



# **BUILDING ARABIC BUSINESSES:** ALTERNATIVE PATHWAYS TO EMPLOYMENT GENERATION IN SYDNEY'S AUBURN-BANKSTOWN CORRIDOR

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**PREPARED FOR INDUSTRY & INVESTMENT NSW  
BY THE URBAN RESEARCH CENTRE,  
UNIVERSITY OF WESTERN SYDNEY, FEBRUARY 2011.**

# CONTENTS

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ISBN 978-0-9808241-4-8

## ACKNOWLEDGEMENTS

UWS and Industry & Investment NSW would like to acknowledge and thank the owner-managers that supported this study through their participation. Thanks are also due to those people who took time out to speak with us from local Arabic business and community groups.

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## Abbreviations

**AABN** – Australian Arab Business Network  
**AACCI** – Australia Arab Chamber of Commerce and Industry Inc  
**ABS** – Australian Bureau of Statistics  
**BECs** – Business Enterprise Centre  
**BAS** – Business Advisory Services  
**I&I NSW** – Industry & Investment NSW  
**HR** – Human resources  
**LGA** – Local Government Area  
**NESB** – Non English Speaking Backgrounds  
**SME** – Small and medium enterprises  
**West Central** – This term captures the five local government areas that make up Sydney's West Central planning sub-region. The LGAs include Holroyd, Fairfield, Parramatta, Auburn and Bankstown  
**URC** – Urban Research Centre  
**UWS** – University of Western Sydney  
**WSROC** – Western Sydney Regional Organisation of Councils

<b>Executive Summary</b>	06
<b>Introduction</b>	08
1.1 Background	08
1.2 Explanation and context of the arrival of Lebanese into Australia	09
1.3 'Typical' Entrepreneur profile	09
1.4 Definitions	10
<b>2 Methodology</b>	12
2.1 Access and Recruitment Strategies	12
2.2 Interview Respondents	13
2.3 Generational differences	14
2.4 Gender	14
2.5 Religion	14
2.6 Ancestry	14
<b>3 Previous research and hallmarks of ethnic enterprises</b>	15
3.1 Origins and rise of inquiry	15
3.2 Culturally predisposed to entrepreneurialism	15
3.3 Blocked mobility	15
3.4 Mixed embeddedness approach	16
3.5 Spatial clustering	16
3.6 Proclivity to have co-ethnic customers, suppliers and clients	16
3.7 Unpaid family workers, particularly female	16
3.8 Transnational networks and middlemen	17
3.9 Ethnicity	17
3.10 Diaspora	17
3.11 Ethnic enterprises in Australia	17
<b>4 Geographic Distribution</b>	19
4.1 By Ancestry	19
4.2 Geographic incidence of Arabic owner-managers	21
<b>5 Employment</b>	27
5.1 Recruitment	28
<b>6 Distinct Arabic Attributes</b>	29
6.1 Self-employment and innate entrepreneurial spirit	29
6.2 Centrality of family	29
6.3 Paternalism towards employees	29
6.4 Maintaining transnational identities	30
6.5 Diversities within the Arabic category	30
6.5.1 Predisposition to occupations	30
6.5.2 Urban/rural divides	30
6.6 Racism, reaction and resistance	30
<b>7 Co-ethnicity</b>	32
7.1 Staff and co-ethnicity	32
7.2 Suppliers and co-ethnicity	32
7.3 Customers and co-ethnicity	32
<b>8 Education</b>	34
8.1 Large firm experience	34
<b>9 Start-up and Finance</b>	35
9.1 Selling businesses to buy new businesses	35
9.2 The importance of track record	35
<b>10 Government</b>	36
10.1 Invisibility	36
10.2 Awareness V exclusion	36
10.3 Positive stories beyond Auburn and Bankstown	36
<b>11 Transnational Networks</b>	37

11.1	Absence of Austrade	37
<b>12</b>	<b>Barriers to Expansion</b>	38
12.1	Lack of HR and management skills	38
12.2	Lack of time to seek out new premises	38
12.3	Trust	38
12.4	Federal and State laws	39
<b>13</b>	<b>Transformation</b>	40
13.1	Second generation as catalysts for change	40
<b>14</b>	<b>Conclusions</b>	41
<b>15</b>	<b>Policy Recommendations</b>	43
15.1	Promotion, recognition and inclusion	43
15.2	Increasing government visibility and familiarity with the business support landscape	43
15.3	Overcoming language barriers	43
15.4	Differentiating the needs of an enterprise from the needs of an individual entrepreneur	43
15.5	Expanding networks to get specialist help	45
15.6	Mobilising co-ethnically orientated transnational networks	45
15.7	Participatory action research program	45
15.8	Acknowledging the relationship between ethnic business, urban renewal and employment growth in West Central	45

#### List of Figures

Figure 1	Map of West Central planning sub-region	10
Figure 2	Map of Arab countries	11
Figure 3	Map of Lebanese Ancestry in West Central	19
Figure 4	Map of Turkish Ancestry in West Central	20
Figure 5	Map of Egyptian and Iraqi Ancestry in West Central	20
Figure 6	Map of Lebanese Owner-Managers in West Central	21
Figure 7	Map of Turkish Owner-Managers in West Central	22
Figure 8	Map of Egyptian and Iraqi Owner-Managers in West Central	22
Figure 9	Map of Lebanese owner-managers in construction in West Central	23
Figure 10	Map of Lebanese owner-managers in retail trade in West Central	24
Figure 11	Map of Lebanese owner-managers in wholesale in West Central	25
Figure 12	Map of Lebanese owner-managers in food and accommodation in West Central	25
Figure 13	Map of Lebanese owner-managers in manufacturing in West Central	26

#### List of Tables

Table 1	Interview respondents by sector	13
Table 2	Jobs created by sector by respondents	27
Table 3	Size of business by employees	28
Table 4	Distinguishing between the needs of enterprises and entrepreneurs over the business life-cycle	44
Table 5	Policy recommendations actions and responsibilities	46

# EXECUTIVE SUMMARY

This study engaged with a group of owner-managers with Arabic ancestry in the Auburn-Bankstown corridor within Sydney's West Central planning sub-region. It sought to examine the barriers and impediments to employment generation and growth faced by these owner managers and whether or not such impediments are predicated on a set of distinct business practices performed by this group.

Two major factors acted as prompts for this study. First, the 2005 NSW government's Metropolitan Strategy City of Cities which set a target of 61,000 net additional jobs by 2031 for the West Central planning sub-region. More recently the NSW 2010 Metropolitan Plan for Sydney has increased this target to 98,000 net additional jobs by 2036. In tandem West Central has been designated an important sub-region for urban renewal with expectations for 95,500 new dwellings by 2031 and an additional 213,000 people by 2036. Research undertaken by the Urban Research Centre (2008) has already demonstrated that such targets are highly optimistic and will be difficult to achieve, especially with a satisfactory mix of full time and part time jobs.

The second prompt is that examination of special data from the ABS has shown that the Auburn-Bankstown corridor has above-average concentrations of small and medium enterprises that identify as being operated by owner-managers from non-English speaking backgrounds (NESB). The selection of Arabic businesses as the focus of this study is based on this group being significantly larger than other ethnic business groups (Korean and Chinese) with high concentrations of enterprise activity within the Auburn-Bankstown corridor.

The question, then, that guides this study is whether or not the large component of Arabic businesses has unrealised or blocked potential to deliver significant employment growth in Sydney's West Central. Discovering and highlighting impediments to growth and expansion are both timely and important. At present West Central is characterised by above average rates of unemployment alongside high concentrations of low labour force participation rates especially among women and those from non-English speaking backgrounds.

The study had three main aims

1. To explore if there are distinct business practices present amongst Arabic owner-operated businesses in the corridor
2. To examine to what extent and in what ways do such business practices impede or enhance business growth and employment generation amongst Arabic business in the Auburn-Bankstown corridor
3. To suggest strategies and pathways to encourage employment generation amongst Arabic businesses in the

Auburn-Bankstown corridor and the West Central planning sub-region more broadly.

To uncover the experiences and processes associated with business set-up and expansion, face-to-face interviews with thirty enterprise managers across a range of sectors and other key stakeholders were undertaken as the main research strategy. This was in addition to a thorough analysis of relevant and available secondary data on the Arabic business community in West Central. Despite early discussions about the difficulties in recruiting participants, the reception from the Arabic business community was extremely warm. Endorsement of the study by the Australian Arab Business Network was key to the success of this project and in being able to recruit participants.

The Arabic business community is a strong and visible entity in West Central characterised by a deeply held and shared sense of ethnicity. The community is bound together through a variety of reciprocal arrangements. Part of this shared ancestry includes a set of distinctly Arabic attributes suggested to the researchers which included: a natural entrepreneurial flair for business; the centrality of the family and the importance of being able to take care of the (often extended) family; paternalism towards employees by owner-managers; and an emphasis on maintaining ties with the ancestral motherland. Notwithstanding these attributes diversities within the category of 'Arabic' were also stressed.

There exists an active and vibrant landscape of Arabic business organisations that promotes and supports this business community. Such institutions include the Australian Arab Business Network, Australian Lebanese Chamber of Commerce, Arab Bank and the Australia Arab Chamber of Commerce and Industry. The presence of these organisations however should not be seen as justification to demarcate this business group as separate or distinct from other Australian or NSW business organisations for two important reasons. First, there is a feeling amongst respondents that the achievements of the Arab business community, alongside an understanding of their culture, appear to be overlooked and at times undervalued by all levels of government. Second, some respondents reported feeling or experiencing an anti-Middle Eastern and/or anti-Islamic sentiment both in their business ventures and everyday lives within Western Sydney.

In contrast to much of the literature on immigrant businesses, Arabic businesses were spatially and ethnically unbound in terms of their employees, clients and suppliers. Nor were they confined to general retailing or low order goods. Employees were drawn from diverse sets of ethnicities that included

Korean, Chinese, Asian, Anglo-Australian, Fijian, New Zealanders and Italian. Meanwhile, decisions about suppliers were based on price and quality rather than ethnicity, with none of the owner-managers reporting using solely Arabic suppliers. The propensity for family run businesses amongst the Arabic business community often meant that the senior management teams tended to be of the same ethnicity. The skills and education of the second generation often provided valuable ammunition to help diversify and expand the family business.

Our study group appeared just as globalised as other Australian businesses and were intimately tied into international supply chains, particularly with China where savings could be made. Linkages reported with other countries included Denmark, India and Korea. With the exception of importing food stuffs, there were surprisingly few transnational connections and trade links to the Middle East. The infrequently realised aspirations amongst our respondents to export or set up offices in the Middle East suggests that a concerted effort may need to be made by Austrade or ACCI to connect with businesses thinking of exporting in Sydney's West Central planning sub-region to encourage the mobilisation of transnational linkages.

Arabic businesses in West Central faced many of the same difficulties that are germane to enterprise development that any other Australian early stage, growing or mature business faces. Barriers to expansion and growth were predicated on issues such as access to finance, inappropriate management and HR skills, access or knowledge of affordable quality business premises and marketing skills. A major finding of this study, then, is that the main impediments to growth amongst Arabic businesses are external to the business community rather than being predicated on any distinct set of business practices, routines or standards. Only the sometimes added barrier of racism and language constraints could be identified as a distinctly Arabic, or more generally immigrant, orientated obstacle to growth.

Paradoxically, at all stages of the business lifecycle there was sparse uptake either of government support services or other professional business advice organisations by Arabic entrepreneurs. Many of the support programmes offered by government to help entrepreneurs are yet to 'reach' this group - potentially putting the Arabic business community at a disadvantage in relation to their non-Arabic counterparts. Meanwhile, the business support landscape was perceived as difficult to navigate, and knowledge of a one-stop shop that could help direct entrepreneurs to the correct business service and support, such as the Bankstown business advisory centre, was lacking.

The sparse uptake of support services was attributed to a lack of awareness rather than any feelings of exclusion or choice amongst our study group. It is paramount that local and state governments increase their visibility to the Arabic business community whilst also addressing the perception of a fractured business advisory landscape through better promotion of the avenues that exist to filter entrepreneurs to relevant avenues of support. To reach this business community local and state government need to further strengthen their partnerships with

pre-existing organisations that already have the trust of the Arabic business community.

Testament to how the presence of this business community is an indispensable motor for continued growth and development in Sydney's West Central was how our study group employed almost 600 people, the vast majority of which were full time jobs. The common geography of this community combined with its demonstrated capacity for resilience, innovation, transformation and employment add significant geographical prowess to the West Central economy. Future plans for urban renewal of West Central must see the ethnic business community as a core asset and a positive feature of the area.

Finally this report has demonstrated that considerable caution needs to be taken in how this business group are understood and represented. Any assertion that Arabic businesses in West Central run parallel to, or are merely an exotic bolt-on to the mainstream economy, is incorrect, as are suggestions that these entrepreneurs draw on a set of dissimilar practices and routines to do business. Instead Arabic businesses conform to normal taxation and reporting requirements and are subject to the same commercial, operational, planning and labour laws like any other Australian business whilst being directly interwoven into the mainstream economy. Consequently this study argues for a perspective that accepts how an Arabic run business can be both integrated into the mainstream Australian economy and be operated by a manager who may, or may not, chose to have a shared and active sense of an Arabic ancestry.

A series of policy recommendations finish this report and revolve around a broad set of themes. Chiefly these include:

- i) Promotion, recognition and inclusion of the Arabic business community;
- ii) Increasing the visibility and uptake of government support programmes through pre-existing and trusted Arab business organisations, whilst simplifying the business support landscape and increasing the awareness of a one-stop shop for entrepreneurs;
- iii) Mobilising co-ethnically orientated transnational ties
- iv) Placing the ethnic business community at the heart of future urban renewal plans for West Central.

This report, commissioned and funded by Industry & Investment NSW, engaged with a group of owner managers with Arabic ancestry in the Auburn-Bankstown corridor located within Sydney's West Central planning sub-region. It sought to examine the barriers and impediments to employment generation and growth faced by owner-managers in this ethnic group. The study was keen to decipher whether any of the barriers and impediments that may face Arabic businesses are predicated on a set of distinct or diverse business practices performed by this group. The main output of this study is to suggest alternative pathways to employment generation and expansion.

Prompting this study was the 2005 NSW government's Metropolitan Strategy City of Cities: a Plan for Sydney's Future which has a target of 61,000 net additional jobs for the West Central sub-region by 2031. It has already been demonstrated that these targets will be difficult to achieve, especially with a satisfactory mix of full time and part time jobs and given the current economic context of West Central (Urban Research Centre, 2008). More recently in December 2010 the Metropolitan Plan for Sydney sets a target of a net additional 98,000 jobs for West Central but still fails to articulate strategies or mechanisms by which these ambitious job targets will be achieved. To what extent the strong and visible Arabic business community located in West Central is one vehicle for delivery of a notable proportion of the targeted job growth by 2031 is what this project investigates.

A second related prompt for this study is that examination of special data from the ABS show that the Auburn-Bankstown corridor has above-average concentrations of small and medium enterprises that identify as being operated by managers from NESB. The key ethnic groups identified as having high concentrations of enterprise activity are the Arabic, Chinese and Korean ethnic groups. The selection of Arabic businesses as the focus of this study is based on it being significantly larger than other ethnic business groups in the Auburn-Bankstown corridor. The report is intended, then, as building better understanding of the ways new enterprises form and grow in the context of a significant presence of NESB entrepreneurs.

The question that guides and informs this study is whether or not the large component of Arabic businesses in the Auburn-Bankstown corridor has unrealised or blocked potential to deliver significant employment growth in Sydney's West Central. This question is premised on the notion that successful economic change in the nominated corridor is critical to successful outcomes in the West Central sub-region as a whole.

The study had three aims:

- 1) To explore if there are distinct business practices present amongst Arabic owner-operated businesses in the corridor.
- 2) To examine to what extent and in what ways do such business practices impede or enhance business growth and employment generation amongst Arabic businesses in the Auburn-Bankstown corridor
- 3) To suggest strategies and pathways to encourage employment generation amongst Arabic businesses in the Auburn-Bankstown corridor and the West Central planning sub-region more broadly.

## 1.1 BACKGROUND

The West Central planning sub-region is comprised of the localities of Auburn, Parramatta, Holroyd, Bankstown and Fairfield and is the geographical centre of Sydney. At the 2006 census West Central was the second most populated as well as the most ethnically diverse planning sub-region in the Sydney metropolitan area with 43.3% of its population born overseas compared with 31.7% for the Sydney statistical division as a whole. Combined with relatively affordable housing, including public housing, West Central is Sydney's (and Australia's) prime region for new migrant settlement.

Parts of the sub-region, specifically Parramatta and Auburn are very accessible to the Sydney CBD which is driving demographic change in these areas with younger and professional people living close to public transport connections in the sub-region. Parramatta is increasingly becoming a strategic regional city centre (mostly due to the relocation of government back offices). Notably, Bankstown and Fairfield are not as centrally located and have lower skilled resident populations.

Simultaneously West Central hosts a significant portion of Sydney's manufacturing industries. This includes concentrations of petroleum and chemicals, machinery and equipment, metals and engineering and processed foods. De-industrialisation and trade liberalisation over the past few decades in the sub-region, however, have resulted in substantial job losses in traditional manufacturing industries. Ongoing industrial restructuring in traditional industries makes it difficult for the sub-region to create net additional employment.

Unsurprisingly, then, the West Central planning sub-region is characterised by above average rates of unemployment alongside high concentrations of low labour force participation rates, especially among women and those from non-English speaking backgrounds.

In tandem, West Central has been designated as an important sub-region for urban renewal by the NSW government. Underpinning this has been the shortage of large surplus industrial sites for urban renewal in some inner city areas, plus political resistance to urban consolidation in the inner suburbs have focussed attention on West Central as a prime canvas for urban renewal and also for employment opportunities.

The expectations of the NSW Government's Metropolitan Strategy (2005) is that the sub-region will generate a net additional 35,000 jobs by 2031, which has been seen by local councils as an ambitious target. More recently, the Government's Transport Data Centre (2010) forecasts 81,627 net additional jobs for the sub-region by 2031 which is also seen by many as very optimistic. Such employment expectations, however formulated, parallel expectations for substantial dwellings and population growth in the sub-region. By 2031 the Metropolitan Strategy has set a dwellings target for West Central of 95,500 new dwellings. The NSW government's Metropolitan Strategy Review Discussion Paper (2010) targets population growth in the sub-region at 213,000 additional targeted people by 2036. Given that the sub-region had 679,000 usual residents in 2006, the population growth is substantial at 32%. A concern in West Central is that there may be an erosion of business spaces as West Central councils allow rezoning of older employment sites to meet medium density targets.

