

Dynamics of Networking, Knowledge and Performance of Small and Medium-Sized Tourism Enterprises (SMTEs) in Terengganu, Malaysia

Volume 2 of 2

Submitted by Muaz Bin Azinuddin to the University of Exeter
as a thesis for the degree of
Doctor of Philosophy in Management Studies
In January 2019

This thesis is available for library use on the understanding that it is copyright material and that no quotation from the thesis may be published without proper acknowledgement.

I certify that all material in this thesis which is not my own work has been identified
and that no material has previously been submitted and approved for the award of a degree by this or any other university

Signature:

List of Content	i
List of Appendices	i
List of Appendices' Tables	ii
List of Appendices' Figures	iii
List of Appendices' Equation	v
REFERENCES	1
LIST OF APPENDICES	
Appendix 1 Conversion of RM to £	32
Appendix 2 University of Exeter Business School Research Ethics Form	35
Appendix 3 First Phase Quantitative Data Collection	46
• English	46
• Malay	61
Appendix 4 Second Phase Qualitative Data Collection	73
• English	73
• Malay	77
Appendix 5 Results of Characteristics of Entrepreneurs and SMTEs and Importance of Formal and Informal Networks in SMTEs' Learning	81
5.1 Full Results of the Relationships Between Two Groups' Categorical Variable and the Importance of Formal and Informal Networks in SMTEs' Learning	81
5.2 Full Results of the Relationships Between Three or More Categorical Groups and Importance of Formal and Informal Networks in SMTEs' Learning	84
Appendix 6 Assumptions of the Parametric Analysis of Hierarchical Linear and Multiple Regression	87
6.1 Sample Size	87
6.2 Outliers and Normality	88
6.3 Homoscedasticity and Linearity	96

6.4	Dummy Coding of Control Variables for Hierarchical Linear and Multiple Regression Analysis	100
6.5	Assumptions After the Model Estimations of Hierarchical Linear and Multiple Regression Analysis	102
6.5.1	Use of Formal Networks and Business Management	104
6.5.2	Use of Informal Networks and Business Management	105
6.5.3	Absorptive Capacity and Business Management	107
6.5.4	Use of Formal Networks and Annual Sales Turnover	108
6.5.5	Use of Informal Networks and Annual Sales Turnover	110
6.5.6	Absorptive Capacity and Annual Sales Turnover	112
6.5.7	Use of Formal Networks and Knowledge Absorption Capacity	113
6.5.8	Use of Formal Networks, Knowledge Absorption Capacity and Business Management	115
Appendix 7	Background Information of 14 Entrepreneurs and SMTEs who Participated in the Semi-Structured Interview	117

LIST OF APPENDICES' TABLES

A1.1	Bid and Ask Values and Their Midpoint for RM to £	32
A1.2	Malaysia's CPI from 2007 to 2017	33
A5.1	Summarisation of the Mann-Whitney U Results	82
A5.2	Summarisation of the Kruskal-Wallis Test	85
A6.1	Normality Tests for Dependent Variable of Business Management	90
A6.2	Normality Test Post Deletion of Outlier for Dependent Variable of Business Management	91
A6.3	Normality Test for Dependent Variable of Annual Sales Turnover	94

A6.4	Normality Test of Annual Sales Turnover after Data Transformation of Square Root	95
A6.5	Dummy Coded Variables	100
A6.6	Number of Independent Variables and Chi-Square Critical Value with Alpha Level .001	103
A7.1	Background Information on Entrepreneurs Involved in the Semi-Structured Interview	117
A7.2	Continuation on the Background Information of Entrepreneurs and SMTEs who Participated in the Semi-Structured Interview	119

LIST OF APPENDICES' FIGURES

A6.1	Normal Probability Plot for 119 Cases of the Use of Formal Networks	88
A6.2	Normal Probability Plot for 119 Cases of the Use of Informal Networks	89
A6.3	Normal Probability Plot for 120 Cases of Absorptive Capacity Prior Deletion of Single Outlier	89
A6.4	Normal Probability Plot for 119 Cases of Business Management	90
A6.5	Normal Probability Plot for 119 Cases of Absorptive Capacity Post Deletion of Single Outlier	92
A6.6	Normal Probability Plot for 103 Cases of the Use of Formal Networks	92
A6.7	Normal Probability Plot for 103 Cases of the Use of Informal Networks	93
A6.8	Normal Probability Plot for 103 Cases of Absorptive Capacity	93
A6.9	Normal Probability Plot for 103 Cases of Annual Sales Turnover	94
A6.10	Normal Probability Plot for 103 Cases of Square Root Annual Sales Turnover	95
A6.11	Residual Scatterplot of 119 Cases of the Use of Formal Networks and Business Management	97

A6.12	Residual Scatterplot of 119 Cases of the Use of Informal Networks and Business Management	97
A6.13	Residual Scatterplot of 119 Cases of Absorptive Capacity and Business Management	98
A6.14	Residual Scatterplot of 103 Cases of the Use of Formal Networks and Annual Sales Turnover	98
A6.15	Residual Scatterplot of 103 Cases of the Use of Informal Networks and Annual Sales Turnover	99
A6.16	Residual Scatterplot of 103 Cases of Absorptive Capacity and Annual Sales Turnover	99
A6.17	Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Business Management (119 Cases)	104
A6.18	Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Business Management (119 Cases)	105
A6.19	Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Business Management (119 Cases)	106
A6.20	Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Business Management (119 Cases)	106
A6.21	Normal Probability Plot for Hierarchical Linear Regression Analysis of Knowledge Absorptive Capacity and Business Management (119 Cases)	107
A6.22	Residuals Scatterplot for Hierarchical Linear Regression Analysis of Knowledge Absorptive Capacity and Business Management (119 Cases)	108
A6.23	Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Annual Sales Turnover (103 Cases)	109

A6.24	Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Absorptive Capacity (103 Cases)	110
A6.25	Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Annual Sales Turnover (103 Cases)	110
A6.26	Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Absorptive Capacity (103 Cases)	111
A6.27	Normal Probability Plot for Hierarchical Linear Regression Analysis of Absorptive Capacity and Annual Sales Turnover (103 Cases)	112
A6.28	Residuals Scatterplot for Hierarchical Linear Regression Analysis of Absorptive Capacity and Annual Sales Turnover (103 Cases)	113
A6.29	Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Absorptive Capacity (119 Cases)	114
A6.30	Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Absorptive Capacity (119 Cases)	114
A6.31	Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks, Absorptive Capacity and Business Management (119 Cases)	115
A6.32	Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks, Absorptive Capacity and Business Management (119 Cases)	116

LIST OF APPENDICES' EQUATION

A1.1	Conversion of RM Unit from Year X to £ Based on the Constant Malaysia's Prices in 2016	34
------	---	----

References

- Abd-Manaf, A. R., Harries, M. & Clare, M. (2011). Understanding Quality of Marriage Among Malays. *International Journal of Humanities and Social Science*, 1(4), 170-179.
- Abdul-Halim, M. A. S., Muda, S. & Wan-Mohd-Amin, W. A. A. (2011). The Measurement of Entrepreneurial Personality and Business Performance in Terengganu Creative Industry. *International Journal of Business and Management*, 6(6), 183.
- Abdul-Halim, M. A. S., Zakaria, Z., Hasnan, M. T. & Muda, S. (2012). The Direction of Terengganu Tourism Industry in Sustaining Business Growth: A Conceptual Framework. *International Journal of Academic Research in Business and Social Sciences*, 2(4), 250.
- Abdullah, A. (1996). *Going Global: Cultural Dimensions in Malaysian Management*. Kuala Lumpur: Malaysian Institute of Management.
- Abdul-Hamid, I., 2011. Travel Agency Strategies for Managing The Current Dynamic Environment. *SEGi Review*, 4(1), 71-79.
- Achrol, R. S. (1997). Changes in the Theory of Interorganizational Relations in Marketing: Toward a Network Paradigm. *Journal of the Academy of Marketing Science*, 25(1), 56-71.
- Agarwal, S., Ball, R., Shaw, G. & Williams, A. M. (2000). The Geography of Tourism Production: Uneven Disciplinary Development?. *Tourism Geographies*, 2(3), 241-263.
- Ahmad, S. Z. (2015). Entrepreneurship in the Small and Medium-sized Hotel Sector. *Current Issues in Tourism*, 18(4), 328-349.
- Ahmad, S., Jabeen, F. & Khan, M. (2014). Entrepreneurs Choice in Business Venture: Motivations for Choosing Home-stay Accommodation Businesses in Peninsular Malaysia. *International Journal of Hospitality Management*, 36, 31-40.
- Ahmad, G. (2005a). Small-Firm Owner Managers' Networks in Tourism and Hospitality. *International Journal of Business and Society* 6(2), 37-54.
- Ahmad, G. (2005b). *Small-Firm Network in Tourism and Hospitality: Chalet Firms and Its Owner-Managers Networks* (Unpublished Doctoral Thesis). University of Strathclyde, Scotland.
- Akhir, M. N. M., Kim, K. H. & Suh, C-S. (2013). Structure and Agency in the Malaysia Government's Policies for Economic Development. *The Economic and Labour Relations Review*, 24(4), 495-516.

- Alavi, M. & Leidner, D. E. (2001). Review: Knowledge Management and Knowledge Management Systems: Conceptual Foundations and Research Issues. *MIS Quarterly*, 25(1): 107-136.
- Albrecht, J. N. (2013). Networking for Sustainable Tourism - Towards a Research Agenda. *Journal of Sustainable Tourism*, 21(5), 639-657.
- Aldrich, H. E. & Zimmer, C. (1986). Entrepreneurship through Social Networks. In *Population Perspectives on Organizations*, 13-28. Aldrich, H. E. (ed.). Uppsala: Acta Universitatis Upsaliensis.
- Alvesson, M. & Spicer, A. (2012). A Stupidity-based Theory of Organisations. *Journal of Management Studies*, 49(7), 1194e1220.
- Anderson, M. H. (2008). Social Networks and the Cognitive Motivation to Realize Network Opportunities: A Study of Managers' Information Gathering Behaviours. *Journal of Organizational Behaviour*, 29(1), 51-78.
- Anand, B. N. & Khanna, T. (2000). Do Firms Learn to Create Value? The Case of Alliances. *Strategic Management Journal*, 21(3), 295-315.
- Andaya, B. W. & Andaya, L. (2017). *A History of Malaysia, 3rd Edition*. London: Palgrave MacMillan.
- Anderson, A., Park, J. & Jack, S. (2007). Entrepreneurial Social Capital Conceptualizing Social Capital in New High-Tech Firms. *International Small Business Journal*, 25(3), 245-272.
- Andriotis, K. (2002). Scale of Hospitality Firms and Local Economic Development - Evidence from Crete. *Tourism Management*, 23(4), 333-341.
- Argote, L. & Ingram, P. (2000). Knowledge Transfer: A Basis for Competitive Advantage in Firms. *Organizational Behaviour and Human Decision Processes*, 82(1): 150-169.
- Arnegger, J., Woltering, M. & Job, H. (2010). Toward a Product-based Typology for Nature-based Tourism: A Conceptual Framework. *Journal of Sustainable Tourism*, 18(7), 915-928.
- Arshad, A. S., Rasli, A., Arshad, A. A. & Zain, Z. M. (2014). The Impact of Entrepreneurial Orientation on Business Performance: A Study of Technology-based SMEs in Malaysia. *Procedia-social and Behavioural Sciences*, 130, 46-53.
- Ateljevic, J., Milne, S., Doorne, S. & Ateljevic, I. (1999). *Tourism Micro-firms in Rural New Zealand Key Issues for the Coming Millennium*. Wellington, New Zealand Victoria University Tourism Research Group.
- Atkins, M. H. & Lowe, J. F. (1997). Sizing up the Small Firm: UK and Australian Experience. *International Small Business Journal*, 15(3), 42-55.

- Avcikurt, C. (2003). Auditing Managerial Training Needs of Turkish Small and Medium-Sized Hotel Enterprises. *Managerial Auditing Journal*, 18(5), 399-404.
- Ayala, J., C. & Manzano, G. (2014). The Resilience of the Entrepreneur: Influence on the Success of the Business, A Longitudinal Analysis. *Journal of Economic Psychology*, 42(1), 126–135.
- Badaracco, J. (1991). *The Knowledge Link: How Firms Compete Through Strategic Alliances*. Harvard Business Press.
- Baggio, R., Scott, N. & Cooper, C. (2010). Network science; A Review Focused on Tourism. *Annals of Tourism Research*, 37(3), 802–827.
- Baron, R. M. & Kenny, D. A. (1986). The Moderator-Mediator Variable Distinction in Social Psychological Research: Conceptual, Strategic, and Statistical Considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1181.
- Baron, A. R. (1998). Cognitive Mechanisms in Entrepreneurship: Why and When Entrepreneurs Think Differently than Other People. *Journal of Business Venturing*, 13(3), 275-294.
- Bathelt, H., Malmberg, A. & Maskell, P. (2004). Clusters and Knowledge: Local Buzz, Global Pipelines and the Process of Knowledge Creation. *Progress in Human Geography*, 28, 31-56.
- Baumgartner, T. A., Strong, C. H., & Hensley, L. D. (2002). *Conducting and Reading Research in Health and Human Performance (3rd Edition)*. New York: McGraw-Hill.
- BBC News. (2015). Malaysia Cuts 2015 Growth Forecast on Oil Price Fall, *BBC News*. Retrieved from www.bbc.co.uk
- Beck, T., & Demirguc-Kunt, A. (2006). Small and Medium-size Enterprises: Access to Finance as a Growth Constraint. *Journal of Banking & Finance*, 30(11), 2931-2943.
- Beck, T., Demirguc-Kunt, A., & Maksimovic, V. (2008). Financing Patterns Around the World: Are Small Firms Different?. *Journal of Financial Economics*, 89(3), 467-487.
- Beesley, L. G. A. & Cooper, C. (2008). Defining Knowledge Management (KM) Activities: Towards Consensus. *Journal of Knowledge Management*, 12(3): 48-62.
- Bendle, L. J. & Patterson, I. (2008). Network Density, Centrality, and Communication in a Serious Leisure Social World. *Annals of Leisure Research*, 11(1-2), 1-19.

- Benzing, C. & Chu, H. M. (2009). A Comparison of the Motivations of Small Business Owners in Africa. *Journal of Small Business and Enterprise Development*, 16(1), 60-77.
- Beritelli, P. (2011). Cooperation Among Prominent Actors in a Tourist Destination. *Annals of Tourism Research*, 38(2), 607-629.
- Bernama. (2016). Terengganu MB Reshuffles Exco Portfolios Effective Aug 1. *Bernama*, Retrieved from <http://www.bernama.com>
- Bennett, R. H. I. (1998). The Importance of Tacit Knowledge in Strategic Deliberations and Decisions. *Management Decision*, 36(9), 589-597.
- Bian, Y. (1997). Bringing Strong Ties Back in: Indirect Ties, Network Bridges, and Job Searches in China. *American Sociological Review*, 366-385.
- Birley, S., Cromie, S., and Myers, A., 1991. Entrepreneurial Networks: Their Emergence in Ireland and Overseas. *International Small Business Journal*, 9(4), 56-74.
- Bjerke, B. V. (2000). A Typified, Culture-based, Interpretation of Management of SMEs in Southeast Asia. *Asia Pacific Journal of Management*, 17(1), 103-132.
- Bowman, C., & Swart, J. (2007). Whose Human Capital? The Challenge of Value Capture When Capital is Embedded. *Journal of Management Studies*, 44(4), 488-505.
- Boyd, B. (1990). Corporate Linkages and Organizational Environment: A Test of the Resource Dependency Model. *Strategic Management Journal*, 12(2), 317-335.
- Bramwell, B., & Lane, B. (2000). *Tourism Collaboration and Partnerships: Politics, Practice and Sustainability*. Clevedon: Channel View Publications.
- Brereton, D. & Jones, O. (2001). *Social Networks and Business Start-Ups: A First-Hand Account of Entrepreneurship*. Unpublished Manuscript, Manchester Metropolitan University Business School Working Paper Series, November.
- Bridge, S., O'Neill, K. & Cromie, S. (2003). *Understanding Small Enterprise, Entrepreneurship and Small Businesses, 2nd Edition*. New York: Palgrave MacMillan
- Brown, B. & Butler, J. E. (1993). Networks and Entrepreneurial Development: The Shadow of Borders. *Entrepreneurship and Regional Development*, 5, 101-16.
- Bruderl, J., & Preisendorfer, P. (1998). Network Support and the Success of Newly Founded Business. *Small Business Economics*, 10(3), 213-225.

- Brunetto, Y. & Farr-Wharton, R. (2007). The Moderating Role of Trust in SME Owner/managers' Decision-making About Collaboration. *Journal of Small Business Management*, 45(3), 362-387.
- Bryman, A. (2005). *Research Methods and Organization Studies*. New York: Routledge.
- Bryman, A. (2008) *Social Research Methods*. Oxford: Oxford University Press.
- Burns, P. (2001). *Entrepreneurship and Small Business*. Palgrave MacMillan.
- Burrows, R. & Curran, J. (1989). Sociological Research on Service Sector Small Businesses: Some Conceptual Considerations. *Work, Employment & Society*, 3(4), 527-539.
- Burt, R. S. (2004). Structural Holes and Good Ideas. *American Journal of Sociology*, 110(2), 349-455.
- Busenitz, L. W. & Barney, J. B. (1997). Biases and Heuristics in Strategic Decision-making: Differences Between Entrepreneurs and Managers in Large Organizations. *Journal of Business Venturing*, 12(1), 9-30.
- Bygrave, W. (2000). Calling on Family and Friends for Start-up Cash. In *Mastering Entrepreneurship*, 97-98. Birley, S. & Muzyka, D. (eds.). London: Prentice Hall.
- Camison, C. & Fores, B. (2010). Knowledge Absorptive Capacity: New Insights for its Conceptualization and Measurement. *Journal of Business Research*, 63(7), 707-715.
- Carland, J. W., Hoy, F., Boulton, W. R. & Carland J. A. C. (1984). Differentiating Entrepreneurs from Small Business Owners: A Conceptualization. *The Academy of Management Review*, 9(2), 354-359.
- Carter, S. (1996). Small Business Marketing. In M. Warner, (Ed.), *International Encyclopedia of Business and Management*. London: Routledge.
- CartoGIS Services, College of Asia and the Pacific, The Australian National University. (2012). Malaysia Base. Retrieved from <http://asiapacific.anu.edu.au>
- Central Bank of Malaysia (2013). Circular on New Definition of Small and Medium Enterprise. Retrieved in: <http://www.bnm.gov.my>
- Chelliah, S., Sulaiman, M. & Yusoff, Y. M. (2010). Internationalization and Performance: Small and Medium Enterprises (SMEs) in Malaysia. *International Journal of Business and Management*, 5(6), 27.

- Chen, S., & Elston, J. (2013). Entrepreneurial Motives and Characteristics: An Analysis of Small Restaurant Owners. *International Journal of Hospitality and Management*, 35, 294–305.
- Chilton, M. A. & Bloodgood, J. M. (2007). The Dimensions of Tacit and Explicit Knowledge: A Description and Measure. *In: Proceedings of the 40th Hawaii International Conference on System Sciences*, Hawaii: IEEE Computer Society.
- Chin, C. H., Lo, M. C. & Ramayah, T. (2013). Market Orientation and Organizational Performance: The Moderating Role of Service Quality. *Sage Open*, 1-4.
- Chin, Y. W. & Lim, E. S. (2018). *SME Policies and Performance in Malaysia*. (ISEAS Yusof Ishak Institute No. 2018-3). Singapore: ISEAS Yusof Ishak Institute.
- Choi, C.J. & Hilton, B. (2005). Knowledge Resources: Critical Systems Thinking, Viable System Model and 'Gifts'. *Systems Research and Behavioural Science*, 22(6), 561–564.
- Choo, C. W. (1998). *The Knowing Organization: How Organizations Use Information to Construct Meaning, Create Knowledge, and Make Decisions*. Oxford: Oxford University Press.
- Chua, A. (2001). Relationship Between the Types of Knowledge Shared and Types of Communications Channels Used. *Journal of Knowledge Management Practice*, 2.
- Cohen, J. W. (1988). *Statistical Power Analysis for the Behavioural Sciences*, 2nd Edition. New Jersey: Lawrence Erlbaum Associates.
- Cohen, W. & Levinthal, D. (1989). Innovation and Learning: The Two Faces of R&D. *Economic Journal*, 99, 569–596.
- Cohen, W. & Levinthal, D. (1990). Absorptive Capacity: A New Perspective on Learning and Innovation. *Administrative Science Quarterly*, 35, 128–152.
- Coleman, J. S. (1988). Social Capital in the Creation of Human Capital. *American Journal of Sociology*, 95-120.
- Contractor, F. J. & Lorange, P. (1988). *Cooperative Strategies in International Business*. Lexington MA: Lexington Book.
- Cooper, A. C. (1981). Strategic Management: New Ventures and Small Business. *Long Range Planning*, 14(5), 39-45.
- Cooper, C., De Lacy, T. & Jago, L. (2006). Identification of Inhibitors and Facilitators to Research Adoption in the Tourism Sector. *Gold Coast: Sustainable Tourism Cooperative Research Centre STCRC*.

- Cooper, C. (2006). Knowledge Management and Tourism. *Annals of Tourism Research*, 33(1): 47-64.
- Cooper, C., Scott, N. & Baggio, R. (2009). Network Position and Perceptions of Destination Stakeholder Importance. *Anatolia*, 20(1), 33-45.
- Cooper, C. (2008). Tourism Destination Networks and Knowledge Transfer. *In Network Analysis and Tourism: From Theory to Practice*, 35, 40-57. Scott, N., Baggio, R. & Cooper, C. (Eds.), Clevedon: Channel View Publications.
- Copp, C. B. & Ivy, R. L. (2001). Networking Trends of Small Tourism Businesses in Post-socialist Slovakia. *Journal of Small Business Management*, 39(4), 345.
- Correia, R. F. & Brito, C. M. (2014). Mutual Influence Between Firms and Tourist Destination: A Case in the Douro Valley. *International Review on Public and Nonprofit Marketing*, 11(3), 209-228.
- Costa, C., Breda, Z., Bakas, F., Marilia, D. & Pinho, I. (2015). Profiling the Contemporary Brazilian Tourism Entrepreneur: A Gender Analysis. *Journal of Women's Entrepreneurship and Education*, (3-4), 1-27.
- Cresswell, J. W. & Cresswell, J. D. (2018). *Research Design Qualitative, Quantitative & Mixed Methods Approaches (5th Edition)*. Thousand Oaks, California: Sage Publication.
- Creswell, J. W. & Clark, V. L. P. (2010). *Designing and Conducting Mixed Methods Research, 2nd Edition*. Thousand Oaks, CA: Sage Publication.
- Cromie, S., Birley, S. & Callaghan, I. (1993). Community Brokers: Their Role in the Formation and Development of Business Ventures. *Entrepreneurship & Regional Development*, 5(3), 247-264.
- Cross, R. & Cummings, J. N. (2004). Tie and Network Correlates of Individual Performance in Knowledge-Intensive Work. *Academy of Management Journal*, 47(6), 928-937.
- Custodio, M. J. F. (2014). *Tourism Destination Image and Its Implications for Destination Branding and Competitiveness: The Case of the UK Market in the Algarve*. (Unpublished Doctoral Thesis). University of Exeter, Exeter, United Kingdom.
- Coviello, N., & Jones, M. (2004). Methodological Issues in International Entrepreneurship Research. *Journal of Business Venturing*, 19(4), 485-508.

- Czernek, K. (2017). Tourism Features as Determinants of Knowledge Transfer in the Process of Tourist Cooperation, *Current Issues in Tourism*, 20 (2), 204-220.
- Dahlstrom, R., Nygaard, A., & Crosno, J. (2008). Strategic, Metric and Methodological Trends in Marketing Research and Their Implications for Future Theory and Practice. *Journal of Marketing Theory and Practice*, 16(2), 139–152.
- Darlington, R. B. & Hayes, A. F. (2017). *Regression Analysis and Linear Models, Concepts, Applications and Implementation*. New York: The Guilford Press.
- Davern, M. (1997) Social Networks and Economics Sociology: A Proposed Agenda for a More Complete Social Science. *American Journal of Economics & Sociology*, 56(3), 287-302.
- Davenport, T. H. & Prusak, L. (1998). *Working Knowledge: How Organizations Manage What They Know*. Boston: Harvard Business Press.
- Davidsson, P., Achtenhagen, L. & Naldi L. (2005). Research on Small Firm Growth: A Review. Conference Paper from European Institute of Small Business. Retrieved in: <http://eprints.qut.edu.au>.
- Deakins, D., & Freel, M. (1998). Entrepreneurial Learning and the Growth Process in SMEs. *The Learning Organization*, 5(3), 144-155.
- Deakins, D., Ishaq, M., Smallbone, D., Whittam, G. & Wyper, J. (2007). Ethnic Minority Businesses in Scotland and the Role of Social Capital. *International Small Business Journal*, 25(3), 307-326.
- Debbage, K. G. (1992). Tourism Oligopoly is at Work. *Annals of Tourism Research*, 19(2), 355–359.
- de Klerk, S. & Saayman, M. (2012). Networking as Key Factor in Artpreneurial Success. *European Business Review*, 24(5), 382-399.
- Denicolai, S., Cioccarelli, G., & Zucchella, A. (2010). Resource-based Local Development and Networked Core-competencies for Tourism Excellence. *Tourism management*, 31(2), 260-266.
- Department of Statistics Malaysia. (2017). *Selected Demographic Statistics Estimates, Malaysia, 2017*. Retrieved at <https://www.dosm.gov.my>
- Department of Statistics Malaysia. (2010). *Population Distribution and Basic Demographic Characteristic Report 2010*. Retrieved at <https://www.dosm.gov.my>
- Desouza, K. C. & Awazu, Y. (2006). Knowledge Management at SMEs: Five Peculiarities. *Journal of Knowledge Management*, 10: 32-43.

