Exploring Entrepreneurial Networking in Small Hospitality Businesses in Malaysia

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Dedication

This thesis is dedicated to my parents, Alice Majeng and Jonathan Jok, my brother Kevin, sister-in-law Stellanie and niece Sulan. Thank you for your love, unwavering support, and understanding.

Abstract

Entrepreneurial networking is increasingly viewed as a contributing factor to small firm business sustainability. Despite a growing literature on the topic, small firm research shows the need to explore further into the contents and dynamics of network interaction. Since networking relationships are contextual in nature, more empirical studies are needed in specific contexts (i.e. culture, industry) to extend our understanding of successful networking relationships in small firms.

The purpose of this study is to identify drivers and outcomes of networking participation among entrepreneurs of small hospitality providers. This study employed a qualitative, multiple case study design. Ten entrepreneurs and managers were interviewed for the study. Results showed the importance of social networking among small firm entrepreneurs and further extended previous research to identify specific motivators, barriers, strategies, competencies and personal characteristics as well as outcomes of networking participation. This study also proposes a framework for entrepreneurial networking participation based on the current findings and existing literature. The study concludes with a discussion of practical and future implications.

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CHAPTER 1: INTRODUCTION

This chapter presents an overview of the study. It discusses the background of the study, problem statement, research purpose, significance of the study, key terms used, and assumptions, limitations and delimitations of the research.

Background of the Study

Small and medium enterprises (SMEs) play a vital role in the creation of employment opportunities, innovation, entrepreneurship development and wealth creation (Bartlett & Bukvič, 2001; Knatis, Ishida, & Komori, 2002; Benzing, Chu, & Kara, 2009). A World Bank report (2013) identified that SMEs account for more than half of all jobs worldwide, providing two-thirds of formal private sector jobs in emerging market countries. In Malaysia, SMEs account for 98.5% business establishments, contributing 65.3% to the nation's employment and 36.6% of the Gross Domestic Product (GDP) in 2016 (Department of Statistics Malaysia, 2016). This explicates further the SMEs' role in developing countries through the creation jobs, domestic competition and community affluence.

SMEs have been acknowledged as important contributors to the development of tourism industry in Malaysia. Tourism and hospitality industry is established as one of the National Key Economic Areas for Malaysia under the Economic Transformation Program. In 2012, tourism and hospitality industry contributed significantly to the economy as it accounted for 12.5 per cent of the GDP and 16.4 per cent of total employment (Pemandu, 2014). The growth of the tourism industry has been steady with

total earnings increasing from $4.9 billion in 2003 to $15.2 billion in 2013 (Tourism

Malaysia Corporation, 2015) The services in this industry include accommodation,

transportation, shopping, and recreational activities (Jaafar, 2011). In Malaysia, SMEs in

the services sector are defined as those with sales turnover that does not exceed $6.5

million or does not exceed 75 employees (SME Corporation Malaysia, 2013).

Comparable to other emerging market countries, the proportion of small and medium

hotels is believed to be approximately 70% of the total number of hotels in Malaysia

(Jaafar, Maideen, & Sukarno, 2010).

Consequently, one of the critical questions in the study of entrepreneurship is

why some SMEs succeed and others do not. According to a 2017 statistics by the Small

Business Administration (SBA), approximately one-fifth of business startups fail within

the first year and only one third survive ten years or more. Correspondingly, SMEs in

Malaysia also lack sustainability. They fail within the first five years of establishment

(Wong, Kuek, & Ong, 2013), and register about 60 percent failure rate (Ahmad & Seet,

2009). Entrepreneurs face numerous challenges, internally and externally. Although

environmental factors play an essential role in the success of a venture, scholars suggest

that the entrepreneurs themselves are ultimately responsible for managing and providing

strategic direction for their company (Benzing , Chu, & Kara, 2009; Chong, 2012; Yu,

2001). The success or failure of the company is largely influenced by the skills and

abilities of the entrepreneurs.

As such, the SME entrepreneur is always looking for ways to be successful. Networking is a useful strategy for entrepreneurs who wish to enhance the sustainability of their business (Semrau & Werner, 2014). It allows entrepreneurs to pursue opportunities although the entrepreneurs may have limited time or resources within their control at that point (Dubini & Aldrich, 1991; Stevenson & Jarillo, 1990). The importance of entrepreneurial networking in the field of entrepreneurship is evident from the literature (i.e. Bratkovic, Antoncic , & DeNoble, 2012; Casson & Della Giusta, 2007; Hoang & Antoncic, 2003). Networking relationships in SMEs have been shown to provide diversity of knowledge, and access to resources and complementary assets (Zhou, Wu, & Luo, 2007), entrepreneurial opportunities (Miller, Besser, & Vigna, 2011; Ingram & Roberts, 2000; Stevenson & Jarillo, 1990) and internationalization and innovation (Kuhlmeier & Knight, 2010; Chetty & Stangl, 2010). Therefore, examining entrepreneurial networking relationships is important as it relates to successful entrepreneurial pursuits. Furthermore, networking has different meaning for different types of businesses and whether they are newly founded or established, exemplifying the importance of researching this issue further (Parida, Westerberg, Ylinenpää, & Roininen, 2010).

Problem Statement

Entrepreneurial networking is shown to offer value throughout the different stages of the entrepreneurial process. Despite the importance of social networks and networking

highlighted in the extant literature, entrepreneurship researchers agree that further inquiry into how attributes of networking contribute to the entrepreneurial process is necessary. According to a number of scholars, there is pressing need to understand the contents of network interactions, the mechanisms and processes within and between network relations, and the relationship of entrepreneurial networks to firm growth and sustainable development (Drakopoulou-Dodd, Jack, & Anderson, 2006; Hoang & Antoncic, 2003). Previous studies have mostly focused on the structure of the network, that is the way information flows among network members. Network interactions, however, refer to content, intensity, frequency, durability and direction (Mitchell, 1969). The contents of network interactions capture the meaning people attach to the relationship and the quality of the relationship (O'Donnell, Gilmore, Cummins, & Carson, 2001; Curran, Jarvis, Blackburn, & Black, 1993). Despite increasing work in network interactions, more empirical studies are needed in specific context (i.e. industry, small business, culture) to extend our understanding of networking relationships and factors related to successful networking in different settings. The HRD literature also acknowledges the importance of social networks while pointing to the lack of understanding of networking relationships (Storberg-Walker & Gubbins, 2007). Therefore, from a HRD perspective, more studies are needed to not only understand the workings of network relationships, but to design effective and targeted HRD interventions.

The entrepreneurship research on network relationships has been conducted in various industries including manufacturing firms (Park, Shin , & Kim, 2010; Havnes & Senneseth, 2001; Littunen, 2000), retail stores (Miller, Besser, & Vigna, 2011; Frazier &

Niehm, 2004), wineries (Brown & Butler, 1995; Butler & Hansen, 1991) and multiple

industries (Boling, Burns, & Dick, 2014; Urban, 2011). This study will explore

networking relationships for a single industry based on the Malaysian hospitality SMEs,

specifically small hotels. This approach hopes to address the call by some scholars to

increase research on the importance of networks and networking process among small

hospitality businesses (Alonso, 2010; Tinsley & Lynch, 2001; Lynch, 2000). It is

important to increase our understanding of the workings of this industry, considering the

potential of the hospitality sector as the world's largest service industry in terms of gross

revenue (Maggioni, Marcoz, & Mauri, 2014).

Furthermore, while there have been studies in tourism and small budget hotels

(Abdullah, Ishak, & Bustaman, 2012; Jaafar, Toh, & M.Sukarno; Md. Salleh, Abdul

Hamid, Hashim, & Omain, 2010; Chan & Quah, 2008), studies on networking

relationships in small budget hotels in Malaysia are limited. Although networking is

crucial to all types of business, entrepreneurs who provide service-based businesses

usually rely heavily on social network and social competencies compared to product-

based businesses (Johannisson, 1988), therefore, underscoring the importance of the

current inquiry. A recent study by Latip (2012) on social networks provided new

understanding to SMEs in Malaysia. Although her study provided generalizability to

other SMEs, the nature and challenges of small budget hotels in Malaysia are different

from other industries and context dependent. Therefore, this dissertation will contribute

to the understanding of a currently context-dependent and crucial sector in Malaysia.

Moreover, this study will explore experiences of entrepreneurs in a non-Western context

and acknowledge the contribution of entrepreneurship, social capital, and social network

frameworks to our understanding of small business entrepreneurship.

In addition, previous research has focused on the contribution of networking

whether directly or indirectly to the success of a business (Zhou, Wu, & Luo, 2007;

Chetty & Stangl, 2010). Conversely, there is shortage of studies exploring the skills or

competencies required to be an effective networker (Lans ,Verhees, & Verstegen, 2016;

O'Donnell et al., 2001). Since relationship development is vital for learning and business

success for SMEs, more empirical studies are needed to contribute to our understanding

of the competencies and skills required to develop, manage and organize networking

relationships for business success in the hospitality SME context.

A number of researchers (Florin, Lubatkin, & Schulze, 2003; Kaasa, 2009; Stam

& Elfring, 2008) utilized quantitative techniques to test hypotheses when investigating

relationships between network elements. However, several scholars suggest using a

qualitative approach to research this area (Jack, 2010; Wiklund, Patzelt, & Shepherd,

2009), as qualitative approach will increase contextual insight and allow for greater

understanding of the phenomenon in question (Borch & Arthur, 1995). Furthermore,

qualitative case studies provide researchers with opportunities to build an in-depth

understanding within contextual settings (Creswell, Hanson, Clark, & Morales, 2007). In

addition, qualitative techniques are more suitable to exploring networking motivation and

network relationships (Jack, 2010). Since there is limited research in this area in the

Malaysian hospitality SMEs, an exploratory qualitative case study method will be

beneficial to gain insight for understanding the value entrepreneurs attach to networking participation.

Purpose of the Study

The purpose of this study is to identify factors and outcomes of entrepreneurial networking participation in the context of small hospitality industry. Specifically, the study attempts to:

(a) Examine and describe factors that contribute to entrepreneurial networking in the Malaysian hospitality SMEs. In doing so, the research will provide insight into the composition of networking relationships, and motivating factors and challenges to participating in networks;

(b) Describe the entrepreneurs' networking strategies (i.e. when and how entrepreneurs interact with their networks) and the outcomes of networking activities for development and growth; and

(c) Identify related competencies and personal characteristics that will sustain relationships in the network. This will help entrepreneurs and owner-managers to be aware of and motivated to develop those competencies in relationship building, while aiding entrepreneurship development professionals in advising and developing programs that support entrepreneurs' business and personal networks.

This study builds on social capital theory and social network theory to explain entrepreneurial networking participation. Networking relationships and interaction build social capital, enhance resource and knowledge exchange and business growth.

Moreover, the entrepreneur's networking skills and abilities to manage relationships with diverse stakeholders may contribute to competitive advantage of the firm.

The following research questions guided this study:

RQ1   What is the entrepreneur's or owner-manager's network composition?

RQ2   What are the factors that motivate them to participate in networking activities?

RQ3   What are the barriers to their networking participation?

RQ4   How do these entrepreneurs or owner-managers network with others?

RQ5   What competencies and personal characteristics are required for successful networking relationships?

RQ6   What are the outcomes of engaging in networking relationships?

Significance of Study

This research on entrepreneurial networking participation of small hospitality industry is significant for a number of reasons. First, there is limited research specific to small hospitality networking. This study contributes to entrepreneurship, small organization and hospitality literature, by applying knowledge from entrepreneurship, social capital theory, and social network theory. It extends existing knowledge of networking relationships, strategies and competencies through a qualitative analysis of entrepreneurs in the context of small hospitality industry.

Secondly, organizations focusing on the development of small businesses such as SME Corporation Malaysia, Malaysia Productivity Corporation, and Ministry of Tourism Malaysia have invested significantly in workshops, seminars and related training for small businesses. By focusing on a single industry framework in small organizations, this

research will provide an understanding of networking participation of entrepreneurs in hospitality SMEs, particularly in the Malaysian context. Findings from this study may provide insights on factors that influence successful networking participation among providers of small hospitality. Therefore, more focused human resource development (HRD) initiatives, networking infrastructure, networking programs or other related support may be designed to enhance the success rate of small aspiring hospitality owner-managers.

Third, the findings from this study could be of interest to existing and aspiring small hospitality entrepreneurs to identify best practices in networking with their stakeholders. By comparing findings of this study with their own networking experience, the entrepreneurs may reflect on factors to overcome barriers to their networking. Aspiring small hospitality entrepreneurs may also be informed on factors to expect when networking with others, thus, providing a guideline for successful networking participation which could translate to firm sustainability.

Definitions of Key Terms

The following are the definitions of main terms used in this study:

Entrepreneur

An entrepreneur is the person who sets up a business and has majority ownership and management responsibilities in a business (Miller & Besser, 2005). For this study, this term is synonymous with small business owner, small hospitality owner, owner-manager, and includes someone who manages a business for another person(s) in an entrepreneurial role.

Entrepreneurial networking

Entrepreneurial networks are a complex mixture of multiplex social and professional ties, all of which tend to contain both affective and instrumental elements, bonded by trust (Anderson, Jack, & Dodd, 2005). Entrepreneurial networking is essentially a process of developing and using contacts to improve business performance.

Small and medium enterprises (SMEs)

SMEs are non-subsidiary, independent firms which employ fewer than a given number of employees, which varies across countries (OECD, 2005). This study's definition of SMEs is based on the Malaysian SME definition. SMEs are defined based on two criteria: the total of sales turnover or the total number of full-time employees. For the services sector, a business is considered an SME if their sales turnover does not exceed USD6.5 million or does not exceed 75 employees.

Small hospitality accommodation

There is no official definition of small hospitality accommodation in the literature. In this study, a general guideline to denote the size of the accommodation business is based on the Malaysian SME definition. Most small hotels fall under the category of budget hotel. Small budget hotels are rated 2 star and below (Malaysia Budget Hotel Association, 2016). However, a small hospitality accommodation could be registered as a hotel, resort, lodging house, rest house, motel, hostel, chalet, guest house, inn or homestay.

Overview of Chapters

In chapter 2, a review of the literature relevant to the study of entrepreneurial networking is presented. This includes a discussion of key concepts, factors driving the practice of entrepreneurial networking, social network theory and social capital theory. The literature review aims to provide a framework to understand the processes and practices of entrepreneurial networking in a small hospitality context. Chapter 3 provides details for choosing a qualitative multiple case study design. This chapter also outlines participant selection, data collection, data analysis, and establishment of trustworthiness in the study. Chapter 4 presents the findings from ten interviews and other data sources. The findings are supported by selected quotations from the interviews. Chapter 5 discusses the findings of the study in relation to literature on entrepreneurial networking in small firms. This chapter also includes a discussion of the limitations of the study and implications for research and practice.

Assumptions, Limitations and Delimitations

The following addresses the assumptions, limitations and delimitations of the research. Assumptions refer to the beliefs that things are true to a certain extent within a study, while limitations are potential weaknesses of a study that is out of the researcher's control (Denzin & Lincoln, 2011). Delimitations are boundaries set by the researcher and within one's control (Simon & Goes, 2013).

Assumptions

It is important for researchers to identify possible assumptions to prevent misrepresentation (Denzin & Lincoln, 2011). In this study, the assumption was that each participant would be honest during the interview session and would describe their networking experience accurately. Another assumption is that a qualitative methodology is deemed to be the most suitable to inquire on factors contributing to successful networking participation.

Limitations

One of the limitations in this study is that a qualitative case study methodology focuses on the participants' personal experiences in a particular context. Therefore, the results may not be generalizable to the entrepreneurial community at large. Moreover, the participants will be drawn from city areas. A region's culture and the availability of resources may influence networking relationships, hence, the findings may not reflect relationships that exist in other geographic areas (i.e. rural areas).

Delimitations

In this study, the researcher identified three characteristics for inclusion: (a) participant selection is limited to established entrepreneurs who have been in the tourism business for at least 2 years, (b) small hospitality accommodation is stand-alone and not part of a larger organization or franchise, and (c) the business has less than 75 employees to meet the small and medium enterprises definition in Malaysia.

Summary

This chapter presented the background of the problem and explained the purpose of the study. The significance of the study, assumptions, limitations and delimitations of the study were also discussed. In addition, key terms used were provided. The next chapter will provide a review of the literature related to entrepreneurial networking including theories that underpin this study.

CHAPTER 2: LITERATURE REVIEW

This chapter presents a review of the literature relevant to the study of entrepreneurial networking. The first section starts with a discussion of key issues in entrepreneurial networking. This section establishes the importance of networking in a small organization. The second section summarizes two theoretical foundations underpinning this study: Social Network Theory, and Social Capital Theory. The third section examines various factors that drive the practice of entrepreneurial networking, followed by a summary.

Entrepreneurial Networking

This section presents an overview of entrepreneurial networking. It includes a brief discussion of key concepts (entrepreneur, networking, and the small organization) and outcomes of networking relationships.

Definitions of an Entrepreneur

Despite many research studies done in the area of entrepreneurship, there is still a lack of clear-cut definition of an "entrepreneur". This may be due to the lack of consensus in terms of who the entrepreneur is and what the entrepreneur does (Gartner, 1990). Schumpeter, 1934 characterized the entrepreneur as an individual who sees an opportunity, sizes that opportunity, creates a new product, or production process, and, by doing this, contributes to the development of the economy. Therefore, he viewed the entrepreneur as a radical market innovator who disturbs the equilibrium of the market. Similarly, Carland, Hoy, Boulton, & Carland (1984) described entrepreneurs as people concerned with profit and growth of a venture. Furthermore, entrepreneurs are

characterized by their innovative and strategic practices (Hodgetts & Kuratko, 2001).

These scholars viewed the entrepreneur from an economic perspective, hence, an

entrepreneur is more likely to be driven by profit, business growth and risk-taking.

Scholars also relate the term to personality characteristics that distinguish the

entrepreneurial person from tasks associated with simple ownership (Pittaway & Cope);

while others associate the term entrepreneur with small business owners (Ahmad, 2015;

Kobia & Sikalieh, 2010). In contrast to the definitions offered by scholars with an

economic perspective, some scholars view small business owners as adverse to firm

growth, preferring to maintain an ideal size, taking less risks (Gilmore, Carson, &

O'Donnell, 2004; Reijonen, 2008), and being less innovative (Hodgetts & Kuratko,

2001).

Although scholars provide varying definitions of the term "entrepreneur" and

what constitutes entrepreneurship, most of these definitions emphasize the importance of

founding a firm and the entrepreneurial process. The basic definition of an entrepreneur

states that an entrepreneur is a business owner (Spring, 2014). Therefore, this current

study uses the basic definition of an entrepreneur as a business owner-manager or one

who is actively involved in the establishment, management, and operation of the business

for profit.

Networks and Networking

A network is defined as a set of actors (individuals or organizations) and a set of

linkages between the actors (Hoang & Antoncic, 2003). Street and Cameron (2007)

described networks as a collection of relationships that link a group of independent

organizations together. Networking is viewed as a tool for entrepreneurs (Hoang &

Antoncic, 2003). The establishment of a business requires the entrepreneur to work with

others to a certain extent. For example, an entrepreneur liaises with suppliers, banks, or

other businesses to acquire support, products or services for the firm. Hence, the

entrepreneur may need to rely on the capabilities of other individuals or organizations

and integrate these external capabilities with the needs of their own business to create

business opportunities and advantages (Farinda, Kamarulzaman, Abdullah, & Ahmad,

2009; Loasby, 1998). Networking may provide the entrepreneurs with access to resources

(Lockett, Jack, & Larty, 2013; Zhou, Wu, & Luo, 2007; Moensted, 2007), expert advice

(Forbes, 2005), entrepreneurial opportunities (Miller, Besser, & Vigna, 2011; Ingram &

Roberts, 2000; Stevenson & Jarillo, 1990) and internalization and innovation (Kuhlmeier

& Knight, 2010; Chetty & Stangl, 2010).

Small firm networking. Networking may even be more important for the

sustainability of small firms (Semrau & Werner, 2014), as they have limited resources at

their disposal. Small firms or SMEs are characterized by restricted resources and

competencies, limited access to capital, and specialization in niche areas (Chung, Luo, &

Wagner, 2006). Environmental factors such as technological change and competition

from other SMEs and larger organizations also affect the sustainability of the small

business. Consequently, a small firm's advantage is its flexibility to adapt to

environmental changes (Van Laere & Heene, 2003). Although a small firm's internal

capabilities may contribute to firm success, the small firm is increasingly reliant on its

alliances and connections with other individuals, groups or companies (Lee, 2007). The

ability to connect with other networks in the same industry or externally will help

entrepreneurs to know what others are doing, and comparatively evaluate where they

themselves are at and where they should go. Hence, successful networking may assist

small firms to develop connections, and consequently access resources to overcome their

disadvantages and compete with others (Van Laere & Heene, 2003; BarNir & Smith,

2002; Hoffmann & Schlosser, 2001). Without networking, the process of learning the

ropes of the business may take more time and more resources (Miller & Besser, 2005).

In a study of top SME winners of the Malaysia Enterprise Award 2004-2008,

eleven SMEs responded to indicate key success factors for their businesses (Kee,

Abdullah-Effendi, Talib, & Abdul-Rani, 2011). The results suggested that building and

developing the right networks and contacts was one of the most critical success factors

for top SMEs in Malaysia. In another study of successful SMEs in Singapore, the authors

found that proactive companies placed higher importance on factors such as satisfying

customer needs, close working relationship between top management and employee,

regionalization, leadership, and availability of financial and technology resources and

support compared to non-proactive companies (Ghosh, Tan, Tan, & Chan, 2001).

However, the authors asserted the importance of access to broad base support and

resources through networking when SMEs develop and competition increases. Hence, the

ability to network, among other factors, may provide the SME with competitive

advantage.

Moreover, the study on networking in small tourism and hospitality industry

seems to be gaining importance among scholars. Networking is suggested to positively

relate to innovation in nature-based tourism in Norway (Nybakk, Vennesland, Hansen, &

Lunnan, 2009). The authors emphasized the need for tourism companies to work with

others to provide innovative services. These networks may include "suppliers, customers,

neighbors, local landowners, national public support institutions, local extension services,

and local politicians" (p.20). Networks also provide opportunities for collaboration and a

source of information for small tourism and hospitality firms. In a study of 25 local

wineries along the Niagara Wine Route, the findings underlined the importance of

working collaboratively to develop a tourist destination (Telfer, 2001). The collaboration

initiative provided opportunities for formal and informal agreements among different

players in the wine industry such as the wineries, tour operators and food industry. In

another study, the success of nature-based tourism business in Sweden included adopting

a strategic networking approach. This included being a member of trade associations and

collaborating with network partners (Lundberg & Fredman, 2012).

Types of networking relationships. The literature categorizes networking

relationships in several ways, though some may overlap with one another.

Internal and external network. Internal networks consist of relationships between

individuals (e.g. the entrepreneur, team members) within and among work groups (e.g.

manufacturing, sales) and among the various work groups that make up the firm (Allee,

2008). According to Houghton, Smith and Hood (2009), the larger the internal network,

the more likely members of a team have their own networks to help secure

implementation, cooperation and consensus for action. External network refers to

relationships between a firm and its suppliers, customers, business partners, as well as

other ties across industry boundaries (e.g. innovation networks) (Allee, 2008). External

networks function as efficient information channels between the firm and other network

members beyond the firm, at national, regional or local trade associations (Houghton,

Smith, & Hood, 2009).

     Formal and informal network. Networks may also be formal or informal. A

formal network is similar to organizational networks as these networks include

professional ties, which are based on calculative pursuit of the firm's interest (Birley,

1985). Government departments, banks, and universities are examples of a formal

network. In contrast, informal network contains family, friends, previous colleagues and

employees. Informal networks may be less aware of options and opportunities available

to entrepreneurs; however, they are more likely to be generous with their time and advice

(Birley, 1985).

     Compulsory and voluntary network. Curran et al. (1993) suggested that firm

networks can be represented on a continuum from compulsory to voluntary networks.

Compulsory networks are essential to survival of the organization, for example,

relationships with customers, suppliers and banks. On the other hand, examples of

voluntary networks include membership in a club, association or chamber of commerce,

and can provide constructive advice, support and information for the business. This is

akin to the business network and social network of an entrepreneur. Business networks

are individuals or organizations that directly provide services and products to the

business, and crucial to the survival of the firm. Social networks are indirect contacts that

may support the business informally.

Outcomes of Networking Relationships

The success of an entrepreneurial activity depends on the ability of the entrepreneur to gain resources for the use of the business. From a network perspective, the entrepreneur establishes, develops, and maintains relationships in a network and these relationships provide resources for the entrepreneur, which may lead to business growth. In line with this, (Cromie & Birley, 1992) asserted: "if the entrepreneur can expand his or her social network or gain a more central position in a network, additional resources and opportunities might be uncovered and this could facilitate business expansion" (p.6).

Scholars have shown that the entrepreneurs' social networks are positively related to business performance (Bratkovic, Antoncic, & DeNoble, 2012; Anderson, Dodd & Jack, 2010; Johannisson, 1986). Hansen (1995) interviewed 44 entrepreneurs in a variety of service sectors from Tennessee to identify the impact of size, interconnectivity and frequency on new ventures. The results showed that networking activities during the establishment stage of an entrepreneurial process could explain a statistically significant increase in new venture growth. In another study, Anderson, Dodd, and Jack (2010) postulated that network relationships are predictors of firm growth. In addition, they suggested five patterns of network activity (i.e. liberating, inspiring, visioning, articulating and implementing) that facilitate business growth. In a quantitative study involving 569 farmers' market vendors in the U.S., Hinrichs, Gillespie, and Feenstra (2004) discovered that vendors that engage with customers resulted in more innovative marketing practices compared to those that engage with their colleagues (other vendors). In addition, engaging with both customers and fellow vendors provided the vendors with

opportunities to diversify to other markets beyond the farmers' market. As part of their research with 25 small business owners involved in greenhouse horticulture in the Netherlands, Lans et al. (2008) identified that external interaction was crucial to the entrepreneurial learning process. The entrepreneurs indicated that components of external interaction they considered important were interaction with traders, consumers and suppliers (Lans et al., 2008).

Although the literature supported that networking relationships do affect business performance, several studies have shown contradictory results. Parida et al. (2010) surveyed 171 new small firms and 291 established small firms in Sweden, and found that networking relationships played a minimal role for newly established firms compared to established ones. The authors reported an overall positive influence between networking with entrepreneurial orientation and small firm performance, however, there was no positive link between networking with entrepreneurial orientation and performance of newly established firms. More recently, a study that randomly sampled 1,000 young technology-based entrepreneurial firms from 143 incubator facilities in the U.K. showed that participation in networks had no direct relationship with performance, but, it was mediated by absorptive capacity (Hughes et al., 2014).

Foundations of Networking Relationships

This section discusses two networking theories underpinning the current study: Social Network Theory and Social Capital Theory. Social Network Theory essentially helps to explain the ties among network members, while Social Capital Theory explains the dynamics of the relationship.

Social Network Theory

Social Network Theory is defined as "a specific set of linkages among a defined set of persons, with the additional property that the characteristics of these linkages as a whole may be used to interpret the social behavior of the persons involved" (Mitchell, 1969, p.2). According to Mitchell (1969), there are two dimensions of social network: structural and interactional. The structural dimension is related to the way information flows among network members. It consists of anchorage, density, reachability and range (Mitchell, 1969). Therefore, the structural dimension is concerned about the positioning of relationships, the extent and ease of connectivity among members, and the diversity of members in the social network. In contrast, the interactional dimension is associated with the quality of relationships. According to Mitchell (1969), network interactional dimensions include content, intensity, frequency, durability and direction. He further described content to refer to the meaning people attach to their relationships, intensity indicates the extent to which individuals honor their obligations to others in the network, frequency is the number of time or amount of time spent with other network members, durability is the length of the relationship and direction is the orientation of the relationship, whether it is one-sided or reciprocal in nature.

