



**Listening to micro-business operators:  
what are their social and educational  
needs?**

R. Helen Samujh

Waikato Management School, New Zealand  
&  
Southern Cross University

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# **Listening to micro-business operators: what are their social and educational needs?**

*R. Helen Samujh*

*Waikato Management School (Waikato, New Zealand) and  
Southern Cross University (NSW, Australia).*

## **Abstract:**

This paper discusses issues that had been revealed during 15 in-depth interviews and a subsequent questionnaire survey of 91 micro-business (five or fewer employees) operators in Hamilton, New Zealand. 'How to support micro-business operators in their efforts to achieve successful, sustainable self-employment within this changing social world?' has been the guiding research theme. The questionnaire was used to gauge opinions on and the extent of attitudes and feelings about being self-employed that had been revealed during the in-depth interviews and small business literature. This work gives voice to the perspectives of micro-business operators rather than that of experts or small business operators in general.

Findings from this research suggest that micro-business operators need to be provided with opportunities for support and education to cope with psychological and social factors, particularly with fears, anxiety and isolation. Further, it appears that support is not available to micro-business operators in a way they can readily engage with. Lack of time appears as a reoccurring theme. Given the global trend towards self employment as a career option in the 21<sup>st</sup> Century, social policy makers need to be aware of the changing social and education needs and provide support to enhance micro-business start-up, survival and growth by encouraging initiatives that facilitate co-operative relationships and build social skills.

Keywords: micro-business; education; self-employment.

## Introduction

Adkins (2003) argued at the 2003 Social Change Research Conference that the New Economy called for a new type of “worker”. Adkins, along with others, has acknowledged the changing social and economic world where the large corporate model is being replaced by employment as a mosaic comprising “portfolio” careers, of contract employment, self-employment and independent service providers operating as micro-businesses (Baines & Robson, 2001; Keogh & Galloway, 2004).

Micro-business, the lowest end of the small and medium-sized enterprise sector, is generally defined by the number of employees. In New Zealand (NZ) and Australia the definition is usually those businesses with between 0 and 5 employees (Micro business consultative group, 1998; Ministerial Panel on Business Compliance Costs, 2001; Small Business Advisory Group, 2004).

Attention to the contribution of micro-businesses is comparatively recent. A shift towards smallness has been observed since the 1970s. A shift propelled by intensifying global competition, market fragmentation, increasing uncertainty and changes in the character of technological progress (Thurik & Wennekers, 2004).

The move from being an employee to being self-employed is a life style change and support is needed to help deal with this change. Bender (1990) advocates that education programs must incorporate the concept of personal growth for each participant to prepare them for such change. Yet, the consideration of a career as self-employed person is not being actively promoted by careers advisers in schools (Small Business Advisory Group, 2004) much less being included in education programs. It appears that much research needs to be undertaken to understand the social contexts of the self-employed as micro-business operators and the effects of the transition from being an employees to becoming a self-employed businessperson.

This paper discusses some of the social issues that had been revealed by 15 in-depth interviews and a subsequent questionnaire survey of 91 micro-business operators in Hamilton (NZ). ‘How to support micro-business operators in their efforts to achieve successful, sustainable self-employment within this changing social world?’ has been the guiding research theme. Thus, this study focuses on a subset of a larger ongoing research study into the educational needs of micro-business operators.

This paper is structured in three sections: firstly, the background to the subject and the research methods used in this New Zealand based study, secondly, the issues raised by informants during the interviews and the results of the questionnaire survey, and thirdly, the discussion and conclusions drawn from this research.

## **Background and research methods**

### ***Background***

The significant numbers of micro-businesses in New Zealand (86% of all businesses), their successes, failures and overall contribution to the national economy are of significant import. There are approximately 260,000 micro-businesses with greater than \$30,000 annual GST expenses or sales. They provided 22.7% of all FTEs (full time equivalent employees) in 2003 - a significant proportion of NZ's total employment (Ministry of Economic Development, 2004).

Of the 48,970 micro-businesses started in 1995, 55 % survived two years, 46.4% survived three years and after 5 years only 27.4 were still active (Ministry of Economic Development, 2003, p. 13). Micro-businesses can provide an important source of income for the operator and employees alike and although many micro-businesses may not have employees (Greenbank, 2000), they have employment generation capabilities and potential. Further, they provide several key services particularly in the local economy.

