Abstract

This paper discusses the findings from a pilot study which is part of a larger on-going study that is considering the nature of family dynamics in ethnic minority owned family businesses based in the UK. Ethnic minority entrepreneurs including those of Pakistani, Indian, Asian and Caribbean decent are making significant contributions to UK economic development. Previous studies (Barrett et al., 2001; Waldinger et al., 1990) have shown that in the UK the number of ethnic minority start-ups is comparatively high compared to other groups of start-up entrepreneurs. However, the contribution of migrant entrepreneurs has largely been neglected by researchers (Williams et al., 2004; Keeble, 1989) and also appears to have been overlooked by family business researchers. This paper explains the cultural theoretical framework for the study and highlights the cultural aspects of the Pakistani family business discovered and explored in the pilot study.

Ethnic entrepreneurship and family business is becoming of increasing interest to both the academic and practitioner worlds. While research has been conducted on entrepreneurial migrants (ibid) focusing mainly on the start-ups, very little research has been conducted on micro (Devins et al., 2005) and migrant family businesses. The unit of study for this overall investigation is the family. Investigations where the family is the unit of study are relatively unusual in the family business literature and there have been recent calls for attention and focus on this type of study (Dyer and Dyer, 2009). This study extends the work of Basu (2004) by looking in depth at the impact of culture and family on entrepreneurial aspirations assumes in the context of UK-based Pakistani family-owned businesses. This paper reports on the pilot study which sought to determine what the nature of Pakistani family businesses based in the UK is and in particular focusing on the cultural aspects of the family. In-depth semi-structured interviews were conducted over a 1 month period. The Pakistani family members, in this paper we focus on the three brothers, were interviewed privately with the guarantee of anonymity for both their business and themselves from their family.

This study contributes to our knowledge as it is, as far as the authors are aware, the first case study of the family in a Pakistani family business in the SME sector in the UK. It not only explores the cultural and individual struggles experienced by the brothers but also exposes the extreme work-life imbalance that exists in small family run businesses and highlights the effects that this has on all involved in an in-
depth way. It is a unique insight into family business culture and personal culture in a Pakistani owned family firm.
**Introduction**

This paper discusses the findings from a pilot study which is part of a larger on-going study that is considering the nature of family dynamics in ethnic minority owned family businesses based in the UK. Ethnic minority entrepreneurs including those of Pakistani, Indian, Asian and Caribbean decent are making significant contributions to UK economic development. Previous studies (Barrett et al., 2001; Waldinger et al., 1990) have shown that in the UK the number of ethnic minority start-ups is comparatively high compared to other groups of start-up entrepreneurs. However, the contribution of migrant entrepreneurs has largely been neglected by researchers (Williams et al., 2004; Keeble, 1989) and also appears to have been overlooked by family business researchers. This paper explains the cultural theoretical framework for the study and highlights the cultural aspects of the Pakistani family business discovered and explored in the pilot study.

Okazaki and Sue (1995) suggest there is no one definition of ethnicity, race, and culture that is agreed on by all. Further, they suggest that it is common to refer to ethnicity, culture, and race interchangeably when identifying and people by background (Betancourt & Lopez, 1993). Eaton (1980:160) defined ethnic status as an easily identifiable characteristic that implies a common cultural history with others possessing the same characteristic. The most common ethnic "identifiers" are race, religion, country of origin, language, and/or cultural background. Capotorti (1991:568) defines ethnic minority as a "group numerically inferior to the rest of the population of a State, in a non-dominant position, whose members being nationals of the State possess ethnic, religious or linguistic characteristics differing from those of the rest of the population and show, if only implicitly, a sense of solidarity, directed towards preserving their culture, tradition, religion or language." For the purpose of this research, ethnic minority and Dumitrana (2001) definition which states that ethnic minorities are identified by "cultural practices different from those belonging to the basic population" and in this case the basic population is British.

Over 4.6 million of UK firms are family-owned businesses, with 2.9 million of these are micro businesses employing less than 10 staff members (IFB, 2008). Over one million people of Pakistani ancestry live in the UK and the socio-economic impact of this ethnic community is substantial. While a significant number of Pakistanis have set up their own businesses, with well known British Pakistanis such as James Caan and Anwar Pervez owning businesses which turnover millions of pounds, these companies often employ nuclear and extended family members and are over 90 per cent Muslims (http://www.telegraph.co.uk/news/uknews/3533486/Britains-Pakistani-community.html, date accessed 1st Feb 2011).

