reasons for their choices and the results were analysed manually using the content analysis method. The analysis produced mixed results as follows: around 11 per cent delivering quality products/services; 10.7 per cent having a good business reputation: honesty, respect, trustworthiness and responsibility; 10.3 per cent working hard and committed; precisely 10 per cent having well-maintained networks of relationships; around nine per cent having good employees relationships and adding additional products and/or services; exactly nine per cent having satisfied customers; around eight per cent having loyal and dedicated customers; precisely eighth per cent employing more staff; and exactly seven per cent having survived the first years of operations and profit.

The analysis of the results indicated only two significant relationships among selected background variables. First, a significant difference between males and females classified by first occupation in Australia, with 63 per cent of female respondents were employed in professional occupations, 44 per cent of males were employed in skilled occupations and slightly more females were employed in unskilled occupations (26.3 per cent) than males (precisely 25 per cent). Second, a significant difference between males and females classified by the \textit{duration of unemployment after first arriving in Australia}, with around 88 per cent of males had less than four weeks period of unemployment after first arriving in Australia compared to 11 per cent of females.

The analysis of the correlation matrix of the current study business success variables revealed only two out of ten positive relationships, though the effect size of these associations was small or moderately medium. The first was between \( \textit{net income} \) and the \textit{number of business success indicators}, and the second between \textit{the length of time in business} and the self-rated question \textit{how successful or unsuccessful the business is}. However, the analysis of crosstabulation to explore
whether there were relationships between selected background variables and small business success
variables indicated dissimilar significant relationships between length of time in business (survival),
net income, the number of business success indicators and the question how successful or
unsuccessful this business is and a number of the selected background variables. This aside from
significant positive relationships between net income, the number of business success indicators and
the number of places of selling products and/or providing services, nevertheless; the two
correlations were at different alpha levels and thus with different size effect. Given these results, the
five business variables, may, to a great extent, be considered independent business success
measures. Further examination of the relationships between these business success variables and the
four types of RSS and GSS, and the fourteen selected background variables using logistic binary or
ordinal regression should clarify this finding.

The analysis of data revealed several significant relationships between a number of selected
background variables and business success variables. There was a significant difference between
respondents’ gender, age and marital status and length of time in business, with male respondents,
older respondents (50+ years of age) and respondents with a partner more likely to have survived in
business. There were significant differences between respondents’ age, marital status and level of
education and employment of others. Older respondents (50+ years of age), respondents with a
partner: and respondents with a lower level of education (up to secondary education) were more
likely to have reported business growth.

There was a significant difference between the number of places of selling products and/or
providing services and net income and the number of business success indicators. Respondents who
utilized three or more places of trading were more likely to have declared higher annual net income
($176 000+), and respondents who used two or more business trading were more likely to have
reported a greater number of business success indicators. This could be the case as this study results
showed that these two business success variables were significantly and positively correlated though
at different alpha level. Another interpretation could be that respondents who used two or more
places of business trading and reported more success indicators may perceive themselves successful
business people on the basis of qualitative measures such as independence, family stability, a better
life style and creative and innovative leadership rather than according to monetary and quantitative
measures. Although ‘profit’ was among other business success indicators respondents listed, this
may partly not be the case for the ‘at the two places’ respondents.
There were significant differences between the number of people from other communities respondents met in a week and the number of business success indicators. Respondents with larger personal networks sources from other communities (101 + persons) were more likely to have indicated that they were more successful in their businesses. Finally, there was a significant difference between the number of people from own community respondents met in a week and sources of finding this business location and how successful or unsuccessful this business is. Respondents who were more likely to have had very successful businesses were those with fewer contacts with people from their own community and respondents who used informal sources of finding their business location.
CHAPTER 5
PERSONAL NETWORKS, SOCIAL SUPPORT AND BUSINESS SUCCESS OF OWNERS/MANAGERS:
STATISTICAL ANALYSIS

My relationships with people from other community groups are as important as with people from my own community. The reason is being that those people have an impact on today’s market. For example, the Lebanese are the largest demanding community in Australia, then the Iraqi, next comes the Syrian and of course, the Egyptians. You know; to succeed in this type of business, don’t limit yourself to one market. That is why I have to deal with all different types of communities so that I have a wide range of supplies and customers (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

5.1 INTRODUCTION

In addressing research objective 3 (with 3.1, 3.2, 3.3 and 3.4) this chapter analyses the quantitative data gathered in the study from the questionnaire in relation to the following: personal and professional characteristics; personal networks characteristics; small business characteristics; and social support and personal networks characteristics. It provides a brief summary of exploratory factor analysis is also provided. This chapter also provides details of the results obtained utilizing a range of statistical processes including t-tests; one-way analysis of variance (ANOVA); and logistic regression analysis, specifically binary and ordinal. The final section presents a summary of the assessment and refinement process and results.

5.2 STATISTICAL ANALYSIS OF SOCIAL SUPPORT INSTRUMENT

5.2.1 Exploratory Factor Analysis

Exploratory factor analysis (EFA) was undertaken to determine whether underlying factors (so called latent variables) were present in the patterns of correlations among various items in the social support and personal networks scales (Child, 1990; Cureton & D'Agostino's’1983; Hetzel, 1995; Preacher & MacCallum 2003) (see 3.9.6.1-3.9.6.1.4).

The analysis revealed that the original instrument of personal networks sources of receiving and giving social support was acceptable and that its sub-scales items tapped into four latent constructs.
Common themes were then identified and labelled according to the characteristics of their factors as described in section 3.9.6.1.3. See appendices D-1 and D-2 for the four sub-scales instrument of five items grouped under the four dimensions of receiving and giving social support original items, including the items deleted as they tapped into two factors. Factor scores, derived from factor analysis results, were then used in the subsequent analysis given that the current study’s instrument was well constructed, valid and reliable (Hair et al., 2006).

5.3 COMPARISON OF MEANS

Comparison of means between groups or between subjects, which is part of an independent design, was applied to determine whether the mean RSS and GSS factor scores sub-scales for a range of independent variables (factors) were significantly different (Field, 2005). In the current study, techniques such as independent-samples t-test (where the mean factor scores of the two independent groups were compared), and analysis of variance (ANOVA) (where more than two independent groups’ mean factor scores were compared) were calculated (see 3.9.5.3 and 3.9.6.2). To examine whether the effect was genuine, i.e. where a test statistic or the effect for ANOVA were significant, the effect size (ES) of the relationship was measured using the eta squared ($\eta^2$) statistic (Cohen, 1988) (see Table 3.3). The effect size was calculated manually of all the relationships. The independent t-test and ANOVA statistical techniques helped determine whether the mean RSS and GSS factor scores Sub-scales by dependent business success variables and selected background variables were significantly different. Values were rounded to one decimal place in the analysis, and only the significant differences between the two variables under analysis will be presented.

5.3.1 T-tests for RSS Sub-scales Factor Scores by Success Variables

To begin with, Table 5.1 represents independent-samples t-test for RSS factor mean factor scores by business success variables and shows that the mean RSS Inst from Imm Fam factor score for respondents with employees, on average, was higher than that for respondents without employees. This difference was significant, and the calculated magnitude of this difference was medium. Thus, respondents with employees were more likely to have received Inst social support from Imm Fam than respondents without employees. The results may suggest that at least one of the employees could be one of the respondents’ Imm Fam members who may perhaps be willing to provide any form of Inst support when most needed, or that this type of support is provided when respondents run short on employees, particularly on busy days.
Table 5.1
*T-test for RSS Factor Scores by Business Success Variables*
(N=113)

<table>
<thead>
<tr>
<th>Type and Source of Support</th>
<th>Success Measures</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>t-test</th>
<th>Effect Size η^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSS Inst Imm Fam</td>
<td>Without Employees</td>
<td>-.52</td>
<td>.83</td>
<td>t(111) = -2.30, p &lt; .05</td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.09</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Appr Empl</td>
<td>Without Employees</td>
<td>-1.89</td>
<td>.64</td>
<td>t(111) = -12.79, p &lt; .001</td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.31</td>
<td>.63</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Inst Empl</td>
<td>Without Employees</td>
<td>-.88</td>
<td>.47</td>
<td>t(41) = -6.60, p &lt; .001</td>
<td>.51</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.15</td>
<td>.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Inst Friends</td>
<td>Without Employees</td>
<td>-.47</td>
<td>1.27</td>
<td>t(111) = -2.07, p &lt; .05</td>
<td>.04</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.08</td>
<td>.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Appr Ext Fam</td>
<td>1-6 success indicators</td>
<td>-.15</td>
<td>1.01</td>
<td>t(73) = -2.50, p &lt; .05</td>
<td>.08</td>
</tr>
<tr>
<td></td>
<td>7^ success indicators</td>
<td>.33</td>
<td>.90</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Info Supp</td>
<td>1-6 success indicators</td>
<td>-.14</td>
<td>1.00</td>
<td>t(111) = -2.27, p &lt; .05</td>
<td>.04</td>
</tr>
<tr>
<td></td>
<td>7^ success indicators</td>
<td>.31</td>
<td>.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Appr Professionals</td>
<td>1-6 success indicators</td>
<td>-.15</td>
<td>1.03</td>
<td>t(111) = -2.49, p &lt; .05</td>
<td>.04</td>
</tr>
<tr>
<td></td>
<td>7^ success indicators</td>
<td>.34</td>
<td>.82</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

η^2: Little to no relationship =.00, small = .01-.05, Medium = .06-.13, Large = .14-1.0

Regardless of the nature of small business that may necessitate the employment of people to carry out the routine tasks of the business, or the professional and/or technical characteristics of the owner/managers that substitute the need for employing others, it is obvious that having employees may possibly be considered an added value in that they could provide business owner/managers some type of social support than those without employees. Therefore, the results indicated that the mean factor scores of RSS Appr and RSS Inst from Empl for respondents who employed others were higher than those respondents who had no employees. These significant differences in means yielded medium and large effect sizes respectively. The results suggest that respondents with employees were more likely to have received Appr and Inst social support from employees such as feedback concerning business performance and other matters, and Inst support, for example assisting them carrying out business or non-business tasks, or spreading the word about the business. Therefore, those business owners could also be more advantaged than those without employees. Additionally, the mean RSS Inst support from friends factor score for respondents with employees was higher than that for respondents without employees though the difference was small. Specifically, respondents with employees were more likely to have received Inst support from friends than those without employees. Respondents with employees might have formed some kind of friendship with at least one of the employees; or have employed a friend, whether their own, or acquaintance of a friend.
With respect to the number of business success indicators variable, Table 5.1 shows that respondents who reported a higher number of success indicators had, on average, higher mean RSS Appr from Ext Fam, mean RSS Info from Supp and mean RSS Appr from accountants, bankers and solicitors (Professionals) factor scores than those respondents who reported a fewer number of success indicators. The effect size for the first association was medium, while for the last two the effect size was small. In short, respondents who reported a higher number of success indicators were more likely to have received Appr support from the Ext Fam; they were more likely to have received a little more Info support from Supp and they were more likely to have received a little more Appr support from professionals than those with fewer success indicators. Extended family giving Appr support may provide respondents with opportunities to better understand how their world of business is faring, as well as to reflect on the feedback on their business performance, which could possibly lead to minimizing the risk of making irrational business decisions. Obviously, as respondents need to make informed decisions, Info support given by suppliers may provide respondents with suggestions on how to look for ways to keep costs lower than competitors, or advice on new products, etc. With respect to receiving Appr support from Professionals, several researchers (Cohn & Lindberg, 1972; Lussier, 1995) suggest that advice provided by professional bodies such as accountants, bankers and lawyers appeared to relate significantly to business success.

However, no significant differences were evident between the mean factor scores for all the other RSS independent variables and employment of others and the number of business success indicators variables.

5.3.2 T-tests for GSS Sub-scales Factor Scores by Success Variables

Table 5.2 represents independent-samples t-test for GSS factor scores by business success variables. It is essential that small business owner/managers maintain and develop healthy working relationships with their employees, and give them support of any form in order to achieve the objectives of the business. This may perhaps result in owner/managers receiving support (of any form) from their employees in return. Thus, as Table 5.2 shows, the mean GSS Emo, Appr, Info and Inst support to employees’ factor scores were significantly higher for respondents with employees than those without employees. The magnitudes of these differences were rather large. Previous results indicated that, having employees may be considered to be an advantage in that they provided respondents with Appr and Inst support (see Table 5.1). In return, respondents with employees provided their employees with these two types of social support, namely Appr and Inst
support. Thus, it is not uncommon for such reciprocal relationships to exist. Also, this could possibly lead to respondents’ providing Emo support as well as Info support by listening to their concerns or talking to them and caring for them, for example, when employees are undergoing personal problems, having bad days, simply celebrating happy occasions or when they are stressing out about completing business tasks or the like. In short, this study’s owner/managers who employed others were more likely to have reported business success as measured in employment of others.

Table 5.2
*T-test* for GSS Factor Scores by Business Success Variables
(N=113)

<table>
<thead>
<tr>
<th>Type and Source of Support</th>
<th>Success Measures</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th><em>t</em>-test</th>
<th>Effect Size (\eta^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSS Emo Empl</td>
<td>Without Employees</td>
<td>-.56</td>
<td>.38</td>
<td>1.04</td>
<td>-.62, (p &lt; .001)</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.09</td>
<td>1.04</td>
<td>(t(60) = -4.62, p &lt; .001)</td>
<td>.30</td>
</tr>
<tr>
<td>GSS Appr Empl</td>
<td>Without Employees</td>
<td>-1.32</td>
<td>.53</td>
<td>.88</td>
<td>-.97, (p &lt; .001)</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.22</td>
<td>.88</td>
<td>(t(30) = -9.47, p &lt; .001)</td>
<td>.75</td>
</tr>
<tr>
<td>GSS Info Empl</td>
<td>Without Employees</td>
<td>-1.25</td>
<td>.18</td>
<td>.92</td>
<td>-1.38, (p &lt; .001)</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.21</td>
<td>.92</td>
<td>(t(108) = -13.89, p &lt; .001)</td>
<td>.64</td>
</tr>
<tr>
<td>GSS Inst Empl</td>
<td>Without Employees</td>
<td>-.79</td>
<td>.38</td>
<td>1.01</td>
<td>-.62, (p &lt; .001)</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.13</td>
<td>1.01</td>
<td>(t(58) = -6.62, p &lt; .001)</td>
<td>.43</td>
</tr>
<tr>
<td>GSS Info Friends</td>
<td>Without Employees</td>
<td>.53</td>
<td>.69</td>
<td>1.01</td>
<td>2.34, (p &lt; .05)</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.09</td>
<td>1.01</td>
<td>(t(111) = 2.34, p &lt; .05)</td>
<td>.05</td>
</tr>
<tr>
<td>GSS Inst Friends</td>
<td>Without Employees</td>
<td>-1.28</td>
<td>.80</td>
<td>.13</td>
<td>-6.48, (p &lt; .001)</td>
</tr>
<tr>
<td></td>
<td>With Employees</td>
<td>.21</td>
<td>.86</td>
<td>(t(111) = -6.48, p &lt; .001)</td>
<td>.27</td>
</tr>
<tr>
<td>GSS Emo Imm Fam</td>
<td>1-6 success indicators</td>
<td>-.14</td>
<td>1.07</td>
<td>.74</td>
<td>-2.58, (p &lt; .05)</td>
</tr>
<tr>
<td>7+ success indicators</td>
<td>.31</td>
<td>1.07</td>
<td>.74</td>
<td>(t(92) = -2.58, p &lt; .05)</td>
<td>.07</td>
</tr>
<tr>
<td>GSS Appr Ext Fam</td>
<td>1-6 success indicators</td>
<td>-.14</td>
<td>.99</td>
<td>.94</td>
<td>-2.23, (p &lt; .05)</td>
</tr>
<tr>
<td>7+ success indicators</td>
<td>.31</td>
<td>.99</td>
<td>.94</td>
<td>(t(111) = -2.23, p &lt; .05)</td>
<td>.04</td>
</tr>
<tr>
<td>GSS Appr Professionals</td>
<td>1-6 success indicators</td>
<td>-.16</td>
<td>1.02</td>
<td>.85</td>
<td>-2.59, (p &lt; .05)</td>
</tr>
<tr>
<td>7+ success indicators</td>
<td>.35</td>
<td>1.02</td>
<td>.85</td>
<td>(t(111) = -2.59, p &lt; .05)</td>
<td>.06</td>
</tr>
</tbody>
</table>

\(\eta^2\): Little to no relationship =.00, Small =.01-.05, Medium =.06-.13, Large =.14-1.0

Additionally, respondents with employees, on average, had higher mean GSS Inst to friends factor score than those without employees, which produced a large size effect. That is, respondents with employees were more likely to have given their friends Inst support. Yet again, one would expect such reciprocal relationship to occur between respondents and their friends (see Table 5.1). However, respondents without employees had, on average, higher mean GSS Info factor score to friends than those with employees. The magnitude of this difference was small. The results may possibly suggest that respondents without employees have a simple business life and more spare time than those with employees. As showed earlier, respondents with employees gave four types of
social support to employees; this could possibly be the case in that they would rather exert effort and energy looking after their employees as they are the spinning engine of the business.

Finally, Table 5.2 also shows that respondents who reported a higher number of business success indicators had, on average, higher mean GSS Emo to Imm Fam, mean GSS Appr to Ext Fam and professionals’ factor scores. The size effect of these differences was small or medium. Thus, respondents with a higher number of business success indicators were more likely to have provided Emo support to Imm Fam, Appr support to Ext Fam and to professionals than those who reported fewer success indicators. Obviously, respondents with higher number of business success indicators, in return, gave their Ext Fam and Professionals Appr support. Therefore, it is expected that such reciprocal relationships occur between respondents and Ext Fam members and Professionals (see Table 5.1). It is also required that respondents provide their Imm Fam with Emo support. This may also have resulted from the respondents having the ability to connect with others, whether on a personal or professional level, which in turn, builds on their business skills.

However, no significant differences were evident between the mean factor scores for all the others GSS independent variables and employment of others and the number of business success indicators variables.

5.3.3 Analysis of Variance for RSS Sub-scales Factor Scores by Success Variables

Table 5.3 represents the analysis of variance for RSS factor scores by business success variables and shows that Levene’s test of homogeneity of variances violated the mean RSS Appr from Ext Fam factor score for length of time in business variable. But the Welch’s F-ratio confirmed a significant difference. The ANOVA summary table also showed a significant difference at the $p < .05$ level in mean RSS Appr factor score with a medium effect size. Thus, Post-hoc comparisons procedures using the Tukey Honestly Significant Difference (HSD) test were followed, and the results showed that the longer the business had been in existence, that is, the
Table 5.3
Analysis of Variance for RSS Factor Scores by Business Success Variables
(N=113)

<table>
<thead>
<tr>
<th>Type and Source of Support</th>
<th>Success Measures</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Levene’s Test of Homogeneity of Variance</th>
<th>Welch’s Test of Equality of Means</th>
<th>Analysis of Variance</th>
<th>Effect Size $\eta^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSS Appr Ext Fam</td>
<td>1-5 years</td>
<td>-.28</td>
<td>1.01</td>
<td>$F(2,110) = 5.17, p &lt; .01$</td>
<td>$F(2,73) = 3.32, p &lt; .05$</td>
<td>$F(2,110) = 3.07, p = .05$</td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>.03</td>
<td>1.06</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11+ years</td>
<td>.29</td>
<td>.82</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Info Ext Fam</td>
<td>1-5 years</td>
<td>-.02</td>
<td>.95</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>-.28</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11+ years</td>
<td>.38</td>
<td>.95</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Info Ext Fam</td>
<td>Less than $50 000</td>
<td>-.46</td>
<td>1.32</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$50 000-$175 000</td>
<td>-.02</td>
<td>.95</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$176 000+</td>
<td>.55</td>
<td>.79</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Inst Empl</td>
<td>Less than $50 000</td>
<td>-.47</td>
<td>1.11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$50 000-$175 000</td>
<td>-.01</td>
<td>.98</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$176 000+</td>
<td>.45</td>
<td>.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Info Supp</td>
<td>Less than $50 000</td>
<td>-.67</td>
<td>1.04</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$50 000-$175 000</td>
<td>.00</td>
<td>.98</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$176 000+</td>
<td>.57</td>
<td>.69</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Emo Professionals</td>
<td>Less than $50 000</td>
<td>.62</td>
<td>.67</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$50 000-$175 000</td>
<td>-.03</td>
<td>1.01</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$176 000+</td>
<td>-.34</td>
<td>.96</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Emo Imm Fam</td>
<td>nsnu</td>
<td>-.45</td>
<td>1.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Successful</td>
<td>-.02</td>
<td>1.04</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Very successful</td>
<td>.21</td>
<td>.84</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$\eta^2$: Little to no relationship = .00, Small = .01-.05, Medium = .06-.13, Large = .14-1.0
nsnu: Neither successful nor unsuccessful
‘11+ years’ group, the more likely it was that the owner/managers had received Appr support from Ext Fam. The ‘6-10 years’ group did not differ significantly from either ‘1-5 years’ group or ‘11+ years’ group. Additionally, there was a significant difference in mean RSS Info from Ext Fam factor score for ‘11+ years’ category, which yielded a medium size effect. The Tukey HSD test showed that those longer in business were more likely to have received Info support from the Ext Fam. The results may imply that those longer in business could have had well-maintained relationships with their extended family members over the years either before and/or after starting businesses. Naturally, this could have led to receiving Appr and Info support.

Table 5.3 also shows a significant difference in the following mean factor scores: RSS Info from Ext Fam; RSS Inst from Empl; and RSS Info from Supp for two or three net income groups. The effect size of the first and third comparisons was medium but it was small in the second comparison. Following Post-hoc comparisons procedures, the results showed that the greater the net income, the more likely that respondents had received Info support from Ext Fam, Inst support from Empl and Info support from Supp. The results suggest that formal sources of support, in this case employees and suppliers, may well be as important as informal sources as they could provide useful and exclusive information on business opportunities such as increased customer base.

Once again, respondents with employees may perhaps have gained a competitive-advantage by having employees in that they may possibly provide the respondents with some form of help, particularly when they are ill or away. Additionally, there was a significant difference in mean RSS Emo from professionals factor score though it yielded a medium size effect. Interestingly, the Tukey HSD test showed that what seemed important for those earning least (less than $50 000) was receiving Emo support from professional contacts. This may indicate a high level of support mainly verbal interaction, empathy and encouragement to improve their self-esteem and thus the business.

Furthermore, Table 5.3 also shows a significant difference in mean RSS Emo from Imm Fam factor score for two or three groups of how successful or unsuccessful this business is, a self-rated question (henceforth self-rated business success variable), though it represented a small sized effect. Following Post-hoc comparisons procedures, the results showed the very successful owner/managers were more likely to have received Emo support from Imm Fam than those who reported nsnu. It is highly expected that family, as well as personal networks of support, may well be the key source of emotional support.
However, no significant differences were evident between the mean factor scores for all the others RSS independent variables and *length of time in business, net income* and self-rated business success variables.

### 5.3.4 Analysis of Variance for GSS Sub-scales Factor Scores by Success Variables

Table 5.4 represents the analysis of variance for GSS factor scores by business success variables and shows a significant difference at the $p < .05$ level in the following mean factor scores: GSS Info to Imm Fam, GSS Appr to Ext Fam, GSS Inst to Empl and GSS Appr to friends for two or three *years in business* groups. The magnitude of these differences was medium. The Tukey HSD test results suggested that the longer the period in business, the higher the mean factor scores for GSS Info to Imm Fam, GSS Appr to Ext Fam, GSS Inst to Empl and GSS Appr to friends. This implies that the longer the years in business, the more likely that respondents had given Info support to the Imm Fam, Appr support to the Ext Fam, Inst support to Empl and Appr support to friends. Aside from reciprocal relationships in terms of receiving and giving Appr support from and to Ext Fam (see Table 5.3), it seems likely that this may be a result of resources developed over a greater period of time, which allow the respondents to possess a considerable level of knowledge and experience, as well as the ability to financially support others.

Additionally, Table 5.4 also shows a significant difference in mean GSS Appr to suppliers’ factor score for two or three *net income* groups, which produced a medium size effect. The Tukey HSD test indicated that respondents with ($50,000-$175,000) net income were more likely to have provided Appr support to Supp than the other two groups. Being in the middle range, those respondents could possibly make attempts to maintain their healthy relationships with suppliers by providing them with feedback on business matters and/or advice and suggestions about increasing business transactions. Another interpretation could be that those respondents are in progress, and sustaining and strengthening relationships with suppliers is needed. Additionally, there was a significant difference in mean GSS Emo factor score to professionals for two or three *net income* groups, yet it produced a small size effect. Upon utilizing Post-hoc test, the results indicated that respondents with a smaller net income were more likely to have given
<table>
<thead>
<tr>
<th>Type and Source of Support</th>
<th>Success Measures</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Levene’s Test of Homogeneity of Variance</th>
<th>Welch’s Test of Equality of Means</th>
<th>Analysis of Variance</th>
<th>Effect Size ( \eta^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSS Info Imm Fam</td>
<td>1-5 years</td>
<td>-.21</td>
<td>1.04</td>
<td></td>
<td></td>
<td>F(2, 110) = 3.18, p &lt; .05</td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>-.09</td>
<td>1.05</td>
<td></td>
<td></td>
<td>F(2, 110) = 6.20, p &lt; .01</td>
<td>.08</td>
</tr>
<tr>
<td></td>
<td>11+ years</td>
<td>.35</td>
<td>.78</td>
<td></td>
<td></td>
<td>F(2, 110) = 5.76, p &lt; .01</td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>F(2, 110) = 5.00, p &lt; .01</td>
<td>.10</td>
</tr>
<tr>
<td>GSS Appr Ext Fam</td>
<td>1-5 years</td>
<td>-.29</td>
<td>1.06</td>
<td>F(2, 110) = 6.20, p &lt; .01</td>
<td>F(2, 110) = 3.18, p &lt; .05</td>
<td></td>
<td>.06</td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>-.07</td>
<td>.98</td>
<td></td>
<td></td>
<td>F(2, 73) = 5.76, p &lt; .01</td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>11+ years</td>
<td>.42</td>
<td>.80</td>
<td></td>
<td></td>
<td>F(2, 110) = 5.00, p &lt; .01</td>
<td>.10</td>
</tr>
<tr>
<td>GSS Inst Empl</td>
<td>1-5 years</td>
<td>-.70</td>
<td>.91</td>
<td></td>
<td></td>
<td>F(2, 110) = 5.08, p &lt; .01</td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>-.25</td>
<td>1.02</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>11+ years</td>
<td>.35</td>
<td>.94</td>
<td></td>
<td></td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>GSS Appr Friends</td>
<td>1-5 years</td>
<td>-.07</td>
<td>.84</td>
<td>F(2, 110) = 3.41, p &lt; .05</td>
<td>F(2, 110) = 4.34, p &lt; .05</td>
<td></td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>-.25</td>
<td>1.17</td>
<td></td>
<td></td>
<td></td>
<td>.10</td>
</tr>
<tr>
<td></td>
<td>11+ years</td>
<td>.40</td>
<td>.82</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td>GSS Appr Supp</td>
<td>Less than $50 000</td>
<td>-.65</td>
<td>1.53</td>
<td></td>
<td></td>
<td>F(2, 110) = 3.43, p &lt; .05</td>
<td>.06</td>
</tr>
<tr>
<td></td>
<td>$50 000-$175 000</td>
<td>.12</td>
<td>.84</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>$176 000+</td>
<td>-.16</td>
<td>1.20</td>
<td></td>
<td></td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>GSS Emo Professionals</td>
<td>Less than $50 000</td>
<td>-.58</td>
<td>.74</td>
<td></td>
<td></td>
<td>F(2, 110) = 3.04, p = .05</td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>$50 000-$175 000</td>
<td>-.02</td>
<td>1.01</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>$176 000+</td>
<td>-.36</td>
<td>.92</td>
<td></td>
<td></td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>GSS Emo Imm Fam</td>
<td>nsnu</td>
<td>-.58</td>
<td>1.53</td>
<td>F(2, 110) = 6.97, p &lt; .01</td>
<td>F(2, 110) = 4.54, p &lt; .05</td>
<td></td>
<td>.08</td>
</tr>
<tr>
<td></td>
<td>Successful</td>
<td>.00</td>
<td>.93</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Very successful</td>
<td>.23</td>
<td>.68</td>
<td></td>
<td></td>
<td></td>
<td>.06</td>
</tr>
<tr>
<td>GSS Appr Imm Fam</td>
<td>nsnu</td>
<td>.47</td>
<td>.56</td>
<td></td>
<td></td>
<td>F(2, 110) = 3.17, p &lt; .05</td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Successful</td>
<td>.02</td>
<td>1.01</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Very successful</td>
<td>-.22</td>
<td>1.07</td>
<td></td>
<td></td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>GSS Appr Ext Fam</td>
<td>nsnu</td>
<td>-.39</td>
<td>1.00</td>
<td></td>
<td></td>
<td>F(2, 110) = 4.08, p &lt; .05</td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Successful</td>
<td>-.13</td>
<td>.96</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Very successful</td>
<td>.31</td>
<td>.97</td>
<td></td>
<td></td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>GSS Inst Ext Fam</td>
<td>nsnu</td>
<td>.52</td>
<td>1.06</td>
<td></td>
<td></td>
<td>F(2, 110) = 3.86, p &lt; .05</td>
<td>.07</td>
</tr>
<tr>
<td></td>
<td>Successful</td>
<td>.02</td>
<td>1.02</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Very successful</td>
<td>-.24</td>
<td>.87</td>
<td></td>
<td></td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>GSS Inst Empl</td>
<td>nsnu</td>
<td>-.10</td>
<td>.89</td>
<td></td>
<td></td>
<td>F(2, 110) = 3.79, p &lt; .05</td>
<td>.06</td>
</tr>
<tr>
<td></td>
<td>Successful</td>
<td>-.23</td>
<td>.91</td>
<td></td>
<td></td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td></td>
<td>Very successful</td>
<td>.31</td>
<td>1.07</td>
<td></td>
<td></td>
<td></td>
<td>.06</td>
</tr>
</tbody>
</table>

\( \eta^2 \): Little to no relationship = .00, Small = .01-.05, Medium = .06-.13, Large = .14-1.0


nsnu: Neither successful nor unsuccessful
professionals Emo social support than those with the higher net income. One interpretation for this result could be that those respondents are either related to or friends with the professionals in question. Another theory is that as the professionals provide Emo support to these respondents, as discussed previously (see Table 5.3), the respondents have the obligation to provide similar support back to the professionals.

Moreover, Table 5.4 shows a very significant difference in the following mean factor scores: GSS Emo to Imm Fam, GSS Appr to Ext Fam and GSS Inst to Empl for two or three groups of self-rated business success variable. The effect size of these differences was medium. The Tukey HSD test suggested that the very successful respondents were more likely to have provided Emo support to Imm Fam, Appr support to Ext Fam and Inst support to Empl than those respondents with the nsnu or the successful group. Naturally, receiving and providing Emo support from and to Imm Fam is not a surprise (see Table 5.3). Since this study results indicated receiving and giving different types of social support, and in a number of instances reciprocal relationships between respondents and their personal networks sources concerning different types of social support existed; therefore, it is not uncommon to find that respondents give social support of all four types to their personal networks.

Finally, the results showed significant differences in the mean GSS Appr to Imm Fam and mean GSS Inst to Ext Fam factor scores for two or three groups of the above success variable with medium effect size. The Tukey HSD test’s results revealed that respondents who indicated that their businesses were nsnu were more likely that they had provided Appr support to Imm Fam and Inst support to Ext Fam than the very successful respondents. It is obligatory that Middle-Eastern people provide some type of support to their immediate and extended families. Nevertheless, since no respondent has rated their business as either very unsuccessful or unsuccessful, those in this category are to some degree considered having successful businesses.

However, no significant differences were evident between the mean factor scores for all the others GSS independent variables and length of time in business, net income and self-rated business success variables.
5.3.5 Summary

Factor scores were calculated to allow comparisons to be made of the forty-eight sub-scales mean by business success variables to investigate whether any significant differences existed between business success variables groups’ mean factor scores using *t*-tests and one-way analysis of variance (ANOVA).

The comparisons of mean RSS and GSS types’ factor scores from and to respondents’ six sources of personal networks by *employment of others* (growth) produced a number of statistically significant differences between this success variable’s groups. The analysis indicated that respondents with employees had significantly higher mean scores for RSS Inst from Imm Fam and GSS Emo and Info to Empl, higher mean scores for RSS and GSS Appr and Inst from and to Empl and higher mean scores for RSS and GSS Inst from and to friends. However, respondents without employees had a higher mean score for GSS Info to friends.

The comparisons of mean RSS and GSS types’ factors scores from and to respondents’ six sources of personal networks classified by *the number of business success indicators* indicated a significant difference at the .05 level between the mean of the two groups of this success variable. That is, respondents who reported a greater number of success indicators had higher mean scores for RSS Info from Supp, higher GSS Emo mean score to Imm Fam, higher RSS and GSS Appr mean scores from and to Ext Fam and professionals than those respondents with a fewer number of success indicators.

The comparisons of mean RSS and GSS types’ factor scores from and to respondents’ six sources of personal networks by *length of time in business* (survival) indicated a number of statistically significant differences between this success variable’s groups. Respondents with longer period of time in business had higher RSS and GSS Appr mean scores from and to Ext Fam. Respondents who had been longer in business also had significantly a higher mean score for RSS Info from Ext Fam, higher mean scores for GSS Info to Imm Fam, Inst support to Empl and Appr support to friends than respondents with shorter periods of time in business.

Additionally, the analysis of mean RSS and GSS types’ factor scores from and to respondents’ six sources of personal networks by *net income* suggested that respondents who achieved higher net income had higher mean scores for RSS Info from Ext Fam and Supp, RSS Inst from Empl and GSS
Appr to Supp. However, respondents who reported lower net income had higher RSS and GSS Emo mean scores from and to professionals compared to respondents with higher net income.

Finally, the analysis of mean RSS and GSS types’ factor scores from and to respondents’ six sources of personal networks by the self-rated business success variable provided some evidence to imply that respondents who reported that their businesses were very successful had higher mean scores for RSS and GSS Emo from and to Imm Fam, high mean scores for GSS Appr to Ext Fam and GSS Inst to Empl. However, respondents who stated that their businesses were nsnu had higher scores for GSS Appr to Imm Fam and Inst to Ext Fam.

Conversely, the comparisons of mean RSS and GSS types’ factors scores from and to respondents’ six sources of personal networks by employment of others (growth) suggested that no statistically significant differences were evident between respondents who employed others and those with no employees in relation to the following: RSS Emo from Imm Fam and Empl; RSS Info from Imm Fam, Empl and friends; RSS and GSS Emo and Appr from and to friends; any of the four types of RSS and GSS from and to Ext Fam, Supp and professionals; and any of the four types of GSS to Imm Fam.

Equally, the comparisons of mean RSS and GSS types’ factor scores from and to respondents’ six sources of personal networks by the number of business success indicators indicated no statistically significant differences existed between respondents who reported a greater number of success indicators and those with a smaller numbers concerning the following: RSS and GSS Emo, Info and Inst from and to Ext Fam; RSS and GSS Emo, Info and Inst from and to professionals; RSS Emo, Appr and Inst from Supp; any of the four types of RSS and GSS from and to Imm Fam, Empl and friends; and any of the four types of GSS to Supp.

Similarly, the analysis of mean RSS and GSS types’ factor scores from and to respondents’ six sources of personal networks by length of time in business (survival) implied that no statistically significant differences between this variable’s three groups with respect to the following: RSS and GSS Emo and Inst from and to Ext Fam; GSS Emo to Imm Fam, Empl and friends; GSS Appr to Imm Fam and Empl; GSS Inst to Imm Fam and friends; GSS Info to Ext Fam, Empl and friends; any of the four types of RSS from Imm Fam, Empl and friends; and any of the four types of RSS and GSS from and to Supp and professionals.
Likewise, the analysis of mean RSS and GSS types’ factor scores from and to respondents’ six personal networks sources by *net income* suggested that no statistically significant differences between this success variable’s three groups in relation to the following: RSS Emo from Ext Fam, Empl and Supp; RSS Appr from Ext Fam, Empl, Supp and professionals; RSS Inst from Ext Fam, Supp and professionals; RSS Info from Empl and professionals; GSS Emo to Supp; GSS Appr to professionals; GSS Info to Supp and professionals; GSS Inst to Supp and professionals; any of the four types of GSS to Ext Fam and Empl; and any of the four types of RSS and GSS from and to Imm Fam and friends.

By the same token, the analysis of mean RSS and GSS types’ factor scores from and to respondents’ six personal sources by self-rated business success variable implied that no statistically significant differences were evident between the three groups of this success variable concerning the following: RSS and GSS Info and Inst from and to Imm Fam; RSS Appr from Imm Fam; GSS Emo and Info to Ext Fam and Empl; GSS Appr to Empl; any of the four types of RSS from Ext Fam and Empl; and any of the four types of RSS and GSS from and to friends, Supp and professionals.

### 5.4 LOGISTIC REGRESSION

Logistic regression is used when the dependent (outcome) variable has two categories (dichotomous) and the independents (explanatory) are of any type. The purpose of using logistic regression procedure was to “determine the proportion of variance in the dependent variable explained by the independents; to rank the relative importance of independents; to assess interaction effects; and to understand the impact of covariate control variables” (Smith, Gregoire, & Lu, 2006:58). In the current study, the logistic regression analysis, particularly binary (or binomial) regression procedure, was utilized to measure the overall dependence of business success variables, namely *employment of others* (growth) and *the number of business success indicators* on receiving and giving social support from and to the six sources of respondents’ personal networks variables (predictors).

Binary logistic procedure was also utilized to assess the overall dependence of the above two business success variables on the fourteen selected background variables listed in 4.8. Significant contributions of the independent variables to predict their effect on dependent variables would be only presented. Details of logistic regression analysis and its procedures are discussed in 3.9.6.3-3.9.6.3.3.
5.4.1 RSS Covariates as Predictors of Business Success

Direct logistic regression analysis was performed to assess the impact of (RSS) from the six sources of support variables on the likelihood that respondents would report that they were successful in their businesses as measured by employment of others (growth). Each one full model contained four independent variables, namely Emotional, Appraisal, Informational and Instrumental Social Support from one of the six sources of support (one at a time).

The full model containing the above types of social support (predictors) from Imm Fam was statistically significant, indicating that the model was able to distinguish between respondents who reported whether or not they had employees. The full model correctly classified nearly 86 per cent of cases; and Hosmer and Lemeshow’s goodness-of-fit test statistic produced a non-significant value, indicating that the model fitted the data very well. The model as a whole explained 15 per cent (Hosmer and Lemeshow’s R square) of the variance in the employment of others variable, and between 11.3 per cent (Cox and Snell R square) and 20.3 per cent (Nagelkerke R square) of the variance in this variable.

Thus, Table 5.5, which provides details of the parameters of estimates for the prediction of business success as measured by growth by RSS from Imm Fam, shows that the Wald statistic of only two of the independent variables (predictors) made a statistically significant contribution to the model, namely RSS Appr and Inst. They both recorded an odds ratio (Exp(B)) greater than 1, indicating that as the values of these two predictors increased by one unit, the odds of reporting business success would also increase. The ranges of the confidence interval (henceforth CI) values for RSS Appr and Inst (Exp(B)) were greater than 1, in this event, one could be fairly confident that the values of (Exp(B)) in the population lies somewhere between these two values. One could also be confident that the relationship between RSS Appr and Inst and success as measured by business growth found in the current study sample would be true of the whole population. In brief, the results suggest that respondents who stated that they received Appr and Inst social support from Imm Fam were almost twice as likely to report business success as measured by employment of others (growth) than those who did not, controlling for other factors in the model. Since the vast majority of respondents were with partners, it is expected that such types of support could be given by Imm Fam members. However, neither RSS Emo nor RSS Info from Imm Fam variables predicted business success as measured by growth.
### Table 5.5
Binary Logistic Regression Analysis for Prediction of Business Success (Growth) by RSS from Immediate Family (N=113)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>Df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for EXP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSS Emo</td>
<td>.002</td>
<td>.244</td>
<td>.000</td>
<td>1</td>
<td>.993</td>
<td>1.002</td>
<td>.621</td>
</tr>
<tr>
<td>RSS Info</td>
<td>.406</td>
<td>.258</td>
<td>2.475</td>
<td>1</td>
<td>.116</td>
<td>1.500</td>
<td>.905</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>.691</td>
<td>.271</td>
<td>6.514</td>
<td>1</td>
<td>.011</td>
<td>1.996</td>
<td>1.174</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>.689</td>
<td>.282</td>
<td>5.967</td>
<td>1</td>
<td>.015</td>
<td>1.992</td>
<td>1.146</td>
</tr>
<tr>
<td>Constant</td>
<td>2.171</td>
<td>.355</td>
<td>37.491</td>
<td>1</td>
<td>.000</td>
<td>8.766</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model $\chi^2 (4, N=113) = 13.56, p < .01$, Cases classified = 85.8%, Hosmer and Lemeshow’s goodness-of-fit $\chi^2 (8, N=113) = 4.13, p > .05$, $R^2 = 15\%$ (Hosmer & Lemeshow), 11.3\% (Cox and Snell R square), 20.3\% (Nagelkerke R squared), * $p < .05$, ** $p < .001$.

Moreover, Table 5.6 represents binary regression analysis for prediction of employment of others by RSS from Empl and shows that the only independent variable that made a statistically significant contribution to the model was RSS Appr from Empl. In short, the respondents who stated that they received Appr support from Empl were over 11 times more likely to report business success as measured by employment of others (growth) than those who did not, holding other factors in the model constant. The results confirm earlier findings concerning receiving Appr support from employees (see Table 5.1). In contrast, RSS Emo, Info and Inst support from Empl could not predict business growth.

### Table 5.6
Binary Logistic Regression Analysis for Prediction of Business Success (Growth) by RSS from Employees (N=113)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>Df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for EXP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSS Appr</td>
<td>2.469</td>
<td>.633</td>
<td>15.194</td>
<td>1</td>
<td>.000</td>
<td>11.808</td>
<td>3.412</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>.036</td>
<td>.696</td>
<td>.003</td>
<td>1</td>
<td>.959</td>
<td>1.036</td>
<td>.265</td>
</tr>
<tr>
<td>RSS Info</td>
<td>.297</td>
<td>.554</td>
<td>.286</td>
<td>1</td>
<td>.593</td>
<td>1.345</td>
<td>.454</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>1.083</td>
<td>.633</td>
<td>2.926</td>
<td>1</td>
<td>.087</td>
<td>2.953</td>
<td>.854</td>
</tr>
<tr>
<td>Constant</td>
<td>3.826</td>
<td>.970</td>
<td>15.559</td>
<td>1</td>
<td>.000</td>
<td>45.882</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model $\chi^2 (4, N=113) = 68.68, p < .001$, Cases classified = 98.2\%, Hosmer and Lemeshow’s goodness-of-fit $\chi^2 (8, N=113) = 2.51, p > .05$, $R^2 = 75\%$ (Hosmer & Lemeshow), 46\% (Cox and Snell R square), 82\% (Nagelkerke R squared), * $p < .001$.

Further, Table 5.7 shows that RSS Appr from friends produced a statistical significant contribution to the model and that RSS Inst from friends was marginally significant; therefore it was decided to
keep this variable in the model since the small effects of each predictor provided useful information to the model (SPSS® Inc., Chicago, IL, 2006). That is, respondents who said that they received Appr and Inst social support from friends were approximately twice as likely to report business success as those who did not report it, holding other factors in the model constant. Thus, the results imply that this group of respondents has reliable and faithful friends whom they can depend on in evaluating their performance or ‘give them a hand’ when needed. On the contrary, Emo and RSS Info support were not reliable predictors of business growth.

Table 5.7
Binary Logistic Regression Analysis for Prediction of Business Success (Growth)
by RSS from Friends
(N=113)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>Df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for EXP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSS Emo</td>
<td>0.554</td>
<td>0.310</td>
<td>3.189</td>
<td>1</td>
<td>.074</td>
<td>1.741</td>
<td>.947</td>
</tr>
<tr>
<td>RSS Info</td>
<td>0.157</td>
<td>0.272</td>
<td>0.334</td>
<td>1</td>
<td>.563</td>
<td>1.170</td>
<td>.686</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>0.527</td>
<td>0.274</td>
<td>3.697</td>
<td>1</td>
<td>.054†</td>
<td>1.694</td>
<td>.990</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>0.510</td>
<td>0.257</td>
<td>3.937</td>
<td>1</td>
<td>.047*</td>
<td>1.665</td>
<td>1.006</td>
</tr>
<tr>
<td>Constant</td>
<td>2.093</td>
<td>0.334</td>
<td>39.249</td>
<td>1</td>
<td>.000**</td>
<td>8.113</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model \( \chi^2 \) (4, \( N = 113 \)) = 11.53, \( p < .05 \), Cases classified = 87.6%, Hosmer and Lemeshow’s goodness-of-fit \( \chi^2 \) (8, \( N = 113 \)) = 7.83, \( p > .05 \), \( R^2 = 13\% \) (Hosmer & Lemeshow), 10.7% (Cox and Snell R square), 17.4% (Nagelkerke R squared), †\( p \) = Marginal, *\( p < .05 \), **\( p < .001 \).

Similarly, direct logistic regression analysis indicated that none of the four types of RSS, namely Emo, Appr, Info and Inst from Ext Fam, Supp and professionals predicted business success as measured by growth.

Equally, the analysis indicated that none of the four types of RSS variables from the six sources of respondents’ personal networks, namely Imm Fam, Ext Fam, Empl, friends, Supp and professionals made a significant contribution to predict business success as measured by the number of business success indicators.