Social Network Theory in entrepreneurship. Entrepreneurs in small firms are resource challenged due to the firms' small size and cannot rely entirely on their internal resources. Hence, such entrepreneurs need to be creative and purposeful in looking for ways to ensure the success of their venture. Social networks may provide the entrepreneurs an alternative to expand their business while saving time (Dubini &

Aldrich, 1991). Networks offer access to information and resources (Zhou, Wu, & Luo, 2008), knowledge sharing (Leader-Chivee & Cowa, 2008; Colley, 2006), problem solving (Bosworth & Farrell, 2011) and internationalization and innovation (Chetty & Stangl, 2010), which may not be readily available otherwise. In some instances, entrepreneurs may turn to their networks for emotional support and encouragement (Arregle, et al., 2015) and this may assist in the sustainability of the business.

Many scholars have studied both the structural and interactional dimensions of social networking. In this current study, the emphasis is on the motivation and outcomes of networking participation. As such, it focuses on the interactional or relational dimension of the Social Network Theory. The discussion of interactional dimension, however, will not be complete without discussing Granovetter's seminal work in 1973 on the job search process, which led to our further understanding of the interactional dimension of social networks.

Granovetter's (1973) strong and weak ties perspective. According to Granovetter (1973), the strength of ties within a network will define the strength and quality of relationships. He identified two types of ties that exist in a network: strong ties and weak ties. Granovetter (1973) argued that a strong tie is indicated by a "combination of the amount of time, the emotional intensity, the intimacy (mutual confiding), and the reciprocal services" among network members (p.1361). Members connected with strong ties tend to be in constant contact with each other, trusts one another, have mutual contacts and are motivated to reciprocate actions that lead to shared gains. Therefore, strong ties are indicative of close relationships. Strong ties are typically found in

relationships with family, friends and previous professional relationships (Elfring & Hulsink, 2007). Strong ties are important for the sustainability of a small business as they provide readily available resources and support for entrepreneurs. Since trust is high in a strong tie network, members may willingly share information and knowledge with one another. However, homogeneity of contacts may have disadvantages as well. Entrepreneurs may be limited to redundant information since they belong to the same network and less exposed to new information that exist beyond their network (Jack, 2005).

In contrast, weak ties are relationships characterized by less frequent contact with each other, low emotional intensity, and less reciprocal commitments among network members (Granovetter, 1973). Weak ties are relationships that connect entrepreneurs to other people who have some business connection to the firm (Elfring & Hulsink, 2007) and thus, develop to access information or resources. Weak ties typically relate to new contacts found in the work or formal organization setting. Weak ties are important because these relationships provide the entrepreneur with diverse, new and novel information (Elfring & Hulsink, 2007), which may not be available from strong ties network.

Scholars acknowledge the importance of having both strong and weak ties in entrepreneurship (Granovetter, 1973; Jack, 2005; Hoang & Antoncic, 2003). Entrepreneurs may require different access to resources at different stages of their firm (Aldrich & Martinez, 2000; Greve & Salaff, 2003). Hence, a combination of strong and weak ties is necessary at various stages of the entrepreneurship. In a study of three IT

firms in the Netherlands, Elfring and Hulsink (2007) found that firms benefited from a combination of network mixes at different levels of innovation. At the incremental innovation stage, the firm benefited from a larger number of strong ties compared to weak ties. At the radical innovation stage, both strong and weak ties were equally important to the firms. As firms sought to grow and innovate, they require information and knowledge from different perspectives to enhance creativity. This may be more available through engagement with weak ties. The results are consistent with a literature review by Martinez and Aldrich (2011) that suggested a balance of networking cohesion and diversity strategy to match the three stages of firm development. The first stage is referred to as the opportunity stage where the role of network members is to encourage and motivate entrepreneurship. At this stage, strong ties increase cohesion but may lower levels of innovation. The second stage is technology and organizational stage, involving mostly organizational routines and activities. During this stage, teams are generally homogeneous and team diversity enhances organizational outcomes. The third stage is the exchange stage when entrepreneurs connect and exchange resources with suppliers and customers. At the exchange stage, the entrepreneurs must balance a combination of strong and weak ties to gain the necessary resources.

Despite the importance of social networks to entrepreneurship, the findings are still inconclusive. Some scholars studying the interactional dimension of social network found contrasting results. For example, in a study of nascent entrepreneurs, Aldrich and Reese (1993) found that there was no significant relationship between the time entrepreneurs spend on developing business contacts and firm survival. Watson (2007)

discovered that the frequency of entrepreneurs seeking advice from network members assisted performance initially, however, it became a barrier to business growth at a later stage.

In sum, a social network refers to the ties between and among network members. These relationships may be direct or indirect, and involve pairs of individuals or groups. Social networks are important as they provide an opportunity for the exchange of resources, learning and social support among network members. A combination of strong and weak ties may be necessary at different stages of entrepreneurship. Using a social network perspective, this current study attempts to explore the relational aspects of networking by understanding motivating factors, challenges, strategies and competencies required to develop, maintain and sustain relationships in a network.

Social Capital Theory

Social Capital Theory proposes that being a part of a network provides value to its members by allowing them to access social resources embedded within the network (Seibert, Krainer, & Liden, 2001). Networks function as a source of "capital" in which members are able to refer to other individuals or groups in the network for information, support and other resources. Nevertheless, being part of a network does not guarantee access to resources. Networks provide individuals with connections to others, however, it is the social dynamics in the relationship that determines the "goodwill" that will allow for resource exchange to happen (Adler & Kwon, 2002, p.17). Social Capital Theory explains that people do better because there is trust, connection, support and dependence with others (Burt, 2005). In the context of firms, Social Capital Theory may explain why

some firms are more successful than others because of their connection to other

individuals, firms or groups (Burt, 2005; Koka & Prescott, 2002).

There are various definitions of social capital. Nahapiet and Ghoshal (1998)

defined social capital as "the sum of the actual and potential resources embedded within,

available through, and derived from the network of relationships, possessed by an

individual or social unit" (p.243). A definition offered by Cohen and Prusak (2001)

suggested that "social capital consists of the stock of active connections among people:

the trust, mutual understanding, and shared values and behavior that . . . make

cooperative action possible" (p. 4). For Lin (2001), social capital is "the resources

embedded in social networks accessed and used by actors for actions … can also be

envisioned as investment by individuals in interpersonal relationships useful in the

markets" (p.25). Storberg-Walker & Gubbins, (2007) explained social capital as "a way

to describe the value (solidarity, information, support, etc.) that can accrue through the

network" (p.294). Therefore, social capital may be viewed as the value of relationships

among individuals in a network. The authors pointed out that social capital could be

studied at the individual, group and national levels. The authors further explained that

individual level studies focus on the types of resources an individual could gain access to,

the network position of the person, and the strength of the relationships. In contrast,

group level research is mostly focused on institutionalized relationships, social

connections and group resources. Regardless of the variations in definition, it is

acknowledged that individual access and investment in social networks are important.

Constructs of social capital. Nahapiet and Ghoshal (1998) identified three dimensions of social capital. The first dimension is social structure, described as the pattern of connections between individuals in a given group. The social structure creates the opportunity for individuals to work together. Social structure further comprises components of network ties and network configurations. Network ties include access, timing, referrals, stability and space, which are important facets for individuals to form social capital (Nakamura & Yorks, 2011). The second dimension is social relations, emphasizing the development of connections between individuals and relationships that people have with one another (Lin, 2001). The social relations dimension is referred to as the willingness of individuals to work with one another. This dimension is further characterized by factors such as trust, norms, obligations and identification (Nahapiet & Ghoshal, 1998). In a social network, trust acts as a catalyst for cooperation and performance. Inkpen and Tsang (2005) pointed out that high trust among network members leads to increased knowledge sharing. The third is cognitive dimension, defined as the development of shared context among members of the team (Striukova & Rayna, 2008), hence, suggesting the ability of team members to work together. Nahapiet and Ghoshal (1998) described shared representations, interpretation and systems of meanings as examples of shared context. Sherif et al. (2006) illustrated cognitive dimension as the use of a common language and shared narrative or common stories that people share. Therefore, the cognitive dimension is associated with team members understanding their collective goals, which may lead to increased cooperation among members.

Koka and Prescott (2002) identified social capital as a multi-dimensional construct, that yields three different kinds of information benefits: information volume, information diversity, and information richness. They conceptualized these three forms of information as dimensional constructs of social capital in the context of business alliance. Information volume emphasizes the quantity of information that a firm can access and acquire. Information diversity emphasizes the variety of information. Information richness emphasizes the quality and nature of information that a firm can access through its relations (Koka & Prescott, 2002).

There are also other conceptualizations of social capital. Coleman (1988) identified three forms of social capital: obligation and expectation, information channel, and social norms. Others considered network centrality (Ahuja, 2000), structural holes (Burt, 1992), and connectivity and embeddedness (Uzzi, 1997) to be related to social capital constructs.

Benefits of social capital. Most empirical studies suggested a positive association between social capital and business performance. In a mixed method study of interaction among SMEs from various sectors in the United Kingdom, Cooke (2007) found that all SMEs engage in some degree of social capital. Furthermore, he identified high-performance SMEs as the most intensive users of social capital. In these interactions, trust is identified as an important factor in building relational embeddedness of social capital. Cooke (2007) viewed social capital as an "entry ticket" to doing business and claims that "without social networks most firms cannot function in markets" (p.79).

Kristiansen (2004) qualitatively examined the role of social networks in business development of two entrepreneurs of different ethnic and cultural origins in the wood industry in Africa. In addition to in-depth interviews with the participants, Kristiansen also interviewed family members, friends, and customers and used other data sources such as participant observation and written documents. His findings suggested that social networks have an effect on entrepreneurial success in the African context. Furthermore, the ability to operate in social networks is also dependent on cultural characteristics (Kristiansen, 2004).

In sum, social capital is the tangible and intangible resource that actors accumulate from the social structure and further facilitates the individual or firm's goals (Greve & Salaaf, 2003). Social capital is created by trust, mutual obligation, expectations and norms among network members (Gulati, 1995). Therefore, an entrepreneur with a higher degree of social capital has the potential to access more resources and information, which will affect the nature of the entrepreneur's relationships and entrepreneurial performance. This current study attempts to understand the dynamics of small firm interaction with their network contacts, how they build social capital, and the value they derive from their relationships.

Literature Related to Entrepreneurial Networking

In order to study entrepreneurial networking of small firms, it is important to understand the networking activities that the entrepreneurs or owner-managers engage in. This include looking into factors that motivate participation in networking, barriers to their participation, networking strategies and networking competencies.

Motivation to Participate in Networking

Factors motivating entrepreneurs to participate in networking relationships may include business and personal reasons. Oliver (1990) integrated various literature and proposed a framework that outlined six general motives for engagement in inter-organizational relationships. The six general motives are necessity, asymmetry, reciprocity, efficiency, stability and legitimacy.

Necessity. Entrepreneurs participate in networks because it is mandated by law or compulsory to meet regulatory requirements (Oliver, 1990). This may include membership in a trade association or other professional or related bodies. For example, small hospitality firms in Malaysia may become members of Malaysia Association of Hotels (MAH) or Malaysia Budget Hotel Association (MyBHA). Membership in trade associations or professional bodies may increase visibility of small firms and increase opportunity for networking.

Asymmetry. Oliver (1990) described the contingency of asymmetry as "the potential to exercise power or control over another organization or its resources" (p. 243). Asymmetrical motive describes the desire to control and unwillingness to lose control in the organization's decision to network. Therefore, a firm that considers to be involved in a network or networking relationships may need to consider the probability that one party may have more power or control over another (Farinda et al., 2009). For example, a small hospitality firm might have to rely on its trade association for approval of certain licenses.

Reciprocity. According to Blau (1964), reciprocity is a social exchange involving the "voluntary actions of individuals that are motivated by the returns they are expected to bring and typically do in fact bring from others" (p. 9). An entrepreneur may be motivated to network with others for the purpose of pursuing common or mutual goals or interests. Reciprocity may be achieved through cooperation, collaboration and coordination with other businesses (Oliver, 1990). For example, two small hospitality firms may decide to collaborate and to coordinate with other players in the industry to market a rural destination that will benefit not just their businesses but the community and the region as well.

Efficiency. One of the goals for networking with others is related to efficiency of the business. Efficiency motive is internally oriented, and networks are formed to improve a firm's internal input/output ratio (Oliver, 1990). For example, through networking, entrepreneurs are able to access resources that are lacking (Stevenson & Jarillo, 1990) and save time (Dubini & Aldrich, 1991), therefore, making the firm operate more efficiently.

Stability. A business is often challenged in terms of environmental uncertainty. Forming networks may assist the firm to anticipate and absorb uncertainties affecting the business, therefore, ensuring more stability (Oliver, 1990). For example, small hospitality firms' connection to tourism agencies and travel agents may provide them with future trends in the tourism and hospitality industry. This may afford the entrepreneurs to respond accordingly, and lessen the environmental impact on the firm.

Legitimacy. Entrepreneurs participate in networking because of legitimacy motive. Establishing a firm's legitimacy has to do with an organization's need to justify itself through business reputation, image or prestige (Oliver, 1990). Therefore, a firm that is able to secure partnership with a more prominent organization will enhance its image and reputation, and may provide an advantage for the smaller firm (Farinda et al., 2009).

In addition to the factors above, trust is also an important factor that may motivate (or demotivate) an entrepreneur to participate in networking activities. Trust is a two-way process, and defined as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control the other party" (Mayer et al., 1995, p.712). In a networking environment, entrepreneurs share information with one another, and a reciprocal behavior is expected. Shared information between network members may enhance the relationship. Furthermore, reciprocation builds trust and trust leads to further strengthening of relationships (Maiti, 2009). However, trust takes time to develop (Jack, Dodd, & Anderson, 2008; Larson & Starr, 1993). Therefore, a newly formed networking relationship may have lower levels of trust compared to a more established relationship.

Barriers to Networking Participation

Although the literature shows that networking relationships seem to be beneficial to the entrepreneurs and their ventures, not all entrepreneurs are able to actively participate in networks. Some scholars attribute this limitation to the overwhelming nature of entrepreneurship in which the entrepreneur has to pay more attention to the

management and operation aspects of the business, compared to the strategic tasks

(Schendel & Hofer, 1979). This is in consensus with a study by Frazier and Niehm

(2004), who interviewed 24 small retailers operating in rural Michigan to understand

their network activities. They found that time, budget constraints, and perceived

relevance of strategic information might lead small retailers to seek business, market and

customer information from informal but more accessible social networks. A similar

phenomenon is also reported by Teoh and Chong (2008) based on a study of Malaysian

women entrepreneurs. The authors noted that women entrepreneurs lacked peer support

network and membership in related networking platforms due to business and family

responsibilities.

Curran et al. (1993) interviewed 45 managers in the United Kingdom to discover

the nature and content of entrepreneurs' relationships with external social networks. A

major finding was the lack of voluntary relationships among small business owners.

Curran and colleagues found that the owner-managers tended to have none or relatively

small networks, and rarely utilized formal networks that serve the interests of small firm

entrepreneurs (e.g. banks and accounting services). In another study, Lans et al. (2008)

also highlighted the complexity of networking due to "extreme homogeneity of external

environments and the uncertainty involved" (p.609), specifically in addressing issues of

trust, power and reliability among members of the networks.

Recently, scholars relate the importance of social competence to relationship

development in an entrepreneurial context. Social competence dimensions such as social

perception and self-promotion were found to be directly related to a firm's financial

success (Baron & Markman, 2003; Baron & Tang, 2009). Furthermore, a qualitative study of the agri-food sector in Netherlands, found social learning orientation and the ability to interact with strategic social partners were crucial to small firm success (Lans et al., 2016). Hence, the inability to network with others may be a barrier to networking participation.

Networking Strategies

The strategies adopted to establish, develop and maintain networking relationships are crucial to the entrepreneurial process. Hence, it is important to understand the networking activities that entrepreneurs or owner-managers engage in by examining strategies in terms of increasing density and diversity of networks, and allocating time for networking.

Density and diversity of networks. Effective networkers tend to continuously increase the density and diversity of their networks (Dubini & Aldrich, 1991). Network density refers to the extent network members are directly connected to each other (Mitchell, 1969). A dense network indicates members who are directly connected to one another, therefore, allowing for information to be disseminated faster (Birley et al., 1991). Network diversity describes the variation of network members. A highly-diversified network provides opportunities for gathering information from a wide range of sources (Birley et al., 1991) and members to access non-redundant knowledge, skills and capabilities (Swaminathan & Moorman, 2009), therefore, providing sources of novel information or ideas. Higher density and diversity of networks may benefit entrepreneurs

who have been in the industry for a long time, while newer entrepreneurs may find it difficult to increase density and diversity of networks during the establishment stage.

However, increasing the density and diversity of networks do not necessarily translate to firm success. According to Burt (1992), large network size and high density may lead to redundancy of information as contacts move within the same network environment. Despite the importance of a diversified network, small firms may be challenged to acquire, assimilate, transform and exploit knowledge stemming from various network partners (Casanueva, Castro, & Galán, 2013). This is exemplified by a study of small firms in high-tech industry by Parida et al. (2016). They found that increasing diversity of network members resulted in lower sales growth in small firms, however, network capability moderated the relationship. Thus, entrepreneurs may need to consider a network density strategy that will facilitate efficiency rather than just result in an increase in the numbers of network members. Entrepreneurs may also have to match their capabilities to work with a diversified network, to ensure they may reap the benefits of the networking relationship.

Time spent on networking. Successful networking relationships require time and effort. In an early work based on manufacturing firms in the United Kingdom, Ostgaard and Birley (1996) found that the size of networks and the time entrepreneurs spent developing networks showed a positive association with performance. Similarly, Dubini & Aldrich (1991) found that successful entrepreneurial managers were inclined to spend more time and effort to develop their networking relationships compared to less successful entrepreneurial managers.

In addition, a recent study of privately owned Chinese manufacturing enterprises showed time spent on increasing social capital had a positive effect on firm performance (Talavera, Xiong, & Weir, 2016). The study further showed Chinese entrepreneurs spent between 3.4 to 6.3 hours a day on networking, however, allocating more than 4.9 hours per day may not produce desired results for firm performance. Therefore, although spending time on building and developing networks may be crucial, too much emphasis on networking may take time away from focusing on other important aspects of the business.

However, as discussed in the previous section, time is also a barrier for many entrepreneurs. Entrepreneurs feel that they have limited time to engage in networking activities (Frazier & Niehm, 2004; Chell & Baines, 2000). Apart from investing time in networking activities, the relationship is also based on trust and reciprocity (Casson & Giusta, 2009; Witt, 2004). Therefore, an entrepreneur needs to build and maintain trust among network members. Moreover, the entrepreneur should not only be a recipient of benefits from the network, but also a contributor as well. For example, when an entrepreneur receives information from a contact, he or she should reciprocate by sharing as well.

Networking Competencies

Small business owners depend not only on their firm-specific capabilities, but they also depend on resources and capabilities from outside their business. Tapping external resources requires these entrepreneurs to be competent in networking. The literature identifies social skills and social competence as abilities required for successful

networking. Social skills are specific skills useful to individuals during interaction with others (Baron & Markman, 2000; Baron & Tang, 2009), while social competence is described as the ability to interact successfully with others in a given position and context (Warnes et al., 2005).

Based on a study by Baron and Markman (2000), there are four specific social skills associated with an entrepreneur's success: social perception, impression management, persuasion and influence, and social adaptability. Social perception is the "ability to perceive accurately the emotions, traits, motives, and intentions of others" (p.110). This skill is useful because it helps the entrepreneur to identify non-verbal cues exhibited by another business partner, employee or customers. In networking, social perception may help identify whether contacts are honest, or whether a negotiation is going well or otherwise. Impression management involves "proficiency in a wide range of techniques for inducing positive reactions in others" (p.109). This skill helps the entrepreneur to be seen in a positive light, either through efforts in appearance, agreeable attitude and others. In networking, impression management may help the entrepreneur to secure financing or develop strategic alliances with others. Persuasion and influence refers to the "ability to change others' attitudes and/or their behavior in desired directions" (p.110). This skill would be useful in instances where the entrepreneur is conducting negotiations with potential collaborators or dealing with suppliers. Social adaptability is the "ability to adapt to, or feel comfortable in, a wide range of social situations" (p.110). Entrepreneurs with a high level of social adaptability would be comfortable in any social situation, therefore, enhancing their visibility and opportunity

to connect with new contacts. Social adaptability would be useful especially during the early stages of a business venture as the entrepreneurs must initiate and establish networks. Therefore, a high level of social skills relates to business success through improved relationships between internal and external networks, and opportunities to create alliances. Furthermore, since social skills are trainable, Baron and Markman (2000) suggested for entrepreneurs to take the opportunity to improve their social skills through training. The authors also advocated for social skills training to be a part of an entrepreneurship program.

The literature reviewed also underlined similar as well as other networking competencies necessary for firm success. In a study of 212 Malaysian small business owners, Ahmad, Ramayah, Wilson, and Kummerow (2010) identified entrepreneurial competencies (strategic, conceptual, opportunity, relationship, learning, personal, ethical, and familism) to be predictors of business success. The relationship domain refers to the ability to negotiate with others, maintain a personal network of contacts, interact effectively with others, develop long-term trusting relationships and promote teamwork. Ahmad et al. (2010) also noted that entrepreneurial competencies were particularly important for business performance during turbulent times. In another study, Lans et al. (2016) discovered that social competence is crucial for the learning and success of small firms in the agri-food sector in the Netherlands. Social competence in this context, refers to the social learning orientation and the ability to interact with social partners. Furthermore, Lans and colleagues (2016) pointed to the scarce studies on social networking competence in small firm context, although there is general

acknowledgement among scholars on the contributions of networking to small firm success. This gap highlights further the importance of developing this area.

In addition, the ability to cooperate with others is an important competency for networking. Being a network member requires the entrepreneur to be able to organize (Bosworth & Farrell, 2011), communicate with others (Kuhlmeier & Knight, 2010), problem-solve between network members (Bosworth & Farrell, 2011; Campion, Medsker, & Higgs, 1993) and being able to work collaboratively with others (Lasagni, 2012; Sadler-Smith et al., 2003).

Summary

Entrepreneurial networking is an important strategy for the sustainability of SMEs. This literature review identifies research related to understanding entrepreneurial networking relationships. Specifically, this chapter provided an overview of key issues in entrepreneurial networking including definitions, networking in small firms, types of networking and outcomes of networking. A review of Social Network Theory and Social Capital Theory as the two theoretical foundations associated with entrepreneurial networking was also provided. In addition, literature related to networking activities and networking participation of entrepreneurs or owner-managers was also reviewed. This included motivating factors, barriers, networking strategies and networking competencies. The next chapter will outline the research methodology used to conduct this study.

CHAPTER 3: METHODOLOGY

The objective of this study is to identify factors and outcomes of entrepreneurial networking participation in the context of small hospitality industry. The study was guided by the following research questions:

RQ1 What is the entrepreneur's or owner-manager's network composition?

RQ2 What are the factors that motivate them to participate in networking activities?

RQ3 What are the barriers to their networking participation?

RQ4 How do these entrepreneurs or owner-managers network with others?

RQ5 What competencies and personal characteristics are required for successful networking relationships?

RQ6 What are the outcomes of engaging in networking relationships?

This chapter outlines the methodology used for this study. The first section addresses the research design, including justification for the case study design and outlines the framework for conducting the study. The second section discusses the research participants including how the participants were contacted and recruited. The third and fourth sections present the methods of data collection and analysis, respectively. This is followed by a description of strategies used to establish trustworthiness of the study. The chapter concludes with a description of ethical considerations and summary.

Research Design

This study used a qualitative case study research design. In a qualitative research, the focus is on an understanding of the meaning, construct and attributes that people attach to their experiences (Merriam, 2009). Scholars also suggested that a qualitative

design allows for multiple perspectives and methodological practices that may result in new insight about a phenomenon and with opportunities to build in-depth understanding within a contextual setting (Creswell, Hanson, Clark & Morales, 2007; Denzin & Lincoln, 2011). Furthermore, qualitative research is an inductive process that allows for a rich description about the phenomenon (Merriam, 2009). As such, a qualitative researcher uses different information from different sources to create themes or categories about what is learned about a phenomenon. The data is richly descriptive because words and pictures are used, compared to numbers. Therefore, a qualitative design was chosen because it provided the researcher with the opportunity to use open-ended questions to explore the participants' thoughts and perceptions on their networking experiences as entrepreneurs or managers of small hospitality businesses. Since there is still limited knowledge on the networking practices of hospitality SMEs in Malaysia, a qualitative approach was deemed to be beneficial to help understand this phenomenon in this context. Moreover, entrepreneurship is a practice-based discipline where knowledge is bound by its contextual nature (Leitch, Hill, & Harrison, 2010). There has also been calls for more studies using qualitative approaches in entrepreneurship research to further the field (Jack, 2010; Wiklund, Patzelt, & Shepherd, 2009) and to closely portray the meaning, rather than the frequency, of naturally occurring phenomena in the social world (Leitch et al., 2010).

Case study research is a well-established qualitative technique, which emphasizes the rich, real-world context in which a phenomenon occurs. A case is "a thing, a single entity, a unit around which there are boundaries" (Merriam, 1998, p. 27) and it can be a

person, a program, a group, an institution, and so on. A qualitative case study is described

as "an in-depth description and analysis of a bounded system" (Merriam, 2009, p.40).

Yin (2009) defined case studies as "an empirical enquiry that investigates a contemporary

phenomenon in depth and within its real-life context, especially when the boundaries

between phenomenon and context are not clearly evident" (p.18). Andrade (2009) noted

that case studies are conducted in natural settings, and allow researchers to grasp a

holistic understanding of a phenomenon under investigation. A qualitative case study is

differentiated from other types of qualitative research based on the unit of analysis - a

bounded system. Yin (2009) further stated that there are three criteria that merit the use of

a case study: (a) research questions in the form of "how" and "why", (b) does not require

the researcher to be able to control behavioral events, and (c) the phenomena is based on

contemporary events. Another distinct feature is that case studies require multiple sources

(e.g. interviews, observation, documentation, audio-visual) of evidence because findings

are likely to be more accurate if they are based on several different sources of

information (Yin, 2009; Creswell, 2013).

Multiple case study methodology was chosen as the approach to inquiry. Multiple

case study design enables an in-depth analysis of multiple individual units such as

specific people, groups, or phenomenon to uncover the interplay of factors within each

unit (Yin, 2012). In addition, using multiple case studies add to the "confidence of

findings" (Miles & Huberman, 1994, p.29) and a more robust study (Herriot & Firestone,

1983). In this study, the multiple bounded systems (cases) are the entrepreneurs or

managers, in a specific phenomenon (networking relationships) in the context of a

specific environment (tourism and hospitality SMEs in Malaysia). Adopting a multiple

case study methodology provided the opportunity to understand networking relationships

of individual entrepreneurs as well as across entrepreneurs in the tourism and hospitality

SMEs. Moreover, this approach allowed the researcher to identify common issues and

themes occurring in the industry in general. Although there were issues and themes that

occurred more in certain cases compared to others, ultimately similarities among cases

became more evident. This process of identifying common issues facilitated answering

the research questions and provided an increased transferability of the study results. Since

transferability refers to the process of applying results of research in one situation to

another similar situation, readers may decide what to apply in their own circumstances

based on the detailed description provided. In addition, the study depended on participant

perceptions and my observations of the Malaysian hospitality SME networking

experience. Therefore, it is meaning oriented, dependent on the rich narrative of

participants' stories, and systematically designed (Shank, 2006).