Self-employment promotes a culture of saving and investing in society. Those seeking self-employment are noted to have increased propensity to save and invest induced by their desire to own and operate their own business (Temtime, Chinyoka, & Shunda, 2004). New small businesses are an important vehicle for entrepreneurship, introducing innovative and competitive power to the business world (Thurik & Wennekers, 2004). And, entrepreneurship is seen to be a vital determinant of economic growth, which contributes in turn to social and political well-being.

Jay (2003, p. 136) notes

Over the past 20 years, governments across Australia have spent considerable funds attempting to provide support for new small firms, principally through the establishment and maintenance of advisory agencies for small business operators.

In New Zealand and Australia, various Government policy initiatives have been introduced to encourage setting up small and micro businesses. Policies targeting education to increase human capital of the population, lowering compliance costs for small businesses and promoting knowledge and technological transfers to innovative new businesses. Appropriate support and advice may be a key to increasing the chances of survival, but what is 'appropriate'? The voices of the micro-business operators have not been well researched, much less heard or reported. For example, a recent cost-compliance survey of SMEs included 760 enterprises, of those only 147 responses (19.3%) were from micro-businesses

(Business New Zealand - KPMG, 2003), their voices were lost within the generalised responses from SMEs.

Empirical research has concentrated on describing small firms and the “embodied assumptions about behaviours are rarely questioned” (Jarvis, Kitching, Curran, & Lightfoot, 1996, p. 11). Further, most previous research has focused on what experts say the operators need to know or how they should behave. For example, Al-Madhoun (2004), citing many supporting publications, argues that managers have to have adequate managerial knowledge and skills to support a successful business and it is effective management that is the most essential ingredient for a SME’s long-term survival and success.

Greenbank (2000) provides a different view from comparing small business with large business. He found that because small business operators work at operational and at management levels, their ways of collecting information are much more informal and not reliant on formal training and managerial knowledge. He noted that individual operators make decisions that are influenced by their personal perspectives as well as influenced by economic structures, social structures and expectations.

As more attention is being directed to business start-ups and self-employment options, emotional factors in doing business are being noted. For example, a current internet survey of business operators “still at school” touches on two factors that might be barriers to entry - “no one takes me seriously” and “lack of confidence in myself” ([www.economicsolutions.com.au](http://www.economicsolutions.com.au)). Fear of business failure was found to be a strong deterring factor of the entrepreneurial propensity by the 2001 Global Entrepreneurship Monitor (Henry, Hill, & Leitch, 2004). Intending (nascent) micro-business operators experience fear of failure, fear of banks, and lack of confidence in their ability to run a business (Fielden & Dawe, 2004). Baines (2001) found insecurity and isolation combined with fear of competition served to prevent the self-employed from forming networks that might have reduced the sense of insecurity and isolation.

This study adds to the growing body of research about the perceptions of micro-business operators and is particularly concerned with the psychological and social factors that could contribute to micro-business success.

### ***Research Methods***

In-depth semi-structured convergent interviews with 15 micro-businesses operators were conducted in Hamilton (NZ). Subsequently a questionnaire survey was used to gauge the extent of issues raised during the interviews and issues distilled from the literature.

Hamilton is a typical urban setting. It has a slightly lower employment rate than that of New Zealand as a whole (90.5% compared with 92.3% for New Zealand). The majority of people aged 15 years and over in Hamilton City work in services and sales occupations. The services and sales sector is the most popular occupational group in New Zealand as a whole. In relation to income, the pattern for Hamilton is also typical of that found in other New Zealand cities. In terms of age and education, the population of Hamilton is similar to that of New Zealand as a whole. However, the population is slightly younger on average (13.0% of the Hamilton population is 60 years or over compared with 15.4% overall), and has slightly higher educational qualifications (<http://www.stats.govt.nz/domino/external...>).

The qualitative data sourced from the interviewees provided rich descriptions and explanations (Miles, 1994) and enabled 'well-grounded' qualitative data to be gathered. Interviews are seen to be particularly effective when theory is relatively underdeveloped (Eisenhardt, 1989). Interviewees are able to explain how their situations were structured and the motivations and interests through which they interpret their situations (Kincheloe, 1991).

There was little data available on the perceptions of micro-business operators in relation to their own problems and training needs. It was therefore necessary to plan one step at a time, reflecting and then building on the understanding gained from earlier steps of the research process. Earlier research cycles inform later ones, for example, information that emerged out of earlier interviews informed the ways in which later interviews were conducted.