- Dewhurst, H., Dewhurst, P. & Livesey, R. (2007). Tourism and Hospitality SME Training Needs and Provision: A Sub-Regional Analysis. *Tourism and Hospitality Research* 7(2), 131-143.
- Diaz-Chao, Á., Miralbell-Izard, O. & Torrent-Sellens, J. (2016). Information and Communication Technologies, Innovation, and Firm Productivity in Small and Medium-sized Travel Agencies: New Evidence from Spain. *Journal of Travel Research*, 55(7), 862-873.
- Dieke, P. U. C. (2000). Tourism and Africa's Long Term Development Dynamics. In P. U. C. Dieke (ed.), *The Political Economy of Tourism Development in Africa* (pp. 301–12). New York: Cognizant Communications Corporation.
- Dredge, D. (2006). Policy Networks and the Local Organization of Tourism. *Tourism Management*, 27(2): 269-280.
- Dwyer, L., Cvelbar, L.K., Edwards, D. and Mihalic, T. (2012) Fashioning a Destination Tourism Future: The Case of Slovenia. *Tourism Management*, 33(2), 305-316
- Dyer, J. H. (1996). Specialized Supplier Networks as a Source of Competitive Advantage: Evidence from the Auto Industry. *Strategic Management Journal*, 17(4), 271-291.
- Easterby-Smith, M. & Lyles, M. A. (2003). Knowledge Management and Competitive Advantage. In *The Blackwell Handbook of Organizational Learning and Knowledge Management*, 1-15. Easterby-Smith, M. & Lyles, M. A. (Eds.). Malden, MA: Blackwell Pub.
- Easterby-Smith, M., Antonacopoulou, E. & Ferdinand, J. (2008). Absorptive Capacity: A Process Perspective. *Management Learning*, 39(5), 483-501.
- Ebers, M. (1999). *The Formation of Inter-organizational Networks*. Oxford University Press.
- EIM, (1998). Kleinschalig Ondernemen 1998: *Structuur en Ontwikkeling van het Nederlandse MKB*, Zoetermeer in Verheul, I. & Thurik, R. (2001). Start-up Capital: Does Gender Matter?. *Small Business Economics*, 16(4), 329-346.
- Election Commission of Malaysia. (2018). Keputusan Pilihanraya. Retrieved in <http://spr.primuscore.com>
- Elg, U. & Johansson, U. (1996). Networking When National Boundaries Dissolve: The Swedish Food Sector. *European Journal of Marketing*, 30(2), 61-74.
- Elston, J. A., Chen, S., & Weidinger, A. (2016). The Role of Informal Capital on New Venture Formation and Growth in China. *Small Business Economics*, 46(1), 79-91.

- Elyana, F. N., Al-Mekhlafi, H. M., Ithoi, I., Abdulsalam, A. M., Dawaki, S., Nasr, N. A., Atroosh, W. M., Abd-Basheer, M. H., Al-Areeqi, M. A., Sady, H., Subramaniam, L. R., Anuar, T. S., Lau, Y. L., Mokhtar, N. & Surin, J. (2016). A Tale of Two Communities: Intestinal Polyparasitism Among Orang Asli and Malay Communities in Rural Terengganu, Malaysia. *Parasites & Vectors*, 9(1), 398.
- Eravia, D., Handayani, T., Julina. (2015). The Opportunities and Threats of Small and Medium Enterprises in Pekanbaru: Comparison between SMEs in Food and Restaurant Industries. *Procedia-Social and Behavioural Sciences*, 169, 88-97.
- Erkus-Ozturk, H. (2009). The Role of Cluster Types and Firm Size in Designing the Level of Network Relations: The Experience of the Antalya Tourism Region. *Tourism Management*, 30(4), 589-597.
- European Commission (2016), *User Guide to the SME Definition*. Luxembourg: Publications Office of the European Union.
- Fadeeva, Z. (2004). Development of the Assessment Framework for Sustainability Networking. *Journal of Cleaner Production*, 13(2), 191–205.
- Fernandez-Perez, V., Verdu-Jover, A. J. & Benitez-Amado, J. (2013). Managerial Social Networks and Strategic Flexibility: The Role of Strategic Orientation. *Personnel Review*, 42(2), 134-153.
- Field, A. (2009). *Discovering Statistics Using SPSS: (and Sex and Drugs and Rock 'n' Roll)*. Los Angeles: Sage Publication.
- Finn, M., Elliot-White, M., & Walton, M. (2000). *Tourism and Leisure Research Methods: Data Collection, Analysis and Interpretation*. England: Longman.
- Flatten, T. C., Greve, G. I. & Brettel, M. (2011). Absorptive Capacity and Firm Performance in SMEs: The Mediating Influence of Strategic Alliances. *European Management Review*, 8(3), 137-152.
- Foley, P. & Green, H. (1989). *Small Business Success*. London: Chapman.
- Fontaine, R. & Richardson, S. (2005). Cultural Values in Malaysia: Chinese, Malays and Indians Compared. *Cross-Cultural Management*, 12, 63–77.
- Frazier, B. J. & Niehm, L. S. (2004). Exploring Business Information Networks of Small Retailers in Rural Communities. *Journal of Development Communities* 9(1), 23-42.
- Fuglsang, L. & Eide, D. (2012). The Experience Turn as 'Bandwagon': Understanding Network Formation and Innovation as Practice. *European Urban and Regional Studies*, 20(4), 417-434.

- Fuller, T. (2003). If You Wanted to Know the Future of Small Businesses. What Questions would you Ask?. *Futures*, 35(4), 305–321.
- Gartner, W. C. (1999). Small-scale Enterprises in the Tourism Industry in Ghana's Central Region. *Contemporary Issues in Tourism Development*. 78–89. Pearce, D. W. G. and Butler, R. (eds), London: Routledge.
- Gautam, P. R. (2016). Entrepreneurial Orientation and Business Performance of Handicraft Industry: A Study of Nepalese Handicraft Enterprises. *International Journal of Small Business and Entrepreneurship Research*, 4(2), 48-55.
- Getz, D. & Carlsen, J. (2000). Characteristics and Goals of Family and Owner-operated Business in the Rural Tourism and Hospitality Sectors. *Tourism Management*, 21, 547-560.
- Getz, D., Carlsen, J. and Morrison., A. (2004). *The Family Business in Tourism and Hospitality*. Wallingford, UK: CABI.
- Getz, D. and Petersen, T. (2005). Growth and Profit-oriented Entrepreneurship Among Family Business Owners in the Tourism and Hospitality Industry. *Hospitality Management*, 24, 219-242.
- Ghaziri, H. & Awad, E. (2005). Is There a Future for Knowledge Management?. *Journal of Information Technology*, 16(1): 31-38.
- Glancey, K. & Pettigrew, M. (1997). Entrepreneurship in the Small Hotel Sector. *International Journal of Contemporary Hospitality Management* 9(1), 21-24.
- Grandori, A. & Soda, G. (1995). Inter-firm Networks: Antecedents, Mechanisms and Forms. *Organization Studies*, 16(2), 183-214.
- Grant, R. M. (1996). Toward a Knowledge-based Theory of the Firm. *Strategic Management Journal*, 17(S2), 109-122.
- Grant, R. M. & Baden-Fuller, C. (2004). A Knowledge Accessing Theory of Strategic Alliances. *Journal of Management Studies*, 41(1): 61-84.
- Granovetter, M. (1973). The Strength of Weak Ties. *American Journal of Sociology*, 78, 1360–1380.
- Granovetter, M. (1983). The Strength of Weak Ties: A Network Theory Revisited. *Sociological Theory*, 1(1), 201-233.
- Granovetter, M. (2005). The Impact of Social Structure on Economic Outcomes. *The Journal of Economic Perspectives*, 19(1), 33-50.

- Grawitch, M. J., & Munz, D. C. (2004). Are Your Data Nonindependent? A Practical Guide to Evaluating Nonindependence and Within-group Agreement. *Understanding Statistics*, 3(4), 231-257.
- Greve, A. (1995). Networks and Entrepreneurship – An Analysis of Social Relations, Occupational Background, and Use of Contacts During the Establishment Process. *Scandinavian Journal of Management*, 11(1), 1–24.
- Grossman, E. B., Yli-Renko, H. & Janakiraman, R. (2012). Resource Search, Interpersonal Similarity, and Network Tie Valuation in Nascent Entrepreneurs' Emerging Networks. *Journal of Management*, 38(6), 1760-1787.
- Grover, V. & Davenport, T. H. (2001). General Perspectives on Knowledge Management: Fostering a Research Agenda. *Journal of Management Information Systems*, 18(1): 5-21.
- Guba, E. G., & Lincoln, Y. S. (1994). Competing Paradigms in Qualitative Research. *Handbook of Qualitative Research*, 2(163-194), 105-117.
- Gulati, R., Nohria, N. & Zaheer, A. (2000). Strategic Networks. *Strategic Management Journal*, 21, 203–215.
- Gunn, C. A. (1977). Industry Pragmatism vs Tourism Planning. *Leisure Sciences*, 1(1), 85–94.
- Haan, H. (2004). Small Enterprises: Women Entrepreneurs in the UAE. Dubai: Centre for Labour Market Research and Information (CLMRI), The National Human Resource Development and Employment Authority (Tanmia).
- Hair, J. F., Money, A. H., Samouel, P., & Page, M. (2007). *Research Methods for Business*. West Sussex: John Wiley and Sons Limited.
- Hair, J. F. JR., Black, W. C., Babin, B. J. & Anderson, R. E. (2010). *Multivariate Data Analysis (7th Edition)*. New Jersey: Pearson Prentice Hall.
- Hakansson, H. & Snehota, I. (1997). Analysing Business Relationships. In *Understanding Business Markets: Interactions, Relationships and Networks*, D. Ford (Ed.). London: The Dryden Press.
- Hall, M. C., & Williams, A. M. (2008). *Tourism innovation*. Oxon: Routledge.
- Hall, C. M. (1999). Rethinking Collaboration and Partnership: A Public Policy Perspective. *Journal of Sustainable Tourism*, 7(3), 274–289.
- Hallak, R., Brown, G., & Lindsay, N. J. (2012). The Place Identity – Performance Relationship Among Tourism Entrepreneurs: A Structural Equation Modelling Analysis. *Tourism Management*, 33(1), 143– 154.

- Haley, G. T. & Tan, C. T. (1999). East vs. West: Strategic Marketing Management Meets the Asian Networks. *Journal of Business & Industrial Marketing*, 14(2), 91-104.
- Hallin, C. A. & Marnburg, E. (2008). Knowledge Management in the Hospitality Industry: A Review of Empirical Research. *Tourism Management*, 29(2): 366-381.
- Hamel, G. (1991). Competition for Competence and Inter-Partner Learning Within International Strategic Alliances. *Strategic Management Journal*, 12(SI), 83-103.
- Hamilton, R. T. & Harper, D. A. (1994). The Entrepreneur in Theory and Practice. *Journal of Economic Studies*, 21(6), 3-18.
- Hansen, M. T. (2002). Knowledge Networks: Explaining Effective Knowledge Sharing in Multiunit Companies. *Organization Science*, 13(3), 232-248.
- Haugland, S. A., Ness, H., Gronseth, B-O. & Aarstad, J. (2011). Development of Tourism Destinations; An Integrated Multilevel Perspective. *Annals of Tourism Research*, 38(1), 268-290.
- Haythornthwaite, C. (1996). Social Network Analysis: An Approach and Technique for the Study of Information Exchange. *Library & Information Science Research*, 18(4), 323-342.
- Hazra, S., Fletcher, J., & Wilkes, K. (2014). An Evaluation of Power Relationships Among Stakeholders in the Tourism Industry Networks of Agra, India. *Current Issues in Tourism*, 1-17.
- Heath, C. (2011). Embodied Action: Video and the Analysis of Social Interaction. In *Qualitative Research: Issues of Theory, Method and Practice*, Silverman, D. (Ed.). London: Sage Publication.
- Henderson, J. C. (2003). Managing Tourism and Islam in Peninsular Malaysia. *Tourism Management*, 24, 447-456.
- Henderson, J. C. (2008). Tourism Destination Development: The Case of Malaysia. *Tourism Recreation Research*, 33(1), 49-57.
- Herath, H. M. A. & Mahmood, R. (2014). Strategic Orientations and SME Performance: Moderating Effect of Absorptive Capacity of the Firm. *Asian Social Science*, 10(13), 95.
- Hill, J. & McGowan, P. (1999). A Qualitative Approach to Developing Small Firm Marketing Planning Competencies. *Qualitative Market Research: An International Journal*, 2(3), 167-175.
- Hill, R. & Stewart, J. (2000). Human Resource Development in Small Organisations. *Journal of European Industrial Training*, 24(2/3/4), 105-17.

- Hinton, P. R., Brownlow, C. & McMurray, I. & Cozens, B. (2004). *SPSS Explained*. London and New York: Routledge Taylor & Francis Group.
- Hinton, P. R., McMurray, I. & Brownlow, C. (2014). *SPSS Explained (2nd Edition)*. London and New York: Routledge Taylor & Francis Group.
- Hislop, D., Newell, S., Scarborough, H. & Swan, J. (1997). Innovation and Networks: Linking Diffusion and Implementation. *International Journal of Innovation Management*, 1(4): 427-448.
- Hjalager, A. M. (1997). Innovation Patterns in Sustainable Tourism: An Analytical Typology. *Tourism Management*, 18(1): 35-41.
- Hlupic, V., Pouloudi, A. & Rzevski, G. (2002). Towards an Integrated Approach to Knowledge Management: Hard, Soft and Abstract Issues. *Knowledge and Process Management*, 9(2): 90-102.
- Hoang, H. & Antocic, B. (2003). Network-based Research in Entrepreneurship a Critical Review. *Journal of Business Venturing*, 18, 165-187.
- Holjevac, I. A. (2003). A Vision of Tourism and the Hotel Industry in the 21st Century. *International Journal of Hospitality Management*, 22(2), 129-134.
- Howlett, M. & Ramesh, M. (1995). *Studying Public Policy: Policy Cycles and Policy Subsystems*. Oxford University Press: Toronto.
- Iacobucci, D. & Zerrillo, P.C. (1996). Multiple Levels of Relational Marketing Phenomena, In *Networks In Marketing*, Iacobucci (Ed), 387-409. Thousand Oaks, CA: Sage Publication.
- Inglehart, R. & Baker, W. E. (2000). Modernization, Cultural Change, and the Persistence of Traditional Values. *American Sociological Review*, 65, 19–51.
- Ingram, P. & Baum, J. A. (1997). Chain Affiliation and the Failure of Manhattan Hotels, 1898-1980. *Administrative Science Quarterly*, 68-102.
- Ioannides, D. & Debbage K. G. (1998). Neo-Fordism and Flexible Specialization in the Travel Industry: Dissecting the Polyglot. In *The Economic Geography of the Tourist Industry: A Supply-Side Analysis*, Ioannides D. and Debbage K. D. (Eds.), 99-122. London: Routledge.
- Isaac, S., & Michael, W. B. (1981) *Sample Size Table*. Retrieved on 13 December 2012, from <http://learningstore.uwex.edu/pdf>.
- Itani, H., Sidani, Y. & Baalbaki, I. (2009). United Arab Emirates Female Entrepreneurs: Motivations and Frustrations. *Equality Diversity and Inclusion: An International Journal*, 30(5), 409–424.

- Jaafar, M., Abdul-Aziz, A. R., Maideen, S. A. & Mohd, S. Z. (2011). Entrepreneurship in the Tourism Industry: Issues in Developing Countries. *International Journal of Hospitality Management*, 30(4), 827-835.
- Jamal, T. B. & Getz, D. (1995). Collaboration Theory and Community Tourism Planning. *Annals of Tourism Research*, 22(1), 186–204.
- Jenssen, J. I. & Greve, A. (2002). Does the Degree of Redundancy in Social Networks Influence the Success of Business Start-ups?. *International Journal of Entrepreneurial Behaviour & Research*, 8(5), 254-267.
- Johannisson, B. (1987). Anarchists and Organizers - Entrepreneurs in a Network Perspective. *International Studies of Management and Organization*, 17, 49-63.
- Johannisson, B. & Nilsson, A. (1989). Community Entrepreneurs: Networking for Local Development. *Entrepreneurship and Regional Development*, 1, 3-20.
- Johannisson, B., Alexanderson, K. N. & Senneseth, K. (1994). Beyond Anarchy and Organization: Entrepreneurs in Contextual Networks. *Entrepreneurship and Regional Development*, 6, 329-56.
- Johannisson, B. (2000). Networking and Entrepreneurial Growth. *The Blackwell Handbook of Entrepreneurship*. Oxford: Blackwell, 368-386.
- Johannisson, B., Alexanderson, K. N. & Senneseth, K. (1994). Beyond Anarchy and Organization: Entrepreneurs in Contextual Networks. *Entrepreneurship and Regional Development*, 6, 329-56.
- Johnson, R. B. & Onwuegbuzie, A. J. (2004). Mixed Methods Research: A Research Paradigm Whose Time Has Come. *Educational Researcher*, 33(7), 14-26.
- Karande, K., Shankarmahesh, M. N., Rao, C. P. & Rashid, Z. M. (2000). Perceived Moral Intensity, Ethical Perception, and Ethical Intention of American and Malaysian Managers: A Comparative Study. *International Business Review*, 9(1), 37-59.
- Keats, B. W. & Bracker, J. S. (1988). Toward a Theory of Small Firm Performance: A Conceptual Model. *American Journal of Small Business*, 12(4), 41-58.
- Kelliher, F. & Reinl, L. (2011). From Facilitated to Independent Tourism Learning Networks: Connecting the Dots. *Tourism Planning and Development*, 8(2), 185–197.
- Kienzle, R. & Shadur, M. (1997). Developments in Business Networks in East Asia. *Management Decision*, 35(1), 23-32.

- Kim, J. H., Ritchie, J. B., & McCormick, B. (2010). Development of a Scale to Measure Memorable Tourism Experiences. *Journal of Travel Research*, 51(1), 12-25.
- King, N. (2004) Using Interviews in Qualitative Research. In *Essential Guide to Qualitative Methods in Organizational Research*, Cassell, C. and Symon, G. (Eds.). 11-22. London: Sage Publication.
- King, B. E., Breen, J. & Whitelaw, P. A. (2014). Hungry for Growth? Small and Medium-sized Tourism Enterprise (SMTE) Business Ambitions, Knowledge Acquisition and Industry Engagement. *International Journal of Tourism Research*, 16(3), 272-281.
- Knoke, D. & Kuklinski, J. H. (1991). Network Analysis: Basic Concepts. In *Markets, Hierarchies and Networks*, T. G. (Ed.), 173-182. London: Sage Publication.
- Kogut, B. & Zander, U. (1996). What Firms Do? Coordination, Identity and Learning. *Organization Science*, 7(5): 502-518.
- Kokkranikal, J. & Morrison, A. (2011). Community Networks and Sustainable Livelihoods in Tourism: The Role of Entrepreneurial Innovation. *Tourism Planning & Development*, 8(2), 137-156.
- Kontogeorgopoulos, N. (1998). Accommodation Employment Patterns and Opportunities. *Annals of Tourism Research*, 25, 314-339.
- Korze, S. Z. & Lebe, S. S. (2018). Types of Entrepreneurs in Small Hotels in Slovenia. *Academica Turistica-Tourism and Innovation Journal*, 10(2).
- Koskinen, K. (2003). Evaluation of Tacit Knowledge Utilization in Work Units. *Journal of Knowledge Management*, 7(5): 67-81.
- Kreiner, K. & Schultz, M. (1993). Informal Collaboration in R & D. The Formation of Networks Across Organizations. *Organization studies*, 14(2), 189-209.
- Kruskal, W. H., & Wallis, W. A. (1952). Use of ranks in one- criterion variance analysis. *Journal of the American Statistical Association*, 47, 583–621.
- Lane, P. J., Koka, B. R. & Pathak, S. (2006). The Reification of Absorptive Capacity: A Critical Review and Rejuvenation of the Construct. *Academy of Management Review*, 31(4), 833-863.
- Lane, P. J. & Lubatkin, M. (1998). Relative Absorptive Capacity and Interorganizational Learning. *Strategic Management Journal*, 19(5), 461-477.
- Lashley, C. & Rowson, B. (2010). Lifestyle Businesses: Insights into Blackpool's Hotel Sector. *International Journal of Hospitality Management*, 29(3), 511-519.

- Lashley, C. & Rowson, B. (2007). Trials and Tribulations of Hotel Ownership in Blackpool: Highlighting the Skills Gaps of Owner-Managers. *Tourism and Hospitality Research*, 7(2), 122-130.
- Laursen, K. & Salter, A. J. (2014). The Paradox of Openness: Appropriability, External Search and Collaboration. *Research Policy*, 43, 867–878.
- Lechner, C., Dowling, M. & Welpel, I. (2006). Firm Networks and Firm Development: The Role of the Relational Mix. *Journal of Business Venturing*, 21(4): 514-540.
- Ledgerwood, J. & White, V. (2006). *Transforming Microfinance Institutions: Providing Full Financial Services to the Poor*. World Bank Publications.
- Lee, C., Hallak, R. & Sardeshmukh, S. R. (2016). Drivers of Success in Independent Restaurants: A Study of the Australian Restaurant Sector. *Journal of Hospitality and Tourism Management*, 29, 99-111.
- Lemmetyinen, A. (2009). The Coordination of Cooperation in Strategic Business Networks - The Cruise Baltic Case. *Scandinavian Journal of Hospitality and Tourism*, 9(4), 366-386.
- Levitt, B. & March, J. G. (1996). Organisational Learning. In *Organisational Learning*. Cohen, M. D. & Lee S. S. (Eds.). Thousand Oaks: Sage.
- Lewis, L. (2002). *Managing Business and Service Networks*. New York: Kluwer Academic/Plenum Publishers.
- Lim, L. (2001). Work Related Values of Malays and Chinese Malaysians. *International Journal of Cross-Cultural Management*, 1, 209–226.
- Lin, N. (2001). *Social Capital: A Theory of Social Structure and Action*. UK: Cambridge University Press.
- Liu, C. H. S. (2018). Examining Social Capital, Organizational Learning and Knowledge Transfer in Cultural and Creative Industries of Practice. *Tourism Management*, 64, 258-270.
- Looi, K. H., & Kamarulzaman, Y. (2014). Convergence in the Priorities of Entrepreneurial Values: Empirical Evidence from Malaysia. *Journal of International Entrepreneurship*, 13(1), 67-88.
- Lopez-Ortega, E., Canales-Sanchez, D., Bautista-Godinez, T., & Macias-Herrera, S. (2016). Classification of Micro, Small and Medium Enterprises (M-SME) Based on Their Available Levels of Knowledge. *Technovation*, 47, 59-69.
- Lumpkin, G. T. & Dess, G. G. (1996). Clarifying the Entrepreneurial Orientation Construct and Linking It to Performance. *Academy of Management Review*, 21(1), 135-72.

- Luthe, T., Wyss, R., & Schuckert, M. (2012). Network Governance and Regional Resilience to Climate Change: Empirical Evidence from Mountain Tourism Communities in the Swiss Gotthard Region. *Regional Environmental Change*, 12(4), 839-854.
- MacGregor, R. C. (2004). Factors Associated with Formal Networking in Regional Small Business: Some Findings from a Study of Swedish SMEs. *Journal of Small Business and Enterprise Development*, 11(1): 60-74.
- Mahmood, R. & Hanafi, N. (2013). Entrepreneurial Orientation and Business Performance of Women-owned Small and Medium Enterprises in Malaysia: Competitive advantage as a Mediator. *International Journal of Business and Social Science (IJBS)*, 4(1), 82-90.
- Malhotra, N., Hall, J., Shaw, M. & Oppenheim, P. (2002). *Marketing Research: An Applied Orientation (2nd Edition)*. Harlow: Prentice Hall.
- Mann, H. B. & Whitney, D. R. (1947). On a Test of Whether One of Two Random Variables is Stochastically Larger Than the Other. *Annals of Mathematical Statistics*, 18, 50–60.
- Marouf, L. N. (2007). Social Networks and Knowledge Sharing in Organizations: A Case Study. *Journal of Knowledge Management*, 11(6), 110-125.
- Matusik, S. F. & Heeley, M. B. (2005). Absorptive Capacity in the Software Industry: Identifying Dimensions That Affect Knowledge and Knowledge Creation Activities. *Journal of Management*, 31(4), 549–72.
- Mazzarol, T., Valery, T., Doss, N. & Tein, V. (1999). Factors Influencing Small Business Start-ups: A Comparison with Previous Research. *International Journal of Entrepreneurial Behaviour and Research*, 5(2), 48-63.
- McDonald, M. L., Khanna, P. & Westphal, J. D. (2008). Getting Them to Think Outside the Circle: Corporate Governance, CEO's External Advice Networks, and Firm Performance. *Academy of Management Journal*, 51(3), 453-75.
- McHugh, M. L. (2013). The Chi-Square Test of Independence. *Biochemia Medica*, 23(2), 143-149.
- McLeod, M. T. (2010). *Inter-Organisational Knowledge Sharing by Owners and Managers of Tourism and Hospitality Businesses of the Bournemouth, Poole, and Christchurch Conurbation, United Kingdom: An Analysis of the Motives, Information Content and Networking* (Unpublished Doctoral Thesis). Bournemouth University, United Kingdom.
- McLeod, M. T., Vaughan, D. R., & Edwards, J. (2010). Knowledge Networks in the Tourism Sector of the Bournemouth, Poole, and Christchurch Conurbation: Preliminary Analysis. *The Service Industries Journal*, 30(10), 1651-1667.