Research conducted by the Urban Research Centre for WSROC and the NSW Department of Planning (North-West and West-Central Employment Strategies, 2008) finds that West Central local government areas need to overcome major structural difficulties in order to deliver reasonable levels of employment growth. These include difficulties that arise from: the skills composition of the sub-region's workforce; the sectoral composition of the sub-region's local economy; and the under-sized nature of the sub-region's enterprise sector.

At the same time thorough examination of special data from the ABS shows that the Auburn-Bankstown corridor has above average concentrations of small and medium enterprises that identify as being operated by managers from NESB. Additionally, in a 2003 study examining what the authors called 'community strength and social capital', Western *et al* (2005) identified Auburn as an area with high median income but low social capital. The key ethnic groups identified as having high concentrations of enterprise activity are the Arabic, Chinese and Korean ethnic groups. The selection of Arabic owner-managers for this study is based on it being significantly larger than the other ethnic business groups and may have unrealised potential to deliver employment growth in West Central.

## 1.2 EXPLANATION AND CONTEXT OF THE ARRIVAL OF LEBANESE INTO AUSTRALIA

Given the high geographical incidence of those with Lebanese ancestry within both our study group and the study area it is worth providing some context and explanation of their arrival

into Australia. Whilst there are numerous ways to describe and account for Lebanese immigration to Australia, the most common has been to suggest that there have been three main waves. According to Humphrey (2004), Lebanese immigration to Australia can be divided into three periods: the early period 1880-1946; the mass migration period 1947-1974; and the post war period from 1975 (2004: 39). A different framework is proffered by Mansour (2004) who divides Lebanese immigration to Australia from its inception until the 1970s into two periods: unrestricted and restricted (Convy and Mansour 2008: 6). These periods are characterised before and after the Immigration Restriction Act in 1901 which formed the basis of the White Australia Policy and sought to exclude undesirable immigrants entry to Australia – undesirable often meaning coloured. Consequently, the Lebanese had to convince the Australian government of their whiteness by being on the cusp of Europeaness to achieve acceptance and residency (Humphrey 2004) whilst also challenging prejudices that saw the Lebanese as 'petty traders' or 'Syrians'. After the implementation of this Act immigration was dependent on various criteria such as passing a diction test or exemption permit approved by the Minister. This Act profoundly determined and mediated the character of Lebanese and Syrian immigration after 1901 meaning that until the 1960s the number of Lebanese and Syrian immigrants in Australia was always small.

Each migration wave is thought to have had different prompts and characteristics. While the first waves were characterised by a perception of increased economic opportunities, the most recent one is seen to be driven by the desire to escape protracted war and civil unrest.

Characterising and accompanying many accounts of Lebanese immigration into Australia has been the narrative of racism (Convy and Mansour 2008, Hyndman-Rizik 2008, Humphrey 2004). Whilst at first this was predicated on the exclusionary and restricted immigration policies just outlined, many Lebanese often felt compelled to anglicise their names and also become absorbed into the Australian Catholic and Protestant churches by the lack of access to their own religious institutions. Over the last twenty years however a series of global, national and also local events (Gulf War, 9/11, Bali bombings and the Cronulla riots of 2005) have led to significant levels of anti-Lebanese sentiment in Australia. Often such anti-Lebanese stigma has become merged with anti-Muslim and anti-Arab sentiments producing moral panic and construction of the Arab 'other' (Poynting 2002). The result has been to conflate a range of peoples, communities and cultures into a singular category of the Arab which has arguably been propagated negatively by some politicians and the media.

## 1.3 'TYPICAL' ENTREPRENEUR PROFILE

Whilst of course there is no such thing as the 'typical Arabic owner manager' our interviews with many first generation entrepreneurs revealed some common themes. One included their stories of immigration. Mostly, the decision to migrate was based on escaping war or it was induced by chain migration

– migrating on the basis of reuniting with family members and loved ones. Many entrepreneurs told us that they already had family members in Australia who in some instances funded their passage to Australia. Unsurprisingly, then, the most frequently cited means to enter Australia was via family sponsored visas.

Other common themes included how migrants frequently arrived with limited or no English and had to learn English on the job or attend TAFE courses. For example, one respondent described how his sister had to ring up a barber in order for him to get his first job as he could not speak English when he first arrived. For those migrants who already had professional qualifications - say in architecture, law and accountancy - it was not uncommon for their qualifications and credentials not to be recognised and so many were required to retrain at further education institutions in Australia. Among other newly arrived migrants (regardless of their academic credentials), many found themselves working in low skill, low paid and often marginalised jobs whilst they found their feet. The (extended) family became the support network for many of these migrants to help in their adjustment to their new life.

Notably absent in these narratives was any mention of support groups or institutions to help filter new migrants to the necessary support organisations or to help them orientate themselves. Instead this task appeared to be the remit of family and kinship networks. To what extent this situation would be the case now and what form the support landscape for new migrants arriving from the Middle East takes at present is beyond the scope of this project.

Suffice to say the nature of this report makes it impossible to do justice to the incredible tales of survival and struggle that many first generation entrepreneurs experienced in the lead up to their arrival in Australia, their experiences once they arrived and the sacrifices that individuals endured to get to where they are today.

## 1.4 DEFINITIONS

For the purpose of the report, the definitions of some of the key terms that are central to this report and how they are being used in this study are now outlined.

### Business

The term ‘business’ (used interchangeably with company, enterprise or firm) used in this study refers to a legally recognised organisation designed to provide goods and services to consumers or other businesses through commercial transactions.

### Auburn-Bankstown corridor

The geographical focus of this project is the Auburn-Bankstown corridor within the NSW government’s West Central planning sub-region. This geographical jurisdiction of West Central is made up of five local government areas which are: Parramatta, Auburn, Bankstown, Holroyd and Fairfield (see Figure 1).

Figure 1 - Map of West Central



## Arab/Arabic

'Arab countries' refers to a collection of countries highlighted in brown in figure 2 below. Basically the term refers to those countries that make up the Middle East and the northern tip of Africa. Despite there being no authoritative definition, it is widely accepted that 'ethnicity' is a social classification that categorises different groups of people by particular cultural characteristics. Whilst 'ancestry' is the most common identifier, other cultural features are also used to differentiate ethnic groups such as shared language, norms, routines or values (Lo 2009).

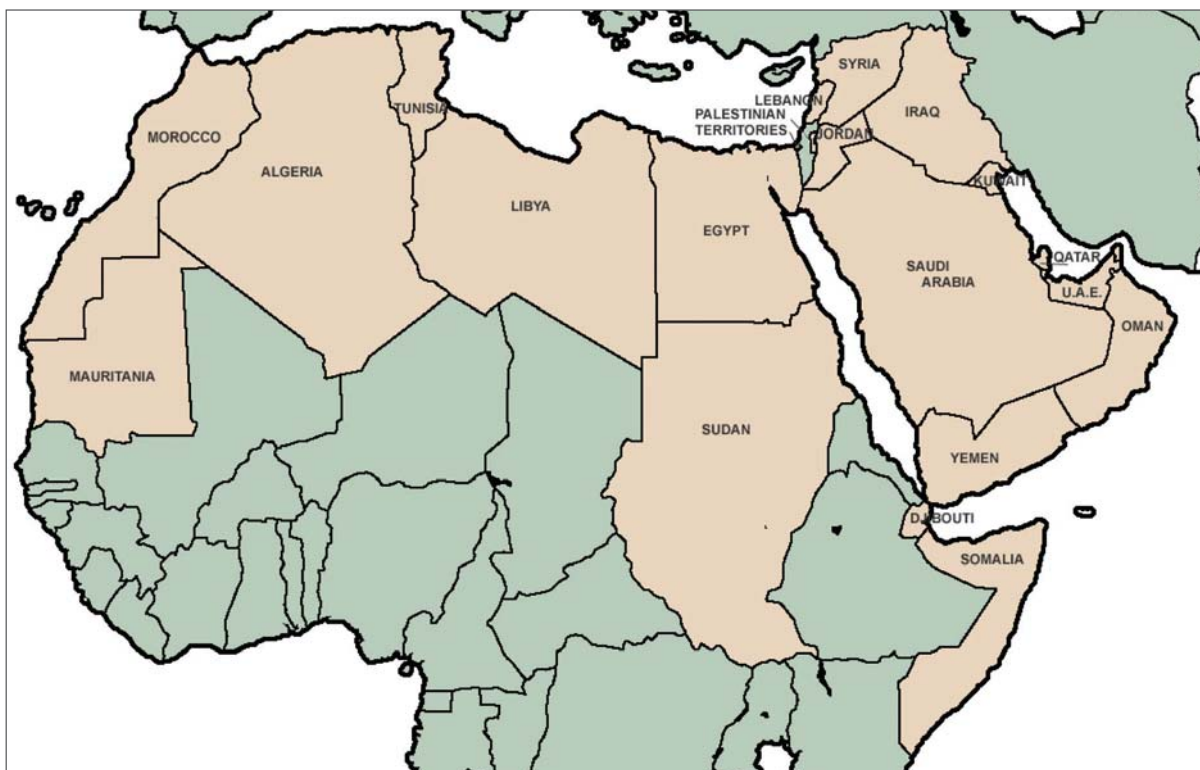
If a person is referred to as 'Arabic' it is a way to denote the person's ethnicity with an emphasis on possessing Arabic

ancestry. This could mean a person migrated from an Arab country who is now living in Australia or who has relatives (mostly parents and grandparents) from an Arab country. Whilst a range of countries constitute the category of Arab countries, in our report the majority (83%) of respondents came from Lebanon with the remaining respondents being from Iraq, Sudan, Syria, Jordan and Turkey. In this context, this report cannot make a claim to be representative of all Arab countries.

## Ethnic business

An 'ethnic business' refers to a business whose proprietor has a distinct group attachment based on sharing a common national background, culture, ancestry or migratory experience.

Figure 2 - Map of Arab Countries



The objective of this study was to interrogate whether or not Arabic businesses in Sydney's West Central perform and display distinct business practices, and to examine to what extent such business practices impede or enhance employment generation and expansion. Based on any impediments to employment generation and/or expansion the project suggests potential pathways and policy recommendations to overcome these.

A critical point regarding the study's research design is that it is premised on a targeted interviewing strategy to connect with entrepreneurs that could provide informative and meaningful insights into our research aims. The study never intended to be a large scale quantitative exercise nor was it about adopting a strict statistical methods approach. Rather, given the constraints of modest funding, the project aimed to uncover the experiences and processes associated with business set up and expansion as well as suggestions and perspectives on what could help Arabic businesses. To reveal such detail and nuance the study adopted a qualitative thematic interviewing methodology. Face to face interviews were conducted with thirty owner-managers who had Arabic ancestry primarily within the Auburn-Bankstown corridor. The interviews examined a range of topics including the processes that led up to respondents arrival in Australia, their experiences of setting up and doing business in the area, their perceptions of opportunities and obstacles, their plans for expansion, the nature of their networks of contacts and employment issues. A series of interviews were also undertaken with key interlocutors and personnel from a range of Arab orientated business organisations and networks. This was in addition to a thorough analysis of relevant and available secondary data on the Arabic business community in West Central.

## 2.1 ACCESS AND RECRUITMENT STRATEGIES

At the beginning of this research and in advisory discussions it was not uncommon for concern to be expressed that we would struggle to get access to Arabic business managers. We became aware early on of the need to be visible and develop trustful relationships with potential participants and key interlocutors to increase willingness of participants to contribute their stories to the project. To aid this, we adopted numerous recruitment strategies, which are documented shortly.

Yet despite early discussions about the difficulties in recruiting participants from the Arabic business community we are delighted to be able to report the opposite. The Arabic business community has been extremely warm, welcoming

and open with our researchers, often sharing deeply personal stories of perseverance, fear, racism and incredible tales of survival, success and achievement.

The recruitment strategies we utilised are now outlined.

First we engaged with key political and council interlocutors in the local area that included the Honourable Barbara Perry's office, MP for Auburn, and both the mayors and place managers for Bankstown and Auburn. This was to gain potentially useful business contacts and links.

When names of potential participants were identified, a letter outlining the aims of the research project and inviting the manager to speak with us were sent out. At the early stages of this research the letter was followed up within a week with a personal visit to the premises to confirm if the manager had received the letter. The reason lying behind this strategy was to demystify who we were, confirm that this was a valid study and to make clear that we were not attached to any government departments such as tax, immigration or police. Visiting the owner managers and introducing ourselves paved the way for us to more easily either call at a later time to arrange an interview or arrange a time for interview in that initial meeting. As the research progressed and we were given referrals (by the method of snowballing) there was less need to visit the owner-manager in person before an interview had been arranged.

Secondly, the researchers identified and met with leaders of key Arab and Lebanese business and community groups to explain what the research was about and ascertain if they knew of any potential business contacts. These included Arab Bank, Australia Arab Chamber of Commerce and Industry, Australian Lebanese Chamber of Commerce and the Australian Arab Business Network.

The Australian Arab Business Network (AABN) founded in 2005 was central to the success of this project and in us being able to recruit participants. The board members kindly agreed to let us briefly speak at one of the monthly dinners held in Bankstown to introduce and explain the project, and make clear our desire for participants. Had it not been for the hospitality and support from the AABN our access to Arabic managers may have been hindered. It was clear that endorsement from the AABN provided a level of trust and encouragement for their members to share their stories with us.

After our presentation we were able to collect numerous business cards which we followed up with either a phone call or email to arrange a meeting time. The AABN members Guide Book 2010 was also useful to get the contact details of further

participants whom we also contacted. Noteworthy is that a minority of these respondents whom we went onto speak with were outside the geographical area of the Bankstown-Auburn corridor, but for the most part were still located either in West Central or Inner Western Sydney. During our interviews we became confident that these businesses were still typical or representative of Arabic businesses in West Central.

A third recruitment strategy was snowballing. Often through interviewing owner managers they kindly passed on other business contacts that they thought that we should speak to and allowed us to use their names as a referral. This proved to be a fruitful recruitment strategy.

The fourth and final recruitment strategy was a paid advertisement translated into Arabic that ran in the Middle East Herald for two weeks. Whilst the paper is not free, local businesses pay a subscription to have the paper which they then distribute from their own business establishment. The advertisement explained the aims of the research project and provided the contact details of the researchers should managers seek to participate. We regarded the advertisement chiefly for the purposes of providing information for the newspaper's readership and laying the groundwork for any potential respondent. The response rate from this method was zero although in part this may be attributable to the

paper being nationally distributed as opposed to a purely local circulation, despite the head office being located in Bankstown. Fortunately, we did not have to revise our recruitment strategy given the level of positive response from members of the AABN.

The importance of gaining trustful relations with this business community combined with the zero response rates from the newspaper advert served to reinforce our choice of methodology of a targeted qualitative interviewing strategy rather than say distributing a large scale survey questionnaire to businesses where the researchers are unknown to the businesses.

## 2.2 INTERVIEW RESPONDENTS

A total of thirty interviews were conducted with owner managers of Arabic Ancestry.

Table 1 shows the businesses we interviewed by sector. Our intention was to ensure coverage of a range of sectors among the Arabic businesses. In that way we ensured that the experiences of managers were drawn from a spectrum including manufacturing and more professional and personal based service industries resembling industry composition in West Central's planning sub-region.

Table 1 Businesses Interviewed by sector

BUSINESSES INTERVIEWED BY SECTOR	
Sector	Number interviewed
Financial and business services	5
Personal services	3
Manufacturing	4
Food and beverage	3
Retail	5
Food	4
Importing/Exporting	2
Design, construction, real estate	3
Other	1

Source: Field interviews

## 2.3 GENERATIONAL DIFFERENCES

Generational differences in our interview study group are also of note. 83% of those we interviewed were born overseas and had since migrated, meaning that our study group was overwhelmingly skewed by first generation experiences. This is important as there were marked differences regarding the sets of experiences and perceptions between first and second generation owner-managers. To what extent this is a coincidence in our study group or reflects a more meaningful set of differences would require further comparative research with second and third generation owner-managers.

## 2.4 GENDER

In terms of gender only 7% of owner-managers we spoke to were female, over half of whom were concentrated in the personal services sector, reinforcing the feminised nature of this sector. Whilst the majority of business owners in our study group was male an important set of admissions were made throughout our interviews, particularly amongst Muslim men, which was how their spouses had considerable commercial acumen and had a strong say in the strategic direction of the company from its inception. That women are the key drivers and innovators in business, but at the same time conform to ethnic norms of gender roles, particularly in Muslim businesses concurs with the research of Anthias and Metha (2003).

## 2.5 RELIGION

Although it was never a deliberate strategy to recruit participants along religious jurisdictions, we believe that about twelve of our interview respondents were Muslim, and six were Christian. We are uncertain of the religious orientations, if any, of the remaining twelve respondents. We come to this approximate conclusion either via admissions of religious affiliations in the interviews or other visual clues such as religious symbols and artefacts in the workplace including when female owner-managers or spouses wore headscarves. It was also not uncommon for respondents to ask 'are you interviewing other Muslim business owners too?'. The interview period also overlapped with Ramadan and Muslim respondents almost always explained that they were unable to offer us any refreshments or why they themselves were refraining from them during interviews. Nevertheless our perceived split between Muslims and Christians roughly aligns with Hyndman-Rizik (2008, 2010) who has provided a detailed overview of the religious composition of the Lebanese community in West Central.

## 2.6 ANCESTRY

Finally, as stated in the definitions, whilst this research sought to examine the experiences of Arabic businesses more broadly, 25 of the 30 respondents interviewed in our study group had Lebanese ancestry. The five other ancestries of our respondents were Syrian, Sudanese, Jordanian, Turkish and Iraqi meaning that other Arab ancestries were less significant in the research. It is not unreasonable to suggest that this distribution is an outcome of the Lebanese being one of the largest ethnic groups within West Central. Wider and more targeted research would be required to examine differences between owner managers with other types of Arabic ancestry. Consequently the experiences and views expressed in this report are overwhelmingly those of the Lebanese business community.

Before discussing the research findings it is useful to draw attention to the large and changeable swath of academic and policy literature that has been undertaken on ethnic enterprises and to note some of its key hallmarks. This provides a useful framework against which we can position our findings by providing a means to decipher to what extent they may concur or differ from what has been written and researched elsewhere.

Ethnic enterprises have long been objects of inquiry and continue to attract widespread attention from academics across a range of disciplines and policy makers. Arguably underpinning and prompting this attention are the high rates of self employment found amongst particular ethnic groups in certain localities, the proliferation of small and medium sized businesses owned and operated by recent immigrants in certain spaces, or the dominance of an ethnic group in a particular place, sector or occupation.