5.4.2 GSS Covariates as Predictors of Business Success

Direct logistic regression analysis was performed to assess the impact of (GSS) to the six sources of support variables on the likelihood that respondents would report that they were successful in their businesses as measured by employment of others (growth). Every full model for each personal
network group contained four predictors; i.e. the four types of social support variables to one of the six sources of support (one at a time).

Table 5.8 shows that the full model containing all the predictors to Empl was statistically significant. GSS Appr and Info to Empl were the two predictors which made a statistically significant contribution to the model. The results imply that respondents who indicated that they gave Appr and Info social support to Empl were over five times and over fifteen times respectively more likely to report business success than respondents who did not, controlling for other factors in the model. Thus, this study results showed a reciprocal association between respondents and their employees relating to RSS and GSS Appr support (see Table 5.6). Such association could have possibly encouraged other types of receiving and/or giving social support, and affected the nature of the current study’s owner/managers-employees network relationship. Therefore, providing Appr support may also involve giving information. One would assume that positive affirmation of employees by the owner/managers may well have beneficial effects. All in all, businesses, in general, are operating in a turbulent environment, so providing Info support to employees is essential for business success and thus growth. Several researchers suggest that owner/managers should recognize employees’ positive involvement in the decision making process, encourage their constructive criticism and have much faith in their abilities to run the business by delegating authority as these factors are associated with business success (Gadenne, 1998; Miller & Toulouse, 1986). However, GSS Emo and Inst support to Empl were not significant predictors of this measure of business success.

### Table 5.8

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>Df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for EXP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Lower</td>
</tr>
<tr>
<td>GSS Emo</td>
<td>.256</td>
<td>.842</td>
<td>.093</td>
<td>1</td>
<td>.761</td>
<td>1.292</td>
<td>.248</td>
</tr>
<tr>
<td>GSS Appr</td>
<td>1.653</td>
<td>.693</td>
<td>5.682</td>
<td>1</td>
<td>.017</td>
<td>5.220</td>
<td>1.341</td>
</tr>
<tr>
<td>GSS Info</td>
<td>2.743</td>
<td>1.242</td>
<td>4.876</td>
<td>1</td>
<td>.027</td>
<td>15.538</td>
<td>1.361</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>.996</td>
<td>.765</td>
<td>1.97</td>
<td>1</td>
<td>.193</td>
<td>2.708</td>
<td>.605</td>
</tr>
<tr>
<td>Constant</td>
<td>4.599</td>
<td>1.458</td>
<td>9.949</td>
<td>1</td>
<td>.002</td>
<td>99.428</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model $\chi^2 (4, N = 113) = 71.72, p < .001$, Cases classified $= 98.2\%$, Hosmer and Lemeshow's goodness-of-fit $\chi^2 (8, N = 113) = 12.79, p > .05, R^2 = 78\%$ (Hosmer & Lemeshow), 47\% (Cox and Snell R square), 84.3\% (Nagelkerke R squared), $p < .05$, $**p < .01$. 
Additionally, Table 5.9 represents binary regression analysis for prediction of business growth by GSS to friends and shows that the only two predictors made a statistical significant contribution to the model, namely GSS Inst and Appr to friends. That is, respondents who reported that they give Inst and Appr social support to friends were over 12 times and over twice respectively more likely to indicate business success than respondents who did not, controlling for other factors in the model. The results showed that Inst and Appr support are reciprocated between respondents and their friends, as observed earlier (see Table 5.7). In contrast, GSS Emo and Info support to friends were not reliable predictors of business growth.

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>Df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for EXP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GSS Emo</td>
<td>-.183</td>
<td>.371</td>
<td>.242</td>
<td>1</td>
<td>.623</td>
<td>.833</td>
<td>(.403, 1.724)</td>
</tr>
<tr>
<td>GSS Info</td>
<td>-.731</td>
<td>.439</td>
<td>2.771</td>
<td>1</td>
<td>.096</td>
<td>.482</td>
<td>(.204, 1.138)</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>2.505</td>
<td>.687</td>
<td>13.282</td>
<td>1</td>
<td>.000**</td>
<td>12.240</td>
<td>(3.183, 47.074)</td>
</tr>
<tr>
<td>GSS Appr</td>
<td>.847</td>
<td>.335</td>
<td>6.396</td>
<td>1</td>
<td>.011**</td>
<td>2.332</td>
<td>(1.210, 4.495)</td>
</tr>
<tr>
<td>Constant</td>
<td>3.841</td>
<td>.876</td>
<td>19.204</td>
<td>1</td>
<td>.000**</td>
<td>46.571</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model $\chi^2 (4, N = 113) = 47.03, p < .001$, Cases classified = 93.8%, Hosmer and Lemeshow’s goodness-of-fit $\chi^2 (8, N = 113) = 12.01, p > .05$, $R^2 = 51\%$ (Hosmer & Lemeshow), 34% (Cox and Snell R square), 61% (Nagelkerke R squared), $^*p < .05, ^{**}p < .001$.

Equally, direct logistic regression analysis indicated that none of the four types of GSS, namely Emo, Appr, Info and Inst to Imm Fam, Ext Fam, Supp and professionals predicted business success as measured by employment of others (growth).

Likewise, the analysis indicated that none of the four types of GSS variables to the six sources of respondents’ personal networks, namely Imm Fam, Ext Fam, Empl, friends, Supp and professionals made a significant contribution to predict business success as measured by the number of business success indicators.
5.4.3 Selected Background Variables as Predictors of Business Success

Direct logistic regression analysis was performed to assess the impact of the fourteen selected background variables listed in 4.8 on the probability that respondents would report that they were successful in their businesses as measured by employment of others (growth). Initially, a number of attempts were made to improve the predictive power of the models for the above business success variables separately by entering all fourteen selected background variables. Non-significant variables were then consecutively removed from the model, starting with the lowest value of the Wald statistic, until the model’s best predictability was obtained and at least one level (or group) of most of the remaining predictors was significant.

Table 5.10 represents binary regression analysis for prediction of business growth by selected background variables and shows that the full model containing five selected background (predictors) variables with seven levels, was statistically significant, and correctly classified nearly 88 per cent of cases. Four out of five predictors, which made a statistically significant contribution to the model, predicted employment of others success variable.

To begin with, the strongest predictor of whether or not respondents would report business success was the gender (1) male category, which recorded an odds ratio (Exp(B)) greater than 1. This implies that being male rather than female increased the odds of reporting business success. Thus, the results imply that male respondents were more likely to report business success as measured by employment of others (growth) by 8.7 times than females, holding other factors in the model constant. Considering that the results of earlier quantitative analysis in this study indicated that male respondents had been longer in business than females, this could possibly be the case.

Additionally, the duration of unemployment after first arriving in Australia (2) 1-11 months category was significant with an odds ratio (Exp(B)) less than 1. So, if the value of this category increased by one unit, then the odds of reporting business success would decrease. The range of CI values for this category was less than 1, thus, one could be very confident that the value for (Exp(B)) in the population lies between these two values. One could also be confident that this relationship would be true in 95 per cent of samples from the same population. In short, the results indicated that respondents who experienced a longer period of unemployment were less likely to have reported that they were successful in their businesses in terms of employment growth by .04 times than those respondents who experienced a shorter period of unemployment,
controlling for other factors in the model. The same trend may support previous research which found that respondents with a longer period of unemployment tend to have less opportunity to access personal and professional networks over time, which then had a negative impact on business success (Hinz & Jungbauer-Gans, 1999).

Further, Table 5.10 also shows that the level of education (1) up to secondary school education category was the third predictor with an odds ratio (Exp(B)) greater than 1. The results suggest that respondents with lower levels of education were more likely to have indicated that they were successful in their businesses in terms of employment of others by over 6 times than respondents with higher levels of education, holding other factors in the model constant. Again, this lack of knowledge, skills and/or relevant training in the field of business could have possibly led to employing others to compensate skills shortage, or that the type of business required hiring employees; businesses other than those require intellectual abilities.

Finally, the marital status (1) without a partner category recorded an odds ratio (Exp(B)) less than 1, indicating that being without a partner decreased the probability of reporting business success. Overall, the results indicate that respondents without a partner were less likely to report business success by .22 times than respondents with a partner, holding other factors in the model constant. It is believed that powerful others, for example, partners, affect chances of success (Gray, 1998).

Table 5.10
Binary Logistic Regression Analysis for Prediction of Business Success (Growth) by Selected Background Variables (N=113)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for EXP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender (1)</td>
<td>.217</td>
<td>.962</td>
<td>5.073</td>
<td>1</td>
<td>.024*</td>
<td>.8730</td>
<td>1.325 57.524</td>
</tr>
<tr>
<td>Marital status (1)</td>
<td>-.150</td>
<td>.737</td>
<td>4.138</td>
<td>1</td>
<td>.042*</td>
<td>.223</td>
<td>.053 .947</td>
</tr>
<tr>
<td>Level of Education (1)</td>
<td>1.827</td>
<td>.868</td>
<td>4.432</td>
<td>1</td>
<td>.035*</td>
<td>6.212</td>
<td>1.134 34.020</td>
</tr>
<tr>
<td>Level of Education (2)</td>
<td>-.966</td>
<td>.856</td>
<td>1.274</td>
<td>1</td>
<td>.259</td>
<td>.381</td>
<td>.071 .0236</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia (1)</td>
<td>-.1886</td>
<td>1.843</td>
<td>1.046</td>
<td>1</td>
<td>.306</td>
<td>.152</td>
<td>.004 5.625</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia (2)</td>
<td>-.3162</td>
<td>1.452</td>
<td>4.742</td>
<td>1</td>
<td>.029*</td>
<td>.042</td>
<td>.002 .729</td>
</tr>
<tr>
<td>Meeting with other communities (1)</td>
<td>.151</td>
<td>.766</td>
<td>.039</td>
<td>1</td>
<td>.844</td>
<td>1.163</td>
<td>.259 5.219</td>
</tr>
<tr>
<td>Constant</td>
<td>3.992</td>
<td>1.730</td>
<td>5.325</td>
<td>1</td>
<td>.021*</td>
<td>54.171</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model $\chi^2 (7, N = 113) = 27.89, p < .001$, Cases classified $= 87.6\%$, Hosmer and Lemeshow’s goodness-of-fit $\chi^2 (8, N = 113) = 13.39, p > .05$, $R^2 = 30\%$ (Hosmer & Lemeshow), 22% (Cox and Snell R square), 39.2% (Nagelkerke R squared), $p < .05$. 


Secondly, direct logistic regression analysis was performed to gauge the impact of the fourteen selected background variables on the likelihood that respondents would report that they were successful in their businesses as measured by the number of business success indicators. To begin with, a number of attempts were made to improve the predictive power of the models for the above business success variables separately by entering all fourteen selected background variables. Non-significant variables were then sequentially dropped from the model, starting with the lowest value of the Wald statistic, until the model’s best predictability was obtained and at least one level of most of the remaining predictors was significant.

Table 5.11 represents binary regression analysis for prediction of business success as measured by the number of business success indicators by selected background variables and shows the full model containing eight selected background variables with thirteen levels was statistically significant. All of the variables except marital status made statistically significant contributions to the model. The strongest predictor of whether or not respondents reported business success was the number of people from other communities respondents meet in a week (1) up to 100 persons category, which recorded an odds ratio (Exp(B)) less than 1, indicating that having ‘up to 100 persons’ decreased the odds of reporting a successful business. That is, the results imply that respondents with fewer number of people from other communities were less likely to report business success as measured by the number of business success indicators by .12 times than those respondents with greater number of people from other communities, holding other factors in the model constant. This may be the case because respondents with a greater number of personal contacts from other communities may operate businesses that address different communities’ needs, or that they spend more time with them getting to know and understand them better which, in turn, may influence their loyalty by not dealing with other businesses. After all, it is for the benefit of the business that owners/managers reach out to people as they may assist in achieving the goals of the business.

Additionally, the number of places of selling products and/or providing services (1) at one place category recorded an odds ratio less than 1. This implies that respondents who utilized one place of selling products and/or providing services were .04 times less likely to indicate business success than those who used two or more place of business transactions, holding all other independent variables in the model constant. The results suggest that one place of business transactions could limit opportunities to generate more financial gains, grow and thus survive.
Table 5.11
Binary Logistic Regression Analysis for Prediction of Business Success as Measured by Business Success Indicators by Selected Background Variables (N=113)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
<th>95.0% C.I. for XP(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (1)</td>
<td>-0.870</td>
<td>0.986</td>
<td>0.779</td>
<td>1</td>
<td>0.377</td>
<td>0.419</td>
<td>0.061 - 2.892</td>
</tr>
<tr>
<td>Age (2)</td>
<td>-1.825</td>
<td>0.792</td>
<td>5.317</td>
<td>1</td>
<td>0.021*</td>
<td>0.161</td>
<td>0.034 - 0.760</td>
</tr>
<tr>
<td>Marital status (1)</td>
<td>-0.286</td>
<td>0.791</td>
<td>0.131</td>
<td>1</td>
<td>0.717</td>
<td>0.751</td>
<td>0.159 - 3.540</td>
</tr>
<tr>
<td>Education (1)</td>
<td>-0.264</td>
<td>0.614</td>
<td>0.185</td>
<td>1</td>
<td>0.667</td>
<td>0.768</td>
<td>0.231 - 2.557</td>
</tr>
<tr>
<td>Education (2)</td>
<td>2.352</td>
<td>0.925</td>
<td>6.473</td>
<td>1</td>
<td>0.011*</td>
<td>10.508</td>
<td>1.716 - 64.335</td>
</tr>
<tr>
<td>Speaking LOTE (1)</td>
<td>-2.425</td>
<td>0.977</td>
<td>6.162</td>
<td>1</td>
<td>0.013*</td>
<td>0.040</td>
<td>0.013 - 0.600</td>
</tr>
<tr>
<td>Speaking LOTE (2)</td>
<td>-1.912</td>
<td>0.888</td>
<td>3.746</td>
<td>1</td>
<td>0.053†</td>
<td>0.148</td>
<td>0.021 - 1.025</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia (1)</td>
<td>2.789</td>
<td>1.283</td>
<td>4.727</td>
<td>1</td>
<td>0.030*</td>
<td>16.267</td>
<td>1.316 - 71.040</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia (2)</td>
<td>1.896</td>
<td>1.118</td>
<td>2.878</td>
<td>1</td>
<td>0.090</td>
<td>6.660</td>
<td>0.745 - 59.541</td>
</tr>
<tr>
<td>Places of selling products or providing services (1)</td>
<td>-3.216</td>
<td>1.192</td>
<td>7.286</td>
<td>1</td>
<td>0.007**</td>
<td>0.040</td>
<td>0.004 - 0.414</td>
</tr>
<tr>
<td>Places of selling products or providing services (2)</td>
<td>-0.184</td>
<td>1.135</td>
<td>0.026</td>
<td>1</td>
<td>0.871</td>
<td>0.832</td>
<td>0.090 - 7.691</td>
</tr>
<tr>
<td>Meeting with one’s own community (1)</td>
<td>1.456</td>
<td>0.752</td>
<td>3.752</td>
<td>1</td>
<td>0.053†</td>
<td>4.289</td>
<td>0.983 - 18.712</td>
</tr>
<tr>
<td>Meeting with other communities (1)</td>
<td>-2.109</td>
<td>0.687</td>
<td>9.421</td>
<td>1</td>
<td>0.002**</td>
<td>0.121</td>
<td>0.032 - 0.467</td>
</tr>
<tr>
<td>Constant</td>
<td>2.974</td>
<td>1.997</td>
<td>2.218</td>
<td>1</td>
<td>0.136</td>
<td>19.578</td>
<td></td>
</tr>
</tbody>
</table>

Note: Model $\chi^2 (13, N = 113) = 46.77, p < .001$, Cases classified = 84.1%, Hosmer and Lemeshow’s goodness-of-fit $\chi^2 (8, N = 113) = 12.21, p > .05$, $R^2 = 33\%$ (Hosmer & Lemeshow), 34% (Cox and Snell R square), 48% (Nagelkerke R squared), * $p < .05$, † $p = Marginal$, ** $p < .01$.

Moreover, Table 5.11 shows that level of education (2), completed trade certificate/TAFE education category, recorded an odds ratio (Exp(B)) greater than 1, Hence, respondents who held higher levels of education were over 10 times as likely to report business success as measured by the number of business success indicators compared to respondents with lower levels of education, holding other factors in the model constant. In all, tradespersons, TAFE or under/post graduates are expected to acquire hands-on skills and knowledge in workplace communication, working in teams, occupational health and safety, customer service, writing workplace documents, as well as shaping attitude appropriate to different settings. Also, some of the certificate level or TAFE programs are designed to provide basic knowledge and introductory skills in starting and managing a small business.

Further, the results for speaking LOTE (1) one LOTE category indicated an odds ratio (Exp(B)) less than 1. Thus, if the value of this category increased by one unit the likelihood of reporting business...
success decreased. Additionally, for *speaking LOTE* (2) two LOTEs category the Wald statistic yielded a borderline significant value with odds ratio (Exp(B)) of less than 1. Briefly, the results imply that respondents who spoke one or two languages other than English were less likely to report business success by .08 and .14 times respectively compared to respondents who spoke more than two languages other than English, holding other factors in the model constant. Interestingly, it is believed that speaking one or two languages other than English may possibly have a positive impact on business performance, particularly in a multi-cultural Australia where over 200 languages other than English are spoken in the community (ABS, 2010c). The results may imply that respondents who spoke one or two languages other than English are either limiting their business dealings, or operating businesses where LOTEs are not necessarily required. Whereas respondents who spoke more than two languages other than English may perhaps interface a wider multicultural environment.

Furthermore, the *age* (2) 30-49 years category recorded an odds ratio (Exp(B)) of less than 1, suggesting that if the value of this category increased by one unit, then the likelihood of reporting business success would decrease. The results imply that younger respondents were less likely to have reported a higher number of business success indicators by .16 times than the older ones, holding all other independent variables in the model constant. Being younger, one would presume that these respondents have not established their businesses to the same level as the older respondents; therefore, they have not yet developed these indicators to the same level.

What’s more, *duration of unemployment after first arriving in Australia* (1) less than 4 weeks category recorded an odds ratio (Exp(B)) greater than 1. The trend is therefore that respondents who experienced a shorter period of unemployment after first arriving in Australia were more likely to report business success by over 16 times than those respondents who experienced longer period of unemployment, controlling for other factors in the model. The results may suggest that respondents with a shorter period of unemployment after first arriving in Australia could have increased their chances of establishing and maintaining diverse informal and formal networks, improved their understanding of the business environment including its legal requirements and developed skills needed in producing products and/or providing services and addressing customers’ needs more professionally.

Finally, Table 5.11 also shows that the Wald statistic value for *the number of people from own community respondents meet in a week* (1) up to 100 persons category was marginally significant
with odds ratio (Exp(B)) greater than 1. That is, being in this category increased the odds of reporting business success. Thus, respondents with a fewer number of people from own community were over 4 times more likely to report business success than those respondents with greater number of people category, holding other factors in the model constant. Respondents may have focused on significant and noteworthy relationships with people from their own community. Generally speaking, establishing and maintaining good quality relationships, particularly with people from one’s own community, could be mutually beneficial as this may well result in reciprocal and interdependent relations.

4.4.4 Summary

Logistic regression analysis, particularly the binary logistic procedure, was used to predict the probability of business success (outcome) variables that were nonmetric, categorical dichotomous (binary) variables, occurring in response to changes in one or more independent variables (predictors). The results indicated that the following independent variables were significant and positive predictors of business success variable as measured by employment of others (growth): RSS Appr and Inst support from Imm Fam; GSS Info support to Empl; RSS and GSS Appr support from and to Empl and friends; and RSS and GSS Inst support from and to friends. The last two results represented reciprocal relationships.

Conversely, the following independent variables were not reliable predictors of business success (growth): RSS Emo from Imm Fam and friends; RSS Info from Imm Fam, Empl and friends; RSS and GSS Emo and Inst from and to Empl; and GSS Emo and Info to friends. Equally, direct logistic regression analysis indicated that none of the four types of RSS and GSS from and to Ext Fam, Supp and professionals variables predicted business success as measured by growth. Also, none of the four types of GSS to Imm Fam was a reliable predictor of business growth.

Surprisingly, the analysis indicated that none of the four types of RSS and GSS variables from and to the six sources of respondents’ personal networks made a significant contribution to business success as measured by the number of business success indicators.

Further, logistic regression analysis was also utilized to measure the overall dependence of business success, as measured by employment of others (growth) on the fourteen selected background variables. The results showed that male respondents and respondents who held lower levels of
education were significant and positive predictors of the business growth variable. Specifically, they were more likely to report business success in relation to growth of employment. Whereas respondents without a partner and respondents who had a longer period of unemployment after first arriving in Australia were negatively associated with the above success variable and therefore were less likely to report business growth.

On the other hand, the significance of the Wald statistic values were greater than .05; therefore the following selected background variables were not reliable predictors of business success as measured by growth: age; importance of religion in the conduct of the business; speaking LOTE; sources of finding the first job in Australia; the number of places of selling products and/or providing services; sources of finding this business location; customer’s cultural background; sources of customer’s knowledge of the business; the number of people from one’s own community respondents meet in a week; and the number of people from other communities respondents meet in a week.

Finally, logistic regression analysis was also utilized to measure the overall dependence of business success, as measured by the number of business success indicators on the fourteen selected background variables. The results showed that higher levels of education, a shorter period of unemployment after first arriving in Australia and respondents with the fewer number of people from their own community they met in a week were positively associated with the number of business success indicators success variable. In other words, they were more likely to report business success. Whereas younger respondents, respondents who spoke one or two LOTEs, respondents who utilized one place of business trading and respondents with a fewer number of people from other communities they met in a week were negative predictors of the above success variable, and therefore they were less likely to report business success.

However, the following were not reliable predictors of business success as measured by the number of business success indicators: gender; marital status; importance of religion in the conduct of the business; sources of finding the first job in Australia; sources of finding this business location; customer’s cultural background; and sources of customer’s knowledge of the business.
5.5 ORDINAL REGRESSION

Ordinal regression analysis was used to measure the magnitude of the effect of multiple independent (predictors) variables concerning receiving and giving social support from and to the six sources of respondents’ personal networks on the ordinal dependent and multinominal variables, namely years in business (survival), net income and self-rated business success variable.

Ordinal regression was also used to gauge the overall dependence of the above three business success variables on the fourteen selected background variables (categorical, dichotomous or multinominal, factors) listed in 4.8. Significant contributions of the independent variables to predict their effect on dependent variables would be only presented. Details of ordinal regression analysis and its procedures are discussed in 3.9.6.4-3.9.6.4.3.

5.5.1 RSS Covariates as Predictors of Business Success

To begin with, ordinal regression analysis procedure, or Polytomous Universal Model (PLUM), was performed through SPSS® to assess the impact of RSS from the six sources of support variables on the probability that respondents would report that they were successful in their businesses as measured by length of time in business (survival). The complete model contained four types of social support from the six sources of respondents’ personal networks (one at a time).

Firstly, the test of the model of RSS from Ext Fam on business success as measured by survival gave a better prediction improvement over the baseline intercept-only model, and the null hypothesis that all independent variables were equal to zero could be rejected. That is, at least one of the regression coefficients in the model was not equal to zero. To assess how much the predicted value differed from the observed data in the fitted model, the model goodness-of-fit was tested. Pearson chi-square and deviance chi-square coefficients produced non-significant tests indicating that the data and the model predictions were moderately good. The model-fitting statistics, namely the pseudo R square, which assess how successful the model was in explaining the variations in the data, indicated that the proportion of variations in the outcome variable accounted for by the predictor variables was small, suggesting that the model did explain the variation in the data; yet it produced a small effect size.

Further, the cross-tabulation method was used to assess how often the model could produce correct predicted categories based on the values of the predictor variables. A 3 by 3 classification table
indicated that the predictions generated by the model correctly classified 41 per cent of the 1-5 year cases (16 out of 39 in this category), 42 per cent of the 6-10 years cases (17 out of 41 in this category), and 58 per cent of the 11 plus years category cases (19 out of 33) in this category. The model indicated reasonable prediction accuracy, at least for the most frequent category 6-10 years. The test of parallel lines, which was designed to assess the hypothesis that the location parameters are equivalent across the levels of the dependent variable, i.e. the model adequacy, returned a non-significant result. Therefore, this assumption was not violated as there was no significant difference between the -2LL for the null hypothesis, i.e. the estimated model with one set of coefficients for all categories, compared to the -2LL for the general model, i.e., the model with a separated set of coefficients for each category.

Additionally, Table 5.12, which represents the ordinal regression analysis for prediction of business survival by RSS from Ext Fam, shows that the Wald test for RSS Appr was significant, indicating that its observed effect was not due to chance, and its positive coefficient implied that there was a significant and positive relationship between RSS Appr and business success as measured by survival. Thus, an increasing value of RSS Appr from Ext Fam was associated with an increasing probability of being in one of the higher cumulative length of time in business categories by .24 times, given that all of the other variables in the model are held constant. More exactly, respondents who received Appr support from Ext Fam were more likely to report business survival than those who did not. The results also indicated that the significance of the Wald test for RSS Info was marginal. It was decided to keep this variable in the model since the small effects of each category accumulated and provided useful information to the model (SPSS® Inc., Chicago, IL, 2006). Hence, its positive coefficient indicated that there was a positive relationship between RSS Info and business success as measured by years in business (survival). Thus, respondents who received Info support from Ext Fam were .22 times more likely to report business survival than those who did not, given all of the other variables in the model are held constant. Conversely, RSS Emo and Inst from Ext Fam added little to the model.

Moreover, Table 5.13 represents the ordinal regression analysis for prediction of business survival by RSS from Empl and shows that the Wald test for RSS Appr was significant. Its positive coefficient implied that there was a positive relationship between RSS Appr and business success as measured by survival. That is, respondents who said that they received Appr support from Empl were more likely to have survived in business by .25 times than those respondents who did not, given that all of
the other variables in the model are held constant. On the contrary, RSS Emo, Info and Inst from Empl added little to the model.

Equally, ordinal logistic analysis was performed and the results indicated that RSS from Imm Fam, friends, Supp and professionals did not have a statistically significant association with business success as measured by length of time in business (survival).

Table 5.12
Ordinal Logistic Regression Analysis for Prediction of Business Success (Survival) by RSS from Extended Family
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
</tr>
<tr>
<td>Threshold</td>
<td>[1-5=1]</td>
</tr>
<tr>
<td>Location</td>
<td>[6-10=2]</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>.101</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>.241</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>-.079</td>
</tr>
<tr>
<td>RSS Info</td>
<td>.220</td>
</tr>
</tbody>
</table>

Note: Link function: logit. Model $\chi^2 (4, N = 113) = 10.25, p < .05$, Pearson $\chi^2 (198, N = 113) = 210.54, p > .05$, Deviance $\chi^2 (198, N = 113) = 216.65, p > .05$, $R^2 = 4\%$ (McFadden), 9\% (Cox and Snell), 10\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 6.83, p > .05, \quad ^{*}p < .05, \quad ^{**}p < .001, \quad ^{†}p = Marginal.$

Table 5.13
Ordinal Logistic Regression Analysis for Prediction of Business Success (Survival) by RSS from Employees
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
</tr>
<tr>
<td>Threshold</td>
<td>[1-5=1]</td>
</tr>
<tr>
<td>Location</td>
<td>[6-10=2]</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>.092</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>.250</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>.133</td>
</tr>
<tr>
<td>RSS Info</td>
<td>.026</td>
</tr>
</tbody>
</table>

Note: Link function: logit. Model $\chi^2 (4, N = 113) = 9.57, p < .05$, Pearson $\chi^2 (198, N = 113) = 195.47, p > .05$, Deviance $\chi^2 (198, N = 113) = 210.08, p > .05$, $R^2 = 3\%$ (McFadden), 6\% (Cox and Snell), 7\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 4.81, p > .05, \quad ^{*}p < .001, \quad ^{†}p = Marginal.$
Secondly, Table 5.14 represents the ordinal regression analysis for prediction of net income by RSS from Imm Fam and shows a significant value of the Wald test for RSS Info from Imm Fam. Its positive coefficient implied that respondents who said they received Info support from Imm Fam were more likely to have declared higher *net income* by 1.14 times than those respondents who did not, when all other variables in the model are held constant. However, RSS Emo, Appr and Inst from Empl did not have statistically significant effect on *net income*.

### Table 5.14
**Ordinal Logistic Regression Analysis for Prediction of Business Success (Net Income) by RSS from Immediate Family**

(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[$50000-$17500=2]</td>
<td>2.888</td>
<td>.690</td>
<td>17.500</td>
<td>1</td>
<td>.000</td>
<td>-1.535</td>
<td>4.242</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>.084</td>
<td>.376</td>
<td>.049</td>
<td>1</td>
<td>.824</td>
<td>-.653</td>
<td>.821</td>
</tr>
<tr>
<td>RSS Info</td>
<td>1.145</td>
<td>.473</td>
<td>5.859</td>
<td>1</td>
<td>.016</td>
<td>.218</td>
<td>2.072</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>-.291</td>
<td>.379</td>
<td>.590</td>
<td>1</td>
<td>.443</td>
<td>-1.034</td>
<td>.452</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>.830</td>
<td>.540</td>
<td>2.359</td>
<td>1</td>
<td>.125</td>
<td>-.229</td>
<td>1.889</td>
</tr>
</tbody>
</table>

Note: Link function: logit. Model $\chi^2$ (4, $N=113$) = 9.87, $p < .05$. Pearson $\chi^2$ (180, $N=113$) = 176.50, $p > .05$. Deviance $\chi^2$ (180, $N=113$) = 119.50, $p > .05$, $R^2$ = 4% (McFadden), 6% (Cox and Snell), 8% (Nagelkerke), Test of Parallel Lines $\chi^2$ (4, $N=113$) = 3.09, $p > .05$, $** p < .01$, $*** p < .001$.

Additionally, Table 5.15 shows the impact of RSS ordinal regression analysis on the probability that respondents would report higher income. The parameter estimates of RSS Info from Ext Fam on *net income* indicated a highly statistically significant effect. Its positive coefficient implied that respondents who stated that they received Info support from Ext Fam were more likely to have reported that they were successful in their business as measured by *net income* by 1.52 times than those respondents who did not, holding other variables in the model constant. Conversely, RSS Emo, Appr and Inst from Ext Fam added little to the model.

Moreover, Table 5.16 shows that the complete model containing the four types of social support independent variables from Empl is statistically significant. The parameter estimates table indicated that the Wald test for RSS Info and Inst from Empl was significant, and its positive coefficient suggested that respondents who reported that they received Info and Inst social support from Empl were more likely to have achieved higher *net income* by 1.36 times and 1.47 times respectively than
those respondents who did not, holding other explanatory variables in the model as constant. However, RSS Appr and Emo from Empl did not have a statistically significant effect on net income.

Table 5.15
Ordinal Logistic Regression Analysis for Prediction of Business Success (Net Income) by RSS from Extended Family (N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
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</thead>
<tbody>
<tr>
<td>Threshold</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[&lt; $50000=1]</td>
<td>-4.144</td>
<td>1.198</td>
<td>11.963</td>
<td>1</td>
<td>.001*</td>
<td>-6.491</td>
<td>-1.796</td>
</tr>
<tr>
<td>[50000-$175000=2]</td>
<td>3.053</td>
<td>.733</td>
<td>17.371</td>
<td>1</td>
<td>.000**</td>
<td>1.617</td>
<td>4.489</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>-.174</td>
<td>.386</td>
<td>.204</td>
<td>1</td>
<td>.651</td>
<td>-.931</td>
<td>.582</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>.015</td>
<td>.407</td>
<td>.001</td>
<td>1</td>
<td>.970</td>
<td>-.782</td>
<td>.813</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>.762</td>
<td>.507</td>
<td>2.263</td>
<td>1</td>
<td>.132</td>
<td>-.231</td>
<td>1.756</td>
</tr>
<tr>
<td>RSS Info</td>
<td>1.529</td>
<td>.536</td>
<td>8.145</td>
<td>1</td>
<td>.004*</td>
<td>.479</td>
<td>2.579</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N=113) = 10.66, p < .05, Pearson $\chi^2 (198, N=113) = 195.37, p > .05, Deviance $\chi^2 (198, N=113) = 129.45, p > .05, R^2 = 7\% (McFadden), 9\% (Cox and Snell), 12\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N=113) = 6.79, p > .05, * p < .01, ** p < .001.

Table 5.16
Ordinal Logistic Regression Analysis for Prediction of Business Success (Net Income) by RSS from Employees (N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[&lt; $50000=1]</td>
<td>-4.195</td>
<td>1.193</td>
<td>12.371</td>
<td>1</td>
<td>.000**</td>
<td>-6.533</td>
<td>-1.858</td>
</tr>
<tr>
<td>[50000-$175000=2]</td>
<td>3.265</td>
<td>.817</td>
<td>15.982</td>
<td>1</td>
<td>.000**</td>
<td>1.664</td>
<td>4.865</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>-.074</td>
<td>.496</td>
<td>.022</td>
<td>1</td>
<td>.882</td>
<td>-.1046</td>
<td>.898</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>-.182</td>
<td>.407</td>
<td>.199</td>
<td>1</td>
<td>.655</td>
<td>-.980</td>
<td>.616</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>1.136</td>
<td>.520</td>
<td>4.766</td>
<td>1</td>
<td>.029*</td>
<td>.116</td>
<td>2.156</td>
</tr>
<tr>
<td>RSS Info</td>
<td>1.472</td>
<td>.595</td>
<td>6.112</td>
<td>1</td>
<td>.013*</td>
<td>.305</td>
<td>2.639</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N=113) = 12.27, p < .05, Pearson $\chi^2 (190, N=113) = 195.67, p > .05, Deviance $\chi^2 (190, N=113) = 127.70, p > .05, R^2 = 8\% (McFadden), 10\% (Cox and Snell), 14\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N=113) = 2.42, p > .05, * p < .05, ** p < .001.

Further, Table 5.17 on the impact of RSS from friends on net income, shows a significant value of the Wald test for RSS Info from Empl. Its positive coefficient indicates that respondents who reported that they received Info support from friends were more likely to have reported higher net income by 1.29 times than those respondents who did not, controlling all of the other explanatory variables in the model as constant. However, RSS Emo, Inst and Appr from friends added little to the model.
Table 5.17
Ordinal Logistic Regression Analysis for Prediction of Business Success (Net Income)
by RSS from Friends
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[&lt; $50000=1]</td>
<td>-3.628</td>
<td>.969</td>
<td>14.009</td>
<td>1</td>
<td>.000*</td>
<td>-5.527</td>
<td>-1.728</td>
</tr>
<tr>
<td>[$50000-$175000=2]</td>
<td>2.919</td>
<td>.727</td>
<td>16.113</td>
<td>1</td>
<td>.000*</td>
<td>1.494</td>
<td>4.344</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>-0.23</td>
<td>.464</td>
<td>.002</td>
<td>1</td>
<td>.961</td>
<td>-1.728</td>
<td>.268</td>
</tr>
<tr>
<td>RSS Info</td>
<td>1.296</td>
<td>.506</td>
<td>6.562</td>
<td>1</td>
<td>.010*</td>
<td>.304</td>
<td>2.288</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>-0.51</td>
<td>.423</td>
<td>.015</td>
<td>1</td>
<td>.904</td>
<td>-1.881</td>
<td>.778</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>-2.11</td>
<td>.463</td>
<td>.208</td>
<td>1</td>
<td>.649</td>
<td>-1.117</td>
<td>.696</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N = 113) = 9.63, p < .05$, Pearson $\chi^2 (220, N = 113) = 221.80, p > .05$, Deviance $\chi^2 (220, N = 113) = 152.70, p > .05$, $R^2 = 3\%$ (McFadden), 4\% (Cox and Snell), 6\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = .98, p > .05$, $p < .05$, $** p < .001$.

Granovetter (1974) state that formal sources, (weak ties), are believed to provide more useful, reliable and exclusive information on business opportunities and give access to customers which can stimulate success. Thus, Table 5.18 shows that the Wald test for RSS Info and RSS Appr from Supp (formal source) was highly significant, and their positive coefficient implied that if RSS Info and Appr values increased, the probability of achieving higher net income increased by 1.47 times and .79 times respectively, when all other variables in the model are held constant. Conversely, RSS Emo, and Inst from Supp added little to the model.

Table 5.18
Ordinal Logistic Regression Analysis for Prediction of Business Success (Net Income)
by RSS from Suppliers
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[&lt; $50000=1]</td>
<td>-3.463</td>
<td>.868</td>
<td>15.905</td>
<td>1</td>
<td>.000**</td>
<td>-5.165</td>
<td>-1.761</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>-.333</td>
<td>.395</td>
<td>.712</td>
<td>1</td>
<td>.399</td>
<td>-1.107</td>
<td>.441</td>
</tr>
<tr>
<td>RSS Info</td>
<td>1.473</td>
<td>.519</td>
<td>8.039</td>
<td>1</td>
<td>.005**</td>
<td>.455</td>
<td>2.491</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>.792</td>
<td>.478</td>
<td>3.921</td>
<td>1</td>
<td>.048*</td>
<td>.008</td>
<td>1.576</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>-.607</td>
<td>.478</td>
<td>1.607</td>
<td>1</td>
<td>.205</td>
<td>-1.544</td>
<td>.331</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N = 113) = 14.69, p < .01$, Pearson $\chi^2 (206, N = 113) = 204.44, p > .05$, Deviance $\chi^2 (206, N = 113) = 134.78, p > .05$, $R^2 = 9\%$ (McFadden), 12\% (Cox and Snell), 16\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 4.17, p > .05$, $p < .05$, $** p < .01$, $*** p < .001$. 
Equally, ordinal logistic analysis indicated that RSS from professionals did not have any statistically significant effect on business success as measured by net income.

Thirdly, ordinal regression analysis was performed to assess the impact of RSS from the six sources of support variables on the likelihood that respondents would report that they were very successful, successful or nsnu in their businesses as measured by self-rated business success variable. Table 5.19 shows a significant value of the Wald test for RSS Emo from Imm Fam, and its positive coefficient implied a positive relationship between RSS Emo and this business success variable. Thus, RSS Emo from Imm Fam predicted higher scores for business success categories by .26 times, holding other variables in the model constant. To put it another way, respondents who stated that they received Emo support from their Imm Fam were more likely to have very successful businesses. However, RSS Info, Appr and Inst from Imm Fam added little to the model.

Similarly, ordinal logistic analysis indicated that RSS from Ext Fam, Empl, friends, Supp and professionals did not have any statistically significant effect on business success as measured by owner/managers assessment of business success.

### Table 5.19
Ordinal Logistic Regression Analysis for Prediction of business success (self-rating) by RSS from Immediate Family (N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold [nsnu=1]</td>
<td>-1.819</td>
<td>.241</td>
<td>56.793</td>
<td>1</td>
<td>.000**</td>
<td>-2.292</td>
<td>-1.346</td>
</tr>
<tr>
<td>[Successful=2]</td>
<td>-0.56</td>
<td>.128</td>
<td>.187</td>
<td>1</td>
<td>.665</td>
<td>-0.307</td>
<td>0.196</td>
</tr>
<tr>
<td>RSS Emo</td>
<td>.261</td>
<td>.118</td>
<td>4.894</td>
<td>1</td>
<td>.027*</td>
<td>-0.307</td>
<td>0.492</td>
</tr>
<tr>
<td>RSS Info</td>
<td>.167</td>
<td>.124</td>
<td>1.818</td>
<td>1</td>
<td>.178</td>
<td>-0.076</td>
<td>0.410</td>
</tr>
<tr>
<td>RSS Appr</td>
<td>-0.237</td>
<td>.136</td>
<td>3.058</td>
<td>1</td>
<td>.080</td>
<td>-0.504</td>
<td>0.029</td>
</tr>
<tr>
<td>RSS Inst</td>
<td>.001</td>
<td>.124</td>
<td>.000</td>
<td>1</td>
<td>.995</td>
<td>-0.243</td>
<td>0.244</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N = 113) = 9.75, p < .05$, Pearson $\chi^2 (180, N = 113) = 177.25, p > .05$, Deviance $\chi^2 (180, N = 113) = 176.23, p > .05$, $R^2 = 4\%$ (McFadden), 8\% (Cox and Snell), 10\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 4.27, p > .05$, $^* p < .05$, $^{**} p < .001$.

#### 5.5.2 GSS Covariates as Predictors of Business Success

To begin with, an ordinal regression analysis was performed through SPSS® PLUM to assess the impact of GSS to the six sources of support variables on the likelihood that respondents would report that they were successful in their businesses as measured by survival. Table 5.20 shows a highly
statistically significant value of the Wald test for GSS Appr to Ext Fam. This indicated that respondents who provided Appr support to Ext Fam were more likely to have had longer periods in business by .35 times, controlling for other variables in the model. The results showed that Appr support is reciprocated between respondents and their Ext Fam, as observed earlier (see Table 5.12). In contrast, GSS Emo, Info and Inst support to Ext Fam added little to the model.

Table 5.20

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Upper Bound</th>
<th>Lower Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
<td>1-5=1</td>
<td>-0.894</td>
<td>0.165</td>
<td>29.332</td>
<td>1</td>
<td>.000***</td>
<td>-1.217</td>
</tr>
<tr>
<td></td>
<td>6-10=2</td>
<td>0.230</td>
<td>0.122</td>
<td>3.553</td>
<td>1</td>
<td>.059†</td>
<td>-0.009</td>
</tr>
<tr>
<td>GSS Emo</td>
<td></td>
<td>0.097</td>
<td>0.116</td>
<td>0.693</td>
<td>1</td>
<td>.405</td>
<td>-0.131</td>
</tr>
<tr>
<td>GSS Info</td>
<td></td>
<td>-0.001</td>
<td>0.122</td>
<td>0.000</td>
<td>1</td>
<td>.994</td>
<td>-0.227</td>
</tr>
<tr>
<td>GSS Appr</td>
<td></td>
<td>0.347</td>
<td>0.114</td>
<td>9.258</td>
<td>1</td>
<td>.002</td>
<td>0.124</td>
</tr>
<tr>
<td>GSS Inst</td>
<td></td>
<td>-0.031</td>
<td>0.115</td>
<td>0.072</td>
<td>1</td>
<td>.788</td>
<td>-0.256</td>
</tr>
</tbody>
</table>

Note: Link function: logit. Model $\chi^2 (4, N = 113) = 10.75, p < .05$, Pearson $\chi^2 (212, N = 113) = 232.73, p > .05$, Deviance $\chi^2 (212, N = 113) = 231.10, p > .05$, $R^2 = 4\%$ (McFadden), 9\% (Cox and Snell), 10\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 1.39, p > .05, * p < .01, ** p < .001.$

Additionally, the Wald tests for GSS Info and Inst to Empl were significant, and their positive coefficients indicated a positive relationship between these variables and business success as measured by survival as shown in Table 5.21 below. This suggests GSS Info and Inst predicted higher scores for survival by .21 times and .29 times respectively, holding other variables in the model constant. In contrast, GSS Emo and Appr to Empl did not have an impact on years in business.

Finally, ordinal regression analysis was performed to assess the impact of GSS to friends on the likelihood that respondents would report that they were successful in their business as measured by length of time in business (survival). Table 5.22 shows significant values of the Wald test for GSS Appr and Emo support to friends. The former produced a positive coefficient, which implied that GSS Appr predicted higher scores for survival by .26 times, holding other variables in the model constant, while the latter produced a negative coefficient (effect), meaning that GSS Emo has lower scores for survival by .22 times, holding other variables in the model constant. In other words, respondents who provided Emo support to their friends were less likely to survive in business. One interpretation could be that Middle Eastern people, at large, find it difficult to ‘say no’ to those
friends who needed support, especially emotional support, whether during business hours or at other times. This is due to the cultural tradition that people expect to assist each other when need arises. Another interpretation could be that those owner/managers lack assertiveness skills. The lack of assertive skills may possibly have a negative impact on business success. On the other hand, GSS Info and Inst did not predict years in business.

Likewise, ordinal logistic analysis indicated that GSS to Imm Fam, Supp and professionals were not predictors of business success as measured by length of time in business (survival).

Table 5.21
Ordinal Logistic Regression Analysis for Prediction of Business Success (Survival)
by GSS to Employees
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Upper Bound</th>
<th>Lower Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1-5=1]</td>
<td>-.909</td>
<td>.166</td>
<td>29.984</td>
<td>1</td>
<td>.000*</td>
<td>-1.234</td>
<td>-.583</td>
</tr>
<tr>
<td>[6-10=2]</td>
<td>.224</td>
<td>.122</td>
<td>3.349</td>
<td>1</td>
<td>.067†</td>
<td>-.016</td>
<td>.464</td>
</tr>
<tr>
<td>GSS Emo</td>
<td>-.015</td>
<td>.116</td>
<td>.016</td>
<td>1</td>
<td>.899</td>
<td>-.242</td>
<td>.213</td>
</tr>
<tr>
<td>GSS Appr</td>
<td>.085</td>
<td>.114</td>
<td>.556</td>
<td>1</td>
<td>.456</td>
<td>-.138</td>
<td>.308</td>
</tr>
<tr>
<td>GSS Info</td>
<td>.214</td>
<td>.116</td>
<td>3.429</td>
<td>1</td>
<td>.064†</td>
<td>-.012</td>
<td>.440</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>.297</td>
<td>.117</td>
<td>6.412</td>
<td>1</td>
<td>.011†</td>
<td>.067</td>
<td>.527</td>
</tr>
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</table>

Note: Link function: logit. Model \( \chi^2 \) (4, \( N = 113 \)) = 10.50, \( p < .05 \), Pearson \( \chi^2 \) (190, \( N = 113 \)) = 188.93, \( p > .05 \), Deviance \( \chi^2 \) (190, \( N = 113 \)) = 205.67 \( p > .05 \), \( R^2 = 4\% \) (McFadden), 9\% (Cox and Snell), 10\% (Nagelkerke), Test of Parallel Lines \( \chi^2 \) (4, \( N = 113 \)) = 6.50, \( p > .05 \), \( * p < .05 \), \( ** p < .001 \), \( † p = Marginal \).