Concept map

Figure 3.1 illustrates the conceptual map used in this study. The diagram

identifies the main factors and boundary conditions involved in understanding the

networking relationships of Malaysian entrepreneurs or managers in small hospitality

businesses. Maxwell (2013) suggested the need to create a concept map early in the study

to help clarify the conceptual framework or theoretical underpinnings of a study. In this

case, the framework served to guide work within the boundary of the study.
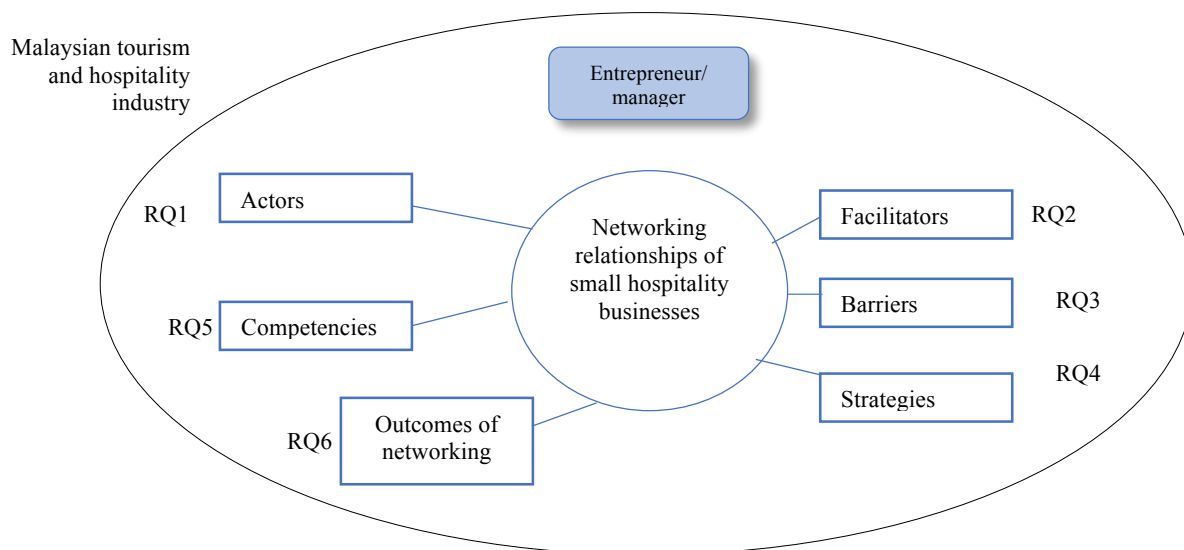
Figure 3.1. Diagram of case: A concept map for networking relationships of entrepreneurs and managers of small hospitality businesses in Malaysia

Steps for Conducting the Study

The steps for the study design are presented in Figure 3.2. The steps were helpful in providing an organized process for conducting the study.
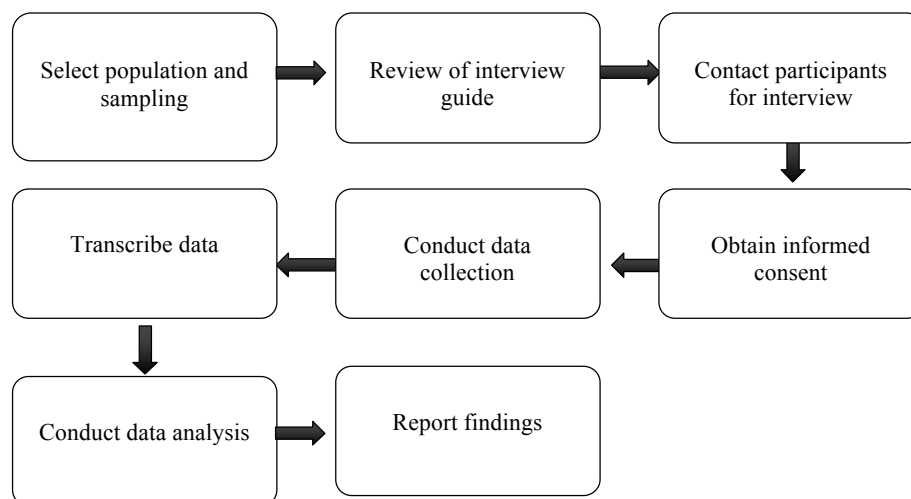
Figure 3.2   Steps for conducting the study

Research Participants

In a qualitative inquiry, sampling approach is based on an in-depth inquiry of small samples as compared to a larger number of samples. These samples are selected purposely to facilitate understanding of participants' perceptions and to answer the research questions (Patton, 1990). In this study, purposive sampling was used as this approach assisted in identifying study participants who could provide most relevant information on relationships between respondents and their context (Maxwell, 2013).

Ten entrepreneurs and managers of small hospitality businesses were interviewed for the study. The number of participant was based on saturation of information. Data saturation occurs when there is no new relevant data discovered in a category (Rudestam & Newton, 2007), when one is no longer learning anything new (Seidman, 1998), or when further coding is no longer feasible (Guest, Bunce, & Johnson, 2006).

Recently scholars suggested guidelines for sample size in qualitative research. For example, Adler and Adler (2012) proposed between 12 to 60 samples, with 30 being the average whereas Miller (2012) recommended between six to ten for a small student dissertation. However, most scholars agreed the number of sample should be based on saturation of data and the practicality of the study. Guest, et al. (2006) contended "although the idea of saturation is helpful at the conceptual level, it provides little practical guidance for estimating sample sizes" (p.59). Guest and colleagues (2006) believed that data saturation typically occurs by the twelfth interview. However, Bonde (2013) argued that the number of interviews to reach saturation depended on many factors such as "scope, target audience, researchers, resourcing and research audience"

(p.5). Similarly, Patton (2002) suggested that "sample size depends on what you want to

know, the purpose of the inquiry, what's at stake, what will be useful, what will have

credibility, and what can be done with available time and resources" (p.244). The number

of participants in a qualitative study has to be relevant to the purposes and goals of the

study. Given the purpose of this study, the required number of participant was based on

information required to address the research question and saturation of information.

This study also included interviews with other stakeholders: the chairman of the

Malaysian Association of Hotels (MAH) and chairman of the Malaysian Budget Hotel

Association (MyBHA). One of the objectives of MAH and MyBHA is to represent the

common interests of different types of hotels in Malaysia, specifically members of the

Associations. The interviewed representatives provided information related to member

participation, networking activities, training and development, and challenges in the

tourism and hospitality industry. This step provided the opportunity to compare

perspectives from other stakeholders that interacted with the entrepreneurs or managers

through a triangulation of data sources. The purpose of triangulating data sources is to

validate information, either through a comparison of information for consistency, or an

understanding of the differences (Patton, 1999).

Study Location

The study location was Kuching, a city in the state of Sarawak, Malaysia.

Tourism industry was ranked sixth highest contributor to the Malaysian economy in 2014

(Pemandu, 2016) and is one of the economic sectors aggressively developed under the

economic transformation program. Although there has been a decline recently in overall

tourist arrival for the country and globally, there is still continued emphasis on its

development and potential in Malaysia. In Sarawak, the focus is on eco-tourism and

lifestyle tourism. There are currently 38 hotels (i.e. business, boutique, international

chain), and 25 budget hotels registered as members in the Sarawak Tourism Federation in

Kuching (Sarawak Tourism Federation, 2016). In addition, there are 28 homestays

registered in the homestay network list (Bombastic Borneo, 2016). Interviews were done

either on the premises or at a location preferred by the participant, taking into

consideration privacy and conduciveness of the place.

Participant Selection

The participants were entrepreneurs, owner-managers or managers of small

hospitality businesses who have at least two years of experience in the industry. It was

important that the participants had some experience in the industry so that they were able

to provide information related to the phenomenon in question. The participants were

selected from various websites related to tourism accommodation and hospitality services

in the state. The researcher referred to the SME Malaysia Directory 2015/2016 and

websites from Sarawak Tourism Board, Sarawak Tourism Federation, Malaysia

Association of Hotels, Malaysia Budget Hotel Association, Homestay Malaysia and

Borneo Bombastic. Further inclusion criteria used for sample selection were as follows:

1. Entrepreneur, owner or manager must currently play an active role in running the

   business (Active players were better able to provide current information on

   networking practices and trends for their businesses);

2. The business was locally established and not part of an international chain (The researcher was interested in how local tourism and hospitality business manage their networking practices and overall business); and

3. The business has less than 75 employees (thus, meeting the small and medium enterprise definition according to the SME Corporation Malaysia, 2013)

Instrumentation

The interview method supplies one of the main sources of information for a case study (Yin, 2009). It provides a useful way for researchers to learn about the participants and the context they operate in (Qu & Dumay, 2011). According to Rubin and Rubin (2012), the interview approach encourages a higher response rate, reduces misinterpretation of questions, and allows for observation of body language.

An interview guide for this study was designed by the researcher. The guide contained questions pertaining to the role of networks and networking relationships in small hospitality business. The interview guide was built in a way to provide illuminating answers to the research questions as shown in Table 3.1. In addition, the interview guide included a combination of different types of interview questions as suggested by Kvale (1996) to ensure a smooth execution of the process. For example, introducing questions, follow-up questions, probing questions, direct and indirect questions, interpreting questions as well as structuring questions were used in the study to gain, clarify and confirm information. The interview guide was prepared in both English and Malay language to ensure participants' understanding based on their language of preference.

Table 3.1
Interview guidelines

Research questions	Interview guides
RQ1 What is the entrepreneurs or owner-manager's network composition?	Describe the people or group that you deal with constantly with regards to your company. Who do you consider as your networks in your business? Describe your relationships with them
RQ2 What are the factors that motivate entrepreneurs or owner-managers to participate in networking activities?	Describe factors that facilitate your participation in networking relationships/ activities
RQ3 What are the barriers to their participation?	Is there any barrier to your participation in networking? If so, what are they?
RQ4 How do these entrepreneurs or owner-managers network with others?	What strategies do you use to network with others? How did you establish a relationship with this person or group? How often do you deal with this group?
RQ5 What competencies and personal characteristics are required for successful networking relationships?	Please provide examples of behavior/actions, skills, tools, others that are important to develop and maintain networking relationships. What is your most valuable approach to networking with others?
RQ6 What are the outcomes of engaging in networking relationships?	What outcomes did you experience from your networking activities? Describe the advantages or disadvantages of participating in a networking relationship? Can you give me an instance when networking was useful? Not useful?

Experts were invited to review and provide feedback on the content, wording and structure of the interview guide. According to Groves, Fowler, Couper, Lepkowski, Singer, and Tourangeau (2009), researchers can enlist subject matter experts to review the wording, structure, and appropriateness of interview questions. The first expert

enlisted was the researcher's adviser who helped in identifying ambiguities of content and flow of the interview. The second expert was a representative from the hotel association who was also a manager of a local hotel. The representative was not a part of the final interview for the study. Apart from getting feedback on the appropriateness of the interview questions, the researcher interviewed the hotel manager personally to be familiar with the overall interview process. As a result of feedback from the experts, changes were made to the interview questions to ensure that they were better suited to the understanding of participants. The changes included designing the "why" and "what" questions to come before the "how" questions, avoiding leading questions, and improvements in the overall logical flow of the interview.

Researcher as Instrument

In a qualitative study, the researcher is the main instrument for collecting and analyzing data (Merriam, 2009; Denzin & Lincoln, 2011). Therefore, the researcher provides a context for communicating, processing and interpreting data needed for the study. However, the elements of researcher bias and subjectivity may also be present and may be inevitable in qualitative studies (Chenail, 2011; Poggenpoel & Myburgh, 2003). The researchers' background, knowledge and experience influence their perspective about research inquiry and choice of methodologies. Since biases and subjectivities may not be eliminated, Merriam (2009) suggested that researchers be aware of them. Creswell (2013) described this as "positioning" oneself.

In this study, the researcher recognized that bias existed in social interactions. For this study, the researcher attempted to display non-reactive behaviors to facilitate the

participants' cooperation and reliability of responses (Ortlipp, 2008). Furthermore, the researcher did not have any prior knowledge on managing a small business or an organization in the tourism industry, therefore, minimizing any personal bias from related experience. In addition, the researcher also attempted to reduce personal biases by conducting a pilot study of the instrument, triangulation of data sources and audit trail.

Informed Consent

Prior to the actual data collection, the researcher obtained consent from each participant. The initial contact was made via email, text or phone communication. Once the participant agreed to participate in the study, an information sheet was sent to the participant detailing the purpose of the study, background of the researcher, procedures involved, confidentiality, voluntary participation, and contacts. The participants were informed of what was required of them during the interview, their right to withdraw at any stage of the process and issues of confidentiality. The participants were also provided information on how to contact the researcher should they have questions and other contacts should they require them. In addition, a sample of the interview questions was supplied to the participants upon request. The participants were given sufficient time to review the information sheet before a follow-up call, and a text or email was sent to request a date, time and location of the interview.

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Data Collection

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Data collection was conducted from September to December 2016. In case study research, data collection involves multiple sources of information. The sources of data in

this study were semi-structured interviews, networking observation, and documents such as press releases, association bulletins, and activity lists.

Sources of Data: Semi-Structured Interviews

The first source of data was semi-structured interviews. Semi-structured interviews are guided by a list of open-ended questions; however, the exact wording or sequence of the question may change during the interview situation (Merriam, 2009; Kvale, 1996). The purpose of the interview guide is to provide consistency (Corbin & Strauss, 2015) and help direct the conversation towards issues that the researchers want to learn (Qu & Dumay, 2011). At the same time, it allows the researcher flexibility to react accordingly to avoid disruption in the flow of the interview. Semi-structured interviews allow researchers to use a probing technique to encourage participants to elaborate and provide a more complete account of a phenomenon (Qu & Dumay, 2011; Rubin & Rubin, 2012). Probes are follow-ups of what was asked initially. Merriam (2009) pointed out that probes are impossible to identify earlier on as they are based on how the participants answer the lead questions. Examples of probes are "could you explain further on…?" or "what do you mean by…?" and may include silence and sounds. Merriam (2009) further cautioned against pressing the questions too hard or too fast. The semi-structured interviews are useful to both interviewer and interviewee. It gives the interviewer more control in terms of modifying the style, pace and order of the questions to suit the needs of the study (Qu & Dumay, 2011). Concurrently, interviewees are able to provide their own insight on a phenomenon "in their own terms and in the way that they think and use language" (Qu & Dumay, 2011, p. 246).

The interviews were conducted face-to-face either at the interviewees' offices or at an agreed alternative venue. Interview sessions lasted from 40 to 90 minutes. The interviews started with an introduction of the research, background of the researcher and the purpose of the study. Participants were encouraged to be candid with their experience and it was pointed out that there was no right or wrong answer. They were reminded that participation was voluntary. Permission to audio-record the interviews was obtained from each participant. All the interviews were conducted by the researcher in English language, with occasional use of local dialects in between to emphasize or rephrase a question. The recorded interview sessions were transcribed verbatim. Each participant was identified by a numerical code on the transcript to ensure confidentiality of data. Results of the interviews were transferred to a laptop at the end of the recording session. The individual transcription was made available for the participants to review, if requested. The interviews were continued until the point of saturation, and in this case, saturation occurred at the tenth participant.

Sources of Data: Participant Observation

The second source of data was based on observations. Observational data provide a direct experience with the phenomenon studied compared to an account given by interviewees (Merriam, 2009). According to Corbin and Strauss (2015), observations enable researchers to identify discrepancy between interviews and actual behavior of participants. Furthermore, the authors noted that participants may be limited in their articulation of their experience, therefore, observations allow researchers to be exposed to the phenomenon first hand. Mack et al. (2005) also agreed that participant observation is

useful for "gaining an understanding of the physical, social, cultural, and economic contexts in which study participants live; the relationships among and between people, contexts, ideas, norms, and events; and people's behaviors and activities – what they do, how frequently, and with whom" (p.14). Therefore, participant observation component of the study provides context and adds to the depth of the study.

An observation was conducted at a networking seminar for local tourism and hospitality businesses. The seminar was organized by a non-governmental organization in support of developing entrepreneurial skills and networking opportunities for those in the tourism and hospitality industry. Permission was obtained to observe the first part of the seminar that included the registration, the first two seminar sessions and networking tea break. The observation lasted about 2 hours. Observation notes were made on who interacted with whom, the length of interaction, how people reacted, overall gestures and where most activities took place. Of particular value were instances where the researcher was able to interact with some of the participants to add to the observation. These informal interviews provided insights from the group that may not have been readily available from other sources of data. The observation notes were expanded into a narrative, typed and saved into computer files for further analysis.

Sources of Data: Documentation

The third source of data were documents, either printed or electronic. In line with Bowen's (2009) conceptualization, documents provided (i) background and context, (ii) more questions to be asked in the study, (iii) supplementary information, (iv) means for tracking change and development in cases of programs or organizations and (v) verified

findings from other sources. Merriam (2009) pointed out that "documents of all types help the researcher uncover meaning, develop understanding, and discover insights relevant to the research problem" (p.163). Furthermore, documents are easily accessible and not affected by the research process (Merriam, 2009).

In this study, documents collected included press releases, association bulletins, event programs, website articles, and speeches from key officials in the Ministry of Tourism Malaysia. There were 14 documents related to networking programs reviewed and coded for analysis. These documents provided the researcher with further background and context of the phenomenon being studied. In addition, the researcher was able to verify findings based on other sources of data.

Triangulation

The use of multiple sources of data provided the researcher with a richer set of data and the ability to transfer the study's findings (Yin, 2009; Maxwell, 2013; Lincoln & Guba, 1985). Furthermore, triangulation of data sources allowed the researcher to compare consistency of information and to validate the information obtained through interviews (Patton, 1999). Although external generalizability is not the goal for qualitative research (Maxwell, 2013), the process of triangulation afforded the researcher some level of protection against accusation that the study's findings are based on biases of a single method, single source or single investigator (Patton, 1999).

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Data Analysis

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Data analysis is the "process of making sense out of the data …[which] involves consolidating, reducing, and interpreting what people have said and what the researcher

has seen and read - it is the process of making meaning" (Merriam, 2009, p.175). This stage involved moving between inductive and deductive reasoning to identify meanings, which were the findings of the study. Furthermore, Merriam (2009) suggested that the findings may be in the form of descriptive accounts, themes, or categories that summarizes data or in the forms of models and theories that explain data.

In this study, the primary method for analyzing data was content analysis. Content analysis is a method to analyze written, verbal or visual communication messages (Cole, 1988) in a systematic and objective manner (Krippendorff, 1980; Downe-Wamboldt, 1992; Sandelowski, 1995). The purpose of content analysis is to provide a condensed description of a phenomenon through categories or concepts (Elo & Kyngas, 2008). In this study, content analysis helped the researcher to understand and describe networking relationships among entrepreneurs and managers of hospitality businesses.

Data Analysis Process

For this study, the researcher took the following steps during the data analysis process:

Step 1: Transcribe data. The interviews were transcribed in a word document as soon as possible after each interview session. Each interview was transcribed verbatim by the researcher and rechecked against the recordings to ensure accuracy. Verbatim transcription refers to the word-to-word reproduction of verbal data (Poland, 1995) in which nonverbal cues (i.e. silences) and emotional aspects (coughs and sighs) were included in the text. The participants were also provided with the opportunity to review the transcript to ensure accuracy of information recorded and amendments were made accordingly. In addition, observational notes were also transcribed for further analysis.

For documents, the researcher adopted a three-stage process for reviewing and coding the

documents based on Bowen (2009): skimming or superficial examination, reading or

thorough examination and interpretation of the documents.

Step 2: Upload data into NVivo. The transcribed data, observational narratives

and documents were uploaded into NVivo 11, a qualitative software, to assist in data

analysis. NVivo was used for coding, organizing and categorizing data. The researcher

decided to use a computer assisted qualitative data analysis software (CAQDAS) because

it facilitated the management and interpretation of data. Some of the benefits of using

CAQDAS included (i) the ability to work with different types of data, (ii) ease of data

retrieval, and (iii) an audit trail of analytic steps taken (Corbin & Strauss, 2015).

Step 3: Conduct data exploration. A preliminary analysis in NVivo included

exploring the data through the Query function. In this stage, the researcher used word

frequency and word cloud query to identify the most frequently occurring words in the

data. This was useful in facilitating the development of initial codes. The researcher also

used a word tree query to identify prominent words and phrases in the data. This step was

useful in learning more about the data and consequently determining recurring themes

around a word of interest.

Step 4: Generate codes. Codes are labels used to assign meaning to data.

According to Saldana (2016), a code is a "word or phrase that symbolically assigns a

summative, salient, essence-capturing, and/ or evocative attribute for a portion of

language-based or visual data" (p.4). Codes may be developed before data collection,

based on the conceptual framework, research questions, problem areas or key variables

and further derived from the data during reading and reflection (Miles, Huberman & Saldana, 2014). Therefore, codes are generated by the researcher to represent an interpreted meaning of the data. The codes are used further for categorization, assertion or theory development (Saldana, 2016).

The coding process was both deductive and inductive in nature. Based on the research questions, literature review and data exploration, the researcher created an initial list of codes to guide the coding process. The researcher proceeded to start the coding process using two selected transcripts that were rich in information. A combination of descriptive, process, in vivo, structural and attribute coding methods were used to code. The codes generated from the data were further listed under their respective concepts. For example, under the concept "competencies" were codes such as "face-to-face interaction", "being sensitive to others", and "influencing others".

Step 5: Generate categories. The coding process enabled the researcher to organize and group similar codes into categories. A category refers to a grouping of the coded segments to reduce the number of different pieces of data. In some cases, the categories may be further refined into subcategories (Saldana, 2016). During this process, the researcher identified the relationships between the codes. Questions such as whether a group of codes are referring to a specific concept or whether there is a sequence among the codes facilitated the generation of categories. For example, the previous codes "face-to-face interaction", "being sensitive to others", and "influencing others" were sub-categorized under a higher-level code "interpersonal skills". Sub-categories were further re-organized into major categories for the purpose of answering the research questions.

For example, "interpersonal skills", "social skills" and "informality of relationships" were categorized under "communication and interpersonal skills".

The researcher proceeded to code and categorize the other eight transcripts, observation notes and documents. During this process, the codes and categories were constantly added and revised until the analysis has reached saturation. Saturation refers to a point when there is no new information, insights or understandings identified (Merriam, 2009).

Trustworthiness of the Study

Trustworthiness of this study was based on Lincoln and Guba's (1985) evaluative criteria, namely credibility, transferability, dependability and confirmability.

Credibility

Credibility refers to the "confidence in the "truth" of the findings" (Lincoln & Guba, 1985, p. 290). In this study, credibility was established through triangulation of data sources whereby the researcher compares and validates data collected from multiple sources (Denzin & Lincoln, 2011; Miles et al., 2014; Merriam, 2009). Triangulation of data sources is based on the idea that the strengths of different sources would be able to provide the researcher with a better explanation of a phenomenon compared to if findings were based on a single source. In this study, sources of data were from interviews, observations and related documents.

Transferability

Transferability refers to the extent the findings of one study are applicable to other contexts (Lincoln & Guba, 1985). To show transferability, Miles et al. (2014)

posited a "thick description" as essential for readers to assess the potential transferability and appropriateness for their own settings. A thick description refers to a "highly descriptive, detailed presentation of the setting and in particular, the findings of a study" (Merriam, 2009, p. 227). In this study, details such as the participants' background, research background, methodology, and study results were provided for readers to assess its transferability to other settings.

Dependability

Dependability is the extent to which the findings are consistent and could be repeated in similar contexts (Lincoln & Guba, 1985). For this study, an audit trail strategy (Lincoln & Guba, 1985) was used to ensure dependability of findings. Therefore, the data collection process, data analysis and how the categories were established were documented.

Confirmability

Confirmability is the degree of neutrality or the extent to "which the findings of an inquiry are determined by the subjects (respondents) and conditions of the inquiry and not by the biases, motivations, interests, or perspectives of the inquirer" (Lincoln & Guba, 1985, p.290). The strategies used to determine confirmability in this study were audit trail and triangulation. In addition, Miles et al. (2014) suggested that the researcher be explicit and aware of personal assumptions, values and biases that may affect the study. The researcher addressed this issue in the study as well.

Ethical Considerations

The researcher obtained approval from the University of Minnesota Institutional Review Board (IRB) prior to the data collection process (Appendix D). Every effort was made to ensure that the study posed no physical or psychological risk to participants. A clear explanation of the study and its procedures was furnished to all participants. Once an individual confirmed his or her participation, they received an information sheet (Appendix C) detailing the purpose of the study, what was expected of them and their right to withdraw at any stage of the study. Participants were informed that the interviews would be audio-recorded and notes would be taken during the interview process. Participants were assured of the confidentiality of their responses, and how the data would be used and who had access to the data. Interview data were stored on a password-protected computer. Pseudonyms were used to protect the identity of participants.

Summary

This is a multiple case study examining networking relationships among small tourism and hospitality businesses in Malaysia. In this chapter, the research design and its appropriateness in answering the research questions were discussed. This was followed by a description of the procedure for selecting research participants. The researcher also explained the data collection and analysis procedure. NVivo 11 was used to support the inquiry. The final section of the chapter included discussions of strategies to establish trustworthiness and ethical considerations of the study. The next chapter will discuss the findings of the study.

CHAPTER 4: FINDINGS

This chapter presents the findings of the study. The focus of this study was to understand factors that led entrepreneurs or owner-managers of small enterprises in the Malaysian hospitality sector to participate in networks and networking relationships. The phenomenon was explored through addressing the following guiding questions: (1) What is the entrepreneur's or owner-manager's network composition? (2) What are the factors that motivate them to participate in networking? (3) What are the barriers to their participation? (4) How do they network with others? (5) What competencies and personal characteristics are required for successful networking relationships and (6) What are the outcomes of engaging in networking relationships?

The chapter is organized into four sections. The first section describes the demographics of the study participants. This section also includes vignettes that provide background and context of the individual situation of each of the participants. The second section summarizes the participant observation and interviews with selected stakeholders. Section three describes the findings of the study based on research questions 1 through 6. The findings are presented in a detailed manner and supported by selected quotations from the interviews to capture the essence of the participants' responses. The final section summarizes the chapter.

Participant Demographics

The participants in this study consist of ten entrepreneurs and managers of small hospitality businesses in Malaysia. Specifically, six were managers and four were owner-managers. The participants' ages range from mid 30s to late 50s. There were four female

and six male participants. All of them have at least six years' experience in the hospitality

industry. In addition, six were members of a professional hospitality association while

four were non-members. Each participant is referred to with a pseudonym for ease of

reference and to maintain confidentiality. An overview of the study participant

characteristics is summarized in Table 4.1. In addition to the above described ten

interviews, two interviews were conducted with the chairman of the Malaysian

Association of Budget Hotel, Sarawak Chapter (MyBHA) and chairman of the Malaysian

Association of Hotel Sarawak Chapter (MAH). These two additional interviews were not

treated as part of the main study and were used only as a source of background

information for understanding the nature of small hospitality businesses, networking and

challenges.

Table 4.1
Demographics of study participants

Participant (Pseudonym)	Gender	Age	Years with current organization	Years of experience in hospitality industry	Role	Type of business
Paul (P1)	Male	Early 40s	3	10	Manager	Lodge
Lillian (P2)	Female	Mid 30s	7	7	Owner-Manager	Hotel
Helen (P3)	Female	Early 30s	6	6	Manager	Hotel
Steven (P4)	Male	Late 40s	12	12	Owner-Manager	Lodge
Jane (P5)	Female	Early 40s	7	7	Owner-Manager	Homestay
James (P6)	Male	Late 50s	10	40	Manager	Hotel
Harry (P7)	Male	Late 50s	5	40	Manager	Hotel
Mary (P8)	Female	Mid 30s	4	7	Owner-Manager	Homestay
David (P9)	Male	Late 50s	16	30	Manager	Hotel
Wil (P10)	Male	Late 50s	2	40	Manager	Hotel
Lee*	Male	Mid 50s	10	40	Chairman	MyBHA
John*	Male	Late 50s	10	40	Chairman	MAH

Additional interviews used to collect background information.

Vignettes of Participants

The following vignettes present the ten participants in the study. The vignettes

provide a brief background of each participant and focus on the experiences of the

entrepreneurs or managers in relations to networking activities. The vignettes are

provided to give the reader insights into the context in which each entrepreneur or

manager operates.