### 3.1 ORIGINS AND RISE OF INQUIRY

Whilst the idea of ethnic enterprise is believed to be rooted in historical Marxist sociology, interest in ethnic economies began in the early 1970s with two seminal publications (Lo 2009). The first was by Ivan Light (1972) who introduced the notion of ethnic entrepreneurship and ethnic capital based on empirical and comparative research of self employment activities of Chinese, Japanese and Black American populations. Two distinguishing characteristics of Light's work were his emphasis on the importance of trust between ethnic entrepreneurs, particularly in mediating access to capital, and his suggestion that certain ethnicities are culturally predisposed to self-employment.

Further cementing the notion of ethnic economies was Bonacich and Light (1977) and their theory of the middlemen minority. This theory emphasises how immigrant entrepreneurs often become successful by recognising that they occupy a unique mediating role between the host society and home country which can be exploited for economic gain. Frequently this centred around importing culturally based products such as food stuffs and traditional clothing garments that will appeal to the local population of the same ethnicity.

Since then a series of other work has sought to explain and better understand ethnic entrepreneurs and new immigrant enterprises have evolved. These are now briefly outlined:

### 3.2 CULTURALLY PREDISPOSED TO ENTREPRENEURIALISM

Advocates of the 'cultural thesis' argue that ethnic and immigrant entrepreneurs exhibit a strong trader's instinct who migrate with the explicit goal of starting up a business in the host society using formal and informal networks (Chaudhry and Crick 2004, Wauters and Lambrecht 2008). Put another way it is suggested that some ethnic groups are conditioned with certain characteristics and norms that make their people more inclined towards business. An ancestral history is regularly acknowledged as providing this entrepreneurial tool kit whilst other cultural characteristics might include a propensity towards risk taking, sharing resources and self employment being a marker of respect within the community (Boyd 1998, Corsino and Soto 2005, Sriram *et al* 2007). Frequently this cultural perspective is critiqued for neglecting wider contextual and structural issues that determine business outcomes other than ethnicity (Basu and Altony 2002).

### 3.3 BLOCKED MOBILITY

Another perspective are those theorists who argue that blocked mobility in the labour market essentially forces ethnic groups into self employment and provides an avenue of upward social mobility (Light 1972, Basu and Goswami 1999, Wauters and Lambrecht 2008). Here racial discrimination in the regular labour market plus other issues such as low education and qualifications, under-paid salaried work, language difficulties or negative experiences within traditional organisations constrain an ethnic group's economic and social mobility and are said to leave little choice for ethnic groups except to enter into, or be potentially 'pushed' into, self-employment (Ram 1997, Hussain and Matlay 2007).

Closer inspection of the ways in which immigrants have arrived in their host society may provide better insight into understanding the process of blocked mobility. For example those migrants who arrive under humanitarian categories with little or no resources will have very different experiences to those arriving on skilled migrant visas. Consequently Portes and Rumbant (1990) draw attention to what they call the 'modes of incorporation' which influence how new immigrants fare in their new host society. They refer to these elements as the 'context of exit' and the 'context of reception'. By the context of exit they mean under what conditions immigrants leave their country and what they may bring with them in terms of resources. By the 'context of reception' they refer to the pre-existing ethnic networks, government policies plus the local and national socio-economic context migrants are likely

to find in their host reception. Immigrants arriving with capital under the category of business migration are likely to have a very different experience of starting a business than a refugee arriving with no capital, limited linguistic capability and means to get established in a new environment. Whilst both types of immigrants may end up as entrepreneurs, it is reasonable to expect that what each has to overcome to establish a business will be very different.

### 3.4 MIXED EMBEDDEDNESS APPROACH

The main tenet of the mixed embeddedness approach posited by Kloosterman *et al* (1999, see also Kloosterman and Rath 2001) is that the potential development prospects and trajectories of ethnic enterprises can only be understood by examining the ways in which immigrants are embedded in, and affected by, the socio-economic and politico-institutional environment of the country of settlement. This broader approach advocates a more holistic analysis of understanding immigrant entrepreneurs, one that is less focussed on examining the socio-economic characteristics of the immigrant entrepreneur which have traditionally been seen as crucial in explaining the success of immigrant entrepreneurs. Instead, the mixed embeddedness approach draws attention to how immigrant entrepreneurs are subjected to, and are situated in, wider institutional and macro-level contexts that profoundly shape the nature of the economic activities they undertake as well as being embedded in neighbourhoods, associations, families and social networks.

Immigrant and ethnically oriented economies have also been defined by a series of other hallmarks and characteristics. These are now discussed.

### 3.5 SPATIAL CLUSTERING

Within geography there has been a long tradition of examining the spatial distribution of immigrant settlement and resettlement patterns as well as the location of ethnic businesses (Lo 2009). Much of this inquiry revolves around interrogating how these patterns relate to the location of other migrant groups (similar or otherwise) but also by occupation, sector and neighbourhood. For example Park (1967) and Light (1972) argue that ethnic businesses are more likely to be found in neighbourhoods with large portions of ethnic groups; whilst Fong *et al* (2005) and Harrison *et al* (1990) have demonstrated positive feedback loops for businesses that cluster in agglomerations with other ethnic businesses. Such spatial clustering is seen to produce a monopoly sector which captures co-ethnically orientated spending as a result of both vertical and horizontal integration along lines of shared ethnicity producing increased monetary returns. Meanwhile Portes and Sensen-Dremer (1993) claim that ethnic businesses that rely on ethnic capital are more likely to cluster together due to their embeddedness and access to the collective expectations of trust, association and social linkages amongst individuals in the ethnic group. Ram *et al* (2003) assert that most ethnic minorities, particularly in the UK tend to cluster in the inner-city. This is by virtue of the cheap

housing often available within UK inner cities and which are prime locations for recent immigrants.

It is not uncommon to refer to such clusters as ethnic 'precincts', 'towns' or 'villages'. Chinatown is a quintessential example but others include Japan Towns, Little Italy, Little India or Korea towns. Such enclaves, however, occupy an ambiguous position within the metropolitan landscape. Whilst benefits include offering reduced transaction costs between co-ethnic businesses; providing goods and services to co-ethnic people that they might not otherwise be able to access; improving access to employment opportunities for those of shared ethnicity; and a vehicle for economic development and regeneration. Conversely such precincts may perpetuate racial and ethnic segregation within cities and hinder integration or linguistic capabilities.

### 3.6 PROCLIVITY TO HAVE CO-ETHNIC CUSTOMERS, SUPPLIERS AND CLIENTS

Stemming from the propensity of ethnic businesses to cluster, it is widely reported that many ethnic businesses are dependent on co-ethnic contacts as clients, workers and suppliers (Baniach and Modell 1980). Arguably enhancing this proclivity may be a shared language, a sense of familiarity including shared norms and similar or complimentary understandings of the goods and services being supplied or demanded. Other more structural perspectives suggest that a reliance on co-ethnicity is by virtue of marginalisation from the 'mainstream' economy, as discussed in the blocked mobility thesis section. Clearly, if ethnically orientated businesses are located in 'ethnic enclaves' the presence of a dense population of the same co-ethnicity implies access to a ready supply of labour and clients. Similarly, there is a perception that ethnic entrepreneurs rely heavily on mobilising their networks of kinship and family to secure resources to help them establish and advance their business accounts (Coleman 1988, Portes and Zhou 1992, Kitching *et al* 2009, Salaff *et al* 2006).

### 3.7 UNPAID FAMILY WORKERS, PARTICULARLY FEMALE.

Studies of ethnic enterprises often refer to family members contributing to the running and success of businesses. Numerous reasons are put forward for this. The first is a sense that entrepreneurs feel they are able to trust other family members by virtue of being bound together through blood and relationship ties. Managers may also feel more comfortable leaving another family member to run the show and handle cash rather than someone who is not related or known to them. A second is that family employees often act as a cheap, unpaid even, source of labour which is particularly needed at the early stages of the business lifecycle. Another reason is that aside from being a cheap source of labour, family members may also be more flexible and docile in terms of working hours demanded and may be more willing or accepting to work long hours for the good of the family business. A final reason is that employing other members of the family is a marker of a

familial collective endeavour and the pride associated with the deliberate aim to run a traditional family business.

An important corollary of employing family members is the role that females often play in the success and strategic direction of ethnic enterprises. Anthias (1992) and Anthias and Mehta (2003) argue that female kinship labour is a building block of ethnic economies but that their contributions are often not recognised (Dawe and Fielden 2005).

### 3.8 TRANSNATIONAL NETWORKS AND MIDDLEMEN

Immigrant entrepreneurs are often renowned for having a series of transnational linkages and ties that they frequently draw on in order for them to set up and do business (Portes *et al* 2002). The topic of transnationalism which refers to the processes by which immigrants build social fields that link their country of origin and country of settlement together (Schiller *et al* 1992) has received widespread attention in the context of explaining successful immigrant entrepreneurs. Frequently these spatially stretched sets of social and financial ties that straddle the host and source country are seen as advantageous for mobilising and expanding business development and endeavours.

Numerous scholars including Glick-Schiller *et al* (1992), Saxenian (2002) and Wong and Ng (2002) examine the roles of what they call 'transmigrants' and their impact on local economies. Transmigrants have been seen as key agents in adding to vibrant local economies. A celebrated example of transmigrants (or the travelling argonauts) is the Taiwanese entrepreneurs operating in Silicon Valley who set up businesses not only in their host locality but also in their home country too. This positions the role of immigrants in global cities as an example of the localization of globalisation.

### 3.9 ETHNICITY

The notion of immigrant or ethnic minority enterprises is not without contestation and continuing debate. Recent studies of ethnic businesses, particularly in the UK, have debated whether such enterprises should be called immigrant enterprises or even minority enterprises instead of ethnic enterprises. There are at least two strands to this argument. Firstly, those who are identified in the same ethnic group may in fact have very different geographical origins and background. For example, Indians may be from India, Fiji or be native born in the UK but with Indian ancestry, whilst a person of Chinese origin could be from mainland China, Hong Kong, Singapore or, perhaps Indonesia. Lumping together these individuals who share the same ethnicity hides the diversity within the Chinese or Indian ethnicity category.

To remedy this essentialism there have been recent calls, particularly in geography and sociology, to emphasise the fluid nature of what is meant by ethnicity suggesting it is a socially constructed concept and process in a perpetual state of negotiation (Li and Skop 2009, Hopkins 2007). Individuals

may embody and perform their ethnicity in different ways that cross cut with other categories such as age, gender, class, religious and sexual orientation and geography, as well as intersecting with wider structural and socio-economic factors. Consequently, this makes it difficult to know or read off in advance what ethnicity means to different groups and networks. Instead ethnicity is continually remade in complex entanglements and ongoing sets of negotiations.

### 3.10 DIASPORA

A more appropriate term to capture or speak about ethnic groups, migrants or immigrants is 'diaspora'. Deriving from the Greek verb *idas* 'to sow over' or a 'scattering or sowing of seeds' diaspora is used to refer to the scattering of people across spaces, borders and nations who share a national or ethnic identity away from an established or ancestral homeland. Diaspora has grown in traction as an increasingly common heuristic device in the social sciences given its historically and analytically informed vocabulary to denote transnational movement and ties (McKittrick 2009). Likewise, it is able to better attend to issues of intersectionality, and escapes the more essentialised and territorialised notions of race by recognising race as a socially constructed term to refer to difference (Anthias 1998).

Caution however must be drawn to the potentially homogenising tendencies of the term diaspora. In the context of the Lebanese diaspora Humphrey (2004) has drawn attention to the different terms and conditions that face national membership for Lebanese migrants and their descendants in Australia by virtue of the different periods and reasons for migrating. Specifically he refers to how understandings and experiences of diaspora are understood differently depending on whether or not a migrant or descendant is from either the 'old' Lebanese waves of migration that were seeking economic opportunities and were predominantly Catholic or 'new' waves of migration that include a large component of Muslim Lebanese who have migrated to escape civil unrest.

Notwithstanding the potentially contested nature of diaspora, for the purpose of this project it may be more appropriate to speak about the Lebanese diaspora in Australia and Sydney's West Central as a way to escape pigeon holing this community as something different or unique; to recognise the transnational ties; and acknowledge how the Lebanese identity is profoundly fluid by the way it intersects with other facets such as religious orientation, gender, class and so forth but which depicts a national identity for a group of people despite their not being in the ancestral homeland.

### 3.11 ETHNIC ENTERPRISES IN AUSTRALIA

Much of the theoretical knowledge and associated empirical findings on ethnic enterprises and immigrant entrepreneurs has chiefly been conducted in North America and Western Europe focussing mainly on black or Asian ethnic groups (Piperopoulos

2010). As a settler country with a long history of immigration and continuing large immigrant intakes, immigrant involvement in Australian businesses would seem obvious. Internationally, Australia is recognised as one of the industrialised countries with the highest percentage of foreign-born in self-employment (OECD 2010). Indeed, Collins *et al* (1995) stated that since the mid 19th century Australia has had an over-representation of immigrants in small business.

A large literature on immigration exists in Australia (Castles *et al* 1998; Hugo, 1986; Price 1996) with numerous studies focusing on specific immigrant groups such as those on the Italian community (Pascoe 1988; Castles *et al* 1992), on Asian immigrants (Coughlin and McNamara 1997; Inglis *et al* 1992), on Taiwanese migrant (Ip 2001), on Vietnamese migrants (Viviani 1996) and their international business networks (Lever Tracy *et al* 1996). Notably, however, there is a distinct lack of studies on Arabic businesses in Australia even though it is widely acknowledged successful Lebanese business groups such as John Scarf fashion, Davids Holding and Aussie Home Loan are some of Australia's largest companies. Additionally, whilst the literature on Australian immigration and immigrant groups may touch on the topic of migrants in business, ethnic businesses have not been central to these studies.

Collins *et al*'s 1995 book "As Shop Full of Dreams: Ethnic Small Business in Australia" remains the most comprehensive general survey of this topic in Australia. The authors confirmed that blocked mobility is an important reason for immigrant entrepreneurs starting a business in Sydney, and that customers of the same co-ethnicity are important for many of the small businesses. The authors also identified numerous ethnic businesses which have become very large successful enterprises with a customer base drawn from the general population. Their key contribution to the ethnic business literature is to argue that the situation in Australia requires the inclusion of "racialisation" because racial discrimination in its many guises is an important factor blocking access to the labour market.

## 4.1 BY ANCESTRY

The focus of this study is the Auburn-Bankstown corridor within the NSW government's West Central planning sub-region, Sydney's prime region for new migrant settlement. The Arabic diaspora are a significantly large ethnic group that reside in this area, which this section now highlights.

The opportunity to fully understand the geographical distribution of the different diasporas from the Middle East is limited: not all of the Arab countries are represented in the ABS classifications meaning we are limited to mapping the ancestry of those from Lebanon, Turkey, Iraq and Egypt. Due to the low incidences of both Iraqi and Egyptian ancestries and owner-managers these totals have been merged. Whilst the remainder of Arab countries come under the category of 'Arab other' within the ABS classifications, their low geographical and numerical incidence means that it is not possible to report or map these results.

Figure 3 indicates there is a marked and obvious spatial concentration of those with Lebanese ancestry who reside

in West Central, particularly in the LGAs of Parramatta and Bankstown illustrated by the darker shades of red. Far fewer incidences of those with Lebanese ancestry can be found on the north shore or eastern suburbs highlighting the group's spatial containment. Whilst West Central is a prime region offering cheaper housing, the continued spatial clustering of Lebanese is said to have been significantly maintained by at least 500 households of Hadchitis Maronite Catholics who over time have migrated from Hadchit in North Lebanon (Hyndman-Rizik 2008). Moreover it has also been argued that the relatively neat spatial containment of those with Lebanese ancestry, is attributable to a 'spatialised reaction' particularly on the part of the Christian Maronite population who restrict their movements around the city and therefore seem more highly visible and concentrated in their home suburbs and within family networks where they feel safe (*ibid* 2008: 47).

A clear spatial pattern is also evident in Figure 4 for those with Turkish ancestry who are mostly concentrated within Auburn LGA with adjoining communities in south Parramatta and east Holroyd. The spatial distribution of those with Iraqi and