Table 5.22
Ordinal Logistic Regression Analysis for Prediction of Business Success (Survival)
by GSS to Friends
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Upper Bound</th>
<th>Lower Bound</th>
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</thead>
<tbody>
<tr>
<td>Threshold</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1-5=1]</td>
<td>-.912</td>
<td>.166</td>
<td>30.147</td>
<td>1</td>
<td>.000*</td>
<td>-1.238</td>
<td>-.587</td>
</tr>
<tr>
<td>[6-10=2]</td>
<td>.224</td>
<td>.122</td>
<td>3.376</td>
<td>1</td>
<td>.066</td>
<td>-.015</td>
<td>.463</td>
</tr>
<tr>
<td>GSS Emo</td>
<td>-.228</td>
<td>.122</td>
<td>3.493</td>
<td>1</td>
<td>.062†</td>
<td>-.467</td>
<td>.011</td>
</tr>
<tr>
<td>GSS Appr</td>
<td>.093</td>
<td>.118</td>
<td>.627</td>
<td>1</td>
<td>.429</td>
<td>-.137</td>
<td>.324</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>.077</td>
<td>.115</td>
<td>.442</td>
<td>1</td>
<td>.505</td>
<td>-.149</td>
<td>.302</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>.260</td>
<td>.113</td>
<td>5.295</td>
<td>1</td>
<td>.021†</td>
<td>.039</td>
<td>.482</td>
</tr>
</tbody>
</table>

Note: Link function: logit. Model \( \chi^2 \) (4, \( N = 113 \)) = 10.25, \( p < .05 \), Pearson \( \chi^2 \) (218, \( N = 113 \)) = 218.28, \( p > .05 \), Deviance \( \chi^2 \) (218, \( N = 113 \)) = 234.33, \( p > .05 \), \( R^2 = 4\% \) (McFadden), 8\% (Cox and Snell), 10\% (Nagelkerke), Test of Parallel Lines \( \chi^2 \) (4, \( N = 113 \)) = 4.74, \( p > .05 \), \( * p < .05 \), \( ** p < .001 \), \( † p = Marginal \).
Secondly, ordinal regression analysis was carried out to assess the impact of GSS on the six sources of support variables on the likelihood that respondents would report that they were successful in their businesses as measured by net income. Table 5.23 shows statistically significant values of the Wald test for GSS Info and Appr to Supp. Their positive coefficient estimates implied that GSS Info and Appr predicted higher scores for net income. The results imply that, as GSS Info and Appr to Supp increased, the likelihood of achieving a higher net income increased by 1.25 times and .95 times respectively, controlling for other variables in the model. The results showed that there exists reciprocal relationships between respondents and suppliers concerning Info and Appr support, as indicated earlier (see Table 5.18). Conversely, GSS Emo and Inst to Supp added little to the model.

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>95% Confidence Interval</th>
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</thead>
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<tr>
<td>Threshold</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[&lt; $50000=1]</td>
<td>-3.419</td>
<td>.965</td>
<td>12.544</td>
<td>1</td>
<td>.000**</td>
<td>-5.311 -1.527</td>
</tr>
<tr>
<td>[$50000-$175000=2]</td>
<td>3.652</td>
<td>.909</td>
<td>16.154</td>
<td>1</td>
<td>.000**</td>
<td>1.871 5.433</td>
</tr>
<tr>
<td>GSS Emo</td>
<td>-4.07</td>
<td>.430</td>
<td>.894</td>
<td>1</td>
<td>.344</td>
<td>-1.251 .437</td>
</tr>
<tr>
<td>GSS Info</td>
<td>1.256</td>
<td>.529</td>
<td>5.638</td>
<td>1</td>
<td>.018*</td>
<td>.219 2.293</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>-.172</td>
<td>.479</td>
<td>.129</td>
<td>1</td>
<td>.720</td>
<td>-1.111 .767</td>
</tr>
<tr>
<td>GSS Appr</td>
<td>.953</td>
<td>.436</td>
<td>4.775</td>
<td>1</td>
<td>.029*</td>
<td>.098 1.807</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N = 113) = 10.47, p < .05$, Pearson $\chi^2 (198, N = 113) = 212.55, p > .05$, Deviance $\chi^2 (198, N = 113) = 133.46, p > .05$, $R^2 = 7\%$ (McFadden), 9\% (Cox and Snell), 12\% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 2.62, p > .05$, $p < .05$, $p < .001$.

Similarly, ordinal logistic analysis indicated that GSS to Imm Fam, Ext Fam, Empl, friends and professionals were not predictors of business success as measured by net income.

Thirdly, Table 5.24 shows that the Wald test for GSS Emo to Imm Fam was extremely significant and positive. This suggests that GSS Emo to Imm Fam was associated with higher scores for business success by .46 times, given that all other variables in the model are held constant. The results may suggest that respondents’ giving Imm Fam members Emo support could improve their self-esteem and increase confidence in themselves, which in turn, provides support for the respondents. Conversely GSS Appr had a negative effect on business success, meaning respondents who provided Appr support to Imm Fam were less likely to have higher scores for business success by .32 times, holding other variables in the model constant. The results may imply that respondents’ providing Appr support to Imm Fam could have done inadequately or in inappropriately. Or it could be that
those immediate family members may find such support unreasonable or unnecessary, which leads to respondents exerting extra effort and time trying to provide more appraisal support they perceived is needed by Imm Fam members. However, GSS Info and Inst to Imm Fam did not predict this success variable.

Table 5.24

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Upper Bound</th>
<th>Lower Bound</th>
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</thead>
<tbody>
<tr>
<td>Threshold</td>
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<td></td>
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<tr>
<td>[nsnu=1]</td>
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<td>.248</td>
<td>57.302</td>
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<td>.000**</td>
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<tr>
<td>[Successful=2]</td>
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<td>.061</td>
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<td>.804</td>
<td>-0.291</td>
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<tr>
<td>GSS Emo</td>
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<td>.127</td>
<td>13.301</td>
<td>1</td>
<td>.000**</td>
<td>0.214</td>
<td>0.710</td>
</tr>
<tr>
<td>GSS Info</td>
<td>.211</td>
<td>.123</td>
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<td>.086</td>
<td>-0.030</td>
<td>0.452</td>
</tr>
<tr>
<td>GSS Inst</td>
<td>-0.058</td>
<td>.129</td>
<td>.203</td>
<td>1</td>
<td>.652</td>
<td>-0.312</td>
<td>0.195</td>
</tr>
<tr>
<td>GSS Appr</td>
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<td>.139</td>
<td>5.532</td>
<td>1</td>
<td>.019*</td>
<td>-0.599</td>
<td>-0.054</td>
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</tbody>
</table>

Note: Link function: Cauchit. Model \(\chi^2 (4, N = 113) = 17.79, p < .05,\) Pearson \(\chi^2 (200, N = 113) = 193.30, p > .05,\) Deviance \(\chi^2 (200, N = 113) = 194.82, p > .05,\) \(R^2 = 8\% (McFadden), 15\% (Cox and Snell), 17\% (Nagelkerke),\) Test of Parallel Lines \(\chi^2 (4, N = 113) = 3.91, p > .05, p < .05, \ast p < .001.\)

Moreover, Table 5.25 shows a highly statistically significant value of the Wald test for GSS Appr to Ext Fam, and its positive coefficient implied that GSS Appr to Ext Fam has a positive impact on business success by .31 times, given that the other variables are held constant. Also, the Wald test for GSS Inst was also significant, though it produced a negative coefficient. So, respondents who provided Inst support to Ext Fam were less likely to have successful businesses by .31 times, with the other variables held constant. Clearly, providing appraisal support in any form could be less costly than giving instrumental support which may have been financial and/or non-financial such as physical assistance, un-paid work or the like. Thus, such support is costly in terms of money and time. In contrast, GSS Emo and Info to Ext Fam added little to the model.

Further, Table 5.26 shows a significant value of the Wald test for GSS Inst to Empl, and its positive coefficient implied that GSS Inst predicted higher scores for business success by .29 times, controlling for other variables. The results may suggest that giving Inst support to employees, which could be mainly financially, may encourage and motivate them to work enthusiastically and energetically to make it successful so that they too can gain from such success. However, GSS Emo, Appr and Info to Empl did not predict this success variable.
However, ordinal logistic analysis indicated that GSS to friends, Supp and professionals did not have any statistically significant impact on business success as measured by owners/managers’ assessment of business success.

### Table 5.25
**Ordinal Logistic Regression Analysis for Prediction of Business Success (self-rating) by GSS to Extended Family**
(N=113)

<table>
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<th>Parameters</th>
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</thead>
<tbody>
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<tr>
<td>Location</td>
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<td></td>
<td>GSS Info</td>
</tr>
<tr>
<td></td>
<td>GSS Appr</td>
</tr>
<tr>
<td></td>
<td>GSS Inst</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N = 113) = 13.74, p < .05$, Pearson $\chi^2 (212, N = 113) = 210.12, p > .05$, Deviance $\chi^2 (212, N = 113) = 212.05, p > .05$, $R^2 = 6%$ (McFadden), 11% (Cox and Snell), 13% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 5.01, p > .05, *p < .05, **p < .001$.

### Table 5.26
**Ordinal Logistic Regression Analysis for Prediction of Business Success (self-rating) by GSS to Employees**
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
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<td>Threshold</td>
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<tr>
<td></td>
<td>[Successful=2]</td>
</tr>
<tr>
<td>Location</td>
<td>GSS Emo</td>
</tr>
<tr>
<td></td>
<td>GSS Appr</td>
</tr>
<tr>
<td></td>
<td>GSS Info</td>
</tr>
<tr>
<td></td>
<td>GSS Inst</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (4, N = 113) = 9.75, p < .05$, Pearson $\chi^2 (190, N = 113) = 200.49, p > .05$, Deviance $\chi^2 (190, N = 113) = 199.20, p > .05$, $R^2 = 4%$ (McFadden), 7% (Cox and Snell), 8% (Nagelkerke), Test of Parallel Lines $\chi^2 (4, N = 113) = 5.17, p > .05, *p < .05, **p < .001$. 
5.5.3 Selected Background Variables as Predictors of Business Success

Firstly, ordinal regression analysis was carried out to assess the impact of the fourteen selected background variables on the probability that respondents would report that they survived in their business as measured by length of time in business. Several attempts were made to improve model fit by eliminating non-significant predictors from the original model of fourteen selected background variables until at least one level of most of the remaining predictors was significant.

As a result, the analysis produced a significant test of the final model containing eleven predictors and their nineteen levels indicting that the null hypothesis that all independent variables were equal to zero could be rejected. Table 5.27 shows six out of eleven predictors made a statistically significant contribution to the model.

Beginning with the strongest predictor, the parameter estimates table indicated that the Wald statistic for respondents’ age (1) 20-29 years category yielded an extremely significant value. Its negative coefficient implied that age (1) had a negative impact on business survival by 2.36 times, controlling for other variables in the model. The results also indicated that the borderline Wald test for age (2) 30-49 years category was significant, and its negative coefficient suggested that age (2) had a negative effect on business survival by .97 times, given all other variables in the model are held constant. The results suggest that younger respondents were less likely to have higher scores for business success as measured by survival than their older counterparts. As was previously mentioned (see Table 5.11), the younger respondents not unexpectedly have acquired less time running a business than the older respondents. It is simply a matter of time.

Additionally, the Wald test for speaking LOTE (1) one LOTE category yielded a significant and positive coefficient estimate, indicating that as the number of speaking LOTE variable increased by one unit, the likelihood of being in one of the higher business success categories increased by 1.19 times, controlling for other variables in the model. Further, the Wald statistic for LOTE (2) two LOTEs category was extremely significant with a positive parameter estimate. That is, speaking two LOTEs predicted higher scores for length of time in business success variable 2.07 times, given all of the other variables in the model are held constant. In brief, the more LOTEs respondents speak the more likely they survive in businesses. Obviously, speaking LOTEs may well help respondents to communicate with speakers of different languages who have a poor command of English and with whom respondents are able to speak. It may also help respondents to make sales, negotiate prices and
win local and/or overseas contracts. Interpreters can be used, however they might not be readily available or the exact message may not be communicated fully and clearly.

Table 5.27
Ordinal Logistic Regression Analysis for Prediction of Business Success (Survival) by Selected Background Variables
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
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<th>df</th>
<th>Sig.</th>
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<th>Lower Bound</th>
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<tbody>
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<td>Threshold Location</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[1-5=1]</td>
<td>.151</td>
<td>1.378</td>
<td>.012</td>
<td>1</td>
<td>.913</td>
<td>-2.550</td>
<td>2.852</td>
</tr>
<tr>
<td>[6-10=2]</td>
<td>1.704</td>
<td>1.393</td>
<td>1.497</td>
<td>1</td>
<td>.221</td>
<td>-1.026</td>
<td>4.433</td>
</tr>
<tr>
<td>Gender (1)</td>
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<td>.525</td>
<td>1</td>
<td>.469</td>
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<td>.998</td>
</tr>
<tr>
<td>Age (1)</td>
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<td>1</td>
<td>.000</td>
<td>-3.668</td>
<td>-1.047</td>
</tr>
<tr>
<td>Age (2)</td>
<td>-2.921</td>
<td>.511</td>
<td>3.625</td>
<td>1</td>
<td>.913</td>
<td>-2.550</td>
<td>-1.047</td>
</tr>
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<td>Marital status (1)</td>
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<td>1</td>
<td>.045</td>
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<td>-0.017</td>
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<td>.111</td>
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</tr>
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<td>Education (2)</td>
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<td>.118</td>
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<td>.011</td>
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<tr>
<td>Speaking LOTE (2)</td>
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<td>.555</td>
<td>13.942</td>
<td>1</td>
<td>.000</td>
<td>.985</td>
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<td>1.417</td>
<td>.567</td>
<td>6.249</td>
<td>1</td>
<td>.012</td>
<td>.306</td>
<td>2.527</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia (2))</td>
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<td>.384</td>
<td>.659</td>
<td>1</td>
<td>.417</td>
<td>-.441</td>
<td>1.063</td>
</tr>
<tr>
<td>Sources of finding first job in Australia (1)</td>
<td>-.625</td>
<td>.317</td>
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<td>1</td>
<td>.048</td>
<td>-1.246</td>
<td>-.004</td>
</tr>
<tr>
<td>Sources of finding first job in Australia (2)</td>
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<td>1</td>
<td>.170</td>
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<td>.291</td>
</tr>
<tr>
<td>Sources of finding this business location (1)</td>
<td>.579</td>
<td>.561</td>
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<td>.302</td>
<td>-.521</td>
<td>1.680</td>
</tr>
<tr>
<td>Sources of finding this business location (2)</td>
<td>.705</td>
<td>.586</td>
<td>1.449</td>
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<td>.229</td>
<td>-.443</td>
<td>1.854</td>
</tr>
<tr>
<td>Places of selling products or providing services (1)</td>
<td>-.366</td>
<td>.648</td>
<td>.319</td>
<td>1</td>
<td>.572</td>
<td>-1.636</td>
<td>.904</td>
</tr>
<tr>
<td>Places of selling products or providing services (2)</td>
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<td>.694</td>
<td>.569</td>
<td>1</td>
<td>.451</td>
<td>-.837</td>
<td>1.885</td>
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<tr>
<td>Sources of customers’ knowledge of the business (1)</td>
<td>1.052</td>
<td>.457</td>
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<td>.021</td>
<td>.157</td>
<td>1.947</td>
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<tr>
<td>Sources of customers’ knowledge of the business (2)</td>
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<td>.149</td>
<td>-1.418</td>
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<tr>
<td>Meeting with other communities (1)</td>
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<td>.011</td>
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<td>.916</td>
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<td>.567</td>
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</table>

Note: Link function: Logit. Model $\chi^2 (19, N = 113) = 96.15, p < .001$, Pearson $\chi^2 (189, N = 113) = 184.45, p > .05$, Deviance $\chi^2 (189, N = 113) = 163.82, p > .05$, $R^2 = 39\%$ (McFadden), 57\% (Cox and Snell), 65\% (Nagelkerke), Test of Parallel Lines $\chi^2 (19, N = 113) = 15.25, p > .05$, $^* p < .05$, $^{**} p < .001$, $^\dagger p = Marginal$. 

Moreover, duration of unemployment after first arriving in Australia less than 4 weeks yielded a significant value with a positive coefficient estimate. This implied that, respondents who had a shorter period of unemployment after first arriving in Australia had higher scores for length of time in business by 1.42 times, holding other variables in the model constant. In short, the results imply that respondents who experienced a shorter period of unemployment were more likely to have survived in business than those respondents who experienced a longer period of unemployment. Clearly, being longer in the workforce may have improved respondents’ knowledge and developed business competencies. These strengths (or resources) can be used by the respondents to achieve the objectives of the business effectively and efficiently.

In their study of the impact of network support on the success of newly founded businesses in Germany, Brüderl and Preisendörfer (1998) point out that respondents’ acquaintances may spread the word on the business via their own diverse network contacts which provide them with financial opportunities that may lead to business survival. Thus, the current study examined the impact of the type of sources of customer knowledge of the business on business survival. The results indicated that the Wald test for this variable category (1) informal sources produced a significant result, and its positive coefficient estimate indicated that as this predictor increased by one unit, so did the likelihood of achieving higher level of business success by 1.05 times, holding other variables constant. More specifically, the results suggest that respondents who relied more on informal sources in their personal networks to attract customers were more likely to have reported business survival. That is, informal sources may well be considered as powerful and critical for the survival of respondents’ business. This supported the finding of Brüderl and Preisendörfer (1998).

Furthermore, regarding sources of finding first job in Australia (1) informal sources also produced a significant and negative parameter estimate value. This implies that respondents who relied more heavily on informal sources in their personal networks for finding their first job in Australia were less likely to survive in their businesses by .62 times, holding other variables in the model constant. It seems that those respondents were able to mobilize their personal networks sources in order to find their first job in Australia to include both informal and formal sources. Ultimately, these sources could have possibly increased as a result, and contributed to the survival of those respondents’ businesses via providing the support needed.

Finally, the Wald test for marital status (1) without a partner was also significant with a negative parameter estimate. That is, being without a partner had a negative effect on length of time in
business. In other words, respondents without a partner were less likely to have higher scores for business survival by .77 times, when other variables in the model are held constant. That is, respondents without a partner were less likely to survive in their businesses than respondents with a partner. This could possibly mean that partners provide respondents with the support when mostly required.

Secondly, ordinal regression analysis was performed to examine the impact of selected background explanatory variables on the likelihood that respondents would report that they were successful in their business as measured by net income. Several attempts were made to improve model fit by dropping non-significant predictors from the initial model of fourteen independent variables until at least one level of most of the remaining predictors was significant.

Table 5.28 shows a significant test of the final model containing five predictors with nine levels indicating that the null hypothesis that all independent variables were equal to zero could be rejected. As a result, all predictors, with the exception of speaking LOTE, made a statistically significant contribution to the model.

To begin with, the Wald test for the number of places of selling products or providing services (1) at one place yielded a significant result, which represented the strongest predictor, though with a negative coefficient estimate. This implies that respondents who utilized one place of business trading were less likely to have higher scores for net income variable by 6.39 times, holding other variables in the model constant. The results may probably imply that having more than one point of business trading leads to increased sales.

Additionally, the Wald statistic for the number of people from other communities respondents meet in a week (1) up to 100 persons was significant. Its negative coefficient estimate implies that respondents who met fewer numbers of people from other communities in a week were less likely to declare higher net income by 2.55 times than those who met a greater number of people from other communities in a week, holding other variables constant. The results imply that when respondents’ personal network is large and diverse the impact of losing any of these sources may be less compared with a limited network sources.
Table 5.28
Ordinal Logistic Regression Analysis for Prediction of Business Success (Net Income) by Selected Background Variables
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>95% Confidence Interval</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Upper Bound</th>
<th>Lower Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>Threshold Location</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[$$50000-$175000=2]</td>
<td></td>
<td></td>
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<td></td>
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<td>Age (1)</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Age (2)</td>
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<td></td>
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<td></td>
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<td></td>
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<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Speaking LOTE (2)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Places of selling products or providing services (1)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Places of selling products or providing services (2)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Customers cultural backgrounds (1)</td>
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<td>Customers cultural backgrounds (2)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meeting with other communities (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2$ (9, $N=113$) = 26.17, $p < .01$, Pearson $\chi^2$ (101, $N=113$) = 137.67, $p > .05$, Deviance $\chi^2$ (101, $N=113$) = 71.61, $p > .05$, $R^2 = 17\%$ (McFadden), 21\% (Cox and Snell), 28\% (Nagelkerke), Test of Parallel Lines $\chi^2$ (11, $N=113$) = 2.92, $p > .05$, *$p < .05$, **$p < .01$.

Further, the Wald statistic for respondents’ age (1) 20-29 years and age (2) 30-49 years were statistically significant, and their negative coefficients implied that there was a negative relationship between each of respondents’ age (1) and age (2) and small business success as measured by net income. That is, younger respondents (20-29 year and 30-40 years) were less likely to achieve higher scores for net income by 4.27 times and 3.78 times respectively than older counterparts, given that all of the other variables in the model are held constant. Evidently, given that younger respondents had only been in business for a shorter time, that they had reporter fewer business success indicators. As well, as the analysis of data indicated a statistically significance difference between older respondents and their younger counterparts in that the former were more likely to indicate growth in terms of employment, it seems very reasonable that they were less likely to declare higher net profit figures.

Furthermore, the Wald statistic for customers’ cultural backgrounds category (1) Arabic-speaking customers was significant, and its negative coefficient estimate suggests that respondents who only relied on Arabic-speaking customers were less likely to have achieved high net income by 3.95 times,
holding other variables in the model constant. Conventional wisdom suggests that having customers from diverse background gives respondents a competitive advantage which may lead to an increase in attracting more customers. Another interpretation could be that respondents whose customers were of diverse backgrounds may possibly provide products or deliver services most required by Arabic and non-Arabic-speaking communities for example, hair-dressing, tailoring, car hiring and taxi services, automotive repairing services, physiotherapy services and photographic services just to name a few.

Thirdly, ordinal regression analysis was carried out to assess the impact of the fourteen selected background variables on the probability that respondents would report that they were successful in their business as measured by self-rated business success variable. Several attempts were made to improve model fit by dropping non-significant predictors from the original model of fourteen variables until at least one level of most of the remaining predictors was obtained. Table 5.29 shows that the test of the final model, containing seven predictors and their twelve levels, was statistically highly significant, indicating that the null hypothesis that all independent variables were equal to zero could be rejected. Three out of seven predictors made a significant contribution to the model.

To begin with, the parameter estimates table indicated that the Wald statistic for respondents’ marital status (1) without a partner produced a significant value, which represented the strongest predictor, though its coefficient estimate was negative. This means that, there was a negative relationship between respondents without a partner and self-rated business success variable. Thus, the results imply that respondents without a partner were less likely to have had a successful business by .75 times than respondents with a partner, when all of the other independent variables in the model are held constant. It seems that the role of the partner in respondents’ business life is important in that they may provide them with encouragement, advice, labour or any form of support to succeed in business.

Additionally, the results also indicated that the Wald test for the number of places of selling products and/or providing services (2) at two places was significant. Its positive coefficient suggested that respondents who utilized two or more place of business transactions were more likely to report that they had a successful business by 1.44 times, when all of the other variables in the model are held constant. The results probably imply that having more than one point of business trading leads to making more money, employing others, surviving in business and thus having a successful business.
Further, the Wald test for the number of people from other communities respondents meet in a week (1) up to 100 persons was significant, though it produced a negative coefficient estimate. This implies that respondents who met fewer number people from other communities in a week were less likely to indicate that they had a successful business by .89 times than those respondents with a greater number of people from other communities, with other variables held constant. Evidently, this finding implies that a broader personal network outside respondents’ communities seemed to be more effective in generating unique information or other resources vital to the success of respondents’ businesses. In short, it is surmised that a diverse personal networks to be more valuable in obtaining resources than smaller and less diverse networks (Granovetter, 2005).

Table 5.29
Ordinal Logistic Regression Analysis for Prediction of Business Success (self-rating)
by Selected Background Variables
(N=113)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Estimate</th>
<th>S.E</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Upper Bound</th>
<th>Lower Bound</th>
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<tbody>
<tr>
<td><strong>Threshold Location</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>[nsnu=1]</td>
<td>-2.714</td>
<td>1.120</td>
<td>5.873</td>
<td>1</td>
<td>.015*</td>
<td>-4.910</td>
<td>-0.519</td>
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<tr>
<td>[Successful=2]</td>
<td>-0.871</td>
<td>1.096</td>
<td>6.32</td>
<td>1</td>
<td>.042</td>
<td>-1.209</td>
<td>0.457</td>
</tr>
<tr>
<td>Marital status (1)</td>
<td>-0.745</td>
<td>0.347</td>
<td>4.612</td>
<td>1</td>
<td>.032*</td>
<td>0.067</td>
<td>1.440</td>
</tr>
<tr>
<td>Importance of religion (1)</td>
<td>-0.142</td>
<td>0.292</td>
<td>0.621</td>
<td>1</td>
<td></td>
<td>-0.706</td>
<td>0.422</td>
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<tr>
<td>Importance of religion (2)</td>
<td>-0.487</td>
<td>0.381</td>
<td>1.636</td>
<td>1</td>
<td>.201</td>
<td>-1.233</td>
<td>0.259</td>
</tr>
<tr>
<td>Speaking LOTE (1)</td>
<td>-0.355</td>
<td>0.528</td>
<td>0.452</td>
<td>1</td>
<td></td>
<td>0.101</td>
<td>0.907</td>
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<tr>
<td>Speaking LOTE (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Duration of unemployment after first arriving in Australia (1)</td>
<td>-0.492</td>
<td>0.497</td>
<td>0.981</td>
<td>1</td>
<td>.322</td>
<td>-1.465</td>
<td>0.480</td>
</tr>
<tr>
<td>Duration of unemployment after first arriving in Australia (2)</td>
<td>0.076</td>
<td>0.375</td>
<td>0.042</td>
<td>1</td>
<td>.838</td>
<td>-0.659</td>
<td>0.812</td>
</tr>
<tr>
<td>Sources of finding this business location (1)</td>
<td>-0.430</td>
<td>0.523</td>
<td>0.675</td>
<td>1</td>
<td>.411</td>
<td>-1.456</td>
<td>0.596</td>
</tr>
<tr>
<td>Sources of finding this business location (2)</td>
<td>0.172</td>
<td>0.546</td>
<td>0.099</td>
<td>1</td>
<td>.753</td>
<td>-0.698</td>
<td>1.241</td>
</tr>
<tr>
<td>Places of selling products or providing services (1)</td>
<td>0.511</td>
<td>0.607</td>
<td>0.708</td>
<td>1</td>
<td>.400</td>
<td>-0.679</td>
<td>1.701</td>
</tr>
<tr>
<td>Places of selling products or providing services (2)</td>
<td>1.435</td>
<td>0.691</td>
<td>4.305</td>
<td>1</td>
<td>.038*</td>
<td>0.080</td>
<td>2.790</td>
</tr>
<tr>
<td>Meeting with other community (1)</td>
<td>-0.893</td>
<td>0.392</td>
<td>5.193</td>
<td>1</td>
<td>.023*</td>
<td>-1.662</td>
<td>-0.125</td>
</tr>
</tbody>
</table>

Note: Link function: Cauchit. Model $\chi^2 (12, N=113) = 24.52, p < .01$, Pearson $\chi^2 (132, N=113) = 137.32, p > .05$, Deviance $\chi^2 (132, N=113) = 126.04, p > .05$, $R^2 = 11\%$ (McFadden), $20\%$ (Cox and Snell), $22\%$ (Nagelkerke), Test of Parallel Lines $\chi^2 (12, N=113) = 17.53, p > .05$, *$p < .05$.
5.5.4 Summary

Ordinal regression analysis was performed through SPSS® PLUM to assess the impact of RSS and GSS from and to respondents’ six sources of support variables on business success variable as measured by the length of time in business (survival). The results showed that the following independent variables were significant and positive predictors of this success variable: RSS and GSS Appr from and to Ext Fam, which indicated a reciprocal relationship; RSS Info from Ext Fam; RSS Appr from Empl; GSS Info and Inst to Empl; and GSS Appr to friends. However GSS Emo to friends was a significant but negative predictor of length of time in business (survival).

Conversely, ordinal regression analysis indicated that the following independent variables were not reliable predictors of business success as measured by business survival: RSS and GSS Emo and Inst from and to Ext Fam; RSS and GSS Emo from and to Empl; RSS Info and Inst from Empl; GSS Info to Ext Fam and to friends; GSS Appr to Empl; and GSS Inst to friends. Likewise, none of the four types of RSS from friends was a reliable predictor of this business success variable. Equally, none of the four types of RSS and GSS from and to Imm Fam, Supp and professionals independent variables predicted business success as measured by survival.

Ordinal regression analysis was performed through SPSS® PLUM to assess the impact of RSS and GSS from and to respondents’ six sources of support variables on business success variable as measured by net income. The results showed that the following independent variables were significant and positive predictors of business income variable: RSS Info from Imm Fam, Ext Fam, Empl and friends; RSS Inst from Empl; and RSS and GSS Info and Appr from and to Supp, which represented a reciprocal relationship.

However, ordinal regression analysis indicated that the following independent variables did not predict business success as measured by net income: RSS Emo, Appr and Inst from Imm Fam, Ext Fam and friends; RSS Emo and Appr from Empl; GSS Emo and Inst to Supp. Similarly, none of the four types of GSS to Imm Fam, Ext Fam, Empl, friends and professionals variables predicted the net income variable. Also, none of the four types of RSS from professionals predicted net income.

Ordinal regression analysis was performed through SPSS® PLUM to assess the impact of RSS and GSS from and to respondents’ six sources of support variables on self-rated business success variable. The results indicated that the following independent variables positively predicted this
success variable: RSS and GSS Emo from and to Imm Fam, which represented a reciprocal relationship; GSS Appr to Ext Fam; and GSS Inst to Ext Fam and Empl. Whereas GSS Appr to Imm Fam was a negative predictor of this success variable.

On the other hand, the following predictors were not reliable in predicting self-rated business success: RSS App, Info and Inst from Imm Fam; GSS Info and Inst to Imm Fam; GSS Emo and Info to Ext Fam; and GSS Emo, Appr and Info to Empl. Similarly, none of the four types of RSS from Ext Fam and Empl predicted business success. Likewise, none of the four types of RSS and GSS from and to friends, Supp and professionals predicted self-rated business success.

Moreover, ordinal regression analysis was also utilized to measure the overall dependence of business success, as measured by length of time in business (survival) on the fourteen selected background variables. The results showed that respondents who spoke two or more LOTEs, respondents who experienced shorter periods of unemployment after first arriving in Australia and respondents who utilized informal sources of customers’ knowledge of the business were significant and positive predictors of the business survival. More exactly, those respondents were more likely to report business survival. Whereas younger respondents, respondents who only relied on informal sources of finding the first job after arriving in Australia and respondents without a partner had significantly less success as measured by business survival.

On the other hand, the significant of the Wald statistic values were greater than .05; the following selected background variables were not reliable predictors of business survival: gender; importance of religion in the conduct of the business; level of education, the number of places of selling products and/or providing services; sources of finding this business location; customer’s cultural background; the number of people from own community respondents meet in a week; and the number of people from other communities respondents meet in a week.

Further, ordinal regression analysis was also used to assess the overall dependence of business success, as measured by net income on the fourteen selected background variables. The results indicated that respondents who used one place of business trading, respondents with a fewer number of people from other communities they meet in a week, younger respondents and respondents whose customers were only from Arabic background had negative effect on business success as measured by net income.
However, the following predictors were not reliable in predicting business success variable as measured by net income; gender; marital status; importance of religion in the conduct of the business; level of education; speaking LOTE; duration of unemployment after first arriving in Australia; sources of finding the first job in Australia; sources of finding this business location; sources of customers' knowledge of the business; and the number of people from own community respondents meet in a week.

Furthermore, ordinal regression analysis was also used to assess the overall dependence of self-rated business success on the fourteen selected background variables. The results indicated that respondents utilizing two or more places of business trading were positively associated with this success variable, that is, they were more likely to indicate their businesses were successful or very successful. Whereas respondents without a partner and respondents who met a fewer number of people from other communities in a week were less likely to have success.

However, the following predictors were not reliable in predicting business success variable as measured by self-rated business success variable: gender; age; importance of religion in the conduct of the business; level of education; speaking LOTE; duration of unemployment after first arriving in Australia; sources of finding the first job in Australia; sources of finding this business location; customers' cultural background; sources of customers’ knowledge of the business; and the number of people from own communities respondents meet in a week.

5.6 SUMMARY

The objective of this chapter was to identify and examine, using quantitative methods, the constellation of independent variables associated with small business success for the study. Therefore, the chapter provided details of the statistical analyses conducted with the quantitative data gathered in the study to achieve this objective. Factor scores were calculated for each factor (each type of support from and to each of the six personal network sources) to determine how factor scores differ between each of the business success variable’s groups.

Obviously, it is believed that having employees provides business owner/managers with some type of support despite what they are being paid for. Thus, the comparisons of factor scores for respondents classified by employment of others (growth) indicated a significant positive relationship between respondents who employed others and RSS and GSS Appr and Inst form and to Empl. Significant
positive association also existed between respondents with employees and RSS and GSS Inst from and to friends. These three associations were reciprocal. The results also indicated other significant positive relationships existed between respondents who had employees and RSS Inst from Imm Fam, GSS Emo and Info to Empl. However, a significant positive relationship between respondents who had no employees and GSS Info to friends was evident. The comparisons of factor scores for respondents classified by the number of business success indicators revealed two mutually significant positive associations between respondents who indicated a greater number of business success indicators and RSS and GSS Appr from and to Ext Fam and professionals. Other significant positive relationships were also evident between respondents who reported a greater number of success indicators and RSS Info from Supp and GSS Emo to Imm Fam.

The analysis of factor scores for respondents classified by length of time in business (survival) indicated one reciprocal significant positive association between respondents who had been longer in business and RSS and GSS Appr from and to Ext Fam. Other significant positive associations were between respondents who had longer periods of time in business and RSS Info from Ext Fam, GSS Info to Imm Fam, GSS Inst to Empl and GSS Appr to friends. The comparisons of factor scores for respondents classified by net income indicated a number of significant positive relationships between respondents who achieved higher net income and RSS Info from Ext Fam and Supp, RSS Inst from Empl and GSS Appr to Empl. However, a significant positive difference existed between respondents who achieved lower net income and RSS and GSS Emo from and to professionals. The last result represented mutual relationship. Lastly, the results indicated significant positive associations between the self-rated business success variable and GSS Appr to Ext Fam, GSS Inst to Empl and RSS and GSS Emo to Imm Fam, which was reciprocally significant. However, respondents who indicated that their businesses were nsnu had a significant positive association with GSS Appr to Imm Fam and GSS Inst to Ext Fam.

Logistic regression analysis, particularly the binary logistic procedure, was used to examine the extent to which the six personal networks sources of social support predict business success outcomes, namely employment of others (growth) and the number of business success indicators, occurring in response to changes in one or more predictor variables. Ordinal regression analysis was also performed through SPSS® PLUM to assess the impact of RSS and GSS from and to respondents’ six sources of support variables on ordinal business success variables as measured by length of time in business (survival), net income and self-rated business success variable. Table 5.30 shows the binary and ordinal logistic regression analysis results.
Table 5.30 Binary and Ordinal Analysis of RSS and GSS from and to Personal Networks Sources for Prediction of Business Success Variables (N=113)

<table>
<thead>
<tr>
<th>Business Success Measures</th>
<th>Imm Fam</th>
<th>Ext Fam</th>
<th>Empl</th>
<th>Friends</th>
<th>Supp</th>
<th>Prof</th>
<th>Total</th>
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<tr>
<td>RSS Appraisal</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>RSS Informational</td>
<td>-</td>
<td>✓</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
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<tr>
<td>RSS Emotional</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>RSS Instrumental</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>GSS Appraisal</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>GSS Emotional</td>
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<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>GSS Informational</td>
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<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
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<tr>
<td>GSS Instrumental</td>
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<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
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<td>(3)</td>
<td>(3)</td>
<td>(2)</td>
<td>(0)</td>
<td>(0)</td>
<td>(8)</td>
</tr>
<tr>
<td>2. Employment of Others (Growth)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RSS Appraisal</td>
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<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
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<td>9</td>
<td>7</td>
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<td>0</td>
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</table>

Statistically significant: ✓ had a positive impact on business success ✓ had a negative impact on business success
The results indicated that of the 32 both RSS and GSS support variables 16 RSS types and 13 GSS types from and to five out six respondents’ personal networks sources positively predicted four out of five business success variables. RSS Appr and Info (each six) predicted business success followed by RSS Inst (three) and RSS Emo (one) only. GSS Appr reported the highest type of social support (six), and GSS Inst and Info (each three) ranked second followed by GSS Emo (one). RSS Appr and Info support appeared to be the most critical aspects of business success, specifically business growth, survival and net income. GSS Appr showed its influence on all four business success variables. In short, respondents received and provided equal amount of social support from and to their personal networks. The results also indicated that employees were the most giving and receiving personal networks’ source of social support (nine), followed by friends (7). Immediate and extended families ranked third (six each) followed by suppliers (four). The results indicated that respondents’ receiving and giving social support from and to their personal networks sources appeared to have most affected business growth and annual net income, followed by business survival followed by reporting having successful businesses in general. However, three GSS types to three of respondents’ personal networks sources negatively predicted two of the four business success variables. Respondents who provided Appr social support to Imm Fam and Inst social support to Ext Fam were more likely to have reported that their businesses were nsnu and respondents who provided Emo support to their friends were less likely to have indicated business survival.

Table 5.30 also shows a number of reciprocal relationships that predicted business growth, business survival, net income and the extent to which respondents’ businesses were successful as follows: respondents who indicated that they received and provided Appr support from and to Empl and friends were more likely to have reported business growth; respondents who indicated that they received and gave Inst support from and to friends were more likely to have shown business growth; respondents who reported that they received and provided Appr support from and to Ext Fam were more likely to have survived in business; respondents who stated that they received and provided Supp Appr and Info social support were more likely to have declared higher net income; and respondents who indicated that they received Imm Fam Emo support were more likely to have indicated that their businesses were very successful. Additionally, the following variables predicted four of the five business success variables: respondents who indicated that they received Appr and Inst support from Imm Fam were more likely to have experienced business growth; respondents who reported that they received Info support from Ext Fam and Appr support from Empl were more likely to have survived in business; and respondents who indicated that they received Info support from Imm Fam, Ext Fam, Empl and friends were more likely to have reported higher net
income. With respect to giving social support to respondents’ personal networks sources, the analysis showed the following: respondents who indicated that they provided Info support to Empl were more likely to have experienced business growth and therefore survived in business; respondents who indicated that they provided Inst support to Empl were more likely to have survived in business and therefore reported very successful businesses; and respondents who stated that they provided Appr support to friends were more likely to have survived in business. However, respondents who have indicated that they provided Appr support to Imm Fam and Inst support to Ext Fam were more likely to have had neither successful nor unsuccessful business. Also, respondents who indicated that they provided Emo support to friends were less likely to have indicated business survival. In short, the findings indicated that respondents’ receiving social support appeared to have more positive impact on the success of their businesses than giving social support.

Binary logistic regression analysis indicated that none of the four types of RSS and GSS variables from and to the six sources of respondents’ personal networks made a significant contribution to business success as measured by the number of business success indicators. Equally, the analysis of data showed no evidence that accountants, bankers and solicitors had any impact on the success of respondents’ businesses.

From the above, despite several significant relationships between RSS and GSS from and to respondents personal networks sources of support; it seems that respondents were likely to have been fairly independent owner/managers.

Logistic regression analysis was utilized to examine the extent to which selected background variables predicted business success as measured by employment of others (growth) and the number of business success indicators. Ordinal regression analysis was also utilized to measure the magnitude of the effect of selected background variables on business success variables as measured by the length of time in business (survival), net income and business success (self-rating). Table 5.31 shows the binary and ordinal logistic regression analysis results.

Thus, regarding background variables (Table 5.31) the following results were produced using logistic regression analysis: older respondents were more likely to have survived in business, achieved higher net income and reported a greater number of business success indicators; respondents with a partner were more likely to have survived in business, reported business growth, and therefore have a successful business; respondents who experienced a shorter period of unemployment after first
arriving in Australia were more likely to have a survived business, reported business growth and indicated a greater number of success indicators; respondents who had greater number of contact with people from other communities were more likely to have achieved higher net income, reported a greater number of business success indicators and run a successful business; respondents who utilized two or more places of business transactions were more likely to have achieved higher net income, reported a greater number of business success indicators and hence owned a successful business; respondents who spoke two or more LOTEs were more likely to have survived in business and, somewhat more likely to have reported a greater number of business success indicators; respondents with lower levels of education were more likely to have reported business growth, whereas respondent with higher levels of education were more likely to have reported a greater number of business success indicators; male respondents were more likely to have reported business growth; respondents whose customers were Arabic and non-Arabic-speaking people were more likely to have achieved higher net income; respondents who used informal sources of customers’ knowledge of the business and respondents who used both informal and formal sources of finding their first job in Australia were more likely to have survived in business; and respondents with fewer number of people from own community were more likely to report a greater number of business success indicators.
Table 5.31
Binary and Ordinal Analysis of Selected Background Variables
for Prediction of Business Success Variables
(N=113)

<table>
<thead>
<tr>
<th>Predictors</th>
<th>1. Length of Time In Business (Survival)</th>
<th>2. Employment Of Others (Growth)</th>
<th>3. Net Income</th>
<th>4. Success Indicators Number</th>
<th>5. Business Success (Self-Rating)</th>
<th>Total</th>
</tr>
</thead>
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<td>-Older age of respondents</td>
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<td>-</td>
<td>✓</td>
<td>✓</td>
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<td>-Respondents with a partner</td>
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<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>3</td>
</tr>
<tr>
<td>-Respondents with shorter period of unemployment after first arriving in Australia</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>-Respondents with a greater number of people from other communities they met in a week</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>3</td>
</tr>
<tr>
<td>-Respondents who used two or more places of business trading</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>3</td>
</tr>
<tr>
<td>’Respondents who speak two or more LOTEs</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>-Respondents with lower levels of education</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>-Respondents with higher level of education</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>-Male respondents</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>-Respondents whose customers were from Arabic and non-Arabic speaking backgrounds</td>
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<td>-</td>
<td>✓</td>
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<tr>
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<td>-</td>
<td>-</td>
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<tr>
<td>-Both informal and formal sources of finding the first job in Australia</td>
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<td>-</td>
<td>-</td>
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<tr>
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<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
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<td>4</td>
<td>4</td>
<td>7</td>
<td>3</td>
<td>24</td>
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</table>

Statistically significant: ✓ had a positive impact on business success
CHAPTER 6
PERSONAL NETWORKS, SOCIAL SUPPORT AND
BUSINESS SUCCESS OF OWNER/MANAGERS:
IN THEIR OWN WORDS

I do not need to be a member of any business association. Due to the fact that most of the information gathered for the business is collected through other means. My accountants, solicitors and bookkeepers are the ones who attend such meetings to gather information and then report it to me so that I am able to use it within the business. They know the rules and regulations better than I do. In a way, I don’t have to search for anything, I can plan things from information they give me to form the structure of my business (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

6.1 INTRODUCTION

This chapter identifies and examines the qualitative data gathered during the study based on the transcripts of around 10 per cent (n=16) in proportion to the total number of this study sample (N=165). A stratified random probability sampling proportionate to the size technique, discussed in 3.4.1, was used to identify the proportion of each sample for each community for interviews (see 3.3.3). Thus, 16 face-to-face, audio-taped and in-depth semi-structured interviews concerning personal networks, social support and business success were conducted. Qualitative procedures were employed to extend and reinforce the data gathered using quantitative procedures in order to add rigor, breadth and in-depth understanding to this research, as well as exploring the respondents’ lived experiences and their meanings (Fontana & Frey, 2000).

6.2 QUALITATIVE DATA ANALYSIS

6.2.1 Analytical Process

Data analysis was performed manually using content analysis and constant comparative method of identifying qualities of messages, patterns and themes relevant to the current research purpose, coding and sorting them into categories according to their conceptual framework for analysis and illustrating specific examples for clarity (Fink & Kosecoff, 1998; Holsti, 1969; Moser, & Kalton, 1981; Webb, Campbell, Schwartz & Sechrest, 1966) (see 3.8.1). Each
interview was transcribed verbatim and analysed before the next interview was conducted. This method provided the direction for the subsequent interviews.

Using a word processing package, themes and sub-themes were generated from respondents’ comments, and similar words, phrases or sentences extracted from these comments were grouped to form descriptive thematic units (Chen and Meindl, 1991) or propositional descriptions (Gerbner, 1964; Dates and Gandy, 1985). These were then clustered together into broad conceptual categories based on relevant theories (Chen and Meindl, 1991), and based on the latent variables examined in the current research. For example, *my wife is proud of me, my kids respect me* and *my wife encourages me* were grouped under the theme receiving appraisal support from Imm Fam. In aiding the current study data analysis therefore, a custom dictionary, a system of the established category definitions and descriptions derived from respondents’ text, was developed further (Gray & Densten, 1998; Meindl, Ehrlich and Dukerich, 1985; Tesch, 1990). Broad categories were then subdivided as part of an analytical process, generating a multi-level categorization system which formed a conceptual framework for the qualitative analysis (Brown, Stevenson, Troiano & Schneider, 2002; Goulding, 1999; Hoepfl, 1997).