Ethnic entrepreneurship and family business is an area of increasing interest in both the academic and practitioner worlds as the numbers of migrants rise. While research has been conducted on entrepreneurial migrants (ibid) focusing mainly on the start-ups, there is little research available on both micro businesses (Devins et al., 2005) and migrant family business. The reasons for this are many; however these businesses are not only difficult to access to due cultural and language barriers but there is also the added barrier and difficulty of creating sufficient trust for researchers to consider such businesses. This paper explains the cultural theoretical framework for the study and highlights the cultural aspects of the Pakistani family business discovered and explored in the pilot study.
Research method

The unit of study for this investigation is the family. Investigations where the family is the unit of study are unusual in the family business literature and there have been recent calls for attention and focus on this type of study (Dyer and Dyer, 2009). This paper discusses the pilot stage of the study where we were investigating and scoping out Pakistani family businesses for future in-depth study. Due to the exploratory nature of the study, a qualitative approach was taken. An in-depth case study approach was adopted focusing on Pakistani family businesses owned by brothers. Various UK based Pakistani micro-enterprises where approached in two ethnic business clusters in Southampton. This direct approach, while time intense, identified the ethnic origins of the firms, whether they fitted the family firm criteria of two or more family members owned and/or worked in the shop. It was then recognised that these owners would have to be locally (UK) based with time available to take part in an in-depth interview as well as understand and speak sufficient English so that the researchers could understand the interviewee as well as the interviewee understand the questions. The choice of families to study was therefore conducted using opportunistic sampling and it led to 3 companies being identified which matched all the criteria. It is important to note that the interviewer was white, female and speaks English and does not have a religious stance. This might have led to self-selecting bias as the two clusters resulted in a small sample of 3 companies willing to partake. These companies fitted the criteria of being a family firm, willing to be interviewed and spoke sufficiently good English to be able to communicate with the researcher.

This paper describes one family which owns a retail food shop where three Pakistani male family members own and run the business. Each was willing to be interviewed privately with the guarantee of anonymity for both their business and themselves from their family. Semi-structured interviews were designed to gain knowledge of the individual and their background, the business and ownership, the effect of the business on the family and the future of both family and business. The frequency of personal meetings with the researcher during the exploratory stage, the arranging of meeting times and the actual meetings enabled confidence and trust in the researcher to grow and allowed for even richer data to be gathered.

The main study focuses on ethnic minority immigrant entrepreneurs, a group that is relatively neglected in the family business literature despite the fact that immigrants from ethnic minority, especially Asian, communities tend to have strong family ties and family involvement in business (Basu, 2004). The findings from this pilot extend the work of Basu (2004) by looking in depth at the impact of culture and family on entrepreneurial aspirations assumes in the context of UK-based Pakistani family-owned businesses. This is because immigrant businesses, especially those owned by Asians, tend to involve extended family in the business because of close-knit extended family networks. Family members perceive the business to be an extension of the family (Basu and Altinay, 2003). There is much debate in the literature about the business entry motives and aspirations of immigrants, in terms of whether the motives are economic (to overcome disadvantage and/or improve their financial prospects), social (to improve their social status) or explained by cultural or historical factors (Basu, 1998). However, little has been written about the dynamics of family relationships in these family businesses hence the impetus for this exploratory investigation.

This pilot study contributes to our knowledge significantly as it is, as far as the authors are aware, the first in-depth case study of brothers in a Pakistani family firm in the SME sector in the UK. It not only explores the cultural and individual struggles experienced by the brothers but also exposes the extreme work-life imbalance that exists in small family run businesses and highlights the effects that this has on
all involved in an in-depth way. The findings from this pilot further highlights the importance and value of children and their future in the ethnic minority community which so far has not been identified to this degree in family firm literature. In contrast to many UK family firms where succession is an important issue, this study found that while the family would like to be proud of their business they do not want their children directly involved in them, preferring their children instead to gain an education and ‘do something proper with their lives’. It is a unique insight into family business culture and personal culture, which so far literature has not covered possibly due to the rareness of willing participants or the difficulty in gaining in-depth knowledge, both of these this research achieved.