Figure 3 - Map of Lebanese Ancestry in West Central

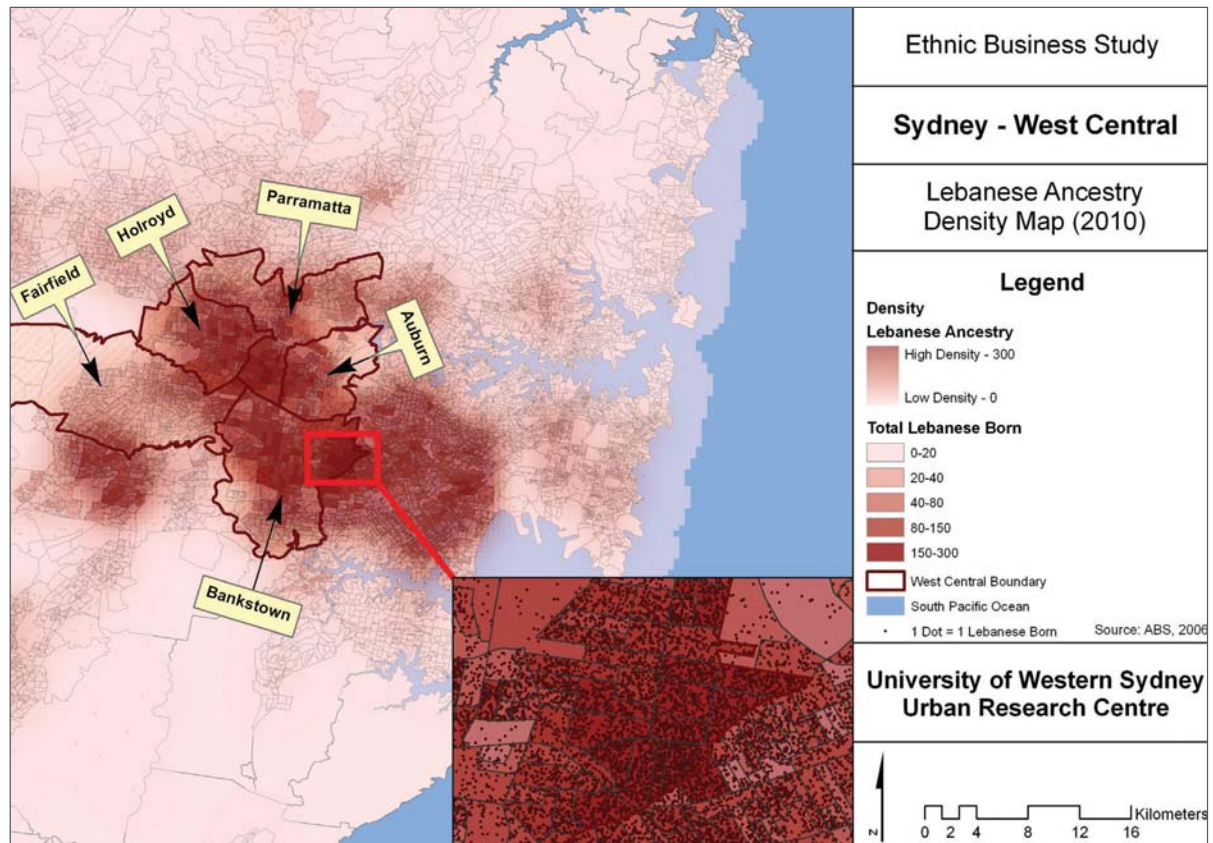


Figure 4 - Map of Turkish Ancestry in West Central

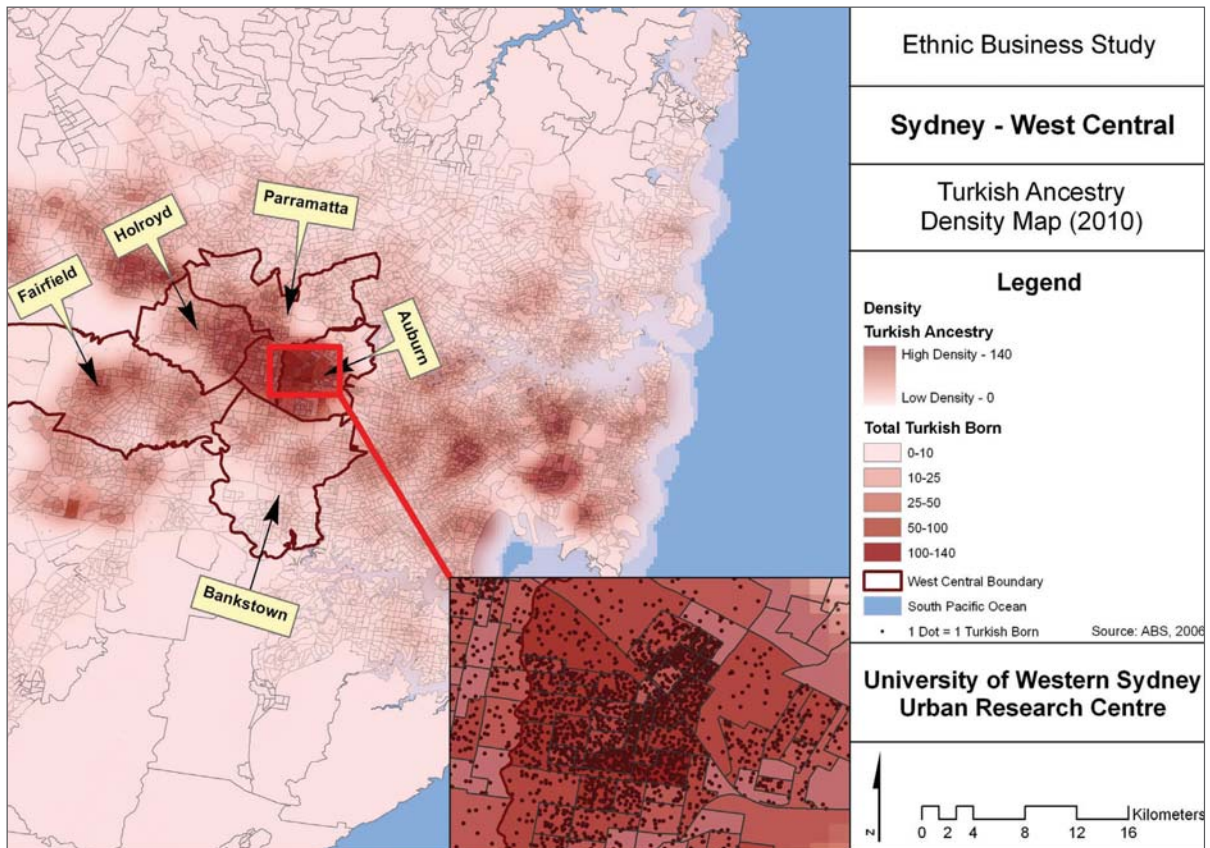


Figure 5 - Map of Egyptian and Iraqi Ancestry in West Central

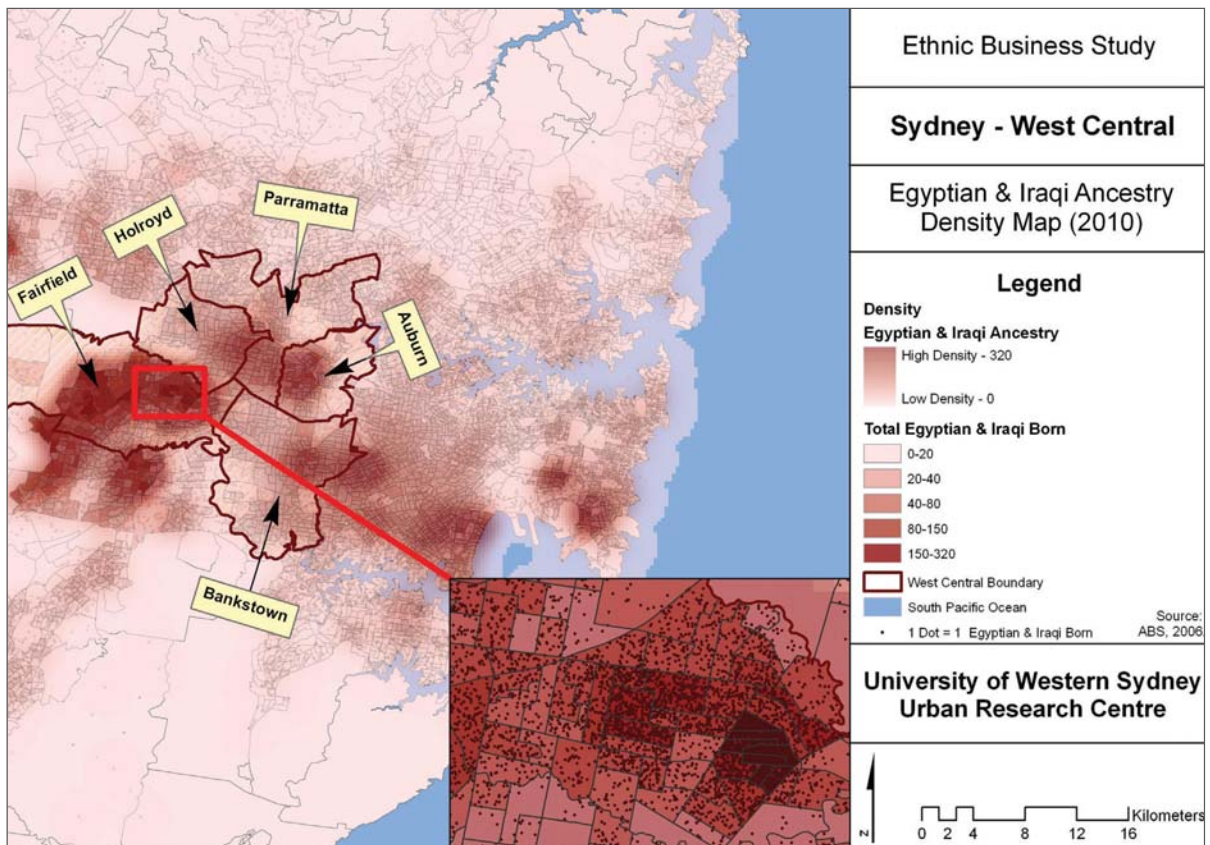
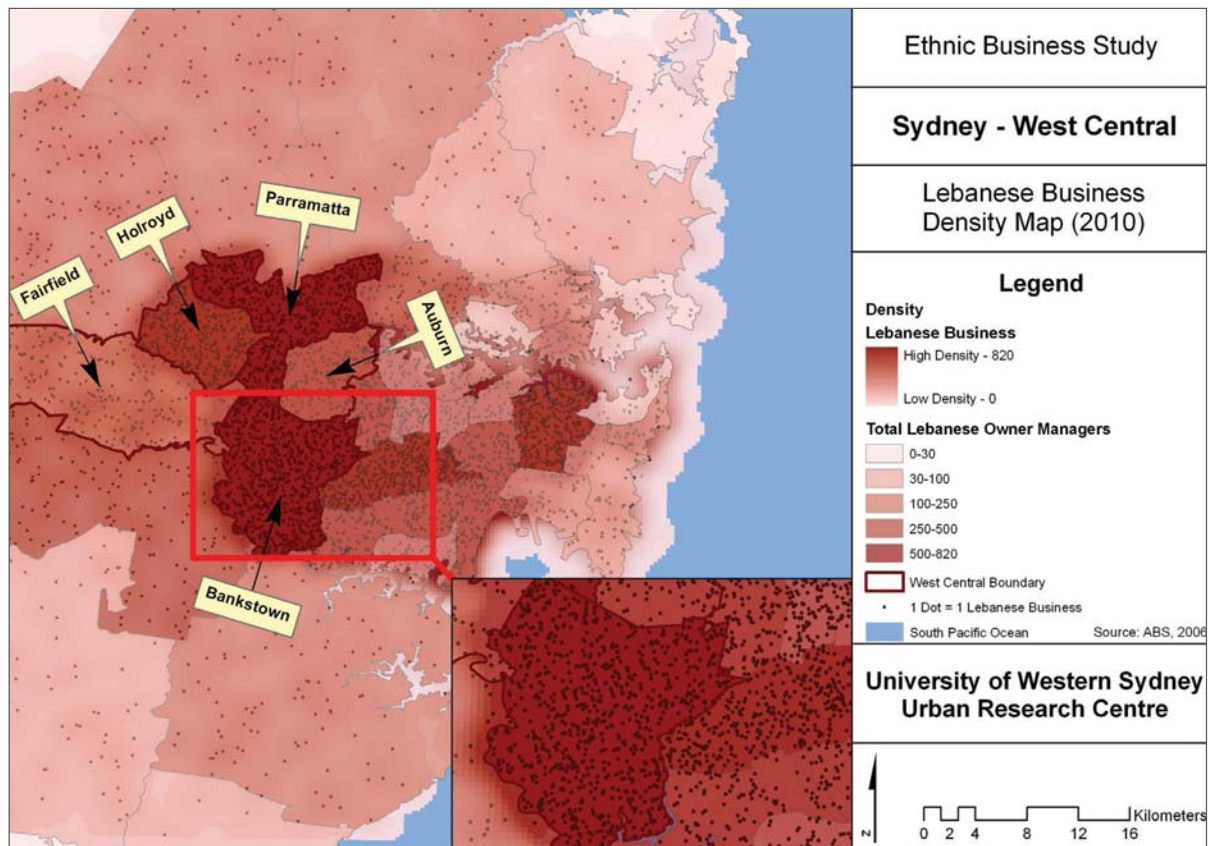


Figure 6 - Map of Lebanese Owner-Managers in West Central



Egyptian ancestry in Figure 5 is slightly different again with spatial concentrations in Fairfield and pockets of presence in Auburn and Bankstown. Notably the numbers of Iraqis and Egyptians are far less than their Lebanese counterparts, a reflection of their different histories of migration.

## 4.2 GEOGRAPHIC INCIDENCE OF ARABIC OWNER-MANAGERS

As stated, the Auburn-Bankstown corridor has above average concentrations of small and medium enterprises that identify as being operated by managers from non-English speaking backgrounds. The key ethnic groups identified as having high concentrations of enterprise activity are the Arabic, Chinese and Korean groups.

Figure 6 highlights the geographic incidence of Lebanese owner-managers in West Central which correlates with household locations of the Lebanese diaspora especially within Parramatta and Bankstown. Within both these LGAs the number of owner managers varies between 500 and 820 businesses (corporated and unincorporated businesses). This is persuasive evidence to suggest that Lebanese SMEs are key contributors to the economy of West Central in terms of enterprise activity.

Figure 7 - Map of Turkish Owner-Managers in West Central

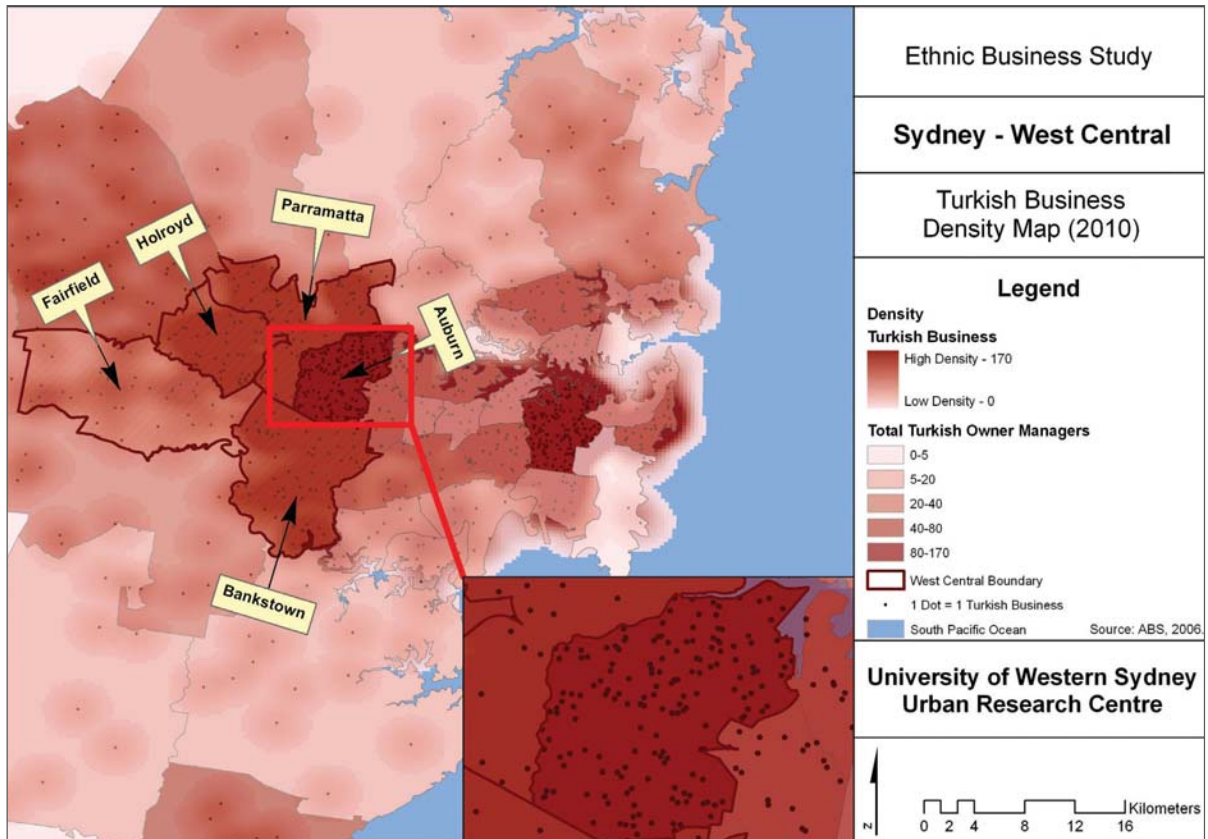
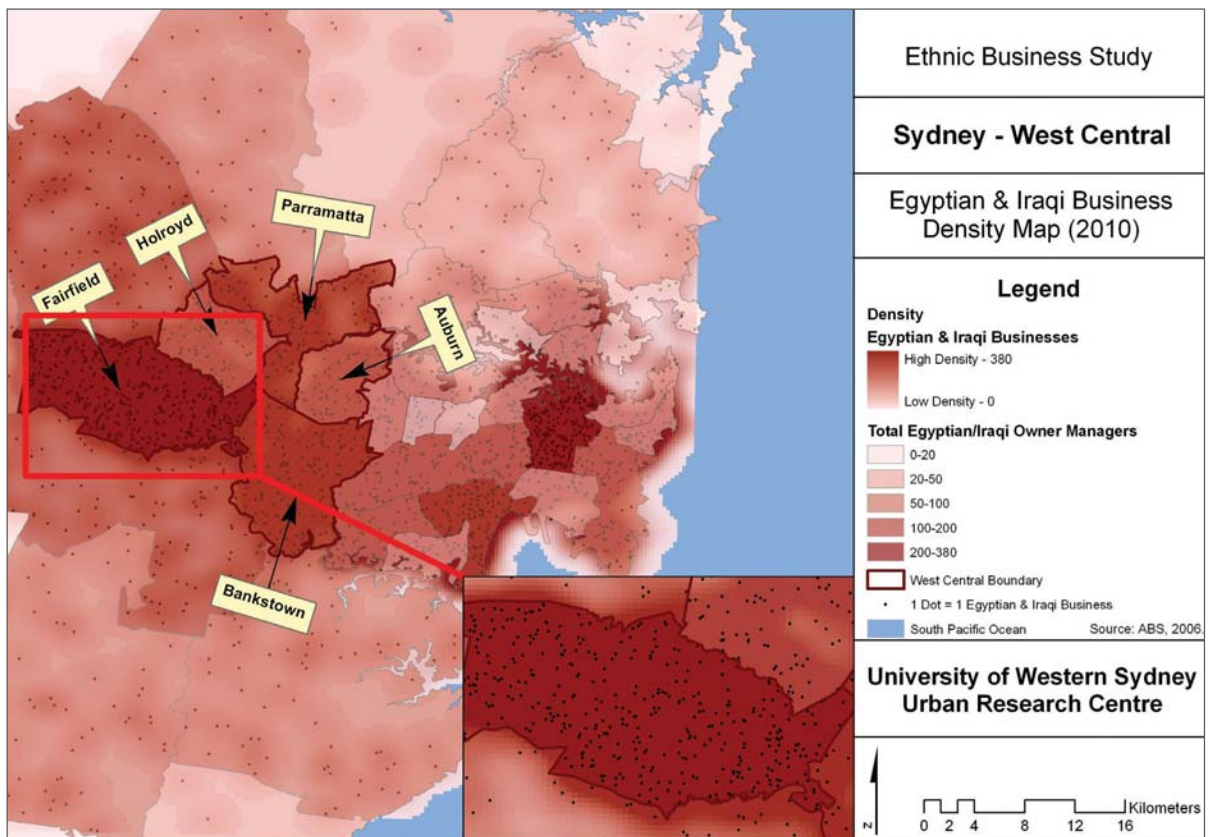


Figure 8 - Map of Egyptian and Iraqi Owner-Managers in West Central



A similar pattern is found in terms of Turkish owner managers in Figure 7 who are concentrated in Auburn LGA which is also where the majority of the Turkish diaspora are located. Notably, though, the number of owner-managers is much less than that of their Lebanese counterparts with between 80 and 170 Turkish enterprises in the highest density areas.