- Mertens, D. (2010). *Research and Evaluation in Education and Psychology. Integrating Diversity with Quantitative, Qualitative and Mixed Methods (3rd Edition)*. Thousand Oaks, California: Sage Publication.
- Miles, M. B. & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook, (2nd Edition)*. London: Sage Publication.
- Milgram, S. (1967). The Small-world Problem. *Psychology Today*, 1(1), 61–67.
- Mina, A., Bascavusoglu-Moreau, E. & Hughes, A. (2014). Open Service Innovation and the Firm's Search for External Knowledge. *Research Policy*, 43, 853–866.
- Ministry of Tourism, Arts and Culture Malaysia (2015). History. Retrieved in <http://www.motac.gov.my>
- Mitchell, J. C. (1973). Networks, Norms and Institutions. In *Network Analysis: Studies of Human Interaction*, 2-35. Boissevain, J. & Mitchell, J. C. (Eds.). The Haque: Mouton & Co.
- Mitra, A. & Paul, A. K. (2017). Entrepreneurial Transformation: A Study on Rural Handicrafts in the District of Birbhum, West Benga. *Jharkhand Journal of Development & Management Studies, XISS, Ranchi*, 15(1), 7211-7226.
- Mizruchi. (1996). What do Interlocks do? An Analysis, Critique and Assessment on Interlocking Directorates. *Annual Review of Sociology*, 22, 271–298.
- Mohd-Kamal, S. B., Zawawi, D. & Abdullah, D. (2016). Entrepreneurial Orientation for Small and Medium Travel Agencies in Malaysia. *Procedia Economics and Finance*, 37, 115-120.
- Moller, K. & Wilson, D. T. (1995). Business Relationships - An Interaction Perspective. In: Moller, K. and Wilson, D. T. eds. *Business marketing: An Interaction and Network Perspective*. Boston; London: Kluwer Academic Publishers, 23-52.
- Money, R. B. (2000). Social Networks and Referrals in International Organizational Buying of Travel Services: The Role of Culture and Location. *International Journal of Hospitality & Tourism Administration*, 1(1), 27-48.
- Moreno, J.L. (1934). *Who Shall Survive? A New Approach to the Problem of Human Interrelations*. Washington, DC: Nervous and Mental Disease Publishing Co.
- Morrison, A. (1996). Marketing the Small Tourism Businesses. *Marketing Tourism Products: Concepts, Issues, Cases*, 399-420. Seaton A. V. & Bennett, M. (eds.). International Thomson Publishing

- Morrison, A., Carlsen, J. & Weber, P. (2010). Small Tourism Business Research Change and Evolution. *International Journal of Tourism Research*, 12 (6), 739-49.
- Morrison, A., Rimmington, M. & Williams, C. (1999). *Entrepreneurship in the Hospitality, Tourism & Leisure Industries*. London: Butterworth-Heinemann, Oxford.
- Morrison, A., Lynch, P., & Johns, N. (2004). International Tourism Networks. *International Journal of Contemporary Hospitality Management*, 16, 197-202.
- Morrison, A. & Teixeira, R. (2004). Small Business Performance: A Tourism Sector Focus. *Journal of Small Business and Enterprise Development*, 11(2), 166-173.
- Mowforth, M. & Munt, I. (2009). *Tourism and Sustainability: Development, Globalisation and New Tourism in the Third World* (3rd Edition). London and New York: Routledge.
- Murphy, G. B., Trailer, J. W. & Hill, R. C. (1996). Measuring Performance in Entrepreneurship Research. *Journal of Business Research*, 36(1), 15-23.
- Naffziger, D. W., Hornsby, J. S. & Kuratko, D. F. (1994). A Proposed Research Model of Entrepreneurial Motivation. *Entrepreneurship: Theory & Practice*, 18(3), 29-42.
- National Transformation Programme Annual Report (2017). *Annual Report 2017*. Putrajaya, Malaysia: Civil Service Delivery Unit (CSDU), Prime Minister's Department.
- Neergaard, H., Shaw, E., & Carter, S. (2005). The Impact of Gender, Social Capital and Networks on Business Ownership: A Research Agenda. *International Journal of Entrepreneurial Behaviour & Research*, 11(5), 338-357.
- Neuman, W.L. (2006). *Social Research Methods: Qualitative and Quantitative Approaches* (6th Edition). Pearson Education, Inc.
- New Straits Times. (2016a). Terengganu to Focus on Tourism. *New Straits Times*, Retrieved from www.pressreader.com/malaysia/new-straits-times
- New Straits Times. (2016b). Each US\$1 drop in oil price means losing a year's salary: Terengganu MB. *New Straits Times*, Retrieved from www.nst.com.my
- New Straits Times. (2018). Pakatan Harapan Wins 14th General Election. *New Straits Times*, Retrieved from www.nst.com.my

- Nieves, J. & Diaz-Meneses, G. (2018). Knowledge Sources and Innovation in the Hotel Industry: Empirical Analysis on Gran Canaria Island, A Mature Mass-tourism Destination. *International Journal of Contemporary Hospitality Management*, 30(6), 2537-2561.
- Nogueira, S. & Pinho, J. C. (2015). Stakeholder Network Integrated Analysis: The Specific Case of Rural Tourism in the Portuguese Peneda-Gerês National Park. *International Journal of Tourism Research*, 17(4), 325-336.
- Nonaka, I. (1994). A Dynamic Theory of Organizational Knowledge Creation. *Organization Science*, 5(1): 14-37.
- Nonaka, I. & Takeuchi, H. (1995). *The Knowledge-creating Company*. Woburn, MA: Butterworth-Heinemann.
- Nonaka, I., Umemoto, K. & Senoo, D. (1996). From Information Processing to Knowledge Creation: A Paradigm Shift in Business Management. *Technology in Society*, 18(2), 203-218.
- Nonaka, I., Toyama, R. & Nagata, A. (2000). A Firm as a Knowledge-Creating Entity: A New Perspective on the Theory of the Firm. *Industrial and Corporate Change*, 9(1): 1-20.
- Nooteboom, B. (2000). Learning by Interaction: Absorptive Capacity, Cognitive Distance and Governance. *Journal of Management and Governance*, 4(1-2): 69-92.
- Novelli, M., Schmitz, B. & Spencer, T. (2006). Network, Clusters & Innovation in Tourism: A UK Experience. *Tourism Management*, 27, 1141-1152.
- OANDA. (2018). Average Exchange Rates. OANDA, Retrieved from <https://www.oanda.com/currency/average>
- Obstfeld, D. (2005). Social Networks, The Tertius Lungen Orientation, and Involvement in Innovation. *Administrative Science Quarterly*, 50 (1), 100-130.
- O'Donnell, A., Gilmore, A., Cummins, D. & Carson, D. (2001). The Network Construct in Entrepreneurship Research: A Review and Critique. *Management Decision*, 39(9), 749-760.
- OECD. (2018a). Exchange Rates (Indicator). doi: 10.1787/037ed317-en (Accessed on 27 July 2018).
- OECD. (2018b). Inflation (CPI) (Indicator). doi: 10.1787/eee82e6e-en (Accessed on 27 July 2018).
- Oh, H., Fiore, A. M., & Jeoung, M. (2007). Measuring Experience Economy Concepts: Tourism Applications. *Journal of Travel Research*, 46(2), 119-132.

- Onwuegbuzie, A. J. & Collins, K. M. (2007). A Typology of Mixed Methods Sampling Designs in Social Science Research. *The Qualitative Report*, 12(2), 281-316.
- Otengei, S. O., Bakunda, G., Ngoma, M., Ntayi, J. M. & Munene, J. C. (2017). Internationalization of African-ethnic Restaurants: A Qualitative Enquiry Using the Dynamic Capabilities Perspective. *Tourism Management Perspectives*, 21, 85-99.
- Otto, J. E. & Ritchie, J. R. B. (1996). The Service Experience in Tourism. *Tourism Management*, 17(3), 165-174.
- Ozer, B. & Yamak, S. (2000). Self-sustaining Pattern of Finance in Small Businesses: Evidence from Turkey. *International Journal of Hospitality Management*, 19(3), 261-273.
- Page, S. J., Forer, P., & Lawton, G. R. (1999). Small Business Development and Tourism: Terra Incognita?. *Tourism Management*, 20(4), 435-459.
- Paget, E., Dimanche, F. & Mounet, J. P. (2010). A Tourism Innovation Case: An Actor-network Approach. *Annals of Tourism Research*, 37(3), 828-847.
- Pallant, J. (2011). *SPSS Survival Manual: A Step by Step Guide to Data Analysis Using SPSS (4th Edition)*. Crows Nest, N.S.W: Allen & Unwin.
- Patton, M. Q. (1990). *Qualitative Evaluation and Research Methods (2nd Edition)*. Newbury Park, California: Sage Publication.
- Pavlovich, K. (2003). The Evolution and Transformation of a Tourism Destination Network: The Waitomo Caves, New Zealand. *Tourism Management*, 24(2), 203-216.
- Petrou, A. & Daskalopoulou, I. (2009). Innovation and Small Firms' Growth Prospects: Relational Proximity and Knowledge Dynamics in a Low-tech Industry. *European Planning Studies*, 17(11), 1591-1604.
- Piercy, N. F. & Cravens, D. W. (1995). The Network Paradigm and the Marketing Organization. Developing a New Management Agenda. *European Journal of Marketing*, 29(3), 7-34.
- Pine, J. B., and Gilmore, J. H. (1999). Welcome to the Experience Economy. *Harvard Business Review* (July-August): 97-105.
- Polanyi, M. 1966. *The Tacit Dimension*. New York: Anchor Day.
- Porras, S. T., Clegg, S. & Crawford, J. (2004). Trust as Networking Knowledge: Precedents from Australia. *Asia Pacific Journal of Management*, 21(3), 345-363.

- Porter, M. E. & Fuller, M. B. (1986). Coalitions and Global Strategy. *Competition in Global Industries*, 315-344.
- Prajapati, K. & Biswas, S. N. (2011). Effect of Entrepreneur Network and Entrepreneur Self-Efficacy on Subjective Performance: A Study of Handicraft and Handloom Cluster. *The Journal of Entrepreneurship*, 20(2), 227-247.
- Presenza, A. & Cipollina, M. (2010). Analyzing Tourism Stakeholders Networks. *Tourism Review*, 65(4), 17-30.
- Raihani, Z. N., Fadhilah, K. N., Kurniawan, Y., Nur-Salihah, A. R. & Yusoff, W. S. W. (2016). Obstruction of Applying E-business Among Batik Entrepreneurs in Pasar Siti Khadijah. *Journal of Advanced Research in Business and Management Studies*, 3(1), 26-39.
- Reynolds, P. (1991). Sociology and Entrepreneurship: Concepts and Contributions. *Entrepreneurship, Theory and Practice*, 16(2), 47-70.
- Rhodes, R. A. W. (1997). Understanding Governance: Policy Networks, Governance, Reflexivity and Accountability. Open University Press: Buckingham.
- Reijonen, H. (2008). Understanding the Small Business Owner: What They Really Aim at and How This Relates to Firm Performance. *Management Research News*, 13(8), 616–629.
- Reinl, L. & Kelliher, F. (2014). The Social Dynamics of Micro-firm Learning in an Evolving Learning Community. *Tourism Management*, 40, 117–125.
- Ritzer, G., & Liska, A. (1997). “McDisneyization” and “Post-Tourism”: Complementary Perspectives on Contemporary Tourism. *Touring Cultures: Transformations of Travel and Theory*, 96-109.
- Rogerson, C. M. (2008). Shared Growth in Urban Tourism: Evidence from Soweto, South Africa. *Urban Forum*, 19(4), 395-411
- Romeiro, P. & Costa, C. (2010). The Potential of Management Networks in the Innovation and Competitiveness of Rural Tourism: A Case Study on the Valle del Jerte (Spain). *Current Issues in Tourism*, 13(1), 75-91.
- Saad, S. (2012). Re-building the Concept of Nation Building in Malaysia. *Asian Social Science*, 8(4), 115.
- Salmond, J. L. (2010). *The Social Relations of Tourism on the Perhentian Islands* (Unpublished Doctoral Thesis). University of Kentucky, United States.
- Sandelowski, M. (1995). Focus on Qualitative Methods: Sample Sizes in Qualitative Research. *Research in Nursing & Health*, 18, 179-183.

- Saunders, M., Lewis, P., Thornhill, A. & Wilson, J. (2009). *Business Research Methods (5th Edition)*. London: Prentice Hall Financial Times.
- Saxena, G. (2005). Relationships, Networks and the Learning Regions: Case Evidence from the Peak District National Park. *Tourism Management*, 26(2), 277–289.
- Schoonjans, B., Cauwenberge, P. V. & Bauwhede, H. V. (2013). Formal Business Networking and SME Growth. *Small Business Econ*, 41, 169-181.
- Schroeder, T. (2003). Background and Motivations of Resource-based Tourism Operators in the Northern Great Plains: A Qualitative Study. Available from: www.und.edu/instruct/tschroed/nattour1.pdf (accessed 13.03.16).
- Schwartz, S. H. (1994). Are There Universal Aspects in the Structure and Content of Human Values?. *Journal of Social Issues*, 50(4), 19-45.
- Scott, N., Cooper, C. & Baggio, R. (2008a). Destination Networks – Theory and Practice in Four Australian Cases. *Annals of Tourism Research*, 35, (1), 169-88.
- Scott, N., Baggio, R. & Cooper, R. (Eds.). (2008b). *Network Analysis and Tourism, From Theory to Practice*. Clevedon: Channel View.
- Sekaran, U., & Bougie, R. (2010). *Research Methods for Business. A Skill Building Approach*. West Sussex: John Wiley and Sons Limited.
- Sexton, D. L. & Landstrom, H. (2000). *The Blackwell Handbook of Entrepreneurship*. Blackwell Publishing.
- Shane, S., Locke, E. A. & Collins, C. J. (2003). Entrepreneurial Motivation. *Human Resource Management Review*, 13(2), 257-279.
- Shaw, G., & Williams, A. M. (1998). Entrepreneurship, Small Business Culture and Tourism Development. In *The Economic Geography of the Tourism Industry: A Supply-side Analysis*, Ioannides D. and Debbage K. D. (Eds.), 235-255. London: Routledge.
- Shaw, G. (2014a). Entrepreneurial Cultures and Small Business Enterprises in Tourism. *A Companion to Tourism, 1st Edition*, 120-131. Lew, A. A., Hall, C. M. and Williams, A. M. John Wiley & Sons.
- Shaw, G. (2014b). Tourism Networks, Knowledge Dynamics and Co-creation. In *Knowledge Networks and Tourism*, M. McLeod & R. Vaughan (Eds.), 45–61. London: Routledge.
- Shaw, G. & Williams, A. M. (2010). Tourism SMEs: Changing Research Agendas and Missed Opportunities. In *Tourism Research: A 20:20 Vision*, 80-93. Pearce, D. G. & Butler, R. W. (Eds.), Oxford: Goodfellow Publishers Ltd.

- Shaw, G. & Williams, A. (2009). Knowledge Transfer and Management in Tourism Organizations: An Emerging Research Agenda. *Tourism Management*, 30(3), 325-335.
- Shaw, G. & Williams, A. (1987). Firm Formation and Operating Characteristics in the Cornish Tourist Industry - The Case of Looe. *Tourism Management*, 8(4), 344-348.
- Shaw, E. (1998). Social Networks: Their Impact on the Innovative Behaviour of Small Service Firms. *International Journal of Innovation Management*, 2(02), 201- 222.
- Sigala, M. (2005). Integrating Customer Relationship Management in Hotel Operations: Managerial and Operational Implications. *International Journal of Hospitality Management*, 24(3): 391-413.
- Sitabutr, V. & Pimdee, P. (2017). Thai Entrepreneur and Community-Based Enterprises' OTOP Branded Handicraft Export Performance: A SEM Analysis. *SAGE Open*, 7(1), 1-15.
- Skyrme, D. J., 1999. *Knowledge Networking: Creating the Collaborative Enterprise*. Oxford: Butterworth-Heinemann.
- Small Business Administration. (2017). Size Standards. Retrieved in www.sba.gov
- SME Corporation Malaysia. (2018). National SME Development Council (NSDC). Retrieved in <http://www.smecorp.gov.my>
- Snehota, I. & Hakansson, H. (1995). *Developing Relationships in Business Networks*. London: Routledge.
- Solvoll, S., Alsos, G. A. & Bulanova, O. (2015). Tourism Entrepreneurship – Review and Future Directions. *Scandinavian Journal of Hospitality and Tourism*, 15(1), 120-137.
- Sorensen, F. (2007) The Geographies of Social Networks and Innovation in Tourism. *Tourism Geographies*, 9(1), 22-48.
- Spender, J. C. & Grant, R. M. (1996). Knowledge and the Firm: Overview. *Strategic Management Journal*, 17 (Winter Special Issue), 5-9.
- Stacey, R. (2000). The Emergence of Knowledge in Organisations. In *Complexity and Knowledge Management: Understanding the Role of Knowledge in the Management of Social Networks*, Tait, A. & Richardson, K. A. (Eds.), Charlotte: Information Age Pub.
- Stallibrass, C. (1980). Seaside Resorts and the Holiday Accommodation Industry: A Case Study of Scarborough. *Progress in Planning*, 13, 103-174.

- Stavros, C. & Westberg, K. (2009). Using Triangulation and Multiple Case Studies to Advance Relationship Marketing Theory. *Qualitative Market Research: An International Journal*, 12(3), 307–320.
- Stevens, J. P. (2009). *Applied Multivariate Statistics for the Social Sciences 5th Edition*. NJ: Routledge Academic
- Stokes, D. (1998). *Managing the Small Business*. Ashford Colour Press.
- Storey, D. J. (1994). *Understanding the Small Business Sector*. London: Routledge.
- Storey, D.J. (2000). *Understanding the Small Business Sector*. London: Thomson Learning.
- Storz, M. L. (1999). Malay and Chinese Values Underlying the Malaysian Business Culture. *International Journal of Intercultural Relations*, 23(1), 117-131.
- Strobl, A., & Peters, M. (2013). Entrepreneurial Reputation in Destination Networks. *Annals of Tourism Research*, 40, 59-82.
- Sua, T. Y., Pong, T. K., Ngah, K. & Khoon, G. S. (2012). Maintenance and Propagation of Chinese culture in a Malay State: The Roles of the Chinese Associations in Kuala Terengganu. *Asian Ethnicity*, 13(4), 441-467.
- Sun, P. Y. T. & Anderson, M. H. (2010). An Examination of the Relationship Between Absorptive Capacity and Organizational Learning, and a Proposed Integration. *International Journal of Management Reviews*, 130-150.
- Sun, X., & Xu, H. (2017). Lifestyle Tourism Entrepreneurs' Mobility Motivations: A Case Study on Dali and Lijiang, China. *Tourism Management Perspectives*, 24, 64-71.
- Sundbo, J., Orfila-Sintes, F. & Sørensen, F. (2007). The Innovative Behaviour of Tourism Firms – Comparative Studies of Denmark and Spain. *Research Policy*, 36(1), 88 – 106.
- Szarka, J. (1990). Networking and Small Firms. *International Small Business Journal*, 8(2), 10-22.
- Szivas, E. (2001). Entrance into Tourism Entrepreneurship: A UK Case Study. *Tourism & Hospitality Research*, 3(2), 163-172.
- Tabachnick, B. G. & Fidell, L. S. (2013). *Using Multivariate Statistics (6th Edition)*. Pearson: United States.
- Tabachnick, B. G. & Fidell, L. S. (2007). *Using Multivariate Statistics (5th Edition)*. Pearson: United States.

- Tashakkori, A. & Teddlie, C. (2003). *Handbook of Mixed Methods in Social & Behavioural Research, 2nd Edition*. Sage Publication: United Kingdom.
- Tashakkori, A. & Teddlie, C. (2010). *SAGE Handbook of Mixed Methods Research. Integrating Quantitative and Qualitative Approaches in the Social and Behavioural Research (2nd Edition)*. Thousand Oaks, California: Sage Publication.
- Teddlie, C., & Yu, F. (2007). Mixed Methods Sampling: A Typology with Examples. *Journal of Mixed Methods Research, 1*, 77-100.
- Teece, D. (2000). *Managing Intellectual Capital*. Oxford: Oxford University Press.
- Terengganu State Economic Planning (2016): Data Asas Terengganu 2016. Kuala Terengganu.
- Terengganu State Economic Planning (2013): Data Asas Terengganu 2013. Kuala Terengganu.
- Terpstra-Tong, J. L., Terpstra, R. H. & Tee, D. D. (2014). Convergence and Divergence of Individual-Level Values: A study of Malaysian Managers. *Asian Journal of Social Psychology, 17*(3), 236-243.
- Tesch, R. (1990). *Qualitative Research: Analysis Types and Software Tools*. Hampshire: The Falmer Press.
- Tezuka, H. (1997). Success as the Source of Failure? Competition and Cooperation in the Japanese Economy. *Sloan Management Review, 38*(2), 83-93.
- The Government of Malaysia's Official Gateway (2018). Malaysia Information. Retrieved in: <https://www.malaysia.gov.my>
- The Malaysian Reserve. (2017). Terengganu Aims 5.5% GDP Growth This Year, *The Malaysian Reserve*, Retrieved from <https://themalaysianreserve.com>
- The Star Online (2017). Terengganu Targets Sector to Become Main Contributor to State's Economy, *The Star Online*, Retrieved from <https://www.thestar.com.my>
- The Straits Times. (2002). Ban on Bikinis? That's Just Like the Taleban.
- The Sunday Times. (2002). Islamic Law in Terengganu: Entertainment Ban Not Harming Tourism: PAS.
- The World Bank. (2018). Consumer Price Index (2010: 100). *The World Bank*, Retrieved from <https://data.worldbank.org>.

- Thomas, R. (2000). Small Firms in the Tourism Industry: Some Conceptual Issues. *International Journal of Tourism Research*, 2(5): 345-353.
- Thomas, R., Shaw, G. & Page, S. (2011). Understanding Small Firms in Tourism: A Perspective on Research Trends and Challenges. *Tourism Management*, 32 (5): 963-76
- Thomas, R. & Wood, E. (2015). The Absorptive Capacity of Tourism Organisations. *Annals of Tourism Research*, 54, 84-99.
- Thomas, R. & Wood, E. (2014). Innovation in Tourism: Re-conceptualising and Measuring the Absorptive Capacity of the Hotel Sector. *Tourism Management*, 45, 39-48.
- Thornton, P. H. (1999). The Sociology of Entrepreneurship. *Annual Review of Sociology*, 25(1), 19-46.
- Timmons, J. A. & Spinelli, S. (2003). *New Venture Setting Up. Entrepreneurship for the 21st Century*. New York: McGraw-Hill.
- Tinsley, R., & Lynch, P. A. (2007). Small Business Networking and Tourism Destination Development: A Comparative Perspective. *International Journal of Entrepreneurship and Innovation*, 8(1), 15-27.
- Timur, S. & Getz, D. (2008). A Network Perspective on Managing Stakeholders for Sustainable Urban Tourism. *International Journal of Contemporary Hospitality Management*, 20(4), 445-461.
- Torres, R. (2002). Cancun's Tourism Development from a Fordist Spectrum of Analysis. *Tourist Studies*, 2(1), 87-116.
- Tourism Terengganu. (2017). Beautiful Terengganu Malaysia, Official Tourism Terengganu Website. Retrieved in <http://beautifulterengganu.com>
- Tourism Terengganu. (2016), *Terengganu Tourism Data*, Secretariat of Pesona Terengganu. Kuala Terengganu.
- Tourism Terengganu (2014). TerengganuTourism.Com. Retrieved in <https://www.terengganutourism.com>
- Tourism Malaysia. (2018). MyTourism Data. Retrieved in <http://mytourismdata.tourism.gov.my>
- Tourism Malaysia. (2017). Key Performance Indicator 2017. Retrieved in <https://www.tourism.gov.my>
- Tremblay, P. (1998). The Economic Organization of Tourism. *Annals of Tourism Research*, 25(4), 837–859.