Thus, the first level of analysis included categorizing the comments according to receiving social support, giving social support and small business success. Receiving social support comments were categorized at the second level into sources of receiving social support, i.e. immediate family, extended family, employees, friends, suppliers and accountants, bankers and solicitors. Receiving social support from the six sources was then categorized at a third level into type of social support, i.e. emotional support, appraisal support, informational support or instrumental support. Similarly, giving social support comments were categorized at the second level into sources of giving social support with the same groups as above. Giving social support to the six sources was then categorized at a third level into type of social support abovementioned.

Comments concerning small business success were categorized at the second level into (a) reasons for business success and (b) barriers to business success. At the third level of analysis, reasons for business success were categorized into (i) personal networks and social support and (ii) personal attributes. Personal networks and social support was then categorised at the fourth level of analysis into (A) existing informal personal networks and social support sources, (B) existing formal personal networks and social support sources, (C) considering other personal networks and social support sources, and (D) closeness to Middle Eastern communities. Personal
attributes were categorized at the fourth level of analysis into (A) trust, honesty and respect, (B) English language proficiency, (C) speaking LOTE, (D) satisfying customers’ needs and (E) ambition and hard work. Barriers to business success were categorized at the third level of analysis into (i) dealing with difficult people, (ii) loss of support sources, (iii) personal idiosyncrasies of the owner/managers, (iv) financial barriers, (v) lack of specific business experience and (vi) others. While the first category was further categorized at the fourth level of analysis into (A) Extended family, friends and people from own community, (B) Employees and (C) customers, other categories could not be divided further to form a fourth level of analysis. Figure 6.1 illustrates the classification framework used to categorize the qualitative data relating to personal networks, social support and business success and failure. The order of respondents’ personal networks sources, receiving and giving the types of social support and reasons for success and failure is based on the highest calculated frequencies for each of these categories.

Quotations and excerpts from interviews were used to facilitate understanding interviewees’ points of view (Weiss, 1994), as well as to illustrate and support each category at the second and the third levels of categorization for each of the variables.

6.3 PERSONAL NETWORKS AND SOCIAL SUPPORT

The recipients and providers of social support in the current study referred to the small business owner/managers who received the type of social support from and provided it to those who were in their personal networks circle. Personal networks thus consisted of those people with whom small business owner/managers had informal strong ties or formal weak ties. These included: immediate family; extended family; friends; employees; suppliers; and bankers, accountants and solicitors. The first three personal networks represented the informal/strong ties sources, whereas the latter represented the formal/weak ties personal networks sources of social support.

For the purposes of the current study, the four factors (types) of social support, extracted and rotated using exploratory factor analysis, have been employed (see 3.9.6.1.2 and 3.9.6.1.3). They have different causes and consequences which involve the following: emotional support, appraisal support, informational support and instrumental support. Also, personal network sources, which were included in this study instrument and listed above, were categorized in this chapter as the main sources of social support to be consistent with quantitative research and analysis, as well as to distinguish them from further personal network sources of support.
Figure 6.1
The Classification Framework of the Qualitative Data on Personal Networks, Social Support and Business Success and Failure
A considerable number of questions were asked concerning the type of social support respondents received from and provided to their personal networks sources (see Appendix H). Respondents’ comments were categorized in relation to their personal networks sources of receiving and giving social support. They were further categorized according to four types of received and given social support. The analysis is based on the highest number of comments the respondents made under the six sources and under each type of social support.

Table 6.1 is a frequency table of the responses to questions regarding personal network and the receiving (RSS) and giving (GSS) of social support. Table 6.2 illustrates the relative significance of the respondents’ six personal networks sources of receiving and giving social support represented by highest calculated frequencies of the manifest content of responses.

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<th>Themes</th>
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<th>%</th>
<th>Themes</th>
<th>f</th>
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*Percentages have been rounded*
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Percentages have been rounded.
6.4 RECEIVING SOCIAL SUPPORT AND PERSONAL NETWORKS

A total of 355 comments were made and the highest number of these comments referred to the four types of social support received from extended family (95), which represented 27 per cent of the total. The lowest number referred to accountants, bankers and solicitors (15) which represented 4 per cent of the total (see Table 6.1). For each category, examples were used to convey the notion of each type of social support and to indicate each source of the type of support received by small business owner/managers.

6.4.1 Receiving Social Support from Extended Family

The current study showed the extended family serves as an informal/strong tie source of social support and refers to participants’ parents, siblings, nephews, nieces, uncles, aunt, cousins, and in-laws. As 25 per cent of participants were without partners at the time of interviews, extended family then consisted of their uncles, aunt, nephews and nieces and cousins. The word ‘relative’ was used occasionally which referred to extended family.

Table 6.2 shows a total of 95 responses relating to the four types of social support participants received from this source. Informational social support scored the highest responses (32 or 34 per cent) of the four types of the support received by participants.

Participants recalled stories of particular significant relationships with extended family that provided them with informational social support which proved to be vital to their abilities to improve the service aspects of the business. Some comments were:

My extended family was great to me during the critical first period of the business. ...They provided me with information and helped me with making decisions, even at the scene of the events (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

My sister-in-law, who lives in America, provides me with fashion updates such as hair styles, products, equipment, better technology and magazines.... she sent me a product that no one has got yet in Australia which increased my clientele base... (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

When I purchased the business from my in-laws, they provided me with so much information that I felt overwhelmed; you name it, from employees and suppliers to customers. They also continued training me until I was able to stand on my feet
The advice from extended family assisted them in eliminating some of the difficulties they experienced, introducing different types of products/services or increasing the possibility of attracting new clients or creating new opportunities.

Interviewees’ extended families also provided assistance in the form of *instrumental social support*, by taking over some of the responsibilities or reducing their workload whether tangibly by helping them financially or intangibly by *unpaid work*. Table 6.2 shows that a total of 23 comments (24 per cent) reflected this type of support including:

*Due to lack of finances, my brother gave me a hand to design the salon in first setting up the business with the suitable furniture, equipment, mirrors, and basins as well as painting it* (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

*My brother-in-law occasionally assists me in offering his place as another store for the supplies when shipments arrive simultaneously* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

*My sister was the one who helped me with the most of the amount I needed to establish this business [interest free]* (Lebanese male, 39 years old, 15 years in business, restaurant business, 18 employees).

These comments and others suggest that it would have been difficult for them to start a business, reduce their workload and focus more on the business matters, or simply try to stretch their business operations without the financial and non-financial assistance of extended family. It is not uncommon that ethnic small business owner/managers in general and Middle Eastern small businesses in particular, receive financial and non-financial support from their families to start and develop their firms. Family provision of finance was often critical, whether those owner/managers paid no interest on the amount borrowed, or at a very moderate rate, particularly when financial institutions could not be convinced their businesses were viable (Dyer & Handler, 1994; Franco & Haase, 2009; Andersson & Narayan Pradhan, 2005).

Further, extended families provided respondents emotional support in the form of listening to their concerns when stressing about different matters, in particular business matters. For example, one respondent, who lost his dad many years ago, considered his relationship with his
father-in-law as a *father/son relationship*. Among other things, the respondent’s father-in-law involved him in sporting activities to try to get things off the respondent’s mind, particularly when he had a bad week at work. Another respondent considered himself a fortunate person, and believed that his mother and brothers were always there for him when he needed to talk business matters over with them, especially upsetting issues. They wanted him to be happy and successful. A total of 22 comments (23 per cent) had elements which referred to this type of support including:

*My parents and siblings celebrate and share my kids’ birthdays with the family* (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

*When I have bad days, or have dealt with a difficult customer, I usually turn to my sister …She is quite good in calming me and making me look at the brighter side of the picture;* (Lebanese male, 44 years old, import and export and wholesale business, 8 years in business, no employees)

*When experiencing personal upsets or even business problems, I believe that I have my mother. I do go to her to help me work through my emotions* (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

The above comments suggest that a considerable number of respondents and their extended family members share similar values and norms such as family unity, sharing and caring for each other; otherwise it is unlikely for such supportive relationships to develop.

Finally, respondents’ extended family, mainly parents, siblings and in-laws, not only provide feedback on their business performance, whether directly through observations, or indirectly through customers, but they also provide respondents with advice and encouragement regarding business decisions or new plans. It is unlikely this would happen without extended family having respect for respondents and trust in their abilities and skills in owning and managing the business as a whole. Additionally, a number of respondents indicated that extended family praised [their] achievements and admired [their] hard work to achieve success. Eighteen comments (19 per cent) reflected appraisal social support including:

*…My brothers let me know what others think of the business whether good points or where I need to improve any aspect of the business performance* (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).
...I constantly receive constructive feedback. Like any father, if I’m doing something right he’ll still criticise me, but for the right reasons, to make sure I’m on the right track. He’s always there for me giving me good and bad feedback...

(Lebanese male, 25 years old, café business, 6 years in business, 4 employees)

When I purchased the business from my in-laws, they provided me with feedback on how I was going on fulfilling day-to-day chores (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

Such relationships provide them with appraisal feedback on their business performance and encouragement to progress, as well as respect and trust, praise and admiration regarding their achievements. According to the reinforcement theory of motivation, such support may reinforce respondents’ decisions to undertake business improvements, which may lead to further success (B. F Skinner, 1953, as cited in Stone, 2008).

6.4.2 Receiving Social Support from Friends

In the current study a friend can serve as an informal and strong tie source of social support. Table 6.2 shows that a total of 77 responses from participants described the ways in which friends provided them with the four types of social support. Informational social support was the most frequent type received from friends (35 per cent of the total), as with the extended family.

According to Andersson & Narayan Pradhan (2005) friends are a major source of information required by immigrants for settling down in the new environment. Such information assisted them in many ways such as starting and managing businesses which enabled them to integrate with others in the new country. Thus, respondents recognized the advantages of having friends able to provide them with information vital to their day-to-day business. For example, at the start-up of my business I needed information about customers’ needs in relation to products and/or services I provide and their purchasing habits and the like. It was often friends who provided me with such information, or friends would refer me to other business people from whom I might benefit. Additionally, respondents reported that friends provided me with advice on how and what to do, and in some cases, they provided them with a list of potential suppliers. A total of 27 responses, (35 per cent) which was the highest among all types of support, indicated informational social support participants received including:

After purchasing the location I changed the whole layout. ...My friends provided me with names of reputable business people who did various jobs for me such as
These comments suggest that respondents received information from friends regarding business opportunities, as well as advice and suggestions both prior to and after establishing their firms. Such sources of support could broaden respondents’ personal networks and enrich their business experience which, in turn, could lead to better business performance. This type of support may also ease the process of integration not with Arabic speaking communities but with the Australian community as a whole.

Receiving appraisal social support from friends was also evident. Table 6.2 shows that a total of 19 comments (25 per cent) came under this category, often reflecting the values of respect, honesty and admiration. Friends provided them with confidence, praised their success and encouraged them to do their best in their business endeavours. Several respondents indicated that friends are one of the most important sources of feedback, both positive and negative. For example, friends advised them regarding the quality of products/services. These comments included:

_I hear that my friends recommend my business to their friends and relatives because they themselves were happy with the prices and services offered_ (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

_Whilst visiting a friend I came up with the idea of starting a business. ...He and my other friends who were present at the time encouraged me to purchase a spot where Middle Eastern people live and establish a second business similar to the first one and carries the same name and logo but at a different location ....and here I am_ (Lebanese male, 31 years old, 2 years in business, manufacturing and café business, 4 employees).

_I receive positive feedback from customers through friends whom they have contact with_ (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).
Clearly, friends can be a valuable resource for accessing different networks, particularly customers as they are the ones that either make or break the business. One of the important considerations for a business owner/manager is to know how the business is faring. Thus, friends here can play a significant role in providing the respondents with the feedback necessary for their business improvements.

According to Adams (1985-1986) friends are a significant source of emotional support, particularly for adults. Seventeen comments (about 22 per cent) concerned emotional social support participants received from friends. A number of respondents perceived that friends were helpful when having bad days in that they listen to what upsets them and try to comfort them. Others indicated that friends share and celebrate their family and business happy events such as the grand opening and when launching a new line of business. Some comments were:

*My friends attended my father’s funeral and spent some time with me to not feel alone* (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

*Once I had a very angry customer, it turned out to be the most difficult customer most of the shop had a story to tell about. She ruined my day. I called my friends and we went out for dinner. They comforted me; I ended up laughing and joking about the whole thing* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

Thus, receiving emotional support from friends may perhaps be a buffer against the challenges respondents face in running their businesses. It may also protect the respondents from unpleasant consequences of stressful situations.

Finally, respondents’ comments revealed that friends provided them with aid and assistance such as physical and unpaid work, offering financial support at the start of the business, willingness to take over and look after the business voluntarily for the time respondents need to attend an important event or if they run short of employees during busy days, or simply bringing their families, friends or people from their community to deal with the business. Fourteen comments (18 per cent) reflected instrumental social support including:

*My friends from my own community contribute to the promotion of the business by distributing flyers voluntarily...More money flow to the business* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).
During the time when I was ill many of my friends helped me looking after the business with a lot of unpaid work. You realize when you are in most need of help, who is there to help you. Yeah, ‘a friend in need is a friend indeed’. That’s how it’s supposed to be (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

I experienced many difficulties when I started this business with finances. If something wasn’t right from one side, by the time I had it running something from the other side would fail. ... I had many friends who helped financially and non-financially (Lebanese male, 31 years old, 2 years in business, manufacturing and café business, 4 employees).

These comments suggest that respondents’ friends may well be a significant source of support in that they could offer the business opportunities to spread out and serve new customers. In general, it is not uncommon that Middle Eastern people provide material and non-material help to friends regardless of their social and economic status.

6.4.3 Receiving Social Support from Immediate Family

This study showed the immediate family of married partner and children serves as an informal strong source of social support, though in numerical terms not as important as extended family or friends. Since precisely 25 per cent of participants were without a partner (4 out of 16), immediate family then consisted of parents, siblings and, in one case, children. A total of 69 responses fell into this category. Table 6.2 shows that the most common (24 comments or 35 per cent), reflected instrumental social support including:

My wife took the responsibility of looking after the family, when the business was first opened, for example: ensuring the bills were paid on time, looking after ill members of the family and other family matters (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

My children help me with things such as using the internet or writing and typing letters. ...So I give them directions and they help me type anything I need for my business (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

When I go away for a couple of months, my wife assists me in looking after the paperwork. She up-dates me with business matters daily (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).
The comments suggest that relationships with immediate family members provide respondents with the assistance needed to reduce the work load and maximize the time needed by the owner/manager to focus on other central business chores, i.e. making decisions. Immediate family instrumental support can also reduce the cost of hiring people to carry out such tasks which, in turn, improves cash flow and the financial health of the business.

Additionally, some respondents stated that immediate family members provided them with information about people’s needs and requirements. In one specific case, a brother was the trigger for providing the respondent’s services to airline staff in Melbourne. In other cases, immediate family provided information about their friends wanting to organize special functions and book the business venue. This resulted in further on-going deals. Business related information from the websites such as ABS, Small Business Victoria, Work cover-OH&S, etc. was also provided by respondents’ immediate family, particularly their children. Moreover, business suggestions were also given to by immediate family members, or passed on from other people. These suggestions reflected attitudes and actions of the respondents, which made them more aware of the needs of different types of customers. Table 6.2 shows that a total of 19 comments (27 per cent) reflected informational social support received from immediate family including:

- The relationship with my brother is significant in that one can be taught how to use the available resources to find out more opportunities, i.e. the internet, to their full potential to promote my business...; people started contacting me for service (Lebanese female, 24 years old, health and community services business, one year in business, no employees).

- My daughters read and summarize correspondence sent by the industry organizations being letters, booklets, brochures and the like. They also assist me in getting information from the internet (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

- My wife provides me with suggestions and advice about how to use work space more efficiently so I don’t have to struggle when ordering large quantities of certain products (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

The comments suggest that the type and quality of information and suggestions provided by immediate family may lead to continuous business improvements, more business opportunities...
or merely finding solutions to business problems which could have an impact on business survival.

Fourteen comments (20 per cent) reflected emotional social support. For example, when difficult times reach an unbearable point, immediate family members listen to respondents talking through the matters bothering them; and when experiencing personal upsets or disappointments that affected the business performance, some respondents first turn to wives and children for emotional comfort. One respondent said, if work stresses you out, you don’t discuss it with the staff; you should discuss it with your own family...Well, that’s what I think and it works for me. Other comments included:

... There are times when I experience personal upsets that affect my business performance. I go straight to my wife and I say ‘I’ve given up, I’m not doing this and I’m not doing that’, and she puts me on the right track. We talk about it and she tries hard to get things off my mind and makes me focus on the good things (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

I talk to my kids sometimes when I am down. They listen to me and are empathetic (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Good relationships with those one lives with can provide emotional support every step of the way, whether it be calming them down, getting them to talk about what is bothering them, going out for dinner or simply listening to their concerns. Respondents may well feel more contented when they have the immediate family behind them emotionally.

Finally, respondents commented on how their immediate family encouraged them, right from the beginning, to further excel and succeed in the business. They affirmed and were proud of respondents when they fulfilled their duties as husbands/fathers/sons or as business people. Immediate family also provided feedback on how the business was faring or advice on products/services they provided or delivered, dealing with customers or problems they encountered. Twelve comments (18 per cent) reflected appraisal support from immediate family including:

When one of my daughters filled my spot while interstate, she refused getting paid as she said that I have been working so hard to support them. Isn’t that great? You reap the good fruits of your efforts (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).
Being respected and looked up to by others; and that’s what I am getting from my sons and daughters. When they see the way I treat other people, they begin to feel a sense of pride in me; they tell me (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

Clearly, immediate family plays a vital role in achieving the goals of the business. For example, providing admiration, encouragement and advice from immediate family is extremely important to respondents. This support can provide the impetus for them to improve and grow. After all, they all may share the rewards of such ventures.

6.4.4 Receiving Social Support from Employees

In the current study, an employee serves as a formal or weak tie source of social support and refers to those who are employed by the participant to fulfil a daily work commitment. The words ‘staff’ and ‘worker’ were also used to refer to employees. Of the 16 interviewees, thirteen had between 2 and 19 employees, whereas the other three employed no one. In receiving social support, employees were not as important as the immediate or extended family or friends. However, a total of 54 comments were made by respondents concerning the four types of social support they received from employees. Instrumental social support yielded the highest proportion of all, 31 per cent; while appraisal and informational social support equally scored 26 per cent followed by emotional social support 17 per cent (see Table 6.2).

A number of comments indicated that at times when respondents were unable to attend work either because of outside work commitments, attending particular social or cultural gatherings, being on holiday with the family or simply being unwell, employees would take complete care of the business matters. Some respondents said that the employees and their families deal with the business regularly and often make bookings for special occasions such as Mother’s or Father’s Day as well as other family gatherings, or they place orders for these purposes. Seventeen comments (31 per cent) reflected instrumental social support including:

... My employees are able to assist me with the problems such as a high workload by either working longer hours or finding alternatives (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).
When I was in hospital for almost three weeks, one of my employees took up extra hours just to fill in for me. (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

People [customers] get tired of being in the same place with the same surroundings; my staff helped me making many changes to the setting to bring it back to life. The business improved 40 per cent (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

In terms of instrumental social support from employees, these comments indicate that respondents consider employees a valuable asset to their businesses, without whom it would have been difficult for them to commit to other important business or personal obligations, or continue the business at times when they were unable to fulfil their work duties. Such support would also generate financial gains and increase social opportunities to socialise and learn more about their employees and their acquaintances.

There were 14 comments (26 per cent) which reflected appraisal social support. Some respondents indicated that employees were highly significant to them as critical sources of feedback and guidance who tried and re-directed respondents in the right direction when they began to drift or not follow the correct procedures when dealing with customers. Other respondents indicated that employees assess the popularity of certain products and their prices as well as the services provided and no doubt such evaluation is vital to business improvement. Also, one Egyptian interviewee said that a good relationship with employees is important because it provides you with admiration and respect. Other comments were:

My employees come up to me and tell me that 'there is something wrong with items we made today', be it in the ingredients, weight or taste or any other problem that make the items not saleable, then I get rid of them. (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

My employees provide me with feedback ... We sit down every once in a while discussing things ... like products to stock, prices, customer matters, any community events will go on and the like (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

The comments above provide evidence that some participants lean on employees, who provide them with feedback, and evaluation and esteem, praising good work, or offering innovative ideas for product and/or service improvement. These comments also imply that respondents’ employees are honest and loyal engaged employees who may well create high customer loyalty.
Additionally, a number of comments revealed that some respondents’ employees provide them with information and suggestions concerning new products or lines of sales they have either tried themselves, or seen or tasted somewhere else. At the same time, respondents revealed that employees provided advice when experiencing business trouble. Other respondents indicated that employees would look through books for ideas which they then passed on. Table 6.2 shows that a total of 14 comments (26 per cent) illustrated informational social support including:

My employees let me know if they know someone is competent, reliable and trustworthy and needs a job….I end up hiring them. (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

As most of my employees are from communities other than mine and they know what products they use in their households, they let me know what my business is missing and how I can expand further. This made a significant number of my customers is from different communities too (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

Lacking this type of business experience I found that I could turn to the people who are working with me and are so competent such as the chefs and waiters. These people give me advice and guidance on how to manage certain tasks and the types of food that should be served (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

The comments above imply that some of the respondents used an inexpensive yet effective source of obtaining critical business information. Such valuable information may not only assist respondents in solving problems but also provides them with opportunities to expand. It is probable that developing business product line may lead to maintaining the existing customers, if not attracting new ones.

Finally, only nine comments (17 per cent) reflected emotional social support from employees such as my employees share my family’s happy gatherings; they attend funerals of people I am related to; when I was ill, my employees visited me at the hospital and spent some time with me and they would be the ones I turned to if I experienced difficulties in business. Other comments were:

I would turn to my employees when I am experiencing difficulties, or unhappy about business or other matters (Lebanese male, 31 years old, manufacturing and café business, 2 years in business, 4 employees).
My employees attended my father’s funeral. They volunteered their service in this difficult time, as well as spent some time with me and my family (Lebanese male, 43 years old, reception business, 20 years in business, 18 employees).

These comments suggest that some employees play an important role, not only in carrying out their daily work tasks, but also in looking after their employers’ well-being. Thus, this may strengthen working relationships among all parties. Healthy employer/employee relationships make owner/managers and employees feel more comfortable and relaxed working together towards a successful business.

6.4.5 Receiving Social Support from Suppliers

A supplier in the current study serves as a formal weak tie source of social support. Suppliers were also referred to as organizations or individuals that have business interactions with small business owner/managers to supply and/or deliver materials, components, goods and/or services. One would expect that the purpose of such interactions is to make the processes between small business owner/managers and suppliers more effective. A total of 45 responses indicated the four types of support participants received from suppliers. The most frequent referred to informational social support, (47 per cent of the total), while emotional social support scored the lowest, (9 per cent) (see Table 6.2).

Respondents’ comments echoed the informational social support received from suppliers and how it was provided. For example, respondents indicated that suppliers provided them with information on special deals and new products, as well as when prices of particular products were expected to increase so they could stock up beforehand. Respondents reported that suppliers also advised them on how to perform certain work tasks such as procedures for packing goods or placing particular products in the refrigerator, or making a good coffee. In one particular case, it was the supplier who advised the respondents about introducing alcohol into the store, which then increased the total sales. Twenty-one comments (47 per cent) were provided including:

Food safety program was new to me. It was the suppliers who provided me with the initial information, how to start and where to go (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).
My suppliers inform me about the prices; and keep me up-dated about terms and conditions that govern that country trade law and regulations (Lebanese male, 44 years old, import and export and wholesale business, 8 years in business, no employees)

Thus, gathering information from suppliers about how the market behaves or following their advice on specific techniques and procedures to process certain products and/or services could possibly result in exploring business opportunities and improving its economic status as suppliers possess valuable insider knowledge regarding the market.

Respondents’ comments echoed the concepts of trust, respect, honesty and admiration. For example, suppliers send greeting cards and food and wine hampers thanking respondents for reflecting a positive image of their products, or supplies worth thousands of dollars were provided to several respondents, but request for payment was delayed due to financial difficulties they were experiencing at the time. Respondents’ comments also indicated that respondents have built and developed networks of relationships by continually dealing with suppliers in a professional manner. Relationships with suppliers were highly important to participants, developed and maintained more than those which are of no benefit. In addition, respondents’ comments also indicated that suppliers provided them with feedback about the business and its dealings with certain types of customers. They also revealed that suppliers would explain the reasons for things going wrong and checking back with them to make sure all is well with the supplies. Ten comments (22 per cent) reflected the concept of appraisal social support including:

The most valuable source of feedback would be from those people I make business with, the suppliers. ...Their comments and thoughts about me and the business were invaluable (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

Most of my suppliers are overseas. When travelling to those countries, I am well looked after by these people and am treated with utmost respect and admiration. I feel like I am really with my friends, I can say (Lebanese male, 44 years old, import and export and wholesale business, 8 years in business, no employees)

These comments suggest that respect and trust may continue to develop between the respondents and suppliers, which would be an added value to their relationships in that it enhances their business transactions. According to Sako and Helper (1998) owner/managers can add value to
their relationships with suppliers by acting in a trustworthy manner. The above comments also suggest that feedback provided by suppliers may possibly make them competitive in the world of business. Acknowledging and recognising respondents’ work may boost their motivation and morale and they may be more enthusiastic to deliver better business outcomes, which benefits all.

Respondents told stories of situations where suppliers provided them with assistance which proved to be critical to business survival, indicated that suppliers are a source of networks, especially those who are from other communities. They promote the business to people from their own community by encouraging them to shop at these places. Respondents also stated that suppliers assisted them with pricing and offered them extended payment periods. Ten comments (22 per cent) reflected **instrumental social support**, including:

...*Every business can go through a time when they need extra credit, like Christmas time ...You can’t have that much money at hand...suppliers support you by extending payment periods for two or three weeks; and they do. This is the advantage of it* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

*Suppliers help out with prices, payment due dates and they offer the business freebies every time they deliver something which then we sell at a discount price* (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

These comments clearly suggest that such type of support may perhaps result in the existence of a mutual benefit type of working relationship between respondents and suppliers.

As emotional matters are more likely to be considered personal, particularly in the present of formal networks, not surprisingly, only four comments (9 per cent) reflected **emotional social support** from suppliers, which takes the form of them caring and showing concerns about respondents’ welfare, whether by visiting them or contacting them on the telephone.

*My suppliers show concern about things that upset me or make me feel uncomfortable. You start opening up to them. We are human beings, we sometimes feel stressed out or depressed just because there is so much pressure on us* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).
Once I was ill and one of the suppliers and his family visited me in the hospital. They show their concern about my health (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

Despite only four comments illustrating emotional social support from suppliers, these comments imply that the more human side of individuals is present regardless of the type of environment. Thus, such actions may probably lead to lasting trading relationships. All in all, the results of this section showed that receiving social support from suppliers was more important for participants than support from professional people as showed in the following section.

6.4.6 Receiving Social Support from Accountants, Bankers and Solicitors

Accountants, bankers, and solicitors serve as a formal weak tie source of social support. The terms ‘financial advisor’, ‘analyst’ or ‘lawyer’ were also used to refer to participants’ financial and legal advisors and representatives. As expected, participants made no comments with respect to emotional and instrumental social support. However, a total of 11 comments (73 per cent) reflected informational social support and four (27 per cent) echoed appraisal social support (see Table 6.2).

Several researchers (Kent, 1994; Swayne & Tucker, 1973) stress the importance of seeking advice and information from professionals such as accountants, bankers and lawyers in establishing and maintaining a successful business. Thus, respondents stated that accountants, bankers, and solicitors were important to providing financial and legal information that helps small business owner/managers make business decisions. In some cases, accountants keep and maintain business records as well as set up computer programs needed for businesses to operate, as well as preparing financial reports/statements for the business. They can also assist with systems design, auditing, and analysis and interpretation of accounting information.

Respondents stated that accountants constantly provided them with financial advice when experiencing cash flow shortages. A number of respondents also spoke of the difficulties they experienced during the start-up period and/or when the GST was first introduced which puzzled them all. They sought professional advice which was vital to their daily business operations. Additionally, respondents indicated that solicitors also play an important role in achieving their business objectives by providing them with the latest information about any new reforms or changes introduced to the Australian financial and legal system likely to have an impact on their
businesses. Some accountants and bank managers not only provide respondents with financial advice or information about particular business matters, but also assist them in finding, selecting and recruiting competent bookkeepers, particularly during busy seasons. A total of 11 responses, (73 per cent) referred to this type of support including:

At the start of the business a great deal of financial knowledge was provided to us by our accountant. He advised us on daily bookkeeping matters, and suggested that one person look after this task and another audit and check as things could go wrong; and things went well and still are (Lebanese male, 39 years old, 15 years in business, restaurant business, 18 employees).

I do not need to be a member of any business association. My accountants, solicitors and bookkeepers, are the ones who attend such meetings to gather information and then report it to me...They know the rules and regulations better than I do. ...I can plan things from information they give me to form the structure of my business (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

The comments above suggest that respondents would rather focus on day-to-day activities than be overwhelmed by the amount of information in relation to financial and legal matters. It is accountants, bankers and solicitors who package relevant information for them to act upon, and whose advice is taken into account for them to run a healthy and sound business. There is no doubt such professional assistance costs money and time, but the benefits outweigh the cost. Respondents’ comments also imply that their accountants’ roles go beyond merely preparing tax statements.

Additionally, some comments highlighted that, to have a healthy business, it is essential to seek professional advice and feedback on business operations. Other comments pointed to the significance of seeking solicitors’ advice in relation to paperwork and legal matters, particularly when reforms and changes to the legal system take place. Only four comments (27 per cent of the total) reflected appraisal social support including:

Whenever we need to renovate, expand or add items to the business, we apply for a loan which we easily get with [bankers] assistance. ... So it’s really important to get the loan approved straight away to invest in the business without wasting time (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).
My bank manager, financial advisor and accountant provide me with feedback on any business activity I want to add to the business. They also advise me on alternatives (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

Thus, receiving professional help can assist respondents in evaluating their business performance and advise them on making financial business decisions to prevent failure. However, this study result is different to an Australian study of small business owner/managers which found “none of its 25 interviewees mentioned solicitors/lawyers as professional advisors” (Gray, 1998:226). Additionally, several researchers however have concluded that advisors do not offer small firms practical or appropriate advice, as they have limited knowledge of the small business environment (Devins, 1999; Gibb, 1997; Mole, 2002). However, despite the fact that one cannot always rely on the experts, Meltzer (2001) states that obtaining good business legal and financial back-up is what small owner/managers generally believe in.

### 6.4.7 Summary of Receiving Social Support and Personal Networks Data

In assessing the relationship between the four types of receiving social support and the six personal networks sources, this group of Middle Eastern business owner/managers received no emotional or instrumental support from the professional accountants, bankers and solicitors, from whom they did, however, receive informational and appraisal social support. The assessment of data also revealed that much of the support was received from extended family members, in particular informational support compared with other personal networks sources. This may be attributed to the fact that extended family members outnumbered other sources of personal networks’ members. While friends represented the second highest source of receiving social support by respondents, immediate family ranked third followed by employees, suppliers and accountants, bankers and solicitors.

### 6.5 GIVING SOCIAL SUPPORT AND PERSONAL NETWORKS

No comments were made concerning giving any type of social support to accountants, bankers and solicitors, and informational social support to suppliers. However, 177 comments (exactly half the number of comments referring to receiving support) related to giving social support to other sources in participants’ personal networks (see Table 6.1). The highest number of these comments referred to employees (50) which represented 28 per cent of the total, and the second
lowest number referred to suppliers (16 or 9 per cent). For each category, examples are used to illustrate each type of social support that the respondents gave.

6.5.1 Giving Social Support to Employees

Participants made 50 comments with respect to giving social support to employees, with the highest proportion belonging to appraisal social support (19), which represented 38 per cent of the total (see Table 6.2). A number of comments revealed that respondents entrusted their business to well experienced employees with faith in them believing they are capable of taking responsibility. For example, some respondents rely on chefs to deal directly with suppliers and purchase food and other ingredients as they are the ones who know more about variety and quality of meals they prepare. In some cases, when suppliers provide respondents with samples they give them to the chefs to test and try. If the samples are good and the chefs are happy, then the respondent will consider dealing with those suppliers. Respondents’ comments also revealed that at times of emergency, the chefs can order supplies and take delivery of them as respondents know they are trustworthy and honest about it. They added that they let employees know that they find them to be reliable and honest in carrying out any tasks given to them; also that they appreciate their efforts to keep the business moving, especially when they themselves are out fulfilling business related matters. Finally, providing employees with feedback on their performance and suggestions on how to improve this performance was also evident, as well as giving those outstanding employees financial or non-financial rewards and incentives. Other comments were:

*I trust my employees making decisions on the spot to rectify errors and compensate or reward customers. I leave most of the cases to them* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

*When I employ new staff, I ask my employees to provide me with a brief report about their performance during the trial period. I trust that ... I won’t be let down. ... My employees would be honest with me whether to continue employing them* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

These comments imply that respondents treat employees equally with respect and dignity as they are trustworthy and loyal to the business. It appears that some respondents empower employees and confidently allow them to control certain aspects of the business such as dealing with
customers and suppliers, making decisions and/or taking actions, particularly in the absence of respondents. As a result, it seems that respondents who gave their employees genuine appraisal support possibly will survive with employees given the power to make decisions, and they had trust in their abilities to do so. The University of Michigan Studies found that employee oriented leaders “were associated with higher group productivity and higher job satisfaction” (Kahn & Katz, 1960, as cited in Robbins, et al. 2009:649).

Additionally, respondents indicated that they care for employees and try to understand any problems they may have which affects their work. In other cases, respondents hold meetings with employees in which they aim to make them feel comfortable and relaxed. This makes the atmosphere emotionally encouraging so that employees can express their opinion freely and without any hesitation. Respondents do not take this opportunity to show that they are the boss but listen to their people’s views, particularly if matters are related to employees’ welfare. Also, a number of respondents stated that they attend their employees’ family members’ funerals and sent flowers. Twelve comments (24 per cent) reflected emotional social support including:

*I take care of all of my employees who are of different religious faith and practice….They take days off work during the important days in their religious calendar even during busy business days* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

*I do communicate with Arabic speaking employees in English. That’s the right thing to do, I believe. ...for the reason that...I have a mixture of employees and we don’t want to make them uncomfortable when we speak in our own language* (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

Thus, listening to employees talking about both work and personal matters, showing that respondents are empathetic towards employees and feeling and caring for them may all result in effective and professional working relationships with the employees. Despite the main objective of any business organization, including non-profit organizations, is to be profitable, respondents in this study seemed to have both concern for production and for employees’ comfort and well-being.

Moreover, several comments revealed that respondents look after employees by providing products and/or donating money, and in some cases, they provide their services during sad events such as funerals. Other comments indicated that they give employees discounts when
organizing happy religious, social and cultural events such as Christmas and New Year, Easter, Ramadan and Eid al-Adha, Muslim Holy Days, christening and wedding events, and/or carnivals, etc. or simply hiring the venues with additional services. Some respondents’ comments also indicated that they offer their employees extra hours of work if they experience financial difficulties or need some extra money. Table 6.2 shows a total of ten comments, (20 per cent) illustrated instrumental social support including:

I provided food and catering at no cost when two of my employees lost their loved ones. I actually do that not just when my employees are involved but others in the community too (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

I look after my employees when they order bread for their special gatherings such as Ramadan or Muslim Holy Days (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

Thus, the comments above imply that respondents’ employees are of diverse cultures, and looking after all whether financially or non-financially may perhaps have a positive impact on the way employees perform their daily tasks. The above comments may also suggest that employees perceiving that they are all being valued as individuals and being treated equally could possibly contribute to the success of the business. The comments also suggest that respondents do their very best to keep the employees as they are the backbone of the business.

Finally, a number of comments showed that respondents provided employees with information regarding changes to occupational health and safety requirements and other rules and regulations that govern the business environment. They also provide them with adequate training in order to follow the right procedures, such as making coffee, choosing the right hair colour or setting tables. Other comments indicated that respondents provide employees with information and names of other businesses from which they might benefit. Nine comments (18 per cent) illustrated informational social support including:

Because of my previous job as a Customs Broker, I provide my employees with information and advice on how to send certain items to their families overseas (Lebanese male, 26 years old, 2 years in business, Import and export, wholesale and retail business, 5 employees).

... I often act as the source of information for my staff. I give them suggestions or ideas on how to go about particular business matters. I also brief and train them
Regardless of whether informational support provided by respondents to their employees is job or non-job related, the comments suggest that such support may provide access to important knowledge that increase opportunities to develop and improve employees’ informational networks which may, in turn, benefit the business. The results also imply that by giving contact details of other businesses to their employees, the business owner/managers of these businesses may take the respondents’ businesses into consideration, or recommend them to others in their personal networks. All in all, this could possibly result in broadening their personal network web of relationships, and certainly, they may all be the winners.

6.5.2 Giving Social Support to Friends

Liebler and Sandefur (2002) state that friends are expected to be available in a time of emotional need. Thus, respondents made a total of 45 comments concerning giving support to friends, mainly emotional social support 18 (40 per cent). A number of respondents revealed the importance of attending friends’ social gatherings to celebrate their accomplishments and show their care for them. It is highly important for people from the Middle East to attend funerals to show sympathy and pay their respects. Thus, respondents’ comments indicated that they attended funerals when the deceased are related to friends, to offer condolences and help friends through their grief. Some comments showed that respondents listen to friends’ problems, show concern for their well-being when they go through hard times, and spend some time with them to get things off their mind. As two respondents put it, this is how it’s supposed to be; and these are the things that make relationships stronger. Other comments included:

I socialize with many of my friends regardless of their religions. If I am invited to a wedding or some sort of celebration I attend to share and celebrate the occasion with them (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

I attend funerals in respect to my friends involved. It’s important to be with them and show them you care about their welfare (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Respondents’ comments suggest that being sympathetic and compassionate towards friends through empathy and sharing their feelings of sadness could help give that emotional support
needed during tough times. Such support could also help them to become stronger and more courageous in accepting the reality of life. Also, being supportive during good times may not only benefit the friends, but may also cheer-up those interviewees by getting the world of business off their minds, or make them feel good about themselves attending to their friend’s needs. Feeling good about one’s self may imply healthy self-esteem through establishing and maintaining thoughtful relationships with friends who need emotional support of any form and at any time. Additionally, providing emotional support could be as a reaction to interviewees’ friends providing them with this type of support when truly needed, which was indicated previously (see 6.4.2). In general, friends are a vital part of most people’s personal networks, including business people as they are expected to be available in times of need.

Additionally, a number of comments indicated that respondents help friends financially, whether for starting their own businesses or for other reasons such as helping their people overseas or building a house. Support was also exemplified in the form of offering discounts on products and/or additional services which are often provided free of charge. Other comments demonstrated non-financial assistance, such as supplying those friends who are also business people with employees during busy days. A total of 12 comments (27 per cent) mirrored instrumental social support including:

*I charge my friends lower for my service than the standard prices and I sometimes provide it at their own house* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

*I provide my newly arrived friends from the Middle East an opportunity to establish themselves in their new country by employing them. …help them stabilize their new lives in Australia* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

These comments suggest that providing this type of support may strengthen friendship and thus those friends may be more motivated to provide reciprocal social support to respondents. In other words, such support may have mutually beneficial results.

Further, a number of comments indicated that respondents praise friends as being honest and trustworthy. They have faith in them being always willing to help in difficult times, particularly when their business recommendations are most needed. Other comments reveal that respondents
believed success would be less achievable without genuine friends and those who do well themselves. Eight comments (18 per cent) exemplified appraisal social support including:

... It’s true that you must focus on your business first, but without the others you won’t make it. ... I mean friends, real friends respectful and honest; those I take pride in their achievements (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

As my background is in the banking and finance area, my friends present their case to me on starting-up a business asking for feedback. In some cases if the capital is not good enough, I tell them straight away not to bother, not even a chance to borrow (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Thus, appraisal support is especially important to those respondents who provide this type of support to friends. Such support may contribute to increasing respondents’ sense of significance and advancing their well-being.

Finally, a small proportion of comments (around 15 per cent) spoke of the support respondents provide to friends in the form of sharing their working experience and information with them or offering their advice on business matters, particularly those who have similar businesses to them. In one case, the respondent acts as a promoter for some of the events [the] friend organizes. Only seven comments demonstrated informational social support including:

I sometimes refer my friends to certain tradesmen, depending on what sort of problem they may have (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

I provide information to my friends who are seeking to establish the same type of business. On one occasion one of my friends wanted to get a particular site; I introduced him to one real estate agent I deal with. I was very happy to do this (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

The above comments suggest that these respondents believe that they are providing informational social support to friends. They imply that such support may provide advantages to both respondents and friends, for example, by enlarging their existing strong and weak ties to business resources. This may play a vital role in facilitating the exchange of information, advice and problem solving techniques among friends. In turn, this sharing may contribute to business survival.
6.5.3 Giving Social Support to Extended Family

A total of 37 comments were made by participants concerning the four types of social support they gave to extended family. The most numerous among the four types of support (14 or 38 per cent) mirrored instrumental social support. The most numerous among the four types of support reflected

Some respondents indicated that they regularly offer financial support to parents, in-laws and some relatives when they face difficult situations; they also refused repayments of such support. Two respondents said that they assisted brothers and sisters financially without charging them interest when they decided to start their own business. Another two respondents indicated they provided their extended family members, who are also business people and run somewhat similar businesses to theirs, with employees when they run short or during their busy days. Four more respondents referred to the discounts they offer their extended family members on their orders when they organize family gatherings or celebrating special occasions, as well as offering them a free delivery, or they provided services at the extended family members’ place of residence without travelling to the business location where these services are normally delivered. Examples of these services were hair and beauty and massage therapy. Other comments were:

*I helped my cousins in establishing their business financially instead of borrowing from the bank. All they needed to do was pay it back when they could* (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

*When my brother died, I supported his family financially and provided his sons work so that they could get themselves sorted out* (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

The above comments imply that some respondents provide preferential treatment to extended family. Middle Eastern people in general, particularly small business owner/managers, feel that they have an obligation towards extended family members in that they must be treated differently to other customers. However, providing this type of support may well lead to extended family members continue supporting respondents’ businesses; better still, those members could possibly refer the business to others.
Moreover, a total of 11 comments (30 per cent) were either about attending the extended family happy events, such as weddings and engagements, or sad events, such as funerals out of respect. These comments reflected emotional social support including:

*My family and I are always there when my extended family celebrates their weddings, birthdays or baptisms occasions...share the happiness with them* (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

*Supporting my brother’s family after he died was one of the most important things for me. ...I made them feel that they were not alone* (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

These comments demonstrate the desire of respondents to provide emotional support to extended family, particularly in difficult times. This may enable extended family members to return to their normal life and functioning successfully, especially after a time of sadness and anxiety. However, it is the Middle Eastern culture that people have commitments and obligations to provide emotional support to their extended family members in good or bad times.

Further, respondents indicated that they share their knowledge and experiences with their relatives regarding the requirements of establishing a similar business. They also revealed that when problems arise, whether personal or work problems, respondents assist extended family by offering them advice and assist them in solving these problems. Seven comments, (9 per cent of the total) reflected informational social support including:

*My father owns a twenty-four hour bistro that caters for people from different parts of the world... huge menu, from Asian food, to European, to Australian. I place flyers of my dad’s business on the counter around the business. Some of the customers are regular customers at my father’s restaurant* (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

*I provide my brothers, who have their own businesses, with information to help them solving business problems. ...And if I can’t help them, I refer them to see the right people* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

Customarily, sharing such work experience with others, which in this case is the extended family, does not take place unless there is a belief in one’s abilities and skills to operate a
business. These comments may also imply that respondents could have the capacity to influence extended family members to act in a positive way, for example, solving their business or non-business problems, enriching their experience, increasing business opportunities, etc. Sharing work expertise and providing information to help the extended family solve their business problems could also enrich respondents’ experience in managing their own business. Respondents seem to benefit from proximity to extended family and the support they provided which may increase the chances of business existence. Thus, when members of the extended family’s businesses survive and grow as a result of those interviewees’ informational support, there is a possibility of a reciprocal relationship in receiving and giving different types of support between those family members and the interviewees.

Finally, only five comments (13 per cent) echoed appraisal social support. Respondents said that they let their extended families know how grateful they were when they helped out at the start of the business appreciating their offer, and how they were proud of them and trusted that they wanted to do the same for them when they could. For example, one respondent regarded the extended family as trustworthy and committed to the business. Others were:

*When I am with my brothers, I discuss business matters and offer them advice and suggestions on how to improve their businesses* (Lebanese male, 31 years old, 2 years in business, manufacturing and café business, 4 employees).