Since no register of micro-business in Hamilton exists the snowball sampling method was utilised, whereby a small number of individual operators were identified and these people then identified others who qualified for inclusion in the study (Cohen, Manion, & Morrison, 2000). All those who were asked for interviews accepted, but, only ninety-one useable questionnaires were returned - a response rate of 26%.

Participation by small businesses in survey research has been somewhat problematic for researchers. Response rates are typically range between 25% to 39% (Chrisman & McMullan, 2004; Greenbank, 2000; Lussier, 1995) and have been as low as 8% (Loan-Clarke, Boocock, Smith, & Whittaker, 1999).

The following section firstly identifies the major issues uncovered in the interviews and secondly shares a portion of the questionnaire responses that provided additional perspectives on those issues.

## Findings

### *a. In-depth Interviews*

The major issues identified through interviews with the fifteen micro-business operators could be grouped under three headings:

time management;  
record keeping; and  
isolation and depression.

Other issues were identified (general health, perceived need for multi-skilling and employee related skills) as being present in the subtext in most cases. Furthermore, the researcher found that unburdening appeared to be necessary for most interviewees and paved the way for deeper access to the knowledge, meanings and interpretations individual interviewees gave to their lives and businesses.

#### *Time management*

All of the interviewees referred to problems relating to lack of time.

“The reality is that after a full day at work, I bring home work and start again at the kitchen table, ...”

“... in my anxious state I accepted everything. The consequence is that I now have too much work on hand.”

In spite of the fact that they felt themselves to lack time, interviewees seemed eager to participate in the study. This seemed to relate, in part, to their sense of isolation and their need to unburden.

#### *Record keeping*

Many interviewees expressed fear of reprisals for incompetent, inadequate or delayed record keeping. Interviewees were concerned about stories they had heard about the intransigence of the Inland Revenue Department in relation to tax and GST returns. They presented themselves, as vulnerable and defenceless in relation to a faceless and unconcerned bureaucracy.

“I am treated as though I have a big business with a team of people to do the work.”

“There is a temptation to ignore the thwarting bureaucracy, form filling, licenses, etc.”

Research suggests that small businesses are not good at paperwork and would rather spend time doing their business (providing the service or producing the product) rather than running their business (management and administrative tasks). Small businesses feel they are engaging in an unequal struggle. The

problem appears, therefore, to relate more to fear of failure than to actual failure. The underlying problem appears to be lack of confidence.

### *Isolation and depression*

A sense of isolation was one of the most common problems to which reference was made by the interviewees. This sense of isolation was typically related to depression.

One interviewee described her feelings following the change to self-employment. She said that she would wake up at night and think “what the hell have I done?”, shudder with fear, and then feel tired and less able to work effectively next day. Another became overwhelmed with the work load. He said

“... amounts owing to us had not been paid because we had not issued follow-up reminders. Our computer was failing and we needed a new computer to do any work we might take on. A sense of depression, and tiredness and overwhelming odds overtook me. I could not get started and basically went to bed for three days. “

It is likely that those entering self-employment would benefit from gaining some understanding of the psychological processes involved and their likely consequences. In doing so, they might learn to recognise and acknowledge the real nature of their problems as and when they occur and learn coping strategies that would enable them to escape earlier from the inability to cope that accompanies dysthymic reaction.

These interviews reveal that feelings and emotions, such as the sense of loneliness and depression, often impinge on the performance of practical duties and responsibilities. That is, competencies in practical business areas are less of an issue than might be supposed. Owner-managers may have the competence to organize their businesses effectively, but may lack the ability to do so because of the crippling effects of lack of confidence and lack of a sense of effective emotional support. Thus, the first two issues cannot be divorced from the last.

These interpretations and findings from the literature were incorporated into the questionnaire survey. The questionnaire contained 40 questions, however only the responses to six questions, pertaining to social and support issues, are discussed in this paper.

## ***b. Questionnaire survey***

The questions addressed here are

- why did the respondent become self-employed,
- what concerns were anticipated and which of those concerns eventuated,
- what is the hardest part about being self-employed,
- what support was used and how effective was that support,
- what business magazines are read, and
- what are the rewards of being self-employed.

Table 1 shows selections the respondents made that best described the reasons why they had become self-employed.