Paul. Paul is in his early 40s and currently manages a lodge in Kuching. The

lodge has been in operation for less than five years and he has been managing the lodge

for three years. There are seven full time employees working with Paul. The lodge has 24

rooms that are on the lower price range, between $23-$32 per night depending on the

type of room. Although Paul has no formal education in tourism and hospitality services,

he worked in various industries previously, including the hospitality sector, and worked

his way up. Most of Paul's working experiences were from overseas. He believes the best

way to learn how to manage a hospitality business is by being a customer yourself to

understand customers and identify their needs. His participation in local networking

groups is limited. However, he maintains contact with friends from his previous work and

talks to them to get information or ideas. He also acknowledges the importance of social

media platforms to network and reach out to customers. However, he is still learning how

to use these platforms for business purposes.

Lillian. Lillian is in her mid 30s and a co-owner of the hotel she manages. Hotel A

is family-owned and has been in operation for the last seven years. The hotel has 50

rooms and is mid-range in price, from $35 to $52 per night. There are 30 full time

employees working in Hotel A. Lillian was involved in the hotel since its opening.

Although she officially holds the post of Executive Director, she describes her job as

"doing everything" including being the "face" of the hotel. Lillian's formal education

was in information technology. She works with her managers to help her run the hotel

since they are experienced in the industry. Lillian participates extensively in formal local

networking groups to gain knowledge and she believes that she benefits from being a

member. In addition, Lillian uses her familiarity with information technology to network

with others outside of Kuching through social media and various online platforms. Since

the hotel is family-owned, family members exert the most influence on how the business

shapes out.

Helen. Helen is in her early 30s and has been managing Hotel B in Kuching for

the last six years. She joined the hotel after its opening in the role of Group General

Manager. However, she describes her job as doing "a little bit of everything". Helen

works closely with the owner on matters related to the management of Hotel B. Both

Helen and the owner have no formal training in tourism and hospitality. Most of their

ideas including the theme and focus of the hotel were derived from their travel

experience. They wanted to create a hotel that is friendly with no boundaries between the

staff and guests. For Helen, the guests are important sources of ideas on how to improve

the customer experience. Helen is not a member of any formal networking group in the

city. She believes in finding her own contacts and learning from experience. Hotel B is a

small set-up with only 15 rooms and 10 employees. The rooms are priced at $65 per

night, which is slightly higher compared to similar-sized hotels. According to Helen, they

were established as a boutique hotel; therefore, the rates need to be higher compared to other hotels.

 Steven. Steven is in his late 40s and co-owns a lodge with his wife. They managed the lodge for 12 years. The lodge started as a small establishment with only 12 rooms and currently they have 25 rooms, at a rate of $23-$38 per night. The lodge has 16 employees. Steven and his wife do not have training in tourism and hospitality. He describes their success in the industry as due to their passion for tourism and learning 'on-the-fly". Although he believes that a certain amount of networking is required, he has mixed feelings about its benefits. He is a member of the local hotel networking chapter but limits his participation to meetings rather than social activities or seminars organized by the chapter.

 Jane. Jane is in her early 40s and currently manages her own homestay in her village. She started the homestay seven years ago with the help of her husband; however, her husband does not actively participate in the running of the business and leaves most of the decision making to her. Jane has a secondary school education and does not have professional training in hospitality management. However, she is passionate about promoting local culture to others. Jane is a member of local ethnic network groups and actively attends seminars, networking sessions and workshops. She attributes her business success to the people that she meets at these sessions who further recommend her products and services through word-of-mouth. Currently Jane's homestay has three rooms that could accommodate up to 10 travelers simultaneously. Most of her customers are from out-of-town, people looking to experience local customs and culture. They learn

how to cook local dishes, farm and make jewelry from beads. Since Jane's homestay is in the village, she gets help from her family members and the local community when required. Jane desires to expand her business and indicates her plans to be more visible online as she believes this is an important point of contact with customers.

James. James is a manager at hotel C for the last 10 years. He is in his late 50s and has 40 years' experience as a hotelier, both locally and abroad. James was trained as an accountant. However, he has worked in different hotel divisions including front office, sales and marketing, and room division. James believes that networking is vital to the success of a hotel. He emphasizes the need to be established among hoteliers, clients, and government agencies. As an experienced hotelier, he also considers networking to be a process done consciously, therefore, one should make time and effort to network with others. Networking, according to James, is not something that accidentally happens. James is a member of a local hoteliers networking chapter and sometimes shares his experience with members of the chapter. Hotel C is a 3-star hotel with 60 rooms, ranging from $29 to $58 per room per night. There are 48 employees working in this hotel.

Harry. Harry is in his late 50s and has managed hotel X for five years. Although he only has a basic primary education, he worked his way up to be a hotel manager. Harry has diverse work experience in food and beverage, housekeeping and maintenance. He is a member of a local hotelier networking chapter and insists that networking with others is important to gain support in the industry. Since the tourism and hospitality industry is relatively small, he states that one will always meet people. However, the important thing is to maintain the relationships and mutually benefit from them. Harry

was brought in during the building of hotel X. He recounts that the establishment of hotel X was much easier due to his existing connections from previous related work. The hotel has 155 rooms and they are priced between $34 and $55 per night. Currently hotel X has 68 employees.

Mary. Mary owns and manages a homestay in one of the villages in Kuching. She is in her mid 30s and has established the homestay four years ago. Mary's homestay has two large rooms and one smaller room that could accommodate up to 12 people. Her customers are mostly Europeans and she is busiest during the European summer months. She has six assistants to help her. Mary is very passionate about promoting local culture and eco-tourism. She designs tours that include local village activities such as jungle trekking, paddy planting, and river exploring. Mary's training was in public relations, but she also was an active freelance tour guide for travelers interested in exploring villages around the city while she studied at college. This provided her with opportunities to connect with travelers and tour agents from different parts of the world. Mary attributes her success to the support of her friends and family. Her business grew from recommendations from clients and her online visibility. Mary stresses the importance of knowing specific contacts that could help the business grow. Moreover, for her, it is crucial to maintain relationship with previous clients. Mary is not a member of any formal network but she contacts government agencies for assistance from time to time.

David. David is the Operations Manager for Hotel Y. He is in his late 50s and has worked in Hotel Y for 16 years since its establishment. Hotel Y is a 3-star hotel, however, it is quite a large hotel with 181 rooms. The rooms are priced between $72 and

$110 per night, which makes it on the more expensive side. The hotel employs 73 people. David has a secondary school certificate and does not have formal education in hospitality and tourism. However, he gained experience from working in various hotel departments and in different hotels. David mentions that his experience working in different hotels provided him with opportunities to establish contacts and friends along the way. According to David, his network is both internal within the hotel as well as external. He believes in creating continuous rapport with government agencies as they may provide business opportunities for the hotel. David is a member of the local hotelier networking chapter. He believes the chapter is a good platform to share knowledge among similar practitioners.

Wil. Wil is in his late 50s and has been managing Hotel Z for the last two years since its establishment. Although he has no formal education in hospitality and tourism, he gained expertise as a hotelier with 40 years of experience in the hotel industry, both locally and overseas. Wil considers himself as "qualified by experience". Due to his long-standing presence in the tourism and hospitality industry, Wil's network reach is extensive. However, he insists that being a member of the local hotelier networking chapter is beneficial to both new and older established hotels. The chapter not only provides information on hotel trends but provides expert assistance as well. Hotel Z is a 2-star hotel, with a price range between $21 and $40 per night for its rooms. There are currently 25 employees working in the hotel.

Study Context Based on Observation and Stakeholder Interviews

This section presents findings from participation observation and stakeholder interviews. These findings assist in further understanding of the study context.

Participant Observation

Participant observation is an important component in this study as it provides the context and facilitates identification of commonalities or lack of commonalities across cases. Moreover, participant observation allows for informal interaction, therefore, offers insights from members about the phenomenon that may not be easily accessible otherwise. For this study, an observation was conducted at a networking seminar for local tourism and hospitality businesses. The seminar was organized by a non-governmental organization in support of developing entrepreneurial skills and networking opportunities for those in the tourism and hospitality industry. The observation lasted approximately 2 hours. The following extracts from the researcher's notes illustrate the value of the observation process in highlighting disparities between the organizer's purpose for organizing the seminar and the participants' purpose for joining the seminar:

The overall theme of the seminar was to empower women as entrepreneurs, not only through their businesses but to use the seminar as a platform to network and learn from one another. There were approximately 120 participants. The President of the association welcomed participants to the seminar. He pointed out that the participants should get to know one another, mingle around and network so that "something new or concrete should come out of it, for example relationship, collaboration and cooperation". On a similar note, the second speaker highlighted the need for women to network and

focus more on relationship management, regardless of the positions they were in at work or in business. She suggested that women get more visibility for themselves, for example, by attending functions when invited as opposed to declining. Her networking advice was to not wait but take the opportunities to network with one another. She also emphasized the need for women entrepreneurs to consider competitors as future collaborators.

The participants were generally engaged and responded positively to the opening comments and seminar topics. However, most of the participants stayed within their own comfort zone during coffee breaks and lunch. They sat and mingled with people they were already familiar with, for example, with other participants from the same association or company. Only a few people seemed to be attending on their own, and seemed content browsing their cellphones.

Interviews with Stakeholders

Another important component in this study are interviews with other stakeholders who were not part of the main study. Such interviews were conducted with the chairman of the Malaysian Association of Hotel (MAH) and chairman of the Malaysian Budget Hotel Association (MBHA). The interviews provided context for further understanding of the nature of small hospitality businesses, networking activities, and challenges faced by the hotel owners and operators.

Malaysian Budget Hotel Association (MyBHA). Lee (pseudonym) is chairman of MyBHA local chapter for the last 10 years. He is also a manager of a hotel in Kuching. The main objectives of the chapter are to: (i) represent the common interest of all the budget hotels in Malaysia specifically the members of Association; (ii) foster goodwill

and cooperation among budget hotels in Malaysia; and (iii) foster a culture of interactive sharing of information among members for the long-term benefits of the members. The local chapter has 112 members. However, the members are not actively involved in the association. According to Lee, one of the challenges is the geographic location of the hotels. Since the members are spread out throughout the state, it is difficult to get members to attend meetings in one venue. Another challenge is the members' perception on the effectiveness of the association. This makes it difficult for the association to get members engaged in its activities. As a result, most members work on their own to identify and solve problems. The main communication channel for members are WhatsApp (an instant messaging application), emails and letters.

Malaysian Association of Hotel (MAH). John (pseudonym) has been chairman of MAH local chapter for the last two terms. He is also currently a manager for one of the hotels in Kuching. Apart from promoting tourism, MAH's objectives include fostering cooperation between hotels and similar businesses, stimulating fellowship among members and forging good relationships between the industry and the public. John emphasizes the importance of developing and maintaining connections in the industry. He believes that the local tourism and hospitality industry has potential to grow. Therefore, the established and new entrants to the industry should share knowledge and learn from one another. MAH's executive committee meets formally on a regular basis (approximately four times a year). In addition, some of the members also meet informally. One of the association's strategies to help members be updated on industry developments is to disseminate information from the head office through member emails.

The association also organizes inter-hotel games or cultural activities to foster goodwill and cooperation. MAH communicates with its members through WhatsApp, emails and letters.

Findings

This section presents the study findings. It is organized based on the research questions identified in Chapter 1. Each research question is followed by identified themes. Direct quotes from the participants are presented in support of the themes.

Entrepreneur or Owner-Manager's Network Composition (RQ1)

The data showed that the participants identified various types of networks that they were part of. These contacts were divided into two categories: internal networks and external networks (Figure 4.1). Each entrepreneur or manager maintained several internal and external networks simultaneously. The networks they maintained depended on the business orientation, including current and future business needs.

Internal networks. Internal networks refer to contacts who were within the entrepreneur or manager's circle of business or those who made up the business. The participants indicated family members, owners, friends, and staff as their internal networks.
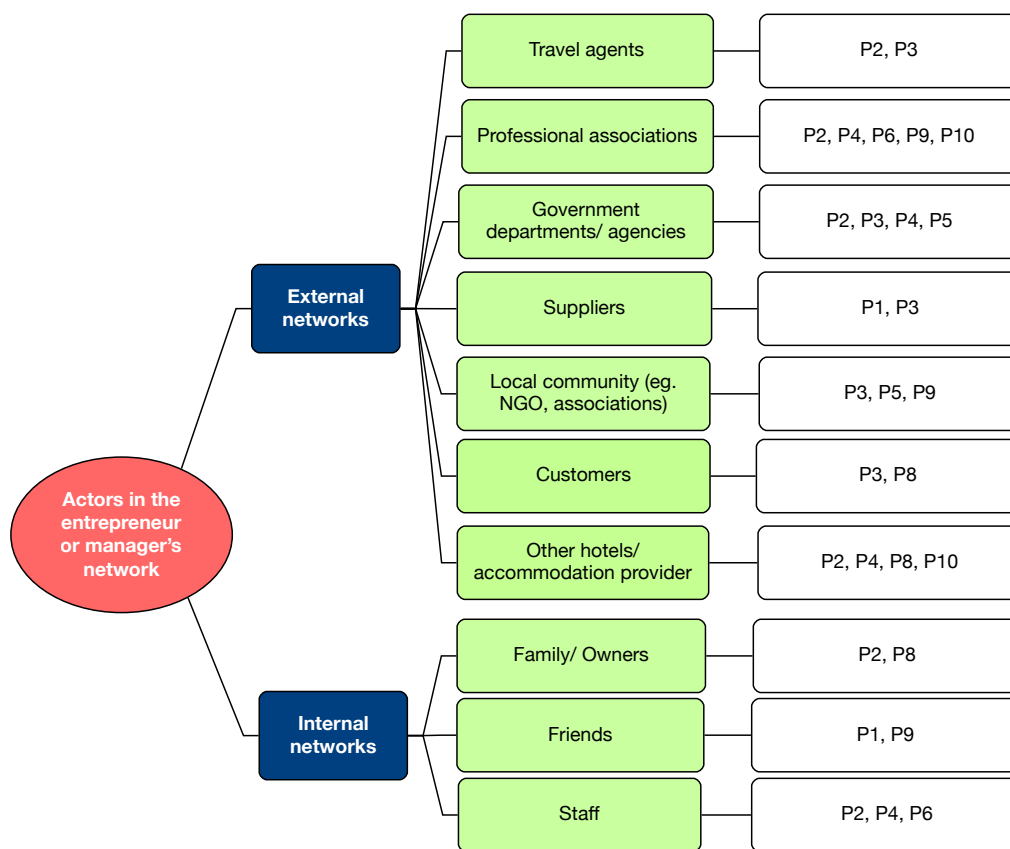
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                          ┌──────────────────────┬─────────────────────────────┐
                          │    Travel agents     │          P2, P3             │
                          ├──────────────────────┼─────────────────────────────┤
                          │ Professional         │     P2, P4, P6, P9, P10     │
                          │ associations         │                             │
                          ├──────────────────────┼─────────────────────────────┤
                          │ Government           │      P2, P3, P4, P5         │
       External          │ departments/ agencies │                             │
       networks          ├──────────────────────┼─────────────────────────────┤
                          │      Suppliers       │          P1, P3             │
                          ├──────────────────────┼─────────────────────────────┤
                          │ Local community (eg. │        P3, P5, P9           │
                          │ NGO, associations)   │                             │
                          ├──────────────────────┼─────────────────────────────┤
                          │      Customers       │          P3, P8             │
                          ├──────────────────────┼─────────────────────────────┤
                          │ Other hotels/        │    P2, P4, P8, P10          │
                          │ accommodation        │                             │
                          │ provider             │                             │
                          └──────────────────────┴─────────────────────────────┘
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Actors in the entrepreneur or manager's network

External networks

Internal networks

Family/ Owners	P2, P8
Friends	P1, P9
Staff	P2, P4, P6

Figure 4.1. The entrepreneur or manager's network composition

Family/Owners. Entrepreneurs managing family-owned businesses would revert to immediate family members for business matters. Some family members may take a more active role in the business compared to other family members. Similarly, managers of hotels or lodges also connect with the owners. Usually, the entrepreneurs or managers discuss issues pertaining to daily operations and business expansion, as shown in the following excerpts:

> *"This is a family kind of business, this is quite, actually everyone is quite involved in the hotel…So I take care of the hotel. So, one of my sisters takes care of the legal and HR part and another sister is taking care of the finance… My parents*

are not really into operations, so they just, they have very informal view of things or feedback." (Lillian)

"So after six months I say to my parents we have to sit down and I discussed with them, what do you want me to do now? I mean this is really a good business, I can feel it." (Mary)

Friends. Participants highlighted the importance of friends as their networks.

These friends may be from their previous work with whom they have remained in contact

or they may be current friends. These friends provided ideas, assistance or

encouragement:

"Er…I do, I talk to a couple of people in Melbourne… I ask them on what they do… I kept in contact with some of them…Again they advise, they tell me about this [ways to do things]…" (Paul)

"Actually, I talk more on…on this issue to my friends. Well, we have…I have a good friend called uh…Emily, so she runs Borneo ala Carte. So, she's one of our agents now…" (Mary)

Staff. Staff refers to the employees of the business, including managers and

supervisors. One participant described the staff as one of their networks for exchange of

ideas, particularly for staff with extensive experience in their work.

"I guess my hotel managers, you know, they are very experienced. Actually, my hotel manager and finance manager have been in the hotel industry for many, many years. I guess the best way to learn is from them..." (Lillian)

Other participants considered staff as critical in helping them communicate the

business' image and objectives, since they interacted with guests daily. The following

participants shared their views:

"What make it different is the people. So, when you come to me you know… I received you, I told my staff make sure you are around, whatever...you feel at home. So, we are now looking into the software of the industry, the software of the

service, no more the hardware. Hardware anybody can give, if we talk about rooms. Some hotels having better rooms. We talk about coffee house. I believe other hotel, five star have better coffee house. But the people make the difference. So in …in…a question can't be me alone…the whole. We turn our staff to be people friendly. We must give uh…very uhm… efficient service. That is how we do networking la." (James)

"Also, I think in creating a workplace where all our crewmember are happy, where they feel that their work is rewarding for themselves, you know. If it's a happy workplace, and our guest … I mean because you can't have a good guesthouse or hospitality business if your crewmembers is not happy. If they are not happy, then it will reflect onto their service to the end use. I mean first thing first, your crew has to be happy because if they're not happy, then your guests are not going to be treated well, you know." (Steven)

External networks. External networks refer to contacts within (e.g. travel agents, suppliers, customers) and across industry boundaries (e.g. government departments, local community). In this study, participants described external networks consisting of travel agents, hotel associations, government departments and agencies, suppliers, customers, local community and other hospitality providers.

Travel agents. Data from this study showed that participants worked with traditional travel agents and online travel agents (OTAs). Both provide tourism related services to the public; however, OTAs operate electronically through the Internet. Since travel agents link tourism hospitality providers with end users, they are crucial networks for the hospitality providers. Furthermore, travel agents were a source of information on industry trends and provided opportunities to network with other contacts. The following quotes showed the participants' interactions with travel agents:

"Ok, we deal a lot with our partners. Our partners can range from travel agents uhm to…actually let's talk about travel agents first. They are physical agents now for example, like Planet Borneo, that's within our vicinity. We have to deal with

them because your neighbors are the closest persons to deal with. We are good with agents nearby lah.
Uh… Apart from that, we also deal with those who are online, like Agoda, Booking.com. These are, actually, these are just different channels." (Lillian)

"The last one we attended was hosted or organized by a tour company… and they were bringing a group of agents from China so it was like a meet and greet kind of thing, so we went and met them. While we were there we met other agents that were going as well…Owh…some of them, they just call us and start to book with us. So, we try as much as possible to make friends with them because if we are at the back of their mind, they would always want to book with us." (Helen)

"Well, major trends I guess our OTAs would tell us like Agoda and Booking.com because they oversee what's going on in the whole of Malaysia or Malaysia-Singapore-Brunei. So they you know, can predict what's going on." (Helen)

Professional associations. The participants acknowledged the importance of being a member of professional associations. In Malaysia, there are two prominent associations: the Malaysian Hotel Association (MAH) and the Malaysian Budget Hotel Association (MyBHA). One of the roles of the hotel association is assisting members with getting the necessary licenses to operate their business. In addition, the association provides information, advice and platform for social networking as evidenced from the following quotes:

"…we will receive news from our headquarters MAH. That is where …almost everyday uh…we have this news, news what is happening. Headquarters will give us the information lah." (David)

"Well, we are required in securing licenses, we are required to be affiliated with an association. We are with budget hotels association, MyBHA." (Steven)

"As you know our market now is government itself, so we have to be involved in this, I mean… that's why I involve myself into MAH so that I can be involve more in government function, activity, whatever, you know…" (James)

"Owh…networking! Ok, I think MAH is playing that role… to provide networking opportunity." (Wil)

"You join the MAH and then they uhm…will be able to advise on regulations, new legislations...it's very important, so it's a yearly…there's an annual fee for it…" (Lillian)

Government departments/agencies. The data also showed that the entrepreneurs

or managers worked with different government departments and related agencies. These

networks provide resources and promotion opportunities for their businesses:

"Sarawak Tourism Board (STB), Sarawak Convention Bureau…Ah…, let me think, …we also join uhm [pause]…ah…I'm trying to see, ah…we join MATRADE, sometimes we just submit ourselves for listings, ya. Marketing is like that, you just have to keep going … But we, ah…sometimes we join the ITB, the one in Singapore, the exhibition. It's an international trade …kind of…I should know what ITB stands for. So this is one of the other ways."(Lillian)

"Uhm…we are in contact with SCB, Sarawak Convention Bureau." (Helen)

"I must say STB has always been quite supportive of our endeavors to destination market." (Steven)

"Department of Health, Local Council. Then, Ministry of Tourism Malaysia [MOT], including MOTEC [Ministry of Tourism and Culture] and STB." (Jane)

Suppliers. Suppliers provide direct support to the overall effectiveness of the

businesses in the tourism industry. However, they may also provide entrepreneurs and

managers with information on current business practices and other references. The

participants shared the relationship that they have with their suppliers:

"I've got one gentlemen from the laundry. He does many hotels and he helps me out with ours...sometimes he says they [other hotels] do it this way, you know. So our laundry person, he's one of my key people that tells me uhm ...business that, or the places he uses." (Paul)

"Suppliers they need our help of course they need our sales. At the same time we need their help because we don't want our shipment to come late. And if we need something which they don't have, it's up to them to tell us if their competitors have it. For example, we used to get toilet paper from this company and the

quality was not as good as what we wanted, so we told them. So, the supplier told us that this other company has toilet paper of a better quality, if you want, you can order from them. Which is a loss for them but we have such a good relationship that they will tell us this is better, like honestly, they will tell us."
(Helen)

Local community. The data showed that the entrepreneurs or managers worked with various groups in the local community to gain information, experience, and positive business image. The local community included non-governmental organizations (NGOs), other associations and individuals.

"We worked with a local group, you know, the History Association of Kuching to compile a historic trail for our customers. It's in the final stage now…" (Helen)

"Normally… normally, like last year for example we will work with NGOs, some of the association that is willing to sell things. We work together…uh…and also our suppliers. So these are the main things that we can achieve at the same time we donate to those in need lah." (David)

"I found out from the next villages how they do the homestay... so they ask me to go to Ministry of Tourism Malaysia in Kuching." (Jane)

Customers. Although customers directly provide income for the business, the data also showed that customers were important sources of referrals and ideas. The following are excerpts of the participants' relationship with their customers:

"…We focus more on personalized service, so when the guests come in they usually, if they give us feedback they say it's like staying with friends or staying with family, or coming home. We give them personalized service…But we depend a lot on word of mouth…So for me, success is when we get a good review from the guests and you know, they would tell their friends when you come to Kuching you stay in this hotel, they would take good care of you." (Helen)

"But actually, people also know us from word of mouth, you know, like I think this is very important …important marketing strategy. Because like most of the people that came, they not only do online booking but they also, they hear from their

friends. After they're staying with us of course they leave a review on TripAdvisor. And then I have friends that already know about this place, they said "Oh, you're going to Borneo. Yeah, you should contact my friend"… This is how we do our networking actually." (Mary)

Other hotels or hospitality providers. The data also showed that participants regard other hotels or those in similar industry as friends even though they are in direct competition with one another. Some of the participants agreed that they assisted one another or helped to promote another business when necessary:

"…on my side we try to work together where for example because not all the homestay operator have the same activities, same concept. So, basically most of my friends that does this, ah…we work so well. So, I introduce their homestay, they introduce my homestay. So, we have like healthy competition, competition over there." (Mary)

"So apart from dealing with our agents, we also deal with other hotels. It's quite interesting. We're very friendly community, nowadays even on WhatsApp …we do exchange like information or experiences, ya" (Lillian)

"No problems, we are friends [other hotels]." (Wil)

"If I'm full, and you've got a good guesthouse that is almost equivalent to us, I will speak to you, hey, I'm sending some guests over your way you know. Uhm …just accord us some information at the end of the day and we will send them to you. So there's a lot of collaboration that way."(Steven)

Network roles. The descriptions above showed that the entrepreneurs and managers of hospitality businesses described their networks as having two roles. The first is the business network role, in which network actors provided services and products. Travel agents, professional associations, customers, government departments and suppliers provided hospitality businesses with the necessary services and products. The second role is as a social network partner, providing other sources such as information, ideas, and connections. Examples of social network partner are family, friends, staff,

local community and other hospitality providers. At times, there may be an overlap

between the roles played by the various network actors. For example, travel agents

provide business services to the hospitality businesses. At the same time, they may also

provide other information and ideas for the entrepreneurs as well. Figure 4.2 shows the

different networks and their roles in the networking relationship.
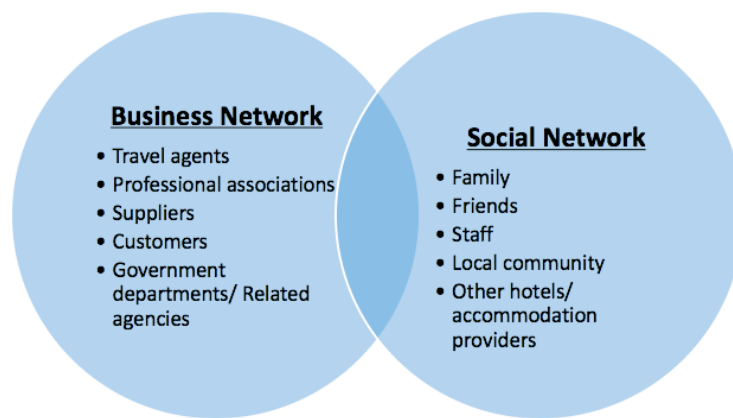
Business Network
- Travel agents
- Professional associations
- Suppliers
- Customers
- Government departments/ Related agencies

Social Network
- Family
- Friends
- Staff
- Local community
- Other hotels/ accommodation providers

Figure 4.2 Network roles of entrepreneurs and managers of hospitality businesses

Factors that Motivate Participation in Networking (RQ2)

Owner-managers of small hospitality businesses indicated that there were various

factors that contributed to their participation in networking activities. Based on the data

analysis, the motivating factors for networking participation included business and

personal reasons. These factors included: access to expert advice, access to joint problem

solving and assistance, access to resources, opportunity to learn from others, and
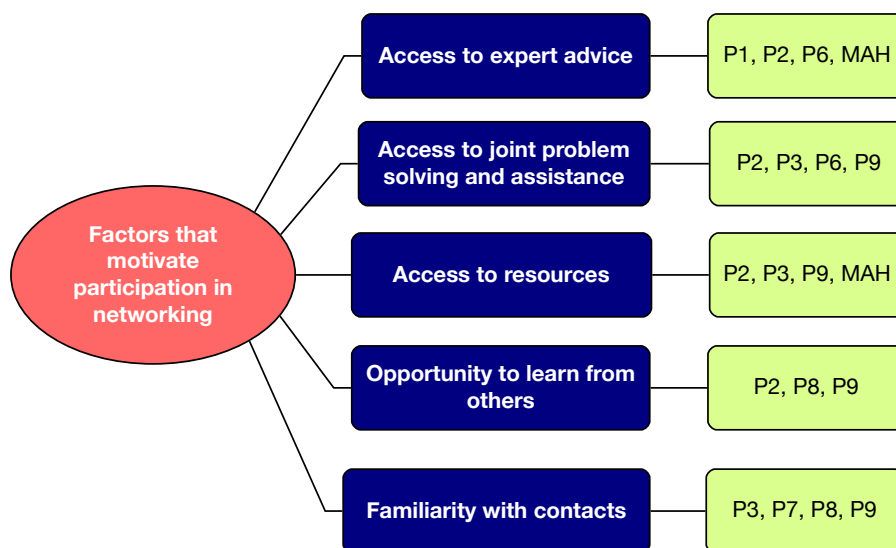
familiarity with contacts (See Figure 4.3).