*I really value all of the effort my father puts in to develop this business investment. I’m very appreciative of my father’s givings to me, his trust, and his ability to help me out. I believe that in return, I am fulfilling the role of a ‘good son’, and I am proving this to him* (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

These comments suggest that extended family have played a vital role in respondents’ businesses in that they were appreciative and thankful for the support extended family provided those respondents with. Not surprisingly that respondents, in return, provided those extended family members with the support when the need arise. Thus, the above comments may confirm the overall results of this section in that respondents being supportive of their extended family members.
6.5.4 Giving Social Support to Immediate Family

Only 29 comments were made in relation to giving social support to their immediate family, in particular financial support, in comparison to 69 comments regarding receiving social support. Of these, 11 comments (38 per cent) echoed instrumental social support (see Table 6.2). Some comments were:

I want my family to be on top of the mountain....I like to provide them with good education and see them getting somewhere in life. I do not hesitate to help my family however I can. ...We go away every once in a while even for a few days (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

I am the one who is working; so I pay for everything that you think a family needs. I pay for household items, pay the bill, the bank demands, the car and you know what goes with it. (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

These comments imply that a number of respondents believe that it is important to meet family’ financial, educational and other non-financial needs. Respondents indicated that they listen to spouse or children when they are having bad days or feeling stressed out, such as when meeting deadlines of a major work or school project. Other respondents revealed that they attend their children’s school parent-teacher interviews and school events such as sports and productions, as well as celebrating their achievements with the family. Eight comments (27 per cent) reflected emotional social support including:

I do not attend many places or occasions; my life is just work and home. ... I go to the gym or swimming with the family as an outing so that I could spend more time with my wife and children it’s just to show them how much I care about them.(Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

At times, my wife turns to me for words of comfort when she goes through hardship related to her work (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

These comments demonstrate the respondents’ belief that in addition to focusing on business matters in order to achieve positive results, their families’ psychological and physiological well-being is imperative.
Further, a total of six comments (21 per cent) reflected appraisal social support such as *I always encourage my children to do well in school* and *I encouraged my brother to start his own business and he did.* Others were:

*I am very proud of my wife. She is my second mind in discussing our opinions about anything to do with family or business matters* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

*I do offer all those around me the same level of respect and treat them fairly especially my sons and daughters* (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

The comments above suggest that appraisal support may increase the strength of family bonds and bring a constructive and productive environment to all family, especially if it is provided by family. All in all, appraisal support may possibly satisfy self-esteem and self-confidence needs such as prestige and recognition from others (Kreitner and Kinicki, 2010).

Finally, only four comments (14 per cent of the total) reflected giving informational social support to immediate family including:

*I provided my younger brother with information and advice when he wanted to establish his own business ...I still do share my experience with him* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

*I share my experience with my kids about how to provide excellent customer service to clients* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

Thus, these comments may suggest that such support may not only benefit respondents’ businesses in that good customer service generally means good business, but may also improve immediate family’s communication skills “…that contributes to productive and harmonious relations between employees and customers” (DEST, 2006a:14). Such skills are identified by The Business Council of Australia (BCA) and the Australian Chamber of Commerce and Industry (ACCI), as an important aspect of industry and enterprises across Australia (DEST, 2006a). All in all, providing social support of any type to immediate family members,
respondents seemed to set a good example and act as role models for family, particularly children. A successful family may contribute to the success of its business.

6.5.5 Giving Social Support to Suppliers

Despite that fact that respondents made no comments about giving informational support to suppliers, they provided 16 comments concerning the other three types of social support, especially appraisal social support (44 per cent). Respondents’ comments showed that they respect suppliers trusting that they are giving them reasonable prices and good quality products and/or services. They also admire suppliers’ accomplishments. Other comments reveal that suppliers welcome respondents’ feedback on their deals or where they need to improve their business by seeking respondents’ advice and suggestions. One exceptional comment reveals that one of the respondent’s suppliers had forgotten to deposit a cheque as a form of payment. After some time, the supplier came back apologizing for not depositing the cheque. The respondent wrote another cheque on the spot as this supplier had proved to be a trustworthy and respectable person in the market.

A total of seven comments demonstrated appraisal social support including:

*My suppliers are valuable to me and they know they are. ...I treat them with respect and I am honest and fair with them and I look out for them* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

*We always make sure that the coffee is prepared by the right person as we want to portray a positive image of the company which supplies coffee for us* (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

The key values reflected in these comments were trust and honesty. According to Gadde and Hakansson (1993) trust is rarely based on a single experience but instead is developed as the result of a series of episodes over time. Thus, when respondents’ relationships with suppliers are established on trust and honesty, they may possibly lead to an on-going and mutually beneficial trading relationship. Failure to develop this kind of relationship can lead to a breakdown of the partnership, and a need to find a new supplier (Saunders, 1997).

Additionally, some comments revealed that they offer suppliers discounts and special services when they use the business venue for particular family gatherings or social events. Other
comments indicated that they contribute to suppliers’ survival as they are loyal customers, and also refer the suppliers’ businesses to others whom they may be able to establish working relationships. Only five comments (31 per cent of the total) reflected instrumental social support including:

*One of my suppliers was going through a difficult time financially. In two occasions I ordered four lots of one item and contacted other guys who run similar business to mine to do so* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

*I look after my suppliers by offering them discounts when they book the reception for their special gatherings or when they request my catering to their events* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

The comments above imply that the relationship between respondents and suppliers goes beyond a transaction-based type. Respondents’ interaction with suppliers may result in long-term relationships that would secure respondents’ deals and supply access to critical information necessary to stay in the market. Such relationships may also provide respondents with opportunities to broaden, diversify and enrich their business resources which could enhance firm performance.

Finally, only four comments (25 per cent) reflected emotional social support including:

*Suppliers go through the same stressful situations as I go through sometimes. ...It helps a lot when I listen to what-upsets them and reduces the level of stress when I talk to them* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

Basically, people share their personal feelings with others after they have established and maintained a strong reliable relationship, particularly with those they have formal ties with as, in this case, suppliers. The relationship between buyers and suppliers regarding purchasing practice has shifted from merely short-term and price-focused during the 1970s and 1980s (Langfield-Smith & Greenfield, 1998) towards one of collaboration and long-term relationship (Bachmann, 2001; Hines, 1994; Holmlund & Kock, 1996; Morrissey & Pittaway, 2004; Sako, 1992; Schmitz, 1995). Therefore, the relationship between respondents and suppliers may well be long-term and goes beyond a transactional nature.
6.5.6 Summary of Giving Social Support and Personal Networks Data

The relationship between the four types of giving social support and the six personal network sources was explored, and the results showed that respondents provided no social support of any type to accountants, bankers and solicitors. However, the analysis of data revealed that much of the support was given to employees, specifically appraisal social support, which was the subject of most comments. Obviously, one of small business owner/manager’s duties is to provide performance appraisal to employees on how well they are doing and establishing a plan for improvement. As it is a small business, this could possibly occur in an informal, frequent and casual fashion. Surprisingly, immediate family ranked fourth after friends and extended family, while suppliers ranked last. However, respondents made no comments concerning giving informational social support to suppliers.

6.6 RECEIVING SOCIAL SUPPORT AND FURTHER PERSONAL NETWORKS

In addition to the six personal networks sources of social support discussed above, three further personal networks sources of social support were elicited from respondents’ comments as follows: (a) people from own community; (b) customers; and (c) key persons. The first serves as informal/strong ties personal networks source, while the last two serve as formal/weak ties personal networks sources. Respondents’ comments were categorized using the content analysis approach (see 3.8.1 and 6.2.1) as previously outlined (see Figure 6.2).

In a total of 143 comments, participants spoke about receiving the four types of social support from the three further sources of personal networks. The highest number of comments referred to people from own community (53 or 37 per cent). There were no comments about receiving emotional social support from customers. Table 6.3 shows a summary of the respondents’ further personal networks sources of receiving and giving social support represented by highest calculated frequencies and percentage frequencies of the manifest content of responses. Table 6.4 illustrates the relative significance of the respondents’ further personal networks sources of receiving and giving social support represented by highest calculated frequencies and percentage frequencies of responses. For each category examples were used to illustrate the notion of receiving social support types from further personal networks sources.
Figure 6.2 The Classification Framework of the Qualitative Data on Further Personal Networks and Social Support
### Table 6.3
Summary of Interview Data: Further Personal Networks Sources of Receiving and Giving Social Support

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*Percentages have been rounded

### Table 6.4
Analysis of Interview Data: Further Personal Networks Sources of Receiving and Giving Social Support Types

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</table>

*Percentages have been rounded
6.6.1 Receiving Social Support from People from Own Community

For the purpose of the current study, the *people from own community* variable refers to a unified social group of people who speak the Arabic language and share community values, traditions, rituals, characteristics or interest, as well as a common cultural and historical heritage. Table 6.3 shows 53 comments referring to receiving the four types of social support, and the largest category of these comments (32 per cent) reflected *appraisal social support* (see Table 6.4).

According to Green (1997) ethnic ties encourage the growth of new business firms. Thus, many participants felt that a highly positive aspect of their relationships with *people from their own community* is the admiration and recognition of those people; that they are respected, trusted, valued and highly regarded by their own community, and that they take pride in their own accomplishments and contributions for the benefit of their community. Respondents also indicated that they receive feedback from those people that they consider significant in making improvements to their businesses. Seventeen comments (32 per cent) included:

\[
\text{During a concert by one of the community singers, I walked into the reception to be greeted by the singer respectably; and those attendants admiringly applaud. I felt contented and over the moon; so I thanked them by raising my hands (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).}
\]

\[
\text{People from my community introduce me to other community people and to visitors from overseas as an admired and respected business-man, honest and trustworthy person in the community (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).}
\]

The comments above suggest that respondents usually have a continuous social relationship with people from their own community that is characterized by the sharing of social values and norms which influenced the occurrence of this type of support. All in all, respondents’ abilities and accomplishments were highly regarded by people from their own community.

According to the definition of community above, a place of worship in this study is considered part of the *people from own community* source of social support. That is, a place or an opportunity where social support can be expressed and where respondents publicize their products and/or services. Respondents spoke about attending a place of worship either regularly or occasionally, that is, a church or mosque, and conversing with their religious leaders and other
people. Respondents revealed how they see such a place as their second home and as a place of healing, a special place where they feel peaceful, comfortable and relaxed, and where they get their minds off stressful things. The place that represents peace and a comfort zone in which they can reflect on their lives and troubles they face. Also, one particular respondent stated that when my father passed away, the priests, along with a number of people from their community, attended the funeral. The respondent then added that it was so important to have those people around so we would not feel that we were facing the tragedy alone.

Further, one respondent revealed how the neighbours from his community were supportive in time of difficulty, particularly when, at one stage, the respondent’s business was suffering. Another 16 comments (30 per cent) expressed the emotional social support that participants believe they have received from people from own community including:

*I occasionally attend a place of worship, a mosque, in response to my religious beliefs. Just to get my mind off things; I feel relaxed and don’t have to think about business and other upsetting matters* (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

*I do go to the place of worship whenever I need, especially when I am feeling down and stressed out. It’s the place where I can meet others and talk about things in life* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

These comments suggest that, despite their busy daily schedule, respondents would find the time to visit a place of worship regularly. It seems that the emotional support of some interviewees’ place of worship plays an important role in those interviewees’ life, and ultimately in their business performance. The above comments also suggest that participation in religious services and activities may expand respondents’ personal networks and provide more opportunities to increase the size of their personal contacts and the quality of support available to them. This is supported by the case of Korean small business owner/managers in New York where they not only attended church for spiritual and emotional reasons, but where they could also build networks for business information, advice and financial assistance (Kim, 1987).

Additionally, a number of respondents indicated that people from their own community had helped shape their business and made it worth the effort by continuously dealing with them. These same people also refer the business to others and make respondents a well-known
community figure. This increases the number of people they deal with. Table 6.4 shows 15 comments (28 per cent) illustrated the concept of *instrumental social support* including:

*The vast majority of the Iraqi community supports the business by either dining in or booking the reception for social and cultural events* (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

*The local milk bar, with an owner of Lebanese background, helps me by placing my business card on the top of his business counter. I get a good number of customers through him.* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

*My wife and I worked at the shop at the beginning, and our neighbour looked after the children’s transport to and from school almost every day* (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

The above comments suggest that respondents’ social interaction with people from their own community is high, and that they share the same values and beliefs about significant others in their lives. Such a strong community structure provides evidence that help and reciprocity are the values of its people which, in turn, bring about economic prosperity.

Only one respondent spoke about the neighbours and the instrumental support they provided. This was surprising as it is customary that Middle Eastern people establish and maintain healthy neighbourhood relationships which involve mutual support-sharing and caring. Moreover, seeing that “residential proximity fosters frequent contacts…mutual awareness of the problems and easy delivery of aid” (Wellman & Worley, 1990:568), it is expected that respondents’ neighbours would play a fundamental role in their lives or the business.

Several researchers (Collins et al., 1995; Kim, 1987) state that ethnic community is an important part of ethnic small businesses as it provides vital resources such as information. Thus, in addition to receiving information or business advice, some respondents commented that people from their own community provided them with contact details of other business people from whom they might benefit. For example, if in need of someone to repair a machine (an electrician), or in need of a plumber etc. a person from their own community may refer them to a good tradesperson. Only five comments (10 per cent of the total) highlighted *informational social support* including:
I occasionally attend special community cultural association meetings whenever I have the time. I receive valuable information that benefits my business. ...To tell you the truth, I get a few customers through this (Lebanese male, 26 years old, 2 years in business, Import and export, wholesale and retail business, 5 employees).

I regularly attend the community social and educational events. ...for one’s own educational and informational purposes as well as establishing and maintaining relationships (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Thus, informational support may bring other people to get to know respondents and do business with them, such as the many different people who belong to the social, political and cultural associations in Victoria, or Australia. These interactions could possibly link communities together and increase their power to acquire broader range of resources than the ones that are available.

6.6.2 Receiving Social Support from Customers

For the purpose of the current study, a customer is someone who pays for goods or services purchased or delivered through personal interaction with small business owner/managers or employees. Customers are obviously central to the entire business operation as they determine the success of the business. Table 6.3 shows a total of 46 comments respondents made regarding customers, and the largest number spoke of appraisal social support, 19 comments (43 per cent of the total) (see Table 6.4). These comments focused on feedback on the quality of products respondents sell and/or services they deliver. One respondent spoke of an incident where a customer alerted them to a faulty product, not for redress, but just to let them know because she knew they were such a good business and did not want them to have any problems. The respondent was so grateful for her feedback that I gave her extra as a thank you, and introduced more checks on product quality. In addition, respondents’ relationships with customers also provided them with admiration, trustworthiness and respect in that the customers referred the business to others. Such comments were:

What works well in my relationships with customers is that one can improve the business. They provide me with feedback about the products and services and whether the business is satisfying their needs and fulfilling their requirements (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).
Most of my customers are loyal to the business. If they are not satisfied with the service for example, if they see something wrong or hear something mistakenly said, or even if they are unsatisfied with my products they tell me or tell the employees. They do the same if they are satisfied (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

The comments above suggest that respondents’ and employees’ frequent and direct relationships with customers are significant in that they can improve knowledge of customers’ needs, wants and expectations. Customer feedback can also raise awareness of mistakes or problems, and help owners to determine the quality and suitability of a particular product or service. Meeting or exceeding customers’ needs and expectations every time a customer deals with the business is one of the principles of total quality management philosophy, which plays a vital role in success (Powell, 1995).

According to Caudron (1994) and Greene (1997) customers can be a source of knowledge, information and other resources that determine business performance. Thus, respondents’ comments indicated that one way of increasing business opportunities is through customers, as they can provide respondents with information and suggestions about products/services, new technological advancements and business development. One particular comment revealed that it was through customers that I learned that female customers prefer to receive particular services from a female rather than a male for traditional religious and cultural reasons. Sixteen comments (35 per cent) illustrated informational social support including:

More business opportunities are obtained through information I get from my customers ... In addition to providing services at the business premises, I also provide an onsite service ... for corporate or industrial businesses (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

... I found that talking to my customers is a direct way of gathering information about the business-quality, prices, employees, the atmosphere, etc., as well as information about their needs and wants (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Seeking information from customers may perhaps assist in anticipating customer needs and market or consumer’s behaviour. This strategy may therefore contribute to broadening business clientele base, and may provide the business with a competitive advantage (Plunkett & Hale,
Thus, by offering more products and/or services could increase opportunities to mix with a wide range of customers from diverse backgrounds.

Another 11 comments (24 per cent) indicated that participants received *instrumental social support* from customers who recommended their businesses to families and friends, leading to more sales and increased revenues such as, *a lot of people say they were given my number by this person and that person, I’ve been told this and that about your business.* Other comments were:

- *My customers tell others about the business. ...In business, we know that if you talk to one client, which means you talk to 20 others* (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

- *Many of my customers are referred to the business by other customers, for example if there is a special occasion where the host is serving products purchased from the business, the guests are so impressed with the food. The guests then buy the products from me* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

*Instrumental social support* relates to a positive business image both of themselves and of their business, through providing quality products and services, establishing and maintaining good relationships with customers and adopting the philosophy of a friendly business atmosphere. Comparison data show that a satisfied customer is more likely to be loyal and continue to purchase the goods or services (Wang, Lo, Chi & Yang, 2004). Added to this, it is more probable that customers may recommend the business to others, providing additional instrumental support to the respondents’ businesses, through increased profit.

### 6.6.3 Receiving Social Support from Key Persons

Another source of social support to emerge from the analysis of transcripts was *Key persons*. This source included personalities who represented both English and Arabic (Middle Eastern) media and professional associations and their publications, the internet, other businesses’ owner/managers and small business personal mentors from the New Enterprise Incentive Scheme (NEIS). In the 44 comments concerning the four types of social support (see Table 6.3), the highest number of comments (28) related to *informational social support*, which represents 64 per cent of the total (see Table 6.4).
Despite the fact that belonging to professional bodies assists small business owner/managers in networking, finding business opportunities, acquiring resources and gaining a competitive advantage in business (Bowen et al., 2009; Dollinger, 1985; Norus, 1996), the current study results indicated that of the 16 interviewees 13 were not members of any professional organization, (such as those discussed in section 1.6), as they felt they received enough information, suggestions and advice from their personal networks. Respondents mentioned that they use either the media or consult the internet if they need to find out about business related matters. For example, several comments indicated that respondents receive free business related magazines, flyers and brochures from relevant industry publications. Respondents also indicated that they acquired information important to their businesses through owner/managers of other similar businesses. Additionally, all 16 interviewees were not members of a trade union or similar body and neither were the employees of the 13 interviewees who employed others. The reasons were mainly that the employees were enjoying equitable pay and job status, and that no conflict was evident and if so, then this would be handled and managed adequately to maintain a peaceful workplace collectively, and that trade union membership is a waste of money. Castles' (1991) study of ethnic entrepreneurs in Sydney found that the employees of all businesses were non-unionised. The results of another Australian study of ethnic small businesses conducted by Adhikari (1999) found that trade union membership reduced job status considerably. Thus, non-unionization could possibly be due to the political circumstances in interviewees’ home country. This was found to be the prime reason for migrating to Australia, and may have resulted in many Middle Eastern small business’s owners/managers having no faith in such unions, despite these businesses being governed and ruled by a totally different political and legal system, i.e. the Australian system, or that employees’ perception of union membership implies job insecurity or lower employment status.

The other three interviewees stated that they were members of relevant professional associations or organizations and attended regular meetings and workshops, as well as receiving publications to keep them up-to-date. Such meetings and workshops provided them with necessary information which proved to be vital to their businesses. Over all, entrepreneurs with more weak ties identified more opportunities than those with fewer weak ties (Singh et al., 1999). The current study results showed that around 19 per cent of the interview sample of 16 joined a business organization compared to 32 per cent in another Australian study of small business owner/managers’ interview sample of 25 (Gray, 1998).
Like the other 13 interviewees, the media and the internet were utilized as additional sources of information, as well as reading professional magazines, considered as vital sources of the latest in the business field. Some of the comments concerning receiving informational social support from key persons were:

*I often attend the business related workshops to be able to learn different ways used by similar businesses, to improve the quality of the service provided to increase my business opportunities. I also exchange business cards. This source of support proved to be vital to the business finances* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

*I am still to this day in contact with my personal mentor from (NEIS) course from whom I get ideas for advertising and the expansion of the services as well as I receive consultation and advice on business activities from* (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

*The original owner of the shop was Greek. He taught me everything I needed to know about the business, he stood by until he found me confident and capable of doing it by myself: I learned a great deal from him; he was so humane, a great man* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

The comments indicated that respondents value information, advice and guidance obtained from a broad range of media sources and/or professional associations. Such support can assist them to find more opportunities in the market keep them updated and make them more alert to any changes in the industry that may affect their businesses. According to Meltzer (2001) and Timmons and Spinelli (2009), participation in meetings and attending shows provides respondents with opportunities to examine products, learn more about existing and potential competitors, meet suppliers and sales representatives and learn more about market trends. Business owner/managers operate in an uncertain environment and acquiring up-date and relevant information could possibly make business easier.

Additionally, some respondents stated that they established and developed relationships with employees of other companies and businesses who have the power to make decisions about goods and services required in their workplace. People with purchasing power are significant sources of opportunities as they use respondents’ businesses whenever the need arises or refer them to others within their business and personal networks. Eight comments (approximately 18 per cent) referred to instrumental social support including:
I seek out networks with the leaders of other community groups...I sometimes go on my own way to introduce myself and the business to other communities’ people, especially those in positions who make crucial decisions, why not? They [other communities] all have social and cultural clubs and associations and organize different religious and non-religious events ... so you’ve got to be hands on (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, 17 employees).

I develop relationships with people who have the power and authority to buy from you such as the owners or managers of businesses ...I found most of these people through the “door knocking” routine (Lebanese male, 26 years old, 2 years in business, import and export, wholesale and retail business, 5 employees).

Thus, respondents receive assistance and material help from different sources in their personal networks. Such alternative sources may have a financial impact on their businesses. These comments also suggest that dealing with key persons sources of support respondents could possibly enlarge the size of their networks of relationships, and personal networks growth may imply business growth (Papadaki & Chami, 2002).

However, only four comments from participants (around 9 per cent) reflected emotional social support received from their key persons’ source. One particular comment showed how the small business mentor who assisted the respondent to cope with work stress and pressure, as well as to reflect upon decisions made to try to learn from mistakes made. Deakins, Graham, Sullivan & Whittam (1998) and Sullivan (2000) note that emotional support helps business owners reflect upon their actions and encourages them to learn from their mistakes, which brings about both behavioral and attitudinal change.

The other three comments indicated that when affairs are out of control respondents attend sporting clubs to help get things off their minds and reduce stress and enjoy a comfortable and relaxed environment, as well as to keep fit. This is particularly true when they encounter business and/or personal problems, for example,

I go to social clubs every once in a while for entertainment purposes. It’s something different from what I do every day, breaks the cycle of work and thinking of the same thing on and on. ... You also meet people and end up keeping in touch with them. It’s great (Iraqi male, 35 years old, 3 years in business, café and restaurant business, and 5 employees).
Surprisingly, only three participants utilized sporting venues and their facilities for their own physical health and psychological well-being. This is because participating in such activities not only improves one’s own health and provides opportunities to meet and communicate with others, but also contributes to improve particular social skills such as tolerance and respect for others, to develop self-concept and self-confidence (Keller, Lamprocht & Stamm, 1998; Svoboda, 1994; Wankel and Sefton, 1994), which could possibly energize them (the business people) and keep them motivated to fulfil the daily routine and eventually, achieve business objectives.

A total of four comments (around 9 per cent) mirrored appraisal social support participants receive from key persons in the form of encouragement, recognition, respect and admiration, for example:

*The landlord’s encouragement and recognition of our role in making the place pleasant and cozy as well as the quality and the range of food we sell* (Lebanese male, 25 years old, café business, 6 years in business, and 4 employees).

*The best feedback we have received on the business was receiving the store of the year award. … The sales improve all the time. Being store number one among 200 stores is great. Visitors from other similar stores come all the time and say: ‘we heard a lot about your store and we have come to see’* (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Thus, this type of support from key persons may increase self-esteem and boost respondents’ morale and productivity. According to a Melbourne small business owner, gaining a great deal of respect from professional people is a big step forward for a business (Meltzer, 2001).

### 6.6.4 Summary of Receiving Social Support and Further Personal Networks Sources Data

The analysis of the interviews’ transcripts indicated further sources of receiving social support. Despite people from respondents’ own community generating the highest proportion of support received by respondents, they received much informational support from key persons, and much appraisal support from their customers. Respondents also received much appraisal support from people from their own community compared with key persons.
6.7 GIVING SOCIAL SUPPORT AND FURTHER PERSONAL NETWORKS

Interviewees’ comments also reflected providing social support to the respondents’ further personal networks sources discussed in the previous section (see Figure 6.2). Their comments were categorized using the content analysis approach (see 3.8.1 and 6.2.1).

Table 6.3 shows a total of 95 comments respondents made concerning further networks sources of support in comparison to 143 comments regarding receiving social support. The highest number of these comments related to people from own community, 62 (65 per cent of the total). Table 6.4 provides details of the frequencies and percentage frequencies for each category.

6.7.1 Giving Social Support to People from Own Community

Table 6.4 shows that the largest proportion of the respondents’ comments (50 per cent) referred to instrumental social support provided to people from own community, while only 6 per cent echoed appraisal social support.

Thirty-one comments reflected instrumental social support to people from own community; such support was provided in many ways and forms. Twenty-six (84 per cent) referred to sponsorship and advertising campaigns (making use of all types of Arabic media) for religious, social and cultural events organized by their community members. The comments also indicated that respondents offered financial support to members of their own community when they experienced financial difficulties. For example, they helped out as much as they could when someone was sick or in the hospital, or when families lost loved ones. Other comments reflected respondents’ participation in community fundraising activities by donating money, giving out vouchers and raffle prizes or providing catering for these events either at discount prices or free of charge. They also provide free catering and services for funerals of people deceased in the community. Other comments were:

...I offer vouchers and complimentary services at different fundraising events such as raffle ticket draws...particularly when the leaders of our church and the community decided to build another church to accommodate the growing community (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).
... I have sponsored many festivals and events such as the two holy events: Ramadan and Eid Al-Adh'haa. I also offer discounts and provide free of charge delivery (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

The other five comments (16 per cent) reflected other types of intangible support, for example:

My wife and I try to return the favour of our Lebanese neighbour who looked after our kids’ transport, by looking after their kids too. It works both ways. We consider ourselves one family. There is a lot of cooperation there (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

I supported a guy from my community when he started a business similar to mine by offering him a place to store the stock for the first few months until he was able to build himself up (Lebanese male, 44 years old, import and export and wholesale business, 8 years in business, no employees).

Overall, the above comments suggest that it is very important for some respondents to be actively involved in their own community events, both religious and social; to keep the community united and encourage people to work together and devote time for the community to be successful. After all, respondents’ active participation in religious events may broaden their personal networks, which could possibly result in them receiving greater support (Ellison & George, 1994; McIntosh & Alston, 1982; Maton, 1989; Ortega, Crutchfield & Rushing, 1983; Taylor & Chatters 1988), particularly where such support is mutual. Moreover, the comments above may also imply that some respondents feel that they are ethically and socially responsible and that they have a commitment to give back to the community (Dawson, Breen & Satyen, 2002; Grzyb, 2007; Western Australian Community Foundation, 2006). In the end, all benefit.

Additionally, respondents believe that it is very important to attend and participate in religious gatherings, social and cultural meetings and occasions as well as happy and sad events in one’s own community. As it is part of their social obligation, people from the Middle East believe that it is their duty to participate to show their people that they are part of the community. Regardless of how close the deceased or their families are to participants, all of the 16 interviewees stated that they attend funerals out of respect and to comfort the families. Respondents also spoke about attending more happy community events such as weddings and christenings to share in
and celebrate these occasions. A total of 18 comments reflected emotional social support including:

...I attend my community funerals in respect of the people involved and make them feel that they are not alone. ...I also attend different parties to share and celebrate the occasion with my people. (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

...every person has a duty to show concern and take part in things organized by his own people. ... I also believe that if you love your home country, you find it easy to love the country you live in, which is Australia, where the same home traditions are followed (Lebanese male, 67 years old, manufacturing, wholesale and retail business, 35 years in business, and 17 employees).

Regardless of the occasion, sharing in personal, social and cultural events within the respondents’ own community may well strengthen their relationships with those people, and may eventually lead to an increase in the respondents’ clientele. People in general, and Middle Eastern people in particular, feel ashamed and embarrassed if they do not also support those who supported them in their own time of need, particularly during personal crises.

Further, some comments indicated that respondents provided information, advice and suggestions to their church leaders, leaders of other groups and their own community people regarding specific business events and what they can offer, particularly within their own community and generally within the Middle Eastern communities. This makes people aware of what is happening in these communities and what their business people can provide. So, participants act as a conduit between people from their own community and others. Further, participants also spoke of providing information and advice to people from their own community about starting a business and referring them to professionals to make sure they are financially armed. A total of nine comments (15 per cent) reflected this informational support including

People from my own community approach me for information about other businesses that they may benefit from. I become a link between my people and the business people in the community and in other communities (Iraqi male, 35 years old, 3 years in business, café and restaurant business, and 5 employees).

If I am unable to provide catering services for functions organized by people from my own community, I then refer them to other businesses that can provide them
with what they need. I will try to help out by ensuring that the services being offered by other businesses are up to the standards of the customers (Lebanese male, 50 years old, restaurant business, 17 years in business, and 19 employees).

Thus, providing information about other business people to people from own community, respondents may directly or indirectly broaden their personal/social contacts, and therefore attract more business deals from the two groups. This would possibly increase the likelihood of creating new successful business activities.

However, only four comments (6 per cent) reflected appraisal social support. Phrases such as giving them feedback on their business activities, advice on how to deal with difficult employees, or solve some business problems, as well as:

A good relationship with staff of one of the largest and prestigious Arabic newspapers in Australia was established when I started sending a copy of each release of my community church quarterly publications praising their accomplishments. I wanted to inform them how the church and the community work together and make them well known (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

Despite only four respondents providing this type of support, the comments above show that these interviewees have the desire to promote the positive aspects of the community to others, and/or to provide support to people where they can. Community involvement can thus act as a form of promoting the business and its positive image represented by the person(s) behind the business. Over all, regardless of the type of support respondents provide to their own community, interviewees’ maintaining presence in their own community could possibly help to reduce negativity and promote trust.

### 6.7.2 Giving Social Support to Customers

Table 6.3 shows respondents made a total of only 20 comments (21 per cent) with reference to all types of social support except emotional support where no comments were made. As many as 35 per cent of comments each related to appraisal and informational social support, while comments on instrumental social support represented 30 per cent of the total.
Many comments reflected an acknowledgement of customers’ loyalty and honesty. These loyal customers are offered discounts and other privileges, such as free delivery. Respondents do not aim to favour particular persons or groups, or provide superior customer service to such people, but rather to show courtesy and respect to those who contribute most highly to their businesses. Seven comments referred to **appraisal social support** including:

... *I reward those loyal customers. I might give them an expensive item for free or deduct certain amount of money from the total sale price, or just give them two vouchers instead of one at times of promotion. Yes, they deserve it. ... If customers are unhappy, they don’t tell you. Even in case they are happy, they still don’t let you know. But those customers I reward they do. They provide me with feedback about me and my business ...* (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

*I do reward my loyal and faithful customers. I normally offer them discounts on items they purchase or give them free products to taste and sell* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

Thus, acknowledging and rewarding customers for their loyalty to the business, as well as for being honest in providing truthful feedback about products and/or services would increase the likelihood of business deals. Once again, those customers may spread the good word about respondents’ businesses among their families and friends. The word-of-mouth and storytelling advertising works effectively and is more influential than any other form of advertising as people, in general, are sceptical towards the advertising message, but they trust the opinion of family and friends. Providing any form of appraisal support to customers would highly likely lead to positive results. According to reinforcement motivation theory people are more likely to repeat desired behaviour if they are rewarded as a consequence (B. F Skinner, 1953, as cited in Stone, 2008). Add to that, using discounts and special offers could possibly reduce the pressure of competition that almost all small business owner/managers face in the present world of business (Bowen et al., 2009).

Additionally, respondents’ comments indicated that they share their work experience with their loyal and trusted customers, and refer those customers who are interested in getting into the same line of business to relevant bodies such as lawyers and financial advisors. They also indicated that they provide customers with information about other business people when the
need arises such as the plumbers, electricians, etc. Seven comments reflected informational social support including:

If my customers require further treatments, I refer them to others in the field such as chiropractors (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

As I previously worked as a customs broker, my customers turn to me for information and advice on how to send certain items to their families overseas (Lebanese male, 26 years old, 2 years in business, Import and export, wholesale and retail business, 5 employees).

Respondents’ sharing business knowledge and experience with their customers and referring them to other businesses could possibly make customers feel more valued which may, in return, encourage them to do business with them more often. Other businesses could also be encouraged to start dealing or continue dealing with respondents’ businesses, thereby broadening their circles of personal networks.

Finally, some respondents stated that they delayed payments for services provided when customers experience financial difficulties or have not yet received their wages/salaries, or that they donate money, food and/or services when customers organised a fundraising event. A total of six comments reflected instrumental social support including:

Occasionally, customers ask to delay payments on services provided [debit] if they encounter financial difficulties ...It’s normal. ...I understand that it is a risk or that you are leaving the door wide open; but I happily do that as they are my customers (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

If my customers organize a fundraising event to do something the community will benefit from, then I either donate money or provide food and the like (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

These comments suggest that some respondents show their appreciation to customers by providing them with practical help and financial aid. Such support may well be reciprocated in that customers may act as business ambassadors telling their family and friends about their businesses. Showing willingness to support customers, and demonstrations of goodwill may lead to business survival.
6.7.3 Giving Social Support to Key Persons

Of the 95 comments relating to giving social support to the respondents’ further personal networks sources, only 13 comments (14 per cent) related to key persons. These comments only reflected instrumental and informational social support. That is, participants made no indication that they provided key persons with emotional or appraisal social support.

These comments indicated that the respondents provided material and non-material help such as giving discounts, sponsoring and promoting events organized by different community groups, or donating money and/or providing additional services to such events. A total of seven comments (over 50 per cent) echoed instrumental social support including:

*We live in a multicultural country, it’s nice to see what other people eat, what their main meals are, how they talk, dress, dance and sing. This is all different... I believe it is very important to participate in and sponsor other communities’ social events* (Iraqi male, 44 years old, retail business, 17 years in business, and 5 employees).

*I do sponsor two local football clubs as well as one of the community’s FM radio stations. They also use the business location as a meeting place [Big posters of the players of the two clubs and the radio station were hung on the wall facing the seating area]* (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

The comments suggest that, despite the busy personal and work lives of respondents; they play an active role in keeping the media and community associations alive and well in Australia’s multi-cultural society, especially in the Middle Eastern wider community. The on-going engagement with various community organizations could also be viewed as critical to the success of the business.

Further, participants recalled stories about providing key persons sources of personal networks with information and advice which assisted them in accessing help they required or in making personal or business related decisions. A total of six comments (46 per cent) reflected informational social support including:
I provided a network of eighty-eight people of Chaldean, Assyrian and Syriac members of the Iraqi, Lebanese and Syrian communities with information, advice and suggestions about organising social and educational events to get the three communities together. The members meet monthly at the business with minimal cost (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

I provide managers of other businesses with information regarding other business people that they might benefit from (Lebanese male, 26 years old, 2 years in business, Import and export, wholesale and retail business, 5 employees).

It seems that there exists an effective interaction between respondents and this circle of personal network. Such interaction can create an emotional connection to business people and their products and/or services and therefore, may influence potential customers’ purchasing.

6.7.4 Summary of Giving Social Support and Further Personal Networks
Sources Data

Further sources of giving social support emerged from the analysis of transcripts. Despite providing no emotional support to either customers or key persons, and nor appraisal support to key persons, this sample of Middle Eastern owner/managers provided much support to people from their own community, specifically instrumental and, to a lesser extent, emotional support.

6.8 RECEIVING AND GIVING SOCIAL SUPPORT AND BUSINESS PARTNERS

Six of the sixteen interviewees were in business partnership with another person, i.e. around 38 per cent of the interview sample. Since a total of 33 comments echoed both receiving and giving social support from and to business partners, it seemed more appropriate to create a special category carrying this source of personal networks and another labelled receiving and giving social support. In the current study business partners serve as informal/strong ties sources of receiving and giving social support. The largest proportion of respondents’ comments (37 per cent or 12 comments) was related to appraisal social support (Table 6.5).

Participants made 33 comments, each reflecting both receiving and giving particular types of social support from and to their business partners, for example, 12 comments each reflecting RSS Appr and GSS Appr, 8 comments each indicating RSS Inst and GSS Inst, etc. Therefore, these numbers were then added to the total number of all types of receiving and giving social
support from and to the respondents’ ten personal networks sources of support upon which this chapter’s final conclusions can be drawn.

### Table 6.5

Analysis of Interview Data: Business Partners and Social Support-Reciprocal Relationships

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<td>-Business Partners</td>
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*Percentages have been rounded*

Respondents’ comments revealed that *business partners* are perceived as supportive of each other by showing respect and admiration, yet acknowledging each other’s differences, and relying on each other’s strengths and contributions to the business. Trust exists between partners regarding money matters. The comments also indicated that the partners evaluate each other’s advice by providing feedback; and then working together to assess the problem and find solutions. These interactions can ease the pressure of daily business operations. Twelve comments (37 per cent) reflected *appraisal social support* including:

*My partner and I regularly meet and discuss the problems each is experiencing with the other or with the business ... we acknowledge our differences and put our arguments into one basket and we try to resolve them. Notwithstanding, we show each other respect and admiration for what we do* (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

*You think you can do everything by yourself and in your own way, but it’s wrong...Giving and taking feedback, checking each other’s advice or telling them how good they are is the most rewarding thing working with them [the partners]* (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

The content of these comments suggests that respondents adopt the notion of open communication, which plays a vital role in achieving positive results. For a partnership to continue to exist, partners need to understand each other’s needs and differences and work hard towards eliminating or minimizing these differences. Trust is also central to the survival of this
type of legal structure, specifically in fulfilling business obligations and in taking actions that promote a healthy and safe workplace.

Additionally, a number of respondents’ comments indicated that business partners provide each other with both physical and material assistance by taking on more responsibility for the business when one finds it difficult to do their share. For example, if one is ill, takes a day off or simply needs to attend a particular event, then the other partner(s) help out with the business. Other comments signify the notion of give and take in which partners compromised in order to continue building effective working relationships with each other and survive. Eight comments (24 per cent) illustrated instrumental social support including:

*We all need some time off or have other things to do in our lives; or simply when one of us feels sick. So we help each other taking care of the business. On one occasion I fell off the ladder and broke my hand and was away for two months. My partners looked after the business…I feel that I receive enough support from my business partners* (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

*We [the partners] support each other even when it comes to personal situations. For instance, when establishing the business, we experienced financial difficulties. We approached locals and banks and were rejected by too many of them. During this period, the partners supported each other by putting together the assets that we have into the business. On another occasion, one of our partners wanted to buy a house and did not have the needed amount, so we supported the partner financially. Actually, we all support each other financially* (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

The comments above suggest that partners may well share common goals and values in establishing and managing the business and therefore increase partners’ contribution to the business and to each other. Such contributions may include instrumental support such as financial aid or assistance in carrying out daily activities. These contributions may play a role in promoting the success of the business.

Other comments revealed that respondents offer empathy to their business partner when they experienced difficulties or problems with acquaintances, or just need to talk about distressing matters for example, *my partner and I always talk through the problems and listen to each other…if you keep it inside it just blows out of proportion.* Seven comments (21 per cent) reflected emotional social support including:
If any of the partners experiences a tragedy or loss we all support and make sure that at least one of us is with the one who needs comfort and companionship so he doesn’t feel alone… (Lebanese male, 39 years old, 15 years in business, restaurant business, 18 employees).

We [the partners] sit down and talk, at the start of each month, and listen to each other’s problems and concerns. …You feel comfortable talking to your partners and you are not alone (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

The above comments suggest that the business environment is overall positive, healthy and safe. Respondents may consider business partners as like a second family by sharing problems and caring about each other’s welfare. Such a healthy atmosphere may encourage the continuity of the partnership.

Six comments (18 per cent) reflected informational social support. For example, partners exchange ideas, information and advice and provide solutions to business problems. Other comments were:

*We [the partners] exchange information about what’s new, what’s good and what’s not. I believe that updating each other’s knowledge helps us in doing things better and keeps us alert to new business matters* (Lebanese male, 39 years old, 15 years in business, restaurant business, 18 employees).

*The advantage of having partners is that we have different ways of thinking. Everyone has different ideas and we try to apply them…Sharing ideas and opinions is very important so we can improve our business* (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

These comments suggest that respondents are adopting a proactive approach in that they keep each other updated and alert to new business matters. Thus, this could possibly lead to the discovery of new opportunities available in the market such as anticipating market demands or the expansion of products/services offered. According to Woo et al. (1989) enterprises owned/managed by the two or more partners are more likely to be successful than those operated by one.
6.8.1 Summary of Receiving and Giving Social Support from and to Business Partners Data

A number of interviewees’ comments mirrored both receiving and giving the four types of support from and to business partners. Thus, the analysis of these comments indicated that respondents received and provided much appraisal support from and to their business partners followed by instrumental support. Emotional and informational social support were evident to a more limited success.

6.9 SMALL BUSINESS SUCCESS

During the interviews, business success was explored in some detail, including the reasons for success and barriers to success.

6.9.1 Reasons for Success

In order to understand what small business owner/managers believe they need to do in order to be successful, the following questions were asked:

Can you relate a story/stories of a situation (s) where a particularly significant relationship in your personal network with one or more of the members proved to be vital to your ability to start/manage your business activities?

What are the advantages you get of having these personal networks of relationships?

What are the reasons for developing alternative sources of support?

What have you found to be the most significant reasons to success?

How do you know whether you are doing well in business or your business performance is effective and efficient? and

What do you need to make your business successful?
The respondents’ perceived reasons for business success were analysed and identified utilizing the content analysis and constant comparative method approach (see 6.2.1 and Figure 6.1). One way to classify the respondents’ comments was to categorize them into internal or external reasons for success. Thus, the results indicated that respondents primarily attributed their success to themselves, i.e. internal factors, and secondarily to external factors. That is, the sixteen respondents made a total of 151 comments, almost ten each on average, reflecting reasons for success of which 86 (or 57 per cent) were classified as internal and 65 (or 43 per cent) as internal.

However, Table 6.6 shows how the respondents’ comments were categorized according to the largest number of comments based on categories that served the purpose of this study. Thus, the perceived reasons for business success identified by the respondents were: (1) personal networks and social support as follows: (i) existing informal personal networks and social support sources; (ii) existing formal personal networks and social support sources; (iii) considering other personal networks and social support sources; and (iv) closeness to Middle Eastern communities; and (2) personal attributes as follows: (i) trust, honesty and respect; (ii) English language proficiency; (iii) speaking LOTE; (iv) satisfying customer’s needs; and (v) ambition and hard work.

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<td>ii. Existing formal Personal Networks and Social Support Sources</td>
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<td>14</td>
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<td>iii. Considering Other Personal Networks and Social Support Sources</td>
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<td>13</td>
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<td>iv. Closeness to Middle Eastern Communities</td>
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<td>ii. English Language Proficiency</td>
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<td>iii. Speaking Languages Other Than English (LOTE)</td>
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<td>v. Ambition and Hard Work</td>
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*Percentages have been rounded
6.9.1.1 Personal Networks and Social Support Sources

The most frequent number of respondents’ comments (84 or 56 per cent) reflected personal networks and social support, of which 26 (17 per cent) related to existing informal personal networks and social support sources.

6.9.1.1.1 Existing Informal Personal Networks and Social Support Sources

Respondents recognized the benefits of informal personal contacts; they are assured that their businesses are supported by these people and they believed this support can help them achieve business success. Their businesses would not have been successful without the support of immediate family; having the help of many extended family members contributed to their business survival; business partners played vital roles in achieving the business goals; having many caring and considerate friends eased the stress of dealing with day-to-day issues, and respondents’ businesses were expanding because of the different types of support their own community provides them with, particularly instrumental through business dealings and spreading the word. As several respondents put it, no relationships no business success, business success depends on whether you are able to get the kind of help you need from people around you and do not underestimate your own community. A considerable number of respondents’ comments (26) or 17 per cent of the total, reflected informal sources of support including:

I strongly believe that the starting point for success is having the full support of my family (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

...Friends form a strong network of relationships that have good impact on my business success...they are there to support me when I am experiencing any problems (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

These comments indicate that respondents cannot possibly afford the risk of losing such personal networks. Having an active, informal and personal network circle may also boost respondents’ self-esteem and self-confidence, which are an integral part of personal happiness and achievement. Added to this is the fact that one way to reduce business expenses is through voluntary work, that is, through cost-free advertising (the word-of-mouth) that informal sources may well, to a great extent, play a vital role in the survival of respondents’ businesses.
6.9.1.1.2 Existing Formal Personal Networks and Social Support Sources

Various comments echoed the four types of social support that respondents received from their formal weak ties. For instance, respondents attributed their success in business, in part, to their loyal and dedicated employees. They also reported that having reliable suppliers contributed to their business survival and that receiving critical information and sound business advice from the business accountant, financial advisors and solicitors reduced uncertainty in making business decisions or solving problems. Loyal customers who provide the respondents with information and feedback about products and/or services were also seen as a factor in business success. Twenty-one comments (14 per cent) reflected formal/weak ties personal networks including:

No doubt, the support I get from my employees is so critical to the business surviving (Lebanese male, 26 years old, 2 years in business, import and export, wholesale and retail business, 5 employees).

It proved to us that the relations with accountants, bank managers, financial advisors and the legal personnel are very important in running the business. They open our eyes widely to a number of critical business matters (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Customers are extremely important to any business. It's just common sense, no deals no meals [means no success] (Lebanese male, 25 years old, café business, 6 years in business, 4 employees).

Thus, the above comments indicated that such formal networks are mandatory for survival and success of any business. Therefore, the above comments contradict the notion that formal “weak ties, often denounced as generative of alienation” (Wirth, 1938, as cited in Granovetter, 1973:1378).