- TripAdvisor. (2016). Restaurants in Kuala Terengganu. Retrieved in <https://www.tripadvisor.co.uk>
- Tsai, Y. H., Wu, C. T. & Wang, T. M. (2014). Attitude Towards Green Hotel by Hoteliers and Travel Agency Managers in Taiwan. *Asia Pacific Journal of Tourism Research*, 19(9), 1091-1109.
- Tyler, D. & Dinan, C. (2001). The Role of Interested Groups in England's Emerging Tourism Policy Network. *Current Issues in Tourism*, 4(2-4), 210-252.
- Ucbasaran, D., Westhead, P. & Wright, M. (2001). The Focus of Entrepreneurial Research: Contextual and Process Issues. *Entrepreneurship Theory and Practice*, 25(4), 57-80.
- Umeze, G. E. & Ohen, S. B. (2014). Performance of Micro Restaurant Enterprises in Cross River State, Nigeria. *Journal of Agricultural Science*, 6(11), 118.
- Uygur, S., Spence, L. J., Simpson, R. & Karakas, F. (2017). Work Ethic, Religion and Moral Energy: The Case of Turkish SME Owner-managers. *The International Journal of Human Resource Management*, 28(8), 1212-1235.
- Uzzi, B. (1996). The Sources and Consequences of Embeddedness for the Economic Performance of Organizations: The Network Effect. *American Sociological Review*, 674-698.
- Uzzi, B. (1997). Social Structure and Competition in Interfirm Networks: The Paradox of Embeddedness. *Administrative Science Quarterly*, 35-67.
- Valentina, N. & Passiante, G. (2009). Impacts of Absorptive Capacity on Value Creation. *Anatolia*, 20(2), 269-287.
- Vargo, S. L., & Lusch, R. F. (2004). Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68(1), 1-17.
- Venkatraman, N. & Ramanujam, V. (1986). Measurement of Business Performance in Strategy Research: A Comparison of Approaches. *The Academy of Management Review*, 11(4), 801-814.
- Verheul, I. & Thurik, R. (2001). Start-up Capital: Does Gender Matter?. *Small Business Economics*, 16(4), 329-346.
- Verkuyten, M. & Khan, A. (2012). Inter-ethnic Relations in Malaysia: Group Identifications, Indispensability and Inclusive Nationhood. *Asian Journal of Social Psychology*, 15, 132-139.
- Wahab, S. & Cooper, C. (Eds.), 2001. *Tourism in the Age of Globalisation*. Routledge, London, UK

- Walsh, K. (2003). Qualitative Research: Advancing the Science and Practice of Hospitality. *Cornell Hospitality Quarterly*, 44(2), 66.
- Wang, C., Xu, H., Li, G. & Chen, J. L. (2018). Community Social Responsibility and the Performance of Small Tourism Enterprises: Moderating Effects of Entrepreneurs' Demographics. *International Journal of Tourism Research*.
- Watson, J. (2007). Modeling the Relationship Between Networking and Firm Performance. *Journal of Business Venturing*, 22(6), 852-874.
- Weidenfeld, A., Williams, A. & Butler, R. (2010). Knowledge Transfers and Innovations Amongst Attractions. *Annals of Tourism Research*, 37(3), 604-626.
- Whah, C. Y. (2003). *Budaya dan Keusahawanan Cina Malaysia*. Selangor: Penerbit Universiti Kebangsaan Malaysia.
- Welter, F. (2012). All You Need is Trust? A Critical Review of the Trust and Entrepreneurship Literature. *International Small Business Journal*, 30(3), 193-212
- Westwood, R. I. & Everett, J. E. (1995). Comparative Managerial Values: Malaysia and the West. *Journal of Asia-Pacific Business*, 1(3), 3-37.
- Wiklund, J. & Shepherd, D. (2005). Entrepreneurial Orientation and Small Business Performance: A Configurational Approach. *Journal of Business Venturing*, 20(1), 71-91.
- Williams, A. M., Shaw, G., & Greenwood, J. (1989). From Tourist to Tourism Entrepreneur, From Consumption to Production: Evidence from Cornwall, England. *Environment and Planning A*, 21(12), 1639-1653.
- Williams, A. M. & Shaw, G. (2011). Internationalization and Innovation in Tourism. *Annals of Tourism Research*, 38(1), 27-51.
- Wilson, T. D. (2002). The Nonsense of Knowledge Management. *Information research*, 8(1), 8-1.
- Witt, P. (2004). Entrepreneurs' Networks and the Success of Start-ups. *Entrepreneurship & Regional Development*, 16(5), 391-412.
- Wright, L. T. & Crimp, M. (2000). *The Marketing Research Process*. Pearson Education: Essex.
- Yusoff, M. N. H. (2011). The Source of Information of The Government Sponsored Business Assistance Among Micro-sized Entrepreneurs in Kelantan, Malaysia. *International Journal of Business and Social Science*, 2(3), 106-114.

- Zahra, S. & George, S. (2002). Absorptive Capacity: A Review, Reconceptualization, and Extension". *Academy of Management Review*, 27, 185–203.
- Zajac, E. J. & Olsen, C. P. (1993). From Transaction Cost to Transactional Value Analysis: Implications for the Study of Interorganizational Strategies. *Journal of Management Studies*, 30, 131-145.
- Zee, E. V. D. & Vanneste, D. (2015). Tourism Networks Unravelling: A Review of the Literature on Networks in Tourism Management Studies. *Tourism Management Perspectives*, 15, 46-56
- Zehrer, A. & Raich, F. (2010). Applying a Lifecycle Perspective to Explain Tourism Network Development. *Service Industries Journal*, 30(10): 1683-1705.

Appendix 1

Conversion of RM to £

According to OECD (2018a), exchange rates are defined as the price of one country's currency in relation to another. This may be expressed as the average rate for a period of time such as monthly or annually for instance. In the current study, year 2016's average exchange rate was chosen since the data was collected for a 3-months period from February to May 2017. This decision was made since Malaysia reports and collect annual tax in December, which would mean the question of the annual sales turnover answered by the entrepreneurs in this study would be impacted by the inflation differentials and actual currency price changes in 2016. In obtaining the average exchange rate in 2016, OANDA's website was used to find out how many Great Britain pounds (£) it took to buy a unit of Ringgit Malaysia (RM). For clarification, the OANDA website is a multilingual currency exchange converter that calculates average exchange rates for any user-specified time horizon. The output from the OANDA website consists of the yearly average 'bid' and 'ask' values. Basically, bid and ask values present a two-way price quotation that reflects the best price at which a currency can be sold and bought at a given point of time. In order to ensure a fair estimation, a midpoint between the values of yearly average bid and ask were adopted for the purpose of the currency exchange between RM and £ in 2016 (see Table A1.1 for OANDA's output).

Table A1.1 – Bid and Ask Values and Their Midpoint for RM to £

RM to £	Bid	Ask	Midpoint
2016	0.17849	0.17894	0.178715

Source: OANDA (2018)

With the multiplication of any unit of RM value in 2016 by the midpoint's value (0.178715), the currency of RM can be accurately converted into £. But for the exchange of any unit of RM from a different year horizon, the inflation differentials and actual currency changes for that respective year must be considered.

This is because the inflation percentage is different from year to year and impacts on the corresponding actual currency exchange. For this reason, the value of RM's unit from another year firstly needs to be converted in order to obtain 'a base value' or 'a constant value' of RM in 2016. This particular step is important for the purpose of accurate statistical comparisons and interpretations as all the RM values are uniform because they are based on the same inflation rate and currency exchange in 2016. To achieve this, the 'consumer price index', or commonly known as CPI, for the years that are included in this thesis is needed for the calculation of the inflation rate based on the 2016 constant price in Malaysia. Basically, CPI is estimated as a series of summary measures of periodical proportional changes in the prices of a fixed set of consumer goods of constant quantity and characteristics, acquired, used or paid by the reference population (OECD, 2018b). Given the importance of CPI in calculating the inflation rate, the Malaysia's CPI was obtained from the World Bank website and is depicted in the following Table A1.2. Accordingly, the formula for calculating the inflation rate based on Malaysia's constant price in 2016 using the CPI is: $\text{CPI } 2016 / \text{CPI year X}$.

Table A1.2 – Malaysia's CPI from 2007 to 2017

Year	Consumer Price Index (RM)
2007	92.7046783625731
2008	97.7485380116959
2009	98.3187134502921
2010	100
2011	103.174470921513
2012	104.890851524746
2013	107.098816863856

2014	110.464922512915
2015	112.789535077487
2016	115.147475420763
2017	119.605065822363

Source: The World Bank (2018)

The inflation rate obtained from this calculation then needs to be multiplied with the year X's price in order to convert it to a constant 2016 RM price. If this converted year X's price is to be changed into £, the additional step of multiplication of the price with the midpoint of the average yearly bid and ask values in 2016 (refer Table 1.1) needs to be conducted. The subsequent equation A1.1 presents the complete formula for exchanging an RM unit from a different year other than 2016 (year X) to £ based on the constant RM price in 2016:

Equation A1.1 – Conversion of RM Unit from Year X to £ Based on the Constant Malaysia's Prices in 2016

$$\left(\frac{\text{CPI 2016}}{\text{CPI year X}} \right) \times \text{RM Unit of Year X} \times \text{Midpoint of average yearly bid and ask values in 2016} \\ (0.178715)$$

Source: Author

Appendix 2

University of Exeter Business School Research Ethics Form

University of Exeter Business School Research Ethics Form

MPhil and PhD Research Projects

This form is to be completed by students registered for MPhil and PhD and is to be signed by the primary project supervisor. Only students with a lead supervisor in the Business School can apply for ethics clearance to the Business School ethics panel. Those with a lead supervisor in another school or institution should seek advice from their relevant ethics panels.

When completing the form be mindful that the purpose of the document is to clearly explain the ethical considerations of the research being undertaken. Please include relevant and adequate detail for the ethics review panel to make their decisions about the ethical considerations you have made for your project. Please note that it is the responsibility of the student and supervisors to identify where their research may raise ethical issues, familiarise themselves with the ethics procedures and submit their work for review well in advance of starting their project. Retrospective ethics applications will not be considered.

Once completed, please submit the form electronically to UEBS-PGRadmin@exeter.ac.uk

University of Exeter's Ethics policy relating to research

The University of Exeter is research intensive and dedicated to furthering knowledge in a responsible and exacting manner. In the conduct of research by academic staff and students the University strives to protect the safety, rights, dignity, confidentiality and anonymity (except where covered by an appropriate protocol) of research subjects, the welfare of animals and the sustainability of the environment. The University also endeavours to safeguard the wellbeing, rights and academic freedom of researchers and the reputation of the University as a centre for properly conducted, high quality research. The University maintains a separate *Code of Good Practice in the Conduct of Research* which it requires all researchers to follow.¹

Ethical issues are manifest in a wide variety of research activities and arise especially when the conduct of research involves the interests and rights of others. The adoption of an ethical position in respect of such research requires that the researcher observes and protects the rights of would-be participants and systematically acts to permit the participants to exercise those rights in full accordance with UK law. Ethical practice in such cases requires that participants and/or legal guardians, at a minimum, be fully informed, free to volunteer, free to opt out at any time without redress, and be fully protected in regard to safety according to the limits of best practice. The Business School follows the policy set by the University of Exeter.

¹ <http://www.exeter.ac.uk/research/toolkit/throughout/goodpractice/>

The University seeks to conduct research in accordance with the UUK Concordat to Support Research Integrity.² The University upholds principles of integrity and the need for researchers to be honest in respect of their own actions in research and their responses to the actions of other researchers. Researchers will be required to comply with requests to the University under the Freedom of Information Act 2000 and practice openness in their research endeavours wherever possible.

The University of Exeter's policy relating to health and safety

The University of Exeter has a health and safety policy.³ The University sets out safety standards for various aspects of research. Apart from exceptional cases, these standards are not applicable to research in the Business School. However, your research may require you to pay attention to sections on: *Children, Young People and Vulnerable Adults on Campus; Driving Vehicles on University Business; Fieldwork; Lone Working.*

The University of Exeter's policy relating to insurance

All researchers travelling abroad **must** acquire travel insurance from the University's insurer.⁴ You will **not** be charged for this service.

Many research projects are regarded as normal University activities by our insurers and are automatically covered.

There are some types of activity that need to be referred to our insurers before insurance cover can be confirmed; examples include:

- Contracts where the funder is a military organisation or the funding organisation is based in the US or Canada.
- Working on research offshore, alone in remote areas or in politically sensitive regions.
- Research that includes the development of a prototype.
- Activities rated as 'high risk' on your risk assessment.

For further information, you should consult the University Insurance Office.⁵

² <http://www.universitiesuk.ac.uk/highereducation/Documents/2012/TheConcordatToSupportResearchIntegrity.pdf>

³ <http://www.exeter.ac.uk/staff/wellbeing/safety/>

⁴ <http://www.exeter.ac.uk/research/toolkit/throughout/insurance/travel/>

⁵ <http://www.exeter.ac.uk/research/toolkit/throughout/insurance/>

Part A: Background of the research project

Title of project.	Dynamics of Networking and Knowledge Absorption of Small and Medium Tourism Enterprises (SMTEs) in Terengganu, Malaysia
Name of lead researcher / Primary investigator for this project and affiliation	Muaz bin Azinuddin
Name(s) of other researchers and affiliation (s)	N/A
Start and estimated end date of project.	1/12/2015 – 30/11/2018
Source of funding for the project.	Malaysia Ministry of Education
Is this application being made prior to a grant application? Which funder?	N/A
Aims and objectives of the project.	<p>Aim:</p> <p>To advance knowledge, relative to the characteristics of the entrepreneurs and their SMTEs as well as the underlying benefits of knowledge transfer and absorption derived from the tourism network in the cultural context of Terengganu, Malaysia.</p> <p>Objectives:</p> <ol style="list-style-type: none">1. To understand the characteristics of entrepreneurs and their SMTEs2. To examine the characteristics of networks used by SMTEs3. To understand the process of knowledge transfer and knowledge absorption among the SMTEs from their networks4. To identify the influences of knowledge absorption capacity derived from the entrepreneur's network towards the performance of SMTEs

	5. To assess the existing policies and strategies with regards to tourism network in order to improve the process of knowledge transfer and absorption among the SMTEs
Is the main applicant employed by the UEBS for the duration of this project? Note: only researchers employed by the Business School can apply for ethics clearance by the UEBS ethics panel.	No.
Are there any conflicts of interest that the University ought to be made aware of?	No.

Part B: Ethical Assessment

Please complete the following questions in relation to your research project. If you answer Yes to any of the sections, please elaborate. If you answer yes to any of the questions in Section 1, a full review by the University of Exeter Business School Research Ethics Committee (REC) will be required and you may also require external approval from the REC of the partner organisation.

Section 1	Yes	No
Research that may need to be reviewed by NHS NRES Committee, Ministry of Defence Research Ethics Committee (MODREC) or an external Ethics committee. See http://www.hra.nhs.uk/about-the-hra/our-committees/nres/ and https://www.gov.uk/government/groups/ministry-of-defence-research-ethics-committees for more information.		X
Will the study involve recruitment of patients or staff through the NHS or the use of NHS data or premises and/ or equipment?		X
Does the study involve participants age 16 or over who are unable to give informed consent? (e.g. people with learning disabilities: see mental Capacity Act 2005 / Adults with Incapacity (Scotland) Act 2000. All research that falls under the auspices MCA/AWI should be reviewed by a recognised and appropriate REC operating under the NHS REC).		X

Section 2		
Does the research involve other vulnerable groups: children, those with cognitive impairment, or those in unequal relationships? Have you read the appropriate Act; ethical practices governing research with the group you aim to study?		X
Will the study require the co-operation of a gatekeeper for initial access to the groups or individuals to be recruited? (e.g. employees, students at school, members of self-help group, residents of a nursing home?)		X
Will it be necessary for participants to take part in the study without their knowledge and consent at the time? (e.g. covert observation of people in non-public places, use of deception in experimental studies)		X
Will the study involve discussion of sensitive or potentially sensitive topics? (e.g. sexual activity, drug use, personal lives)		X
Are drugs, placebos or other substances (e.g. food substances, vitamins) to be administered to the study participants, or will the study involve invasive, intrusive or potentially harmful procedures of any kind?		X
Will tissue samples (including blood or saliva) be obtained from participants?		X
Is pain or more than mild discomfort likely to result from the study?		X
Could the study induce psychological stress or anxiety or cause harm or negative consequences beyond the risks encountered in normal life?		X
Will the study involve prolonged or repetitive testing?		X
Will the research involve administrative or secure data that requires permission from the appropriate authorities before use?		X
Is there a possibility that the safety of the researcher may be in question? (e.g. working alone and physically present in an unfamiliar international environment)	X	
Does the research involve members of the public in a research capacity (participant research)?		X
Will the research take place outside the UK?	X	
Will the research involve respondents to the internet or other visual/ vocal methods where respondents may be identified? (e.g. through the findings)		X
Will research involve the sharing of data or confidential information beyond the initial consent given?		X
Will financial or other inducements (other than reasonable expenses and compensation for time) be offered to the participants?		X

[Adapted from the ESRC ethics initial checklist⁶]

⁶ ESRC ethics initial checklist, Framework for Research Ethics (FRE), (2010).

Part C: Further and brief details for any sections answered 'Yes'. If you answered 'yes' to any of the above sections, please elaborate with detail here. Each in turn.

Is there a possibility that the safety of the researcher may be in question?

Interviews will take place in business premises or other locations, and the PhD student will likely be unaccompanied. Procedures will be put in place for safeguarding – the student is from Malaysia and one of his family (e.g. wife or father) will be informed where and when interviews are taking place.

Will the research take place outside the UK?

The research will take place in Malaysia. The PhD student is Malaysian and so familiar with the research environment. During the fieldwork, University of Exeter staff will be in regular contact – and the student will have 24-hour contact numbers for her supervisor.

Part D: Project Summary (Ethical Considerations)

Provide an overall summary of the Research that will be employed in the study and methods that will be used (no more than 250 words)

Small and medium tourism enterprises (SMTEs) are crucial since their performance is key to the success and sustainable livelihood of the tourism destinations. However, SMTEs are facing the disadvantages of operation size which leads to the lack of sufficient resources and knowledge in dealing with the complex tourism business environment within intra-national diversity of Malaysia. Against this background, networks may be crucial for SMTEs as there are empirical evidences that businesses from other industries benefited from this approach. Therefore, it is the aim of this research to advance knowledge relative to the characteristics of the entrepreneurs and their SMTEs, as well as the underlying benefits of knowledge transfer and absorption derived from the tourism network in the cultural context of Terengganu, Malaysia.

To accomplish the aim and objectives of this investigation, a sequential mixed-method approach will be adopted. The first phase of quantitative data collection in the form of questionnaires will be administered face-to-face to 200 SMTEs (accommodations, travel agencies, restaurants, handicrafts) entrepreneurs or business owners. Subsequently, the outcomes from this phase will be used to inform the design and content of the semi-structured questions in the second phase of qualitative data collection. A subsample of the entrepreneurs who participated in the quantitative phase will be approached to undertake a semi-structured interview. A third phase involves semi-structured interviews with policymakers and stakeholders at regional level.

Part E: Ethical Considerations for method(s).

List each of the methods you aim to use to recruit participants and describe the methods you will use to gain their 'informed consent' (If written consent will not be obtained for any of your methods, this must be justified). At the least the following should be considered for each method.

- Confidentiality and anonymity for all participants and organisations.
- Storing of data according to the UK Data Protection Act and also any additional provisions you have to make for the data in other countries where your study is based. If the project involves obtaining or processing personal data relating to living individuals, (e.g. by recording interviews with subjects even if the findings will subsequently be made anonymous), you will need to ensure that the provisions of the Data Protection Act are complied with. In particular you will need to seek advice to ensure that the subjects provide sufficient consent and that the personal data will be properly stored, for an appropriate period of time.
- Voluntary participation following informed consent.

Please attach a copy of every Information Statement and Consent Form that will be used, including translation if research is to be conducted with non-English speakers. Document in verbatim to be provided in cases where consent is to be obtained verbally.

Research Methods	Methods of Gaining Consent
First stage quantitative data collection: Self-administered questionnaire	The researcher will come to the premises of the SMTEs to distribute the consent form and questionnaire personally. Prior to the respondent answering the questionnaire, the researcher will explain the purpose of the study and the rights of the respondent. If the time is not right for the respondent to fill in the questionnaire after this explanation has been given, the researcher will give a certain period of time for the completion of the questionnaire and will be coming back for the collection of it.
Second stage qualitative data collection: Semi-structured interview	There will be a question in the questionnaire from the first stage of data collection that ask for the entrepreneur's permission to be re-approach by the researcher for the second stage of data collection in the form of semi-structured interview. Thus, the participants that agree to participate in the second stage will be chosen and telephone call will be made for the setup of the semi-structured interview.

<p>Third stage qualitative data collection: Semi-structured interview</p>	<p>Similar to the protocol in the first and second stage of data collection, a telephone call that explaining the purpose of the research and discussions on the setup of the semi-structured interview will be made with the relevant regional tourism stakeholders such as Tourism Terengganu, Terengganu State Economic Planning Unit and Terengganu State Tourism Association. Before the start of the interview, the interviewees will be given the information consent form and will be asked to sign it if they have the full understanding of the research.</p>
---	---

Will there be any possible harm that your project may cause to participants (e.g. psychological distress or repercussions of a legal, political or economic nature)? What precautions will be taken to minimise the risk of harm to participants?

In the context of this research, there is no possibility of harm as this research is only focusing on the characteristics of entrepreneurs and their SMTEs as well as networks, process of knowledge transfer and knowledge absorption and the business performance. As the nature of this study is correlational, there will be minimal interference by the researcher to the normal daily life or work flow of the entrepreneurs since the researcher will only need 60 to 90 minutes for they to participate in the semi-structured interview and about 30 minutes in answering the questionnaire.

Part F: Data protection

How will you ensure the security of the data collected? What will happen to the data at the end of the project, (if retained, where and how long for). Please follow guidelines provided by the University of Exeter on Data protection to complete this section.⁷

I will follow the University of Exeter records management procedures. All of the collected data (papers, soft documents, audio records) from the participants of this study will be kept securely in the password protected files by the researcher and will only be used for the purposes of the completion of doctoral thesis, conference presentation and journal publication. In accordance with the consent form, the anonymity and strict confidential of the participant details are assured. Thus, the researcher is responsible for the security of the data and will not disclose either orally or in writing, accidentally or otherwise to any unauthorised third party.

⁷<http://www.exeter.ac.uk/recordsmanagement>

At the end of the project, the analysed data will only be kept securely by the researcher for the purpose of journal publication. The time limit for this purpose is set for six years. While all of the raw data such as questionnaire, soft documents and audio tapes will not be held indefinitely and should be destroyed immediately. Accordingly, all of the raw data recorded in the papers will be shredded, and electronic records should be deleted.

Part G: Notes and Additional Information: Please provide any additional information which may be used to assess your application in the space below.

Part G: Checklist: Please ensure that all sections are ticked before submission. The form will be rejected without review if any sections are incomplete.

All sections A, B, C (if relevant), D, E, F and G (if relevant) in this form have been completed	✓	The study has not started yet	✓
Information sheets and consents forms to be used with each research method named in this review are attached	✓	The form has been signed and dated by the principle investigator/ lead researcher/supervisor	✓
Any other relevant documents have been attached (e.g. copies of DBS certificates)		Travel insurance and any related confirmation of insurance are attached (if you haven't arranged travel insurance, this form can be approved, but you should submit your confirmation of insurance to UEBS-PGRAdmin@exeter.ac.uk as soon as this is available)	
Where an ethics application has also been submitted to an external ethics panel (NRES) copies of approval letters have been attached		Other attachments:	✓


Signatures:

Please tick the check boxes to confirm the following:

I have considered all ethical implications for this project and declared all the relevant aspects for consideration of the University of Exeter Business School Research Ethics Committee.

I have read and understand the information about insurance contained in this form and will arrange travel insurance in the event that I travel outside the UK to conduct research.

Name: Muaz bin Azinuddin (PhD candidate)


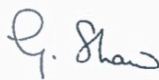
Signature: 

Date: 19/1/2017

Part D: Supervisor's Declaration

As the supervisor for this research I can confirm that I believe that all research ethics issues have been considered in accordance with the University Ethics Policy and relevant research ethics guidelines.

Name: Dr Tim Taylor and Prof Gareth Shaw

Signature:  

Date: 31/01/17

--

For administration use only: Ethical Approval

<p>Comments of Research Ethics Officer and Research Strategy Group.</p> <p><i>[Note: Have potential risks have been adequately considered and minimised in the research? Does the significance of the study warrant these risks being taken? Are there any other precautions you would recommend?]</i></p>	<p><i>None.</i></p>
<p>This project has been reviewed according to School procedures and has now been approved.</p> <p>Name: <i>ADRIAN A. BAILEY</i> (Research Ethics Officer)</p> <p>Signature: <i>A. R. Bailey</i></p> <p>Date: <i>03.02.17</i></p>	

Appendix 3

First Phase Quantitative Data Collection (English)



Dear respondents:

My name is Muaz Azinuddin, a postgraduate student from the School of Business, University of Exeter, United Kingdom. I am sponsored by the Malaysia Ministry of Education and Universiti Sultan Zainal Abidin (UniSZA) to conduct a study as a fulfillment of requirement for degree of Doctor of Philosophy. The purpose of this study is to analyze the effect of knowledge absorption obtained from the tourism networks on the business performance of small and medium tourism enterprises (SMTEs) in Terengganu tourism industry.

Findings from this study may provide insights into various elements of formal and informal networks and the process of knowledge absorption towards the performance of SMTEs. In order to gather information for this study, your valuable cooperation is very much appreciated. This questionnaire will take not more than 30 minutes of your valuable time. All responses will be strictly confidential and used for the purpose of this study only. This questionnaire is being divided into 7 (seven) parts:

Section A: Networking

Section B: Acquiring Knowledge

Section C: Assimilation of External Knowledge

Section D: Transformation of Knowledge

Section E: Exploitation of Knowledge

Section F: Performance of the Business

Section G: Characteristics of Entrepreneurs

Section H: Characteristics of Small Medium Tourism Businesses

Thank you for your participant.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Muaz".