**Table 1: Reasons for becoming self-employed**

No.	%	
46	50.5	I wanted to be my own boss
42	46.2	I wanted more job satisfaction
32	35.2	I wanted more flexible hours of work
31	34.1	I wanted more money
25	27.5	I wanted recognition for what I do well
16	17.6	I wasn't using my skills
16	17.6	I was bored
15	16.5	I was tired of being told what to do
15	16.5	I couldn't find a suitable job
14	15.4	I wanted employment where I could prepare better for retirement
8	8.8	I wanted more free time
5	5.5	I couldn't find a job

The majority in this sample appeared to be seeking self-autonomy. They wanted to be their own boss, to reap the rewards (money and recognition) of using their talents and to organise their own work-time. Several respondents felt they were not using their skills, were bored and/or were tired of being told what to do. Fourteen respondents indicated self-employment was seen to enable them to better prepare for retirement. Job choice was the reason for 20 respondents ("I couldn't find a suitable job" and "I couldn't find a job") whilst eight respondents wanted more free time.

Respondents were also asked about their planning processes prior to becoming a micro-business operator to see if they had anticipated psychological factors that appeared as themes during the interviews. They were asked to identify concerns that had not been considered during their initial planning and then to identify those that had eventuated (Table 2). The comparison

**Table 2: Comparison of the concerns overlooked in initial planning and their eventuality**

	OVERLOOKED		OCCURRED	
	No.	%	No.	%
Anxiety/stress	41	45.1	45	49.5
Too little free time	47	51.6	44	48.4
Fatigue	36	39.6	34	37.4
Becoming worried about possible failure	35	38.5	29	31.9
Isolation	27	29.7	29	31.9
Your health causing problems for the business	19	20.9	22	24.2
Inadequate skills	13	14.3	13	14.3
Death or illness of family or friends	14	15.4	12	13.2
Becoming obsessed with success	13	14.3	8	8.8
Other concerns	10	11	7	7.7

‘Anxiety/stress’ and ‘too little free time’ had not been considered in the initial planning by the greatest number of respondents and also turned out to be the most dominant concern.

Fatigue, worry about possible failure and isolation were experienced by 30-40% of the respondents. “Other concerns” specified by the respondents included difficulties resulting from the birth of a baby, unavailability of good staff or staff at all, lack of relief for holidays, low productivity, lack of ability to focus, poor tax planning (“didn’t put aside money for income tax on earnings in the first year of profit making”) and ‘wear and tear’ on the body.

The questions were designed to enable concerns and aspects of fear to be made explicit and to see if the respondents had considered the aspects that had been identified as concerns by the self-employed interviewees. Whether fears were well-founded or ‘False Expectations Appearing Real’ as the individual faced the unknown or unfamiliar state of being self-employed remains unanswered. It appears that a significant minority of the respondents did not either overlook nor experience such concerns. Alternatively, they might have been unwilling to acknowledge having overlooked certain aspects in planning.

Level of skills was not seen as a great problem.

To garner greater understanding of the concerns and realities of being self-employed, the respondents were asked what they experienced as the hardest part of being self-employed. Long working hours was the hardest part experienced by 69.2 % of the respondents (Table 3). This could have contributed to the concerns of too little free time and fatigue identified in Table 2.

**Table 3: The hardest part of being self-employed**

	Hard or very hard	Some-what hard	% "Hard"	Not hard
Working long hours	38	25	69.2	17
Bearing costs greater than initially anticipated e.g. advertising, lawyers, etc.	35	25	65.9	14
Earning profits less than initially anticipated	30	25	60.4	13
Keeping up with taxes and GST	29	25	59.3	25
Having too much responsibility	25	17	46.2	33
Keeping up with new processes or products	18	17	38.5	36
Dealing with employee related problems	15	10	27.5	20
Keeping up with changes in the computer world e.g. internet, programs, etc.	11	18	31.9	31

Working long hours and bearing costs greater than expected were the hardest things about being self-employed. Both of these factors would serve to increase a sense of anxiety and reduce opportunities for making social contacts and gaining support that could reduce the sense of isolation. The other factors mentioned would also mitigate against taking time to seek or use (and pay for) support services. The self-employed were so busy "keeping up with" what they felt they needed to do.

Information was sought on the types of support used for the business and how effective it was perceived to be. Accountants and family members were found to be the principal sources of support and were also rated most effective (Table 4).