**Literature Review**

There has been extensive cross-culture research with Hofstede (1980), Schein (1990), Trompenaars and Hampden-Turner (1993), Kluckholn and Strodtbeck (1961) and Hall and Hall (1990) offering categorize in different cultures using relational and extensive dimensions in order to compare them. Critics of cross-cultural research include Earley (2002), McSweeney (2002) and Søderberg and Holden (2002) who not only argue that culture cannot be reduced to so few dimensions but the validity of ‘average scores’ to explain ‘individual attitudes and behaviours’. Clegg et al. (cited in French, 2007:59) due to values not being universal but in fact ‘underlying national values’ (Tayeb, 2003:54). National values may not assume ‘cultural homogeneity’ and produce ‘statistical average’ due to the ‘range of subculture groups’ or ‘socially dominant and inferior’ cultures (Mead, 2005:48) which disqualifying the assumption that ‘national territory and the limits of the culture correspond’. (Mead, 2005:59). While this shows limitations to the concept, it can nevertheless allow for insight into different management styles and entreprenuership styles in family businesses.

Statements such as ‘business is inherently competitive and, ...there will always be winners and losers’ (Nelson, 1999:20) appear to endorse a more competitive, individualistic British society, this might not always be reflected in family business or in each individual. This case study aims to give an in-depth and exemplary understanding of the various culture managing systems and ‘stereotypical’ differences between the British and Pakistan, which sometimes vary with general tendencies. This supports Earley’s view that what is required is more research ‘based on the concept of culture ... whereby an individual is subject to a number of influences (Browaeys and Price, 2008: 107).

**The concept of culture**

There appears to be no general consensus as to the definition of culture. While cross-cultural researchers such as Hofstede speak of ‘collective programming of the mind’ (Browaeys and Price, 2008:11), Trompenaars and Hampden-Turner (1998:6) determine culture as “the way in which a group of people solves problems and reconciles dilemmas”. Further, Trompenaars and Hampden-Turner (1997) believe that cultures should be circular instead of linear, as suggested first by Hofstede. They propose that cultures should not be located as high, low or in the middle of a dimension but cultures vary from one extreme to another of the dimension depending on the dilemmas they encounter (Browaeys and Price, 2008: 87). Schein (2008) states that ‘culture is a set of basic assumptions’ (Browaeys and Price, 2008: 15), while Bodley’s (1994: 9) defines concept of culture consists of topical, historical, behavioural, normative, functional, mental, structural as well as symbolic meanings.

Schneider and Barsoux’s model of cross culture defines three levels: Observable and tangible, norms and values and basic assumptions. This is countered by Earley (2002:925) who states ‘culture is not a value or set of values; cultures is the meaning which we attach to aspects of the world around us.’ Surprisingly
this is echoed by Hofstede (2002b) who states that ‘[Cultures, values and dimension] are constructs which have to prove their usefulness by their ability to explain and predict behaviour. Various models of cross culture exist, with arguably some of the most well-known researchers being Hofstede (1980) and Trompenaars and Hampden-Turner (1998). Hofstede (1980) developed a model of 4 dimensions: power distance; individualism versus collectivism; masculinity versus femininity; uncertainty avoidance index. Later a 5th dimension, long term orientation versus short-term orientation, was added. Trompenaars and Hampden-Turner (1998) later posited a 7 dimension model using the following components: universalism vs. particularism; analyzing vs. integrating; individualism vs. communitarianism; inner-directed vs. outer-directed; time as sequence vs. time as synchronisation; achieved vs. ascribed status; equality vs. hierarchy.

Browaeys and Price (2008) have further developed this and created a new model with these dimensions:

1. Time focus (monochronic / polychronic),
2. Structure (individualism or collectivism),
3. Power (hierarchy and equality),
4. Communication (high-context or low-context),
5. Time orientation (past, present and future),
6. Competitiveness (competition),
7. Space (public or private),
8. Activity (action: doing or being).