Muaz bin Azinuddin
Postgraduate Student
University of Exeter Business School

CONSENT FORM

I have read and understood the description of the above-named project. On this basis I agree to participate as a subject in the project, and I consent to the publication of the results with the understanding that anonymity will be preserved. I understand that participation is voluntary and that I do not have to answer any or all questions.

Signed: _____

Date: _____

Section A: Networking

A few questions to begin with. These will help me to consider the importance of networking in the business operation of entrepreneurs that participate in this study.

- 1. Please describe the importance of the role played by formal (e.g. trade associations, government agencies, suppliers, banks) and informal network (e.g. families, friends, business contacts) in your enterprise learning on running the tourism business by circling your level of agreement and disagreement with the following statements:**

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
Formal network plays a significant role in my enterprise learning process on running the tourism business.	1	2	3	4	5
Informal network plays a significant role in my enterprise learning process on running the tourism business.	1	2	3	4	5

- 2. On average, how many people in the formal and informal network are important sources of information regarding important business issues?**

	Very Low	Below Average	Average	Above Average	Very High
Government Agencies	1	2	3	4	5
State Tourism Agency	1	2	3	4	5
Banks	1	2	3	4	5
Trade Associations	1	2	3	4	5
Chamber of Commerce	1	2	3	4	5
Suppliers	1	2	3	4	5
Families	1	2	3	4	5
Social Friends	1	2	3	4	5
Business Contacts	1	2	3	4	5

Social Clubs (e.g. Sport and Recreation Club)	1	2	3	4	5
---	---	---	---	---	---

3. On average, how often do you communicate (e-mails, text messages, formal or informal meeting, seminar, social media like Whatsapp group, Facebook, Skype etc.) with your formal and informal network of contacts?

	Very Rarely	Rarely	Occasionally	Frequently	Very Frequently
Government Agencies	1	2	3	4	5
State Tourism Agency	1	2	3	4	5
Banks	1	2	3	4	5
Trade Associations	1	2	3	4	5
Chamber of Commerce	1	2	3	4	5
Suppliers	1	2	3	4	5
Families	1	2	3	4	5
Social Friends	1	2	3	4	5
Business Contacts	1	2	3	4	5
Social Clubs (e.g. Sport and Recreation Club)	1	2	3	4	5

4. On average, how would you qualify your relationship with each category?

	Distant	Slightly Distant	Fairly Distant	Trustworthy	Very Trustworthy
Government Agencies	1	2	3	4	5
State Tourism Agency	1	2	3	4	5
Banks	1	2	3	4	5
Trade Associations	1	2	3	4	5
Chamber of Commerce	1	2	3	4	5
Suppliers	1	2	3	4	5
Families	1	2	3	4	5
Social Friends	1	2	3	4	5
Business Contacts	1	2	3	4	5
Social Clubs (e.g. Sport and Recreation Club)	1	2	3	4	5

Section B: Acquiring Knowledge

A bit more in-depth now. Please take time to reflect on the question before responding.

5. Think of a particular business or social network that your business has learnt most from in the last three years. Have a go at describing this relationship by showing and circle your level of agreement and disagreement with the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
We have a close personal interaction.	1	2	3	4	5
There is mutual respect between us.	1	2	3	4	5

The relationship involves personal friendship.	1	2	3	4	5
We return favors between each other.	1	2	3	4	5

6. Based on your answer in question no. 5, is the particular business or social network that your business has learnt most from is one of your families or social friends or business contacts? (tick one box only).

Yes	
No	

7. Just thinking of your own business now please indicate and circle your level of agreement or disagreement with the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
My business collects information from business contacts through informal means (e.g. lunch with industry friends or suppliers).	1	2	3	4	5
My business collects information from social contacts through informal means (e.g. social activity with families or friends or relatives).	1	2	3	4	5
My business regularly meets with third parties (business advisors, customers) to acquire new knowledge.	1	2	3	4	5
The search for relevant information concerning my line of business is a daily activity in my enterprise.	1	2	3	4	5
I expect my employees to use information sources within my line of business.	1	2	3	4	5
I expect my employees to use information from beyond my line of business.	1	2	3	4	5

Section C: Assimilation of External Knowledge

8. Think of a business or social network that your business has learnt most from in the last three years. Describe your relationship by showing and circle your level of agreement and disagreement with the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
We share common values.	1	2	3	4	5
The resources of my business and my network complement each other.	1	2	3	4	5
The expertise of my business and my network overlap.	1	2	3	4	5
The way of my business is run is similar to those in businesses in my network.	1	2	3	4	5
The management style of my business and my network are compatible.	1	2	3	4	5

9. Just thinking of your own business now please indicate and circle your level of agreement or disagreement with the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
My business quickly recognizes shifts in our market.	1	2	3	4	5
Consequences of technological progress (e.g internet, machines, computer system) are quickly understood.	1	2	3	4	5
New opportunities to serve customers are quickly understood.	1	2	3	4	5
Ideas and new concepts are communicated across employees	1	2	3	4	5

(e.g family members who help out, full-time and part-timers).					
Ideas and new concepts are quickly communicated across employees. (e.g family members who help out, full-time and part-timers).	1	2	3	4	5
My employees and I often hold meetings to share new developments, problems and achievements	1	2	3	4	5

Section D: Transformation of Knowledge

And you are well over half-way now – thanks for keeping going.

10. Thinking about your own business please indicate and circle the level of agreement or disagreement with the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
There are many informational conversations between employees that involve commercial activity.	1	2	3	4	5
Meetings with the employees are organised regularly to discuss the development of the business.	1	2	3	4	5
Meetings about new ideas or operations are highly effective.	1	2	3	4	5
Newly acquired knowledge is documented and shared within the business.	1	2	3	4	5
Important information are transmitted regularly to all employees.	1	2	3	4	5
When something important happens all employees are informed within a short time	1	2	3	4	5
The applicability of new knowledge is quickly recognized.	1	2	3	4	5

11. Thinking about your own business please indicate and circle your level of agreement or disagreement with the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
My employees have the ability to understand and to use knowledge acquired from my network.	1	2	3	4	5
My employees are used to taking in new knowledge, preparing it for further use and making it available to others.	1	2	3	4	5
My employees are able to use new knowledge in their practical work.	1	2	3	4	5
My employees successfully use existing knowledge to develop new insights.	1	2	3	4	5

Section E: Exploitation of Knowledge

12. Thinking about your own business please indicate and circle your level of agreement or disagreement:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
There is a clear understanding of who is responsible for the use of information and knowledge obtained from outside of the business.	1	2	3	4	5
The processes for all kind of activity are clearly known (e.g. standard operating procedure).	1	2	3	4	5
My business rarely experience difficulties in fulfilling customer requests (e.g. service modifications).	1	2	3	4	5

My business have the capabilities and abilities needed to exploit information and knowledge obtained from the network.	1	2	3	4	5
My business constantly consider how to better exploit knowledge.	1	2	3	4	5

13. Still thinking about your own business please indicate and circle your level of agreement or disagreement:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
My business supports the development of new service business ideas.	1	2	3	4	5
My business regularly reconsiders new technologies and adapts them according to new knowledge.	1	2	3	4	5
My business has the ability to work more effectively by adopting new technologies.	1	2	3	4	5

Section F: Performance of the Business

Last of this type of section. Here I want you to think about how knowledge absorbed from the network influence your business performance.

14. Thinking about your own business for the last three years please indicate your degree of satisfaction towards your business performance by circle your level of satisfaction or dissatisfaction towards the following statements:

	Strongly Disagree	Disagree	Neither Agree Nor Disagree	Agree	Strongly Agree
The business knowledge absorbed from my network helps in the improvement of my development of products or services.	1	2	3	4	5
The knowledge absorbed from my network helps in the improvement of my business management.	1	2	3	4	5
The knowledge absorbed from my network helps in the customer retention of my business.	1	2	3	4	5
The knowledge absorbed from my network helps in the growth of my business.	1	2	3	4	5

Section G: Characteristics of Entrepreneurs

Now, we reach a few questions on your background. These will help me to consider the characteristics of the entrepreneurs that participate in this study.

15. Gender (tick one box only)

Male	<input type="checkbox"/>
Female	<input type="checkbox"/>

16. Race (tick one box only)

Malay	<input type="checkbox"/>
Chinese	<input type="checkbox"/>
Indian	<input type="checkbox"/>
Other (please specify): _____	<input type="checkbox"/>

17. Age (tick one box only)

Below 20	<input type="checkbox"/>	41-45	<input type="checkbox"/>
20-25	<input type="checkbox"/>	46-50	<input type="checkbox"/>
26-30	<input type="checkbox"/>	51-55	<input type="checkbox"/>
31-35	<input type="checkbox"/>	56-60	<input type="checkbox"/>
36-40	<input type="checkbox"/>	61 and above	<input type="checkbox"/>

18. Marital status (tick one box only)

Single	<input type="checkbox"/>	Divorced	<input type="checkbox"/>
Married	<input type="checkbox"/>	Widow	<input type="checkbox"/>

19. Highest level of education (tick one box only)

Primary school	<input type="checkbox"/>	Degree	<input type="checkbox"/>
High school	<input type="checkbox"/>	Master	<input type="checkbox"/>
Short Courses	<input type="checkbox"/>	No Formal Qualification	<input type="checkbox"/>
Diploma	<input type="checkbox"/>	Other (please specify): _____	<input type="checkbox"/>

20. How many years have you been living in Terengganu?

0		21-25	
1-5		26-30	
6-10		31-35	
11-15		36-40	
16-20		41 and above	

21. How many years of previous work experience before you start this business? (tick one box only)

0-2		9-11	
3-5		12-14	
6-8		More than 15 years	

22. How many years you had working in the tourism industry (hotels, travel agencies, restaurants, handicrafts)? (tick one box only)

0-2		9-11	
3-5		12-14	
6-8		More than 15 years	

23. Have you received any formal tourism business training? (tick one box only)

Yes	
No	

24. Have you received any formal general business training? (tick one box only)

Yes	
No	

Section H: Characteristics of Small Medium Tourism Entrepreneurs

This is the last section of this questionnaire. The questions in this section is looking at the attributes of your business which may affects the process of knowledge absorption.

25. Which category your business is? (you can tick more than one box)

Hotel & Resort	
Travel Agency	
Restaurant	
Handicraft	

26. What is the ownership type of your business operation?

Individual-owned	
Jointly-owned	
Other (Please specify):	

27. How many years since you start this business? (tick one box only)

0		13-15	
1-3		16-18	
4-6		19-21	
7-9		22-24	
10-12		More than 25 years	

28. Do you have a formal business plan when you started this business?

Yes	
No	

29. Where do you get your business capital from? (you can tick more than one box)

Personal Savings	
Families	
Relatives	
Friends	
Banks	
Government Agencies	

30. How many employees do you have?

Full time: _____

Part time: _____

31. How many of your family members work with you?

32. Can you provide the annual sales turnover of your business? (tick one box only)

Less than RM100,000	RM2,100,000 – RM2,999,999	
RM100,001 – RM199,999	RM3,000,000 – RM9,999,999	
RM200,000 – RM299,999	RM10,000,000 – RM14,999,999	
RM300,000 – RM1,199,999	RM15,000,000 – RM19,999,999	
RM1,200,000 – RM2,099,999	More than RM20,000,000	

33. Are you willing to participate in another interview session with the researcher for this study? (tick one box only)

Yes	
No	

Thank you for answering these questions. If you would like a summary of the report please provide your email address:

First Phase Quantitative Data Collection (Malay)



Salam Sejahtera,
Kepada responden:

Nama saya Muaz Azinuddin, pelajar Ijazah Doktor Falsafah dari Fakulti Perniagaan, Universiti of Exeter, United Kingdom. Saya ditaja oleh Kementerian Pelajaran Malaysia dan Universiti Sultan Zainal Abidin (UniSZA) untuk menjalankan kajian bagi memenuhi keperluan ijazah Doktor Falsafah. Tujuan kajian ini dijalankan ialah untuk menganalisis kesan penyerapan pengetahuan yang diperoleh daripada rangkaian hubungan peribadi usahawan terhadap prestasi perniagaan mereka yang bersaiz kecil dan sederhana dalam industri pelancongan di Terengganu.

Keputusan kajian ini boleh memberikan gambaran terhadap pelbagai elemen rangkaian hubungan usahawan yang bersifat formal dan informal serta kesan proses penyerapan pengetahuan daripada hubungan ini kepada prestasi perniagaan. Bagi mengumpul maklumat untuk kajian ini, kerjasama anda amat dihargai. Borang kaji selidik ini tidak akan mengambil masa lebih daripada 30 minit. **Segala maklum balas adalah sulit dan hanya akan digunakan untuk kajian ini.** Kaji selidik ini dibahagikan kepada **7 (tujuh) bahagian**:

Bahagian A: Rangkaian

Bahagian B: Memperolehi Pengetahuan

Bahagian C: Asimilasi Pengetahuan Luar

Bahagian D: Transformasi Pengetahuan

Bahagian E: Eksploitasi Pengetahuan

Bahagian F: Prestasi Perniagaan

Bahagian G: Ciri-ciri Usahawan

Bahagian H: Ciri-ciri Perniagaan Pelancongan Bersaiz Kecil dan Sederhana

Terima kasih atas kerjasama anda.

Yang benar,

A handwritten signature in black ink, appearing to read "Muaz".

Muaz bin Azinuddin
Pelajar Siswazah Ijazah Doktor Falsafah
Fakulti Perniagaan, Universiti Exeter

BORANG PERSETUJUAN

Saya telah membaca dan memahami keterangan projek di atas. Sehubungan dengan itu saya bersetuju untuk mengambil bahagian sebagai responden dalam projek ini, dan juga untuk penerbitan keputusan kajian ini di dalam tesis, konferen dan jurnal kajian dengan pemahaman bahawa segala butir-butir peribadi akan dirahsiakan. Saya faham bahawa penglibatan adalah secara sukarela dan saya tidak perlu menjawab apa-apa atau semua soalan.

Tandatangan: _____

Tarikh: _____

Bahagian A: Rangkaian

Beberapa soalan sebagai permulaan. Di dalam kajian ini, bahagian ini akan membantu saya untuk mempertimbangkan kepentingan rangkaian hubungan peribadi usahawan di dalam operasi perniagaan.

- Sila jelaskan kepentingan peranan yang dimainkan oleh rangkaian hubungan yang bersifat formal (contoh: persatuan perniagaan, agensi kerajaan, pembekal, bank) dan informal (contoh: keluarga, kawan, hubungan perniagaan) dalam mempelajari cara menguruskan perniagaan pelancongan dengan membulatkan tahap persetujuan dan tidak persetujuan dengan pernyataan-pernyataan berikut:**

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Rangkaian formal memainkan peranan yang lebih penting dalam proses pembelajaran perusahaan saya untuk menjalankan perniagaan pelancongan.	1	2	3	4	5
Rangkaian informal memainkan peranan yang lebih penting dalam proses pembelajaran perusahaan saya untuk menjalankan perniagaan pelancongan.	1	2	3	4	5

- Secara purata, berapa ramai dalam rangkaian hubungan formal dan informal anda yang menjadi sumber rujukan utama dalam isu-isu perniagaan yang penting?**

	Tiada	Sangat Rendah	Bawah Purata	Purata	Melebihi Purata	Sangat tinggi
Agensi Kerajaan	0	1	2	3	4	5
Agensi Pelancongan Negeri	0	1	2	3	4	5
Bank	0	1	2	3	4	5
Persatuan Perniagaan	0	1	2	3	4	5
Dewan Perniagaan	0	1	2	3	4	5
Pembekal	0	1	2	3	4	5
Keluarga	0	1	2	3	4	5
Rakan Sosial	0	1	2	3	4	5
Kenalan Perniagaan	0	1	2	3	4	5
Kelab Sosial (e.g. Kelab Sukan dan Rekreasi)	0	1	2	3	4	5

3. Secara purata, berapa kerap anda berkomunikasi (e-mel, pesanan ringkas, mesyuarat formal atau tidak formal, seminar, media sosial seperti kumpulan Whatsapp, Facebook, Skype etc.) dengan rangkaian hubungan formal dan informal anda?

	Tidak Pernah	Sangat Jarang	Jarang	Kadangkala	Kerap	Sangat Kerap
Agensi Kerajaan	0	1	2	3	4	5
Agensi Pelancongan Negeri	0	1	2	3	4	5
Bank	0	1	2	3	4	5
Persatuan Perniagaan	0	1	2	3	4	5
Dewan Perniagaan	0	1	2	3	4	5
Pembekal	0	1	2	3	4	5
Keluarga	0	1	2	3	4	5
Rakan Sosial	0	1	2	3	4	5
Kenalan Perniagaan	0	1	2	3	4	5
Kelab Sosial (e.g. Kelab Sukan dan Rekreasi)	0	1	2	3	4	5

4. Sila nilaikan hubungan anda dengan setiap kategori berikut:

	Tiada	Tidak Rapat	Kurang Rapat	Agak Rapat	Dipercayai	Sangat Dipercayai
Agensi Kerajaan	0	1	2	3	4	5
Agensi Pelancongan Negeri	0	1	2	3	4	5
Bank	0	1	2	3	4	5
Persatuan Perniagaan	0	1	2	3	4	5
Dewan Perniagaan	0	1	2	3	4	5
Pembekal	0	1	2	3	4	5
Keluarga	0	1	2	3	4	5
Rakan Sosial	0	1	2	3	4	5
Kenalan Perniagaan	0	1	2	3	4	5
Kelab Sosial (e.g. Kelab Sukan dan Rekreasi)	0	1	2	3	4	5

Bahagian B: Memperolehi Pengetahuan

Topik di bahagian ini lebih mendalam. Sila ambil masa untuk berfikir dengan teliti sebelum menjawab soalan.

- 5. Fikirkan mengenai rangkaian hubungan perniagaan atau sosial yang paling banyak anda pelajari dalam tempoh tiga tahun ini. Gambarkan hubungan ini dengan membulatkan tahap persetujuan anda dengan pernyataan berikut:**

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Kami mempunyai interaksi peribadi yang rapat.	1	2	3	4	5
Kami saling menghormati antara satu sama lain.	1	2	3	4	5
Hubungan antara kami melibatkan persahabatan peribadi.	1	2	3	4	5
Kami bersama-sama membalas pertolongan antara satu sama lain.	1	2	3	4	5

- 6. Adakah rangkaian hubungan perniagaan atau sosial yang dimaksudkan melalui jawapan anda pada soalan no. 5 terdiri daripada kalangan keluarga atau rakan sosial atau kenalan perniagaan? (sila tandakan satu kotak sahaja)**

Ya	
Tidak	

- 7. Sila bulatkan tahap persetujuan mengenai perniagaan anda dengan kenyataan berikut:**

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Perniagaan saya mengumpul maklumat daripada kenalan perniagaan melalui cara informal (contoh: makan tengahari bersama rakan seindustri atau pembekal).	1	2	3	4	5
Perniagaan saya mengumpul maklumat daripada kenalan sosial melalui cara informal (contoh: aktiviti sosial bersama keluarga atau rakan-rakan atau saudara-mara).	1	2	3	4	5
Perniagaan saya kerap mengadakan pertemuan dengan pihak ketiga (konsultan, pelanggan) untuk mendapatkan pengetahuan baharu.	1	2	3	4	5

Usaha untuk mendapatkan maklumat adalah merupakan aktiviti harian dalam perusahaan saya.	1	2	3	4	5
Saya menjangkakan kakitangan saya untuk menggunakan sumber-sumber maklumat perniagaan di dalam perusahaan saya.	1	2	3	4	5
Saya menjangkakan kakitangan saya untuk menggunakan maklumat luar dari bidang perniagaan saya.	1	2	3	4	5

Bahagian C: Asimilasi Pengetahuan Luar

8. Fikirkan mengenai rangkaian hubungan perniagaan atau sosial yang paling banyak anda pelajari dalam tempoh tiga tahun ini. Gambarkan hubungan ini dengan membulatkan tahap persetujuan dengan pernyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Kami berkongsi nilai-nilai yang sama.	1	2	3	4	5
Sumber perusahaan dan rangkaian hubungan saya melengkapi antara satu sama lain.	1	2	3	4	5
Kepakaran perusahaan dan rangkaian hubungan saya bertindih antara satu sama lain.	1	2	3	4	5
Cara perniagaan yang saya jalankan sama dengan cara yang dimiliki oleh rangkaian hubungan saya dalam perniagaan mereka.	1	2	3	4	5
Gaya pengurusan perusahaan dan rangkaian hubungan saya serasi.	1	2	3	4	5

9. Sila bulatkan tahap persetujuan mengenai perniagaan anda dengan kenyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Perniagaan saya menyedari perubahan pasaran dengan pantas.	1	2	3	4	5
Kesan kemajuan teknologi (contoh: internet, mesin, sistem komputer) dapat difahami oleh perusahaan saya dengan cepat.	1	2	3	4	5
Peluang baru untuk berkhidmat kepada pelanggan boleh difahami dengan cepat.	1	2	3	4	5
Idea dan konsep baharu segera disampaikan kepada semua kakitangan (contohnya ahli keluarga yang membantu, pekerja sepenuh masa dan sambilan)	1	2	3	4	5

Saya dan kakitangan sering mengadakan mesyuarat atau perjumpaan untuk berkongsi perkembangan, masalah dan pencapaian perusahaan saya.	1	2	3	4	5
---	---	---	---	---	---

Bahagian D: Transformasi Pengetahuan

Anda sudah berada di bahagian pertengahan kaji selidik ini – terima kasih kerana terus menjawab.

10. Sila bulatkan tahap persetujuan mengenai perniagaan anda dengan kenyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Terdapat banyak perbualan berinformasi mengenai aktiviti komersial di kalangan kakitangan.	1	2	3	4	5
Mesyuarat atau perjumpaan untuk membincangkan perkembangan perniagaan bersama kakitangan sentiasa dijalankan.	1	2	3	4	5
Mesyuarat mengenai idea atau operasi baharu sentiasa berjalan dengan jayanya.	1	2	3	4	5
Pengetahuan baharu yang diperoleh direkodkan dan dikongsi dalam perniagaan.	1	2	3	4	5
Maklumat penting disalurkan secara kerap kepada semua kakitangan.	1	2	3	4	5
Apabila perkara penting berlaku, semua kakitangan akan dimaklumkan dalam masa yang singkat.	1	2	3	4	5
Kebolegunaan pengetahuan baharu segera dihargai.	1	2	3	4	5

11. Sila bulatkan tahap persetujuan mengenai perniagaan anda dengan kenyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Kakitangan saya berkeupayaan untuk memahami dan menggunakan pengetahuan yang diperolehi dari rangkaian hubungan saya.	1	2	3	4	5
Kakitangan saya biasa menimba pengetahuan baru, menggunakannya untuk tahap selanjutnya, dan memastikan ia dapat dipraktikkan oleh orang lain.	1	2	3	4	5

Kakitangan saya dapat menggunakan pengetahuan baru dalam kerja praktikal mereka.	1	2	3	4	5
Kakitangan saya berjaya menggunakan pengetahuan sedia ada untuk menghasilkan pandangan baru.	1	2	3	4	5

Bahagian E: Mengeksploitasi Pengetahuan

12. Sila bulatkan tahap persetujuan mengenai perniagaan anda dengan kenyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Terdapat pemahaman yang jelas tentang siapa yang bertanggungjawab untuk menggunakan maklumat dan pengetahuan yang diperoleh daripada luar perniagaan.	1	2	3	4	5
Proses untuk semua aktiviti perusahaan difahami dengan jelas.(SOP-Tatacara Pengendalian Piawai)	1	2	3	4	5
Perniagaan saya jarang mengalami kesulitan dalam memenuhi permintaan pelanggan.	1	2	3	4	5
Perniagaan saya mempunyai kemampuan dan kebolehan yang diperlukan untuk mengeksploitasi maklumat dan pengetahuan yang diperoleh daripada rangkaian hubungan saya.	1	2	3	4	5
Perniagaan saya sentiasa memikirkan cara untuk mengeksploitasi pengetahuan dengan lebih baik.	1	2	3	4	5

13. Sila bulatkan tahap persetujuan mengenai perniagaan anda dengan kenyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Perniagaan saya menyokong pembangunan idea-idea baru dalam perkhidmatan perniagaan.	1	2	3	4	5
Perniagaan saya sentiasa mempertimbangkan teknologi baru dan menyesuaikan kegunaan mereka berdasarkan pengetahuan yang terkini.	1	2	3	4	5
Dengan teknologi baru, perniagaan saya berkeupayaan untuk bekerja dengan lebih efektif.	1	2	3	4	5

Bahagian F: Prestasi Perniagaan

Dalam bahagian ini, anda perlu memikirkan bagaimana pengetahuan yang diserap daripada rangkaian hubungan mempengaruhi prestasi perniagaan anda.

14. Memikirkan perniagaan anda dalam tempoh tiga tahun ini, sila nyatakan tahap kepuasan anda terhadap prestasi perniagaan anda dengan membulatkan tahap kepuasan terhadap kenyataan berikut:

	Sangat Tidak Setuju	Tidak Setuju	Neutral	Setuju	Sangat Setuju
Pengetahuan perniagaan yang diperolehi dari rangkaian hubungan saya membantu dalam penambahbaikan perkembangan produk atau perkhidmatan saya.	1	2	3	4	5
Pengetahuan perniagaan yang diperolehi dari rangkaian hubungan saya membantu dalam peningkatan pengurusan perniagaan saya.	1	2	3	4	5
Pengetahuan perniagaan yang diperolehi dari rangkaian hubungan saya membantu dalam mengekalkan pelanggan saya.	1	2	3	4	5
Pengetahuan perniagaan yang diperolehi dari rangkaian hubungan saya membantu dalam perkembangan perniagaan saya.	1	2	3	4	5

Bahagian G: Ciri-ciri Usahawan

Beberapa soalan mengenai latar belakang anda. Ini akan membantu saya untuk mengenalpasti ciri-ciri usahawan yang telah mengambil bahagian dalam kajian ini.