Figure 4.3. Factors that motivate participation of entrepreneurs and managers in networking activities

Access to expert advice. Participants described that they were motivated to participate in networking because of the access to expert advice. Some participants felt that their participation in the professional association helped them to understand new regulations or procedures. Since the professional association's membership consisted of older and newer members, the newer establishments were able to get advice from the more established and experienced members. Some participants also sought expert advice from friends in similar industries. The following participants shared their views:

> *"You join MAH and then they uhm…will be able to advise on regulations, new legislations…it's very important ...." (Lillian)*

> *"For those hotel, that are new hotel you know, they are not …competent yet, they don't know how to handle this. So, MAH guide them how you know, … you must have proper uh…presentation, whatever you know, uh…you must have rooms for inspection." (James)*

"Ok, uh…we look into the interest of the members. An example, uh…helping members for example, for star rating, we guide them how. Because one of the uh…special thing for this star rating is either it comes from MAH or come from MyBHA. And they must be a qualified inspector. So uhm…that's how we guide them. We guide them also on the halal…uh…how you can help them on halal." (Chairman, MAH).

"I keep in contact with some of them [friends in hotel industry]…but…they don't always have time for me because they're way busier than me, a lot busy than me. Again they advise, they tell me about this…how to do things…" (Paul)

Access to joint problem solving and assistance. One factor that motivated networking participation among entrepreneurs and managers of small hospitality providers was access to joint problem solving and assistance. Participants described they were able to collectively solve problems affecting their hotels:

"Because that is where we share issues, say for example, there are issues that affecting us and then uh…we can just be open…open to solve problems uh…with one another. Like for example, we have same issues. For example, you are working at hotel A and I am working in B, we have the same issues, so uh…that is where we share our problems and settle it, ok fine that's a good idea, so why not we implement the same thing to tackle this issue. You know sharing of issues at the same time how to handle it lah." (David)

"So, if we need anything, sometimes you'd be surprise you know, we borrow baby cots [laughs] or table cloth, we just call each other up. We are just one phone call away. And usually I can tell you, they are very friendly, they say I takde lah (I don't have any), you can pick it up later lah." (Lillian)

"Now we got a pretty good set of suppliers and contractors. Anything breaks down or we need something we know who to call. But starting out it was a bit tricky, you know, we want to get sugar, owh so where do we get sugar [laughs], it's difficult. But the more friends you make, you know, if this supplier doesn't have then they call this one, they will be able to give you little sugar packets." (Helen)

"Ok, for example, if I got a guest who want to travel to Miri, I will introduce them to this hotel. Even though we are not chain hotel but we…uh… what do you call it… we are helping each other." (James)

Furthermore, a good networking relationship also provided the entrepreneurs and

managers with faster assistance when required:

> *"You know, we just like to make friends with them because it gives us an extra*
> *edge like if there's any problem, we can text them directly and get an answer. But*
> *hotels who don't bother to make friends with them then it's on business basis so*
> *you have to wait for office hours and everything else. So, there's extra advantage*
> *lah … because they see us as their friends so they're like I would text him and say*
> *can you help with this, owh I'm at dinner but I will check when I get home. But*
> *you know, a normal hotel they would have to send email wait for the office to*
> *reply, might take another day or two so…" (Helen)*

Access to resources. Access to a variety of information about issues that affect

the business is crucial to the business' competitiveness and sustainability. The

entrepreneurs and managers were motivated to participate in networking because of the

opportunities to access information relevant to their business through information sharing

with various members of their network. Although information may be available through

the Internet, the entrepreneurs and managers of small hospitality services still believed

that information gathered through their contacts is highly important. They believed that

their contacts provided them with information on current trends, regulations or policies

that are relevant and valuable to their business. For example, MAH was actively sharing

information on events and happenings in different cities in Malaysia with their members.

As stated by one of the participants:

> *"You see ah…we will receive news from our headquarters MAH. That is*
> *where….almost everyday uh…we have this news, news what is happening.*
> *Headquarters will give us the information lah." (David)*

One participant underscored the importance of being a part of the hotel network, especially regarding sharing of information and upcoming events organized by tourism industry players that would benefit the small accommodation providers:

> *"Yes, they do, the Sarawak chapter. My hotel manager attended, not me. It's actually to update us on the Sarawak tourism climate or the new things or sometimes we attend the activities by Sarawak Tourism Board and SCB, Sarawak Convention Bureau who deals a lot with MICE, meetings, incentives, conferences and events. A lot to do with BCCK. So, when they have things like that, so would you like to come over and have a meeting, so we do that I guess once or twice a year…"* (Lillian)

Another participant highlighted learning about industry trends from travel agents:

> *"Well, major trends I guess our OTAs would tell us like Agoda and Booking.com because they oversee what's going on in the whole of Malaysia or Malaysia-Singapore-Brunei. So, they, you know, can predict what's going on. We are also friends with them, like their agents would come and we would hang out."* (Helen)

This is supported by the chairman of the hotel association:

> *"Ok…uh…of late we have this round table talk or business lunch lah. We invite all members, we talk to them, of our… we share information for example like uh…I invite PGM to talk about how they obtain the halal certificate, so we share among everybody."* (Chairman, MAH)

In addition, the entrepreneurs or managers were also motivated to network with others because of opportunities for staff training and development, especially through membership in a professional association. The association normally organizes training for staff of members for free or claimable through the Human Resource Development Fund, substantiated by the excerpts below:

> *"Uh…send staff for training because we are also MAH members…uh…there is, they conduct training, send staff to …to outside Sarawak for training like in KL."* (David)

"On top of that, MAH is active on training its staff. We believe in human capital. Example like under MAH there is one subsidiary called MAHTEC. You can go through our website lah …So MAHTEC is the one who train uh… the employee of the industry to be the champion of the industry. Because you know why, some people are coming to work without the basic knowledge of the hotel industry … For diploma course, it's normally subsidized. The others depend. Most of the training is HRDF claimable. Normally we pay for them." (Chairman, MAH)

Opportunity to learn from others. Another factor that motivated entrepreneurs and managers to participate in networking is the opportunity to learn from others. Less experienced entrepreneurs and managers felt that their connections helped them to learn the ropes of the business through giving ideas, opinions and feedback:

"I guess my hotel managers, you know, they are very experienced. Actually., my hotel manager and finance manager have been in the hotel industry for many, many years. I guess the best way to learn is from them." (Lillian)

"Uhm…I mean, put it this way lah. When you are new, you need input from others. You know, like…orang lain dah banyak makan garam (other people have more experience). Say for example, you are not very sure…jangan malu bertanya (do not be shy to ask questions). Like me and Mr.X, there are things that I'm not very sure, eh Mr.X, I'm not very sure how to do this or how to do that. He will teach you, he will tell you. You see…you learn something. I mean, jangan malu lah (do not be shy)…The best is that why not learn from those with experience and that knowledge you combine. That is the best!" (David)

"[clears throat] Mostly this people are the business…business uh…people as well. Mostly they are like the young uhm…professional people like uhm…I have a friend that I always spoke to is uhm…interior designer. And they are also, we have a friend that is an architect. Basically, I always ask them like when I have a problem in my business. I will talk to them. I ask them what I should I do, do I have to continue or do I have to stop it and then do other things." (Mary)

Familiarity with contacts. The entrepreneurs or managers were more motivated to network when those they connected with were those they were familiar with, including those from similar backgrounds. For example, the more experienced or well-established

entrepreneurs or managers tended to work with those who they have known a long time

from the industry.

> *"I have a good friend called uh…Emily, so she runs Borneo ala Carte. So, she's one of our agents now. Before that we are friends, so we know each other for seven or eight years now." (Mary)*

> *"We have friends here and there. In the same industry. You see like uh…me I have a few general manager friends from Singapore, KL, Indonesia, Bangkok and this kind of thing. I network with them and get some ideas from them, through WhatsApp mostly." (Harry)*

> *"Because most I would say that, most of us we know each other… I would say our relationship, we are quite close with each other… I don't see any problems because uh…I would say that …uhm…Hotel X, Hotel Y uhm…if you're talking about the department heads, we are ex-colleague [laughs]."(David)*

> *"We are also friends with them, like their agents would come and we would hang out. And once the agents stayed at Hotel X, but he would come over every night and have dinner, he would 'tapau'(pack food) KFC and we would bring him out hiking together. So, you know, we would text him directly and ya…" (Helen).*

In addition, the type of accommodation also influenced the contacts made, as

indicated by the following participant:

> *"Oh yes! In terms of assisting each other. For example, eh MR. A ah…I'm short of this equipment. Can you help or not? You know like tables, chair, F&B equipment…even…even staff. Yes! Recently…Hotel X eh no, Hotel Y. I need 5 staff, I'm short of staff ….my part timers didn't show up. Ok, I send you five lah. There should be no problem. We know each other…Yes, so far I only work with hotels [laughs]….you know those that have been around I mean like 3,4,5 star hotels. Uhm…boutique hotels, because they don't have function rooms…boutique small, small hotels I don't think they need like part timers and all these. Normally if they have function rooms, it'll be small function rooms". (David)*

Barriers to Networking (RQ3)

Networking activities require the individual to be proactive in seeking out

contacts and building different networks. Although entrepreneurs and managers may be

motivated to network with others, there were also barriers that limited their participation.

The data analysis showed that participants identified some barriers to their participation

in networking activities, which were categorized into personal factors and organizational

factors. Personal factors included social and language skills, lack of technology skills and

lack of time. Organization factors comprised of concerns about privacy and commercial

secrets, and activities were not relevant to needs. Figure 4.4 illustrated the barriers to

networking.
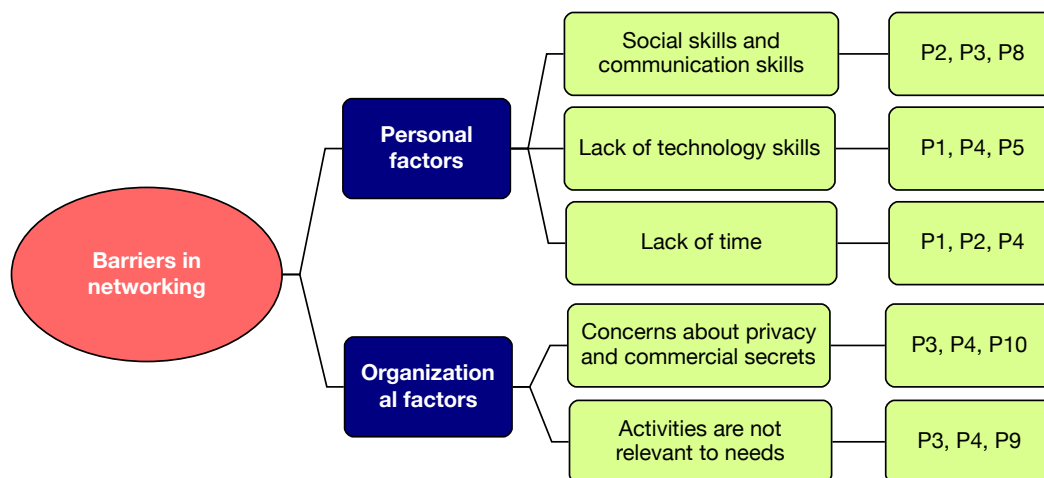

Figure 4.4. Barriers to participation in networking activities among entrepreneurs
and managers of small hospitality businesses

Social and communication skills. One of the barriers to participation in

networking activities was lack of social and communication skills. Networking is a social

engagement, therefore, it requires an individual to display physical and emotional

behaviors.

Some of the participants highlighted lack of social skills as one of the obstacles in establishing and maintaining networking relationships with their contacts. Since networking required social contact, the ability to communicate and interact with others was crucial. One participant shared her concern when interacting with customers whose professional backgrounds were diverse:

> *"Like all these people that come, they are coming from different background. You know they are a doctor, they are a professor, they are engineers, like all these professional people. So sometimes when I saw all this position, how you call this, label…the position…oh my god, how am I going to talk to them [laughs]…. I think to speak with new people, it's not easy. You know like meeting new people. I think I'm friendly. Even if you are friendly, you don't know what to say, like you cannot just bla bla for nothing."* (Mary)

Another participant described her discomfort in building rapport with travel agents during social events:

> *"How do you do networking? Over coffee? Over drinks? Over clubbing? Karaoke? It's different, I don't do all of this things. You need to be sober to network [laughs], to talk to people. Because some of them say let's go for drinks…I say no…Actually, local food if they want to go for drinks and clubbing, I don't go. It gets a bit difficult if you turn them down [laughs]. But I mean, it's no big deal actually, but it depends, for me as a female, they are some safety issues so I usually eat with my managers and all that. So, networking for work, there would be togetherness."* (Lillian)

In addition, language skills were also an important part of communication. The following excerpt described one participant's difficulty in communicating with travel agents from China:

> *"Well, personally one of my biggest challenges for me is I can't speak Chinese. A lot of the agents are Mandarin speaking especially when the China market comes in, I'm like ugh…[laughs]. So difficult. When we took over 360Express, they are a budget hotel so they have big groups coming in from West Malaysia speaking Chinese. So that's one of my issues."* (Helen)

Lack of technology skills. Technology is gaining importance as an alternative platform for entrepreneurs and managers to promote their products and connect with others. However, it also posed a challenge to some of the entrepreneurs and managers since it involved IT knowledge and skills to navigate social media. Moreover, using social media required the ability to interact with a different type of customer base and to be able to manage feedback. Some participants described their adversity in dealing with social media to network with customers and counterparts:

> *"We are trying to get to the Facebook side. I don't do Facebook on mine, I log in, ...sort some messages, log out... so Facebook confuses me. I don't get Facebook...Yeah, we don't know that part of the business and that's what we're trying to learn, yeah. The internet side to advertise, yeah, we find it hard because we're not experienced enough...No, I believe we're not. I am aware of it but I don't know how to do it from a business point of view. This is why we need somebody that can go Twitter, that can do Instagram. That is the type of people we need..." (Paul)*

> *"Ya, I'm in Instagram but you know lah... I'm not so active. I'm not very good with technology, my children help me with it." (Jane)*

> *"We are looking to improve all the time. We have a website but we don't have one person dedicated to it ... and to do it. Again, with a small outfit, it is difficult to invest." (Steven)*

Lack of time. Entrepreneurs and managers of small hospitality usually take on many roles in their business, therefore, may limit time spent on networking with others. Furthermore, their contacts may also be occupied themselves making scheduling for meetings or discussions limited, as described by some participants:

> *"...kept in contact with some of them... but... they don't always have time for me because they're way busier than me, a lot busy than me." (Paul)*

> *"If we have the time [to join networking meetings]. But my manager, he, when I'm not around, he'll go for it. Then if he's busy, then I will go for it. Always have*

a representative. Even if you can't make it, have a representative go. Ya, because no matter how, this representation is important." (Lillian)

"A certain amount of networking is required I guess....You know, again we are....our kettle is really, really so full with tasks we need to do...So we learn on the fly really. Just believing in our products and our abilities." (Steven)

Concerns about privacy and commercial secrets. In the tourism landscape, there is competition among small hotels and between small hotels and other hospitality provider. The participants revealed that in the current locality, the 'pie is getting smaller'. There were more hospitality providers and less people looking for accommodation. There were concerns that travelers were also becoming more discerning regarding their accommodation. Hospitality entrepreneurs and managers felt that sharing their knowledge with others may lead to competition in an already saturated market, as indicated in the excerpts below:

"A lot of people expect us to go for this conferences organized by association to share our secrets, and our trade secrets, and our so-called essence to success for our businesses. But why should we share that, you know? At the end of the day, the market is already competitive enough. Why are we giving up our knowledge, our hard earned knowledge from experience you know, wrong-starts a lot of the time and rectifying it and spending money in investing learning, only to actually create more competition for us. I mean it doesn't make sense right? So that's why we generally don't attend conferences anymore because we don't see the benefit. At the end of the day, we never actually benefited ..." (Steven)

"I know some hotels don't participate in our association because they always think of how it [association] can help them but not how they [members] can help the association. There are many challenges we face, but hard to get people to meet...to feedback. They just work on their own, uhm...marketing or others lah."(Wil)

Some participants mentioned that their relationships with other hospitality providers were professional, but not friendly. This may be because of lack of trust since

they were in competition with other hospitality providers. The following excerpts

highlighted the issue:

> *"There's a lot of collaboration between the travel agencies as well because some specialize in certain things, so we use them, we use them too because they deliver the goods. So, it is completely business like. It is completely bottom-end driven, not so much like why don't you do it this way, why don't you copy us this way. I mean, I don't see people doing this. People design their own products and they are proud of their own products. And in some ways, they resent people copying them as well."(Steven)*

> *"Ya, ya, we know of each other lah [other hotels], we're not best buddies but we do cross promote from time to time. But I think there are things we keep to ourselves, whatever needs to be confidential of course." (Lillian)*

Activities not relevant to needs. Although the entrepreneurs and managers may

generally have a positive perception of networking, they may not participate due to

activities that did not meet their current needs. One participant described her reluctance to

be a member of MAH was due to their hotel category which was not available in the

association's list:

> *"No, but MAH. What does MAH stands for…They wanted us to sign up but my boss didn't want to … because she's the kind who, you know, you must be 5 star or no star. And if we sign up with MAH, we'll definitely only be able to be 3 star because you need a swimming pool, you need a gym, you need two restaurants. Those are the requirements which as a 15-room hotel, we wouldn't be able to meet. So, we are just not signing up with them until they have a category for boutique hotel which makes it more fair right? Because you cannot put a star if it's different category.*
> *Right, they don't have a new category. We're not like conventional business hotel like Pullman or Hilton and we are not budget. Because we are not cheap, our rate is RM280 a night, so it's not a budget hotel, so we can't go with that category. So, we're kind of in the middle, cause I think it's a pretty new concept." (Helen)*

David was selective in his involvement with hotels that offer similar services and in the same category because it helped him with access to facilities and personnel support when required:

> *"Yes, so far I only work with hotels [laughs].... you know those that have been around I mean like 3,4,5 star hotels. Uhm...boutique hotels, because they don't have function rooms...boutique small, small hotels I don't think they need like part timers and all these. Normally if they have function rooms, it'll be small function rooms.... Uh...Very seldom. Mostly those big hotels especially on staffing and equipment, on F&B side lah." (David)*

Another participant described his reluctance to join conferences or similar networking events because the conferences did not cater to the needs of small hospitality providers:

> *"So in your area...when you talk about webinar, conferences and all that...a lot of them are tailored to big hotels, really, really loads worth of tourism volume coming through, and ... and we find that it doesn't represent us and we don't take a lot out of it. Of course, you go to every conference you take something out for it, but for guesthouse level, you pay a lot of money to attend conferences and then what do you take out of it? Things that are already very, very in your face. You already understand what it is and rhetoric, just over and over again. And the frustrating thing is in Kuching, doesn't seem to be taking off. We talk about the same problem and the same issue, from the day we started the business until today, it's still the same. We're 12 years into it." (Steven)*

Strategies for Networking (RQ4)

The data showed that entrepreneurs and managers are purposeful in their efforts to network with others. For them, networking does not happen by chance but through creating visibility and opportunities to connect with others, leveraging available networking tools and platforms, dedicating time to network, showing appreciation and balancing friendship with competition (Figure 4.5).
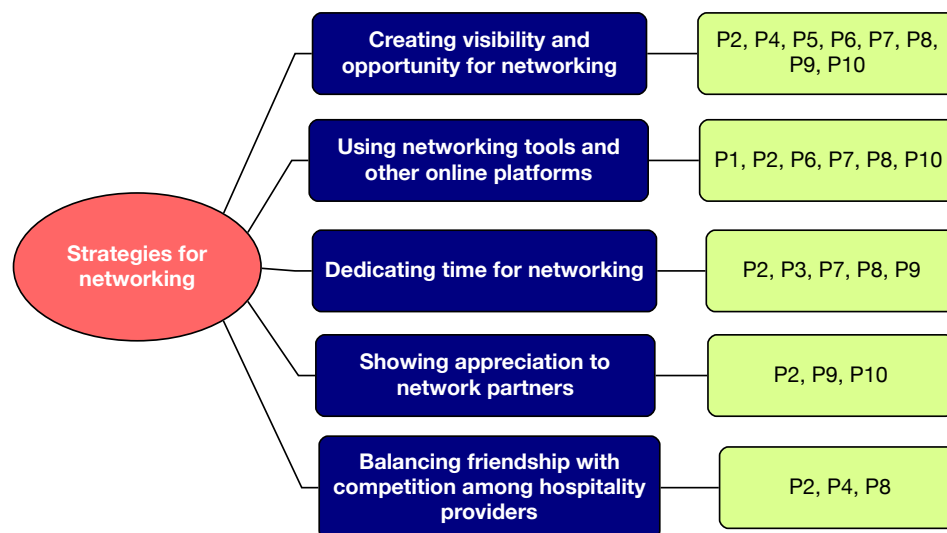
| Creating visibility and opportunity for networking | P2, P4, P5, P6, P7, P8, P9, P10 |

| Using networking tools and other online platforms | P1, P2, P6, P7, P8, P10 |

Strategies for networking

| Dedicating time for networking | P2, P3, P7, P8, P9 |

| Showing appreciation to network partners | P2, P9, P10 |

| Balancing friendship with competition among hospitality providers | P2, P4, P8 |

Figure 4.5. Networking strategies of entrepreneurs and managers in small hospitality businesses

Creating visibility and opportunity for networking. The owner-managers emphasized the importance of being visible in the industry. Being visible means that the business or brand is known to industry players. Entrepreneurs or managers depended on their reputation to develop networking relationship with others. Visibility is therefore important when entrepreneurs and managers work with external players in their businesses, for example with customers, suppliers, travel agents, government departments and the community. Those that were established in the industry continuously exert their presence so that the business has a good reputation whereas those who were in the early stages of their business work on building their reputation. To have visibility, entrepreneurs and managers create opportunities for networking. The following participants aptly described the importance of being visible through representation in different settings, such as attending meetings, product sessions, travel guides, conferences and seminars:

"No lah, to me the way I look at it is 'sell yourself'. Sell yourself in other word, know as much people as possible – the good, bad, ugly whatever. Know them – show yourself to them. For example, like any big event going on, go there, talk to them, say hello to them, know them first. Don't … not the first talk approach is about business, no! It's go there, know them – be a friend to them. Never, unless you already know him, you already talk to him 3-4 times, then you start to talk about business. That's how I do my part, from my experience. I know! I sell myself. I go to every organization like that you know, I talk to them, I don't talk about business." (Wil)

"If we have the time. But my manager, he, when I'm not around, he'll go for it. Then if he's busy, then I will go for it. Always have a representative. Even if you can't make it, have a representative go. Ya, because no matter how, this representation is important." (Lillian)

"Uhm… back to the travelers' segment, they are very discerning they would have done their research. They would be heavily reliant on travel guidebooks. At that point in time, TripAdvisor was still nonexistent I think… so, so one of our main aim was to be listed in books like Lonely Planet and Rough Guide. I guess we got part of the visibility through these guidebooks." (Steven)

"…that's means you have to make sure you are well known either locally or internationally, wherever it is lah. You must be well known in the industry. That is where people say, uhm…wherever you want to stay, it's just like for example last time when we say, Holiday Inn for example. Anywhere people want to go, you go to Holiday Inn, in any parts of the world, people know. That is the brand… the brand is there. And then people know the quality of service provided by that particular brand. That is what we intend to do. So far we have been successful…" (Harry)

"Of course! Yes…I mean as far as I'm concerned, network not only with those from inside even with outsiders ah…like the government sectors. Ok, for example, you have to create rapport with them, network especially with the organizer lah. You see ah…in education, the police, armed forces…you know those government sectors I always emphasize not only myself you know but department heads, sales, even the staff. You have to create rapport with all these people…network…invite them when we have events. Like for example, we invite them for Ramadhan, create network, create opportunity ….so that easy for you to do business mah. When you have good rapport, good network with them…that is where business opportunity will come in." (David)

Other participants highlighted the value of social media presence. Social media is

now available to anyone who is connected to the Internet, providing opportunities for

entrepreneurs and managers to be visible and network with others. Thus, they were able

to connect not only with local industry players but others who were geographically

dispersed as well. The following excerpts highlighted the use of social media to create

visibility and opportunity to network with others:

> *"Ya, we are on Instagram, ah…we post, we hook our Facebook to Twitter, we linked it I mean. We are also on LinkedIn. I think we post somethings but it's coverage wherever we can." (Lillian)*

> *"Ya, you sign up for it. Actually, it's free, you just have to sign up for it and then you tell them uh…what kind of business you have now. That's why they have a kind of selection…you do a restaurant or you do B&B, or you do sports. They all have… they have everything there. Even like the guide, they also sign up for to market themselves because some of the travel agencies, some of the tourists, they come to a certain area like this and they wanted to find a guide. If they saw you are there, they will contact you because you are the freelance tour guide, so you can tell them so they will take you to be their guide, to do the... to do the guiding. But of course, you must have the license, be registered." (Mary)*

Using networking tools and other online platforms. Technology and social

media have a strong influence on the activities and performance of tourism and

hospitality businesses. The participants agreed that networking tools and platforms were

important for them to develop and maintain their networking relationships. The owner-

managers used a variety of platforms and social media to showcase their business, stay in

contact with current customers, to connect with new customers, to work with travel

agents and other players in the tourism industry.

Among the popular strategies were the use of email, messaging application,

Facebook, and company website, reservation website, and comparison website to

communicate with contacts. The following participants shared their perspective on the

importance of different networking tools and platforms in their business:

"Now I get WhatsApp a lot or they call me at work… a lot. A lot of the time… people (customers) phone me up all the time." (Paul)

"Yes, this is partly it. You see we must set our FB, WhatsApp group you know. We always borrow everything you know. So that's how the latest technology… even we now are looking into somebody who can do this for us." (James)

"Exactly! That made us very close lah. And we create WhatsApp now. We have a group WhatApp ….[smiles] … Oh I tell you!" [smiles] (Harry)

"Like networking with the social media, networking with the Internet…like you only can reach us if you are on Facebook, if you are on TripAdvisor, if uhm…you do information for uhm…in the... in the website. So, you see, this is our main key for people to know about us. Because if you don't have this, there is no way you can find us… And then most of our guests always sending us news from WhatsApp. It's really useful, WhatsApp…"(Mary)

"Chat groups, Facebook. Multimedia today is very fast. You can be in this group, after we talk, boom! Put inside…ah!! That means all of us, you and me in this information group but we got our own chat group, start to talk. That's what I did." (Wil)

Additionally, one participant described her experience using technology to communicate with her different business contacts for different needs. She relied heavily on instant messaging application to communicate with employees, partners and travel agents and to relay messages in a timely manner:

"Actually, nowadays networking, so many modes of communication, so it's not just through phone…Yes, we actually have, because my sisters are not in Malaysia. One is in Malaysia one is not. So, we email a lot, WhatsApp for small communication but formal communication is via email and then every 2 or 4 months, we try to have a meeting sometimes email meetings.

Ok, we would tell the HoDs and they would have their own different meetings before they start their shift. But, if we really want to communicate swiftly we actually have groups, WhatsApp groups for every single department. So, my phone is completely like you know, but you know, not cross like the F&B team won't have the Housekeeping team. But as managers, me and my hotel manager has every single group, so it's like madness [laughs]….We adopt a lot of technology here lah, we don't do formal like other hotels do.