**Table 4: Support used for the business and effectiveness of that support.**

	Highly effective	Good	Good + highly effective	Not very effective	Useless	Never used
Accountant	30	38	68	11	4	2
Family	35	32	67	7	2	10
Friends	15	38	53	7	3	13
Banker	5	32	37	14	13	15
Lawyer	8	23	31	9	5	26
World Wide Web (general)	8	22	30	5	1	32
Business mentor	9	11	20	5	5	37
World Wide Web (BIZinfo)	6	12	18	4	2	42
Enterprise Agency	8	7	15	3	3	45
Government officials	2	10	13	8	9	39
Local body offices	1	7	8	1	6	48
Investment Adviser	2	3	5	8	5	47
Citizens' advice bureau	1	2	3	2	1	58

Accountants and family were ranked the best at providing good or highly effective support by respondents (74.7% and 73.6% respectively of the sample). Only two of those responding to this question said that they had not used an accountant. The top four support groups were a mixture of professionals (accountants and bankers) and members of personal networks (family and friends). By contrast, government supplied services (BIZinfo, Enterprise Agency, Government officials, Local Body offices and the Citizens' advice bureau) were used less and generally related lower than the other support servers.

The use of the internet/World Wide Web reflected the use of computers to access the internet, whereby only 57 respondents (62%) indicated that they used the internet to access business information. The most popular uses were accessing business plans, markets and business laws and regulations.

It was expected that if operators did not use the Internet to gather business related information they might rely on “hardcopy” sources. However, only 22 of all those surveyed (24%) showed they read regularly for business ideas and contacts. A lack of common reading material was evidenced by the number of mentions listed below:

- 8 - "Her Business"
- 5 - Newspapers
- 2 - “National Business Review”
- 2 - “NZ Business”
- 2 - “Waikato Business News”
- 2 - “Hospitality”

Several magazines, gazettes, journals, newsletters, pamphlets and bulletins received single mentions reflecting the varied interests of the 22 respondents (eg Boardroom, Midwifery Today, Net Guide, NZ Gardener, and NZ Retail) and appears to confirm a lack of homogeneity amongst micro-business operators. The highest number of mentions was eight for “Her Business”, a magazine that targets New Zealand women starting up a small business. It would be difficult reach this sample of micro-businesses through a single print media.

If being self-employed is fraught with fears, concerns, barriers and difficulties there also must be benefits. The respondents identified several rewards from being self-employed (Table 6).

**Table 6: Rewarding aspects of self-employment**

No.	%	
64	70.3	being in control of my own destiny
60	65.9	personal growth and development
53	58.2	being able to use my special skills
50	54.9	seeing my ideas being implemented
50	54.9	more flexible work hours
35	38.5	anticipated financial benefits
35	38.5	taking risks and receiving the rewards from taking risks
32	35.2	current financial benefits
15	16.5	more free time

The three most rewarding aspects of self-employment were being in control of my destiny (70.3%); personal growth and development (65.9%); and being able to use my special skills (58.2). Thus the perceived rewards for being self-employed are principally intrinsic, relating to self-actualisation.

Economic benefits and 'more free time' were the least rewarding aspects. These aspects were also noted to be the hardest part of being self-employed (discussed earlier). Few respondents were able to work less hours even though those hours could be taken in a more flexible manner. It appears that the respondents were able to achieve some of the self-autonomy reasons for being self-employed but the desire to earn more money was not currently being achieved.

However, the majority (83.5%) of the respondents indicated that they were glad to be self-employed. Seven respondents (7.7%) indicated that they were unsure. Only six respondents stated that they were not glad to be self-employed. So, regardless of the survival rates of small businesses and the relative non-achievement of their monetary ambitions, this group of Hamilton micro-business operators were relatively satisfied being self-employed.

## **Discussion and Conclusions**

Management education for small business operators has come under much criticism, with claims that training for business has not been proved to be successful (Jay & Schaper, 2003). However, new directions appear to be emerging through researchers' observations and growing understandings of the everyday lives of the self-employed. For example, the ways they respond to their individual, social and economic 'worlds' and make decisions.

° Rae (2004, p 199) observes "a progression from intuitive 'gut-feel' decision-making to an explicit process based on prior learning of 'what works'".

° Greenbank (2000b, p 409) notes "the use of informally absorbed information and intuitive decision making can generally be regarded as the most appropriate for such businesses."

° Baker (2001) finds that improvisation is a valued skill used frequently in time pressured situations and that entrepreneurs can be taught to improvise well.

These writers urge business advisers and educators to take into account the ways in which the self-employed 'do business' and consider whether the formalised, objective approaches used for large enterprises are appropriate for small businesses.