15. Jantina (tandakan satu kotak sahaja)

Lelaki	<input type="checkbox"/>
Wanita	<input type="checkbox"/>

16. Bangsa (tandakan satu kotak sahaja)

Melayu	<input type="checkbox"/>
Cina	<input type="checkbox"/>
India	<input type="checkbox"/>
Lain-lain (sila nyatakan): _____	<input type="checkbox"/>

17. Umur (tandakan satu kotak sahaja)

20 ke bawah		41-45	
20-25		46-50	
26-30		51-55	
31-35		56-60	
36-40		61 ke atas	

18. Status (tandakan satu kotak sahaja)

Bujang		Bercerai	
Berkahwin		Janda	

19. Tahap pendidikan tertinggi (tandakan satu kotak sahaja)

Sekolah rendah		Ijazah Sarjana Muda	
Sekolah menengah		Ijazah Sarjana	
Kursus pendek		Tiada Kelayakan Formal	
Diploma		Lain-lain (sila nyatakan): _____	

20. Berapa tahun anda telah menetap di Terengganu?

0		21-25	
1-5		26-30	
6-10		31-35	
11-15		36-40	
16-20		41 ke atas	

21. Berapa tahun pengalaman bekerja anda sebelum memulakan perniagaan ini? (tandakan satu kotak sahaja)

0-2		9-11	
3-5		12-14	
6-8		Lebih dari 15 tahun	

22. Berapa tahun telah anda bekerja di dalam industri pelancongan (hotel, agensi pelancongan, restoran, kraftangan)? (tandakan satu kotak sahaja)

0-2		9-11	
3-5		12-14	
6-8		Lebih dari 15 tahun	

23. Adakah anda menerima sebarang latihan formal di dalam perniagaan pelancongan? (tandakan satu kotak sahaja)

Ya	
Tidak	

24. Adakah anda menerima sebarang latihan formal di dalam sebarang perniagaan? (tandakan satu kotak sahaja)

Ya	
Tidak	

Bahagian H: Ciri-ciri Perniagaan Pelancongan Bersaiz Kecil dan Sederhana

Ini ialah bahagian terakhir kaji selidik ini. Soalan-soalan pada bahagian ini mengkaji sifat-sifat perniagaan anda yang memberi kesan kepada proses penyerapan pengetahuan.

25. Apakah kategori perniagaan anda? (anda boleh tandakan lebih dari satu kotak)

Hotel & Resort	
Agensi Pelancongan	
Restoran	
Kraftangan	

26. Apakah jenis pemilikan perniagaan anda?

Persendirian	
Perkongsian	
Lain-lain (sila nyatakan):	

27. Berapa lama anda memulakan perniagaan ini? (tandakan satu kotak sahaja)

0		13-15	
1-3		16-18	
4-6		19-21	
7-9		22-24	
10-12		Lebih daripada 25 tahun	

28. Adakah anda mempunyai 'business plan' (Pelan Perniagaan) yang formal sewaktu memulakan perniagaan ini?

Ya	
Tidak	

29. Dari manakah anda mendapatkan modal perniagaan anda? (anda boleh tandakan lebih dari satu kotak)

Simpanan Sendiri	
Keluarga	
Saudara-mara	
Rakan-rakan	
Bank	
Agensi Kerajaan	

30. Berapakah bilangan kakitangan anda? _____

Sepenuh masa: _____

Pekerja sambilan: _____

31. Berapakah bilangan ahli keluarga yang bekerja bersama anda? _____

32. Bolehkah anda memberikan nilai jualan tahunan perniagaan anda? (tandakan satu kotak sahaja)

Kurang dari RM100,000		RM2,100,000 – RM2,999,999	
RM100,001 – RM199,999		RM3,000,000 – RM9,999,999	
RM200,000 – RM299,999		RM10,000,000 – RM14,999,999	
RM300,000 – RM1,299,999		RM15,000,000 – RM19,999,999	
RM1,200,000 – RM2,099,999		Lebih dari RM20,000,000	

33. Adakah anda sudi untuk mengambil bahagian dalam sesi temu bual yang lain bersama penyelidik untuk kajian ini? (tandakan satu kotak sahaja)

Ya	
Tidak	

Terima kasih kerana menjawab semua soalan di dalam kaji selidik ini. Jika anda mahukan rumusan dapatan kajian ini sila sertakan alamat emel anda:

Appendix 4

Second Phase Qualitative Data Collection (English)



INTERVIEW CONSENT FORM

PROJECT: Dynamics of Networking, Knowledge Transfer and Absorption of Small and Medium Tourism Enterprises (SMTEs) in Terengganu, Malaysia

SPONSOR: Ministry of Education Malaysia & Universiti Sultan Zainal Abidin

RESEARCHER: Muaz Azinuddin

Thank you for agreeing to be interviewed for this project.

In signing this form, you hereby provide written consent for your involvement in the research. I wish to confirm that:

- Interviews are confidential and non-attributable.
- Interviews will be audio taped with your permission. If you choose not to be audio taped, I will take notes instead.
- All information will be kept confidential and pseudonyms will be used in order to protect the anonymity of research participants.
- Data will be stored in password protected files and will be used for academic research purposes only.
- Participation in this research is entirely voluntary. You are free to choose not to participate. Should you choose to participate, you can withdraw at any time without consequences of any kind.
- Follow-ups may be needed for added clarification. If so, I will contact you by email/ phone to request this.

If you have concerns or queries about any aspect of this project, please email me at ma575@exeter.ac.uk or contact one of my supervisors at the University of Exeter:

1. Professor Gareth Shaw G.Shaw@exeter.ac.uk
2. Dr Tim Taylor Timothy.J.Taylor@exeter.ac.uk.

Participant's Consent

I have read this consent form and I understand what is being requested of me as a participant in this study. I freely consent to participate.

- I give consent to be audio taped during my interview.
 I do not give consent to be audio taped during my interview.

.....

(Participant Signature)

Name:

Email:

Phone No:

.....

Date

.....

(Researcher Signature)

.....

Date

Many thanks for your participation

(Open Questions)

1. Can you describe how you started this business?
2. What is your motivation when you started this business?
3. Why do you decide to employ your family members in the business?

Section A: Characteristics of Networking and Knowledge Absorption

4. From whom did you seek help, support and advice for your business (from the stage of opening the business until today's operation)
5. Can you give an example of a case where any key people or agency that significantly affected your business decision?
6. Can you describe of what have you actually obtained from these relationships?
7. What factors influence your willingness to discuss business issues with people in your networks (family members, relatives, friends or any associations and agencies)?
8. Are you a member of any network or association?
9. What factors were important in your decision to establish the relationship with the association?

Type	Name
Trade associations	
Chamber of commerce	
State/ Local Tourist Board	
Consortia	
Links with suppliers	
Political Organisation	
Social Club	
Sport and Recreation Club	
Others	

10. What you expect to obtain from these relationships?
11. What are the risks you considered before entering into network relationships?

Section B: Impacts of Network and Absorptive Capacity towards Business Performance

12. Do you think that by networking you can improve your business performance and prospects for growth?
13. If yes, can you provide me some examples of how these relationships are beneficial to your business performance and prospects for growth?
14. In case you want to introduce something new – e.g... a new service or product – how do you get the ideas?
15. Do you use your network in getting new ideas for the new service or product?
16. How do you determine the importance of knowledge gained from the network?
17. How do you apply and exploit the knowledge gained from your networks?
18. What are the main changes in organisational processes or products derived from cooperation?
19. Can you tell me of any instances of product or service that you co-produce or collaborate on with your networks?
20. What would you say have you learnt from your networks?

Second Phase Qualitative Data Collection (Malay)



BORANG KEBENARAN TEMU BUAL

PROJEK:	Dinamik Rangkaian, Pemindahan dan Penyerapan Ilmu Pengetahuan Perusahaan Pelancongan Bersaiz Kecil dan Sederhana di Terengganu, Malaysia
SPONSOR:	Kementerian Pendidikan Malaysia & Universiti Sultan Zainal Abidin
PENYELIDIK:	Muaz Azinuddin

Terima kasih kerana bersetuju untuk ditemu bual dalam projek ini.

Dengan menandatangani borang ini, anda memberikan persetujuan bertulis untuk penglibatan dalam kajian ini. Saya ingin mengesahkan bahawa:

- Temu bual ialah sulit dan tidak boleh dikaitkan dengan mana-mana pihak.
- Audio temu bual akan dirakam dengan kebenaran anda. Jika anda memilih untuk tidak dirakam, catatan nota akan diambil.
- Semua maklumat akan dirahsiakan dan nama samaran akan digunakan untuk melindungi nama dan identiti peserta kajian.
- Data akan disimpan dalam fail yang dilindungi dengan kata laluan dan akan digunakan untuk tujuan penyelidikan akademik sahaja.
- Penyertaan dalam kajian ini ialah secara sukarela. Anda bebas memilih untuk tidak mengambil bahagian. Sekiranya anda memilih untuk mengambil bahagian, anda boleh menarik diri pada bila-bila masa tanpa sebarang akibat.
- Susulan hubungan mungkin diperlukan untuk mendapatkan penjelasan tambahan. Saya akan menghubungi anda melalui emel / telefon untuk permintaan ini.

Jika anda mempunyai sebarang pertanyaan mengenai mana-mana aspek projek ini, sila emel saya di ma575@exeter.ac.uk atau hubungi salah satu daripada penyelia saya di Universiti of Exeter:

1. Profesor Gareth Shaw *G.Shaw@exeter.ac.uk*
2. Dr Tim Taylor *Timothy.J.Taylor@exeter.ac.uk.*

Persetujuan Peserta

Saya telah membaca borang persetujuan ini dan saya memahami apa yang diminta daripada saya sebagai peserta dalam kajian ini. Saya dengan sukarela mengambil bahagian.

- Saya memberi kebenaran rakaman audio semasa temu bual saya.
 Saya tidak memberi kebenaran rakaman audio semasa temu bual saya.

.....
(Tandatangan Peserta)

Nama:

Emel:

Nombor telefon:

.....
Tarikh

.....
(Tandatangan Penyelidik)

.....
Tarikh

Terima kasih atas penyertaan anda

(Soalan-soalan Umum)

- 21. Bolehkah anda terangkan bagaimana anda memulakan perniagaan ini?
- 22. Apakah motivasi anda untuk memulakan perniagaan ini?
- 23. Mengapakah anda membuat keputusan untuk mengambil ahli keluarga bekerja di dalam perniagaan anda?

Bahagian A: Ciri-ciri Rangkaian

- 24. Dari siapa anda meminta pertolongan, sokongan dan nasihat untuk perniagaan anda (dari peringkat membuka perniagaan sehingga operasi pada hari ini)
- 25. Bolehkah anda memberi contoh kes di mana terdapat orang penting atau agensi yang mempengaruhi keputusan perniagaan anda dengan ketara?
- 26. Bolehkah anda terangkan apa yang anda perolehi daripada hubungan ini?
- 27. Apakah faktor-faktor yang mempengaruhi kemahuan anda untuk membincangkan isu-isu perniagaan dengan orang dalam rangkaian hubungan anda (ahli keluarga, saudara-mara, rakan-rakan atau mana-mana persatuan dan agensi)?
- 28. Adakah anda seorang ahli mana-mana rangkaian atau persatuan?
- 29. Apakah faktor-faktor penting dalam keputusan anda untuk mewujudkan hubungan dengan persatuan tersebut?

Jenis	Nama	Tahun	Kos
Persatuan perniagaan			
Dewan Perniagaan			
Lembaga Pelancongan Negeri / Tempatan			
Konsortium			
Hubungan dengan pembekal			
Organisasi Politik			
Kelab Sosial			
Kelab Sukan dan Rekreasi			
Lain-lain			

30. Apakah yang anda harapkan daripada hubungan ini?
31. Apakah risiko yang anda pertimbangkan sebelum anda menjalin hubungan dengan rangkaian anda?
32. Adakah anda rasa bahawa dengan mempunyai rangkaian hubungan anda mampu untuk meningkatkan prestasi perniagaan dan prospek untuk berkembang?
33. Jika ya, bolehkah anda memberikan beberapa contoh bagaimana hubungan ini boleh memberi manfaat kepada prestasi dan prospek perkembangan perniagaan anda?

Bahagian B: Pemindahan dan Penyerapan Ilmu Pengetahuan

34. Sekiranya anda mahu memperkenalkan sesuatu yang baru – contoh... perkhidmatan atau produk baharu - bagaimanakah anda mendapatkan idea?
35. Adakah anda menggunakan rangkaian hubungan anda untuk mendapatkan idea-idea untuk perkhidmatan atau produk baharu tersebut?
36. Bagaimanakah anda menentukan kepentingan ilmu yang diperolehi daripada rangkaian hubungan anda?
37. Bagaimanakah anda mengguna dan mengeksploitasi pengetahuan yang diperolehi daripada rangkaian hubungan anda?
38. Apakah perubahan utama yang berlaku dalam proses organisasi atau produk perniagaan yang terhasil daripada kerjasama tersebut?
39. Bolehkah anda huraikan contoh produk atau perkhidmatan yang dihasilkan bersama dengan mana-mana rangkaian hubungan anda?
40. Apakah yang telah anda belajar dari rangkaian hubungan anda?

Appendix 5

Results of Characteristics of Entrepreneurs and SMTEs and Importance of Formal and Informal Networks in SMTEs' Learning

5.1 Full Results of the Relationships Between Two Groups' Categorical Variable and the Importance of Formal and Informal Networks in SMTEs' Learning

The following Table A5.1 presents the full summarisation of the Mann-Whitney U results between two groups of categorical variable and importance of formal and informal networks in SMTEs' learning. The important part of the table is the significance value of the test, which gives the two-tailed probability that a test statistic of at least that magnitude is a chance result (Field, 2009: 549). Overall, the dimensions of gender, formal business training and ownership have no significant relationships and differences in both the degrees of importance of formal and informal networks in SMTEs' learning.

Likewise, the four sub-dimensions of relatives, friends, banks and government agencies also revealed that there are no significant differences with both dependent variables. These results indicate that both groups of gender, formal business training, ownership and business capital (entrepreneurs that obtained their business capital from relatives, friends, banks and government agencies and entrepreneurs that did not) perceive similarly the importance of both formal and informal networks. The dimensions of formal tourism training, business plan, years living in Terengganu and the two sub-dimensions of business capital (personal savings and families) have statistically significant relationships and differences with varying levels of strength towards the importance of formal networks. These results are discussed in detail in section 6.4.1 of Chapter 6.

Table A5.1 – Summarisation of the Mann-Whitney U Results

Output	N	Importance of Formal Networks				Importance of Informal Networks			
		Mean Rank	Mann-Whitney U	z	Asymp. Sig.	Mean Rank	Mann-Whitney U	z	Asymp. Sig.
Gender	120		1701.50	-.54	.59		1607.00	-1.81	.28
• Male	59	58.84				57.24			
• Female	61	62.11				63.66			
Formal Tourism Training	120		1057.50	-2.48	.01**		1435.50	-.17	.87
• Yes	34	72.40				61.28			
• No	86	55.80				60.19			
Formal Business Training	120		1773.50	-.01	.99		1564.00	-1.20	.23
• Yes	53	60.54				56.51			
• No	67	60.47				63.66			
Ownership	120		754.50	-.63	.53		682.00	-1.25	.21
• Individually-Owned	104	59.75				61.94			
• Jointly-Owned	16	65.34				51.13			
Business Plan	120		1415.00	-2.12	.03*		1519.00	-1.58	.11
• Yes	61	66.80				55.90			
• No	59	53.98				65.25			
Years Living in Terengganu	120		1339.00	-2.30	.02*		1671.00	-.45	.65

• Up to 40	50	68.72				62.08			
• 41 and above	70	54.63				59.37			
Business Capital	120								
1. Personal Savings			860.00	-2.79	.01**		1059.50	-1.53	.13
• Yes	92	55.85				58.02			
• No	28	75.79				68.66			
2. Families			1168.00	-3.49	.000***		1671.50	-.72	.47
• Yes	61	50.15				58.40			
• No	59	71.20				62.67			
3. Relatives			234.50	-.73	.46		217.00	-1.00	.32
• Yes	5	71.10				46.40			
• No	115	60.04				61.11			
4. Friends			221.50	-.16	.87		206.50	-.40	.69
• Yes	4	63.13				54.13			
• No	116	60.41				60.72			
5. Banks			714.00	-.96	.34		683.00	-1.24	.22
• Yes	16	67.88				51.19			
• No	104	59.37				61.93			
6. Government Agencies			262.00	-.35	.73		217.00	-1.00	.32
• Yes	5	55.40				46.40			
• No	115	60.72				61.11			

Note: Confidence Interval, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

5.2 Full Results of the Relationships Between Three or More Categorical Groups and Importance of Formal and Informal Networks in SMTEs' Learning

The following Table A5.2 presents the full summarisation of the Kruskal-Wallis results between three or more categorical groups and the importance of formal and informal networks in SMTEs' learning. Similar to the results' interpretations of the Mann-Whitney-U tests, the most important part of Table A5.2 is the significance value. Accordingly, the dimensions of ethnicity, age, marital status, education, business categories, years of business operation, number of employees and annual sales turnover have no significant relationships or differences in the degrees of importance of both formal and informal networks. As for the dimensions of age and years of working in the tourism industry, they have significant differences and relationships with the importance of formal networks. The dimension of years of previous work experience has a significant difference and relationship with the importance of informal networks.

Table A5.2 – Summarisation of the Kruskal-Wallis Test

Output	N	Importance of Formal Networks				Importance of Informal Networks			
		Mean Rank	Chi-Square	df.	Asymp. Sig.	Mean Rank	Chi-Square	df.	Asymp. Sig.
Ethnicity	120		3.07	2	.22		.59	2	.74
• Malay	106	61.62				59.83			
• Chinese	12	46.88				64.04			
• Indian	2	82.75				75.00			
Age	120		9.02	2	.01**		3.56	2	.17
• Below 40	42	70.69				65.01			
• 41-55	54	59.25				61.78			
• 56 and above	54	45.48				49.73			
Marital Status	120		1.55	2	.46		11.11	2	.07
• Single	11	59.73				43.59			
• Married	106	61.24				62.97			
• Widow	3	37.17				35.33			
Education	120		4.00	5	.55		5.66	5	.34
• Primary School	4	59.25				63.00			
• High School	64	57.82				62.36			
• Short Courses	2	103.00				99.00			
• Diploma	29	61.00				54.02			
• Degree	17	64.41				63.71			
• Master	4	63.13				42.38			
Years of Previous Work Experience	120		.760	2	.68		10.32	2	.01**
• Up to 2	66	62.45				69.04			
• 3-5	14	61.93				47.71			
• 6 and above	40	56.79				50.89			

Years Working in Tourism Industry	120		9.37	2	.01**		.25	2	.89
• Up to 2	53	50.18				59.23			
• 3-8	27	70.37				60.00			
• 9 and above	40	67.51				62.53			
Business Categories	120		2.93	3	.40		4.13	3	.25
• Hotels & Resorts	23	50.37				52.72			
• Travel Agencies	13	59.96				51.23			
• Restaurants	41	61.99				67.11			
• Handicrafts	43	64.66				61.16			
Years of Business Operation	120		3.25	2	.20		1.44	2	.49
• Up to 9	41	67.11				63.67			
• 10-24	42	54.04				55.71			
• 25 and above	37	60.51				62.42			
Number of Employees	120		4.13	2	.13		1.98	2	.37
• Up to 4	49	55.40				56.49			
• 4 to 7	34	58.01				59.90			
• 7.01 and above	37	69.54				66.36			
Annual Sales Turnover	104		.16	2	.93		1.41	2	.50
• Less than RM100,000	42	51.54				53.99			
• RM100,001-RM1,299,999	47	52.59				53.69			
• RM1,300,000 and above	15	54.93				44.60			

Note: Confidence Interval, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Appendix 6

Assumptions of the Parametric Analysis of Hierarchical Linear and Multiple Regression

According to Hair *et al.* (2010: 71), '*the most fundamental assumption in multivariate analysis is normality*'. Particularly, Hair *et al.* (2010) explain that there are two steps of analysis to ensure research met the basic assumptions of hierarchical linear and multiple regression analysis: (1) testing the individual dependent and independent variables and (2) testing the overall relationship after the model estimation. In line with these recommendations, the following sub-sections addressed the five assumptions (sample size, normality, outliers, homoscedasticity, linearity) of individual variables (use of formal networks, use of informal networks, absorptive capacity, business management and annual sales turnover) prior to the analysis. After the model estimation, the four assumptions of normality, linearity, homoscedasticity and outliers were inspected again with the addition of multicollinearity and independence of residuals.

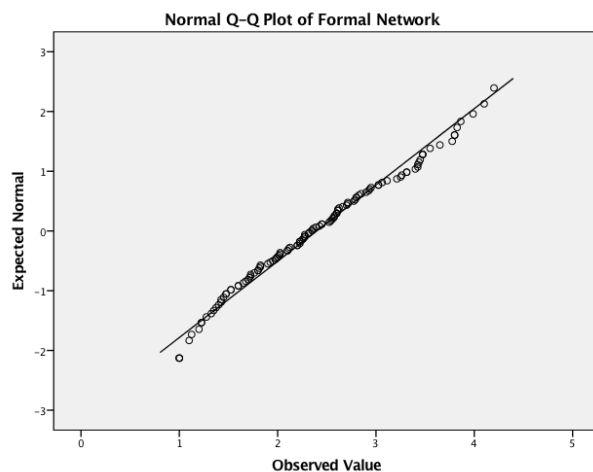
6.1 Sample Size

There are numerous proposals with different guidelines in determining the right sample size by the scholars in social science (Pallant, 2011). Tabachnick and Fidell (2013), for example, introduced a formula for calculating sample size requirements which takes into account the consideration of the number of independent variables: $N > 50 + 8m$ (m refers to the number of independent variable). Given that this study has 3 different independent variables (use of formal networks, use of informal networks, absorptive capacity), the ideal sample size based on Tabachnick and Fidell's (2013) formula is: $N > 50 + 8(3)$ where $N > 74$. Since this study managed to collect data from 120 entrepreneurs, the assumption of sample size was fulfilled with 119 and 103 cases analysed with the dependent variables of business management and annual sales turnover (see section 6.5 in Chapter 6).

6.2 Outliers and Normality

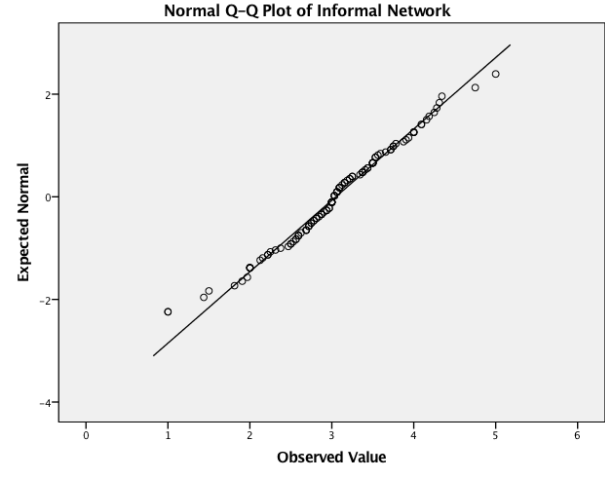
Normal distribution of a continuous or metric variable can be determined through the normality test. There are two ways a normality test can be inspected. The first is through a graphical analysis (normal probability plot) and the second is, through statistical tests (Kolmogorov-Smirnov, skewness and kurtosis) (Hair *et al.*, 2010; Hinton, McMurray & Brownlow, 2014). The results of the normality probability plot revealed that most of the cumulative distribution of 120 actual data values for the use of formal networks, use of informal networks and business management closely follow the straight diagonal line of cumulative distribution of a normal distribution (refer Figures A6.1, A6.2, A6.4). With regards to the absorptive capacity, the observed plotted data values are shorter than the normal tail (see Figure A6.3).