So apart from dealing with our agents, we also deal with other hotels. It's quite interesting. We're very friendly community, nowadays even on WhatsApp, we are, we have the Malaysian Association Hotel group." (Lillian)

Dedicating time for networking. The participants generally were in consensus that networking was something that they purposefully do. The current competitiveness of the market required them to seek out customers, suppliers and collaborators through different channels, sometimes through innovative means. As such, entrepreneurs and managers felt that it was important for them to allocate time to manage and maintain current relationships. Participants described that they purposely followed up with their contacts and allocated time to get together informally, as evidenced from the following excerpts:

> *"Ya but it's not just myself, I let my executives do that. Uhm…when, ah… they go to government departments and announce our Friday buffet lunch [smiles], very important, so you know, just very simple information like we have function room, so kalau nak adakan function (if you want to organize a function), we have special rate. So…uh…when I took over the role, I need to [pause] do sales visit, I'm like "what's that?" [laughs] But it's actually, so networking is actually very important. You have to dedicate time… So social media, phone calls, visits, physical visits…sometimes I think just simple caring is enough you know. Sometimes I do wonder how they are, I say eh how's things? You know just simple text. But most of the time if we make the effort to meet up at networking sessions, we will see each other there. Chances are high lah."(Lillian)*

> *"Of course! Yes…I mean as far as I'm concerned, network not only with those from inside even with outsiders ah…like the government sectors. Ok, for example, you have to create rapport with them, network especially with the organizer lah. You see ah…in education, the police, armed forces…you know those government sectors I always emphasize not only myself you know but department heads, sales, even the staff. You have to create rapport with all these people…network…invite them when we have events. Like for example, we invite them for Ramadhan, create network, create opportunity ….so that easy for you to do business mah. When you have good rapport, good network with them…that is where business opportunity will come in." (David)*

"Well…what we always do when we have low season we meet up to each other and sometimes during my low season, I start to contact my previous guests, you know. Like I sent them the pictures, I asking them how they are they doing? And uhm…and I update with them, did they leave uhm…uhm…experience on the TripAdvisor." (Mary)

"Uh…once a while we go for a cup of coffee. Then sometimes we go for MAH meeting is the best one because all general managers will meet there. Then we have luncheon." (Harry)

"…[pause] uh…network…you see ah…like my case. Because most I would say that, most of us we know each other, so I don't see.. like slow periods…normally we will keep in touch, hey, why don't we have coffee…come over la you know. I would say our relationship we are quite close with each other." (David)

Showing appreciation for network partners. One strategy used by the entrepreneurs and managers to maintain their networking relationship was through showing appreciation. Sponsoring gifts or treating business partners to lunch were considered normal and accepted behavior to show appreciation among business partners as shown in the quotes below:

"Then when the sales didn't, you know, uh…my hotel manager said we gotta have a dedicated sales and marketing person, so I picked up some skills. So, the first thing was aiyah…you have to go out and cari (look for)…owh ya, one networking we had to go to agents. We do visit them. In KL, I do visit a couple of agents, or clients, our top ten clients. We just go there, we give them reward vouchers and things like that. Ya, we see them, we said everything ok you know? We see them for just 5-10 minutes."(Lillian)

"Oo…occasionally, monthly, whatever, I call them. "Eh bos, mun (if) free come and join for coffee? Bos come and try my banana cheese or my ubi kayu (dessert). I treat them for tea, lunch whatever…" [laughs] (Wil)

"We are busy sponsoring dinners, [smiles]… it's very fun so we get presents and we will announce this is from this hotel, or that hotel." (David)

Balancing friendship with competition among hospitality providers. The tourism industry has relatively low entry barrier with many players in it. Most of the

entrepreneurs and managers of hospitality providers know each other and may be good friends. This may lead to easier collaboration efforts among them, however, at the same time they still compete with one another for business. Therefore, there exist competition as well as collaboration among them. The participants identified the importance of both cooperative and competitive relationships among them, as supported by the following excerpts:

> *"There is, there is. If I'm full, and you've got a good guesthouse that is almost equivalent to us, I will speak to you, hey… I'm sending some guests over your way you know… So, there's a lot of collaboration that way. There's a lot of collaboration between the travel agencies as well because some specialize in certain things, so we use them, we use them too because they deliver the goods. So, it is completely business like. It is completely bottom-end driven, not so much like why don't you do it this way, why don't you copy us this way." (Steven)*

> *"Even though they are a travel agent, so, even though their property was Batang Ai Resort, so it is now called Aiman Batang Ai Resort. Ya, it is no longer Hilton Batang Ai. It is recently that they took over, so they have a networking session to invite everyone relevant to know about this product so that they can sell. So, we are thinking of, you know, doing, what do they call it, like a … twinning program, ya…like, we work together you know, two nights here and one night there. Twinning programs are actually very useful." (Lillian)*

> *"Because the problem is that at the moment uh…we are not have enough homes. We need to be ten participants to create homestay project. So, they [local government] have that requirement. So now we only have four, so I have to look for another six. But we continue to operate first. Well, uhm…[pause]…on my side we try to work together where for example because not all the homestay operator have the same activities, same concept. So basically, most of my friends that does this, uh…we work so well to promote our village, our culture. So, I introduce their homestay, they introduce my homestay. So, we have like healthy competition over there. So, when we have peak season, mostly we promote our friends. We promote another people. Like if I'm fully book, I told them you can contact this person, they run also homestay, so you just have to know what kind of package they have. So, in a way, overall we have a healthy competition between the others. I even promote homestay in village X, for my case because like I said again for peak season if they don't book two or three months in advance, it's already fully book." (Mary)*

Competencies and Personal Characteristics for Networking (RQ5)

Findings of this study point towards specific competencies and personal characteristics that are important for successful networking relationships. These competencies and personal characteristics relate to individual to individual or individual to group interaction and behavior. The participants identified communication and interpersonal skills, and teamwork skills as important competencies for networking. In addition, passion for the industry, flexibility and humility were identified as necessary personal characteristics for them to be successful in networking with others. The description of findings is shown below and illustrated in Figure 4.6.
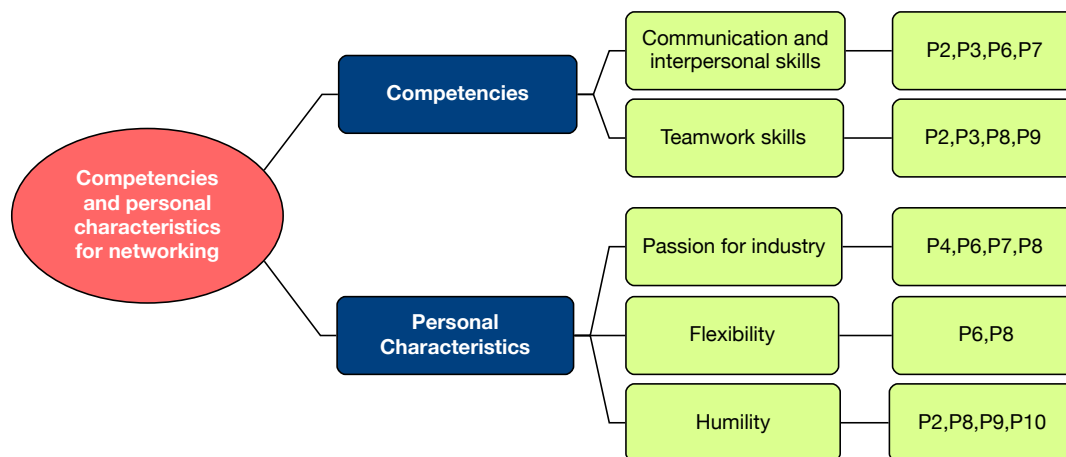

Figure 4.6. Competencies and characteristics for successful networking

Communication and interpersonal skills. In this study, the participants indicated that effective communication and interpersonal skills were vital to network with others. The entrepreneurs and managers had contacts from various backgrounds and experience, therefore, required different ways of communication. Hence, communication

is not limited to face-to-face interaction and is also conducted through various modes

such as through online and social media. Communication and interpersonal skills that

were perceived to be important included being able to influence others, having

negotiation skills, and being sensitive to others. In addition, having pleasant personality

and positive attitudes were also important in building relationships. The following

participants shared their experiences interacting with contacts:

> *"Yeah…communication is actually very important. Small talk [laughs] I'm kidding, no, but it's true you know. Sometimes I guess for networking to get new businesses you need to know how to talk to them. Mmm…ya, sometimes ah…ok lah, I don't know if this is, my experience is very limited, for me to speaking skills, uhmm… how you talk …ah…my joke skills is limited [laughs]." (Lillian)*

> *"Basically, you have to talk to them, make sure they know what you are, what you are doing, and you know, what you are open to. Like before you meet other hotels, I would ask them what's your occupancy like and try to gauge whether we are at the same level [pause] …Not be rude, not shoot people down, you know. Ya, you just need to communicate well, be approachable and likeable and not an idiot" (Helen)*

> *"Uh…accommodate people, I never say no, I always find alternative. Uhm…I think that is important you know. You can't be too demanding here. You cannot say No straight to the face. You have to say No in different manner. In…because Sarawakian uh...uh… style you know, uh…our culture, people do not like to be said No right on the face." (James)*

> *"When come with network, of course you must be well-versed with computers and all that. You must be well-versed with what do they call it. You must have that communication skill, PR relation must be there…a lot of that type of thing. And then your interaction with people must be there and then you must be able to meet top level of people to the lowest level of people. That will be very easy for you to communicate with everybody because sometimes people forget when they talk to they say for example, cleaner, they thought they understand, but sometime they don't. You have to communicate in the language that they understand." (Harry)*

Teamwork skills. A networking relationship consists of at least two actors who

are working together to achieve a mutual goal. When working with others, the ability to

be a good team member, working through conflict, listening and problem solving comes

in handy. One of the participants acknowledged the importance of understanding and

working together to overcome challenges in promoting their village's homestay

operation. Some of the owner-managers described the necessity to cooperate with

government departments to promote their businesses. As such, the ability to work with

others is an important competency for owner-managers when dealing with internal and

external networks. Successful teamwork with other networks may lead to affiliation,

collaboration or cooperation that benefit both parties. Some of the participants

highlighted working together through collaboration and formal agreements with other

network members for mutual benefits, as shown in the following interview excerpts:

> *So they don't understand what is the homestay, how is the home stay work? And until my second year doing this, I think they start to open up their mind… Well, uhm…[pause]…on my side we try to work together [to promote the homestay idea among villagers and to customers] where for example because not all the homestay operator have the same activities, same concept. So basically most of my friends that does this, uh…we work so well. (Mary)*

> *"Even though they are a travel agent, so, even though their property was Batang Ai Resort, so it is now called Aiman Batang Ai Resort…So, we are thinking of, you know, doing, what do they call it, like a … twinning program, ya…like, we work together you know, two nights here and one night there. Twinning programs are actually very useful." (Lillian)*

> *"We worked with a local group, you know, the History Association of Kuching to compile a historic trail for our customers. It's in the final stage now…" (Helen)*

> *"Normally… normally, like last year for example we will work with NGOs, some of the association that is willing to sell things. We work together…uh…and also our suppliers. So these are the main things that we can achieve at the same time we donate to those in need lah." (David)*

Passion for the industry. Many of the participants recognized the importance of being passionate for the industry as a characteristic for successful networking. A person who is passionate about their industry would be able to display a positive attitude when dealing with others. Furthermore, someone who is passionate about something would be able to persuade others to be excited about their passion as well. For an owner-manager, this may be a vital characteristic to win others over such as potential investors, collaborators, suppliers and even employees. Someone who is passionate about the tourism and hospitality industry may contribute to its development in the long term, and is likely to be an influential person in it. Moreover, passion may likely sustain the business for the long term. The following quotes are examples of this factor:

> *"Yes… the innate passion and interest to please people. If you're not a people person, don't go into the hospitality industry. If you loathe mixing and speaking and engaging with people, don't go into hospitality. So, you need to have that quality and character in you." (James)*

> *"Uh…basically if you want to work in the hotel….attitude must be correct. Skill can be trained. But attitude you bring it from home. If you want to work in the hotel, you must like the job. Meeting people, interacting with people…That's why sometimes, ah…you must be patient." (Harry)*

> *"… because not everybody are willing to go back to the jungle…we are in the remote area. But I was like, I must do something that can bring me close to nature, bring me close to my own people. So I'm so glad I took this opportunity to explore this place, to open the eyes because you know like this is part of the challenges that when you start your own business it's not easy, especially when you go back to your own community. All the ideas that you bring it's like sometimes …more challenging. So it is an interesting business. Ya, it's really good for me. Like I said, you must have a strong character to build… to be able to be here." (Mary)*

> *"There are many forums that we feel that we needed to contribute for the benefit of all. The State government tourism ministry run events, we are normally always there if we are invited you know. And we engage and we give them 2 cents worth.*

We are small players, we are very limited rooms but we like to think that we are passionate about it." (Steven)

Flexibility. Many of the participants perceived the significance of being flexible when dealing with connections. The participants believed in adapting to different situations, for example, seeing situations from a case-by-case perspective, and taking into consideration local practices when interacting with their networks. They are also flexible in adopting different approaches to connect with others. Flexibility is an important characteristic for networking with others as it aids in adapting and responding to changes in the hospitality industry. The following quotes are some examples of this characteristic in this study:

> *"Uh…accommodate people, I never say no, I always find alternative. Uhm…I think that is important you know. You can't be too demanding here. You cannot say No straight to the face. You have to say No in different manner. In…because Sarawakian uh...uh… style you know, uh…our culture, people do not like to be said No right on the face. So, uh…as I said, networking you must know how to uh…to…what do you call… uhm…the other party must be …both must be win-win situation lah. … So, we must be flexible in uh…our approach lah." (James)*

> *"Well, uhm…I think my best approach, I think you just need to use whatever you have now, like free tools to market your… your business especially for the young entrepreneur. They have to use, like I said, all this networking thing. They can start using like making uhm… uhm….a Facebook page for themselves to promote themselves, you know to expose themselves. Or Instagram or they can start to sign up for the TripAdvisor since it's like free tools for you to market yourself. Once you are successful then you can hire a professional…uh…uh… marketing to do your website, to do …uhm…marketing for you." (Mary)*

Humility. Some participants in this study believed in the importance of being humble and willing to learn from others as important characteristics to have when networking with others. Most of the owner-managers interviewed were not highly educated and learned the ropes in business from mentors, colleagues and friends. For

those who were highly educated, they admitted to their limitation in industry-specific

knowledge and experience. These owner-managers learned from others in the industry.

The owner-managers' experiences contributed to their humility in continuously

acknowledging their own limitations and seeking assistance from others. Three

participants shared their views:

> *" You see ah…no doubt that we are ex-colleagues. Last time we are waiter lah, when we are on top, I still believe be humble lah. Be humble…uh…in terms of even though we are friend, we don't talk big lah. Oh…I know this…I know that…try as much as possible uh…try to be humble …uhm…that people feel when it come to talk to you. You see just as example, our previous lunch… we know each other for almost 30 years. But then again, if bak kata orang kami jak-jak jadi hero…so I don't think it's good [laughs]. That's why to me I always believe be humble, share. Sharing is the best lah….sharing good things. If people need help, be honest lah." (David)*

> *"I guess my hotel managers you know they are very experienced. Actually, my hotel manager and finance manager have been in the hotel industry for many, many years. I guess the best way to learn is from them." (Lillian)*

> *"Ya, they [friends] really motivate me. So, I said, okay, maybe I should try again. I mean you are…you are right you know, when you fall you have to get up and start again. If you fall you get up and start again until [pause] you make it, until you did it. They are very good, they are like backbone to me. They are really supportive friends." (Mary)*

> *"To be honest, I don't have university degree. I see how people talk, see how they do it. Learn, try it. The good you take, the bad you throw lah." (Wil)*

Outcomes of Networking Relationships (RQ6)

Entrepreneurs and managers of small hospitality businesses indicated that their

networking relationships led to more knowledge sharing and improved business

performance. At the individual level, the entrepreneurs and managers indicated that their

participation in networking activities facilitated their personal development. The

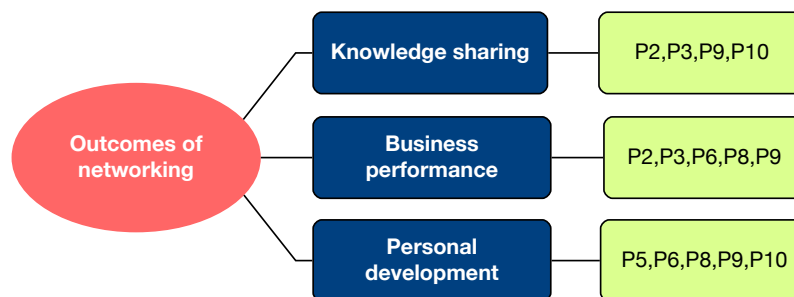description of these findings is provided below and illustrated in Figure 4.7.

Figure 4.7. Outcomes of networking for entrepreneurs and managers in small
hospitality business

Knowledge sharing. One of the outcomes of networking was knowledge sharing

among members in the network. Participants were aware that sharing knowledge and

information among network contacts was helpful to their business. Entrepreneurs or

owner-managers of a hospitality business bring with them knowledge, experience and

expertise. A networking relationship or networking platform provided the opportunity for

the entrepreneurs or owner-managers to share their knowledge. At the same time, they

were also able to improve their existing knowledge as well from this knowledge sharing

experience. Some owner-managers shared information and knowledge with their

employees through staff meetings, email or via WhatsApp. Most described that their

networking session with professional trade associations generally led to acquisition of

knowledge and information. The following quotes support this outcome:

> *"You share solutions for some ideas and maybe sharing forecasts, trends. Trends
> that I didn't know about, like are you sure this is going to happen? And true
> enough they have perspectives of this because I'm only in this industry for less
> than a decade and they have been in these industry for year." (Lillian)*

"...that is where we share our problems and settle it, ok fine that's a good idea, so why not we implement the same thing to tackle this issues. You know sharing of issues at the same time how to handle it lah." (David)

"...but in terms of let's say the same industry partners, let's say, travel agents and hotels, they are able to share ideas. Actually, it's a lot to do with ideas – that benefits each other that's one." (Helen)

"...like my staff, all of them have their own emails or at least their HoDs do, we will have morning briefings by email. Which is I don't know if it's a common practice, but it works out quite well for all of us, because there is quite a lot of information... Ok, we would tell the HoDs and they would have their own different meetings before they start their shift. But if we really want to communicate swiftly we actually have groups, whatsapp groups for every single department." (Lillian)

"we have every morning department head meeting. Every morning...that is from 9:30, that depends on issues, say at most half an hour...We need everyone to know what's going on ..." (Wil)

Business performance. One important outcome for networking was improved business performance. The entrepreneurs and managers believed that their involvement in networking with others resulted in further business opportunities. The participants described these business opportunities as making new connections, getting recommendations and improved reputation for their business. One participant explained that by creating rapport with his networks, he was able to bring in more business opportunities for the hotel:

"Of course! Yes...I mean as far as I'm concerned, network not only with those from inside even with outsiders, ah...like the government sectors. Ok, for example, you have to create rapport with them, network especially with the organizer lah. You see ah...in education, the police, armed forces...you know those government sectors I always emphasize not only myself you know but department heads, sales, even the staff. You have to create rapport with all these people...network...invite them when we have events. Like for example, we invite them for Ramadhan, create network, create opportunity ....so that easy for you to

do business mah. When you have good rapport, good network with them…that is where business opportunity will come in." (David)

"As you know our market now is government itself, so we have to be involved in this, I mean… that's why I involve myself into MAH so that I can be involve more in government function, activity, whatever, you know. Uh…now it's not like before, people come to you but you have to beg from others. So, uh…since uhm…hotel as you know we have to target these people. We must get out, we cannot stay in the hotel anymore." (James)

Good rapport and networking with others also resulted in improved reputation and therefore, recommendations from contacts to other clients:

"Oh, ok, if they like the hotel, they will put their customers here more. They want to see the facilities. Actually, it is a lot to do with verification of the place, of the property. Because sometimes uhm…in photos you can only see that much. They will have the fact sheet, but they do want to see it for themselves." (Lillian)

"Sometimes they message me, and I look at the picture and yes, I know, I remember them you know like we keep in touch, asking them how they are doing and they were asking me how is the business? How is the weather in Borneo? And after that, at the end, owh, I have a friend coming, so can you take care of my friend? I told them about your place, I told them about what we did. Can you do the same thing what we do with you last time with them?" (Mary)

"Ok, for example, if I got a guest who want to travel to Miri, I will introduce them to this hotel. Even though we are not chain hotel but we…uh… what do you call it… we are helping each other." (James)

"It's not a lot of connection because we are a really small hotel but what they do is when they have people coming in like agents coming in, they would include us as one of the hotels to see. So, they will bring their agents here and we give them a small tour of the hotel, have a look around so hopefully they would translate into good things…" (Helen)

Personal development. The data also showed that the entrepreneurs and owner-managers developed personally because they networked with various people. They identified elements of increased confidence and learning from their networking experience.

Increased confidence through experience and learning from others. Less

experienced entrepreneurs and managers felt that their connections helped them to reflect,

learn and be more confident. Some of the participants described that being a member of

MAH helped them learn business rules, regulations and practices from experts even

though they themselves were limited in experience and other resources. Hence, they

became more confident about their business and when dealing with more experienced

counterparts. The participants also acknowledged getting encouragement and emotional

support from friends within the same industry or from different industries. In these cases,

the participants reflected on their friends' encouragement and it helped them to learn and

pursue their business although there were challenges. The following excerpts reflect the

participants' personal development:

> *"How do I make it in this field? Skills basically…I read more, I see more, I learn more. See how people talk, learn, try it. I learn through the years…from my experience…from many people…(Wil)*

> *"Basically, I always ask them [friends]like when I have a problem in my business, I will talk to them. I ask them what should I do, do I have to continue or do I have to stop it and then do other things... Nothing is impossible you know. So I said, okay, maybe I should try again. I mean you are…you are right you know, when you fall you have to get up and start again. If you fall you get up and start again until [pause] you make it, until you did it. They are very good, they are like backbone to me. They are really supportive friends."(Mary)*

> *"For those hotel, that are new hotel you know, they are not …competent yet, they don't know how to handle this. So, MAH guide them how you know, … you must have proper uh…presentation, whatever you know, uh…you must have rooms for inspection." (James)*

> *"Uhm…I mean, put it this way lah. When you are new, you need input from others. You know, like…orang lain dah banyak makan garam (other people have more experience). Say for example, you are not very sure…jangan malu bertanya (do not be shy to ask questions). Like me and Mr.X, there are things that I'm not*

very sure, eh Mr.X, I'm not very sure how to do this or how to do that. He will teach you, he will tell you. You see…you learn something. I mean, jangan malu lah (do not be shy)…The best is that why not learn from those with experience and that knowledge you combine. That is the best!" (David)

"We not only attend the seminar, we also visit the farm, visit the resort. So, I get some ideas from other business, from their success story la… I don't have experience in this business…Uhm…friends lah. Sometime they also give idea…" (Jane)

Summary

This chapter presented the findings of the study, organized based on the sequence of research questions. The data showed that entrepreneurs and managers of small hospitality businesses networked with both internal and external contacts. Moreover, these contacts functioned as business contacts, social contacts or a combination of both. There were several factors that motivated the entrepreneurs and managers to engage in networking. This included access to expert advice, access to joint problem solving and assistance, access to resources, opportunity to learn from others and familiarity with contacts. Conversely, barriers to their participation in networking were due to personal and organizational factors. The data also revealed the strategies the entrepreneurs and managers used when they networked. They created visibility and opportunities for networking, used networking tools, dedicated time for networking sessions and balanced friendship with competition among hospitality providers. To network, the entrepreneurs identified two competencies as important: communication and interpersonal skills and teamwork skills. In addition, personal characteristics such as passion for the industry, flexibility and humility were acknowledged as essential for successful networking relationships. The outcomes of networking relationships were identified as knowledge

sharing, business performance and personal development. A discussion of the findings

and their implications are deliberated further in the next chapter.

CHAPTER 5: DISCUSSION, IMPLICATIONS, AND CONCLUSION

This chapter provides a summary of the current study and discusses the findings of the study in relation to literature on networking relationships in small firms. Each research question and corresponding findings are discussed in turn. Limitations of the study and implications for research and practice are also discussed.

Summary of the Study

One important query in the study of entrepreneurship is why some SMEs succeed and some fail. An SME is affected by both external and internal factors, however, establishing networks is viewed as an important strategy and competence for entrepreneurs (Drakopoulou-Dodd & Anderson, 2007; Leskinen, 2011; Lans et al., 2016). Networking is a useful strategy for small firm entrepreneurs who wish to expand their business and save time (Dubini & Aldrich, 1991). It allows entrepreneurs to pursue opportunities although the entrepreneurs may not have sufficient resources within their control at that point (Stevenson & Jarillo, 1990). A small firm network normally consists of family, friends, organization, and buyer-supplier networks (Perry, 1999). Networking relationships in small firms have been shown to provide diversity of knowledge, and access to resources and complementary assets (Zhou, Wu & Luo, 2007), entrepreneurial opportunities (Miller, Besser, & Vigna, 2011; Ingram & Roberts, 2000), and internationalization and innovation (Chetty & Stangl, 2010).

Despite the benefits of entrepreneurial networking highlighted in the extant literature, small firm research shows the need to further inquire into how attributes of networking contribute to the success of the entrepreneurial process. According to a

number of scholars, there is a pressing need to understand the content of network interactions, the mechanisms and processes within and between network relations, and the relationship of entrepreneurial networks to firm growth and sustainable development (Drakopolou-Dodd, Jack, & Anderson, 2006; Hoang & Antoncic, 2003). Although there is increasing work in network interactions, more empirical studies are needed in specific context (i.e. industry, small business, culture) to extend our understanding of networking relationships, strategies and competencies in different settings. In particular, studies on networking relationships in the hospitality industry discussing the importance of networking among small hospitality businesses has received very little attention (Alonso, 2010; Tinsley & Lynch, 2001; Lynch, 2000). Furthermore, few research has focused on the value of networking relationships for small firm performance in the Malaysian context (Farinda et al., 2009). From an HRD perspective, networking is an important competence for entrepreneurs to establish, develop and sustain long-term networking relationships. Moreover, successful networking enhances learning among network members. Therefore, examining entrepreneurial networking relationships is important as it relates to successful entrepreneurial goals.

This study's purpose was to investigate entrepreneurial networking relationships in small firms and identify factors that led entrepreneurs and managers of small hospitality enterprises to participate in networking relationships. This study looked at the elements of networking participation and the competency required to develop, manage and sustain these networks for business success. The phenomenon was explored by addressing the following research questions:

1. What is the entrepreneur's or owner-manager's network composition?

2. What are the factors that motivate them to participate in networking activities?

3. What are the barriers to their participation?

4. How do these owner-managers network with others?

5. What competencies and personal characteristics are required for successful networking relationships?

6. What are the outcomes of engaging in networking relationships?

Data were collected through an in-depth interview of 10 owner-managers of small hospitality businesses in Malaysia. Purposive sampling method was used as this approach assisted the researcher to identify study participants who could provide the most relevant information of the phenomenon studied. In addition, an observation of networking activity and document analysis were also conducted to provide a richer set of data and minimize biases. The summary of findings based on research questions is presented in Table 5.1 and a discussion of the results follows.