The questionnaire respondents appeared to enter into self-employment to achieve better self-autonomy and the rewards they found from being in business were related to intrinsic values rather than money making motives. Stanworth (1997) showed a trend in UK of a new class of small business owners who had no real aspiration to become self-employed. These people had been pushed into self-employment, somewhat reluctantly through force of circumstance such as

redundancy, restructuring, and resizing. This study did not find such a group, the respondents appeared to be acting in accord with changing economic circumstances and were creating their own career path through self employment in a micro-business.

Concerns that had been overlooked during initial planning and their eventuality appears to indicate the two issues of 'too little time' and 'Anxiety/stress' predominate the unplanned concerns and subsequent occurrence. Analysis of the responses became somewhat problematic as the questions required respondents to consider gaps in their planning of somewhat uncomfortable feelings (anxiety) and occurrences (death). In addition, responses to this question may have been distorted by respondents' recollections of what happened prior to start-up. Psychological research indicates that stored information is malleable and subject to change and distortion during the retention stage (Law Commission, 1999, p. 6). Memories may change simply as a function of time. As time passes, reliability decreases. Furthermore, because both perception and memory involve choice and decision-making, they are inevitably affected by abilities, motives, and beliefs. Each person, in attempting to recall past events, is an active rather than a passive perceiver and recorder; he or she reaches conclusions about the past by evaluating fragments of information and reconstructing them. (Buckhout, 1974, pp. 23-24). Regardless of these possible distortions, providing some form of mentoring to the newly self-employed may assist in dealing with such concerns that might be overlooked.

Mentoring has been suggested as a panacea for problems of lack of time, confidence and isolation. Mentoring is seen to work on the two levels of career and psychosocial functions (Sullivan, 2000). Mentors are able to help the manager to stand back and reflect without losing focus on the day-to-day business needs and at the same time be provided with opportunities for unburdening. The mentor could also provide feedback and encouragement to the mentees on overall performance as business operators and assist in building self-confidence necessary for operating in a social and commercial world.

The informants of this study reported that the hardest part of being self-employed came from the long hours they had to work. Gold (2003) records issues of time from an interviewee's perspective

"Time to the small business owner/manager has immense value... never enough hours in a day ... There is a need therefore to reserve the right to entrepreneurial freedom without interference from outsiders who may not understand the realities of my particular business."

'Lack of time' could exacerbate the sense of isolation and anxiety, and reduce opportunities to interact with those who could provide support to micro-business operators. If nascent micro-business operators became aware that isolation, anxiety and stress, too little free time, fatigue and worry about possible failure were common concerns then they might be better placed to plan coping strategies and

might avoid depression (as experienced by some of the interviewees in the first part of this study).

If support is available in the community then operators should not be so discouraged. Gatewood (2002, p. 202) suggests

Communities could establish networks of entrepreneurs so that individuals will not feel as isolated, but instead empowered by persons of like mind to whom they can turn to for advice and encouragement.

Perhaps the self-employed could seek out persons suitable to be their mentors from within their existing business networks to add to their support system (Rae, 2004).

For this study the most effective support came from a mixture of professionals and family and friends. A study of 588 nascent entrepreneurs in Italy, Norway, Sweden and USA reached a different conclusion: family was not included in the most important connections (Greve & Salaff, 2003). Perhaps a cultural difference is being observed. Accountants, bankers and lawyers provide a high degree of professional trust but their usefulness may derive more from the requirements of law than as 'value adders' to the business (Gooderham, 2004). Gibb (1997) points out that often advice given may not relate to the 'thrive in the chaos' environment in which micro-businesses operate. Perhaps micro-business operators need to consider using wider support networks.

Support can be drawn from existing networks of customers, suppliers, and employees (Bennett & Robson, 1999; Gibb, 1997). Levy (2003), reports that small business owners prefer talking to customers and suppliers, by phone or face-to-face, to using the internet. Social interaction with 'real people' is the preferred means for communication. However the issue of time scarcity emerges.