Meanwhile the spatial distribution of businesses owner-managed by those with Iraqi and Egyptian ancestry in Figure 8 shows a high concentration in Fairfield LGA as well as Sydney CBD.

It is also possible to separate owner-mangers by ancestry and sector. This section will focus on highlighting Lebanese owner-managers by sector only. As is demonstrated in Figure 9 the Lebanese diaspora of owner-managers has the highest number of managers in the construction industry out of all the sectors. This is illustrated by the deepest shades of red which denote high density of between 200-396 Lebanese owner-operators. Mostly these construction businesses are concentrated in Bankstown, South Parramatta and Holroyd. A significant proportion of Lebanese owner-operated construction firms are also in the LGA of Canterbury adjacent to Bankstown LGA.

Figure 9 - Map of Lebanese owner-managers in construction in West Central

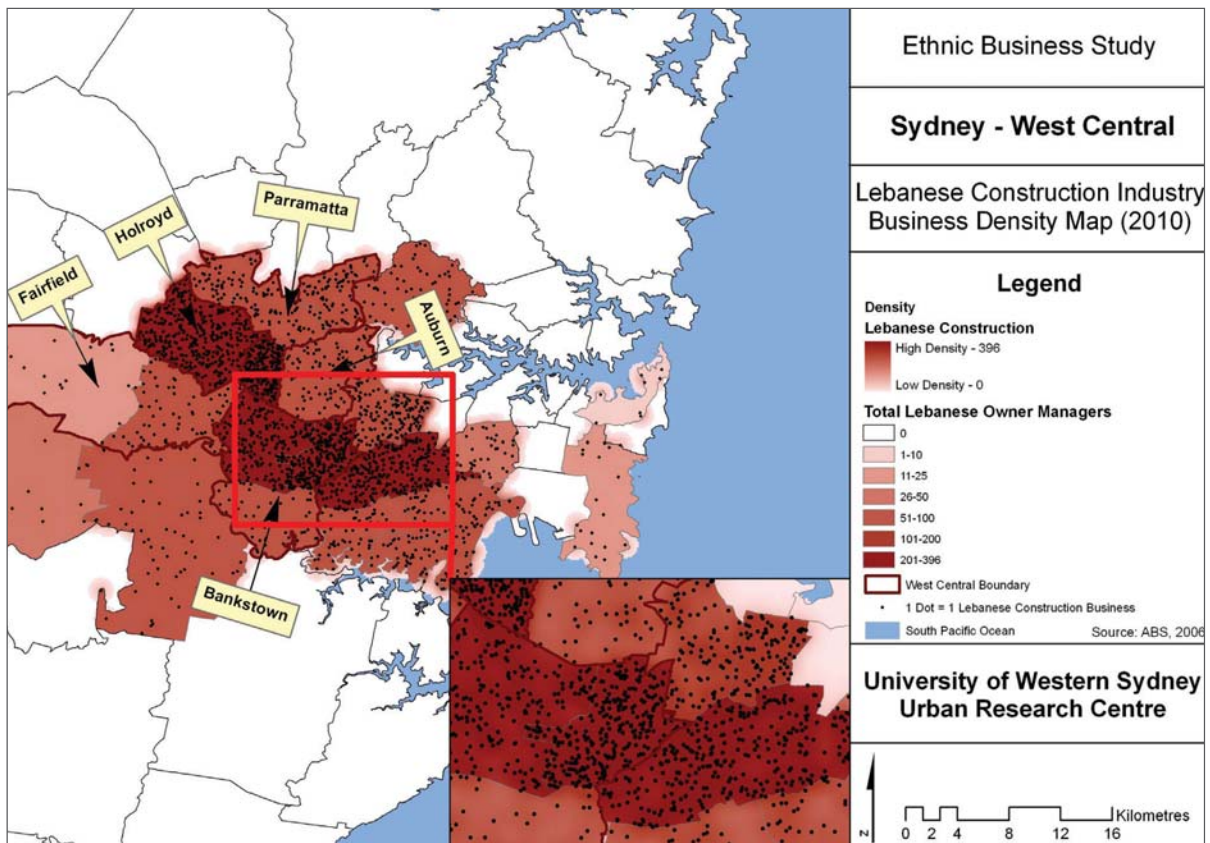
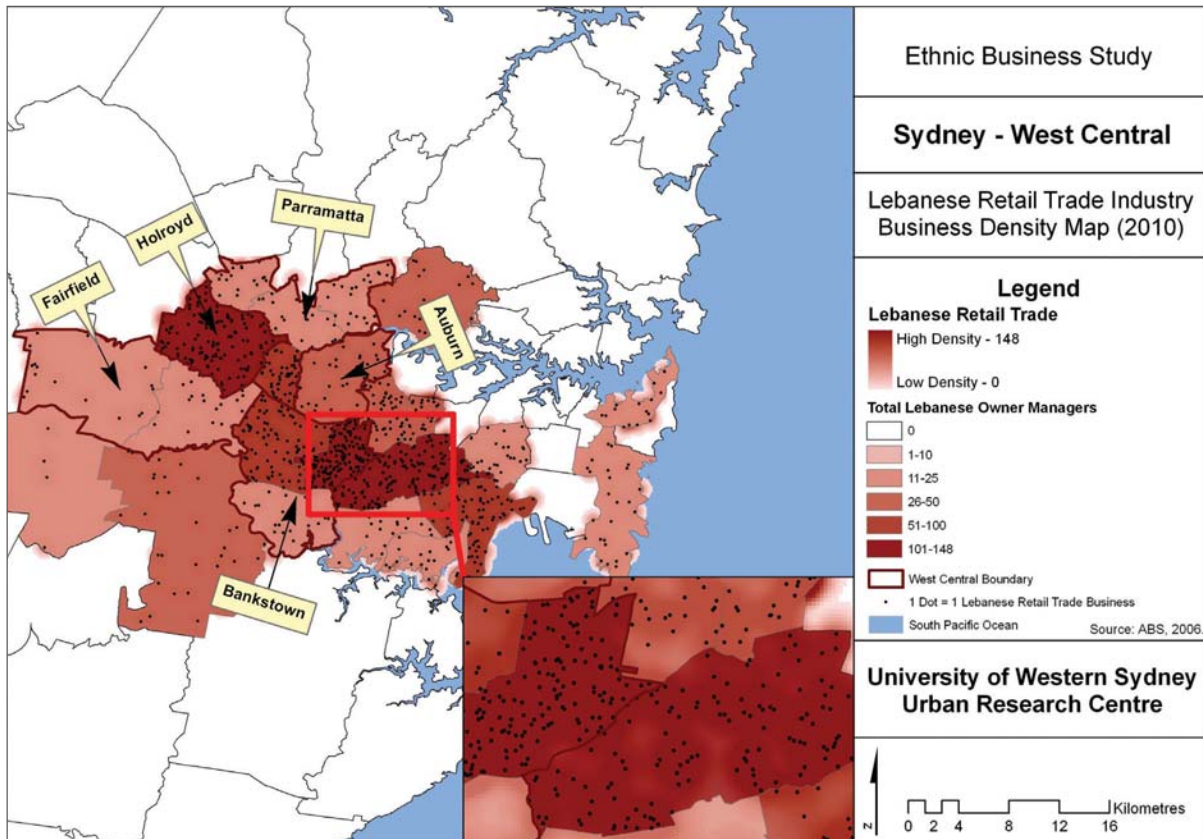


Figure 10 - Map of Lebanese owner-managers in retail trade in West Central



Whilst the construction sector shows the most distinctive patterns of Lebanese owner-managers across all sectors, retail trade is a sector also with a high density of Lebanese owner-operators as shown in Figure 10. Notably though the number of Lebanese owner-operators in retail trade is much less than in construction with between 101-148 retail trade enterprises in areas of the highest density and straddle the LGAs of Holroyd, through Bankstown and into Canterbury.

Meanwhile Figures 11-13 show the geographical incidence of Lebanese owner-managers in the sectors of wholesale, food and accommodation and manufacturing. Notably the densities for these sectors are much lower than in either construction or retail trade. The highest densities of owner-operated businesses reaching 62 for wholesale trade, 45 for accommodation and food and 52 for manufacturing. All three of these Figures (11-13) show similar though not identical geographical distributions that span Holroyd through South Parramatta and Bankstown with some concentrations in Canterbury.

[Insert figures 11-13 Lebanese owner managers in wholesale trade, accom and food and manufacturing]

Figure 11 - Map of Lebanese owner-managers in wholesale in West Central

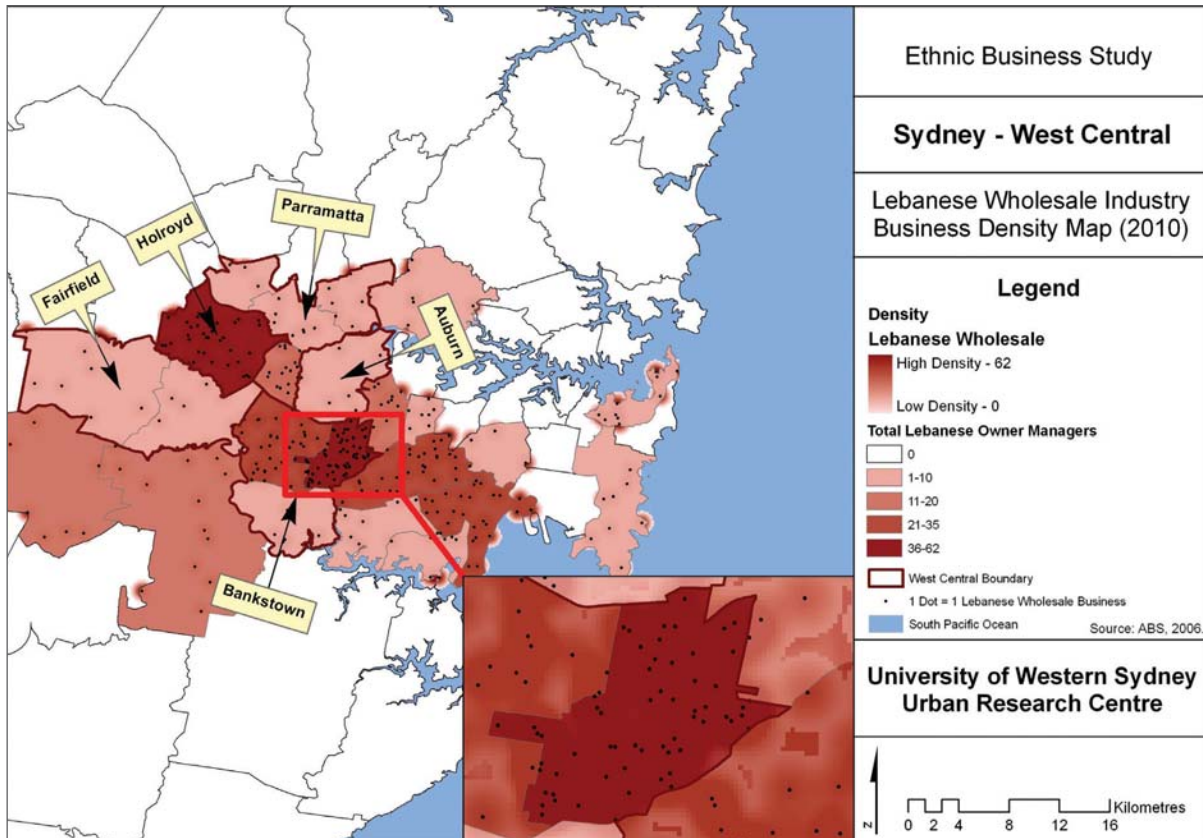


Figure 12 - Map of Lebanese owner-managers in food and accommodation in West Central

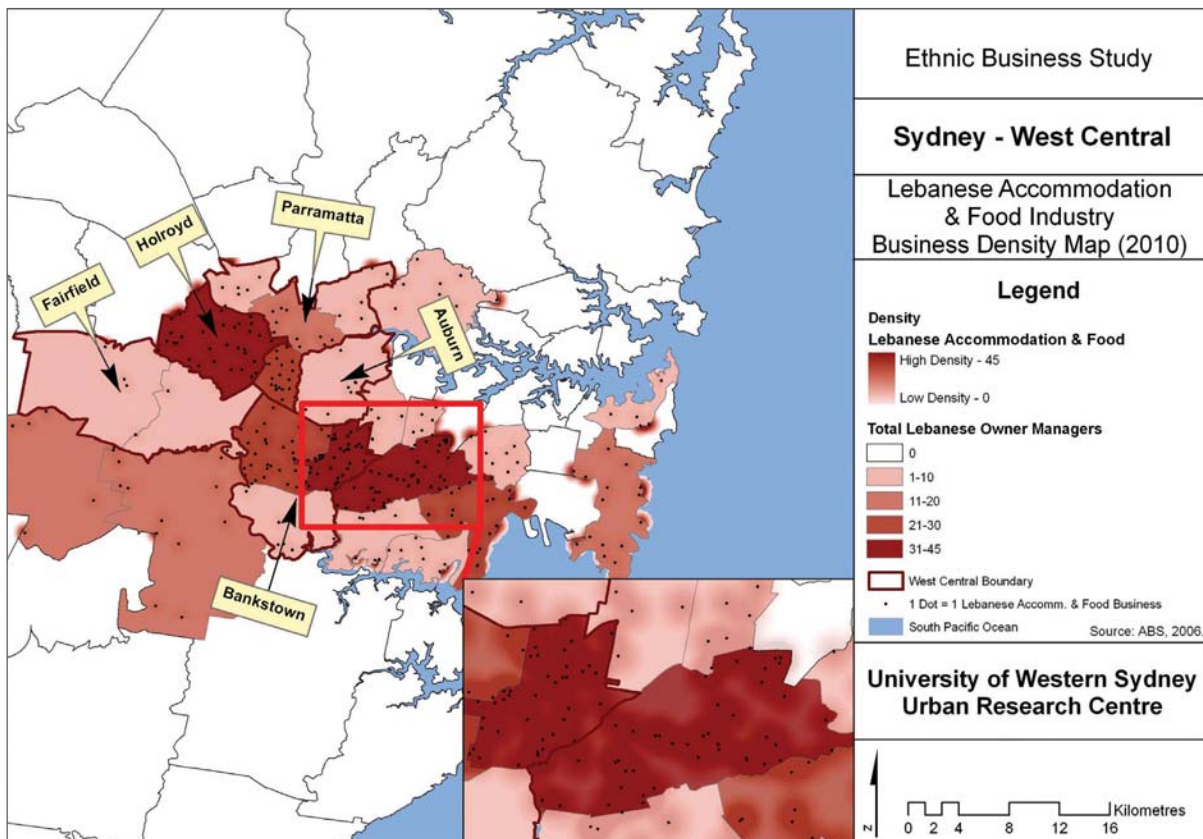


Figure 13 - Map of Lebanese owner-managers in manufacturing in West Central

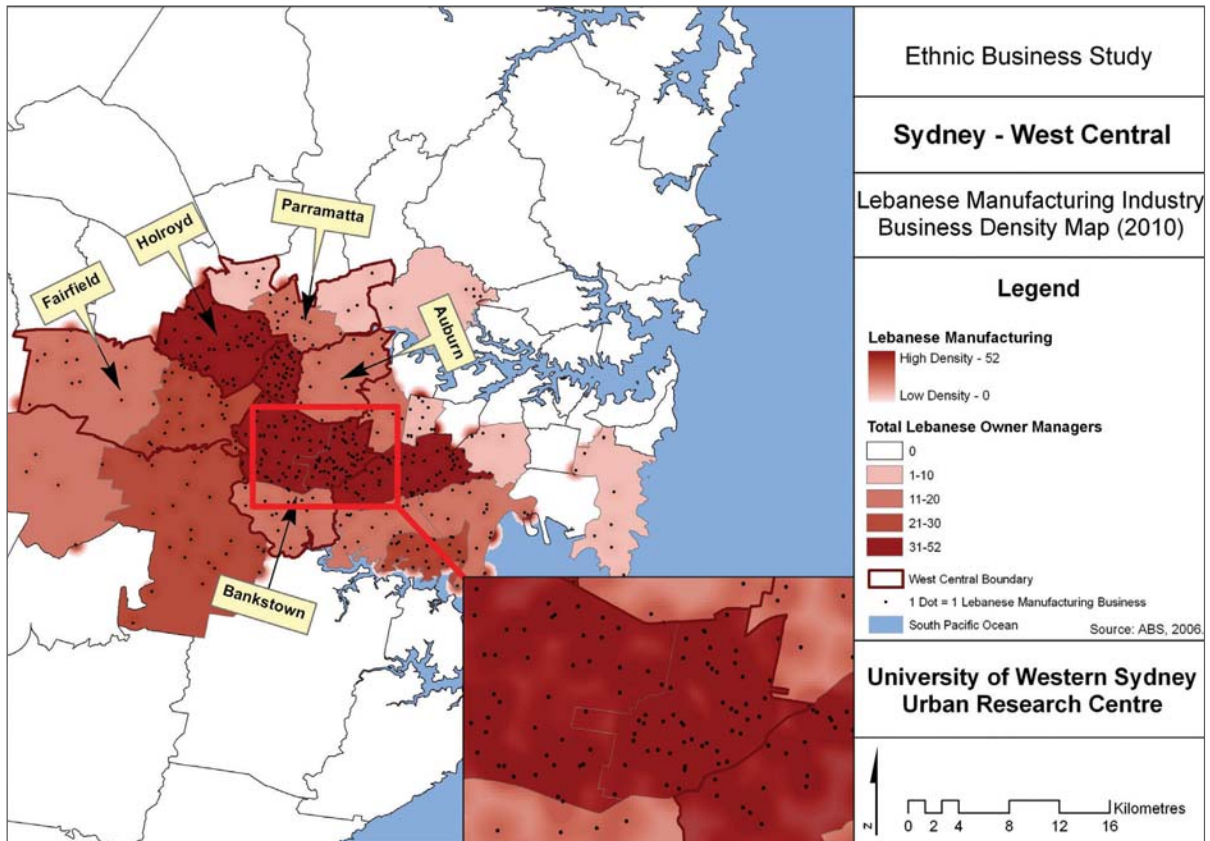


Table 2 shows the total number of employees our study group employed at the time of interview by sector, and whether or not these positions are full or part time. At the time of interview our respondents employed a total of 588 people. The majority (95%) of these jobs are full time. This highlights how the Arabic business community is already a significant generator of employment, and probably of wealth and income in West Central.