6.9.1.1.3 Considering Other Sources of Support

Stromback and Malhotra (1994) and Waldinger et al (1990) state that the ethnic market is considered by many ethnic small businesses as an attractive initial market, although they subsequently broaden their horizons to cater for other communities. Waldinger et al. (1990) then argue that, if ethnic businesses do not consider markets outside their ethnic niche, their potential expansion and growth is constrained. Thus, out of 19 comments (13 per cent), 14 (around nine
per cent) indicated seeking customers other than those from their own community and other communities they initially targeted: seek customers from other backgrounds; customers from other community groups are of greater use to the business; other community groups have a great impact on my business success; business success doesn’t just depend on own community; and to succeed don’t limit yourself to one market. Some of these comments were:

Depending solely on my own community would limit other opportunities available to me in the market (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

I just need to find alternatives ... just in case I lose any of the sources within my business in general and the customers in particular (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

Clearly, to compensate for any lost clientele base due to increased competition for such a market, respondents would naturally look for other sources to stay in the market. Possibly, too, respondents may tire of giving concessions to persons from their own community at the expense of their business, or some of their community customers may look outside their ethnic businesses fearing these ethnic businesses would gain financial rewards.

The other five comments in this section (around three per cent) indicated that respondents sought diversity in their sources of supplies, especially when a supplier does not have a particular product that is urgently needed by the respondents, or when products are offered at lower prices by other suppliers. For example:

... To succeed in business, don’t limit yourself to one supply source. ... When losing any of my suppliers or when they are unable to provide me with certain supplies then I have alternatives. If I have the opportunity to stretch my services, then why not (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

Evidently, this diversification in sources of supplies may not only provide respondents with the opportunities of obtaining the best deal, but this may also enable them to develop and broaden their relationships with different suppliers. Having alternatives would presumably create a higher chance of survival, particularly when they have urgent demands.
Generally speaking, in order to survive economically, small business owner/managers need to learn how to acquire a set of skills in order to adapt and accept other communities’ cultures, and to enable them to function effectively, especially in a multicultural environment. This is referred to as ‘acculturation’ (Kim, 1988). Thus, the comments in this section imply that, respondents who integrate into other different cultures may actually have developed the skills required to assimilate to such cultures and may have an advantage over those who do not, in that they may better know their living patterns and life styles, and understand their needs and expectations regarding the products they sell and/or services they provide. Cross-cultural adaptation and accepting new environments, while maintaining their own, is a great advantage as it provides business owner/managers the opportunities to interact and communicate with a wider range of customers, employees, and suppliers from different cultural backgrounds. What successful owner/managers do is ensure alternatives are available, thus observing the proverb ‘do not put all your eggs in one basket’. In the end, whatever the motivation, networking is crucial for a firm’s success (Franco, 2003; Teng, 2007).

6.9.1.1.4 Closeness to Middle Eastern Communities

Several researchers (Bowen et al., 2009; Davidsson, 1991) found that favourable geographic location has a positive impact on business performance, specifically business growth. While not all interviewees run businesses that cater to customers from particular ethnic backgrounds, nine of the 16 respondents do operate in such a market. Their comments reflected that a prime motivation for choosing their business location was proximity to where people from their own community reside, at least to start with, as one respondent said, as well as to other Middle Eastern communities. Additionally, a few respondents mentioned servicing other communities which hold a number of similar cultural aspects to their own, such as cuisine, dietary requirements and the fashion in which they celebrate their happy events. Examples of such communities are the Turkish, Greek, Persian and Croatian, just to name a few. Nine comments (six per cent) echoed this closeness to Middle Eastern communities:

...It’s [the business] closeness to the Middle Eastern communities. Many of those customers introduce their friends from other communities to my business...
(Lebanese male, 31 years old, 2 years in business, manufacturing and café business, 4 employees).

It’s [the location] close to the Middle Eastern communities; many Arab businesses are located in this area and they are my main customers ...
(Egyptian male, 36
years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

Thus, these comments indicate that these communities provide not only instrumental social support by shopping at the businesses, but may also portray the positive image of the business to their families and friends, and thus provide the owner/managers with appraisal social support. These comments also imply that respondents had studied their business location and the demographic profile of the population surrounding the area, i.e. the existence of the likely customers, and that they had identified the needs and expectations of such customers. According to English, Josiam, Upchurch and Willems (1996) and Olsen (1987) clear identification of a target market and its needs for products and/or services may contribute to business success.

When the opportunities were offered to six of the nine respondents to add adjacent shops to their existing businesses, they considered expanding by adding other lines of work such as dealing with other products; adding additional items to the menus or proving additional services to customers, rather than moving to another location. As their businesses were well established they felt that moving would require promotion and the establishment of new clientele and relationships with clients, which would take time and money. Also, they were familiar with the surroundings, they were happy with the current business location and customers [were] also happy. One respondent described the location as a gold mine. Six comments (four per cent) illustrated this:

*I would like to stay here because I am content with this location and its closeness to Middle Eastern communities...However, I am considering expanding the business instead of moving to another location* (Iraqi male, 35 years old, 3 years in business, café and restaurant business, 5 employees).

Three interviewees were intending to move their businesses to other locations to accommodate growing demands, and to take other opportunities available to them in the market. This location would have to be somewhere close to the area of current operation so they could maintain their clientele base, particularly people from their own community and other similar communities. Three comments (two per cent) illustrated this section including:

*Since being in business, I have changed the location three times; and I am intending on shifting to another location around this area...larger to house all of my growing business needs...and more suitable for particular products I added to my business*
Generally speaking, the comments suggest that respondents are content with their business location mainly because it is close to people from their own community and other particular communities. Even so, a few respondents were considering moving to another location due to business growth demands, with the proviso that the new location must be close to their own people. The comments also suggest that respondents may deal with products and services that serve the unique needs and demands of such communities, which make them successful; otherwise, they would not have emphasized staying around the same neighbourhood. The location of a business, particularly if it serves an enclave market influences business success (Kallerberg & Leicht, 1991; Kraut & Grambsch, 1987; Wilson & Martin; 1982).

6.9.1.2 Personal Attributes

Table 6.6 shows that 67 comments (44 per cent) echoed personal attributes required for success, of which 21 (14 per cent) reflected trust, honesty and respect. The remaining comments reflected other reasons for being successful, namely English language proficiency, speaking LOTE, satisfying customers’ needs and ambition and hard work.

6.9.1.2.1 Trust, Honesty and Respect

Respondents identified a number of factors they believed had contributed to their success in running their businesses. Their comments indicated that they highly valued the trust and honesty in all of their relationships with families, friends, suppliers and, most importantly, with customers. A number of respondents stated that being pleasant, being open, holding the right values and showing the right attitude towards people work well for both themselves and other people within their personal networks. Their businesses are largely successful because of these attributes, and they feel that if they were to change the way in which they deal with people, their businesses would suffer. Comments like owner’s traits such as respect, honesty and trustworthiness; being honest determines my network of relationships; holding the right values is what make me a better business owner; approaching people and becoming friends with them; and business success is the way in which employees are treated reflected some aspects of this category. Twenty-one comments (14 per cent) mirrored this including:
I believe that my business is successful due to being reliable and treating both my employees and customers with fairness and respect (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

You have to serve and help others in need. You don’t see yourself that you are the best and others are inferior to you. I believe respect what makes you a successful business (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

The comments suggest that holding positive personal values may influence the type of behaviour that respondents exhibit in their day-to-day activities, which in turn may have a positive impact on their business performance. In today’s world, businesses are conducted in a turbulent business environment and are confronted with different expectations from their diverse networks to behave in a socially responsible way. For small business owner/managers to succeed, it is particularly important that they display values such as reliability, honesty, fairness, respect and trustworthiness. Several researchers have identified successful owner/managers with these personal values (England, 1975; Kamakura & Mason, 1991; Rokeach, 1973).

6.9.1.2.2 English Language Proficiency

According to Hearn (1982:44) “one indication of the likelihood of success in extending business operations beyond ethnic clienteles seemed to be [business owner/managers’] proficiency in English”. Thus, all interviewees believe that proficiency in English is important in order to deal successfully with those who cannot speak one’s own language, such as suppliers, employees and, particularly, customers. A number of respondents who travel abroad for business purposes indicated that English is the language used for business in these countries, even though it is the second language there. Other comments revealed that respondents prefer to employ people with English competency, particularly those who deal with health and safety authorities and look after such matters. Sixteen comments (11 per cent) were evident including:

I believe that if anyone cannot put in the effort to learn English, it will be very difficult for that person to succeed or to get somewhere…. I will not miss any sales...open the door to more communication and more friendships...talk and express your feelings clearly. Business is not just money these days (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

I will not take them on [employees] if they don’t speak English well; otherwise, the business will suffer... you’ve got to express yourself well to the customer and suppliers who do not speak the languages one can speak ...(Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).
Despite the fact that Arabic and/or Neo-Aramaic-Chaldean/Assyrian/Syriac dialect were sometimes used in the course of the interviews, English was mostly utilized. All in all, respondents demonstrated the ability to express themselves in English well. Their comments thus suggest that it is essential to have the ability to speak English, not just as it is the language of the country, but also to succeed in one’s endeavours. Also, speaking English proficiently business owner/managers are more likely to extend their personal networks beyond family, friends and own community, and therefore may probably gain more opportunities for business survival and growth.

6.9.1.2.3 Speaking Languages Other Than English (LOTE)

Of the 16 interviewees, ten (7 per cent) indicated the importance of speaking language(s) other than English, reasoning that a significant number of customers and suppliers speak Neo-Aramaic-Chaldean/Assyrian/Syriac dialect, Greek, Turkish and/or Arabic. Those people cannot necessarily effectively express themselves in English. Speaking such languages would increase the number and range of customers and suppliers available to the business. Respondents’ comments also revealed that attending to customers’ needs and listening to and handling their complaints, particularly those who cannot express themselves well in English, benefits both the business and its customers. Thus, ten comments mirrored speaking LOTE including:

“My three employees are from three different cultures; and they speak four other languages as well as being fluent in English. ...If you look at the pattern here, we cover more than six or seven languages; so that’s why we are successful...Being in a multicultural suburb ...this really helps a lot (Iraqi male, 44 years old, retail business, 17 years in business, 5 employees).

There are customers who walk in and feel more comfortable and confident talking to me in a language we both speak and understand... you can create more sales and establish much better relationships with the customers (Lebanese male, 44 years old, import and export and wholesale business, 8 years in business, no employees).

The comments suggest that speaking LOTE helps respondents to not only communicate and establish relationships with co-ethnic customers and suppliers, but also with other communities. Undoubtedly, this gives a competitive advantage over other businesses (Liu & Louw, 2009), particularly where speaking LOTE is essential in businesses such as local real estate agents,
brokers, medical centres, and similar others. Thus, expanding the clientele base could perhaps lead to more opportunities reaping financial rewards.

6.9.1.2.4 Satisfying Customers’ Needs

Surprisingly, out of 16 interviewees, 11 identified this category as one of the reasons for success. One would have expected that all respondents reported satisfying customers’ needs as one of the most significant factors in achieving an effective and efficient business. Respondents felt that they should be socially responsible and have a duty to respond to the different needs of the customers. For example, if a product is required by customers or special services are needed, such as home service, then they try their best to order it or provide such service. Where unable to do so, then they would try to refer the customer to businesses that can help. Additionally, respondents believe that accommodating, to the best of their abilities, the religious, social and/or cultural needs of customers is crucial as more opportunities for the business to grow. For example, Hindu or Muslim customers have particular dietary requirements in common, and some female customers prefer a female to provide particular services rather than a male. One respondent put it, you’ve got to keep them [the customers] happy to bring in your orders. So, satisfying customers’ needs is a priority for respondents. Eleven comments (seven per cent) made this point:

For traditional, religious and cultural reasons, some females prefer to receive a massage from a female masseur rather than a male. More opportunities for the business mean success. (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

My business caters for a lot of religions and nationalities. Sometimes I get customers who want a specific type of food required by Hindus, or like Halal meat required by Muslims. I am always able to provide it for them and I see that as a success (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

The comments above suggest that respondents adopt a proactive customer service approach towards accommodating the diverse needs and requirements of customers. The term proactive (of a strategy, for example) means that small business owner/managers try to control the business by acting in advance making something happen rather than waiting to react to it after it happens. By so doing, business owner/managers tend to secure a considerable proportion of the market that could be easily lost to competitors otherwise. Adopting such a proactive strategy can
possibly help respondents anticipate and understand the different customers’ needs and requirements and, in this case, their values. This may, in turn, contribute to promoting the caring nature of the business and increasing its deals (Fischer & Reuber, 1995).

6.9.1.2.5 *Ambition and Hard Work*

Business people who value ambition, hard work and commitment have been identified as successful business people (Cunningham & Lischeron, 1991; DeCarlo & Lyon, 1980; Duchesneau & Gartner, 1990; Meltzer, 2003; Sharir & Lerner, 2006). The following terms were exemplified in this category: *put the hours into the business; work hard to fulfil the dreams; work hard to improve finances; your ambition to grow bigger; and invest the hard work to keep the business running*. Additionally, one respondent spoke of the hard work needed to re-establish the business which involved getting rid of many unsaleable products and stocking almost triple the number of products in store when the respondent purchased the business. Through trialling many different products, the respondent became aware of the brands customers were more satisfied with and the types of products that work better. Moreover, this respondent introduced additional services to the business in an attempt to maintain its customers and bring in new ones. The respondent concluded that *this was a major reason why the business is a success*. Nine comments (six per cent) reflected this category as well as:

*There is no secret behind any successful business. If you want to be successful, then you have to work very hard for the business. Working long hours every day I think I reaped the good fruits* (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

*To be able to go into a business, you’re going to put the hours in. You try and improve your actions to expand and grow bigger, so that the extra hours and the effort you put in are worthwhile in the long run* (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

The comments above suggest that the respondents have a strong desire to survive and improve their business operations seeing that they devote long hours to their business to fulfil their dreams and reap the rewards. Also, making an incredible amount of effort into their businesses could possibly overcome the challenges they encounter which may otherwise result in various psycho-social consequences insofar as failure to survive is considered an embarrassment in so many ethnocultural settings. Ambitious entrepreneurs were identified with a stronger commitment to the success of the business and more motivation to work hard to grow their
ventures (Gundry & Welsch, 2001). Previous research concluded that the primary resources for business success of immigrants in early 20th century America were the networks of mutual aid and trust, rather than of hard work and individual achievement (Cummings, 1980; Light, 1972). Thus, the current study results suggest that, despite not being the chief reason for the respondents’ business success, respondents’ businesses may well continue to survive and grow.

6.9.2 Barriers to Success

Whilst the respondents perceiving their businesses as successful, the voyage had not all been smooth sailing. Respondents revealed a number of barriers that hindered their business success. Several researchers have investigated factors that contributed to small business failure and classified them broadly, into ‘internal to the firm’ (thus subject to owner/managers’ control), and ‘external to the firm’, or as Berryman (1993) categorised them, internal and external causes respectively. Despite the fact that external factors such as complex tax structure, credit market conditions, infrastructure expenditure amounts, lack of institutional support, limited access to finance, sales tax rates, strong competitiveness and a weak economy were found to be reasons for business failure (Chen & Williams, 1999; Everett & Watson, 1998; Franco & Haase, 2009; Melicher & Hearth, 1998; Platt, 1989; Platt & Platt; 1994; Williams, 1986), most studies found that internal factors, for instance, lack of innovation, low educational levels, obsolete technology, the inability to maintain good records, inadequate or unreliable employees, inadequate social capital, poor management or lacking management strategy and vision, outstanding corporate debt were to be the chief causes of small business failure (Chen & Williams, 1999; Franco & Haase, 2009; Gaskill, Van Auken & Manning, 1993; McMahon, Holmes, Hutchinson & Forsaith, 1993; Peacock, Palmiero & Spatharos, 1988; Perry, 2001; Perry & Pendelton, 1983; Williams, 1986). Drawing on the above theories and studies, the following questions were asked during the course of interviews to elicit comments concerning barriers to business success:

Can you relate story/stories where people in your personal networks proved to hinder your ability to manage your business effectively and efficiently?

What effects, if any, would the loss of a source(s) in your personal networks have on your business performance? and
What have you found to be the most significant barriers to success?

Using content analysis and constant comparative method (see 6.2.1 and Figure 6.1) the respondents’ perceived barriers to business success were identified. When classifying the respondents’ comments into internal or external barriers to success, the results revealed that external causes outnumbered internals, that is, 49 (or 57 per cent) and 37 (or 43 per cent) respectively. Therefore, contrary to previous studies which concluded that internal factors were the primary causes of small business failure (for example, Chen & Williams, 1999; Franco & Haase, 2009; Gaskill et al., 1993; McMahon et al., 1993; Peacock et al., 1988; Perry, 2001; Perry & Pendelton, 1983; Williams, 1986), the current results provided evidence to suggest that external barriers were the main causes for small business failure. However, the current study results are similar to an Australian study which concluded that, despite some internal factors being mentioned by the interviewees, “emphasis was placed on [external] aspects…as important barriers to success over which respondents believe they have little or no control” (Gray, 1998:223).

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<td>4. Financial barriers</td>
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<td>5. Lack of specific business experience</td>
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<td>6. Other</td>
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<td><strong>Theme Total</strong></td>
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Percentages have been rounded

However, the researcher of the current study opted for classifying the respondents’ comments according to the most frequent comments extracted from the interview data and based on categories that served the purpose of this study (see Table 6.7). Thus, the perceived barriers to business success were: (1) dealing with difficult people as follows: (i) extended family, friends and people from own community; (ii) employees; and (iii) customers; (2) loss of support
sources; (3) personal idiosyncrasies of the owner/managers; (4) financial barriers; (5) lack of specific business experience; and (6) other.

6.9.2.1 Dealing with Difficult People

Despite the fact that a substantial number of respondents’ comments indicated that they received the four types of social support from their personal networks sources, which proved to be vital to their business performance, a significant number of comments also revealed that such sources, namely extended family, friends, people from own community, employees and customers, may also create difficulties which negatively impact business performance. According to Dyer & Ross (2000) this demonstrates ambivalence in the respondents’ perception of their personal networks sources; that is, the existence of two opposed attitudes which respondents have towards a number of their personal networks sources. However, the number of negative comments in the current study is considerably fewer than the number of positive comments about these personal networks sources. Respondents made 40 comments (47 per cent) relating to dealing with difficult people, which represented the highest of all categories. Table 6.7 shows frequencies and percentage frequencies for each category.

6.9.2.1.1 Extended Family, Friends and People from Own Community

This category represents the largest in terms of the number of comments made 21 or 24 per cent), representing their informal strong ties as discussed earlier.

Respondents stated that no matter how good the quality of the products or services they provide, still a number of family members, friends or people from their own community complain, even when they receive additional services and/or are charged lower prices. These people even haggle on prices, or try to buy items below cost price. In one particular case the service was offered to one of the respondents’ friends at cost price but still the friend was unhappy; the respondent felt that others who received the service at a standard price showed more gratitude for what had been offered to them. Respondents stated that such demands are irritating and cannot always be accommodated; otherwise, they would not be making money or paying their bills. This might explain why a number of respondents withdrew from some business opportunities within their own communities, for example, catering their events, making the venue available for them, providing services at their places or providing the commodities to their homes.
Several comments highlighted that some community members prefer not to deal with businesses within their own community, despite the fact that those businesses can provide the right products/services at reasonable prices. This is because those difficult people do not wish to encourage and support such businesses, fearing that those owner/managers will have greater financial success than themselves.

It seems that these kinds of attitudes are not confined to the current study interviewees’ communities. In their study of black small business owners in a large Canadian city, Dyer and Ross (2000) found that people from their own community demanded special treatment, as well as resenting their own community businesses reaping financial gains.

Respondents’ comments revealed that business people generally attend funerals of people in their own community and spend some time looking after those people when they are in need. Some respondents had been accused of attending funerals just to show off and serve their own purposes. Rather than providing constructive and productive feedback, these accusations can sully the business reputation by spreading rumours, which could lead to business destruction.

Moreover, a number of comments indicated that some individuals who either have never worked at all or worked at other places ask respondents to provide them with a reference for employment purposes or for other purposes. This act was perceived by respondents as illegal and they refused to violate the law to accommodate such individuals. Consequently, those individuals either stopped dealing with the business or, worse still, fabricated stories about respondents and their businesses in order to bring them into disrepute. For example, the venue is not hygienic; they charge too much where you can get it cheaper somewhere else; the waiters are rude and know nothing about customer service; don’t go there he [the owner/manager] is up himself; or they use cheap products.

Another concern for respondents was that a few friends would purchase products or receive services from respondents without paying for them, or that they expected special treatment. Respondents perceived that friends can try to take advantage of their relationship; or believe that they deserve special treatment just because they speak the respondents’ native language. At times, respondents turn a blind eye but sometimes try to be more assertive and explain to those
people that they cannot afford to supply them without payment. Such behaviour can cost respondents greatly, not only money and time, but also the relationship.

What is more, poor behaviour at social or community events, such as undisciplined children, drunken adults or unwelcomed individuals can destroy the atmosphere of an event. This could reflect badly on the respondents’ businesses, as well as removing the reason for hosting the event or similarly, in turn, reducing opportunities for businesses to grow. Some respondents now opt not to run such gatherings due to the trouble makers as one respondent put it. One respondent sounded sad during this particular conversation especially when speaking about how families come to these events to enjoy themselves and that others ruin their time which is something that the respondent does not tolerate. Other comments were:

I have had many scams proposed to me, for example raising my prices to above the average or not providing customers with receipts so that they don’t know what they really purchased, … it is illegal and I don’t feel comfortable doing that…I like to deal with people with complete honesty. They were trying to destroy the business reputation (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

When the relatives and friends seek my service, the prices at which they are charged are lower than the standard price, which in turn decreases my revenue by a considerable amount; they also expect to have the service provided at locations which suit them best… I need to bring people here, I need to show them the place that I’m working in… they just see someone who can fix their neck for them… they understand what I can do but not as how far I can do it (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

One respondent spoke of a negative experience with a supplier. A representative from a company approached him regarding a business deal. The respondent ended up buying many supplies from this company. However, the respondent began to realise that the company was using his privileges and good reputation in the industry to carry out their tasks. They made him move the stock from their warehouse and put it in another warehouse under my name, and I’d be paying the lease, and they’d move it from there. The company then closed down, walking away from all the expenses owed to this respondent. This respondent, at the time of the interview, has still not been repaid, I was never repaid for all the payments I made for that company while dealing with them. After this, the respondent found out that this company had hundreds of other customers whom they either left without supplies or had borrowed resources from and had not paid them back. The respondent also felt betrayed by these people because they gave the
community a bad name as the policeman said to him during the investigation. The respondent was later cleared from any wrongdoing, but he still was very angry and upset by this fact because owner/managers try so hard to build up their businesses’ reputation only to have such people try to destroy it:

“I wasn’t gullible, but I said ‘why?’...I mean this is someone from our community, I trusted them; they give us a bad name, they give my business a bad reputation. I was hurt; I was so angry” (Lebanese male, 44 years old, import and export and wholesale business, 8 years in business, no employees)

However, the respondent felt that this experience taught him to be more aware and cautious of the people whom he deals with. He carefully studies people and attempts to find out all necessary details on them before he deals with them, *I want to know who they are, what their company is, their records such as invoice or no invoice, who the people in charge are, etc.*

The above comments clearly imply that certain people difficult to deal with can disrupt business operations, which may then jeopardize their very existence. Such difficult people may also cause damage to business reputation and good will; such an intangible asset is hard to regain once lost as it takes time, effort and money for owner/managers to build up their business reputation yet again. The loss of business image can encumber the business operations and result in failure as it has been found that business image (reputation) is the most important business success factor (Luk, 1996).

6.9.2.1.2 Employees

The impact of dealing with difficult employees sketches a somewhat different picture than that of the impact of dealing with difficult extended family, friends and people from their own community. The most likely scenario, as respondents put it, would be substituting those difficult employees with more reliable and trustworthy ones to remove such a barrier to their business success. It is worth mentioning that respondents indicated that they would only do so in line with the legal context.

Respondents stated that it is very difficult to find the right employees; people who are reliable and trustworthy; and those prepared to stay back and put in extra hours during very busy days even when well paid for it. Respondents’ comments also reflected that employees can be
difficult in asking for a letter of recommendation containing additional information in their favour that respondents cannot provide. This has impacted on their relationships with employees which, obviously, affected their business performance. Additionally, a number of comments show, for those who purchased existing businesses, that keeping the ex-owner management team, would have been a disaster. Those employees were not adequately trained and lacked the skills required in the industry; above all, they were difficult to deal with in that they would not co-operate and follow instructions. Such employees caused delay in offering quality products and services required or, in some cases, led to them not being offered. Ten comments (12 per cent) echoed this category including:

\textit{I would like to see my staff getting more knowledgeable, more skilled and presentable. We need to invest in our working team to see more of a professional picture with regard to business dealings} (Lebanese male, 39 years old, 15 years in business, restaurant business, 18 employees).

\textit{When the business was first established, certain staff were difficult [to deal with]. I attempted to give those opportunities and tried to change their work ethics and methods...When some of the employees did not respond to this, the chances given did not matter to them so I hired new employees that I carefully selected} (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

Clearly, having quality human resources is very important as this reflects on providing good quality service. By the same token, the lack of talented employees can weaken a business and foster a negative customer service, which could potentially lead to customer dissatisfaction, and ultimately to business failure. Over all, inadequate staff may affect the survival of the business (Bosworth, 1989; Rogoff, Lee & Suh, 2004).

**6.9.2.1.3 Customers**

Respondents commented on how some customers were disloyal to the business and not appreciative of good quality service even after they have tried their hardest in offering their time and best prices, as well as rewards. Respondents, and their employees, try to be patient with these customers, aiming to make them happy, but it seems that respondents prefer not to extend their relationships with those difficult customers. Instead, they prefer to pay closer attention to those who contribute to the success of the business and make employees happy.
Further, one respondent spoke of a customer, who made no payments for goods received. A lawyer advised that the only way to recover the money was through legal action. The respondent chose not to pursue this path *out of concern for the customer’s family*. Another respondent talked about customers *who were rude to staff*, or *whose children were observed stealing*. Approaching these customers led to angry outbursts which the respondent was concerned could damage the reputation of the business. Nine comments (11 per cent) reflected this category including:

*Customers, who arrive for an appointment late, affect the next customer’s appointment time and patience... this delays the entire day’s schedule and affects the quality of service provided and one’s rest time. I would like to try and explain to them that arriving late affects my business, without sounding offensive* (Iraqi male, 33 years old, 4 years in business, personal and other services business, 2 employees).

*Some people don’t pay enough or don’t pay at all for some of the supplies...They come to me with excuses such as ‘I just built a house and I don’t have the money’, or ‘my car needs to be serviced and I won’t be able to pay you now’, or this or that. This meant that I was providing services paid for by me* (Egyptian male, 36 years old, 8 years in business, import and export, wholesale and retail business, 4 employees).

Thus, just as employees are one of the key elements of business success, so are its customers. However, some customers can be aggressive or abusive, and dealing with such behaviour places constraints on small business owner/managers and employees, if any, which produces stress if not burn-out. This can also be detrimental to business finances or reputation. A similar case was experienced by a Melbourne small business owner where difficult customers tried to take advantage of the caring approach displayed by the business (Meltzer, 2001). Such behaviour can be emotionally exhausting and possibly bring the whole work team down.

### 6.9.2.2 The Loss of Support Sources

Respondents’ comments revealed that losing sources of support can slow down their business operations. For example, losing family (both immediate and extended) help, especially in times of need, would limit business opportunities and reduce the revenue generated from having such sources. The loss of their spouse’s support was considered a disaster. If customers turned to other businesses for what they needed, the respondents’ business would undoubtedly suffer. During the year 2009-10, almost half of all Australian businesses (or 1 066 206 (ABS, 2012))
reported a reliance on a small number of customers or buyers to generate a significant proportion of their income. Of these businesses, almost 49 per cent indicated that losing these customers or buyers would have a moderate to large impact on business income (ABS, 2011).

Similarly, lack of relevant business information and learning about more business opportunities, as well as feedback from customers concerning products and/or services was considered as detrimental to business. Respondents’ comments also indicated that losing key employees such as those who speak LOTE would have a negative impact on the business, particularly those employees who maintained good relationships with customers. Thirteen comments (15 per cent) reflected this category including:

> How to get information about who’s supplying what, who’s distributing what, how to get a product or an item. Finding information on the specific suppliers it’s not an easy matter and it takes time to find the right ones. If we lose them, it’ll definitely affect the business growth (Egyptian male, 50 years old, retail business, 8 years in business, 19 employees).

One of the main barriers to success, especially in a one or two person business, is that owner/managers find it extremely difficult to take time off to rest or when they are ill. Without someone to take over during their absence, it seems that they have no option but to cease trading for the duration which resulted in losing that portion of their income. Customers may well turn to others for products and/or services needed. If such cases occur more often, this may well jeopardise business survival. In view of the above comments, respondents cannot afford the risk of losing any of their support sources, because the lack of personal networks’ support can considerably obstruct the development of the business (Franco & Haase, 2009).

6.9.2.3 Personal Idiosyncrasies of the Owner/Managers

According to Reynolds et al. (2000) owner/managers’ idiosyncrasies can cause business problems which could slow down operations. Respondents’ comments reflected that personal habits or traits could become barriers to success. These included: isolating one’s self when experiencing personal or business upsets or disappointments, and trying to solve problems alone rather than seeking help; lack of planning and keeping records; impatience; bad temper; gambling; cheating and stealing (in case of partnerships), stubbornness; lack of flexibility; and
finding it difficult to adapt to a new environment. Table 6.7 shows eleven comments reflecting this category including:

*I find it difficult to trust the business with anyone other than myself. I mean, I have my ways of dealing with customers, I cannot place someone else here and expect them to treat my customers the same way I treat them* (Lebanese male, 45 years old, retail personal services business, 3 years in business, no employees).

*I would experience some difficulties in changing the way in which I am used to working. It’s like moving houses, you get used to one house, then you have to go somewhere else and it becomes hard for you to get used to it, it takes a long time for me* (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

Given that the respondent of the first comment has no employees, and that he has no trust or faith in others’ abilities to assist in carrying out even simple tasks, this particular habit may not only cause business operations to slow down, but may jeopardize its existence, particularly when away, ill or on holiday. Additionally, other habits that could possibly negatively impact business stability were gambling, cheating and stealing. In a partnership, in addition to their being illegal and unethical conduct; they would unquestionably cause the termination of the business. All in all, if there is no trust, there will be no business.

6.9.2.4 Financial Barriers

The following phrases from the interviews illustrated this category: lack of finances; overcommit myself due to shortage of finance; financial difficulties; start with close to nothing; had to rely on myself putting the equipment and couldn’t afford employing others. A total of eight comments (nine per cent) indicated financial barriers to success including:

*The business became the major focus of the finances which in turn forced one to sacrifice business and personal needs...One has to be rational with spending to maintain the business survival at a professional level* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

Respondents’ comments imply that some respondents’ businesses were at the mercy of poor cash flow. The lack of such a crucial resource, particularly during the start-up phase where suppliers require payment, could impede the development of the business. The lack of finance may push respondents to withdraw from their private or family accounts, if any, which would
affect the family stability. Worse still, no cash may reflect poorly on the owner/managers’ capacity to convince financiers to fund their ventures. The lack of available finances has been the most commonly cited barrier to success, which imposes restrictions on growth, and even business survival (Baker, 1992; Brown, Earle, & Lup, 2005; Ekanem & Wyer, 2007; Meredith, 1993; Storey, 1994). After all, cash flow is the heartbeat and the lifeblood of any business.

6.9.2.5 Lack of Specific Business Experience

A significant number of small businesses fail simply because of lack of knowledge and skills in the business field (Beresford & Saunders, 2005; Paige, 2002). Lack of specific business experience was identified by a number of respondents as a barrier to business success. For example, aspects such as inexperienced in both food preparations and presentation; inexperienced in waiting and in dealing with customers; not adequately trained; lacked the knowledge and skills required in such an industry; and lack of experience in carrying out business tasks were examples reflected in this category. There was a total of eight comments (nine per cent) that highlighted this aspect. For example:

_I faced difficulties with the lack of experience within this type of business....I forced myself to learn and acquire all the relevant information as fast as possible so that I could succeed in the business. It was hard work._ (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

_This type of business was not one with which I was familiar...It was out of my field; I made so many mistakes that affected business survival _ (Lebanese male, 50 years old, restaurant business, 17 years in business, 19 employees).

In view of the comments above, the lack of experience in the field in which respondents are operating may reflect negatively on their capability to try and lead their employees by example, which, in turn, may cause the employees to lose respect for and trust in their employers. Lack of experience in the business field may also possibly limit business opportunities. One common cause of small business failure was found to be a lack of experience, particularly in the industry in which small business owner/managers chose to operate (Bates, 2005; Hall & Young, 1993; Haswell & Holmes, 1989; Ibrahim & Ellis, 1987).
6.9.2.6 Other Barriers to Business Success

Other barriers to success identified during the interviews, but did not fit under any of the above categories, were grouped together. For example, *setting up the correct equipment required for the business, problems with late deliveries and inability to fulfil customers’ requests, planning and organizing business and family life to suit business hours and requirements, and workplace injuries* were several aspects included in this category. Table 6.7 shows only six comments (seven per cent) reflected these other barriers to success including:

*I had problems with settling myself and my family in an appropriate house that was close to the business and organizing my family life to suit the business hours and requirements* (Lebanese male, 34 years old, manufacturing and retail business, 3 years in business, 5 employees).

Struggling with work and family demands is another difficulty that small business owner/managers encounter. Respondents find it difficult to balance work and home responsibilities. Consistent with role theory Kahn, Wolfe, Quinn, Snoek & Rosenthal (1964, as cited in Shelton, Danes & Eisenman, 2008:319) stated that “entrepreneurs are assumed to have work and family roles, both of which are considered critical to their business performance”. So, when the demands of the two roles interfere with each other, conflict arises, and as a consequence one may sacrifice the demands of one role for the sake of the other demands. Thus, such difficulty in managing family life to suit the business demands and requirements may threaten business endurance. Another respondent’s comment was:

*Cuts on hands and arms, which in turn forces me to postpone all clinical hours until these wounds are completely healed, so that contamination does not occur* (Lebanese female, 24 years old, health and community services business, 1 year in business, no employees).

Surprisingly, only one participant talked about occupational health and safety matters despite these being one of the most important issues in any business. Having a hygienic workplace helps eliminate job dissatisfaction (Herzberg et al., 1959 as cited in Stone, 2008). In any case, workplace injuries in a small business could jeopardize the survival of the business (Holizki, Nelson & McDonald, 2006), especially in a one or two person business.
6.9.3 Summary of Reasons for Success and Barriers to Success Data

Small business success was investigated during the course of the interviews to offer useful insights into interviewees’ perception of success. Thus, the analysis indicated that personal networks and social support were the primary attributes for success, specifically existing informal and formal personal networks and social support sources. Considering other personal networks and social support sources and closeness to Middle Eastern communities were also identified as reasons for success. Personal attributes such as trust, honesty, respect, ambition, hard work, English language proficiency, speaking LOTE and satisfying customers’ need were also viewed as important aspects of business success.

Barriers to business success were also investigated during interviews, and the findings were mainly related to dealing with difficult people such as extended family, friends and people from respondents’ own community, employees and customers. Other barriers were also identified including the loss of support sources, personal idiosyncrasies of the respondents, financial lack of specific business experience and others.

6.10 SUMMARY

This chapter examined the data collected from 16 in-depth semi structured interviews to examine and explore the respondents’ experience of owning/managing a small business, particularly how their personal networks sources of receiving and giving the four types of social support were developed and their relationship to their business success, as well as providing insights into the norms guiding the various relations of the respondents. As the interviews were conducted at the interviewees’ business premises, the face-to-face interview process encouraged the interviewees to communicate freely and co-operate fully and allowed them to provide meaningful information in a logical and structured sequence about their business experience. The interview process also allowed the researcher to conduct a more thorough examination through probing and exploring the world of the respondents’ small business including its surrounding environment through their eyes which may assist in developing an understanding of the entrepreneurial process.

The comments were analysed using a conventional content analysis process through the development of broad theme categories consistent with their conceptual and theoretical framework and based on the current study objectives, relevant theory, the latent variables examined in the quantitative research, as well as the manifest variables that emerged from the
analysis of the respondents’ comments—the qualitative research. These broad categories were then subdivided as part of the analytical process, generating a multi-level categorization system which formed a conceptual framework for the qualitative analysis. As a result, additional categories were incorporated when examining qualitative data, for example, further sources of social support and further qualitative measures of business success.

As well as using descriptive statistics such as frequencies and percentage frequencies for each category theme, both deductive and inductive processes of analysis were used in the current study to analyse qualitative data. While the deductive approach was used to develop theme categories based on theoretical grounds, the inductive approach was utilized to ground these categories in the data provided by interviewees (Tesch, 1990). These approaches therefore allowed theory and evidence elicited from interviewees’ comments to go hand in hand (Baggetun, Rusman & Poggi, 2004; Reid, Jacobsen & Anderson, 1993).

As a result of the assessment of the qualitative data main conclusions were drawn. Table 6.8 shows the rank of the ten personal networks sources from which interviewees received as follows: 18 per cent extended family; 15 per cent friends; 13 per cent immediate family; ten per cent each of employees and people from interviewees’ own community; nine per cent customers; eight per cent each of suppliers and key persons; six per cent business partners; and only three per cent professionals.

<table>
<thead>
<tr>
<th>Themes</th>
<th>f</th>
<th>%</th>
<th>Themes</th>
<th>f</th>
<th>%</th>
</tr>
</thead>
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<td>Receiving Social Support</td>
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<td></td>
<td>Giving Social Support</td>
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<td></td>
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<td>-Employees</td>
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<td>-Friends</td>
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<td>15</td>
</tr>
<tr>
<td>-Employees</td>
<td>54</td>
<td>10</td>
<td>-Extended Family</td>
<td>37</td>
<td>12</td>
</tr>
<tr>
<td>-People from Own Community</td>
<td>53</td>
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<td>-Business Partners</td>
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<td>11</td>
</tr>
<tr>
<td>-Customers</td>
<td>46</td>
<td>9</td>
<td>-Immediate Family</td>
<td>29</td>
<td>10</td>
</tr>
<tr>
<td>-Suppliers</td>
<td>45</td>
<td>8</td>
<td>-Customers</td>
<td>20</td>
<td>7</td>
</tr>
<tr>
<td>-Key Persons</td>
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<td>-Suppliers</td>
<td>16</td>
<td>5</td>
</tr>
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<td>6</td>
<td>-Key Persons</td>
<td>13</td>
<td>4</td>
</tr>
<tr>
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<td>0</td>
</tr>
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<td>100</td>
<td>Theme Total</td>
<td>305</td>
<td>100</td>
</tr>
</tbody>
</table>

*Percentages have been rounded
Table 6.8 also shows that the rank of the ten personal networks sources to which interviewees gave as follows: 20 per cent people from interviewees’ own community; 16 per cent employees; 15 per cent friends; 12 per cent extended family; 11 per cent business partners; ten per cent immediate family; seven per cent customers; five per cent suppliers; and four per cent key persons. The analysis provided no evidence that interviewees provided accountants, bankers and solicitors any type of social support.

Additionally, the analysis showed that the most popular types of social support respondents received from the ten personal networks sources was informational 179 (around 34 per cent of the total), followed by instrumental and appraisal (130 and 129 or around 24 per cent each) (see Table 6.9 below). Much of the informational support received by participants was from extended family, key persons and friends. This may be due to the fact that these personal networks sources of support outnumber the other participants’ sources of support. It is also evident that much of the instrumental support received by participants was from both immediate and extended families mostly in the form of unpaid labour and often financially when experiencing cash flow problems. However, the analysis showed no evidence that participants received instrumental or emotional support from the professionals. Besides, the analysis indicated that instrumental support (104 or 34 per cent of the total) and emotional support (78 or about 26 per cent) to participants’ ten personal networks were the major types of social support. Clearly much of the instrumental support given by participants was to people from their own community mainly in the form of sponsorship of the community religious and community events and donations (for e.g. money, participants’ venues and facilities and/or their time and labour). Also, much of the emotional support to people from their own community and friends was through attending these personal networks sources’ happy and/or sad events. However, participants gave no social support of any type to their accountants, bankers or solicitors; they did not give emotional or appraisal support to key persons or provided informational support to suppliers.

Moreover, Table 6.9 shows that the proportions of receiving all types of social support from extended family (18 per cent), immediate family (13 per cent), customers (nine per cent) and suppliers and key persons (eight per cent each) were higher than the proportions of giving all types of social support to the above sources as follows: 12 per cent, ten per cent, seven per cent, five per cent and four per cent respectively. However, the proportions of giving all types of social support to people from their own community (20 per cent), employees (16 per cent) and
business partners (11 per cent) were higher than the proportions of receiving all type of social support from the named sources. The first two personal networks sources indicated ten per cent each, whereas the third source showed six per cent of the total. Nonetheless, participants equally received and provided all types of social support from and to friends (15 per cent each).

Table 6.9
Overall Analysis of Interview Data: Personal Networks Sources of Receiving and Giving Social Support Types

<table>
<thead>
<tr>
<th>Personal Networks Sources</th>
<th>Receiving Social Support</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Informational</td>
<td>Instrumental</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------</td>
<td>--------------</td>
</tr>
<tr>
<td>-Extended Family</td>
<td>32</td>
<td>18</td>
</tr>
<tr>
<td>-Friends</td>
<td>27</td>
<td>15</td>
</tr>
<tr>
<td>-Immediate Family</td>
<td>19</td>
<td>11</td>
</tr>
<tr>
<td>-Employees</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>-People from Own Community</td>
<td>5</td>
<td>2.7</td>
</tr>
<tr>
<td>-Customers</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>-Suppliers</td>
<td>21</td>
<td>11.7</td>
</tr>
<tr>
<td>-Key Persons</td>
<td>28</td>
<td>16</td>
</tr>
<tr>
<td>-Business Partners</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>-Accountants, Bankers &amp; Solicitors</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>179</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Personal Networks Sources</th>
<th>Giving Social Support</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Instrumental</td>
<td>Emotional</td>
</tr>
<tr>
<td>-People from Own Community</td>
<td>31</td>
<td>30</td>
</tr>
<tr>
<td>-Employees</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>-Friends</td>
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<td>11.5</td>
</tr>
<tr>
<td>-Extended Family</td>
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<td>13</td>
</tr>
<tr>
<td>-Business Partners</td>
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<td>-Immediate Family</td>
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</tr>
<tr>
<td>-Suppliers</td>
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<tr>
<td>-Key Persons</td>
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<td>6.7</td>
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<tr>
<td>-Accountants, Bankers &amp; Solicitors</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>104</td>
<td>100</td>
</tr>
</tbody>
</table>

Percentages have been rounded
In short, participants’ personal networks sources were mainly informal of which they have strong ties with and their comments primarily mirrored receiving social support from all ten personal networks sources than giving social support to these sources collectively.

Reasons for small business success were also investigated, and the analysis of interviewees’ comments revealed that personal networks and social support, specifically the existing informal and formal personal networks sources of support were the most perceived reasons for success. Considering other personal networks sources of support and closeness to Middle Eastern communities were also recognized as reasons for success. Personal attributes such as trust, honesty, respect, ambition, hard work, English language proficiency and speaking LOTE also formed attributes for success. Barriers to business success were also investigated during the course of the interviews, and the comments were mostly about dealing with difficult people, particularly extended family, friends and people from interviewees’ own community, employees, and customers. Other barriers such as the loss of support sources, personal idiosyncrasies of the respondents, financial barriers and lack of specific business experience were also evident. Thus, the analysis of interviewees’ comments mainly reflected internal factors for their success in business; yet, they mostly attributed external causes for barriers to success.
CHAPTER 7
CONCLUSIONS AND IMPLICATIONS

I receive feedback on the business from my employees. The general manager here has to give me a full report weekly about everything that happens here. He meets with all the other managers and chefs, and then the two of us meet and discuss every single point made with regard to cost, how the event went, what we can do to improve our performance, when the next event is, etc. (Lebanese male, 43 years old, 20 years in business reception business, 18 employees).

7.1 GENERAL SUMMARY OF THE STUDY

The primary purpose of this study was to clarify the relationships between personal networks and social support and to investigate the extent to which these variables influenced small business success among members of Middle Eastern communities in Melbourne, Victoria, Australia. To restate, the research question guiding this study was: In regard to ethnic small businesses within Melbourne’s Middle Eastern communities, what impact do personal networks and social support have upon business success? Therefore, a number of objectives and their pertinent sub-objectives were established to achieve the purpose of this study.

In order to understand the social structure of Middle Eastern communities in Australia and, their cultural system of norms and values and the language, it was necessary to provide some background information concerning the history of the migration to Australia of the Middle Eastern communities and their settlement in general, and the Lebanese, Egyptian and Iraqi communities in particular.

Research concerning ethnic entrepreneurship has largely been conducted in the United States of America and Canada, which mainly focused on characteristics of the small business entrepreneurs and their ventures, the reasons why members of different ethnic groups start new businesses and how they create them, the importance of ethnic business to the economic and social well-being of the society, factors which contribute to the success or failure of their businesses, including social capital and ethnic ties. However, these studies mainly focused on Black, Hispanic and Asians in America; Asian, Italian, Indian, and Jewish in Canada. Thus, there
has been very little research on entrepreneurs from the Middle East who began to land on American shores, which can be traced back to the late 1880s, and less on their social support sources and personal networks characteristics. One exception was the study of how and why different ethnic groups enter the world of business by Raijman and Tienda (1999); however, the results of their study made no reference to a Middle Eastern sample in terms of the country of origin as it was pooled with the South Asian sample.