An opportunity for building social networks exists prior to setting up a business. Operators find they are busy concentrating on performing everyday operations (Bennis, 2001). Pre-business courses can provide access to a network of nascent and established micro-business operators, trainers, consultants and other support providers that are presented during the course (Henry et al., 2004). Nascent entrepreneurs are encouraged to build their personal relationships to gather resources, such as information, property, capital, credit, business opportunities and possible customers, for their planned business (Hansen, 1995; Rae, 2004). Van Laere (2003) argues that small business operators need to learn to co-operate to survive. Relationships should be maintained or extended to include those that could provide a listening ear and support in times when the non-business (social and psychological) matters need to be addressed. Fielden (2004), reported that peers attending a pre-business start-up workshop provided much needed emotional support for women starting out in self-employment. It appears that the self-employed need to hone their social skills. (Baines & Robson, 2001, p. 349) found

... links with other self-employed people were tentative and fraught with suspicion. Distrust was pervasive and often co-existed painfully with a desire to form new links for information seeking, sociability and to combat the commercial disadvantages of working alone.

Yet, a lack of trust, competitiveness and a desire for privacy tend to work against building relationships and co-operation (Buys & Bow(2002). Privacy issues need to be dealt with before people can build trust, through generalised reciprocity and mutual exchanges which are necessary to develop a co-operative community (Putman, 1995).

Government agencies were not seen as particularly effective (Bennett & Robson, 1999). Several studies have shown that public suppliers of business advice and training are amongst the last used and have negligible impact (Gooderham, 2004). Despite Government's push to provide support via internet and one-stop-business-shops (Ministerial Panel on Business Compliance Costs, 2001; Small Business Advisory Group, 2004), this research found the internet was not highly used and interest in developing internet skills were given low priority as were training in 'management skills' that literature suggests is the predominant cause of small business failure (Al-Madhoun & Analoui, 2004). So, how can the micro-business operator be reached?

One of the most surprising findings was that micro-business operators did not seem to use business magazines. Further, the interests of those who do read appears to reflect the lack of homogeneity amongst micro-business operators. Because there appears to be no common reading material, there is a lack of common avenue for reaching micro-business operators through their reading material. In addition, the lack of time and fatigue aspects mitigate against taking time to read. This study shows that few micro-business operators read, much less read widely.

The Small Business Advisory Group (2004) perceived that small business operators did not devote the time necessary to keep themselves up-to-date. Further, the Group noted that the operators did not value expert advice and were fearful "that their ideas might be 'stolen' if shared with others" (p. 8). Still (1996, p. 232) suggests that a lack of knowledge of the availability of information or the perceived cost of information prevents small business owners from accessing and using information that is available.

Perhaps micro-business operators perceive themselves as having too little time to do all that is required, rather than as lacking the organizational skills to apportion their time effectively and use what time is available to maximum benefit. Time management priority, setting skills and coping strategies *seem* to be necessary for micro-business survival as well as technical skills needed for daily business operations. The need for more research is indicated to test this proposition.

Rather than focus on generalisations, this research project sought to discover the range of perceptions that exist amongst micro-business operators to inform policy makers and theorists alike. It sought to document individual reality rather than to develop a set of common norms. The results are from a small number of interviews and questionnaire respondents selected from one urban locality in NZ. Further, the memories of those that did respond might be selective. Survey participation rates of micro-business operators are problematic - typically under 40% - and therefore subject to self-response bias. However, this research has provided adult micro-business operators a voice to express their perceptions of their concerns, needs and satisfactions. This study has unearthed several issues that need to be addressed by further research particularly with relation to psychological factors such as anxiety and the effects of isolation.

Given the global trend towards self-employment as a career option, support agencies and social policy makers need to be aware of the changing social needs and support that could be provided to enhance micro-business start-up, survival and growth.

Growing awareness amongst policy-makers, industry, and education specialists, of the potential benefits of combining vocational studies with business, and specifically enterprise education has led to a focus on addressing this - practitioners need to develop an awareness of business issues during their education. (Keogh & Galloway, 2004)

Findings from this research suggest that micro-business operators need to be provided with opportunities for support and education to cope with psychological and social factors, particularly with fears, anxiety and isolation, in addition to technical skills such as computer applications and the traditional business subjects taught by many education institutions. Further, it appears that support is not available to micro-business operators in a way they can readily engage with. Could support and education be offered that takes into account the expectations of the micro-business operators at start-up and work with the intrinsic factors that they consider important as self-employed persons? Lack of time appears as a reoccurring theme. Aspects of time management need to be addressed. The micro-business operators' existing strengths and networks should be acknowledged and supported - including informal mentors, the development of intuition and the art of improvisation! Initiatives that facilitate co-operative relationships and build social skills of intending micro-business operators should be encouraged.

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