Other considerations when interpreting table 2 is that our study group largely comprises well established and expanding businesses (influenced chiefly by our methodology). Had we interviewed solely early start up companies or mature businesses our results might have been different. A further consideration is how there are no longitudinal data to demonstrate how, or if, these firms have expanded or

Table 2 Jobs created by sector

JOBS CREATED BY SECTOR			
Sector	Full Time	Part Time	Total
Design, construction, real estate	88	0	88
Manufacturing	62	0	62
Food & Beverage manufacturing	18	2	20
Personal Services	286	4	290
Financial & business services	60	3	63
Retail	14	5	19
Food Retail	10	18	28
Importing	14	0	14
Mechanics	4	0	4
<b>TOTAL</b>	<b>556</b>	<b>32</b>	<b>588</b>

Source: Field interviews

contracted overtime; nor does the table distinguish between employees by gender and age. For example, one respondent explained that due to increasing automation and the purchasing of new equipment in the manufacturing firm had reduced its employees from 53 to 32 in the past two years; while another respondent we interviewed had since ceased trading but had previously employed 30 people.

Aside from the personal services sector, the biggest employers in our study group are in the sectors of i) design, construction and real estate ii) manufacturing and iii) financial/business services. Given the sectoral composition of West Central's economy these findings are of little surprise suggesting our study group somewhat reflects the economic composition of the planning sub-region.

While the average number of employees in each company works out at 20 employees based on table 2 this is of course far from indicative. Table 3 below highlights the distribution of firms by the number of employees. Here we see that the modal number of employees per firm is ten or less employees meaning that our study group falls firmly within the SME category.

**Table 3** Number of businesses by amount of employees

FREQUENCY OF BUSINESS BY SIZE OF EMPLOYEES					
Number of employees	10 or less	11-15	16-35	36-60	61+
Frequency	19	4	3	2	1

Source: *Field interviews*

## 5.1 RECRUITMENT

The most common recruitment strategies acknowledged by our respondents were word of mouth followed by adverts in local papers. By 'word of mouth' our respondents generally refer to introductions by existing employees or people who are already known to the owner-manager. Several owner managers proudly pointed out that many of their employees recruited through word of mouth have stayed with them since the start of their businesses. Indeed, the 'word of mouth' method seemed to have been instrumental in the melange of nationalities that characterise the work forces of the Arabic businesses. Our respondents appeared less inclined to use employment agencies due to the cost involved and past experiences of being offered what was in their opinion sub-standard candidates.

During the research it was clear that there was a deeply held and shared sense of ethnicity and identity, particularly amongst our Lebanese respondents. Based on our interviews a clear set of shared Arabic, but more often Lebanese, attributes were commonly reported.

### 6.1 SELF-EMPLOYMENT AND INNATE ENTREPRENEURIAL SPIRIT

It was not uncommon for many of the Lebanese respondents to suggest that they possess an innate entrepreneurial spirit, that somehow it is 'part of their job is to be entrepreneurs'. Accompanying these narratives was the belief that Lebanese people were somehow culturally predisposed to becoming business people with comments like 'it is in the blood of every Lebanese' who 'learn how to deal in business from birth'. References to the innate entrepreneurialism of Lebanese were often accompanied by a historical perspective drawing attention to how the Phoenicians predated the Lebanese as either the 'first' or 'original' traders.

Within the Lebanese diaspora self employment appears to be highly valued and is often a marker of achievement and respect amongst the community. Other perhaps more jovial self-deprecating comments that came from our respondents which may also explain the high incidence of owner-managers amongst this population were that the Lebanese are also 'rule busters', 'risk takers', 'like to do their own thing', and 'earn as much money as quickly as possible'.

That many of our respondents exhibited a positive cultural attitude towards engaging in business is a significant finding of this study yet this attribute could well be a cultural trait that for the most part seems to be downplayed in the literature on ethnic businesses. Even though Light (1972) argues that some groups have cultural traits that predispose them towards entrepreneurship which our findings reinforce, there is little in the literature that suggest individuals may simply want to have their own business while being an employee is not something they contemplate or tolerate for long. Several respondents indicated that whilst they did encounter obstacles that may have prompted them to enter into self employment, they 'always wanted to start their own business' – a perspective that the literature does not seem to recognise.

### 6.2 CENTRALITY OF FAMILY

Whilst self employment was highly valued, the importance attached to the wellbeing of the family, and being able to

take care of the (often extended) family, appeared to take precedence over monetary wealth. The sentiment that 'family is my life, I can't help it, I cherish it' was a repeated claim throughout the research and indicative of what we interpreted to be a strong emphasis on traditional family values. For example one respondent said having a 'happy secure home life' should far outweigh 'how much money someone makes'.

Strong family values were visible in both overt and subtle ways. Overtly, many respondents stressed the importance of having a work-life balance and spending time with the family although this narrative may mask feelings of insecurities about business performance. Examples of commitment to family were the decision to finish work at a particular time in order to 'have a family meal every night with the children', or the decision to downsize so as to 'spend time with the children whilst they grew up'. Another respondent distinguished himself from a presumed Anglo-Australian attitude to family by stating that 'I don't say to my child now that you're twenty now get out of the family home'. Respondents were also keen to talk about the achievements of their children and show pictures of them. Other ways that implied the importance of family was respondents unwillingness to take on long working hours, evening classes or to become too politically active now they have children or were married.

The second generation entrepreneurs discussed having a deeply held admiration and respect towards their elders such as aunts, uncles and parents, their comments were noteworthy for their frequency and humbleness.

More subtly and perhaps indicative of the strong religious dimension that typically characterised most of our respondents was the absence of references to divorce, blended families, step/half children or siblings within family narratives.

### 6.3 PATERNALISM TOWARDS EMPLOYEES

A theme that revealed itself during the course of the research was a more paternalistic approach and set of attitudes that many first generation owner managers had towards their workers and their business. Indicative of this were comments that 'my business is about harmony' as opposed to profit or a feeling that 'I can't retire: I have eighty families relying on me'. Often employees, particularly those that had worked in the company for many years were perceived by managers as part of the family, bounded together by strong ties of trust and mutual admiration. Such feelings were not reserved solely

for workers of a shared ethnicity. Much was made about the loyalty of any staff who were 'dedicated' to their profession which was important in producing feelings of respect and trust.

## 6.4 MAINTAINING TRANSNATIONAL IDENTITIES AND LOYALTY TO COUNTRY OF ORIGIN OR MOTHERLAND

It was clear that the Lebanese managers share a strong transnational identity and show considerable loyalty to the 'motherland'. Practically all of our Lebanese respondents discussed returning regularly to Lebanon for holidays and stressed the importance of maintaining connection with family members back in Lebanon. Neither was it uncommon for the offices and/or homes we were so warmly welcomed into to be decorated with visual symbols of their spiritual origins such as pictures, photographs and maps, or in their choice of distinctly Arabic orientated mobile phone ring tones. At least five of our respondents spoke about returning to their homeland for sustained periods of time ranging from a few months to up to a year with the deliberate intention of reconnecting with their ancestral 'roots and culture'. Whilst for some second generation respondents this was fulfilling, almost a rite of passage, for others it was not always as fulfilling as respondents had hoped. Some suggested that they often felt like a 'stranger' or 'foreigner' and the realisation that they were more Australian than they thought. Such findings concur with the sometimes liminal position of second-generation Lebanese Australian's and their ambivalent belonging in Lebanon (Hyndman – Rizik 2010)

Equally respondents seem to take an active interest and deliberate decision to stay informed and up-to date with politics and developments back in Lebanon. Often this was through cable TV or local newspapers: the helplessness and angst that some respondents felt whilst seeing scenes of the 2006 Lebanon war and its depiction in the Australian media was all too apparent in some of our interviews.

## 6.5 DIVERSITIES WITHIN THE ARABIC CATEGORY

Whilst it was clear that being Lebanese involved a deeply shared sense of ethnicity, and being proud of one's heritage and origin, respondents were keen to point out that there are distinctions within the Arabic and Lebanese categories. Put another way respondents were keen to de-homogenise and resist the encompassing category of 'Arabic' and instead draw attention to the diversities and distinctions within such a category. Such distinctions could be seen in the following way:

### 6.5.1 Predisposition to occupations

Whilst it was suggested that some Arabic groups are inclined to pursue careers that are more entrepreneurial and sales orientated such as the Lebanese and Sudanese, other Arabic groups such as those with Syrian, Egyptian and Iraqi ancestry were likely to be orientated towards professional occupations

such as doctors or engineers. Such differences were seen to reflect dissimilar cultural mindsets. For example whilst the Lebanese were described as having 'hearts of steel', were 'willing to take risks' and if a 'son is not a good business man then he is nothing', the mindset of other Arabic groups like the Egyptians were more concerned with investing in education to ensure a professional position.

### 6.5.2 Urban/rural divides and having European mindsets

Amongst the Lebanese respondents it was sometimes reported that a mental divide or a difference in world views and perceptions existed between those from the villages north or south of Beirut compared to those actually from Beirut. Those from Beirut somehow perceived themselves as more cosmopolitan, urban and educated. Of course, to what extent these distinctions affect business practices is difficult to decipher, and instead may merely be a way for the Lebanese to distinguish between socio-economic classes. Two respondents were keen to emphasise their 'European mindset' by virtue of their time spent either studying or working in Western Europe. There was a perception that this served to strengthen their business skills, particularly in giving them access to business niches and ideas as well as a familiarity with different business cultures that may emphasise the perceived importance of due diligence, good numbers and paying for quality.

Whilst invariably many of these Arabic attributes are value laden, subjective and broad generalisations, what is important to note is that our respondents were keen to assert the diversities of what is classed as the 'Arabic' in the context of this research project. The keenness to raise these differences suggests there is scope for greater understanding about the Arabic community in West Central.

## 6.6 RACISM, REACTION AND RESISTANCE

Sadly it was not uncommon for respondents to report either feeling or experiencing an anti-middle Eastern and/ or anti-Islamic sentiment both in their business ventures and everyday lives. Examples of these included a perception of prejudice from some local councils for having an Arabic name, campaigns against their new business ventures by virtue of being Muslim, or not being allowed to interface with the public in a service industry job by virtue of what was perceived as a strong accent. One respondent even explained how he was told by a sympathetic Anglo-Australian managerial colleague that here in Australia 'being an ethnic, being a non-Anglo you will never get the promotion you deserve'.

In light of both local and international events that have arguably served to perpetuate the construction of the 'Arab other' and a growing anti-Lebanese sentiment, such findings are important (Poynting 2002, Redmond 2007). These feelings have already been identified as being particularly felt in western Sydney (Hyndman-Rizik 2008) and our findings a few years on suggest their persistence.

Further testament to the perceived stigmatisation and anti-Lebanese sentiment but from a different angle was the repeated comment given to the researchers by respondents that they were flattered about the aims of the project. This was alongside surprise that anyone who is not Lebanese or Arab is 'taking an interest in our culture, history and business achievements'. Such sentiments may reflect a situation that attention to, and inquiry of, this ethnic group has been uncommon.

Noteworthy, however, was that in the face of their ongoing experience of racism, respondents did not appear fazed or hindered but merely saw it as just another barrier to overcome in their business enterprises. Indeed rather than feeling bitterness, respondents overwhelmingly felt 'sorry for such people' and instead 'prefer to downplay racism'.

Other strategies to overcome racism and negative depictions of 'the Arab' in the media were to resist such sentiments and 'to let the world know; about our achievements' and to ensure that society is 'not polluted by what they hear on talk-back radio'. A senior member of the Australian Arab Business Network cited anti-middle Eastern sentiment in Sydney as one reason prompting the formation of the AABN to provide support to fellow Arabic entrepreneurs.

## 7.1 STAFF AND CO-ETHNICITY

As is often asserted in the literature on ethnic businesses, such business chiefly, if not solely, tend to employ staff of the same ethnicity. The reasons cited for this range from a shared language and understanding of the goods and services being supplied to marginalisation from the 'mainstream' economy.

Our findings of Arabic businesses in Sydney's West Central do not align completely with these assertions. During our research we found no businesses that had solely Arabic employees. Rather employees were from diverse sets of ethnicities that included Eastern European, Anglo-Australian, Korean, Chinese, Fijian, New Zealanders and Italian.

That said, it was not uncommon to find that when businesses started off the staff would chiefly be of the same ethnicity. For example, as one business owner mentioned before he managed to secure a large and profitable contract, his staff were 'ninety percent Lebanese and ten percent Anglo-Australian', but since the contract and considerable business expansion and transformation his staff is far more diverse in their ethnicities. To what extent employees shared the same religious affiliations as that of the owners we did not explore.

This is not to say that co-ethnicity is not important to Arabic businesses. A caveat to our findings is that the management teams of these businesses were frequently of the same ethnicity, often a reflection that many of our respondents had members of their family working in more senior positions and that Arabic businesses were often family-run businesses.

Similarly whilst this research did not seek to examine the gendered dimensions of Arabic businesses such issues often revealed themselves. The role of the female spouse as a driving force in shaping the strategic direction of the business was frequently noted by both parties. One female spouse told me that when she joined her partner's company full time, her background in computer science ensured that all systems pertaining to the business became computerised and that more recently it was she who was leading the introduction of on-line sales for the business. Likewise another female spouse of a partnership who set up business during the global financial crisis managed to succeed 'much because of the support that I [she] gave my husband'. In all of these instances these were Muslim women who cited such examples of supporting their spouses. To what extent this is coincidence or something more meaningful and systematic would require deeper analysis into the gender dynamics between owner-operators along religious affiliations.

## 7.2 SUPPLIERS AND CO-ETHNICITY

Whilst it is often asserted in the international literature that ethnic businesses chiefly use suppliers of the same co-ethnicity and frequently draw on spatially stretched and transnational networks that reach back to their country of origin to do business, we found little evidence in our findings to support these assertions. We found no evidence of businesses using only Arabic suppliers or sub-contractors. Rather decisions based on choice of suppliers seem to be governed by issues of price, quality and convenience which reached beyond businesses identifying as Arabic. None of our respondents reported using solely Arabic suppliers. Consequently we struggled to find anything distinctive or unique that could be classed as being a purely Arabic style in terms of supply network. Whilst there were occasions where it was revealed that our respondents may have supplied a particular product to another Arabic business, mostly this seemed to be based on friendship and membership to the AABN which encourages business referrals.

A reason perhaps to explain the lack of co-ethnic links and transnational suppliers is that the Lebanese economy is relatively small. With the exception of food stuffs, the Lebanese economy has few well known and exportable goods. In tandem, most of the assertions that talk about ethnic enterprises relying on transnational links have tended to draw on studies of Korean and Chinese entrepreneurs whose countries of origin are widely regarded as large export orientated economies that have much to sell and offer to the 'west'.

## 7.3 Customers and co-ethnicity

Arabic businesses reported having a range of clients in terms of ethnicities and nationalities again illuminating that Arabic businesses are not merely exotics bolted onto the economy but as one second generation respondent commented 'have always been doing business with other Australians'. Across all sectors we found no incidence of businesses having solely Arabic customers nor was this articulated by any of the respondents as a deliberate strategy.

Again, this is not to say that co-ethnicity was not important. Having clients of the same co-ethnicity seemed to be an important source of business amongst some professional service providers. Often this was premised on suggestions that being able to speak the same language facilitated relating often complex and ever changing taxation and reporting requirements. Shared language and cultural affinity was also seen as a benefit in being able to foster relations of trust and

repeat business or being seen to possess particular skills and a set of understandings suited to the Arabic community. This ranged from being able to provide a 'good blow dry' to tame unruly Lebanese hair or to represent clients on family legal and migratory affairs.

Meanwhile, it was not uncommon to hold some ambivalence towards clients and customers who were of the same ethnicity, particularly amongst the Lebanese. Indeed we were told that some Lebanese were inclined to try and bargain, and to want 'extra servings' or 'services for free'. There was also a perception that they were reluctant to pay for prerequisite professional business services such as legal advice or management consulting.

Similarly, there was a perception that some Lebanese customers were also time consuming and often posturing that they 'know best', or, more pejoratively, 'interfering' reflected by how one owner manager told us that 'the Lebanese make up twenty percent of my client base but take up seventy percent of my time'. Other reported disadvantages associated with co-Lebanese clients was an apparent reluctance by some customers to use formal paperwork or e-mail to converse, which was problematic for those businesses requiring accurate paper trails. As a result, four of our owner-managers reported deliberately avoiding having other Lebanese customers preferring other ethnicities instead.

The point to be made here is that whilst there are Arabic and Lebanese businesses that have a shared ethnicity, their customer bases, employees and suppliers reach far beyond the Lebanese diaspora. Instead Arabic businesses behave in many of the same ways as other Australian businesses and share many business practices commonly found across Australian businesses. Arabic businesses do not operate in an ethnic enclave, far from it, and instead are commonly as mainstream, interwoven and ethnically indifferent as other Australian businesses. It is therefore difficult to identify a single distinctive Arabic or Lebanese business or even distinctive Australian – Lebanese business practice.

The level and breadth of education owner-managers had undertaken appeared to have a positive effect on their business experiences and success. Seven of the eight second generation owner-managers we interviewed were educated to degree level, undertaking their higher education studies at an Australian university. Mostly these degrees were orientated around business studies, marketing, law and IT – a reflection of an industrial era dominated by professional and knowledge services. All respondents acknowledged how their qualifications have helped them in organising and running their business. The reasons cited included their ability to undertake research in order to keep them up to date, be more confident to negotiate leases, undertake better business planning, and have familiarity with legal issues pertaining to their business operations. Meanwhile, four first generation owner-managers over thirty five had also undertaken degree qualifications at a university in NSW once they had arrived in Australia.

Three first generation entrepreneurs undertook university training either in Europe or elsewhere, although two of these entrepreneurs had to re-train as their qualifications were not recognised in Australia, despite being degree educated in a different country. The migrant English programs offered at TAFE and other organisations were frequently referred to by the first generation respondents as having helped them to learn or perfect their English and to establish their business. A further two owner-managers had used TAFE to achieve other certificates that have provided them with a new starting point to do business.

## 8.1 LARGE FIRM EXPERIENCE

Those entrepreneurs who had previous experience of working in large service and professional based business appeared to stand them in good stead. This was in terms of access to a vast network of contacts, but also knowledge of administrative, logistical and HR skills. Equally these employees were often working with other colleagues and clients from a mixture of nationalities and ethnicities with exposure to a variety of business practices and cultures - particularly when this involved experiences gained from working in countries other than Australia. Paradoxically, entrepreneurs suggested that it was their experience of working in large firms that acted as the impetus for starting up business alone.

Owner-managers in our study group tended not to use financial products from formal financial institutions to start-up their businesses. Instead an array of other strategies were used which included: entrepreneurs working from home for as long as possible to save costs on business premises, using overdraft facilities and credit cards to fund the start-up of their business, and using personal savings which often required difficult decisions to be made. As one entrepreneur explained, 'between us we had saved one hundred and twenty thousand dollars and we had to decide whether to buy a house or a business'. Another entrepreneur explained how he had to work two part-time jobs in order to keep his own business venture afloat at its early stages. Using family loans from other family members was not uncommon amongst our respondents in order to help with start-up costs - a strategy well documented in both ethnic businesses and entrepreneurship literature more generally. We found only two businesses that used a formal loan to help set up a business and a third owner-manager had his wife successfully apply for a loan by virtue of her having a salary independent of the business. Owner managers were keen to emphasise the very difficult times experienced in start-ups often emphasising the 'real hardship' of juggling paying rent and opening up a business simultaneously, often whilst having children, and that the whole experience was far from being 'a silk road'.