Table 5.1
Summary of study findings

Research Question	Findings
RQ1: What is the entrepreneur's or owner-manager's network composition?	Participants in this study identified various networks that they were a part of. These networks were divided into two categories, namely internal and external networks. Each owner manager maintained several internal and external networks simultaneously and referred to their networks based on business needs.
RQ2: What are the factors that motivate them to participate in networking activities?	Motivating factors for networking participation included business and personal reasons. The factors included access to expert advice, access to joint problem solving and assistance, access to resources,

	opportunity to learn from others and familiarity with contacts.
RQ3: What are the barriers to their participation?	Barriers to networking were categorized into personal and organization factors. Personal factors included social and communication skills, technology skills and lack of time. Organization factors comprised of concerns about privacy and commercial secrets, and activities that were not relevant to their needs.
RQ4: How do these owner-managers network with others?	Although networking opportunities may happen unintentionally, most participants revealed that they were purposeful in their efforts to network with others. The strategies included creating visibility and opportunity for networking, creating networking and communication platforms, dedicating time for follow-ups with network partners, showing appreciation for network partners and balancing friendship with competition among hospitality providers.
RQ5: What competencies and personal characteristics are required for successful networking relationships?	Majority of the participants identified communication and interpersonal skills, and teamwork skills as important competencies for networking. In addition, passion for the industry, flexibility and humility were identified as necessary personal characteristics for them to be successful in networking with others.
RQ6: What are the outcomes of engaging in networking relationships?	The owner-managers perceived their networking relationship led to more knowledge sharing and improved business performance. At the individual level, they indicated that their participation in networking activities facilitated their personal development.

Discussion

This section discusses and compares the findings to relevant literature on networking relationships in small firms. This section is organized based on the research questions.

Networking Composition and Features (RQ1)

Generally, entrepreneurs require some degree of social interaction with internal or external networks, more so in a service-oriented business such as the tourism and hospitality sector. This study found owner-managers of small hospitality businesses participated in entrepreneurial networking to a certain extent. They agreed that social networking was a conscious effort on their part and not something left to chance. Most of them admitted to the positive benefits of social networking to their business performance, however, they were also aware of the limits of their networking activities.

Although this study did not specifically inquire on the definition of networking, there was a consensus among the owner-managers that networking involves "making contacts" and "getting help" from people. "People" here refers to individuals, groups or organizations in the owner-managers' circle of business who offer assistance, information or advice when solicited. In fact, the informants use the word "contact" regularly compared to the word "network" or "networking". However, in this particular situation, the word "contact", "network" or "networking" were used interchangeably to refer to the entrepreneurs' relationships with others in their work or social setting. This perception of networking and networking relationship is in line with current literature. Linehan and Scullion (2008) described social network as links among individuals and groups and include a variety of contacts for the purpose of improving business performance. Miller and Choi (2012) further described networking as engaging "human contacts known to and with whom and individual would interact at intervals to support a given set of activities" (p. 2434).

The owner-managers maintained two types of network ties: internal and external. Internal networks consisted of family members, friends and staff. External networks were individuals, groups or organizations within and across industry boundaries, for example customers and local historical and cultural associations. Although each owner-manager maintained several internal and external networks simultaneously, the networking process and frequency of interaction they maintained were different depending on current and future business needs. According to Houghton, Smith and Hood (2009), a large internal network may assist in the implementation, cooperation and consensus building within the firm, while an external network functions as information channel to connect with other members beyond the firm.

The internal and external networks, described by the participants in this study could further be described as having two roles. The first is a business network role in which network actors provided direct services and products. For example, travel agents provide hotels with customers, hence play the role of a business partner. The second role is a social network partner, providing other sources such as information, ideas and connections. Friends are examples of a social network partner. At times, there may be an overlap of roles between the various network actors. For example, although travel agents are business partners they may provide entrepreneurs with information on tourism trends, therefore, playing the role of social network partner as well.

There was also evidence that the owner-managers were increasingly varying their networking approaches to include the Internet and social media. Although the preferred networking channels seemed to be face-to-face meetings and WhatsApp, the interviews

also showed owner-managers interacting with contacts through social networking sites such as Instagram and Facebook to be more visible to others. The literature also highlights the increasing importance of technology-enabled social networking for entrepreneurs and managers. Due to advancement in technology, more businesses have the opportunity to actively participate in social networking and therefore, increase their connections for personal and professional benefits (Elmore, 2009; Knouse & Webb, 2001; Leader-Chivee & Cowan, 2008), not only locally but beyond national borders.

An interesting finding was that only six out of ten owner-managers were members of a hotel association or a trade-related association. The owner-managers' participation ranged from active involvement to irregular participation in events, organized by such associations. Those who participated actively viewed the hotel association as a source of information, advice, and a platform for social networking as well. This study provides some evidence of the effectiveness of the trade associations and, at the same time, the associations' lack of effectiveness in attracting entrepreneurs and increasing their participation levels. This paradox is highlighted in extant literature. Although several studies accentuate the benefits of joining a trade association, Fortner (2006) found limited participation of owner-managers of specialty retailers in business associations because they felt that the associations did not meet their needs. In another study, there was evidence that membership in a trade association or similar organizations did not lead to much difference in success compared to non-members at any stage of business (Davidsson & Honig, 2003).

Culture and networking relationships in Malaysia

The culture and beliefs of a society shape the behavior of the people (Storz, 1999; Ahmad, 2005). Consequently, the behavior of the entrepreneur shapes the way a business is managed. The Malaysian culture is a blend of many other sub-cultures such as the Malays, Chinese, Indians and others. Although there may be differences among the sub-cultures, there are similarities in terms of work-related values (Abdullah & Lim, 2001; Ansari, Ahmad, & Aafaqi, 2004).

Abdullah (1996) identified the common cultural values of Malaysians at the workplace as collectivistic, hierarchical, relationship-oriented, face value, religiosity, and the pursuit of success. Malaysians generally place strong emphasis on group loyalty, maybe to the extent of preferring to do things together and deriving their identity from being part of a collective (Ahmad, 2005). Furthermore, respect for seniority and those in authority are paramount, hence, those in authority and seniors would be viewed as role models and expected to lead. Malaysia's high context culture would also indicate an emphasis on relationships and the need to build relationships before discussing business or other serious matters. Most Malaysians, for example, would go the extra mile in ensuring a hospitable environment for visiting guests by engaging them in social pleasantries and providing refreshments (Abdullah, 1996).

Face value is also regarded highly by Malaysians and is important in establishing and maintaining good relationships (Ahmad, 2005). Malaysians do not take kindly to being shamed or embarrassed in public as it is also seen as an embarrassment to the family or group, therefore, most would practice the act of "saving face" to avoid

embarrassment. However, once a person "loses face", the individual may withdraw from the group or from business interactions. Furthermore, in Malaysia, religion not only plays an important role in one's personal life, but also transcends to the workplace and social activities. At the workplace, Malaysians not only rely on solving problems through intellect and logic, but may also resort to religious beliefs (Storz, 1999).

These cultural values lead to several implications for networking relationships, practices and activities. Since more emphasis is given to social and relational aspects, entrepreneurs may find themselves allocating more time to developing and maintaining networking relationships. Planned meetings with contacts would normally commence after social pleasantries and light refreshments. The preference for harmony in relationships also points to the importance of values such as mutuality, reciprocity, consensus and cooperation. As such, the most ideal business outcome is when both sides are able to mutually benefit from the relationship. In this sense, winning may not only refer to monetary values, but is also the assurance that the social relationships will be long-term and will benefit all members involved (Storz, 1999). Entrepreneurs may also network with competing firms by searching for avenues in which they may collaboratively benefit.

Therefore, how networking relationships are formed, developed and maintained are strongly characterized by the culture they are embedded within. The previous discussion briefly provided an overview of culture in Malaysia and how it translates to the workplace and to networking activities. This cultural orientation provides a general perception, though there might be differences in the various sub-cultures as well as in

more urban areas where Western culture influence is more common. In a way, this

overview provides a background to the discussions in the following sections. The next

section discusses owner-managers' motivations to network.

Motivation to Network with Others (RQ2)

Owner-managers of small hospitality businesses indicated that there were various

factors that contributed to their participation in networking activities. Based on the data

analysis, the motivating factors for networking participation included business and

personal reasons. These factors included: access to expert advice, access to joint problem

solving and assistance, opportunity to learn from others, and familiarity with contacts.

Generally, the owner-managers perceived social networking positively and this

motivated their participation in trade associations or other formal and informal networks.

Motivators identified such as access to expert advice, access to joint problem solving and

assistance, opportunity to learn from others and familiarity with contacts echo with

previous work in this area by Gabbay and Leenders (2001), Ahmad (2005), and Lockett,

Jack and Larty (2013). Most new small accommodation owner-managers lacked related

experience and information, therefore, networking would be valuable for them (Martinez

& Aldrich, 2011). Trade associations consist of both experienced and newer members,

thus affording newer establishments the opportunity to access advice, resources and

collaborative problem solving. Some of the participants of this study felt that the trade

association helped them to understand new regulations and procedure in the industry,

which otherwise would have taken them longer to understand and implement. For

example, during the introduction of the goods and sales tax (GST) in Malaysia in 2015,

the hotel association guided and advised its members on GST implementation for their
individual firms.

In addition, having friends or contacts whether in the same industry sector or
across industry sectors allowed for collectively solving similar problems affecting their
business. This act of joint problem solving may lead to new or innovative solutions (Uzzi,
1997; Chung et al., 2006) that may not be attainable should the owner-manager only rely
on his or her own capabilities. Furthermore, connecting with a hotel association and other
contacts improved learning while saving time and resources (Miller & Besser, 2005; Lans
et al., 2008). Less experienced entrepreneurs and managers felt that their connections
helped them to learn the ropes of the business through sharing of ideas, opinions and
feedback.

In this study, the owner-managers were more motivated to network when those
they connected with were contacts they were already familiar with, including those from
similar backgrounds. There were evidences in this study that some of the owner-
managers knew each other for quite some time and they were able to maintain that
connection throughout the years through involvement in formal and informal networks.
Newer members in formal networks may not have the advantage of familiarity with
others. However, the social nature of networks increases familiarity and comfort among
members in the network (Manley, 2005), therefore, engaging actively in a network may
improve networking relationships among members over time.

The concept of trust is an important factor that may motivate (or demotivate)
entrepreneurs' participation in networking relationships. Trust is a two-way process, built

on evidences that the "other party will honor obligations, and norms of reciprocity, defined as implicit shared obligations of exchange" (Casson & Giusta, 2007, p.229). In practice, when an entrepreneur shares information with another contact, that contact will reciprocate the act. Reciprocation builds trust and trust leads to further cooperation and strengthening of relationships (Maiti, 2009). However, trust takes time to develop (Jack, Dodd, & Anderson, 2008; Larson & Starr, 1993). Existing relationships typically would have already established high levels of trust in their relationships, while new relationships may take more effort to build as the element of trust needs to be developed over time.

In sum, the present study confirms findings of previous studies concerning the various factors motivating owner-managers' decision whether to participate or not in networking activities. Overall, the study results suggest that owner-managers participated in these activities both for business and personal needs. At the core of it, entrepreneurs chose to engage in networking relationships to ensure sustainability of their firms.

Barriers to Networking (RQ3)

Networking activities require the individual to be proactive in seeking out contacts and building different networks. Although small firm owner-managers may be motivated to network with others, there were also barriers that limited their participation. The results of this study identified five factors that limited owner-managers' participation in social networking: social and communication skills, technology skills, lack of time, concerns about privacy and commercial secrets and association activities were not relevant to their needs.

Entrepreneurial networking requires the owner-managers to establish, manage and maintain relationships. Networking is a social engagement requiring physical and emotional behaviors from the individual. As such, social and communication skills are important drivers of successful social networking relationships. Some of the participants in the study highlighted lack of social skills as one of the obstacles in establishing and maintaining networking relationships with their contacts. Others lacked adaptability to build rapport and were concerned about interacting with customers whose professional backgrounds were different from their own. Some scholars are in consensus that social competency leads to improved business performance (Lans et al., 2016; Baron & Markman, 2000). Therefore, the inability to network effectively may affect overall business performance. For example, decision making, daily operation or business process may be slower due to the inability to gather information or resources from others on a timely basis.

Furthermore, the growing use of social media and Internet may challenge owner-managers if they lack the know-how, not only to network with contacts but to market their products and services. Some participants in this study described their adversity in dealing with technology to network with customers and counterparts. Additionally, one study participant indicated the high investment required to design and maintain a company website, therefore, limiting his customer and contact base. However, technology is changing the way businesses operate (Lau, Wong, Chan & Law, 2001), including the way people network. Hence, the inability to capitalize on new ways of

working and networking may severely reduce competitiveness of the owner-managers and their businesses.

In addition, several scholars found that small firm entrepreneurs are challenged to engage in networking activities due to their limited time and resources (Frazier & Niehm, 2004; Curran et al., 1993; Schendel & Hofer, 1979). This study confirmed those findings. All the participants in this study stated that they usually take on many roles in their business, for example, as manager, sales-person, decision maker. These activities were perceived to limit time spent on networking with others. Moreover, their contacts themselves may also be occupied, making scheduling for meetings or discussion limited. Rather than spend time searching, connecting and building networking relationships, the owner-managers focus more on the management and daily running of their business. As discussed in the previous section, trust is an important element in building and sustaining networking relationships. Without investing sufficient time, it is harder to build trust (Nakamura & Yorks, 2011) and social capital (Cohen & Prusak, 2001).

Another concern for the owner-managers was on privacy and commercial secrets. The relatively low entry barriers for new players in the tourism and hospitality industry (Altejevic et al., 1999) means more competition in an already saturated market. Furthermore, travelers were also becoming more discerning and presented with more choices for accommodation. The hospitality owner-managers felt that sharing information and knowledge with others, especially those who were direct competitors in the industry may be detrimental to their own business survival. According to Turner (2015), many small business owners were skeptical of networking, as there was the possibility of

releasing too much information or inadvertently revealing proprietary information.

Concurrently, networking may provide other business opportunities as well, making it a

difficult issue to balance for all businesses. Most of the time, successful companies and

entrepreneurs were approached to share their best practices with aspiring entrepreneurs.

Although they shared information and knowledge, the informants in this study admitted

to sharing only what was necessary. Since relationships are important in the Malaysian

context, tact and discretion are important when disclosing business information to others.

Although the owner-managers may generally have a positive perception of

networking, they may not participate due to perception that some of the association

activities do not meet their needs. According to O'Donnell (2014), cost is normally a

factor in considering membership in an association, especially for new entrants. If the

entrepreneur perceives low relevance to his or her business, the entrepreneur would opt

not to join a formal network, conference or training. Similarly, in this study, some

participants were reluctant to join trade associations, conferences or similar networking

events because they felt that these activities did not cater to the needs of small hospitality

providers or were of little relevance. In addition, the small owner-managers may not fully

understand the benefits of a formal association or other networking events, rather, opting

to do things on their own (O'Donnell, 2014; Miller et al., 2006).

In sum, while there are challenges associated with networking, it is an important

strategy to consider for business success. Most small firms do not operate in isolation,

and a certain amount of networking is usually expected. The next section discusses

several networking strategies identified in this study.

Networking Strategies of Owner-Managers (RQ4)

Entrepreneurial networking involves establishing and maintaining relationships with other individuals, groups or organizations. This study found the owner-managers used five networking strategies: creating visibility and opportunity for networking, using networking tools and other online platforms, dedicating time for networking, showing appreciation to network partners and balancing friendship with competition among hospitality providers.

Creating visibility and opportunity for networking. One finding of this study suggested that owner-managers of small hospitality firms were purposeful in their networking strategies. Although networking may at times be unintentional, most of the informants revealed that they were deliberate in forming and maintaining their networking relationships. In this study, the owner-managers created visibility and opportunities for themselves to establish networks and networking relationships. Most of them define visibility of the business as being recognized by industry players. To exert their visibility and business presence, the owner-managers attended meetings, product sessions, trade exhibitions, conferences and seminars. They also created visibility through printed materials (i.e. travel guides and magazines) that may be distributed to internal and external networks. One of the advantages of business and personal visibility is the potential to increase the size, density, and diversity of networks. With a larger number of contacts, the entrepreneur has access to a larger pool of resources (Hoang & Antoncic, 2003), while a denser network allows for rapid information dissemination (Birley et al., 1991). However, large network size and high network density may lead to redundancy of

contacts offering the same resources (Burt, 1992). As such, a diversified network is preferred to capitalize on different resources (Martinez & Aldrich, 2011; Hoang & Antoncic, 2003; Dubini & Aldrich, 1991). Nevertheless, some research shows weak to no link between size or diversity and entrepreneurial outcomes (Parida et al., 2016; Casanueva et al., 2013; Ostgaard & Birley, 1996). Therefore, the entrepreneur must discern for himself or herself which networking relationships may be helpful and worth pursuing in different circumstances.

Using networking tools and other online platforms. The owner-managers also took advantage of online networking tools and other online platforms to establish contacts and maintain relationships with others. The owner-managers used a variety of platforms and social media to showcase their business, stay in contact with current customers, connect with new customers, and work with travel agents and other players in the tourism industry. Among the popular strategies were the use of email, messaging applications, Facebook, company websites, reservation websites, and comparison websites to communicate with contacts. This strategy allowed the entrepreneurs to connect not only with local industry players but others who were geographically dispersed as well. In the extant literature, the advancement of technology has prompted easy access to the Internet and social media which in turn has promoted active social networking behaviors that allow participants to expand their social contacts and relationships for both personal and professional benefit (Elmore, 2009; Leader-Chivee & Cowan, 2008; Knouse & Webb, 2001). Although the participants in this study generally

preferred face-to-face social interactions, the popularity of online social networks is slowly changing how people networked.

Dedicating time for networking and showing appreciation to network partners. In maintaining networking relationships, it was necessary for the owner-managers to dedicate time for networking and showing appreciation to their network partners. Some owner-managers followed up with their contacts through phone calls and visits. Most of them arranged for informal meetings for coffee and tea. One informant described these meetings as relaxed get-togethers to keep in touch rather than discussing business. Another gesture to show the importance of relationships with their contacts was by means of showing appreciation. Sponsoring gifts or treating business partners to lunch were considered normal and accepted behavior to show appreciation among business partners. Therefore, a significant investment in time and effort is required to maintain a successful networking relationship (McGrath et al., 2006; Ostgaard & Birley, 1996; Ibarra, 1993). Apart from allocating time, an important element for a successful networking relationship is trust (Anderson, Dodd, & Jack, 2010; Lynch, 2000). However, trust between entrepreneurs and their contacts cannot be generated immediately and takes time to develop, requiring the entrepreneur to spend time building relationships.

In line with the Malaysian culture, the value of social and relational aspects would require entrepreneurs to allocate a significant amount of time in networking activities (Abdullah, 1996) that show the value of friendship and trust such as social pleasantries, dining and gifting. Taking time out from a busy schedule to meet up with others is

viewed positively as an appreciation of the other and significantly increases social capital of the individuals involved. In addition, since building and maintaining networks require time, the individual entrepreneur is limited in the amount of time they could dedicate to networking (Minniti, 2005). Hence, the entrepreneurs need to be more selective and careful in choosing which network partner they meet up with. Furthermore, scholars suggested a combination of strong-tie and weak-tie networks would be best to benefit a business.

Balancing friendship with competition. One interesting networking strategy the owner-managers adopted was balancing friendship with competition among hospitality providers. The tourism industry is perceived to be relatively low entry-barrier and therefore, has many players in it. In this study, most of the small hospitality firm owner-managers knew each other and were friends, however, they were competitors in the industry as well. According to Ingram and Roberts (2000), one of the traditional views is that friendships among competitors may result in disagreement and therefore, bring disadvantages to the business and customers. However, the authors suggested that competitors may collaborate to add value to their business and it is suggested that friendship ties between competitors may help in the process. Furthermore, a collective action among competitors may improve service to customers, which may also bring benefit to tourism in that particular region. The findings of this study echo the findings by Ingram and Roberts's (2000) study. For example, the participants in this study referred customers to friends at competing hotels when they themselves were overbooked. This was done not only as a favor to a friend but also because the friendship allowed the

manager to trust that the referred customers would be provided with good service as well. Although entrepreneurs are described as independent individuals, the complexity of the tourism industry means that most tourism and hospitality related businesses are dependent on each other in order to provide a holistic experience for their customers (Zehrer & Raich, 2010). Cooperative relationships may assist small hospitality firm owner-managers to gain new competencies, manage resources, and gain new markets (Komppula, 2014; Alonso, 2010; Ohmae, 1989).

In addition, the level of cooperation and competition in a social network "will partly depend on culturally transmitted values" (Lynch, 2000, p.98). In line with this argument, the Malaysian culture that emphasizes relational and harmonious elements suggests a strong tendency for entrepreneurs to work together for a "win-win" outcome. For example, one informant in this study described her relationships with other homestay providers as "healthy" competition. The informant shared, "So, I introduce their homestay, they introduce my homestay. So, we have like a healthy competition over there…so our village is fully book during peak season". However, issues may arise as well because of the need to maintain a harmonious relationship, network members may not make their disagreements known to one another.

In sum, the current study has provided support for previous findings that small hospitality firm owner-managers adopt various strategies to establish networks and maintain networking relationships. The strategies employed are purposeful, and not left to chance. Consequently, the findings of this research indicate that culture plays an important role in how the individual entrepreneurs interact and maintain relationships,

therefore, emphasizing the importance of local context to a particular region's networking

approach. Since networking is related to the success of businesses, networking is a vital

entrepreneurial skill that should be developed. The following section discusses

competencies and personal characteristics for successful networking among small firm

owner-managers.

Competencies and Personal Characteristics for Networking (RQ5)

Findings of this study point towards specific competencies and personal

characteristics that are important for successful networking relationships. These

competencies and personal characteristics relate to individual to individual or individual

to group interaction and behavior. The participants identified two competencies that are

important for their networking: social skills and teamwork skills. In addition, passion for

the industry, and flexibility and humility were identified as necessary personal

characteristics for them to be successful in networking with others.

Competencies for networking. The literature identifies social skills and social

competence as abilities required for entrepreneurial networking. Social skills refer to

skills useful to individuals in interacting with others (Baron & Markman, 2000; Baron &

Tang, 2009). Social competence is defined as the ability of people to interact successfully

with each other within a certain position and context (Warnes et al., 2005). The two

definitions are similar and for the purpose of this study, the term social skills is used to

encapsulate the abilities required in interacting with others. According to Baron and

Markman (2000), the four specific elements of social skills are social perception (the

ability to perceive others accurately), expressiveness (the ability to express feelings and

reactions clearly and openly), impression management (skill in making favorable first impressions on others), and social adaptability (proficiency in adapting one's actions to current social contexts).

Given that the current study was conducted in Malaysia and in a specific industry, the findings indicated effective social skills including the ability to communicate as vital for networking relationships. In this study, the owner-managers had contacts from various backgrounds and experience, therefore, required different ways of communication. In addition, communication is not limited to face-to-face interaction but is also conducted through various modes such as through online and social media. Communication and interpersonal skills that were perceived to be important included being able to influence others, being able to express oneself clearly, being sensitive to others, and being socially adaptive. For example, a few participants highlighted the importance of being able to convince customers, or potential partners on their products and services. Some other participants emphasized the ability to adapt to different social settings when dealing with customers or contacts of different backgrounds, social status and positions. This is more so in a hierarchical society like Malaysia where respect for title and seniority is customary. The hospitality and tourism sector also provides opportunity to connect with international partners and customers, hence, requiring awareness of cross cultural do's and don'ts. Therefore, the ability to communicate and interact well may influence the outcome and sustainability of a networking relationship. This finding is consistent with literature suggesting that social skills play a vital role in the success of small firms (Baron & Tang, 2009; Lans, Blok & Gulikers, 2015; Lans, et

al., 2016; Ritter & Gemunden, 2002). Specifically, effective interactions among entrepreneurial networks may facilitate tasks such as securing financing, negotiating with suppliers and customers, and forming partnerships (Baron & Markman, 2000; Gabbay & Leenders, 2001), which will influence the outcome of the business.

Another important skill identified by the participants is related to teamwork. An owner-manager of a small hospitality firm networks with others to a certain extent. A networking relationship will consist of at least two persons trying to work together to achieve a mutual goal. According to Wang and Krakover (2008), there are four forms of business relationships that exist among tourism and hospitality entrepreneurs ranging from informal affiliations, to coordination, collaboration and formal agreements. Similarly, Leskinen (2011) described networking activity as being dependent on the entrepreneur's ability to cooperate and to sustain interdependent relationships. As such, being able to function in a team and as a team member is an important skill that helps to sustain networking relationships. In this study, one participant acknowledged the importance of understanding and working together to overcome challenges in promoting their village's homestay operation. Some of the owner-managers described the necessity to cooperate with government departments to promote their businesses. Another participant shared the need to cooperate with other travel agents not only informally through affiliations, but also on a more formal agreement basis to provide mutually beneficial services. The process included negotiating a joint venture and understanding one another's perspective. In such arrangements, apart from communication and interpersonal skills, the ability to be a good team member may lead to the success of

networking relationships. Being a good team member means being able to clearly

communicate with others (Kuhlmeier & Knight, 2010), mediate problems between

network members (Campion, Medsker, & Higgs, 1993) and being able to work

collaboratively with others (Sadler-Smith et al., 2003). Chung-Herrera, Enz and Lankau

(2003)   found 8 overarching factors, 28 dimensions, and 99 specific behavioral

competencies important for the functioning of hospitality leaders. In line with teamwork

competency, the authors suggested specific behavioral competencies such as having a

teamwork orientation, being able to work through conflict, working as a team member,

and listening to others without interrupting.

Personal characteristics. In addition, personal characteristics of the owner-

managers are also important to facilitate successful networking relationships. In this

study, characteristics such as having passion for the industry, and being flexible and

humble were deemed essential to the owner-managers. Most of the participants

accentuated the importance of being passionate about the tourism and hospitality

industry. Many of the participants in this study described their passion for the hospitality

industry. They spoke of their interest, sacrifices and contribution not only to their own

business, but also indirectly to the tourism industry of the region as well. For an owner-

manager, being passionate may be a vital characteristic to win others over such as

potential investors, collaborators, suppliers and even employees. Someone who is

passionate about the tourism and hospitality industry may contribute to its development

and is likely to be an influential person in it. Moreover, passion may sustain the business

for the long term. Analogous to this, in a study of small and medium enterprises (high-

tech and low-tech), passion is identified as the most important trait for success (Tofttoy & Jabbour, 2007). Entrepreneurs who have the drive and love what they do will find ways to make their business a success. Therefore, it is suggested that if owner-managers are excited about the business they are in, then it will lead to being invested to succeed including invested in building networking resources.

Many of the participants also perceived the importance of being flexible when dealing with contacts. They believed in adapting to different situations, for example, reacting based on a case-by-case perspective while taking into consideration local practices or cultural differences. Additionally, it is also important to be flexible in adopting different approaches to connect with others, for example through technology and social media. This is in consensus with the literature (i.e. Tofttoy & Jabbour, 2007; Hamed, 1995). In another study of lodging industry leaders, flexibility and adaptability ranked highly as important behavioral dimensions for successful entrepreneurship (Chung-Herrera et al., 2003). Similarly, Karra et al. (2008) suggested the need to be flexible in response to changes in the external environment including adapting to changes in technology and communication to be successful in international collaboration and marketing.

An interesting characteristic highlighted by the participants was being humble. Most of the owner-managers interviewed regarded themselves as not highly educated and most learned the ropes of the industry through experience, mentors and friends. For those who were educated, they were aware of their limitations in terms of industry-specific knowledge. The owner-managers sought advice and assistance from those who were

more knowledgeable and experienced than them. For example, one participant in the current study acknowledged her limited experience in hospitality management, and consistently consulted her hotel manager and the hotel association representatives for advice. Owens (2009) described this humility orientation as a "willingness to view oneself accurately", "an appreciation of others' strengths and contribution", "teachability" and "low self-focus". Furthermore, being humble is particularly a strong cultural orientation in a collectivist society like Malaysia (Ahuvia, 2002; Triandis, 2001) and is seen as an added value for the entrepreneur.

In sum, the current study extends previous findings concerning competencies and personal characteristics considered important for successful networking relationships in hospitality industry. Specifically, the findings of this research indicate that social competency, teamwork skills, passion for the industry, flexibility and humility were vital for small firm owner-managers in the hospitality industry when they establish and maintain their networking with others. The following section discusses perceived outcomes gained from a networking relationship.