Figure A6.1 – Normal Probability Plot for 119 Cases of the Use of Formal Networks



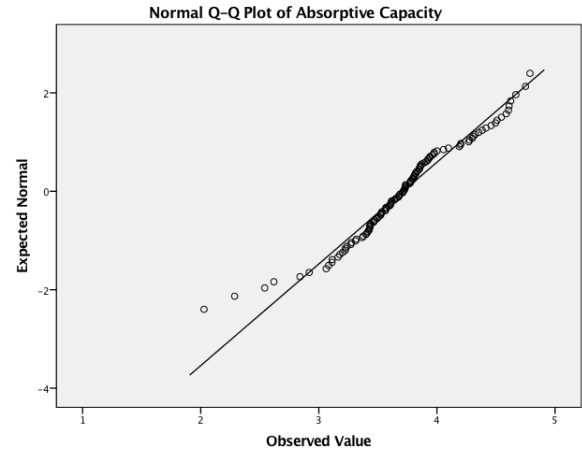
Source: Author

Figure A6.2 – Normal Probability Plot for 119 Cases of the Use of Informal Networks



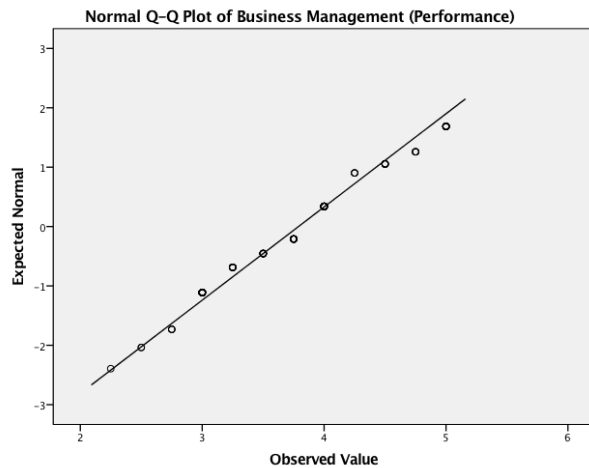
Source: Author

Figure A6.3 – Normal Probability Plot for 120 Cases of Absorptive Capacity Prior Deletion of Single Outlier



Source: Author

Figure A6.4 – Normal Probability Plot for 119 Cases of Business Management



Source: Author

These observations are consistent with the values of skewness and kurtosis where a normal distribution will have a skew and kurtosis of zero in the SPSS output (Field, 2009; Pallant, 2011). Hinton *et al.* (2014) assert that the degree of deviation (z) for skewness and kurtosis from the normal distribution can be measured by dividing their values by their standard errors. If either or both values of skew and kurtosis do not exceed ± 2 , the assumption of normality will not be rejected. According to Table A6.1, the z value of kurtosis for absorptive capacity exceeded the threshold value of ± 2 .

Table A6.1 – Normality Tests for Dependent Variable of Business Management

Variable	N	Skewness		Kurtosis		Kolmogorov-Smirnov
		Statistic	z	Statistic	z	
Use of Formal Networks	120	.254	1.15	-.688	-1.57	.200
Use of Informal Networks	120	-.149	-.67	.494	1.23	.200
Absorptive Capacity	120	-.284	-1.29	1.211	2.76	.020
Business Management	120	.077	.35	-.424	-.97	.000

Source: Author

This renders the distribution for absorptive capacity as non-normal. The results of the Kolmogorov-Smirnov test indicate that absorptive capacity and business management are not significant given that their values are below the significant

threshold of .05. These results suggest violations of the assumption of normality. In the context of business management nevertheless, the variable is still considered as ‘reasonably normal’ considering its straight line result in the normal probability plot as well as meeting the normality assumptions in term of the values of skewness and kurtosis.

This is also the case with the use of formal and informal networks, which met all the normality assumptions through the normal probability plot, skewness and kurtosis and Kolmogorov-Smirnov test. Since the variable of absorptive capacity violates the normality assumption, it is important to check the ‘outliers’ given the sensitivity of regression analysis to scores that are very high or very low (Pallant, 2011). Tabachnick and Fidell (2013: 72) define outlier as ‘*a case with such an extreme value on one variable (a univariate outlier) or such a strange combination of scores on two or more variables (multivariate outlier) that it distorts statistics*’.

Overall, there are 6 outliers for absorptive capacity. In order to improve the skewness and kurtosis of the absorptive capacity, one outlier was deleted.

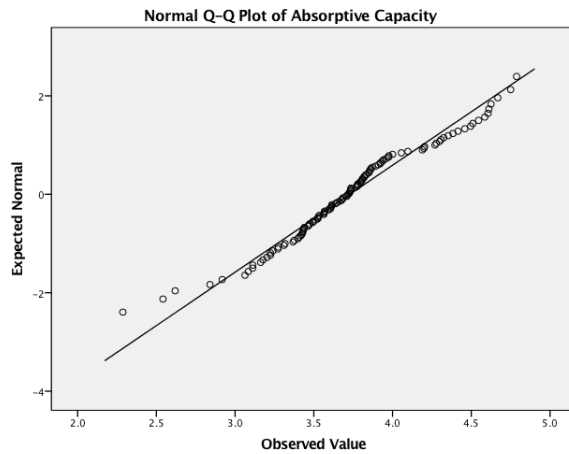
Table A6.2 – Normality Test Post Deletion of Outlier for Dependent Variable of Business Management

Variable	N	Skewness		Kurtosis		Kolmogorov-Smirnov
		Statistic	z	Statistic	z	
Use of Formal Networks	119	.246	1.11	-.675	-1.53	.200
Use of Informal Networks	119	-.167	-.75	.539	1.23	.200
Absorptive Capacity	119	-.003	-.01	.597	1.36	.015
Business Management	119	.062	.28	-.401	-0.91	.000

Source: Author

Table A6.2 shows the new values of skewness and kurtosis for all the variables after the deletion of one outlier from the absorptive capacity. Despite the non-significant result of the Kolmogorov-Smirnov test (.015), the new values (z) of skewness and kurtosis for absorptive capacity indicate normality. This is also supported by the normal probability plot, which appears to be markedly normal after the deletion of the outlier (see Figure A6.5).

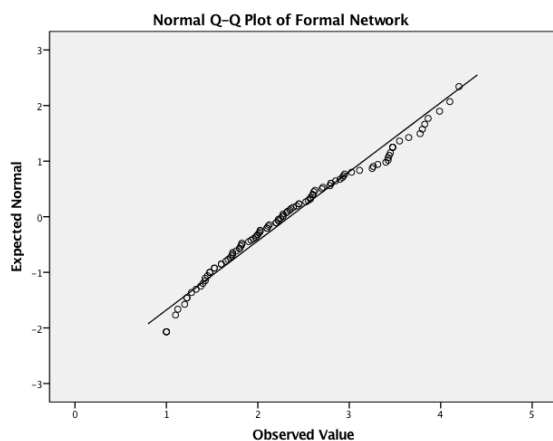
Figure A6.5 – Normal Probability Plot for 119 Cases of Absorptive Capacity Post Deletion of Single Outlier



Source: Author

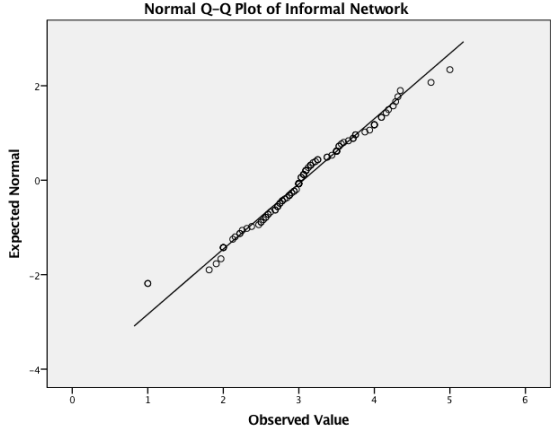
Given that there was a total of 119 cases after the single outlier’s deletion, the statistical descriptors and the normal probability plots for all the variables are still within the normality assumptions. In the case of annual sales turnover, there were only 103 entrepreneurs that were willing to respond to the question. Hence, the normality tests were conducted for these 103 cases of the use of formal and informal networks, absorptive capacity and annual sales turnover. The normal probability plots for these 103 cases are presented in the following Figures A6.6 to A6.9.

Figure A6.6 – Normal Probability Plot for 103 Cases of the Use of Formal Networks



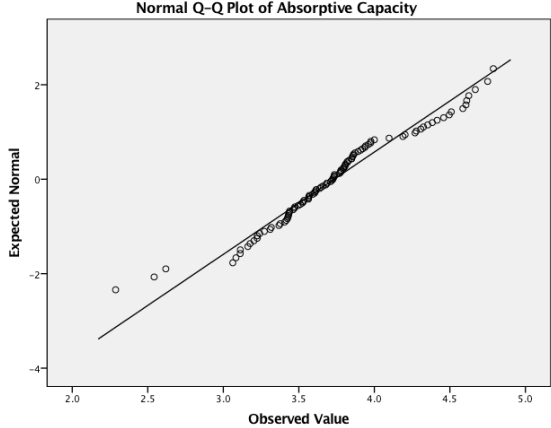
Source: Author

Figure A6.7 – Normal Probability Plot for 103 Cases of the Use of Informal Networks



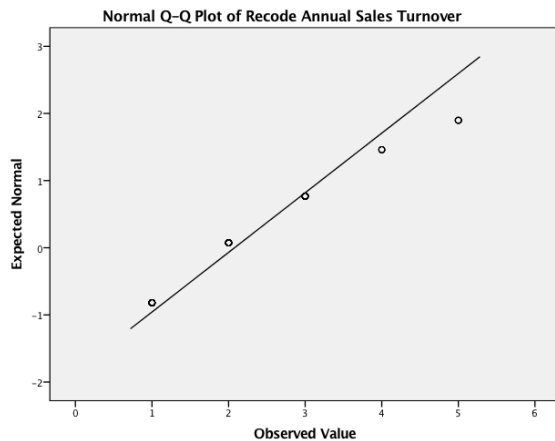
Source: Author

Figure A6.8 – Normal Probability Plot for 103 Cases of Absorptive Capacity



Source: Author

Figure A6.9 – Normal Probability Plot for 103 Cases of Annual Sales Turnover



Source: Author

Table A6.3 reports the normality results for these cases. In general, the use of formal and informal networks and absorptive capacity have met the normality assumption given their values of skewness and kurtosis as well as the graphical assessment of normal probability plots. However, the annual sales turnover violates the normality assumption as its' plotted data values bend down to the right of the normal distribution's line.

Table A6.3 – Normality Test for Dependent Variable of Annual Sales Turnover

Variable	N	Skewness		Kurtosis		Kolmogorov-Smirnov
		Statistic	z	Statistic	z	
Use of Formal Networks	103	.375	1.58	-.674	1.43	.200
Use of Informal Networks	103	-.041	-.17	.481	1.02	.058
Absorptive Capacity	103	.008	.03	.743	1.57	.011
Annual Sales Turnover	103	.852	3.58	.112	.24	.000

Source: Author

In addition, the skewness value of the annual sales turnover also exceeds the threshold value of ± 2 and there is no outlier to remove in order to improve the normality. In this situation, Pallant (2011) presents two choices that can be taken in moving forward with the data analysis. The first choice is to abandon the use of parametric statistics and choose the non-parametric alternatives. The second choice is to 'transform' the variables, which 'involves mathematically modifying

the scores using various formulas until the distribution looks more normal' (Pallant, 2011: 92). In other words, 'data transformations provide the principal means of correcting non-normality' (Hair *et al.*, 2010: 78). There are a number of different types of transformation which the researcher may apply all and then choose the most appropriate transformed variable (Tabachnick & Fidell, 2013; Hair *et al.*, 2010). With this in mind, the data transformation was conducted on the annual sales turnover to improve its distributional characteristics and the results are presented in the following Table A6.4.

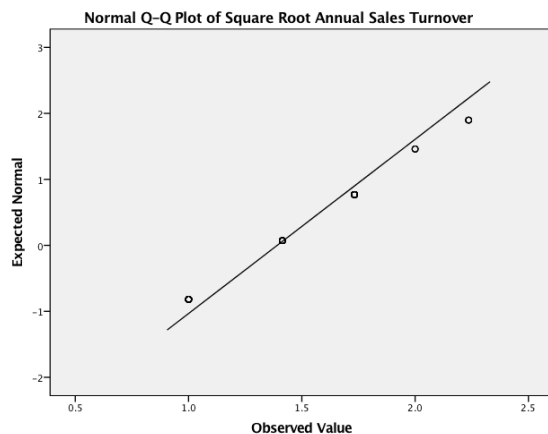
Table A6.4 – Normality Test of Annual Sales Turnover after Data Transformation of Square Root

Variable	N	Skewness		Kurtosis		Kolgomorov-Smirnov
		Statistic	z	Statistic	z	
Annual Sales Turnover	103	.455	1.91	-.844	-1.79	.000

Source: Author

Accordingly, the variable was transformed by taking the square root and its values of skewness and kurtosis demonstrates normality in spite of the non-significant result of the Kolgomorov-Smirnov test. The transformed annual sales turnover also appears 'near normal' in the graphical portrayal of the normal probability plot (see Figure A6.10).

Figure A6.10 – Normal Probability Plot for 103 Cases of Square Root Annual Sales Turnover



Source: Author

By combining information from the statistical descriptors (skewness and kurtosis) and normal probability plot, the transformed annual sales turnover is also considered to be 'reasonably normal' and hence, fulfilling the normality assumption.

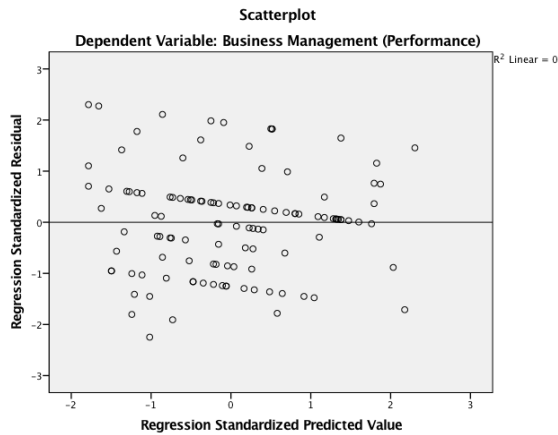
6.3 Homoscedasticity and Linearity

Homoscedasticity refers to the residuals at each level of the predictor variable that have the same variance (Field, 2009). When this is not the case (unequal variances), it is known as 'heteroscedasticity'. Pallant (2011: 151) defines '*residuals as the differences between the obtained and the predicted dependent variable scores*'. Homoscedasticity is important to fully capture the relationship between the dependent and independent variables, as the variance of the dependent variable being explained in the dependence relationship is not concentrated in only a limited range of independent values (Hair *et al.*, 2010). Accordingly, this assumption can be assessed in the residuals scatterplot (Pallant, 2011; Hair *et al.*, 2010).

Likewise, linearity can also be observed through the residuals scatterplot, where it can be achieved through '*how the points are randomly and evenly dispersed*' (Field, 2009: 247). If the overall pattern of the residuals scatterplot is '*nearly rectangularly distributed with a concentration of scores along the centre*', then the assumptions of linearity and homoscedasticity are met (Tabachnick & Fidell, 2013: 127; Pallant, 2011; Field, 2009). Linearity is important as the nonlinear patterns will result in an underestimation of the actual strength between the independent and dependent variables (Hair *et al.*, 2010). Nevertheless, if the assumptions of linearity and homoscedasticity are not met, it does not invalidate an analysis so much as weaken it (Tabachnick & Fidell, 2013). Observing the 119 cases of variables that linked with the dependent variable of business management, the residuals scatterplot generally indicates a 'fairly homoscedastic pattern' with the notable difference of a linearity pattern for each plotted residual as they are not so evenly or symmetrically dispersed from the centre. Some of the scatterplots are also difficult to interpret as the patterns of homoscedasticity and linearity are less well-defined.

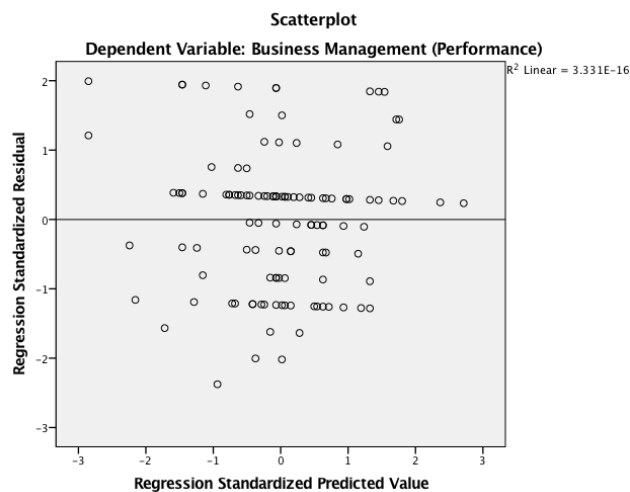
These observations are also similar in the context of the 103 cases of variables plotted against the dependent variable of annual sales turnover (see Figures A6.11 to A6.16).

Figure A6.11 – Residual Scatterplot of 119 Cases of the Use of Formal Networks and Business Management



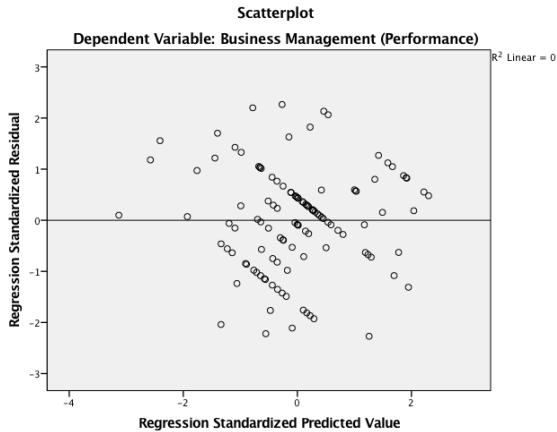
Source: Author

Figure A6.12 – Residual Scatterplot of 119 Cases of the Use of Informal Networks and Business Management



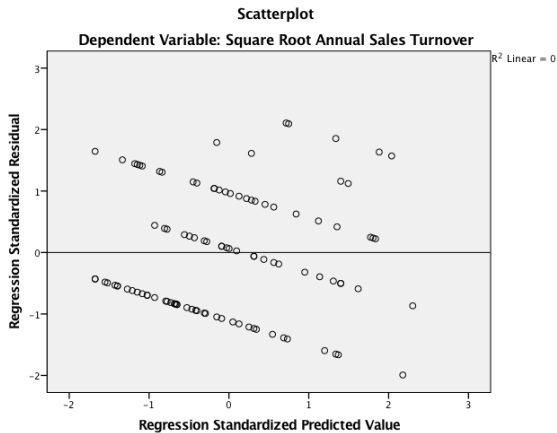
Source: Author

Figure A6.13 – Residual Scatterplot of 119 Cases of Absorptive Capacity and Business Management



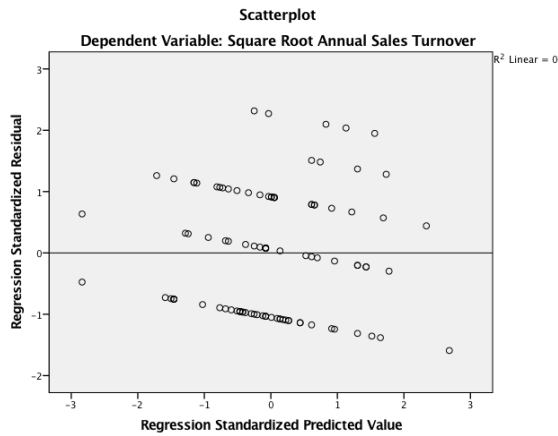
Source: Author

Figure A6.14 – Residual Scatterplot of 103 Cases of the Use of Formal Networks and Annual Sales Turnover



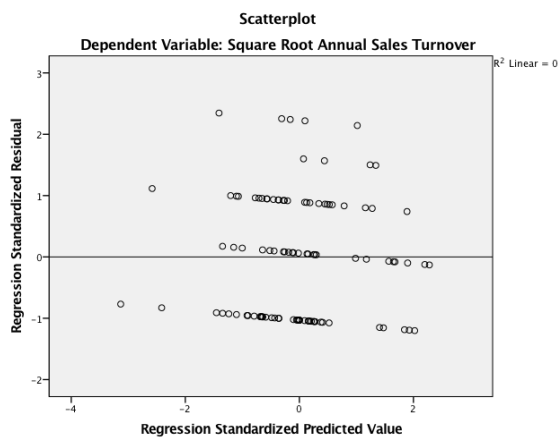
Source: Author

Figure A6.15 – Residual Scatterplot of 103 Cases of the Use of Informal Networks and Annual Sales Turnover



Source: Author

Figure A6.16 – Residual Scatterplot of 103 Cases of Absorptive Capacity and Annual Sales Turnover



Source: Author

Despite the varying pattern of the homoscedasticity and linearity reported for the two groups of dependent variables, it is important to note that regression analysis has been shown to be quite robust even when the most fundamental assumption of normality is violated (Hair *et al.*, 2010). In fact, Stevens (2009) also states that regression analysis may be robust for the violation of the assumption of normality with sample sizes over 30 cases.

Considering the normal distribution for variables that are associated with business management and annual sales turnover, it is considered appropriate at this stage of the analysis to proceed with the hierarchical linear and multiple regression and further assess the assumptions (normality, homoscedasticity, linearity, collinearity or multicollinearity, outliers and independence of residuals) after the model estimation, which is in line with the recommendations from Hair *et al.* (2010) and Tabachnick and Fidell (2012).

6.4 Dummy Coding of Control Variables for Hierarchical Linear and Multiple Regression Analysis

As mentioned in section 4.7.1.2 in Chapter 4, the importance of using the control variable in all the regression analyses is to minimize their influences on the dependent variables of business management and annual sales turnover. The control variables are the years of previous working experience, years of working in the tourism industry, business categories and years of business operation. Considering that all the control variables are measured on categorical scales, it is important to do the dummy coding in order to create the variables that can be used to represent them in the regression analyses (Field, 2009; Sekaran & Bougie, 2010). In other words, dummy coded variables enable the researcher to use the categorical variables in predicting and controlling their effects towards the dependent variable (Hair *et al.*, 2007).

Table A6.5 – Dummy Coded Variables

Years of Previous Work Experience			
Reference and Dummy Variables	Reference Variable (Less than 5 years)	Dummy Variable 1 (6-11 years)	Dummy Variable 2 (12 years and more)
Less than 5 years	0	0	0
6-11 years	0	1	0
12 years and more	0	0	1

Years Working in Tourism Industry				
Reference and Dummy Variables	Reference Variable (Less than 5 years)	Dummy Variable 1 (6-11 years)	Dummy Variable 2 (12 years and more)	
Less than 5 years	0	0	0	
6-11 years	0	1	0	
12 years and more	0	0	1	
Business Categories				
Reference and Dummy Variables	Reference Variable (Handicrafts)	Dummy Variable 1 (Travel Agencies)	Dummy Variable 2 (Restaurants)	Dummy Variable 3 (Hotels & Resorts)
Handicrafts	0	0	0	0
Hotels & Resorts	W1	0	0	1
Travel Agencies	0	1	0	0
Restaurants	0	0	1	0
Years of Business Operation				
Reference and Dummy Variables	Reference Variable (Less than 5 years)	Dummy Variable 1 (Less than 6 years)		
Less than 5 years	0	0		
6-11 years	0	1		

Source: Author

To create the dummy variable, one category of the variable needs to be chosen as the reference variable (Field, 2009). The criteria to choose a reference variable is that it should be the group that represents most of the respondents as it might be interesting to compare other groups against the majority (Field: 2009). Against the reference variable, the next step is to add as many dummy variables needed to the possible values of the variable (Hair *et al.*, 2007). It needs to be noted that each category is coded as either 1 or 0 (Field, 2009).

Using these steps as the main premise, Table A6.5 presents the dummy coded for the control variables that are used in all the regression analyses in this research.

6.5 Assumptions After the Model Estimations of Hierarchical Linear and Multiple Regression Analysis

Similar to the previous method prior to the model estimations, the normality assumption was observed through the normal probability plot while the assumptions of homoscedasticity and linearity were inspected through the residuals scatterplot. With regards to multicollinearity, highly collinear variables can unstable the results substantially and make them not generalisable (Hair *et al.*, 2010). Multicollinearity can be detected by the two values of Tolerance and VIF (variance inflation factor). According to Pallant (2011), the common cut-off values point for determining the presence of multicollinearity is less than .10 for Tolerance and above .10 for the VIF. When there is multicollinearity, Hair *et al.* (2010) recommend remedying the issue through the omission of one or more highly correlated independent variables and identifying other independent variables to help the prediction. In the context of this study however, the dimension of strength was removed from all the regression equations as it violated the multicollinearity assumption with the acceptable values of Tolerance and VIF (variance inflation factor) exceeded in all the regression analyses.

As for the independence of residuals, it is an assumption that deals with the effect of carryover from one observation to another, thus making the residual not independent (Hair *et al.*, 2010). If the residual terms are not correlated, it is sometimes described as a lack of autocorrelation (Field, 2009). The Durbin-Watson statistic can test the serial correlations between these residual terms and the conservative rule of thumb in assessing this assumption is that the values less than 1 or greater than 3 are definitely an indication of cause for concern of potential non-independence of residuals (Field, 2009). Basically, it can be noted that all the regression analyses that involve the dependent variable of annual sales turnover violate the assumption of independence of residuals (see **Sub-Appendices 6.5.4. 6.5.5 and 6.5.6**).

This might be attributed to the study design and data collection procedure, where all the SMTEs are located close to each other and clustered in the two districts of Kuala Terengganu and Kuala Nerus. According to Grawitch and Munz (2004), when the entrepreneurs and SMTEs operate or coexist within the same environment, it exposes them to the same conditions which led them to the state of non-independence even though they may not be aware of it. As discussed in Chapter 6, the consequence of this violation is that in most circumstances, the result will be an underestimation where the confidence interval will be too narrow and significance level inappropriately small (Darlington & Hayes, 2017).

For this reason, the chi-square test for independence was conducted for the regression analyses that indicated non-independence of residuals given the limited option to remedy this violation in order to ensure accuracy of the results (see section 6.6, sub-section 6.6.4, 6.6.5, 6.6.6 and 6.6.7 in Chapter 6). The assumption of outliers can be detected through the Mahalanobis distance that is produced by the multiple regression program as well as through the scatterplot (Pallant, 2011). According to Tabachnick and Fidell (2013), the outliers are cases that have a standardised residual of more than 3.3 or less than -3.3. Aside from this method, the identification of outliers through the Mahalanobis distance can also be made by the reading of the critical chi-square value using the number of independent variables as the degrees of freedom (Pallant, 2011). The following Table A6.6 shows the full list of these values, which is adapted from Tabachnick and Fidell (2007 cited in Pallant, 2011). If the value of the Mahalanobis distance exceeds the critical value, the Cook's distance needs to be inspected. If the value of the Cook's distance is more than 1, there is a potential undue influence on the results of the model as a whole and the offending cases need to be identified and considered for deletion.