Three entrepreneurs mentioned a demise of what they saw as personal and 'loyal' banking practices whereby bank managers were familiar with their clients. By virtue of such trust and familiarity bank managers were more likely to tailor specific financial plans and be helpful to owner-managers in light of particular financial circumstances that even well run businesses could find themselves in. One entrepreneur explained how it was only by virtue of one of these 'beautiful old timers' who could 'see [and trust] the quality of his business and the people in his family' that his business was able to survive recession in the early 1990s.

By contrast, some respondents had not had positive experiences with formal financial institutions claiming that they 'took our house' or 'took our business', often mentioning the 'crippling' interest rates on loans they were given and a view that banks are too 'bossy and demanding'. At least two entrepreneurs cited they had had their house repossessed by virtue of the demise of their business despite in some instances of having proof of a large incoming contract. A respondent from the financial services sector was sympathetic to the difficulties that SMEs face, making reference to the difficulties he witnesses in his clients trying to access simple bank overdrafts to help cash flow - 'the lifeblood of any business'.

These remarks suggest the importance and need for initiatives

to help early stage businesses in terms of access to start up capital, cash-flow and greater familiarity and relations of trust between banking institutions and businesses.

## 9.1 SELLING BUSINESSES TO BUY NEW BUSINESSES

Of note was how three entrepreneurs sold their pre-existing successful and already profitable businesses to provide the funds to purchase or form another business. One respondent explained how he sold a successful construction company with seven employees for \$2million in order to purchase another business in a completely different sector but in which the entrepreneur had prior experience. Another entrepreneur explained how he identified a particular niche in his mixed business store which he felt had development potential and as a result sold his mixed business to concentrate on the niche. He now has two branches of a financial services firm with a possible third coming soon. Such insights reveal how many of these owner-managers show characteristics of being serial entrepreneurs. During these interviews respondents did not see this strategy of selling a successful business as anything extraordinary - instead it was merely a course of action to achieve a particular goal.

## 9.2 THE IMPORTANCE OF TRACK RECORD

A common occurrence in our interviewees' stories was that as time went by and the track record of the business improved entrepreneurs were more inclined to approach and use formal institutions for loans. Indeed for those entrepreneurs with a successful track record acquiring loans was 'easy' and a 'non-event'. These findings arguably reflect the experiences of any successful Australian business and that the decisions to mobilise finance are often based on past experience, profitability and the strength of the management team.

Despite the ease by which successful businesses with a track record were able to get loans, none of our businesses reported using or trying to seek venture capital. To what extent this is through choice, refusal or lack of supply would require further interrogation, as would whether or not there is scope for greater connection between the Arabic business community and the venture capital community.

The findings of this section on finance should be viewed as testament to the resilience and determination of this ethnic group and their asset value to the economy of Western Sydney. Moreover, the shared ethnicity and central importance of family appears to have tangible and positive effects on the business start-up process amongst the Arabic community.

During the research we were keen to ask about the role, if any, the government (local, state or federal) played in helping or supporting entrepreneurs at any stage of the business lifecycle. At first when we asked this question there was a tendency for respondents to see government as a monolith identity rather than as a set of multiple departments. A minority of respondents conflated government assistance with the police and justice system which may be indicative of respondents past experiences and contexts. This prompted us to reword the question to be more specific and focus on respondents' use of business advisory services.

### 10.1 INVISIBILITY

Crucially, at all stages of the business lifecycle there was sparse uptake of government support services by Arabic entrepreneurs as well as other professional business advice organisations. The types of business support we were alluding to would include marketing and web design advice, business planning, cash flow, networking, business basics, leadership, management and HR issues as well as updates on government rules and regulations.

Only three out of the thirty businesses we spoke to used business support services or had attended some kind of locally run business seminar. Two owner-managers felt that this was a worthwhile and beneficial experience. One of these entrepreneurs was a second generation entrepreneur under thirty five years of age who reported using the internet to find such support programs. By contrast the third entrepreneur suggested that such seminars 'never get to the nitty gritty', had 'little depth and not enough detail' and, by inference, was seen as too generic.

The most common strategy used by our respondents when they were stuck and required advice was either through asking friends and family who were also in business or muddling through rather than seek advice from a professional organisation – government run or otherwise. One respondent in the professional services sector claimed that failure to seek proper business advice by business owners could perpetuate disadvantageous business practices particularly in the context of cash management.

### 10.2 AWARENESS V EXCLUSION

Crucially the sparse uptake of support services was attributed to a lack of awareness about what exactly is available and its location, rather than through feelings of exclusion or choice. In

the main our respondents appeared oblivious to the landscape of support and provision that exists for entrepreneurs and businesses. Further still, three quarters of our respondents admitted that had they known about types of support they would have been likely to use them, and this was particularly acute at the early stages of the business. Accompanying this, however, was a sense that there is no clear or obvious one-stop shop that can filter the correct business services to entrepreneurs.

Taken together – lack of awareness and perception of a fractured business landscape - these are important findings that require urgent attention. Firstly, local and state governments must increase their visibility to the Arabic community to ensure that entrepreneurs are aware of the various support programs and provisions that exist. Second, the impression of a fractured business support landscape must be addressed through better promotion of websites such as Smallbiz that provide a 'route map' to filter entrepreneurs to relevant avenues of support. Awareness of this route map could be enhanced through literature, websites, and audio or oral presentations. Partnering with pre-existing organisations that are connected to the Arabic business community whom are well trusted and using the expertise and knowledge of the business community to help design, deliver even, relevant business support are vital if the government wants to 'reach' this business community.

### 10.3 POSITIVE STORIES BEYOND AUBURN AND BANKSTOWN

We did hear positive stories about local government officers, including place managers and Business Enterprise Centres which had been helpful to ethnic businesses by giving advice or assistance and generally being very familiar with the local businesses in their constituencies. However, these examples were outside the geographical jurisdiction of this study.

Further comparative research is required to ascertain to what extent there are differences (real or imagined) between the strategies and the visibility of other local councils and place managers; whether or not greater visibility or the quality of this help would have tangible and positive impacts on businesses; or if there is something unique or distinct about the local councils in the West Central.

As mentioned earlier the literature on ethnic enterprises asserts that entrepreneurs frequently rely on their transnational networks that stretch back to the country of origin to enable them to do business and to mobilise ethnically based resources (Portes et al 1992, Sassen 2001). Indeed the introduction of the trading category 'business to diaspora' (B2D) is indicative of a growing and widespread type of business transaction premised on increasing instances of transnationalism and diasporas (Hourani 2009).

In stark contrast to the literature, however, we found little to support assertions of spatially stretched transnational ties. Only those entrepreneurs in the business of food importing had the types of transnational connections alluded to in the literature though this is governed by how provisions like Tahini, Halva, olives, pickles, certain beans and other raw materials are produced and grown in Middle East countries. Therefore whilst the business of importing Arabic food stuffs is indicative of the rise of B2D trading more generally our respondents were characterised by a notable lack of business links to the Middle East although strong and enduring connections were actively maintained with family and kin.

This is not to say that respondents did not have overseas links. Ten respondents reported having overseas links, most of which were concentrated in China. China was a common location from which to either source high level and cheap machinery for manufacturing, locate off-shore factories and act as suppliers for a range of products used by respondents such as toys, soft furnishings, stone, material and printing. Links to other countries included Denmark, India and Korea for the purpose of technology sourcing, food stuffs (reflect growing Indian population) and talent.

To that end, then, Arabic and Lebanese businesses seem just as globalised as other Australian businesses by the way in which they are intimately tied into supply chains and production and consumption networks, particularly with China. It also suggests that SMEs reflect common business behaviour in that they are keen to move their supply chains to where savings can be made.

### 11.1 ABSENCE OF AUSTRADE

Aspirations to export were articulated by over 10% of our respondents but such aspirations were infrequently realised. Two entrepreneurs recounted their attempts to set up offices within the Middle East that subsequently failed, whilst a further two entrepreneurs recalled their failed attempts at trying to export their products to the Middle East. Whilst in some

instances this was attributable to lack of time and human resources, the role that Austrade appeared to play in helping or facilitating these intentions seemed limited or absent, based on what our respondents told us.

Despite the knowledge and desire by some respondents to export to other countries such as the USA there appeared to be barriers and hurdles to translating these aspirations into material practice. The perceived lack of support and guidance from organisations like Austrade or ACCI suggest that a more concerted effort may be needed by such organisations to connect with West Central businesses thinking of exporting. Wider advertising of how to go about exporting, and advice about procedures required to set up overseas ventures are required.

Whilst plans for expansion were not uncommon our respondents had difficulty in articulating these. Plans were often conflated with an inevitable expectation that as time went on there would continue to be general growth, profitability and an expansion of the client base. Digging deeper it appeared easier for respondents to mention particular obstacles to expansion rather than to pin-point the exact content of their plans for expansion. Whilst some obstacles were unique to a particular entrepreneur and their circumstances, other more general and repetitive themes emerged which are now discussed.

### 12.1 LACK OF HR AND MANAGEMENT SKILLS

During the research it emerged that many SME owners acknowledged lacking the skills to best manage their expanding businesses. For example, several respondents mentioned that as owners of SMEs they do not have the knowledge, expertise or resources to deal with complaints or legal actions from employees. Whilst employees are seen to have access to considerable support, particularly from relevant government departments SME owner's do not feel they have any recourse to any government programs to help them manage or resolve their issues. A program that can offer advice (perhaps for a fee) to these entrepreneurs to deal with HR and related issues would be a welcome resource for this business community.

Other respondents spoke of the difficulty in asserting leadership within the firm whilst one owner manager admitted to deliberately downsizing what was a very successful business. The reason cited was a lack of knowledge of how to handle and manage a growing workforce.

It was apparent too during the interviews that there seems a general reluctance to consider using outside specialist advice to help guide the owner-manager around personnel issues - particularly those that pertain to HR management - with a tendency instead to rely on advice from family and friends. Also, the importance this business group attaches to the issue of trust and the importance given to whether owner-managers can trust new employees or open up to someone not already known to them are added factors to consider. Taken together, our owner-manager respondents are characterised by a lack of investment in their own training and professional development in terms of management and HR skills and hold a reluctance to seek professional help to remedy this. Greater advocacy and encouragement for entrepreneurs to expand their business networks and consider using specialist advice (that they can afford) alongside targeted investment in management and HR skills would be a big step forward for the group.

### 12.2 LACK OF TIME TO SEEK OUT NEW PREMISES

Like many SME entrepreneurs and owner-managers, time is limited and precious for our study group. Time of course is also money. Over half of our respondents mentioned how their plans to expand were limited by a feeling that they lacked the time to do so, particularly in the context of finding new premises. For example, three businesses who had considered opening an additional branch, suggested that the time required to search for another location and undertake the necessary market research and due diligence were considered too time consuming or a 'headache' and hence expansion was negated. Of course this may be a reflection of some respondents' lack of confidence to expand or values accessing professional advice.

At no point did any respondent report consulting local government or a business advisory service in their quest to help them seek and secure additional or suitable premises. Access to up to date information on premises vacant for all types of enterprises but with a particular focus on manufacturing and retail orientated enterprises may overcome some of these time constraints and be a worthwhile undertaking.

### 12.3 TRUST

The theme of trust and loyalty was raised by some respondents from a variety of perspectives as a barrier to expansion. First there was a feeling on the part of the respondent that they were unable or unwilling to trust an employee, particularly in a management role. Such reluctance either hindered recruitment and expansion or deterred owner-managers from advertising for new positions.

The second perspective centred on trusting employees to handle or undertake cash-based transactions and the ever-present fear that an employee could 'run off with the takings'. In some instances this was understandable (one owner-manager had had a considerable amount of cash stolen over a sustained period of time from an employee) but for others it seemed to reflect a particular set of cultural norms.

This was best articulated from a second generation young owner-manager who told us how his father (also an owner-operator born in Lebanon) expressed considerable shock and concern when his son revealed that he had left a new employee in his retail outlet alone and the father repeatedly asked his son if he was worried that cash would be stolen. The son attributed his father's fear to his upbringing in

Lebanon where such behaviour was common. That his son would employ someone unknown to him and then leave the employee alone to handle cash transactions was seen as highly 'risky behaviour' by the father.

Relatedly, three respondents revealed that where they had set up businesses or were planning to expand was governed by a sense of loyalty to other owner-managers of Arabic ancestry. Quite deliberately our respondents mentioned that they located in a place where they would not directly compete with other owner-managers who were known to them. This was particularly the case if the respondent had previously worked for the owner-manager.

Such loyalty suggests an enduring respect for the very dense set of ties that bind much of the Arabic business community. This level of loyalty may need to be taken into account if a database service on vacant and suitable properties is to be harnessed.

Whilst concerns regarding trusting employees in management roles, handling cash and decisions about where to locate a business location choice may sit better within the category of management and HR skills it was often perceived by respondents in our study group as a trust issue. The central importance of trust to ethnic businesses is not a new phenomenon and has been well documented in the literature on ethnic enterprises. Chiefly trust is cited as one of the reasons to account for the propensity of family run businesses to adopt specific practices to avoid theft or deception, and our findings largely concur with these assertions.

Trying to overcome or alter these beliefs is a precarious situation: perceptions of trust are arguably a very personal and subjective feeling. Reassurance that procedural, legal, contractual and judicial frameworks are in place in Australia to protect employers in such cases is worthwhile. Meanwhile exploring innovative and culturally sensitive ways of building trust within the workplace amongst ethnic entrepreneurs would be a progressive and beneficial initiative.

## 12.4 FEDERAL AND STATE LAWS

State and federal government laws and regulations were frequently seen as being the 'biggest enemy' to the expansion of Australian SMEs. Numerous respondents including those who advise and coach entrepreneurs pointed to what they regard as unfair burdens on SMEs of government regulations that treat all enterprises the same regardless of size and financial capacity. The uneven burden on enterprises of different sizes by virtue of government regulatory regimes is not new and is well documented (Bickerdyke and Lattimore 1997); but its persistence led one respondent to suggest that there is a 'sliding scale' for the burdens and fees that SMEs face according to size and turnover.

Whilst many of the regulations relating to taxation, maternity leave, worker insurance and workers compensation are set by the commonwealth government, State government regulations

such as pay roll tax were also cited as part of the burden faced by SMEs. One respondent mentioned the cost to insure workers was a barrier to employment generation and instead meant that they only employed staff on a casual basis as and when needed, otherwise their business was unable to survive.

Three entrepreneurs made reference to Australia's relatively small population which mitigated these entrepreneurs from either importing products that have a potentially profitable niche or in being able to exploit a local resource due to the same raw material being far cheaper to import, say from China. Added to this mix are concerns over competition from large corporations – one local firm claimed to have been forced to remove their product from an Australian chain by a large multinational corporation that felt its product faced competition from the local Auburn firm.

More generally, the tenor of future prospects for SMEs in Western Sydney was generally moderated by pessimism and concern. It was suggested that government 'needs to incentivise small businesses' for the continued expansion and growth of SMEs within the area. None of our respondents made reference to the ongoing NSW Regulatory Reform Task Force that seeks to review red tape. The perception by respondents of a lack of incentives from federal and state government to support SMEs is concerning. Further studies on the regulatory burden faced by SMEs are warranted. Additionally, greater awareness and promotion of the NSW Regulatory Reform Task Force would be useful to help managers channel their regulatory concerns.

While it may have been difficult for entrepreneurs to articulate their plans for expansion it was with considerable ease how owner-managers were able to relay the history of their business. For those respondents with more established businesses their ability to pinpoint and discuss changes in the strategic directions of their business and the reasons governing them was obvious.

Chiefly strategies for transformation were orientated around: the often deliberate identification of new business niches and markets, particularly in light of changing demographics and migrant groups into Sydney; diversification in product range through expansion, or reduction and concentration; re-branding; purchasing newer, more efficient, and sophisticated technology and machinery (often from overseas); and sourcing overseas suppliers for saleable products in Australia.

### 13.1 SECOND GENERATION AS CATALYSTS FOR CHANGE

It was not unusual to have second generation family members participating in the family business. This was by either working in the family business, frequently at management level, or being able to help out when needed – such as a sibling in construction who helps with property development or a cousin who is a trained solicitor who can provide legal advice. In several instances it appeared that first generation owner-managers were able to capitalise on the skills, education and sets of knowledges of the second generation by virtue of their education in Australia. In turn this forced the first generation to try new things and expand the business. At the same time the process of capitalising on the knowledge of the second generation was seen as a beneficial way to inculcate the new generation into the family business which respondents seemed keen to do.

Although some second generation respondents are welcomed and assisted into entering the family business, other respondents found it more difficult to strike out on their own as an entrepreneur, particularly if they are seen to be alienated and disconnected from their Arabic culture. This may be salient for females who are seen not to be adhering to cultural and religious norms that are expected of them. Whilst the lack of family assistance and support (emotionally and financially) may be seen as an obstacle whether this acts as an impetus to encourage entrepreneurs to seek specialist business advice requires further research.

The inspiring tales of business transformation and success that we heard seem very much attributable to the strategic

and savvy nature of the owner-managers who possess considerable entrepreneurial flair, their decisions and tales of growth and expansion could be held up as examples to Australian businesses more broadly. Our respondents participate in 'creative destruction' in the best traditions of a successful business culture. Helping owner managers through government support programs or otherwise to identify new opportunities and directions for their businesses and encouraging owner-managers to be proactive and think strategically would be worthwhile exercises.

This report has shown that Arabic businesses in the Auburn-Bankstown corridor do not draw on a profoundly different set of knowledges, practices, routines or standards in order to do business. Instead they largely conform to normal taxation and reporting requirements and are subject to the same commercial, operational, planning and labour laws like any other Australian business. In tandem the Arabic business community is a strong and visible entity characterised by a deeply held and shared sense of ethnicity and is bound together through a variety of reciprocal arrangements ranging from formal contracts with other Arabic businesses to more informal familial, kinship, cultural and religious ties.

We see this business group as an indispensable motor for continued growth and economic development in Sydney's West Central sub-planning region. The geographical concentration of this business community combined with its capacity for resilience, innovation, transformation and employment add significant geographical prowess and advantage to the West Central economy. It is ironic, then, that some of our respondents feel that the achievements of this business group, alongside an understanding of the culture and attributes that pertain to the Arabic diaspora, appear to be overlooked across all levels of government.