Outcomes of Networking (RQ6)

Entrepreneurial networking is shown to offer value throughout the different stages of the entrepreneurial process (Birley & Cromie, 1988; Semrau & Werner, 2014; Sullivan & Ford, 2014). In examining the outcomes of networking, this study found that small hospitality firm owner-managers indicated three value outcomes from their networking participation: knowledge sharing, business performance and personal development.

Knowledge sharing. Participants in this study identified knowledge sharing as a valuable benefit of their networking relationships. Most of them share ideas, experiences and expertise with those in their internal and external networks. One participant described her weekly meetings to share information with her staff and solve issues affecting their hotel. She described the meeting to be more of a sharing session since most of her staff were experienced in the hospitality industry. She further explained that she learned how to acquire certain types of certification from one of her experienced managers. Other owner-managers also described their sharing of knowledge and experience through monthly meetings with the hotel association members. Most experienced hoteliers were more than willing to share their knowledge with the less experienced hotelier. Therefore, the owner-managers believed that good networking relationships with their internal and external networks provided them with information and resources, which in turn facilitated the management of their own business.

This research finding supports previous research that suggested informal and formal networking relationships among entrepreneurs enhanced knowledge sharing practices for mutual benefits (Leader-Chivee & Cowan, 2008; Kim & Lee, 2006). A study conducted by Colley (2006) described how networking interacted with knowledge sharing, resources and networking activities. According to Colley (2006), networking activities bring "actors" (contacts) together. Each individual actor has knowledge, experience or expertise that could be shared with other actors, hence, networking activities create the opportunity for the actor to not only share knowledge but to improve his or her own knowledge as well. Therefore, positive networking relationships are seen

to create a conducive atmosphere for information exchange and knowledge sharing (Colley, 2006), which further produces opportunities for innovation (Lasagni, 2012) and competitive advantage (Dyer & Singh, 1998).

Business performance. Another important outcome of networking relationship is improved business performance. However, there are different ways to measure successful business performance. Miller & Besser (2005) defined business performance as not only profit-based success but includes personal satisfaction, such as work satisfaction, achievement of company goals, and expectation that business will flourish. Another conceptualization of business performance may be through external indicators (i.e. growth in sales, increase profitability, and/or productivity, increased economic efficiency, lower costs), internal indicators (i.e. self-sufficiency and reduced dependency particularly in the case of micro enterprises), and on the basis of values (i.e. success in networking with others) (Leskinen, 2011).

In this study, the owner-managers believed that their involvement in networking resulted in further business opportunities such as making new connections, getting recommendations and improved reputation for their business. For example, one participant explained that during her attendance at one of the trade shows, she was able to make connections with a larger hotel specializing in eco-tourism in a different region of the state. Their connection and friendship resulted in a cooperation providing a "twinning" stay concept with opportunities for customers to experience stay in a rural and a city area. A few of the owner-managers explained that their good connection with their customers led to introductions and recommendations, which turned into further sales for

their hotels. As one owner-manager explained, he had a good relationship with one

representative of a local sports association who stayed in his hotel. Their friendship led to

an understanding and recommendation by the sports association to use the hotel for their

members to stay in when they are in town and the owner-manager customized a special

package rate and amenities for the association.

This finding is consistent with prior research showing that an entrepreneur's

social networks are positively related to business performance (Bratkovic, Antoncic, &

DeNoble, 2012; Anderson, Dodd & Jack, 2010; Johannisson, 1986).

Personal development. A further outcome shown in the findings was

entrepreneurs and managers developed personally from their networking experience with

others. They described increased confidence and learning from others which contributed

to their personal development. For example, most of the respondents described how being

a member of the hotel association helped them in the process of learning business skills

from those who were more knowledgeable and experienced than they were. One of the

respondents described learning how to market her hotel effectively from a more

experienced owner-manager. As a result, she was more confident managing her own

business. Miller and Besser (2005) described one of the outcomes of developing

affiliations and formal groups as allowing an entrepreneur to learn the necessary business

skills from affiliates in less time and with lesser resources. Therefore, the entrepreneur

may be able to focus his or her time on other aspects of the business.

In addition, a homestay operator described how her networks provided an

opportunity for peer learning and support. Although her friends were from a different

industry (i.e. architecture and web-design), they offered ideas from their own experience to improve her homestay operation. Additionally, they supported and encouraged her emotionally to pursue her business amidst obstacles. She was able to try out ideas, learned from setbacks and persevered. In these cases, learning happened informally and through internal as well as external contacts. In line with previous literature, learning that happens in small firms is described as rarely formal, rather, it happens through informal and implicit learning approaches (Lans et al., 2008; Fenwick, 2003). The experiences of the participants in the study confirmed that networking leads to personal development of the entrepreneur. Learning and the ability to learn from others are important factors for the sustainability of any business. According to Lans et al. (2016), it is important for small firm entrepreneurs to adopt a social learning orientation that "welcomes questioning, criticism and reflection from others" (p.337). They suggested that the ability to receive feedback and reflect on confrontational issues may be beneficial for the personal development of the entrepreneur and the growth of the firm.

In sum, this study extends previous findings on the outcomes of networking. In particular, the outcomes of networking may not only be based on profit, but may encompass other intangible gains as well. This study also points to the importance of social interactions for successful networking outcomes.

A Framework for Networking Participation of Owner-Managers of Small Hospitality Business

This study examines social networking relationships of owner-managers in small hospitality businesses. Although it is difficult to comprehensively capture behaviors to

describe a complex phenomenon such as entrepreneurial networking, a framework is necessary to provide a platform for further theory building and practice. Recurring themes from the data and reviewed literature suggested four concepts that were associated with networking relationships: motivating factors, barriers, networking strategies, and networking competencies and personal characteristics. These four concepts lead to networking participation and result in networking outcomes.

Figure 5.1 is a proposed model for networking participation among owner-managers of small hospitality businesses. In this figure, the concepts were qualitatively derived and placed in hypothesized relationships. Although the activities may occur simultaneously in real life, they are shown in a linear fashion for the purpose of discussion.
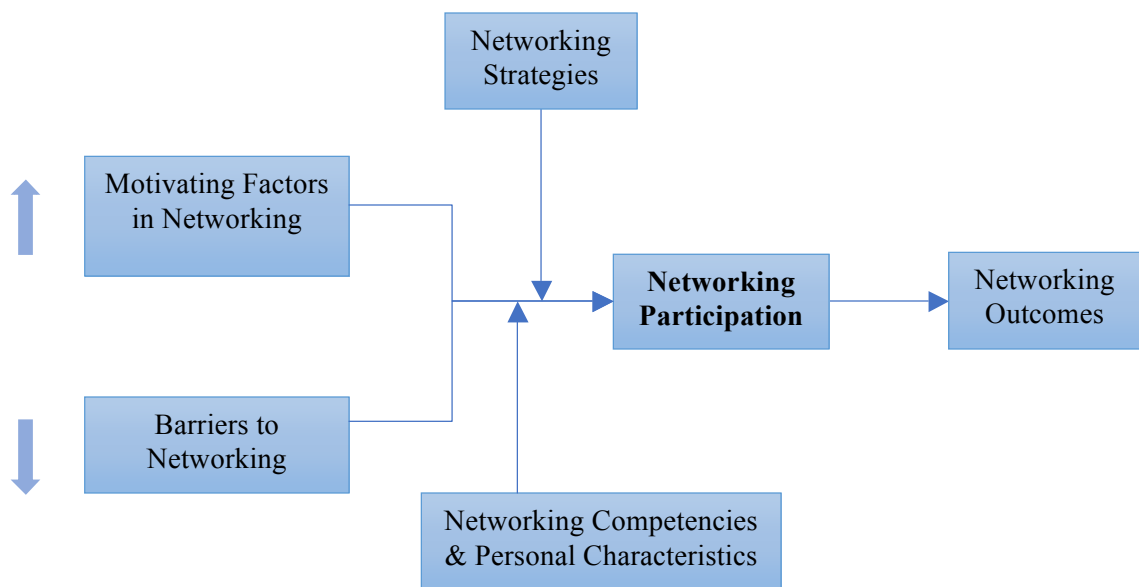

Figure 5.1 A model for entrepreneurial networking participation among owner-managers of small hospitality businesses

Prior studies have proposed determinants or motivations for business networking (Oliver, 1990), outcomes of an interaction process in a business (Hakansson & Snehota, 1995) and networking capabilities (Mitrega et al., 2011). The current proposed model integrates the study's findings and the previous literature and builds on the models by Oliver (1990), Hakansson and Snehota (1995) and Mitrega et al. (2011). Overall, the model proposes motivating factors and barriers as inputs for networking participation. However, success of networking participation is further moderated by the networking strategies adopted and the competencies and personal characteristics of the owner-managers. Networking participation further leads to positive or negative outcomes for the individual and organization. To the best of my knowledge, this model is one of the first attempts to link determinants of entrepreneurial networking participation (motivation factors, barriers, networking strategies and networking competencies) with outcomes of the networking process. The conceptualization of networking participation and outcomes in the proposed model may extend our existing knowledge on the networking and relationship building of small businesses. The concepts or factors in the model are discussed briefly in the following paragraphs.

Motivation for Networking

The factors identified in this study include access to expert advice, access to joint problem solving and assistance, access to resources, opportunity to learn from others and familiarity with contacts. The owner-managers described their motivation for networking as a potential for accessing and activating opportunities, especially in the cases of newly established small hospitality businesses. Familiarity with members of a network also

increases trust and improves participation in a network or networking relationship.

Furthermore, Oliver (1990) suggested that entrepreneurs are motivated to form business

networks due to necessity, asymmetry, reciprocity, efficiency, stability and legitimacy.

Therefore, the presence of motivating factors influences the owner-managers'

participation in networking activities.

Barriers to Networking

Participation in networking activities is also influenced by the presence or

absence of barriers. The higher the number of barriers, the lower the possibility for

entrepreneurs to network with others. This study found personal barriers (social and

communication skills, technology skills, lack of time) and organizational barriers

(concerns for privacy and commercial secrets, network activities lacked relevance) to

owner-managers networking participation. Therefore, it is important to increase elements

that motivate and support networking participation while minimizing elements that may

hinder participation.

Strategies for Networking

Once an entrepreneur is motivated to network, then the entrepreneur will seek out

ways to connect with others. The entrepreneur will adopt different strategies to engage

and develop new relationships or sustain existing relationships. Findings in this study

suggested strategies such as creating visibility and opportunity, using networking tools

and other online platforms, dedicating time for networking, showing appreciation and

balancing friendship with competitors enhances the link between motivation/barrier

factors and participation in networking participation. Therefore, motivation to network

(reduced barriers) moderated by the right networking strategies may lead to increased entrepreneurial networking participation.

Networking Competencies and Personal Characteristics

In a small business, the owner-manager or entrepreneur identifies strongly with the firm. Therefore, the success of the business is dependent on the performance of the entrepreneur. Similarly, networking activities are dependent on the entrepreneurs' individual behavior and personal characteristics (Wincent & Westerberg, 2005) and the ability to network with others (Leskinen, 2011). Concurrently, the networking competence and personal characteristics of entrepreneurs may determine the success of networking relationships (Lans et al., 2016; Baron & Markman, 2003). In this study, networking competencies identified were social skills and teamwork skills while personal characteristics were passion for the industry, flexibility and humility. Therefore, motivation to network (reduced barriers) may be enhanced with related competencies and personal characteristics of the entrepreneurs.

Networking Outcomes

Successful networking participation leads to successful networking outcomes. In this study, successful networking outcomes include both business performance and personal development.

Limitations

There are several limitations to this study. As with any qualitative study, elements of researcher bias and subjectivity may be present. Since biases and subjectivities may not be eliminated in qualitative studies, the researcher took steps to minimize them. The

researcher has an interest in the topic of study, however, the researcher did not have any preconceived ideas on managing a small business in the hospitality sector, thus, minimizing any personal bias from related experience. During interviews, the researcher used an interview guide with semi-structured questions and attempted to display non-reactive behaviors to encourage reliability of participant responses. Furthermore, the researcher used participant quotes as much as possible to illustrate findings during data analysis.

Another limitation exists because the study gathered data focused on a single industry and from a small geographic location in Malaysia. The conclusions of this study were based on individual experiences of small hospitality businesses owner-managers in a particular context. Responses from participants from other regions or industries could have been different. Therefore, this sampling could limit the ability to apply the research findings to other industry or geographic locations. It is suggested that care should be taken when viewing the study results in the context of another industry or location. However, the results of this study could provide valuable implication for educators, trainers, policymakers and entrepreneurs in the hospitality industry as discussed in the following section.

Implications

There are several implications that arise from this study's findings. These implications are discussed in two sections: practical and future research.

Practical Implications

Findings from this study present several implications for practice. Firstly, this study provides implications for trainers, educators, and policymakers in the field of entrepreneurship development. The findings of this study revealed several motivations and benefits of networking among networked members in small hospitality settings. As shown in Chapter 4, the owner-managers were motivated because they were able to access resources and learn from their contacts on the business process, which otherwise would be more difficult and timely to acquire. The owner-managers highlighted the importance of social skills in establishing, developing and maintaining long-lasting relationships with others in the network. However, not all entrepreneurs are born with the ability to socialize or develop rapport. Consequently, social skills that include effective communication, listening and negotiating are trainable skills (Baron & Markman, 2000). Most entrepreneurship training programs in Malaysia emphasize on improving entrepreneurial skills (i.e. planning, budgeting) (SME Corporation Malaysia, 2017), however, not much emphasis is placed on intangible factors such as social skills, cross-cultural sensitivity and time management. In line with Lans et al.'s (2016) argument, social competence or the ability to interact successfully with others within a certain position and context, play a key role in fostering learning. Therefore, social skills training should be considered in entrepreneurship courses. Since time is a barrier as mentioned by participants in Chapter 4, social skills training should not only be customized to the targeted group of small hospitality providers, but should be offered on multiple platforms (i.e. face-to-face and online). This will provide the entrepreneurs with choices that will

suit their requirements. Similarly, participants mentioned the lack of IT skills and social

media skills in Chapter 4. Policymakers, entrepreneurship trainers and educators should

emphasize training in IT and using social media for networking to ensure that the

entrepreneurs are able to fully utilize available networking tools and platforms. This may

open more opportunities for the entrepreneurs to share and acquire knowledge, innovate

and promote tourism in the country.

In addition, students in public universities in Malaysia are exposed to

entrepreneurship education. According to Rahim et al. (2015), 53% of higher learning

institutions in Malaysia inculcate entrepreneurship elements in their courses, while 57%

incorporate more than 15% of practical elements in teaching entrepreneurship. Moreover,

almost all the higher learning institutions in Malaysia encourage their students to start a

business while studying. This start-up activity is supported by having entrepreneurship

incubator programs in 70% of higher learning institutions (Rahim et al., 2015). The

efforts to encourage early-stage entrepreneurs in Malaysian universities may be further

enhanced by including intangible factors such as social skills and networking

competencies. Similarly, Lans et al. (2016) contended that from an HRD perspective,

emphasis should be given to "developing social competence during initial education"

(p.341) to encourage interaction and access to relevant stakeholders.

Secondly, current entrepreneurs and future entrepreneurs themselves may find the

results of the study to be beneficial. For example, the entrepreneurs may find the findings

of this study similar to their own networking experience, hence, encouraging them to

reflect on factors to overcome barriers to networking. Additionally, the findings may

inform future entrepreneurs on what factors to expect when engaging in social networking, thus, may be a guideline for successful networking participation.

Thirdly, this study provides implications for relevant entrepreneurship bodies such as the trade associations. In this study, the hotel association plays an important role in providing avenues for members to connect with one another, share knowledge and train members. The association needs to ensure that training programs and similar knowledge sharing sessions are relevant to the needs of small hospitality providers. Since time is a barrier to meeting in person, the association may want to consider alternative networking approaches by utilizing technology.

Implications for Future Research

The present study suggests several directions for future research. First, this study employed a qualitative research design based on a small number of interviews. Although the study was in-depth, it may be limited in its ability to capture a wide spectrum of networking experiences of owner-managers of small hospitality providers in Malaysia. Future research could consider a mixed methods approach to obtain a deeper understanding of networking relationships and its outcomes. The inclusion of a quantitative design may improve our understanding of the interactions of different variables in networking participation and increase generalizability of the results. A longitudinal design should also be considered to understand how social networking relationships may change through different stages of the entrepreneurial venture. An entrepreneur would build a stronger networking relationship as his or her business grows.

It would be interesting to explore the entrepreneurs' network density, size, diversity and durability and how it relates to business development.

Second, this study was conducted among owner-managers of small hospitality businesses in a city area. Since the location chosen was a city, it may have provided considerable opportunities for networking and accessibility to external networks. The networking conditions may not be similar for rural areas. Furthermore, Internet connection may not be available. It would be interesting to discern networking patterns of owner-managers in rural settings and compare influencing contextual factors between city and rural areas. Therefore, future research may consider investigating networking participation and relationships in rural areas.

Third, future research may also focus on gender specific networking participation and outcomes. Some scholars have shown that the male and female experiences in business differ (McGregor & Tweed, 2002; Usman, Buang, & Yousaf, 2015). A study by Heald-Fisher (2010) suggested that male and female entrepreneurs networked at similar rates, however, research on gender influences on networking is still limited. In this study, four participants were female and six were male. The numbers of women entrepreneurs are increasing in Malaysian tourist and hospitality sector. Future research should explore how female owner-managers establish, develop and sustain their networks and networking relationships over time. It is important to understand effective networking for female entrepreneurs to contribute to overcoming common business stereotypes (i.e. limited networking, work-family conflict) facing this group.

Fourth, this study also contributes to the understanding of relational factors that encourage and support networking participation and networking relationships. Specifically, the findings of the study showed that such factors as motivation, barriers, strategies, competencies and personal characteristics contribute to network participation of entrepreneurs, which results in positive outcomes for the business. Moreover, the connection of different factors found in this study resulted in a framework the use of which may increase networking participation of owner-managers in small hospitality industry. Future efforts may include a quantitative examination of the model proposed in Figure 5.1.

Conclusion

Entrepreneurial networking is gaining importance as a factor in small firm business success (Anderson, Dodd, & Jack, 2010; Bratkovic, Antoncic, & DeNoble, 2012). Extant literature has highlighted the benefits of social networking; however, small firm research shows the need to further inquire into how elements of entrepreneurial networks contribute to the success of the entrepreneurial process. This study sought to identify drivers and outcomes of networking participation among owner-managers of small hospitality providers in the Malaysian context. This study employed a qualitative, multiple case study design. Findings from this study confirmed the importance of social networking among small firm entrepreneurs and further extended previous research to identify specific motivators, barriers, strategies, competencies and personal characteristics as well as outcomes of networking participation. This study also highlighted the importance of context (i.e. type of business and local culture) in shaping

networking relationships. From an HRD perspective, networking is an important competence for entrepreneurs and merits further exploration to contribute to a better understanding of how training and development efforts may contribute to the success of networking processes.

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Appendix A: Interview Guide

SEMI STRUCTURED INTERVIEW GUIDE

Project Title: Entrepreneurial networking in small hospitality business in Malaysia

Researchers:
Victoria Jonathan (doctoral candidate in Human Resource Development, Department of
Organizational Leadership, Policy and Development, University of Minnesota, U.S.A.,
jonat005@umn.edu, Tel: 011-31999880)

Professor Alexandre Ardichvili (Advisor, Department of Organizational Leadership, Policy and
Development, University of Minnesota, U.S.A., ardic001@umn.edu)

Date: _____   Interviewer: _____
Name of company: Respondent:

_____   _____
Location/ Address: Position in company:

_____   _____
Start time: Completion time:

_____   _____

INTRODUCTION
- Establish rapport, thank participant for his/her time, etc
- Explain purpose of the interview
- Request permission to record interview
- Explain consent form and get consent

I. BACKGROUND OF BUSINESS OWNER/ MANAGER
Please circle or fill in your answers.

1. Are you: Male / Female

2. Age (years) :

    a) <30 years   b) 31-40 years   c) 41-50 years   d) 51-60 years   e) >60 years

3. What is the highest level of formal education you have completed?
    a) Primary level education
    b) Secondary level education
    c) Vocational school
    d) University/college (Please state your major) _____
    e) Others _____

4. Please list down previous training that you have (eg. tourism & hospitality, entrepreneurial,
    management, leadership, marketing, finance)

    _____

5. Please list down previous experiences that you have held (either in the same capacity or others):

Work experience	Position	Years involved
Eg. Marketing	*Marketing executive*	*10*

6. How long has this current business been in operation? _____ years

7. Did you establish this business? Yes / No

8. Number of owner(s)/ partners _____ people

9. If you are the manager (not owner), how long have you managed this company? _____ years

10. How many hours (on average) do you work for the business per week? ____hours

11. Do you have a business plan? Yes / No

12. How many staff (including yourself) are employed in your business currently?

    Full time: _____ people   Seasonal: _____ people
    Part time: _____ people   Family members: _____ people

13. Do you view the business as a family-controlled business?   Yes / No

14. How many locations does the business have? _____ locations

15. In the past six months, please approximate the number of people you have discussed aspects of running your business with _____ people

16. Please indicate up to five (5) people with whom you feel especially willing or able to discuss business matters with regarding your current business (use pseudonyms, positions or relationship)

    1 _____
    2 _____
    3 _____
    4 _____
    5 _____

Thank you for your participation ☺

II INFORMATION ON THE BUSINESS

1. Please provide a brief history of your business operations

2. Please describe your primary role in the business

3. How would you define success for your business?

4. How well do you think your business is doing?

5. Please describe what are your plans for expanding your business in the next 1-2 years

III INFORMATION ON NETWORKS, RELATIONSHIPS & USE

6. Please share some of the challenges/ problems that you face during the operation of your business? How do you overcome the challenges/ problems you faced?

7. Who do you seek help/ support for your business?

8. Please describe your understanding of networking in your business

9. Can you give an instance when networking was useful? Can you give an instance when networking was not useful?

10. At what stages of the business were the networks most useful?

11. Describe your participation in an association or network group

12. Describe the people/ group/ contacts that you deal with regarding your company.

13. How have technology (eg. Internet, social media tools Facebook, Twitter, LinkedIn, Instagram) shaped your social networking experience, relationship and networking?

IV NETWORKING BEHAVIOR, SKILLS & TOOLS

14. What do you think are important when networking?

15. What is your most valuable approach to networking with others?

16. What recommendations would you give to potential entrepreneurs in terms of using networks and networking in a similar business?

CLOSING
- Arrangements for future contact (if necessary)
- Thank the participant

Appendix B: Recruitment Script (Email or Phone)

To   : Entrepreneur/ Manager of small budget hotel
Subject: Entrepreneurial Networking Research – Invitation to Participate in Interviews

Dear [insert name or position],

My name is Victoria Jonathan. I am a doctoral candidate studying human resource development at the University of Minnesota, United States. I am writing to request your help and participation in a research study on networking relationships of entrepreneurs in Malaysian budget accommodation. With this research project, I am trying to get practical answers that will help young entrepreneurs do better.

You can help by participating in an interview approximately 60-90 minutes, to be conducted at your office at a time and date of your preference. The questions are about your networking participation and experience while managing the business. You are selected as a possible participant because you have been identified as an entrepreneur/manager of a budget accommodation.

Your participation is voluntary and the information obtained will be kept confidential and used only for academic purposes. Although the findings of this study may be published, no information that can identify you will be included. This study is approved by the University of Minnesota Institutional Review Board.

I value your time and willingness to share your experience. If you would like to participate, **please respond to this email by _____.** If you have any questions on the research or require further information, I can be contacted at 011-31999330 or email jonat005@umn.edu.

I look forward to hearing back from you. Thank you.

Sincerely,

Victoria Jonathan
Researcher
Department of Organizational, Leadership and Policy Development
University of Minnesota
U.S.A.

Appendix C: Information Sheet for Research/Consent Form

INFORMATION SHEET FOR RESEARCH
Entrepreneurial networking in small hospitality business in Malaysia

You are invited to be in a research study on networking relationships of entrepreneurs in the Malaysian tourism SMEs. You were selected as a possible participant because you have been identified as an entrepreneur/manager of a small accommodation. We ask that you read this form and ask any questions you may have before agreeing to be in the study.

This study is being conducted by: Victoria Jonathan, doctoral candidate in Human Resource Development, Department of Organizational Leadership, Policy and Development, University of Minnesota, U.S.A.

Purpose of the Study

This study will explore the entrepreneurial networking of entrepreneurs/managers in Malaysian small accommodation. Findings from this study will provide valuable information to entrepreneurs/managers, entrepreneurship educators, and researchers on the entrepreneurial networking process and participation in Malaysia.

Procedures

If you agree to be in this study, I would ask you to do the following things:

Accept the invitation to participate in the interview session. The interview will be face-to-face, between 60-90 minutes in your office at a time and date of your choice. The researcher will provide all forms and materials needed for completion of this study.
While taking part in the interview, be as candid and honest about your experiences related to the questions asked. I will be audio taping the interview session in order to transcribe the conversation at a later time. If you do not wish to be recorded, only notes will be taken. No personal identifying information will be used.

Confidentiality

The records of this study will be kept private. In any sort of report I might publish, I will not include any information that will make it possible to identify a subject. Research records will be stored securely and only researchers will have access to the records.

Study data will be password-protected to ensure protection of confidentiality. I will be the only person with access to the recordings. I will immediately transcribe the recording. Your file will be identified by a number rather than your name. Once the transcription is complete, the recording will be deleted.

Voluntary Nature of the Study

Participation in this study is voluntary. Your decision whether or not to participate will not affect your current or future relations with the University of Minnesota. If you decide to participate, you are free to not answer any question or withdraw at any time without affecting those relationships.

Contacts and Questions

The researcher conducting this study is Victoria Jonathan. You may ask any questions you have now. If you have questions later, **you are encouraged** to contact Victoria at 01131999880 or (+1612) 819 4578 or email at jonat005@umn.edu. You may also contact my Ph.D. advisor, Dr. Alexandre Ardichvili at ardic001@umn.edu.

If you have any questions or concerns regarding this study and would like to talk to someone other than the researcher(s), **you are encouraged** to contact the Research Subjects' Advocate Line, D528 Mayo, 420 Delaware St. Southeast, Minneapolis, Minnesota 55455; (+1612) 6251650.

You will be given a copy of this information to keep for your records.

Appendix D: IRB Approval

TO : ardic001@umn.edu, jonat005@umn.edu,

 The IRB: Human Subjects Committee determined that the referenced study is exempt from review under federal guidelines 45 CFR Part 46.101(b) category #2 SURVEYS/INTERVIEWS; STANDARDIZED EDUCATIONAL TESTS; OBSERVATION OF PUBLIC BEHAVIOR.

Study Number: 1606E88383

Principal Investigator: Victoria Jonathan

Title(s):
Entrepreneurial networking and competency in the Malaysian tourism small and medium enterprises (SMEs)

 This e-mail confirmation is your official University of Minnesota HRPP notification of exemption from full committee review. You will not receive a hard copy or letter.

This secure electronic notification between password protected authentications has been deemed by the University of Minnesota to constitute a legal signature.

The study number above is assigned to your research. That number and the title of your study must be used in all communication with the IRB office.

Research that involves observation can be approved under this category without obtaining consent.

SURVEY OR INTERVIEW RESEARCH APPROVED AS EXEMPT UNDER THIS CATEGORY IS LIMITED TO ADULT SUBJECTS.

This exemption is valid for five years from the date of this correspondence and will be filed inactive at that time. You will receive a notification prior to inactivation. If this research will extend beyond five years, you must submit a new application to the IRB before the study's expiration date. Please inform the IRB when you intend to close this study.

Upon receipt of this email, you may begin your research. If you have questions, please call the IRB office at (612) 626-5654.

You may go to the View Completed section of eResearch Central at http://eresearch.umn.edu/ to view further details on your study.

The IRB wishes you success with this research.

We value your feedback. We have created a short survey that will only take a couple of minutes to complete. The questions are basic, but your responses will provide us with insight regarding what we do well and areas that may need improvement. Thanks in advance for completing the survey. http://tinyurl.com/exempt-survey