Studies on ethnic entrepreneurs were also conducted in England, Scotland, Spain, Portugal and Germany. These focused on the role of social networks of the firms in the operation of their ventures, mostly confined to the community and the family; the tendency of migrants and non-migrants in the UK to create innovative, international-focused and service-oriented businesses; the differences in the rate of new business creation between ethnic groups in the UK; factors that promote or inhibit ethnic business success; the role of ethnic entrepreneurs in influencing their enclave and central institutions in destination countries and the distinctive importance of ethnic businesses in such destination countries; the determining factors for immigrants becoming self-employed; and the importance of immigrants’ personal and professional characteristics in explaining immigrants’ entrepreneurship. However, these studies mainly focused on Asian, African and European entrepreneurs. Other studies concerning ethnic entrepreneurs and their ventures, specifically the Lebanese, have been conducted in Montevideo, Uruguay, on the nature of networking in Lebanese small businesses, which was limited to family and their Lebanese citizens in Montevideo and another in Sierra Leone, which shed light on the role of the early Lebanese immigrant in the history of West African economic development.

Research has been conducted in Australia on ethnic entrepreneurs, particularly Asian, Turkish, Italian, Greek, Indian and Lebanese/Arab entrepreneurs. These covered issues such as personal and professional characteristics of the ethnic entrepreneurs, the characteristics of the venture and the performance of ethnic entrepreneurs, determinants of success or failure factors; the size of the target market and the size of those linguistically isolated as a labour pool; ethnic business as sources of finance and labour; reasons for self-employment; the importance of ethnic small businesses in the Australian economy; the relative importance of ethnic entrepreneurs in each Australian State and Territory and their geographic location; diversification of network strategies, products, markets and practices adopted by ethnic businesses; and the impact of interdependency of economic and socio-cultural characteristics of ethnic entrepreneurs on their business survival.
Research on ethnic entrepreneurship has acknowledged the critical characteristics of many different ethnic small business owner/managers and their ventures in the destination countries around the world for business success. In contrast, few of the previous studies have examined the impact of personal networks on business success. Additionally, while many ethnic groups are overrepresented in the international entrepreneurial literature, little attention has been paid to entrepreneurs from the Middle East, particularly the Arabic-speaking population. Moreover, there has been important but limited attempts to examine the Lebanese and Egyptian overseas-born entrepreneurs in Australia, and one or two attempts have been made to examine the Iraqi-born small businesses.

Therefore, the current study addressed this deficiency in research and went beyond studying the characteristics of Middle Eastern entrepreneurs and their businesses, in particular the Lebanese, Egyptians and Iraqi overseas born, to examine and clarify the relationships between personal networks and social support and their impact on small business success in Melbourne, Victoria. Hence, the study has had a very significant theoretical aim. Therefore, the current study investigated whether there were significant differences between those ethnic entrepreneurs who were highly involved in ethnic community activities and those who were less involved. That is, the current study examined the business linkages with the ethnic communities in order to detect whether entrepreneurs would operate successfully depended on their level of community involvement.

D’Abbs (1982) recommended the use of reciprocal relationships in the social support research when studying sources and types of support, particularly informal support. The current study addressed this concern, and focused on the process of ethnic entrepreneurship beyond the receiving of types of social support in informal relationships to include the giving of types of social support in the formal relationships as well. Thus, this study examined the extent to which the independent variables (personal networks and social support) predict the dependent variable (business success) measured in differential ways. Therefore, an exploratory model of small business success was developed in this study based on a new instrument specifically designed to measure personal networks sources of receiving and giving types of social support and their impact on small business success. Thus, the results of this study should contribute to the understanding of the factors that predict small business success.
The small business owner/manager has been conceptualized as the person who legally owns a small business in Melbourne, Victoria (with fewer than 20 employees in service industries and fewer than 100 employees in manufacturing industries), who controls and manages the business, with or without employees and regardless of the type of legal structure. Personal networks have been conceptualized as those people with whom the small business owner/managers has connection, such connection could be informal/strong, namely immediate family, extended family, and friends, or formal/weak such as employees, suppliers, and accountants, bankers and solicitors; and likely/unlikely to turn to when in need of social support. Social support has been conceptualized as emotional, appraisal, informational and instrumental support that small business owner/managers receives from or gives to his/her personal network individual(s). Small business success was assessed using both quantitative and qualitative measures: the number of years in business (business survival), employment of others (business growth), net income (after tax), the number of business success indicators perceived by respondents and by the question how successful the business is using a five-likert scale ranging from (1) very unsuccessful to (5) very successful as perceived by respondents. Respondents’ views on business success were also explored using both qualitative questionnaire data and interview data.

The surveyed population consisted of 165 respondents from the Arabic-speaking communities from the Middle East in Melbourne, namely Lebanon-born, Egypt-born and Iraq-born individuals, who owned/managed a small business in a manufacturing and/or service industry in one of three selected metropolitan areas of Melbourne, namely north-east, north-west and Melbourne Central, These three covered some 32 suburbs from which this study sample was drawn. To sample economically while retaining the characteristic of a probability sample, cluster sampling was used. To ensure coverage and avoid bias a multi-stage sampling technique was utilized. The initial chosen clusters were sub-sampled afterwards. A response rate of around 68 per cent was achieved. Around ten per cent (n=16) in proportion to the total number of each surveyed community population were subsequently interviewed. Stratified random probability sampling proportionate to the size technique was used to identify the proportion of each sample for each community for interviews.
7.2 DISCUSSION OF THE FINDINGS IN RELATION TO THE LITERATURE

7.2.1 The Personal and Professional Characteristics of the Study Sample

A review of the personal data indicates that the sample is comparable to samples in previous ethnic small business studies in Australia concerning respondents’ gender, age and marital status (Adhikari, 1999; Collins, 2000; Hearn, 1982; Lever-Tracy et al., 1991; Liu & Louw, 2009; Peacock, 2004). The most common response in respect to religious affiliation is ‘Christian’, similar to that of the Victorian population response (ABS, 2010c). A significant proportion of respondents (almost 49 per cent) rated religion as a very unimportant or unimportant matter in the conduct of their businesses primarily because the type of business is irrelevant to one’s religion. However, a considerable proportion (34 per cent) indicated religion as very important or important mainly because of particular religious dietary requirements and practices and values derived from a religious perspective. Nearly 80 per cent had lived in Australia between 11 years and over 40 years, and the mean years of residency was 20.3 years.

A significant proportion had up to high school qualifications, which is at variance with other Australian research which indicates that the majority of ethnic entrepreneurs had post-secondary education. This finding also contradicts previous research which concluded that entrepreneurs are generally more highly educated than the general population (Dunkelberg et al., 1987; Hay & Ross, 1989). However, around half the sample had post-secondary qualifications, which was found to be consistent with other small business studies’ results (e.g. Birley, 1996; Day, 1992; Gray, 1998; Hisrich & Brush, 1986), and that a small proportion of respondents undertook business training. The sample thus was reasonably well-educated and equipped with the knowledge and skills required to manage a small business.

The group seemed to be well-equipped with English language skills. This might have been one of the triggers for starting a business as English proficiency has direct implications for the likelihood of self-employment (Aronson, 1991; Borjas, 1986; Fairlie & Meyer, 1996). However, this finding contradicts Evans’ (1989) concluding statement in that the inability to speak English would increase the likelihood of ethnic businesses. Independent of the type of industry in which the small businesses were part of, the vast majority of respondents indicated that speaking English was very important or important in the conduct of the business largely because Australia is an English speaking country. Inability to speak English could well affect the business...
negatively or dealing with all kinds of people. This finding is supported widely throughout the past research results which confirm that proficiency in English is of major significance in immigrants’ daily life and their economic and occupational performance, specifically in the life of those who own/manage a business (Collins, et. al, 1995; Esser, 1986; Fitzgerald, 1988; Kipp et al., 1995; McManus et al., 1983; Wooden et al., 1994).

All respondents speak at least one LOTE, namely Arabic, and a significant proportion of them speak two or more LOTEs, (e.g. French, Neo-Aramaic-Chaldean/Assyrian/Syriac dialect, Italian, Greek, Turkish and/or Kurdish). However, despite the fact that the sample has a good command of English, of the 97 respondents who employed others, 76 per cent employ Arabic-speaking employees, which was consistent with the previous research on ethnic entrepreneurs in that they are most likely to employ people from the same background (Collins, 1996, 2003b; Fadahunsi et al., 2000; Min, 1988; Reynolds et al., 2000; Waldinger, 1986; Williams, 1992; Wilson & Portes, 1980), and over half (58 per cent) of the sample’s customers are from Arabic-speaking backgrounds; thus, Arabic seems most needed. Additionally, since the mode of the sample is ‘Christian’ and the fact that Neo-Aramaic-Chaldean/Assyrian/Syriac dialect is spoken by the Chaldeans, Assyrians and the Syriac in the Middle East; therefore, this ancient language may also deem to be required. What validated these conclusions are the respondents’ comments on why speaking LOTE is very important or important in the conduct of the business. Their comments mostly reflected the notions of gaining business opportunities, attracting customers from different backgrounds and communicating easily with non-English speaking employees, customers and suppliers. Thus, this implied that the business location and nature of its customers dictate the importance of speaking LOTE. Given that the current study sample is a multilingual group, this may have the advantages of improving the business financial status. These findings are consistent with past research on ethnic entrepreneurs concerning speaking LOTE and favourable economic performance (Peterson & Roquebert, 1993).

A review of the descriptive data indicates that only 21 per cent of the sample had prior self-employment experience, i.e. in the home country. This was found to be in conflict with the previous Australian studies on immigrant entrepreneurs, which indicated that the majority of their studies’ samples came from an entrepreneurial background equipped with significant business resources (Lever-Tracy et al., 1991; Stromback & Malhotra, 1994). However, immigrants who acquire previous self-employment experience can be more successful than their counterparts who lack such background (Portes & Bach, 1985). Therefore, despite the small
proportion, the sample is, to some extent, equipped with experiences and skills needed to achieve a sound business. This study also found that female respondents were more likely to have been employed in a professional occupation prior to becoming self-employed, which was comparable to an Australian study of the relationship between gender and previous occupation (Gray, 1998). However, female respondents were more likely to have been employed in unskilled occupations, which contradicts Gray’s (1998:120) statement in that “female respondents were less likely to be employed in …unskilled jobs prior to becoming self-employed”.

Around two-third of respondents had been unemployed for less than a year after first arriving in Australia; specifically males were more likely to have had shorter periods of unemployment (less than a year) than females. Nevertheless, respondents only reported the type of occupation they had, (labourer, professional and technicians and trades workers and machinery operators and drivers were the most common ones), and not where they had it. In other words, these occupations could have been held in businesses owned/managed by people of the same or similar background. However, given that a considerable number of respondents (over two-thirds) had trade and/or professional backgrounds, this might have contributed to finding a job earlier than those who had not. This supports the notion that immigrant duration of unemployment after first arriving in the host country is, to a great extent, affected by one’s skills, abilities and capabilities in finding a job, particularly where the host country’s language is different to one’s own (Liu, 2007; Thapa & Gørgens, 2006). Thus, it can be inferred that males have developed a web of informal and formal networks due to a considerable length of employment in Australia. The finding that female respondents had a longer period of unemployment is that migrating to a totally different environment to one’s own, let alone a different language, this proportion may have opted to stay home and fulfil family duties or bring up their children, in the case of married females, than to work.

7.2.2 The Personal Networks Characteristics of the Study Sample

The vast majority of respondents found their first job after arrival in Australia through informal sources, namely immediate and extended family members and friends from their own community and other communities. Given that a significant proportion of respondents had been unemployed for a shorter period after first arriving in Australia, this may well be the case as a result of respondents’ informal personal networks. This is well documented through immigrant research in that duration of unemployment is, to a great extent, affected by the type and number of personal
contacts in the country of destination (Granovetter, 1973, 1974; Hagan, 1998; Menjivar, 2000). Additionally, given the tradition of many Middle Eastern people helping new arrivals among their co-ethnic people to become settled (Batrouney, 2001; Grassby, 1981; Service Seeker Community Directories, 2011; VMC, Resources-Community Directory, 2011), the findings conform to the research regarding the importance of strong ties for securing employment and of ethnic networks in helping newly arrived immigrants become settled (Goza & Demaris, 2003; Granovetter, 1974). Further, over half the respondents found their current business geographical location through informal abovementioned sources. Customers’ knowledge of the majority of respondents’ businesses was through these informal sources, which predicted business survival, and that the majority of respondents engages in informal networking relationships with people from their own community and other communities, given that the last personal networks source of support predicted business success in terms of declaring higher net income, reporting a greater number of business success indicators and stating having successful businesses; therefore, this implies that respondents’ network activity is largely made up of informal contacts, which also suggests that these informal sources seem to be the most vital sources for survival, to a certain extent, in a new environment, as it appears that there exists a potential for building networks and strengthening relationships across times and situations in which sharing knowledge, experiences and resources may become routine, and for providing them with instrumental support through business transactions.

7.2.3 The Characteristics of the Study Sample’s Businesses

The vast majority of respondents were operating in the service-providing industry sector which is consistent with current Australian service economy figures (ABS, 2005; DEST, 2006b; Skills Australia, 2010). The highest proportion of the respondents’ service industry divisions was in retail trade. This result was found comparable to previous ethnic entrepreneur research in that most of small businesses were in this service sector (Butler & Greene, 1997).

However, this proportion was significantly higher than for Australian small businesses in this sector at the end of June 2009 (ABS, 2010a). Sole trader/proprietorship was the most common form of legal structure among the sample (over 50 per cent). However, it came second after company as a legal structure according to ABS records (ABS, 2012). A significant proportion of the sample sold their products and/or provided their services at the business premises, which was
found to be significantly lower compared to Australian businesses sold their goods or services in their local area (ABS, 2011).

### 7.2.4 Personal Networks and Social Support Characteristics of the Study Sample

One of the objectives of the current study was to identify and examine the personal networks and social support characteristics of the sample. Researchers have examined support measures in the work environment concerning the sources of support such as peers, supervisors and managers. Considering the very nature of the small business venture, these types of sources are not available to their owner/managers. Therefore, it was decided to limit these sources according to the type of the relationship (informal/formal) and the strength of the relationship between the respondents and these sources (strong/weak), as well as the number of such sources (Birley et al., 1990; Chu, 1996; Granovetter, 1973, 1982; Gulati, 1998; Hansen, 1995; Hurlbert, 1991; Jarillo, 1989; Johannisson, 1996; Johnson & Kuehn, 1987; Kwon & Arenius, 2010; Nelson, 1989; Robinson, 1982; Szarka, 1990; Wilson, 1998), at least in the collection of the quantitative data. This was primarily because these sources were widely considered to be the main personal networks sources (e.g. Das & Teng, 1997; Greve & Salaff, 2003; Kahn, 1994; Lehmann & Coady, 2001; Maguire, 1991; Sawyerr et al., 2003; Widding, 2005; Zimmer & Aldrich, 1987).

The informal (or strong ties) personal networks were immediate family, extended family, and friends, and the formal/weak ties were employees, suppliers and accountants, bankers and solicitors. Thus, the analysis of interviews’ comments supported the structure of respondents’ personal networks sources of receiving and giving social support initially considered in this study instrument which reflected both the informal and formal personal networks mentioned above. Several researchers (e.g. Cooper & Schindler, 2006; Leedy & Ormrod, 2005) have recommended utilizing qualitative research to validate and triangulate the quantitative findings through qualitative data. Thus, the qualitative data in this study provided content validation and support of the personal networks sources initially considered in the current study’s social support instrument.

However, the analysis of interviewees’ comments mirrored further informal personal networks sources of support, namely people from own community and respondents’ business partners, and formal sources, particularly customers and key persons. Thus, the results provided support to the belief of utilizing both quantitative and qualitative methodological philosophies in that they allowed a wider and clearer picture to emerge than relying on a single research approach and
improve validity and verify the quality of the findings (Bonoma, 1985; Bouchard, 1976; Denzin, 1978, 1989; Flick, 1998; Hammersley & Atkinson, 1993; Hedrick, 1994; Hultgren, 1993; Laws et al., 2003; McGrath, 1984; Woolgar, 1988). Thus, qualitative data analysis provided clarification of the nature of this group of Middle Eastern small business owner/managers’ personal networks, as well as providing evidence that other personal network sources of social support could also be central to this group’s entrepreneurial activity.

The analysis of interviewees’ comments reflected the four latent constructs of social support, namely emotional, appraisal, informational and instrumental. This provided support for performing exploratory factor analysis in refining the quantitative data instrument, where factor scores for each respondent on each of the four sub-scales of social support types were calculated. The analysis indicated that the sub-scales items of original instrument of personal networks sources of receiving and giving social support tapped into the above four latent constructs. Therefore, this supports the notion that social support is a multidimensional construct, and should be treated as such (Drach-Zahavy, 2004; Uchino et al., 1996; Zimet, Dahlem, Zimet & Farley, 1988). Thus, quantitative research in the current study was used to test the nature of the social support types, whereas qualitative research was utilized to validate and triangulate the quantitative findings through qualitative data and to build theories of this social support construct (Cooper & Schindler, 2006; Leedy & Ormrod, 2005). Additionally, as factors (social support types) were listed in numerical order based on the higher factor loadings of all variables on the factors, factors in the qualitative analysis (social support types) were also ranked according to the highest number of comments interviewees made concerning each type of social support. Thus, both deductive and inductive processes of analysis were used to analyse qualitative data in that frequencies and percentage frequencies for each category theme were calculated to reflect the order in which social support types were listed.

7.2.5 Relationships among Variables

7.2.5.1 Business Success Variables

The analysis of the correlation matrix of the business success variables only revealed two positive relationships out of ten. That is, if one variable increases, so does the other, though the effect size of these associations was small or moderately medium. The first was between net income and the number of business success indicators, and the second between the length of time
in business and the self-rated business success variable. However, the analysis of
crosstabulations to explore whether there were relationships between selected background
variables and small business success variables indicated dissimilar significant relationships
between length of time in business (survival), net income, the number of business success
indicators and business success (self-rating) and a number of the selected background variables.
This aside from significant positive relationships between net income and the number of places of
selling products and/or providing services, and between the number of business success
indicators and the same variable—the number of places of selling products and/or providing
services; nevertheless, the two correlations were at different alpha levels and thus with different
size effect (see Table 4.25). Moreover, the analysis of fourteen selected background variables for
prediction of business success variables using binary and ordinal logistic regression indicated
that out of 14 only three selected background variables, namely older respondents, respondents
with a greater number of people from other communities they met in a week and respondents
who used two or more places of business trading predicted both net income and the number of
business success indicators. Whereas only one of the 14 selected background variables, i.e.
respondents with a partner, predicted both the length of time in business and the self-rated
business success variable (see Table 5.31).

Additionally, the analysis of t-test and ANOVA for RSS and GSS factor scores by business
success variables, namely the number of business success indicators and net income only
indicated that respondents who reported a greater number of business success indicators and
those who declared a higher annual net income were more likely to have received Info support
from suppliers. However, these relationships were at different alpha levels and therefore with
different size effects (see Tables 5.1, 5.2, 5.3 and 5.4). Besides, the analysis of RSS and GSS
from and to personal networks sources for prediction of business success variables using binary
and ordinal logistic regression indicated that the number of business success indicators variable
indicated that none of the four types of RSS variables from the six sources of respondents’
personal networks, namely Imm Fam, Ext Fam, Empl, friends, Supp and professionals made a
significant contribution to predict business success as measured by the number of business
success indicators. On the contrary, nine types of RSS or GSS made significant contribution to
predict net income variable (see Table 5.30).

Further, the analysis of ANOVA for RSS and GSS factor scores by business success variables,
namely the length of time in business and self-rated business success variable indicated that
respondents who had longer time in business and those who reported having successful businesses were more likely to have given Appr support to extended family and Inst support to employees. However, these relationships were at different alpha levels and thus with different size effects (see Tables 5.3 and 5.4). Furthermore, the analysis of RSS and GSS from and to personal networks sources for prediction of business success variables using ordinal logistic regression indicated that the only similar results were GSS Appraisal to extended family and GSS Inst to employees that predicated the length of time in business and business success (self-rating) (see Table 5.30).

Thus, despite the intercorrelations between net income and the number of business success indicators, and between the length of time in business and self-rated business success variable, it is important to note that the five business success variables, to a great extent, can be considered independent success measures and therefore none of them could be eliminated or be used as a proxy for the other as the analysis of data produced different results.

7.2.5.2 Personal Networks and Social Support and Business Success

The findings of the quantitative data from the current study indicated seven positive reciprocal relationships and 15 non-reciprocal relationships in terms of receiving and/or giving social support that predicted four of the five business success variables. The findings also indicated that three negative relationships in terms of giving social support which predicted two of the five business success variables.

7.2.5.2.1 Extended Family

Several researchers have indicated that the development of trust through social interaction is a key aspect of building and maintaining beneficial network connections for small business owners (Dubini & Aldrich, 1991; Larson, 1991; Morrissey & Pittaway, 2006; Silversides, 2000). Thus, the quantitative results indicated one reciprocal and positive relationship concerning receiving and giving Appr support between respondent and extended family which predicted business success as measured by survival. Similar patterns were evident in Australian ethnic small business studies which found that extended family were regarded as trustworthy and committed to the respondents’ businesses (Lever-Tracy, et. al., 1991; Stromback & Malhotra, 1994). The analysis also indicated that respondents who received Info support from extended family were more likely to have indicated business survival and business growth, but respondents who
indicated that they provided Appr support to extended family were more likely to have rated their businesses very successful. Additionally, the interviews’ data analysis showed that the proportion of receiving the four types of social support from extended family is higher than that of giving support. The proportions of receiving and giving Emo support from and to extended family were the highest of all receiving and giving support types. Despite the differences in proportions, the interview data showed reciprocal relationships between interviewees and the extended family with respect to the four types of social support. Thus, the above results provided support to previous studies which found that the entrepreneur’s extended family provides financial, informational and appraisal support (Dyer & Handler, 1994; Fadahunsi et al., 2000).

7.2.5.2.2 Friends

According to Andersson & Narayan Pradhan (2005) among other networks sources friends are a major source of information required by immigrants for starting and managing their own businesses which enabled them to integrate with others in new country. The results of the quantitative analysis indicated two reciprocal positive relationships relating to receiving and giving Appr and Inst social support between respondents and friends which predicted business growth. Additionally, respondents who received Info support from friends were more likely to report higher net income, but respondents who provided their friends with Appr support were more likely to survive in business. Added to that, the interview data indicated that the proportions of receiving and giving the four types of social support are equal in spite of the individual proportions of each type of receiving and giving social support being different. These findings provided evidence to support research which indicated that support from close friends is also highly utilised by entrepreneurs and is, in fact, often the preferred source of help and advice, particularly for ethnic entrepreneurs (Allen, 2000; Chaudry & Crick, 2003; Collins, 2000; Renzulli & Aldrich, 2005; Walker & Webster, 2007) and that friends have the ability and resources to provide entrepreneurs with new ideas and relationships and, in so doing, lead them to resources and opportunities which may contribute to the growth and survival of their businesses (Day, 1992; Perry & Goldfinch, 1996; Premaratne, 2001). Previous research also found that friends had a direct impact on the development and success of the small businesses (Bruderl & Preisendorfer, 1998; Kringas, 1988; Andersson & Narayan Pradhan, 2005).

According to Adams (1985-1986) friends are a significant source of emotional support, particularly for adults. Also, Hopkins (1998) conjectured that effective social support provides
benefits to the one who gives the support as well as the one who receives it. Yet, the quantitative findings indicated that respondents who provided Emo support to friends were less likely to have survived in business. One interpretation could be that the Middle Eastern people, at large, find it difficult to ‘say no’ to those friends who needed support, especially emotional support, whether during business hours or at other times. This is due to the cultural tradition that people expect to assist each other when the need arises, i.e. the burden to perform the social obligations or to fulfil expectations of personal networks member. Another interpretation could be related to the owner/managers’ lack of assertiveness skills. The lack of assertive skills may possibly have a negative impact on business success. These findings may support the notion that friends are expected to be available in a time of emotional need (Liebler & Sandefur, 2002). On the other hand, GSS Info and Inst did not predict business survival.

7.2.5.2.3 Immediate Family

The findings from the quantitative data analysis indicated one reciprocal and positive relationship relating to receiving and giving social support between respondents and their immediate family which predicted how. That is, respondents who received and provided Emo support from and to the immediate family were more likely to have rated their businesses as very successful. In support of this, several researchers have found that an association between family provision of emotional support in the presence of stress (a buffering relationship) and improved mental health and physical role functioning (Cohen & Wills, 1985; House, Robbins & Metzner, 1982; Turner, 1981). Thus, respondents may well feel more contented and functional when they have the immediate family behind them emotionally.

Additionally, the interviewees’ data analysis showed reciprocal relationships between interviewees and immediate family, although the proportion of receiving four types of social support is higher than that of giving. However, and expectedly, the proportions receiving Inst and Emo support from immediate family are higher than the other two types of support. The quantitative data analysis also indicated that respondents who received Appr and Inst support from immediate family were more likely to have reported business growth and respondents who received Info support were more likely to have declared higher net income. This finding confirmed that family support was an important factor for business success (Birley, 1985; Friga et al., 1999; Uchino et al., 1996). These findings also supported previous studies suggesting that ethnic small businesses’ immediate family material/unpaid work [instrumental] and emotional
support are important factors that influence business growth/success (Anderson, Jack & Dodd, 2005; Bruderl & Preisendorfer, 1998; Chaudry & Crick, 2003; Collins, 2000, 2002; Collins et al., 1995; Dyer & Handler, 1994; Fadahunsi et al., 2000; Franco & Haase, 2009; Gimeno, Folta, Cooper & Woo, 1997; Green & Pryde, 1989; Kringas, 1988; Lampugnani & Holton, 1989; Lever-Tracy et al., 1991; Pascoe, 1988; Price, 1963; Ram, 1994; Wilkie, 1972; Wilson, 1998).

Also, the value placed on Info support from immediate family is consistent with research which suggested that the family have the capacity to introduce ethnic entrepreneurs to new ideas and relationships and, in so doing, lead them to resources and opportunities which may contribute to the growth and survival of their businesses (Allen, 2000; Basu, 1998; Chaudry & Crick, 2003; Collins, 2000; Day, 1992; Perry & Goldfinch, 1996; Premaratne, 2001; Renzulli & Aldrich, 2005; Walker & Webster, 2007).

7.2.5.2.4 Employees

It is believed that regardless of the nature of the business that requires whether to employ others to carry out the business routine tasks, or that the personal and/or professional characteristics of the owner/managers such as level of education, business training, language skills, etc. that substitute the need for employing others, it is evident that having employees may well be considered an added value in that they could provide business owner/managers with different types of social support than those without employees. In an attempt to examine whether reciprocal relationships existed between ethnic entrepreneurs and their employees and, if so, whether they had an impact on business success, the findings from the quantitative data analysis indicated one reciprocal positive relationship concerning receiving and giving social support between respondents and employees which predicted business success in terms of employment. That is, respondents who employed others and received and provided Appr support from and to employees were more likely to have reported business growth. Thus, the findings provided support to past research which highlighted how immigrant entrepreneurs established [informal] reciprocal relationships with their workers which had an impact on the growth of their ethnic businesses (Zhou, 1992).

The quantitative data analysis also indicated that respondents who received Appr support from employees were more likely to have survived in business, while those respondents who received Info support from employees were more likely to have declared higher net income. With respect to giving social support, the analysis showed that respondents who provided Info support to
employees were more likely to have reported business growth and therefore survived in business, while those respondents who provided Inst support to employees were more likely to have survived in business and thus rated their businesses as very successful. Added to that, the interviews’ comments indicated reciprocal relationships between the interviewees and their employees regarding receiving and giving the four types of social support. However, the proportion of giving the four types of social support to employees is somewhat higher than that of receiving these types of support from employees, particularly Info and Emo support. Nevertheless, the results of the current study largely indicated that receiving and giving the four types of social support contributed to the success of respondents’ businesses, specifically those who employed others, despite the fact that dealing with difficult employees was considered a barrier to success by a few interviewees. In support of this, previous studies have described and shown the benefits of a supportive work environment to all working parties where they experience a high level of social support in their workplace, they tend to be less stressed, more highly satisfied with their job, more highly committed to their employer, more likely to themselves offer support and thus more likely to achieve business success, thereby creating a positive work atmosphere (Etzion, 1984; Gadenne, 1998; Hopkins, 1998; Luthans et al., 1992; Miller & Toulouse, 1986; Savery, 1987; Savyerr et al., 2003; Stephens & Sommer, 1995; Widding, 2005). The findings also confirmed previous research which found that employees were the main focus of the studied entrepreneurs (Friga et al., 1999). Thus, the current study provided evidence that the relationships between ethnic small business’s owner/managers and their employees is of informal/strong; therefore, employees in future ethnic entrepreneurs’ research as one of the personal networks source of social support, should be classified as such.

7.2.5.2.5 People from Own Community

Being ethnic small business owner/managers is viewed by some authors as having operational advantages over non-ethnics in that their close nature offers them access to different types of social support through ethnic networks (Waldinger et al., 1990). Thus, the quantitative data analysis indicated that respondents who met a fewer number of people from their own community face-to-face in a week (up to 100 persons) were more likely to have reported a greater number of business success indicators. Additionally, the analysis of the interview data indicated that the proportion of giving social support to people from interviewees’ own community is twice as that of receiving social support in general, and, in particular, the proportions of Inst, Emo and Info support. However, the proportion of receiving Appr support was higher than that of giving Appr support. Evidently, the overall findings indicated reciprocal
relationships relating to receiving and giving the four types of social support from and to interviewees’ own community people. Some researchers state that trust, among ethnic communities, aids in securing business relationships and achieving positive economic outcomes (Fadahunsi, et al., 2000; Fukuyama, 1995). The results provided no evidence that the respondents used any marketing strategy or particular advertising techniques. Therefore, it can be deduced that such mutual trust/support can benefit the respondents and people from their own community alike for example, recruiting people from within the community, especially when these businesses rely heavily on word-of-mouth, counting on their co-ethnic population. The current study’s respondents may well generate adequate annual net profit as a result, which allows them to survive and grow in terms of employment and thus they and their families achieve financial and non-financial rewards.

These results are consistent with previous studies which indicated that the co-ethnic community of entrepreneurs were found to play central roles in the operation of many of the ethnic ventures, their growth and survival (Bonacich & Modell, 1980; Cable & Shane, 1997; Carter et al., 1996; Collins, 2000, 2002; Collins et al., 1995; Green, 1997; Greene & Butler, 1996; Kim, 1987; Premaratne, 2001; Perreault, et al., 2007; Ram, 1994; Salaff et al., 2003; Stevenson & Jarillo, 1991). This study’s results are also consistent with research which concluded that entrepreneurs’ active participation in their own community events, and being members of ethnic community organizations [in this case providing different types of support] may well lead to achieving favorable results (Ellison & George, 1994; McIntosh & Alston, 1982; Maton, 1989; Ortega et al., 1983; Perreault, et al., 2007; Taylor & Chatters 1988). Further, past research has also found a link between ethnic community leadership roles and high involvement in its events and the success of ethnic entrepreneurs’ businesses (Galbraith et al., 1997; Kim, 1987).

However, the findings stand in contrast to the finding “immigrant entrepreneurs are less inclined to become involved in other significant roles, such as …clubs or social obligations” (Strahan & Williams, 1988:28). Overall, regardless of the type of support respondents provide to their own community, respondents maintaining a presence in their own community could possibly help to reduce negativity towards their businesses, promote trust and contribute to the success of their businesses. Therefore, in an attempt to test how entrepreneurs’ ethnic communities play a crucial part in ensuring business survival and economic security, the findings provided evidence to
support the notion of ethnic compensation through economic behaviour in that migrants rely heavily on social contacts within their own communities in establishing [and maintaining] their own businesses (Kotkin, 1992; Muller, 1993).

7.2.5.2.6 **Customers**

Not surprisingly, because customers in the current study were classified as a formal personal networks source of support, interviewees’ comments provided no evidence relating to receiving and giving Emo support from and to customers. However, the qualitative data analysis indicated that, regardless of the proportion of receiving social support from customers, particularly Appr support followed by Info and Inst, was slightly higher than that of giving support, building mutually valuable and interactive relationships with customers may well contribute to the success of the business. The results supported the theory which has suggested that customers are necessary not just to complete sales [instrumental] but also as a source of market information (Fadahunsi et al., 2000). These results also confirmed previous research that stressed the role of customers as a source of other resources that determine business performance (Beekman & Robinson, 2004; Caudron, 1994; Chaudry & Crick, 2003; Day, 1992; Friga et al., 1999; Greene, 1997; Khalifa, 2004; Larson, 1991; Sherman, 2006). Added to that, Hendricks (1998) states that customers can be the most effective and least expensive option of advertising i.e., through word-of-mouth, by recommending the business to their family members, friends and acquaintances.

7.2.5.2.7 **Suppliers**

The findings from the quantitative data analysis indicated that respondents who received and provided Appr and Info support from and to suppliers were more likely to have reported higher net income. Added to that, whilst the proportion of small business owner/managers who received social support from suppliers was higher than those who gave it, there existed a supportive reciprocity between the owner/managers and their suppliers in terms of Appr, Info and Inst support. Thus, both quantitative and qualitative data, to a certain extent, corroborated each other. The data provided no evidence that suppliers gave Emo support to the interviewees in any significant way though a small number of the owners/manages indicated receiving Emo support from suppliers. This result has not been found previously. There must be a mutual trust and respect to provide critical and timely information to all parties involved. These findings support the idea that reciprocity frequently takes place and develops as a result of establishing a positive, affirming and mutual relationship by both the receiver and giver of social support when the need arises (Day, 1991; Morrissey & Pittaway, 2006). According to Morrissey and Pittaway (2006)
and Sako and Helper (1998), owner/managers can add value to their relationships with suppliers creating these personal and professional friendships such as trust through which they can manage these relationships. Therefore, possession of interpersonal skills would no doubt contribute to an entrepreneur’s ability to build and maintain the strong social and business networks, including mutually beneficial relationships with suppliers which contribute to the success of an enterprise (Beekman & Robinson, 2004; Day, 1992; Larson, 1991; Sherman, 2006).

7.2.5.2.8 Key Persons

The analysis of interviews’ comments indicated that interviewees largely received four types of social support from key persons, particularly Info and Inst support, more than they provided them with though they only provided the key persons with Info and Inst support. It seems that receiving Info and Inst support were more important than receiving the other two types of support. Receiving Info and Inst support can assist the interviewees in keeping them updated and making them aware of any changes in the particular industry that may affect their businesses, in finding more opportunities and in expanding and growing their clientele base. Equally, providing Info and Inst social support to key persons appeared more opportune and appropriate than providing the other two types of support. Interviewees’ providing information which can assist the key persons and their organizations in gaining business opportunities to achieve better business outcomes such as information about social and religious community events, outstanding personal and/or professional achievements of people from their own community, etc. as well as providing discounts, sponsoring and promoting events organized by different community groups’ organizations, or donating money and/or providing additional services to such events. From the above, despite their busy lives, many interviewees play an active role in keeping the ethnic media and community associations alive and strong. The on-going engagement with various community organizations (see 1.6, 1.6.1-1.6.3), and vice versa, could also be viewed as critical to the success of the business. It seems that there exists an effective interaction between respondents and this source of personal network. Such interaction may well lead to growing the size of one’s personal networks and ultimately business growth (Papadaki & Chami, 2002).

Past research (Gray, 1998; Kets de Vries, 1985) has justified the reasons for small business owner/managers not belonging to professional and business organizations as it could be viewed as time consuming and/or money wasting. It may also perhaps be perceived as a threat rather than providing a competitive advantage, as respondents get to meet and communicate with their
competition. It is possible those competitors could receive an advantage. This might have explained and provided further reasons as to why 13 of the 16 interviewees (around 81 per cent) did not belong to any professional/business organizations—they receive sufficient information and advice from their personal networks. Past research showed similar findings (Fadahunsi et al., 2000). However, the above results were found different compared to 68 per cent in another Australian study of small business owner/managers’ interview sample of 25 (Gray, 1998). However, previous research (for e.g., Bowen et al., 2009; Dollinger, 1985; Meltzer, 2001; Norus, 1996; Timmons & Spinelli, 2009) stressed the numerous benefits that small business owner/managers can gain by belonging to professional organizations. Such membership assists small business owner/managers in networking, provides them with opportunities to examine products, to learn more about existing and potential competitors, to meet suppliers and sales representatives and to learn more about market trends. Finding business opportunities, acquiring resources, gaining a competitive advantage in business and so forth are other potential advantages. However, ethnic entrepreneurs see few advantages in belonging to such organizations; therefore, this issue needs to be investigated further.

7.2.5.2.9 Business Partners

The analysis of the qualitative data indicated that the proportion of those in a business partnership who gave social support in its four dimensions (38 per cent) was higher than that of receiving these four types of support from those partners. It appears this is based on mutual trust between respondents and their business partners, and the belief in each other’s capabilities and commitment, otherwise they would have not formed the partnership. In their study of immigrants’ businesses in Sweden, Andersson & Narayan Pradhan (2005:46) found that “a strong motive in choosing a partner is that the individuals have faith in one another”. Nevertheless, regardless of who is receiving or giving whatever support, respondents’ business partners, to a certain extent, are active in managing and running the business and their helpful contributions were reflected in interviewees’ comments. This was the case especially when adopting a proactive approach in keeping each other updated and alert to new business matters, which, in most cases, may well lead to the discovery of new business opportunities and therefore business success. Additionally, being in partnership may also contribute to the psychological well-being of the owners/managers in that they provide each other with emotional support, particularly during the tough times. This was also evident in the interviewees’ comments. All in all, partnership benefits the parties in sharing financial resources and in enriching and enlarging management experience and functional expertise (Eisenhardt & Schoonhoven, 1990; Teach,
Tarpley & Schwartz, 1986). According to Woo et al. (1989) enterprises owned or managed by the two or more partners are more likely to be successful than those operated by one. Thus, the results from this study further support past research which suggested that informal (e.g. business partners) connections have the capacity to introduce entrepreneurs to new ideas and relationships and, in so doing, lead them to resources and opportunities which may contribute to the growth and survival of their businesses (Day, 1992; Perry & Goldfinch, 1996; Premaratne, 2001).

**7.2.5.2.10 Accountants, Bankers and Solicitors**

Surprisingly, the quantitative analysis provided no evidence that receiving and/or giving any types of social support from and/or to accountants, bankers and solicitors had any relationship to the success of respondents’ businesses. It was expected that, to a certain extent, at least the receiving of Info and Appr support would have an impact on business success. However, the results are consistent with previous research which found no significant relationships between the use of professionals as advisors to small business success (Cooper et al., 1994).

Equally, and expectedly, qualitative data analyses provided no indication that interviewees provided any type of social support to their accountants, bankers and solicitors. However, a considerable number of interviewees commented on receiving Info support and a few on receiving Appr support. This contradicted an Australian study of small business owner/managers which found “none of [its 25] interviewees mentioned solicitors/lawyers as professional advisors” (Gray, 1998:226). Add to the current study results, a small proportion of interviewees’ comments indicated that accountants, bankers and solicitors as one of the reasons that interviewees were successful in their businesses due to the information and advice they provided. Therefore, using mixed methods of evaluation of data compensates for the weaknesses or biases of each of the research methods used in the current study (Babbie, 2004; Bradley, 1995; Denzin, 1997; Jick, 1979). Thus, for small business owner/managers, it is expected that their accounts, bankers and solicitors have the capacity primarily to provide relevant and timely information, ideas and advice which reduce the uncertainty in making decisions relating to acquiring more resources and exploring business opportunities which may lead to business success.

Thus, the results from the current study further confirmed the crucial role of this personal networks source of support in maintaining successful businesses, i.e. the growth and survival of the small businesses, specifically in providing to them Info and Appr support which are most needed (Cohn & Lindberg, 1972; Day, 1992; Kent, 1994; Lussier, 1995; O’Neill & Duker, 1986;
Perry & Goldfinch, 1996; Premaratne, 2001; Swayne & Tucker, 1973). The findings also showed that the role of accountants goes beyond merely preparing tax statements thus contradicting an Australian study of small business owner/managers finding in that the role the accountants was merely preparing tax documents (Gray, 1998). Given that this personal networks source provided no Emo and Inst support to the interview sample, this supports the classification given in this study to this source as formal. This is the case because informal close networks are generally seen as able to provide stronger emotional support and tangible assistance (Collins, 2000; d’Abbs, 1982; Storer et al., 1983). Thus, despite the fact that accountants, bankers and solicitors are important to small business owner/managers’ entrepreneurial activity, in this study this particular personal network source was found to be the least vital source of receiving and giving four types of social support, which confirmed previous research findings (Ram & Deakins, 1995).

7.2.5.3 Selected Background Variables and Business Success

Older age (50+ years) predicted business success as measured by business survival, the greater number of business success indicators and higher net income. Given their age and length of time in business, it seems they may well have developed stronger networks sources of support, have an accumulated wealth of business and non-business expertise and have a healthy cash flow compared to younger respondents. These are considered to be valuable assets to obtain financial resources. Therefore, these qualities further reinforce business’s ability to stay in the market and grow as it would become easier to obtain financial resources which allow them to grow and survive, and thus achieve greater financial and non-financial rewards. The results were consistent with previous studies which suggested that both age and the age of the business, influence business success in terms of business survival, growth and net income (Kallerberg & Leicht, 1991; Kraut & Grambsch, 1987; Masuo, Fong, Yanagida & Cabal, 2001; Rowe, Haynes & Bentley, 1993; van Scheers, 2011). Contrastingly, several researchers have found that younger small business owner/managers were more likely to grow and succeed in business (Davidsson, 1991; Boswell 1972; Wärneryd, 1988). Davidsson’s (1991) argument is that the younger entrepreneur is considered to be more ambitious and aspires and have high needs for more income to meet the demands of standard of living, family support burdens, mortgages and other factors compared to older small business owner/managers’ as the needs for additional income generally decline as one ages. Considering the mixed results concerning the owner-manager’s
age and its relationship with business success, and following the above arguments, different explanations are possible.

Being in partnership marriage predicted small business success as measured by years in business, employment of others and therefore reporting having successful businesses. Considering that this study sample had high levels of marriage stability, and that of the 95 respondents with a partner 92 reported that family stability as one of the reasons that they were successful in business. It is safe to conclude that partnered small business owner/managers are more likely to have successful businesses in terms of survival and employment. Numbers of interpretations are possible: partnered small business owner/managers with marriage and family stability are usually much more mentally and physically focused on family responsibilities; or their personal and business goals become more realistic and attainable; or they simply gain more support from their spouses and children (if any) as well as from their extended families more often than those without partners. According to Cohen and Wills (1985) strong and long lasting relationships, such as marriage, would usually supply various types of support, hence their positive effects. These findings are found to be consistent with the belief that powerful others, for example, marriage partners, affect chances of success (Gray, 1998; Levenson, 1981).

The data indicated that shorter periods of unemployment after first arriving in Australia predicted success in terms of survival, employment and greater number of business success indicators. A considerable number of respondents (over two-thirds) had trade and/or professional backgrounds, and this might have contributed to finding a job earlier than those who lacked such expertise. In support of this, Liu (2007) found that immigrant duration of unemployment is, to a great extent, affected by one’s skills, abilities and capabilities in finding a job, particularly where the host country’s language is different to one’s own. Thus, finding a job earlier may have brought a competitive advantage to respondents in that it may increase the chances of establishing diverse informal and formal networks, improve understanding of business financial and legal environments, develop skills needed in producing products and/or providing services and addressing customers’ needs and expectations more professionally. The results were consistent with previous studies which suggested that respondents who experienced shorter periods of unemployment created employment in their ventures (Welter; 1999).
Using two or more locations to sell products and/or provide services predicted business success in terms of net income, reporting a greater number of success indicators and thus having successful businesses. Given their marriage stability, they may have more time to explore different avenues of marketing and selling products and/or delivering services. The results may also imply that respondents with more business locations may receive the type of social support from immediate family, and extended family, necessary to carry out business routines when respondents are at different trading places. Or it could be that an immediate family member takes the responsibility of selling business products and/or providing services at these places, or simply an employee(s) being hired for this purpose. Considering the nature of the current study’s sample, these interpretations, to a great extent, are possible. Moreover, the data indicated that 52.1 per cent of success indicators related to respondents’ businesses (see Table 4.21); therefore, judging from the above results and explanations, these businesses are likely to continue to succeed and achieve financial gains.

The analysis further indicated that respondents with lower levels of education were more likely to have high scores for business growth. This relationship was also predicted through performing logistic regression analysis. This may suggest that respondents’ lacking formal education/training may perhaps employ others to overcome such educational shortcomings or that the nature of their businesses demanded employing others. Given that the vast majority of respondents who were without employees had post-secondary qualifications (around 81 per cent) this may also imply that these respondents were running businesses that required one-person where para-professional and professional knowledge and skills were essential. However, the above results are in disagreement with previous research which concluded that education is one of the aspects that have a positive impact on growth of firms (King & McGrath, 2002). Nevertheless, the results are consistent with previous studies which found no evidence to support the notion that formal higher education is linked with higher incidence of business success, particularly in terms of employing others (Butler & Green, 1997; Papadaki & Chami, 2002). Likewise, Bowen et al. (2009) found that respondents with up to secondary education were doing well in business, and concluded that formal education was not a critical aspect of business success.