Table A6.6 – Number of Independent Variables and Chi-Square Critical Value with Alpha Level .001

Number of Independent Variables	Critical Value
2	13.82
3	16.27

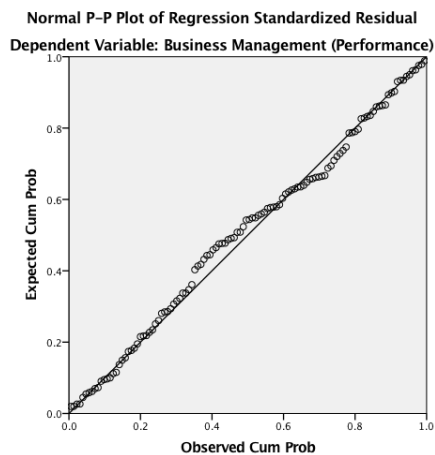
4	18.47
5	20.52
6	22.46
7	24.32

Source: Adapted from Pallant (2011), which is extracted from Tabachnick and Fidell (2007); originally from Pearson, E.S. & Hartley, h.o. (eds) (1958). *Biometrika Tables for Statisticians*. (Vol.1, 2nd Edition). New York: Cambridge University Press.

6.5.1 Use of Formal Networks and Business Management

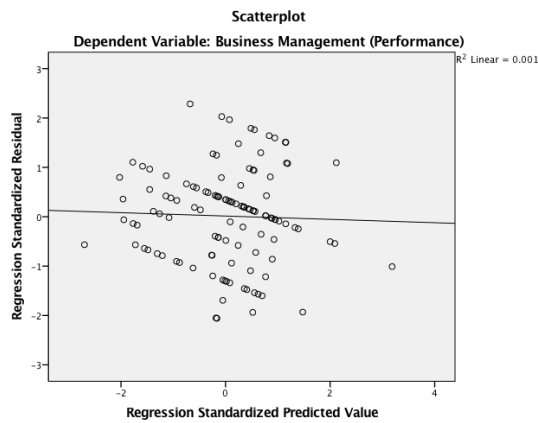
Inspecting the normality probability plot, most of the slopes closely follow the normal curve while the patterns of the residual scatterplot are not clear to confirm the homoscedastic and linearity assumption (see Figures A6.17, A6.18). This is evidenced by the low R^2 between the use of formal networks and business management.

Figure A6.17 – Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Business Management (119 Cases)



Source: Author

Figure A6.18 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Business Management (119 Cases)



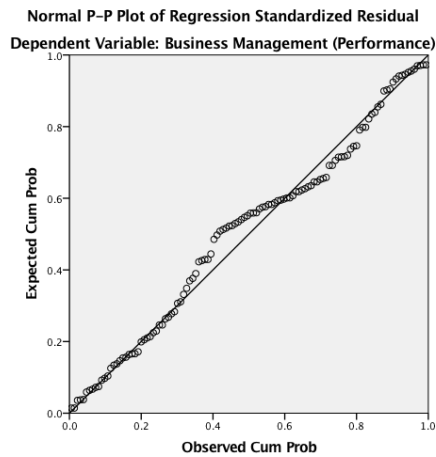
Source: Author

The assumption of independence of residuals was met with the value of Durbin-Watson at 1.605. In the context of outliers, Mahalanobis and Cook's distances were observed and there were 2 cases that exceed the maximum value of 16.27 for the analysis of three dimensions of the use of formal networks of size, trust and frequency of communication. Subsequently, the two cases were removed from the equation and the hierarchical regression analysis was conducted afterwards. The new results indicate that there were no substantive differences after the removal of the 2 outliers, indicating their minimal undue influences on the results of the whole model.

6.5.2 Use of Informal Networks and Business Management

The inspection of the normal probability plot indicates a reasonable normality given that there are deviations of the residual plots against the straight diagonal line of normal distribution especially at the middle (see Figure A6.19).

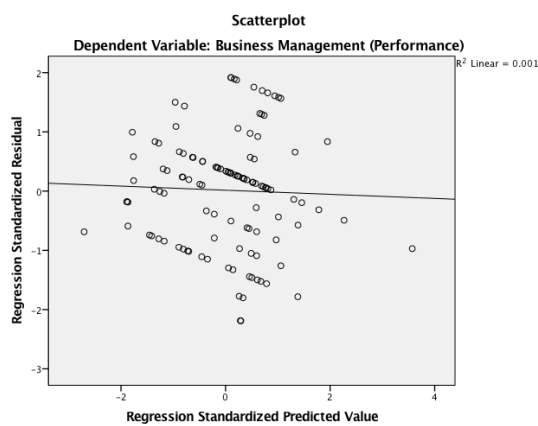
Figure A6.19 – Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Business Management (119 Cases)



Source: Author

The residual scatterplot cannot be clearly defined as the residuals are plotted in a somewhat rectangular shape and there is no clear dispersion pattern of linearity (see Figure A6.20).

Figure A6.20 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Business Management (119 Cases)



Source: Author

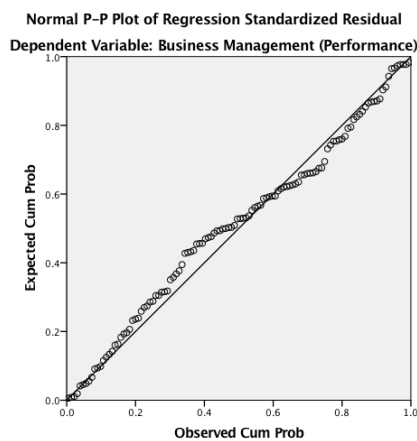
In terms of the value of Durbin-Watson, it is recorded at 1.627, which indicates independence of residuals. The multicollinearity assumption has been met with the Tolerance and VIF values for all the three dimensions within the cut-off limits.

As for the outliers, the Mahalanobis distance for two cases exceeded the critical value and hence, were removed from the equation. The hierarchical linear and multiple regression analysis was conducted again and there were no substantive differences in terms of the regression coefficients and their significance value.

6.5.3 Absorptive Capacity and Business Management

According to Figure A6.21, the normal probability plot indicates normality of the data distribution as most of the residuals closely follow the straight diagonal line of normal distribution.

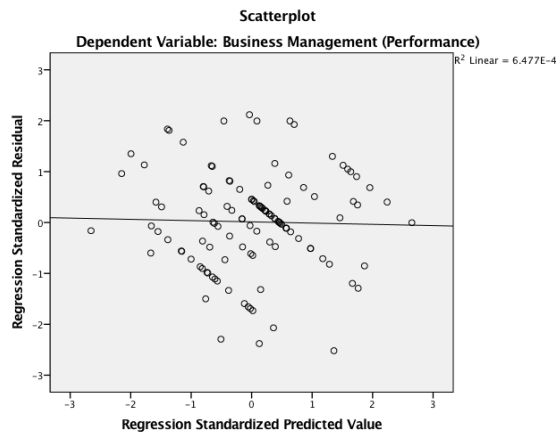
Figure A6.21 – Normal Probability Plot for Hierarchical Linear Regression Analysis of Absorptive Capacity and Business Management (119 Cases)



Source: Author

The residual scatterplot presented in the following Figure A6.22 shows reasonable homoscedastic and linearity patterns.

Figure A6.22 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of Absorptive Capacity and Business Management (119 Cases)

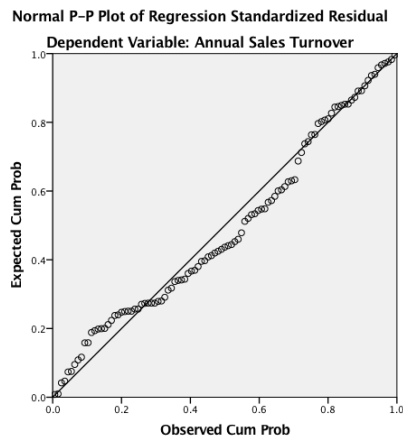


In terms of the autocorrelation, the value of Durbin-Watson is at 1.793, which indicates independence of residuals. All the Tolerance and VIF values are within the acceptable limits and hence, there is no indication of multicollinearity. Furthermore, there is also no indication of outliers as the values of Mahalanobis and Cook's distances are within the cut-off points.

6.5.4 Use of Formal Networks and Annual Sales Turnover

With regards to the result of the normal probability plot, they generally 'somewhat meet' the assumption of normality as there are deviations of residual plots against the diagonal line of normal distribution (see Figure A6.23).

Figure A6.23 – Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Annual Sales Turnover (103 Cases)

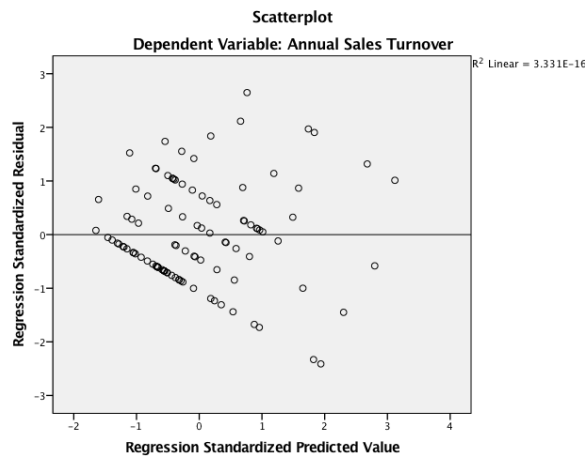


Source: Author

The results of the residuals scatterplot indicate heterodasticity, both in slope and scatter of the points, as they form the shape of the funnel so they become more spread out across the graph (see Figure A6.24). In terms of the linearity, there is a degree of dispersion of the residuals and the pattern of the plots makes it difficult to interpret as it is less well-defined. As for the outliers, there were no cases that exceeded the Mahalanobis and Cook's distances. In addition, there is also no indication of multicollinearity since all the values of Tolerance and VIF met the cut-off limits.

However, the Durbin-Watson statistic is recorded at .482, indicating non-independence of residuals. On the other hand, it is important to note that the annual sales turnover in this analysis has been transformed to a square root in meeting the univariate's assumption of normality. For this reason, another hierarchical linear and multiple regression analyses were conducted with the original values of annual sales turnover. The results indicate no substantive differences as they are almost similar to the results of the transformed annual sales turnover, hence indicating no undue influences from the data transformation.

Figure A6.24 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Absorptive Capacity (103 Cases)

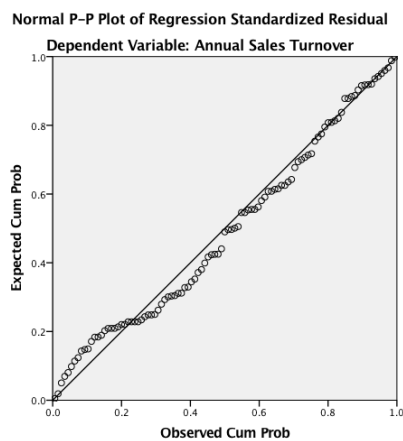


Source: Author

6.5.5 Use of Informal Networks and Annual Sales Turnover

Inspecting the normal probability plot, the residuals plot reasonably follow the straight diagonal line of the normal plot (see Figure A6.25). This indicates a reasonable fulfilment of the normality assumption.

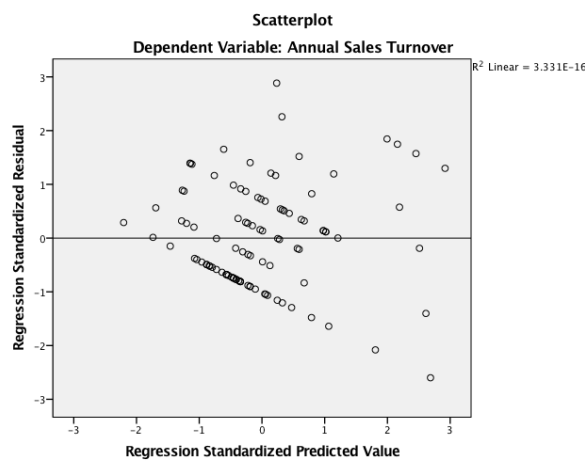
Figure A6.25 – Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Annual Sales Turnover (103 Cases)



Source: Author

The residuals scatterplot indicates heterodasticity, as the plot exhibits the shape of the funnel where they become more spread out across the graph (refer Figure A6.26). As for the linearity, the less well-defined pattern of the plots make it difficult to interpret despite the certain degree of dispersion of the residuals.

Figure A6.26 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Informal Networks and Absorptive Capacity (103 Cases)



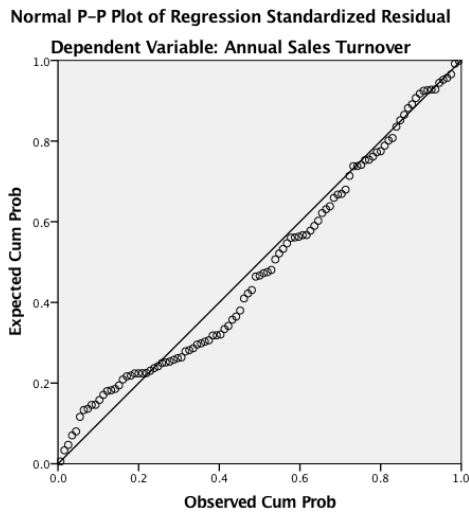
Source: Author

With regards to the Tolerance and VIF values, all the variables tested met the cut-off limits. Examining the outliers, there is one case that exceeded the maximum value of 16.27 of Mahalanobis distance. Consequently, the single case was removed from the equation and the hierarchical regression analysis was conducted afterwards. The results show that there were no substantive differences after the removal of the 1 outlier, indicating its' minimal undue influence towards the results of the whole model. On the other hand, the value of the Durbin-Watson statistic is .289, which indicates non-independence of residuals. Lastly, another hierarchical regression analysis was conducted to compare the results of the transformed and initial values of annual sales turnover. Accordingly, there were no substantive differences that suggest any significant influences from the data transformation.

6.5.6 Absorptive Capacity and Annual Sales Turnover

According to Figure A6.27, most of the residuals plot closely follow the straight diagonal line of normal distribution, which indicates a reasonable normality.

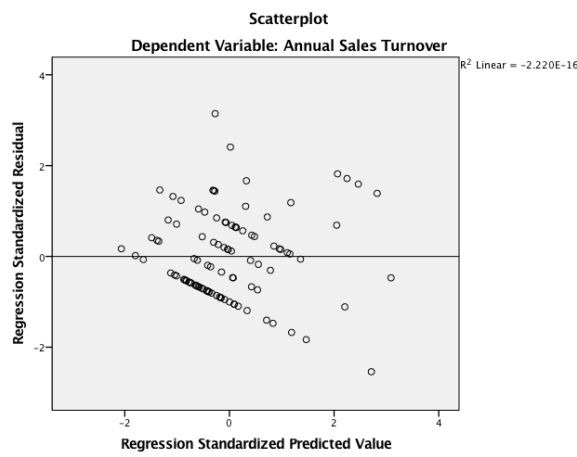
Figure A6.27 – Normal Probability Plot for Hierarchical Linear Regression Analysis of Absorptive Capacity and Annual Sales Turnover (103 Cases)



Source: Author

As for the residuals scatterplot, the pattern clearly exhibits heterodasticity with the shape of the funnel (see Figure A6.28). The pattern of linearity is less well-defined, evidenced by the low R^2 of the regression model estimation (see Chapter 6, section 6.6.6).

Figure A6.28 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of Absorptive Capacity and Annual Sales Turnover (103 Cases)



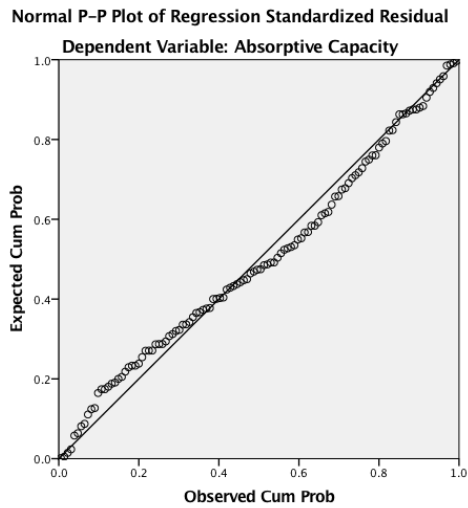
Source: Author

In terms of the autocorrelation, the value of Durbin-Watson is recorded at .293, indicating non-independence of residuals. Apart from this, there is no indication of undue influences from outliers as the values of Mahalanobis and Cook's distances met the cut-off limits. At the same time, there was no violation of multicollinearity and no substantive differences in terms of the results between the transformed annual sales turnover and its original values.

6.5.7 Use of Formal Networks and Absorptive Capacity

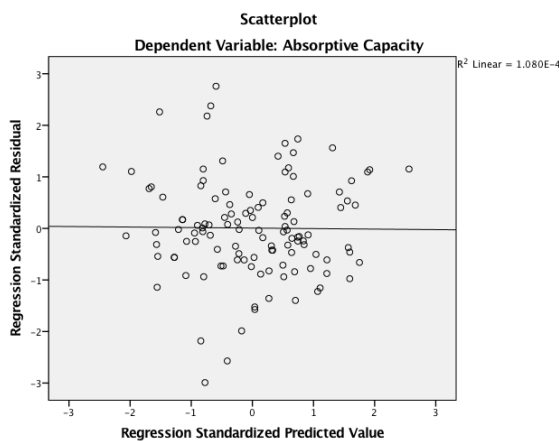
The inspection of the normal probability plot indicates reasonable normality as the scatter of the points of the residual scatterplot shows linearity and a homoscedastic pattern (see Figures A6.29 and A6.30).

Figure A6.29 – Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Absorptive Capacity (119 Cases)



Source: Author

Figure A6.30 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks and Absorptive Capacity (119 Cases)



Source: Author

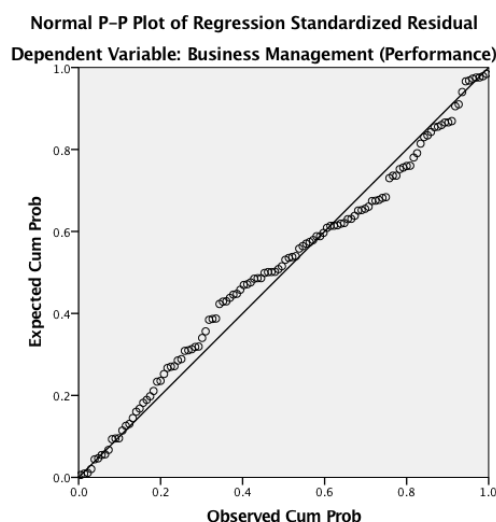
The assumption of the independence of residuals is met with the value of Durbin-Watson at 1.948. Nevertheless, the multicollinearity assumption was violated when all the four dimensions (size, strength, trust, frequency of communication) of the formal networks were regressed with the absorptive capacity.

Consequently, the dimension of strength was removed and the subsequent values of Tolerance and VIF met the cut-off limits. In terms of the outliers, there were no substantive differences with the removal of a single case that exceeded the cut-off values of Mahalanobis and Cook's distances.

6.5.8 Use of Formal Networks, Absorptive Capacity and Business Management

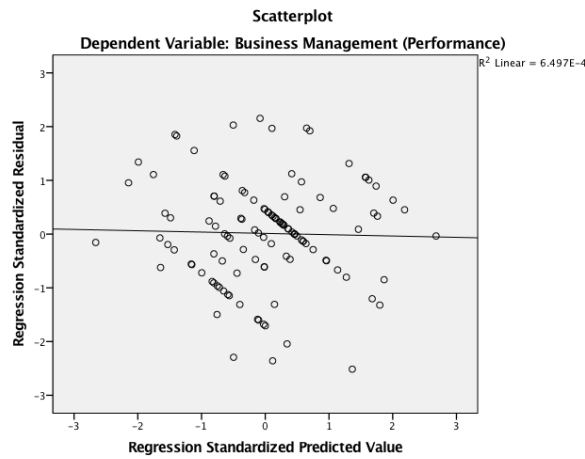
The examination of the normal probability plot indicates that most of the residuals closely follow the straight diagonal line of normal distribution (see Figure A6.31). With regards to the residual scatterplots, Figure A6.32 shows a homoscedastic and linearity pattern with the fairly rectangular shape and reasonable dispersion of the residual plots.

Figure A6.31 – Normal Probability Plot for Hierarchical Linear Regression Analysis of the Use of Formal Networks, Absorptive Capacity and Business Management (119 Cases)



Source: Author

Figure A6.32 – Residuals Scatterplot for Hierarchical Linear Regression Analysis of the Use of Formal Networks, Absorptive Capacity and Business Management (119 Cases)



Source: Author

As for the outliers, there are no cases that exceeded the Mahalanobis and Cook's distances. Besides that, there is also no indication of multicollinearity since all the values of Tolerance and VIF met the cut-off limits. In terms of the independence of residuals, the Durbin-Watson statistic was recorded at 1.785, indicating no sign of autocorrelation.

Appendix 7

Background Information of 14 Entrepreneurs and SMTEs who Participated in the Semi-Structured Interview

Table A7.1 – Background Information on Entrepreneurs Involved in the Semi-Structured Interview

Entrepreneurs	Mr. A	Mrs. B	Mr. C	Mr. D	Mr. E	Mr. F	Mr. G
Name of SMTE	Batik 1	Batik 2	Batik 3	Batik 4	Keris 1	Hotel 1	Hotel 2
Industry	Handicraft	Handicraft	Handicraft	Handicraft	Handicraft	Hotel	Hotel
Gender	Male	Female	Male	Male	Male	Male	Male
Race	Malay	Malay	Malay	Malay	Malay	Chinese	Malay
Age	41-55	41-55	Below 40	41-55	41-55	41-55	Below 40
Marital Status	Married						
Education	High School	High School	Diploma	High School	High School	Diploma	Diploma
Years Living in Terengganu	41 & above	41 & above	Below 40	41 & above	41 & above	41 & above	Below 40
Years of Working Experience	6 years & above	Up to 2 years	Up to 2 years	Up to 2 years	Up to 2 years	6 years & above	6 years & above
Years of Working in Tourism Industry	3-8	9 years & above	9 years & above	9 years & above	9 years & above	9 years & above	3-8

Formal Tourism Training	No						
Formal General Business Training	Yes	No	Yes	No	No	No	No
Ownership	Individual	Individual	Individual	Individual	Individual	Individual	Joint
Years of Business	10-24	10-24	10-24	10-24	25 & above	10-24	Up to 9
Business Plan	Yes	No	Yes	No	No	Yes	No
Business Capital	Personal Saving & Bank	Families & Friends	Personal Saving & Bank	Families	Families	Families	Personal Saving
Number of Employees	3	15	2	2	2	40	5
• Full time	3	15	2	2	2	40	5
• Part time	0	0	0	0	0	0	0
• Family	0	2	2	2	2	0	5
Annual Sales Turnover	Less than RM100,000	-	RM100,001 – RM199,999	Less than RM100,000	Less than RM100,000	RM2,100,000 – RM2,999,999	Less than RM100,000

Table A7.2 – Continuation on the Background Information of Entrepreneurs and SMTEs who Participated in the Semi-Structured Interview

Entrepreneurs	Mr. H	Mrs. I	Mr. J	Mr. K	Mr. L	Mr. M	Mr. N
Name of SMTE	Hotel 3	Restaurant 1	Restaurant 2	Restaurant 3	Travel Agency 1	Travel Agency 2	Travel Agency 3
Industry	Hotel	Restaurant	Restaurant	Restaurant	Travel	Travel	Travel
Gender	Male	Female	Male	Male	Male	Male	Male
Race	Malay	Malay	Malay	Malay	Chinese	Malay	Malay
Age	56 and above	41-55	41-55	41-55	56 and above	41-55	Below 40
Marital Status	Yes						
Education	Master	High School	High School	High School	High School	Degree	High School
Years Living in Terengganu	41 & above	41 & above	41 & above	41 & above	41 & above	41 & above	Below 40
Years of Working Experience	6 years & above	Up to 2 years	6 years & above	Up to 2 years	Up to 2 years	Up to 2 years	Up to 2 years
Years of Working in Tourism Industry	9 years & above	9 years & above	9 years & above	9 years & above	9 years & above	9 years & above	9 years & above
Formal	No						

Tourism Training							
Formal General Business Training	No	No	No	No	No	No	Yes
Ownership	Individual	Individual	Individual	Individual	Individual	Individual	Individual
Years of Business	25 & above	25 & above	10-24	25 & above	10-24	Up to 9	10-24
Business Plan	Yes	No	Yes	No	Yes	Yes	Yes
Business Capital	Personal Saving	Personal Saving	Personal Saving & Families	Families	Friends	Personal Saving	Personal Saving & Bank
Number of Employees	15	3	38	10	3	6	5
• Full time	15	3	38	10	3	6	5
• Part time	0	0	0	0	0	0	0
• Family	0	3	1	10	1	0	0
Annual Sales Turnover	Less than RM100,000	RM300,000 – RM1,199,999	-	-	-	RM2,100,000 – RM2,999,999	RM300,000 – RM1,199,999