Arabic businesses in Sydney's West Central face many of the same difficulties that are germane to enterprise development that any other Australian early stage, growing or mature business faces. Therefore many of the barriers and impediments to employment generation and expansion facing Arabic businesses are the same as those facing non-Arabic businesses: predicated on issues such as access to finance, inappropriate management and HR skills, access to or knowledge of affordable quality business premises, and marketing skills. Only the added barrier of racism and language constraints can be identified as a distinctly Arabic orientated obstacle to growth.

Paradoxically many of the support programmes offered by government that potentially help entrepreneurs overcome such difficulties are yet to 'reach' this group and be visible to them. The most persuasive evidence of this was how only three out of thirty respondents had used either a government or professional services agency to help themselves and their enterprise with managers instead relying heavily on family and kin for support and advice. Typically, the remainder of respondents said they would use such services had they known they existed – particularly at the early stages of business formation. Consequently the lack of awareness about these services from this group probably puts the Arabic business community at a disadvantage in relation to their non-Arabic

counterparts. It is therefore imperative that the awareness of, and access to, the array of professional services and government programmes reach this business community. Moreover, information needs to be provided as a simple roadmap to both demystify and simplify the business support landscape within Sydney- an exercise that would no doubt benefit all entrepreneurs. Delivering such programs in Arabic and other community languages is likely to be extremely useful to recently arrived immigrants or those with limited English.

Attention has been drawn to the landscape of Arab orientated business networks and organisations that exist in NSW. Further evidence of a collective and supportive endeavour within these diasporas. Most notable in this landscape is the Australia Arab Business Network. AABN acts as a key anchor and source of coherence within the Arabic business community - despite its short life and it being entirely voluntarily. AABN's success is evident by its well attended monthly dinners that feature ever more new members (not necessarily of Arab ancestry) and regular guest speakers. Importantly, I&I NSW has had positive and effective relations with AABN since at least 2005, a situation which provides the department with positive opportunities for further effective engagement. To raise awareness amongst the Arabic business community about the support and assistance that is available to them by government, then, we advocate strengthening pre-existing partnerships between Arab orientated businesses organisations, like the AABN with government at all levels. In addition, we stress the need to cultivate new relationships as the Arab business community evolves and changes.

We emphasise that Arabic businesses in West Central are largely mainstream business operations. The Arab-Lebanese business group targeted here, by virtue of shared ethnicity, should not be seen as an exotic bolt-on to the West Central economy, nor do they run parallel to it, but instead are directly interwoven into the 'mainstream' economy. Arabic-Lebanese businesses operate in markets that are both spatially and ethnically unbound. Across all sectors Arabic owner-managers employ staff across a range of ethnicities, choose suppliers based on price and quality rather than ethnicity and have diverse client bases. Neither are they confined to general retailing or the supply of low order goods and services but instead are to be found in a variety of sectors that include professional and knowledge services. The tendency for management teams to be of the same ethnicity is largely attributable to the combination of two main facets: the centrality of family and importance in Arabic culture of being able to take care of the extended family; and, a preference for family run businesses.

The active landscape of business organisations that promote and support the Arabic business community should not be seen as justification to pigeon hole or demarcate this group as separate or distinct from other Australian or NSW business organisations or cohorts; but instead be seen as testament to multicultural Australia working well. Considerable caution then needs to be taken in how this business community are understood and represented. We argue for a perspective that accepts how a business can be both integrated into the mainstream Australian economy and still be operated by a manager who may or may not choose to have a shared and active sense of Arabic ethnicity.

Finally throughout this investigation we uncovered a plethora of issues that warrant further consideration and wider research. These include the investigation of

- i) Innovative ways of building trustful relationships in the workplace between Arabic and non-Arabic workers
- ii) Gendered dimensions of Arabic-Australian enterprises
- iii) Regulatory burdens of SMEs.

Arising from the discussions above and of the research findings the report recommends the following:

### 15.1 PROMOTION, RECOGNITION AND INCLUSION

Many of our respondents mentioned how ‘flattering’ it was that interest was being taken in their enterprises by virtue of their being Lebanese or Arabic. As researchers we discovered the incredible tales of achievement, growth and transformation that many owner-managers and their businesses had experienced. Paradoxically, however, recognition of the considerable contributions this group makes to the West Central economy alongside their individual achievements for the most part remains hidden to local and state governments.

In tandem accounts of racism encountered by some of our respondents concur with and reinforce the pre-existing knowledge of and persistence of an anti-Lebanese sentiment in Sydney. Indeed one of the reasons given for starting the AABN was an attempt to disrupt racist sentiments of the Arab ‘other’. We advocate greater recognition and promotion by government at all levels of the highly successful, determined, resilient and innovative Arabic business group in order to bolster this group’s efforts to counteract feelings of not belonging, and of racism and exclusion.

### 15.2 INCREASING GOVERNMENT VISIBILITY AND FAMILIARITY WITH THE BUSINESS SUPPORT LANDSCAPE

Our findings reveal a profound lack of participation by respondents in government programs that offer advice on business start up, growth and development. Mostly this was through lack of knowledge about their existence rather than any sense of exclusion or refusal. Additionally, respondents often expressed confusion about which level of government to approach and the complexity of various government departments and agencies in terms of their remits and what they have to offer. It was also suggested that the business support landscape is complex and confusing; with a perception that there is no clear signposting to help guide entrepreneurs in accessing the right or appropriate types of advice or service required. Meanwhile, other respondents exhibited a reluctance to deal with government agencies due chiefly to cultural backgrounds and experiences. Whilst this suggests there is a cultural dimension that government itself has to overcome there is also a more practical issue.

Better promotion to the Arabic business community of the vast array of services and programs of support that are on offer by all levels of government through the local business advisory centres and the Smallbiz website (which can act as a clear signposting tool) would be a good starting point to remedy confusion and raise awareness of the business support landscape. Promoting these services through, or in tandem with, the key Arab business organisations would be a worthwhile endeavour. Such organisations for the most part have the ‘ears’ and the trust of the business community by virtue of a shared ethnicity and would go a long way to overcome the cultural reluctance of Arabic businesses in engaging with government. An excellent example of this was at a recent monthly AABN dinner where a business advisor from I&I NSW in November 2010 gave a presentation on ‘Helping Business Grow’ which outlined the range of support services available to local businesses as well as discussing locally tailored programs such as the Western Sydney Business Employment Fund. Without such partnerships to help promote and deliver business support programs government departments on their own may find it difficult to reach this business community.

### 15.3 OVERCOMING LANGUAGE BARRIERS

Many of our first generation entrepreneurs had little or no English skills when they first arrived in Australia. Whilst web based business support and set-up information is delivered in Arabic through the Smallbiz website, delivering face to face business programs in relevant community languages will go a long way to improving participation rates whilst ensuring reliable delivery of complex information about specific rules and regulations pertaining to setting up and running a business in Australia. Currently with funding from the state government only a few local governments deliver programs in community languages.

### 15.4 DIFFERENTIATING THE NEEDS OF AN ENTERPRISE FROM THE NEEDS OF AN INDIVIDUAL ENTREPRENEUR.

Often attention of government and researchers focuses on the start-up stage of ethnic enterprises (Lindgreen and Hingley 2010, OECD 2010). Whilst this attention can be justified (it is crucial to make and lay the foundations for successful and continued growth and development) nevertheless as an enterprise grows and passes through different stages of its

business lifecycle it requires different advice and attention. In tandem, strong and local economies are dependent not just on new entrants and business formation but also on maintaining and supporting pre-existing enterprises. Consequently governments must target and attend to the different needs of enterprises at different stages of development.

In concert with programs that address the needs of an enterprise at different stages of its life-cycle, we also advocate programs that cater to the needs of individual entrepreneurs throughout the business life-cycle. Disentangling the needs of entrepreneurs from the needs of the enterprise ensures the delivery of more nuanced and targeted programs. Potentially such targeting would allow greater attention to the gendered nature of entrepreneurship, an issue often bypassed by state and federal policies (Collins 2003). Whilst there are now various programmes to support women entrepreneurs in NSW (e.g. Women in Business Mentoring program and Women in Manufacturing) scope exists to think about how best to support or meet any specific needs or barriers that confront

Muslim women entrepreneurs in West Central. Likewise tailored programs that deal with support issues unique to family run businesses – of which there is a high concentration within West Central -would also be useful exercise. Making greater use of and partnering with the Family Business Australia (which presented at Small Business September hosted by I&I NSW in 2010), a peak body for family businesses that promotes the success, sustainability and longevity of multi-generational family businesses and first generation operators, could be an advantageous step to help design or deliver such programs in West Central. Attention to family run enterprises within Australian entrepreneurship policies is a surprising omission given the frequency of these types of enterprises within NSW and other states.

A matrix to outline what a two tier support program would look like that attends to and recognises the different needs of both the enterprise and the owner-manager is in table 4 below. The table outlines the different issues that pertain to each of these targets and how such needs change over the business life-cycle.

Table 4 Needs of enterprises and entrepreneurs over the business life-cycle

	START-UP	GROWING	MATURE
Enterprise	<ul style="list-style-type: none"> <li>Access to finance</li> <li>Access to business premises</li> <li>Cash flow</li> <li>Business planning</li> <li>Health and safety regulations</li> <li>Commercialisation</li> </ul>	<ul style="list-style-type: none"> <li>Access and affordability to suitable business premises</li> <li>Diversification strategies</li> <li>Exporting</li> <li>Marketing &amp; social media</li> <li>Recruitment</li> </ul>	<ul style="list-style-type: none"> <li>Spin-offs</li> <li>Franchising</li> </ul>
Entrepreneur	<ul style="list-style-type: none"> <li>Language skills</li> <li>Familiarity with business support and finance landscape</li> <li>Engaging with relevant support networks</li> <li>Engagement with Arab business networks if desired and/or other chambers of commerce</li> <li>Leasing and contract skills</li> </ul>	<ul style="list-style-type: none"> <li>Employer support for staff disputes</li> <li>HR planning and management skills</li> <li>Legal and regulatory issues</li> <li>Expand business networks overseas</li> <li>Sales and negotiating techniques</li> <li>Building trust issues</li> <li>Business transformation skills</li> </ul>	<ul style="list-style-type: none"> <li>Succession and exit planning</li> </ul>

## 15.5 EXPANDING NETWORKS TO GET SPECIALIST HELP

Many of our respondents relied on family and friends for information and advice with a minority using accountants and lawyers. In this respect, they reflect the same practices in other ethnic enterprises (Mustafa and Chen 2008). Whilst friends and family often supply good information and advice it is clearly to the advantage of respondents that they expand their knowledge network to include affordable professional and specialist advice. This information need is particularly salient given the difficulties some owner-managers face in their own management and HR skills. Arabic business based organisations are a useful conduit to raise awareness about services and assistance to the Arabic business community.

## 15.6 MOBILISING CO-ETHNICALLY ORIENTATED TRANSNATIONAL NETWORKS

From a different perspective, our findings found our study group to have relatively few co-ethnically orientated transnational linkages alongside some unrealised export attempts. Yet such linkages could well be major assets as Lebanese and Arabic businesses grow and extend their global networks from many different nations. As Sydney continues to evolve as a global city, further research is needed to facilitate the globalisation of the West Central economy. One avenue is the exploration of successful business links involving the Arabic business community. Closer interrogation into how co-ethnically orientated relations can be mobilised and harnessed within this business group would be a worthwhile endeavour.

## 15.7 PARTICIPATORY ACTION RESEARCH PROGRAM

The government should fund a participatory action research program involving the Arabic business community. This type of action research would ensure that the Lebanese and wider Arabic communities are directly able to identify and shape business research in ways that enhance their business success. In tandem the values and beliefs that are germane to this business community would be integrated into the subsequent interventions and outcomes meaning the benefits of business research would accrue directly to the Arabic business community whilst providing an important voice and sense of empowerment.

## 15.8 ACKNOWLEDGING THE RELATIONSHIP BETWEEN ETHNIC BUSINESS, URBAN RENEWAL AND EMPLOYMENT GROWTH IN WEST CENTRAL

This study has revealed that the Arabic business community in West Central and probably other ethnic business communities in the area contain vast elements of success with further unrealised potential for growth. In tandem this study has identified impediments to growth, many of which are external to the Arabic business community. It is crucial that future urban renewal plans for West Central make a feature of the presence and success of West Central's ethnic business communities. This corpus of businesses must be seen as a core asset of the sub-region and be promoted as a positive feature of the area.

Some of the ways in which these assets can be further built and nurtured include first, improving the management skills of ethnic enterprises in the areas of sales strategies, supply chain and workplace management; second, by improving access to and management of finance; and third by paying attention to property arrangements.

As urban renewal occurs in West Central there needs to be conscious and deliberate monitoring of property availability so that businesses and business start ups are enhanced and not impeded. A set of business incubators in West Central would be useful to ensure SMEs are supported and sustained in their early stages.

The following table summarises these policy recommendations, the actions required and where the responsibility for implementation rests.

Table 5 Summary of Policy Recommendations

CATEGORY	OBJECTIVE	ACTION	RESPONSIBILITY
<b>Promotion</b>	<p>Overcome the lack of recognition given to the achievements of the Arabic business community in West Central and their contributions to the local economy.</p> <p>Overcome persistent racism and stigmatisation of the ‘Arab other’ and anti-Lebanese sentiment</p>	<p>Promote achievements of Arabic business community (ABC) through various initiatives, events or campaigns</p> <p>Recognise ABC as a key driver of growth and vibrancy in West Central</p> <p>Promote cultural understanding and diversities within the Arabic diasporas.</p> <p>Ongoing programmes to counteract anti-Lebanese and anti-Arab negativity</p>	<p>State government Local councils – Bankstown and Auburn</p> <p>National, state and local media</p> <p>Arabic business organisations;</p>
<b>Partnerships and visibility</b>	<p>Cement partnerships between state and local government with Arab orientated business networks to promote greater awareness, understanding and participation in government support programs concerned with enterprise support</p>	<p>Strengthen pre-existing partnerships between I&amp;I NSW and local councils with Arab business organisations such as the AABN, to promote awareness and to deliver programs.</p> <p>Clarify distribution network for information dissemination</p>	<p>Arab business organisations I&amp;I NSW, Auburn and Bankstown council</p>
<b>Create</b>	<p>Ensure better representation and inclusion of Arabic entrepreneurs in the design and delivery of business support programs and the promotion of local entrepreneurship;</p> <p>Provide an avenue to report experiences of racial discrimination</p>	<p>Establish an Arabic business advisory panel for I&amp;I NSW and local government councils</p>	<p>I&amp;I NSW Local councils</p>
<b>Translate</b>	<p>Improve understanding among new migrants when setting up and doing business in NSW;</p> <p>Reach a wider audience and ensure understanding of complex information</p>	<p>Deliver face to face business advice seminars in community languages;</p> <p>Seek out Arabic speaking persons to deliver business support seminars – use Arabic Advisory panel for this</p> <p>Increase promotion and awareness of business support documents written in community languages</p>	<p>I&amp;I NSW Local councils BEC BAS</p>

Table 5 Summary of Policy Recommendations

CATEGORY	OBJECTIVE	ACTION	RESPONSIBILITY
<b>Trade</b>	<p>Enhance greater awareness of, and interaction with, institutions charged with fostering and supporting exporting and ameliorate the difficulties entrepreneurs face</p> <p>Promote greater engagement by Austrade with West Central business community and its export potential</p>	Offer seminars through appropriate ethnic community business networks to raise awareness	<p>Austrade</p> <p>Local councils</p>
<b>Gender</b>	Remedy the neglect of the role played by women in Arabic businesses and enhance the contribution of women to business success and development	Conduct wider research on the role, contributions and experiences of Arabic women, particularly Muslim women entrepreneurs in West Central.	<p>I&amp;I NSW</p> <p>Muslim Women's network</p> <p>Women in Business Mentoring</p>
<b>Finance - improve awareness, access and take-up</b>	<p>Increase awareness of the funds and grants available to enterprises at different lifecycle stages</p> <p>Improve the low take up of formal financial products and grants</p>	<p>Produce information packs to explain the funds and grants available for businesses at local, state and federal level.</p> <p>Circulate information packs through Arabic business groups</p>	<p>I&amp;I NSW or researchers to create funding roadmap and support documents.</p> <p>I&amp;I NSW and Arab business organisations</p>
<b>Regulations – target and differentiate</b>	<p>Review the burdens and requirements faced by SMEs that act as a barrier to their development and expansion.</p> <p>Stylise regulatory obligations by SMEs in relation to their size and age.</p>	<p>Establish a specialist panel of entrepreneurs and finance professionals to brainstorm and identify regulatory barriers facing SMEs and possible avenues to differentiate regulatory environments of enterprises by size and age</p> <p>Wider deeper research on regulatory barriers facing SMEs and alternative policy proposals</p>	<p>Federal government</p> <p>State government</p> <p>NSW Regulatory Reform Task Force</p>
<b>Fund participatory action research programme</b>	<p>Ensure Arabic business community shapes future research agendas to enhance their success</p> <p>Involve Arabic business community and researchers in collaborative processes to generate new knowledge and solutions relevant to the Arab business community</p>	Fund a program of Participatory Action Research involving the Arabic business community.	<p>I&amp;I NSW</p> <p>Arabic business community</p> <p>University</p>

Table 5 Summary of Policy Recommendations

CATEGORY	OBJECTIVE	ACTION	RESPONSIBILITY
<b>Expand global networks</b>	Explore and leverage co-ethnically orientated transnational networks within the Arabic business network in order to channel global economy into West Central	Undertake research on revealing and harnessing co-ethnically orientated transnational networks in and through the Arabic business community.	I&I NSW Researchers or consultants Arabic business community
<b>Sector analysis and cluster study</b>	Identify potential strengths and competitive advantages in West Central by undertaking a sectoral analysis.  Differentiate within sectors to devise programs for innovation, enterprise formation and improvement	Undertake a review and assessment of the current conditions and future prospects of sectors in which Arabic business diaspora are concentrated.  Identify sectors, or parts of sectors requiring extra support, resources and attention.	I&I NSW Researchers or consultants
<b>Accommodation</b>	Overcome chance and ad-hoc nature of acquiring and finding suitable business accommodation.  Reduce time required to find and vet business premises	Provision of business incubators and affordable and quality business premises for entry level and growing businesses  Improve information and options on vacant premises  Advice and support for entrepreneurs negotiating leases or purchasing premises	State government BECs Local councils Arabic community groups Private sector contribution NSW Retail Tenancy Unit
<b>Targeted and differentiated business support</b>	Create a program of support that differentiates between the needs of an enterprise and entrepreneur at different stages of the business life-cycle to ensure correct and targeted advice	See table 4	

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