However, the analysis indicated that almost half the respondents (around 45 per cent) who employed others had post-secondary qualifications; therefore, the current study results may partially support previous studies which established a positive relationship between formal
education and business success in terms of growth of employment (Attahir, 1995; Brush & Hisrich, 1988; Cooper et al., 1994; Davidson, 1991; Gray, 1998; Hay et al., 1988; King & McGrath, 2002; Robinson & Sexton, 1994; Rose et al., 2006). Naturally, it is expected one would acquire hands-on experience and breadth of knowledge relatively applicable to different areas of business through formal education.

Respondents with higher levels of educational attainment were more likely to have reported a greater number of business success indicators. Conventional wisdom and past studies suggest that entrepreneurs with education and/or vocational training are better equipped to own/manage an enterprise and to adapt to ever changing immediate and/or remote business environments (Cooper, Folta, Gimeno-Gascon & Woo, 1992; King & McGrath, 1998). Therefore, this study result is supported by the above studies which indicated a positive relationship between higher levels of education and business success. From the above therefore, the above results were inconclusive concerning the relationship between level of education and business success. In determining whether a relationship existed between business performance and level of education, Bowen’s et al. (2009) study did not provide conclusive results either.

Quantitative analysis indicated that male respondents were more likely to have indicated growth in business, possibly due to the fact that the males had been longer in business than their female counterparts. Brush (1992) suggests that women may be more family oriented with their motherhood responsibilities than pursuing economic goals related to firm growth. One other interpretation for females being in business for a shorter period of time could be the changing attitudes of the people of the Middle East in general, and males, in particular towards women and self-employment, particularly the immigrants’ second or third generations adapting to Australia’s way of life in which women have the choice of entering the self-employment world. The results were consistent with studies which established a positive relationship between male entrepreneurs and business growth as measured by the number of employees (Cooper et al., 1994; McPherson, 1992; Parker, 1994). However, several researchers hypothesize that females are more risk averse than males, or that there exists some form of discrimination against female entrepreneurs (Boohene, Alison & Kotev, 2008; Downing & Daniels, 1992; Liedholm, 2001). Others suggest that women may have fewer opportunities to develop relevant business skills and experience, and to network to be able to receive the type of support essential to grow (Riding & Swift, 1990; Sexton & Robinson, 1989). The situation of women needs to be investigated further.
7.2.5.4 Reasons for Business Success/Barriers

The questionnaire gathered quantitative data concerning business success, namely length of time in business (survival), number of employees (growth) and annual net income. It also gathered qualitative data concerning the two open-ended business success questions for example, business success indicators and reasons for having successful or unsuccessful business. Respondents were offered the opportunity to provide comments on their ratings if they so choose. Qualitative data relating to reasons for business success were also gathered during the course of the interviews.

Vesper (1990) points out that, on average, only about 10 per cent of small businesses survive three years of operation, whereas Reynolds et al. (2000) indicated that 40 per cent survive within the three year period. The study found that the majority of respondents had been in operation for six years or over. The qualitative questionnaire analysis also indicated that having survived the first years of operations as one of the reasons given by the respondents for having successful businesses. Additionally, the analysis of the correlations between business success variables indicated that the length of time in business had a positive link with business success (self-rating). Thus, the data suggest that these businesses will continue to operate. The findings support the view that length of time in business is associated with its survival and that its life expectancy increases with its age (ABS, 2007b; Churchill, 1955; Dickerson & Kawaja, 1967). Moreover, since no respondent, irrespective of the length of time in business, has reported that he/she was suffering from what is described as entrepreneurial burnout, and thus losing interest in his/her business and thinking pursuing others, the current study could not support past research finding which indicated that most micro and small business owners who have been in operation for more than 5 years considered their businesses as being in the process of failing partly because most entrepreneurs may have suffered from what is described as entrepreneurial burnout. This, in turn, may lead to losing interest in one business and to looking out for another (Bowen et al., 2009; Longenecker et al., 2006). Nevertheless, further research is required to investigate this symptom.

According to Woo et al. (1989) creating jobs implies growth. The vast majority of the respondents (85.8 per cent) employed others in their businesses which ranged from one to 37 employees. The qualitative analysis also showed that a considerable proportion of respondents listed business growth and employing more staff (creating job) as indications that their
businesses were successful or having successful businesses. Given these findings therefore it is likely that this study sample will continue experiencing growth in job creation. These data provided evidence to support previous research which indicated that businesses with a small team of employees are more likely to grow than those with a single operator, as the team brings a significant accumulation of human wealth to the business (Barkham, 1992; Kinsella et al., 1993; Peacock, 2004; Reynolds, 1993; Richter & Kemter, 2000; Storey et al., 1989; Woo et al., 1989). All in all, the above results support the view that using within-method triangulation to investigate the same units verifies research validity and reliability (Denzin, 1997; Jick, 1979). Nevertheless, interviewees’ comments provided no evidence that length of time in business and employment of others were important measures for business success among others. Thus, this provides support to previous research which stresses that realizing the significance of non-financial measures of success is also important considering that many of the reasons people start a small business can be non-fiscal (Boyd & Gumpert, 1983; Hamilton, 1987; Walker & Webster, 2007; Yusuf, 1995).

The analysis of quantitative data indicated that half the respondents claimed to earn between $50 000 and $100 000 per annum from their businesses. The qualitative questionnaire analysis showed that considerable proportions of respondents listed profit, among others, as both a business success indicator and a reason for having successful businesses. Additionally, many respondents listed better lifestyle, contribution to community development and adding more products/services as indications and reasons for being successful in business. This may well require having a healthy cash flow system. Since the respondents provided no negative figures relating to the business net income, (i.e. a loss), this may possibly be either through injecting some proportion of the business annual net income into the business to improve its operations, so respondents can then reap the good fruits of their effort i.e. profit, and then be able to have a better lifestyle, contribute to community development, etc., or through borrowings. The latter, too, needs to be repaid, although the entry in the profit and loss statement is considered as a business expense. Added to that, when the financial capability of respondents’ businesses is average, or below, then it could possibly be difficult for these respondents to make monthly borrowing repayments, or even to convince financiers to lend them some money before anything else.

The interviewees provided no comments to indicate net income as being one of the reasons for success; conversely, their comments reflected financial barriers as one of the business hurdles to
success. But this was only a small proportion of the total comments made in this section (i.e. eight out of 86 comments or nine per cent of the total). In fact, the qualitative questionnaire data showed that profit was identified as the second business success indicator and among the reasons why respondents were having successful businesses. Added to that, the analysis of the correlations between business success variables indicated a positive association between net income and the number of business success indicators. Further, given that the majority of respondents had been in operation for six years or over, the net income data might have been inaccurate, particularly being self-rated. This provides support to the view that income has been demonstrated as an unreliable measure of business success, particularly when considered alone (Gome, 1994; Kennedy, 1995; Shuman & Seeger, 1986). Nevertheless, on the basis of the above findings, it can be inferred that the sample is likely to have been successful financially. For the above reason, non-financial measures of business success were investigated. Thus, utilizing multiple triangulations provided evidence to support the view that multiple methods of collecting data strengthens the researcher’s claim for the validity and reliability of the study findings and improves its quality (Blaxter, Hughes & Tight, 1996; Sekaran, 2000; Stake, 1995; Zikmund, 2000). Using multiple methods also provided support to the statement that “interpretations that are built upon triangulation are certain to be stronger than those that rest on more constricted framework of a single method” (Denzin, 1997:319).

The analysis of data regarding whether respondents’ businesses were successful showed that aspects other than conventional quantifiable measures of business success were discernible. For example, business and family stability, independence, better lifestyle, creative and innovative leadership and contribution to community development were recognised by many respondents as crucial as quantifiable measures of success. The data provided evidence to support previous studies which emphasized personal satisfaction, independence, lifestyle and other non-financial indicators as indicators of success (Burns & Harrison, 1996; Chaganti & Chaganti, 1983; Ekanem & Wyer, 2007; Ibrahim & Goodwin, 1986; MacMillan et al., 1985; Paige & Littrell, 2002; Perren, 2000; Petrin, 1994; Tait et al., 1989; Walker & Brown, 2004; Wijewardena & Tibbits, 1999). The data also support Bowen et al. (2009: 21) finding that the majority of small business owners who indicated independence as a reason for starting a business “considered themselves to be doing well”. However, different to the current study results, in their study into Australian and Malaysian small business owners, Ahmad and Seet (2009) were unable to find whether both financial and non-financial success indicators could be interpreted differently across cultures. Therefore, both financial and non-financial measures of small business success
need to be investigated across cultures further. Since Australia is a culturally diverse society, these measures need to be investigated across Australian cultures, for example across Arabic-speaking and non-Arabic speaking small businesses owner/managers.

The analysis of quantitative data relating to the question *how successful or unsuccessful your business is* showed that the vast majority of respondents indicated that their businesses were successful (The research categorised businesses that rated themselves as either very successful or successful as successful businesses), and only 16 per cent of respondents rated their businesses as neither successful nor unsuccessful. The analysis of qualitative data relating to respondents’ reasons for rating having successful businesses indicated that, as well as achieving financial gains, employing more staff and surviving the first years of operations, other reasons were also identified by many respondents. For example, having well-maintained personal networks of relationships and having good employees’ relations were also considered by many respondents as essentials for success.

Interviewees’ comments also reflected personal networks providing social support as main reasons for business success, specifically the existing informal and formal personal networks. The results were consistent with research that found that entrepreneurs who used personal network sources of social support gained more ideas and learned more of entrepreneurial opportunities for their ventures and such sources are significantly and positively related to entrepreneurs’ financial success (Amatucci & Young, 1998; Baron & Markman, 2000; Hills et al., 1997; Weinstein, 1999). Yet, the interviewees’ comments concerning barriers to success indicated that a number of these personal networks proved to be difficult to deal with and unproductive and, worst still, caused disruption of entrepreneurial activity. However, the *loss of support sources* was identified by many respondents as a barrier to success. Therefore, considering other personal networks sources of social support had been already taken into account by many interviewees, which was observed as an important aspect of business success.

In support of this, several researchers have emphasised the importance of small business owner/managers taking the time to reflect and evaluate their sources of social support to determine the most valuable networks to their businesses which should be the focus of attention (Baker, 1994; Beekman & Robinson, 2004; Sandberg & Logan, 1997; Zolkiewski & Turnbull, 2002). These *other sources*, to a great extent, are from diverse backgrounds. What gives support to this statement is that the analysis of data showed that respondents whose customers were from
Arabic and non-Arabic speaking backgrounds were more likely to declare higher net income. Thus, these findings provided support to previous research which found that small business owner/managers who stretched their networks beyond their own community were likely to improve business success (Oh et al., 2006:2). In view of that, it can be inferred that the advantages of respondents having personal networks sources of support outweigh their disadvantages; and therefore, the three types of data analyses in this study concerning reasons for success provided evidence to conclude that respondents’ personal networks sources of social support appear to be the most important aspects of business success despite having the difficult customers to deal with. Considering that respondents having the appropriate and relevant personal and business qualities and skills, these difficult people may well continue trading with respondents when dealt with in a professional manner.

Furthermore, some interviewees recognized closeness to the Middle Eastern communities as another important aspect of business success. The qualitative questionnaire data also indicated closeness to Arabic-speaking communities as the most common reason for choosing a business location. This implies that the geographic location of the business contributes to attaining favourable business economic-status and that these communities seem to provide respondents with what is necessary to achieve this status. The data are consistent with past research which concluded that favourable geographic location, among others, contributes to business success, particularly its survival and growth (Bowen et al., 2009; Davidsson et al., 2002; Hand, Dunkleberg & Sineath, 1979; Stearns et al., 1995).

Thus, interviewees’ comments on reasons for success further validate and confirm that these communities, to a great extent, have impact on the economic development of the business. Further, the data provided evidence to support the concept of ethnic enclave economic theory which states that ethnic businesses are often concentrated where ethnic communities exist which realize a sense of strong social and economic security. Such concentration allows ethnic groups to create their own businesses relying on community trust and social capital, thus speeding their economic progress (Portes & Bach, 1980; Zhou, 1992). Thus, the data provided some evidence to believe that there exists an ethnic enclave economy in Australia based on the fact that ethnicity shaped a considerable number of these businesses and that the vast majority of respondents employ Arabic-speaking employees. However, one past study on Australian ethnic businesses found no evidence of a well-developed ethnic enclave economy despite the fact that ethnicity shaped these businesses (Tait et al., 1989). Further, Adhikari (1999: 191) reports that “ethnic
enclaves as a separate economy do not exist in the Australian labour market where migrants can obtain higher status or higher earnings”. Collins (2000) also found no evidence that ethnic businesses were “enclave” businesses. Therefore, the number and the types of ethnic businesses that concentrate where ethnic communities exist, i.e. the number of integrated ethnic businesses, together with employees’ backgrounds and their employment status and levels of earnings need to be investigated further.

The qualitative questionnaire analysis also indicated that honesty, respect, trustworthiness, responsibility, hard work and commitment were considered by many respondents as fundamentals for success. Additionally, religion was considered as an important aspect in the conduct of the business reasoning that such values are derived from a religious perspective. These values reflect respondents’ business strategies and practices such as respecting customers’ needs regardless of their backgrounds, delivering quality products/services and decent customer service including labelling all the products for religious and health issues. These were also recognized as important ingredients for business success. Equally, trust, honest, respect, ambition and hard work were identified by many interviewees as important elements of success. Past research concluded that adopting religious values such as adherence to ethics has been found to have impact on motivation and entrepreneurial success among Americans of Japanese origin (Woodrun (1985). Additionally, the data, to a great extent, provided support to the conclusions that successful entrepreneurs are generally hardworking, ambitious, committed, determined, reliable, trustworthy, honest people with high needs for achievement and success (Collins, 2002; Collins et al., 2004; Coyne & Binks, 1983; Cunningham & Lischeron, 1991; DeCarlo & Lyon, 1980; Duchesneau & Gartner, 1990; Gundry & Welsch, 2001; Meltzer, 2003; Peacock, 2004; Rokeach, 1973; Sharir & Lerner, 2006; Silver, 1988; Tait et al., 1989; Walker & Webster, 2007 Werbner, 1990; Williams, 1991). Entrepreneurs with high needs for achievements are likely to adopt proactive strategies and practices (e.g., accommodating diverse customers’ needs, delivering quality products/services, etc.) in order to satisfy their customers’ needs are more likely to succeed. These findings are consistent with past research that found that high achievement motivation is associated with some aspects of venture performance (Begly & Boyd, 1987; Carsrud & Olm, 1986).

Moreover, it is worth reiterating that, where respondents’ viewed religion as an important aspect in the conduct of the business, the respondents spoke of accommodating and satisfying particular religious needs such as religious dietary requirements and practices. Further, the qualitative data
indicated that using particular strategies appeared to be as vital for success such as delivering quality products and/or services, adding products and/or services and having satisfied, loyal and dedicated customers. Furthermore, the analysis of interviewees’ comments also reflected satisfying customers’ needs by being socially responsible and having a duty to respond to the religious, traditional, social and/or cultural customers’ needs, as one of the reasons they were successful in their businesses. Therefore, it seems reasonable to say that the sample, in general, uses creative and innovative business strategies to meet employees’ and customers’ demands judging from the above section’s finding on creative and innovative leadership as one of the business success indicators. Thus, respondents not only tend to secure a considerable proportion of the market that could easily have gone to competitors otherwise, but also aim to promote the caring nature of the business. From all of this therefore qualitative data analysis validates and further supports both quantitative and qualitative questionnaire analyses relating to having particular personal qualities and utilizing specific business strategies and practices are as critical aspects of business success as quantifiable measures. The above results are consistent with previous studies which found that, among others, that business networking, differentiating products/services and superior customer service to satisfy customers’ needs, both personal values such as honesty, trust, respect, reliability and responsibility, and business hygiene aspects such as healthy employees and customers’ relations are critical to building a long-standing business reputation which can make a difference between successful and unsuccessful businesses (Bowen et al., 2009; Day, 1994; Jensen, 2001; Parasuraman, 1997; Simovà & Odziemczyk, 2007; Slater, 1997; Zeithaml, 1988; Woodruff, 1997).

Additionally, interviews’ comments reflected other skills which were identified by many respondents as essential ingredients for success. For example, English language proficiency and speaking LOTE. The analysis of the quantitative data relating to English language proficiency indicated that the majority of respondents (87 per cent) appeared to have been reasonably well-equipped with the English language capabilities. Additionally, the analysis of the questionnaire qualitative data concerning the question how important or unimportant speaking English is in the conduct of the business showed that the vast majority (90 per cent) rated this question as very important indicating a number of reasons mainly relating to everyday business operation and performance. Moreover, the analysis of the quantitative data regarding speaking LOTE indicated that all respondents spoke Arabic, and a significant proportion spoke two or more LOTEs. Further, the analysis of the questionnaire qualitative data relating to the question how important or unimportant speaking LOTE is in the conduct of the business indicated that just over two-
thirds of respondents (66.3 per cent) reported that it was important to speak a LOTE. Respondents’ comments reflected themes related to business performance. Added to that, logistic regression analysis indicated that respondents who spoke two or more LOTEs were more likely to survive in business and report a greater number of business success indicators. Thus, both the questionnaire quantitative and qualitative data analyses and the interviewees’ comments corroborated each other in that English language proficiency and speaking LOTE were both considered essential ingredients of business success. Thus, given that the vast majority of respondents are proficient in English and multilingual, they are likely to have the advantages of extending their personal networks beyond family and friends, finding more business opportunities that address a wider customer base, obtaining contracts, etc. and, therefore, reaping financial gains. These findings provided evidence to support research that suggests proficiency in English is of major significance in the life of those who own/manage a business (e.g. Collins, et. al, 1995; Fitzgerald, 1988; McManus et al., 1983; Wooden et al., 1994) and that language skills, particularly speaking LOTE, are considered as a significant asset in today’s world as these skills facilitate communication with a wide range of people, especially those with poor command of English, and whom well-resourced small business owner/managers are able to communicate with so as to create a more informal and friendly environment which give businesses a competitive advantage (Fatehi, 1996; Kipp et al., 1995; Liu & Louw, 2009; Peterson & Roquebert, 1993).

In line with the literature, this study emphasized the importance of financial and non-financial measures of success as recommended by Murphy et al. (1996), but also showed that non-financial aspects of business success appeared to be as important as financial measures for many respondents, if not more important. Therefore, the results do support conclusions of previous studies that there are no universally accepted criteria for measuring success, as the motivations of small business owner/managers are personal and varied, so too will be their definitions of what constitutes success (Brush & Vanderwerf, 1992; Chandler & Jansen, 1992; Haber & Reichel, 2005; Kunkel & Hofer, 1991; Luk, 1996; Walker & Brown, 2004; Wickham, 2001). The results also provided evidence to support the view of combining the two, i.e. both financial and non-financial measures of business success provide better insights into business performance (Beaver, 2002; Buttner & Moore, 1997; Kuratko et al., 1997; Jennings & Beaver, 1997; Wiklund, 1999), and that utilizing non-financial measures of small business success have been found to have high validity and reliability (Dess & Robinson, 1984; Gupta & Govindarajan, 1984).
Judging from the above, the analysis of interviewees’ comments showed no self-serving attributional bias (Diochon, Menzies & Gasse, 2007) among participants when it came to identifying the reasons for success and the barriers to success. Self-serving attributional bias is the tendency for individuals to attribute their own successes to internal (personal) factors while putting the blame for failure on external (situational) factors (Miller & Ross, 1975). The analysis of all data sources provided evidence that participants took credit for their success, but at the same time they admitted having some characteristics or lack of specific skills (e.g. personal idiosyncrasies of the owner/manager, lack of specific business experience, etc.) that hinder success. Nevertheless, participants’ overall comments chiefly reflected internal factors for being successful in owning/managing the business (acknowledging that human capital characteristics and qualities, values, etc. as reasons for being successful), but primarily putting the blame on external factors for barriers to success, specifically dealing with difficult people, financial barriers, and others. However, traditionalists believe that “there is a causal relationship between one’s own hard work and success, thus informing their willingness to work more than the average” (Wagner & Ziltener, 2008:14). Given that respondents’ comments reflected personal attributes (qualities) and values such as hard work and commitment, no attributional bias seems evident.

On the other hand, the analysis of data concerning barriers to business success provided evidence to conclude that external causes (situational) factors outnumbered internal (personal) factors. These findings were different to previous studies which concluded that internal factors were the chief causes of small business failure (e.g., Chen & Williams, 1999; Franco & Haase, 2009; Gaskill et al., 1993; McMahon et al., 1993; Peacock et al., 1988; Perry, 2001; Perry & Pendleton, 1983; Williams, 1986). However, the current study results are similar to an Australian study which concluded that, despite some internal factors being mentioned by the interviewees, “emphasis was placed on [external] aspects…as important barriers to success over which respondents believe they have little or no control” (Gray, 1998:223). Considering these results, no attributional bias seems apparent here either.

Therefore, these differences in defining business success support the notion that multiple triangulations (within and between-methods triangulations) enrich the study findings and allow a wider and clearer picture to emerge than relying on a single research method. Using multiple data analysis methods can also improve validity and support the reliability of the study findings and to look for the convergence of results (Denzin, 1989; Hammersley & Atkinson, 1993; Zikmund,
2000). Overall, both deductive and inductive reasoning assisted in achieving the objectives set for this study.

7.3 **MAJOR FINDINGS**

1. The analysis of the correlation matrix regarding business success revealed only two positive relationships between *net income* and *the number of business success indicators* and *the length of time in business* and the self-rated business success variable were evident though the effect size of these associations was moderately small. However, the findings indicated that GSS Appraisal to extended family and GSS Inst to employees were the only similar dependent variables that predicated *the length of time in business* and self-rated business success variable. Thus, despite these results, a major finding is that the five business success variables, to a great extent, are considered independent success measures.

2. Based on the quantitative and qualitative criteria established in the current study, the majority of the sample’s businesses were considered successful, although failed small businesses were not part of the study.

3. The study data suggest that receiving social support from informal personal networks sources (strong ties) appear to have played a vital role in influencing business success, particularly from *extended family, friends, immediate family, employees, and people from own community*. The presence of *accountants, bankers and solicitors*, as part of the formal personal network, was the least important source of receiving the four types of support.

4. From the analysis of data it can be inferred that respondents received much more social support from all ten personal networks sources than they gave to these sources collectively.

5. The most common types of social support respondents received from their personal networks sources which predicted business success were receiving informational and instrumental support.
6. Respondents providing social support to their informal personal networks sources, namely people from own community, employees, friends, extended family, business partners and immediate family predicted business success.

7. The most common types of social support respondents gave to ten of their personal networks sources were giving instrumental and emotional support.

8. The analysis of quantitative and qualitative data indicated that the majority of respondents credited success to themselves; however, they reported having some characteristics or lack of specific skills that hinder success. Thus, the analyses of data suggest no self-serving attributional bias among respondents was apparent when it came to identifying the reasons for success and the barriers to success. Nevertheless, the majority of respondents indicated internal factors as reasons for success, but external aspects as barriers to success.

7.4 OTHER FINDINGS

1. Both quantitative and qualitative findings further confirmed previous studies that social support is a multidimensional construct.

2. Qualitative data provided evidence that aside from length of time in business, employment of others and net income measures, respondents recognized non-quantitative aspects of business success such as personal and professional characteristics and qualities and the characteristics of the small business as important aspects of success if not more important than the quantitative measures for business. The above findings were supported in the literature.

3. Older respondents, respondents with a partner, respondents with a shorter period of unemployment after first arriving in Australia, respondents meeting weekly with a greater number of people from other communities and respondents who utilized two or more places of business trading were more likely to have been successful in business. Also, it can be concluded that this sample appeared to be a group with high marriage stability, and hence such stability may perhaps provide more opportunities for support by partners and their children, if any.
4. Evidence from this study data suggests that having good command of English and speaking more LOTEs are highly desirable to achieve business success. Therefore, all respondents speak at least one LOTE, namely Arabic, and a considerable proportion speaks two or three LOTEs such as French and Neo-Aramaic/Chaldean/Assyrian/Syriac dialect.

5. This study data show that the closeness to where ethnic communities reside yielded favourable results.

6. It appears that Victorian ethnic small businesses, particularly the Middle Eastern communities’ small businesses, are dominated by males more so than shown in other studies.

7. It seems that the proportion of owner/managers in the 30s to 50s years may represent ethnic businesses patterns as older people are more likely to possess and/or have access to capital than younger people.

8. This study data show that the sample is heterogeneous in terms of the types of products they deal with and/or services they provide, and that the sample is generally flexible in accommodating the wide range of customers’ needs which give competitive advantage to the businesses.

9. Thus, since the vast majority of the businesses in the current study sample are operating in the service industry sector, the results of data analyses may be more generalizable to the service industry than the goods-producing industry sector.

10. In many ethnic communities, specifically the Asians, rotating credit associations, monetary box, ethnic co-operative financial services body or particular ethnic community organizations supply capital to those who want to start a business (Bonnett 1981; Laguerre 1984). No mention of such sources of finances in the three communities featured in this study.

7.5 IMPLICATIONS

7.5.1 Theoretical Implications

The social support instrument developed in this study should offer the foundation of understanding the nature of social support system of ethnic entrepreneurs both in receiving and giving social support from and to their personal networks sources. It is believed that the results of
the study make a worthwhile contribution to current literature by providing a multidimensional theoretical framework that provides an insight into the characteristics of personal and professional owner/managers and the profiles of their small businesses, and to current academic literature that has currently neglected the notion of studying social support, personal networks and small business success in Middle Eastern communities in Victoria, Australia. The theoretical framework devised for in this study may also contribute towards an understanding of the factors leading to business success and the relationships between these factors. This study may add an important cultural dimension regarding the nature of Middle Eastern businesses and their owner/managers.

The strength of this study is the use of between-methods and multiple methods triangulations, as well as utilizing a consistent approach across these methods in terms of their findings, in other words, quantitative latent variables were compared with qualitative latent variables. This in turn allows the integration of the two methods used. Therefore, this supports the notion of using mixed methods of data gathering techniques (triangulation) to serve the purpose of both confirmation and completeness. The qualitative data provided content validation and support for construct validation of the factors in the social support scale. Further, the analysis of qualitative data revealed further informal and formal personal networks sources of the four types of social support. As a result, the nature of respondents’ personal networks characteristics was clarified further.

Additionally, the qualitative data analysis provided measures other than quantifiable ones for assessing business success. It was in the anticipation of these benefits that the current study utilized multiple data collection methods. The findings indicated that employees in small ethnic business environments should be classified as informal personal networks sources of social support.

On the whole, the contribution of this study is that it combines insights gained not only from entrepreneurship and immigration/ethnic studies, but also from other fields of studies such as business, communication, cultural, health, human anthropology, management, organizational behaviour, religion, psychology and social psychology studies.
7.5.2 Practical Implications

By incorporating sociological, cultural, religious, psychological, managerial and economic factors, including family responsibility, marital status, financial responsibilities, age, religion, attitudes and perception, education and experience, in an analysis of personal networks sources of receiving and giving social support of any type, the results of the study should improve understanding of entrepreneurial behavioral patterns in modern ethnic communities, specifically in the development of additional concepts of the network and social support theories; assist small business owners/managers in their interaction with stakeholders; assist in the development of programs that can assist ethnic entrepreneurs to improve those skills that may lead to business success; provide material for programs that help small business owners/managers and newer entrants overcome or avoid the pitfalls of small business; provide lessons that help successful and unsuccessful small business owners/managers and newer entrants overcome or avoid the pitfalls of small business; lead to the development of appropriate strategies by owners/managers to enhance the likelihood of business success which may provide an impetus for further entrepreneurial activity; assist other immigrants outside the Middle Eastern community who are establishing or intend to launch small businesses; and assist government and relevant bodies in introducing public policy that can act as a catalyst for entrepreneurs’ success, Australian immigrants and non-immigrants alike, to improve their business outcomes through teaching and training and consultations.

Therefore, this may be particularly beneficial as several researchers found that the experiences, perceptions and needs of small business owner/managers from disparate cultural backgrounds differ from each other (Ahmad & Seet, 2009; Huck & McEwen, 1991; Lee & Osteryoung, 2001; Yusuf, 1995). Therefore, they believe that more useful government policies, assistance and training programs could be developed with better knowledge of the specific needs of the small business owner they are designed to support. Thus, both quantitative and qualitative analyses indicated that personal networks sources of four types of social support and particular business venture and entrepreneurial qualities are exceptionally important ingredients for small business success, which it is believed to hold true not just for the Middle Eastern entrepreneurs in Victoria, but also across all ethnic entrepreneurs in Australia. Therefore, to strengthen their existing programs and services, the stakeholders and relevant government bodies such as the Multicultural Business Ministerial Council, Small Business Ministerial Council and Australian Arab Chamber of Commerce, should focus on developing and improving Middle Eastern small
business owner/managers’ personal and professional network sources of social support, particularly those with their country of origin or other Arabic-speaking countries in order to create and strengthen unique business opportunities in the export market. Additionally, the programs of the stakeholders and relevant government bodies should include stories about successful entrepreneurs/small business owners/managers as these are more convincing than formal guidelines, as well as identifying and disseminating ‘best practice’ in establishing and maintaining diverse personal networks’ sources of social support. Finally, many small business owner/managers within the Middle Eastern communities lack access to social support networks which link them with other small business owner/managers as well as stakeholders. Thus, organizations such as the Australian Arab Chamber of Commerce and Industry can be the best link to social networking opportunities for all small business owners/managers. Finally, since a list of the Middle-Eastern small businesses in Victoria is still not available, an attempt should be made by Small Business in Victoria’s relevant bodies to create such a list. This could possibly assist researchers in increasing the sample size, including wider geographic areas and more females, which in turn, may provide a much clearer account of such characteristics and the profiles.

All in all, this study has some important implications for practicing ethnic small business owner/managers in that, in order to be successful in their businesses, they may need to play a more active role in the wider/mainstream Australian culture through integration and participation, particularly providing social and environmental support and munificence e.g. philanthropy, which should therefore not only raise the awareness on the Middle-Eastern culture in general and the contribution of their businesses in particular, but also to foster and increase their entrepreneurial activities and performance to a much higher level. This is likely achievable given the favorable characteristics of this study sample.

7.6 LIMITATIONS OF THE STUDY

The current study was subject to a number of limitations. Data gathering techniques mainly relied on self-reporting (74 per cent of the total sample size), while 26 per cent of the sample were interviewed by the researcher of the current study, which may be vulnerable to various measurement errors. Despite ensuring anonymity and confidentiality, approximately 11 per cent of respondents did not respond to the income question. This could be due to the sensitive nature of this question.
Systematic errors that could have resulted from some inadequate aspect of the research design or from respondent and administrative errors were minimized with pre-testing, proper administering, constant editing and careful execution of the research. Further, respondents may have been reluctant to express their true feelings, or may have purposefully not expressed their true attitudes or they may have experienced physiological or psychological disquiet. Therefore, they may have ended up making guesses or assumptions or provided inaccurate or incomplete information about the situation or event under study. Also, characteristics such as gender, marital status, religious affiliation, education, among others, may have had an impact on the way respondents perceived the instrument’s questions, which may have caused respondent error. Such differences were anticipated prior to designing the survey instrument and the interview schedule as well as after the pre-testing stage. Hence, adjustments were made to encourage participation and to eliminate respondent error.

Moreover, non-response error has long been considered the major problem of mail surveys which occurs when participants fail to respond because they are undeliverable, or when they refuse to respond for whatever reasons, particularly when using a probability sample, which may affect the response rate (Armstrong & Overton, 1977). Telephone calls before and after mailing the questionnaire, advance letters and follow-up procedures were used in the current study to reduce non-response error and improve return rate and to start building rapport (Armstrong & Luske, 1987; Dillman, 1983, 1999; Heberlein & Baumgartner, 1978; Salant & Dillman, 1994). The covering letter, signed by the researcher and written in plain English, explained the purpose and the relevance of the study to the respondents, as well as its importance and usefulness. Stamped return envelopes were also included and follow-up post-cards were sent. However, characteristics of the current study sample, such as small business owner/manager’s country of origin, geographic location, industry sector and number of employees may have been different from those who did not respond to the survey. Nevertheless, given that the sample size of 113 is within the recommended range of sample size (Krejcie & Morgan, 1970), and that the average response rate was around 68 per cent, which is believed to be moderately good (Babbie, 2004), the non-response error should not have biased this study results.

Further, response bias occurs if respondents tend to answer the survey questions, whether intentionally or unintentionally, in a certain way that may misrepresent their true beliefs (Zikmund, 2003); this in turn, may affect the quality of study results. The wording of the
questions is considered the main cause of response bias, especially when the questions are of a leading type (Dooley, 2001; Zikmund, 2003). The current study instrument may have contained response bias, as it included five-point Likert type of questions, where variations in moods or other distractions may have limited the ability of respondents to respond accurately and fully (Cooper & Emory, 1995; Sekaran, 2000). Therefore, these questions were ordered randomly to minimize the order bias. Lastly, there may be limits concerning the degree to which the results may be generalized. Overall, it was assumed that there was minimum response bias and respondents answered as honestly as possible.

Furthermore, both the quantitative and qualitative study sample should have included cases of failed businesses in order to establish whether personal networks and social support had any impact on their failed businesses. Data on receiving and giving social support from and to respondents’ personal networks sources were collected only from business owner/managers and not from their personal networks sources, which should have the kind of picture of receiving and giving four types of social support from and to their ‘bosses’; however, this might have been constrained by the respondents’ business authority.

7.7 FUTURE RESEARCH

The results are consistent with a number of theoretical and empirical observations found in the review of the different fields of literature. However, there are also potential opportunities for future research in this area.

1. This study sample only included operating businesses; therefore, future study sample should include cases of failed ethnic small businesses, which is necessary for further investigation into the differences between the continued and failed business with respect to receiving and giving four types of social support form and to Middle-Eastern small business owner/managers’ personal networks sources in order to fill the gap in our understanding the contributing factors for the success/failure of these businesses, and to take appropriate actions to reinforce and improve the inputs of such networking and/or to solve problems in case of failure.

2. This study’s qualitative data show that further personal networks are vital in the ethnic small business entrepreneurial activity; therefore, any future questionnaire should include customers and people from business owner/managers’ own communities as personal
networks sources of receiving and giving the four types of social support mainly to clarify their roles in the success of their businesses.

3. Stronger or richer findings might be obtained by selecting larger size of the three communities featuring in this study, and taking into consideration the views of ethnic small business owner/managers’ immediate and extended family members and/or employees as second/third respondents.

4. The qualitative data indicated that respondents used proactive and reactive strategies in accommodating customers’ different needs, changing and/or expanding of dealing with and/or delivering different products and services. Thus, future studies of the Middle-Eastern small businesses should investigate the impact of business strategy on survival, employment growth and annual net income, as well as on owner/managers receiving and giving the four types of social support from their personal networks sources.

5. The current study established that business success is based not only on the four types of social support from and to owner/managers’ personal networks sources, but also on personal and professional characteristics and qualities of owner/managers, and of the business. Therefore, future research is required to improve understanding of the relations between these qualities and differences and the owner/receiving and giving the four types of social support from and to their personal networks sources. Thus, the study findings raise the following questions: (a) How do personal qualities such as honesty, trustworthiness, respect, commitment, ambition, hard work and responsibility impact the receiving and giving four types of social support from and to ethnic owner/managers’ personal networks sources? (b) How does geographic location of the business impact the receiving and giving four types of social support from and to ethnic owner/managers’ personal networks sources? (c) How does previous small business experience and/or specific industry experience affect the owner/managers’ entrepreneurial process?

6. The impact of personal networks and social support on the Middle Eastern small businesses success should be studied throughout the stages of their businesses’ development, that is, in the pre-start-up phase, start-up phase and post start-up phase (development) in order to establish the nature and the size of personal networks and the type of social support they receive or give during these three stages and their impact on business success.
7. Since a number of respondents rely on their country of origin’s informal/strong ties as sources of social support, it is recommended that international networking as a business success factor concerning Australian Middle-Eastern small businesses is rich area for continued research.

8. The quantitative data analysis showed that respondents who provided Emo support to friends were less likely to have survived in business, and the emergence of the personal networks sources as barriers to business success from the interview data; therefore, future questionnaires should include what are the disadvantages of having personal networks sources of support.

9. Both quantitative and qualitative data indicated that geographic location of the business, i.e. closeness to the Middle Eastern communities, is recognized as one of the reasons for success by many respondents.

10. This study results indicated significant differences between males and females with respect to a number of personal, professional and business characteristics and qualities; thus, future study samples should include a larger number of females’ entrepreneurs to confirm or challenge these significant findings; or that Australian Middle Eastern women and small business success is just another rich area for continued research.

11. Since this study showed mixed results relating to the influence of educational level on small business success, this issue needs to be further investigated to include larger samples of Middle-Eastern small firms

12. To ensure that research in the area of small business activity within the Middle Eastern communities in Melbourne/Victoria/Australia is relevant to and useful for policy-makers planning and designing small business programs that provide small business owners/managers of ethnic communities with the best possible information about how to succeed in business, future research should include the stakeholders as part of any further research in this area. This could also involve research funding as it is more likely that they could actively use and disseminate the results they helped produce.
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APPENDICES

Appendix A: Letter of Approval from Human Research Ethics Sub-committee, (formerly Faculty of Education, Language and Community Services (Royal Melbourne Institute of Technology (RMIT).

Appendix B: Introductory Letter for the Questionnaire.

Appendix C: Consent Form for Persons Participating In Research Projects Involving Interviews, Questionaries or Disclosure of Personal Information.

Appendix D-1: Four Sub-scales Study Instrument and their Receiving Social Support Dimensions

Appendix D-2: Four Sub-scales Study Instrument and their Giving Social Support Dimensions

Appendix E: Receiving Social Support Sub-scales-Basic Reliability Analysis

Appendix F: Giving Social Support Sub-scales-Basic Reliability Analysis

Appendix G: Receiving and Giving Social Support Scales-Overall Reliability Analysis
Appendix A

Letter of Approval from Human Research Ethics Sub-committee,
(Formerly Faculty of Education, Language and Community Services
(Royal Melbourne Institute of Technology (RMIT)
Appendix B

Introductory Letter for the Questionnaire
Appendix C

Consent Form for Persons Participating In Research Projects

Involving Interviews, Questionnaires or Disclosure of Personal Information
Name of participant: Those people who own/manage small businesses among Middle Eastern communities in Victoria namely, Lebanese, Egyptians and Iraqis.

Project Title: The impact of personal networks and social support on small business success among members of Middle Eastern communities in Victoria.

Name(s) of investigators: (1) Widad Pitrus
Phone: 9925 4026
widad.pitrus@rmit.edu.au

1. I have received a statement explaining the interview/questionnaire involved in this project.
2. I consent to participate in the above project, the particulars of which - including details of the interviews or questionnaires - have been explained to me.
3. I authorise the investigator or his or her assistant to interview me or administer a questionnaire.
4. I acknowledge that:
   (a) Having read Plain Language Statement, I agree to the general purpose, methods and demands of the study.
   (b) I have been informed that I am free to withdraw from the project at any time and to withdraw any unprocessed data previously supplied.
   (c) The project is for the purpose of research and/or teaching. It may not be of direct benefit to me.
   (d) The privacy of the personal information I provide will be safeguarded and only disclosed where I have consented to the disclosure or as required by law.
   (e) The security of the research data is assured during and after completion of the study. The data collected during the study may be published in the form of a journal article or book, or presented in potential conferences, and a report of the project outcomes will be provided to RMIT authorities in the form of a thesis which is a compulsory part of the Degree requirements. Any information which will identify me will not be used.

Participant’s Consent
Name: ____________________________ Date: ____________________________
(1) (Participant)
Name: ____________________________ Date: ____________________________
(2) (Witness to signature)

Where participant is under 18 years of age:
I consent to the participation of ____________________________ in the above project.
Signature: (1) ____________________________ Date: ____________________________
(2) (Signatures of parents or guardians)
Name: ____________________________ Date: ____________________________
(Witness to signature)

Participants should be given a photocopy of this consent form after it has been signed.

Any complaints about your participation in this project may be directed to the Secretary, RMIT Human Research Ethics Committee, University Secretariat, RMIT, GPO Box 2476V, Melbourne, 3001. The telephone number is (03) 9925 1745. Details of the complaints procedure are available from the above address.
Appendix D-1

Four Sub-scales Study Instrument and their Receiving Social Support Dimensions Including the items deleted as they tapped into two factors
### Appendix D-1
Four Sub-scales Study Instrument and their Receiving Social Support Dimensions
Including the items deleted as they tapped into two factors

<table>
<thead>
<tr>
<th>Social Support Dimension</th>
<th>Items</th>
</tr>
</thead>
</table>
| **Emotional**            | 1. My…celebrates my accomplishments and achievements with me.  
                          | 2. My…comforts me and cheers me up to get my mind off things when I am feeling depressed/down about business or other matters.  
                          | 3. My…helps me understand my emotions and works through my feelings when I am sad, angry or depressed.  
                          | 4. My…listens to me talk about my personal and private feelings whether on business or other matters.  
                          | 5. My…shows concern about my welfare by spending time with me when I have a bad day whether at work or outside of work. |
| **Appraisal**            | 6. My…lets me know that I am very good at helping them solve their personal and/or business related problems/difficulties.  
                          | 7. My…lets me know when they like my ideas or the things that I do for others.  
                          | 8. My…provides me with feedback about how I am handling my business and/or non-business problems.  
                          | 9. My…takes pride in my accomplishments and contributions and have much faith in my abilities in running my business/in making the difference.  
                          | 10. My…checks back with me to see if I followed the advice/suggestions they gave me whether on business or other matters. |
| **Informational**        | 11. My…provides me with advice about improving/changing my business and/or personal performance  
                          | 12. My…provides me with information regarding other businesses from which I may benefit.  
                          | 13. My…provides me with suggestions on how to find out more about business related opportunities or on how to acquire better business resources.  
                          | 14. My…provides me with usable and critical information for solving problems and making decisions regarding my business and/or non-business matters such as financial and/or legal.  
                          | 15. My…shares their working experience with me, as business people or as employees working elsewhere. |
| **Instrumental**         | 16. My…assists me in looking after the business when I need to attend business and/or non-business functions, events, etc.  
                          | 17. My…provides me with alternatives when I am running short of employees or having busy days.  
                          | 18. My…provides me with assistance when I need certain jobs completed such as maintenance, interpreting and translating (unpaid services).  
                          * Item # 13 and item # 18 were deleted from the informational and instrumental sub-scales.  
                          | 19. My…assists me in paying bills/helping me out with some necessary purchases when I am experiencing financial difficulties.  
                          | 20. My…assists me with my daily business and/or non-business activities when I am ill or on holidays/out of town. |

* Item # 13 and item # 18 were deleted from receiving informational and instrumental social support from employees sub-scale
Appendix D-2

Four Sub-scales Study Instrument and their Giving Social Support

Dimensions Including the item deleted as it tapped into two factors
# Appendix D-2

## Four Sub-scales Study Instrument and their Giving Social Support Dimensions

Including the item deleted as it tapped into two factors

<table>
<thead>
<tr>
<th>Social Support Dimensions</th>
<th>Items</th>
</tr>
</thead>
</table>
| **Emotional**             | 1. I celebrate my…accomplishments and achievements with them.  
                            | 2. I comfort my…and cheer them up to get their minds off things when they are feeling depressed/down about business or other matters.  
                            | 3. I help my…understand their emotions and work through their feelings when they are sad, angry or depressed.  
                            | 4. I listen to my … talk about their personal and private feelings whether on business or other matters.  
                            | 5. I show my…concern about their welfare by spending time with them when they have a bad day whether at work or outside of work. |
| **Appraisal**             | 6. I let my…know that they are very good at helping me solve my personal and/or business related problems/difficulties.  
                            | 7. I let my…know when I like their ideas or the things that they do for others.  
                            | 8. I provide my…with feedback about how they are handling their business and/or non-business problems.  
                            | 9. I take pride in my…accomplishments and contributions and have much confidence in their abilities in running their business/in making the difference.  
                            | 10. I check back with my…to see if they followed the advice/suggestions I gave them whether on business or other matters. |
| **Informational**         | 11. I provide my…with advice about improving/changing their business and/or personal performance  
                            | 12. I provide my…with information regarding other businesses from which they may benefit.  
                            | 13. I provide my…with suggestions on how to find out more about business related opportunities or on how to acquire better business resources.  
                            | 14. I provide my…with the most usable and critical information for solving problems and making decisions regarding their business and/or non-business matters such as financial and/or legal.  
                            | 15. I share my working experience with my…. |
| **Instrumental**          | 16. I assist my…in looking after the business when they need to attend business and/or non-business functions, events, etc.  
                            | 17. I provide my…with alternatives when they running short of employees or having busy days.  
                            | 18. I provide my…with assistance when they need certain jobs completed such as maintenance, interpreting and translating (unpaid services).  
                            | 19. I assist my…in paying bills/helping them out with some necessary purchases when they are experiencing financial difficulties.*  
                            | 20. I assist my…with their daily business and/or non-business activities when they are ill or on holidays/out of town. |

*Item # 19 was deleted from giving instrumental social support to employees sub-scale
Appendix E

Receiving Social Support Sub-scales- Basic Reliability Analysis

(N=113)
Appendix E
Receiving Social Support Sub-scales-Basic Reliability Analysis
(N=113)

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Appendix F

Giving Social Support Sub-scales-Basic Reliability Analysis

(N=113)
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Giving Social Support Sub-scales-Basic Reliability Analysis
(N=113)

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Appendix G

Receiving and Giving Social Support Scales-Overall Reliability Analysis

(N=113)
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Receiving and Giving Social Support Scales-Overall Reliability Analysis
(N=113)

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