The GLOBE project (Global Leadership and Organizational Behavior Effectiveness) is a recent large development which combines inter-relationships between societal culture, organizational culture, and organizational leadership, and involves approximately 170 social scientists and management scholars from 61 cultures/countries’ working together. It was decided that using Browaes and Price would allow for an in-depth review of the various dimensions and be directly applicable to family businesses.

**Model of culture**

Most researchers agree that culture is ‘bound to vary’ as suggested by Browaeys and Price (2008:11) and ‘an (organisational) culture is never static’ yet changes take place so slowly that an overall consistency is maintained. Hofstede (1980) was one of the first to research differences across national cultures of different countries in the field of the management and his studies were widely published. Hofstede (1980) developed a dimensional approach to compare various cultures to explain the extent of influence in management. Hofstede (1980) has been criticised most viciously by MacSweeney (2002) who supports Tayeb’s (1996) objections to the methodology, attitude-survey questionnaires; and Robinson’s (1983) criticism of a non-representative sample with strong US-derived organisational culture. This is a view that is also supported by Trompenaars and Wootills (2003) who consider corporate culture to be the ‘driver’ of the organisation. Hofstede’s (1994:10) argues "that the values of employees cannot be changed by an employer..." which the GLOBE project identifies stating ‘national culture remains dominant within the organization’ (B&S, 2008) a view shared by Laurent (1983).

Hofstede is further criticised in that the research itself may be culturally biased (Roberts and Boyacigiller, 1984) and that by taking the mean from his quantitative data, anomalies in country dimensions have appeared. Trompenaars’ (1997) research, for example, suggests that German culture is more hierarchical than Hofstede’s finding suggest. Mead (1994) has stated that Hofstede’s research is out-dated because of globalisation. However, both Hofstede (1980, 1999) and (2008:11) state ‘a culture
is never static’ yet changes take place so slowly that an overall consistency in maintained. Hofstede’s dimensions are: power distance, uncertainty avoidance, individual versus group orientation, masculine versus feminine orientation and short-term versus long-term (Browaeys and Price, 2008:21).

Trompenaars’ (1993) studied the different cultures using three key categories: relations to other people, to time and the environment. The dimensions corresponding to the relations to other people are five: universalism versus particularism, individualism versus collectivism, neutral versus affective relationships, specific versus diffuse relationships and achievement versus ascription. Sequential versus synchronic time and inner versus outer directed are dimensions which represent attitudes to time and attitudes to the environment, respectively (Browaeys and Price, 2008:82).

Although one could suggest that the Trompenaars’ seven dimensions are a development of the Hofstede’s five dimensions, these dimensions have a different nature. This is reflected in the criticism made by Hofstede of Trompenaars derived from the criticism (Browaeys and Price, 2008: 87). Trompenaars’ (1993) shares Hofstede’s opinion that “much of management behaviour is culturally determined” (Needle, 2004:151). Hofstede’s dimensions are different to Trompenaars’ dimensions. Their studies should be considered as an addition to one another, not as a replacement. Nevertheless, some dimensions can be compared on account of their similarity (Gooderham and Nordhaug, 2003:144). Through critically analysing the validity of Browaeys’ and Price’s (Browaeys and Price) cultural value orientations which are based on the researcher including researchers Hofstede (1980), Hall and Hall (1990), Trompenaars (1993) on can then use the framework for analysing the data.

In conclusion, Browaeys and Price (2008) have used many theorists, which though overlapping in many cases do offer varying perspectives, and a practical and useful link between theory and practice especially by dividing these into eight orientations and specific managerial tasks which, as such, has not been done by other researchers. While Browaeys and Price’s model draws on established definitions of culture and management and applies them explicitly to management tasks, managers should be aware of the restrictions of such classifications. During this case study we found that none of the three brothers constantly ‘fitted into’ the researchers’ findings of belonging to a certain category, model or dimension. This shows that values, attitudes and beliefs can differ within a culture. Therefore, though useful as guidance, Browaeys and Price’s bi-polar extremes are a collective generalisation and not individual assessment of a person which may be different religion, subculture or company culture.

When examining across cultures each individual needs to be considered including also their cultural tendencies which may be more than one in this multi-cultural world, where people may be from mixed, complex backgrounds. Therefore, living in England from the age of 6 (Brother C) or 20 (Brother B) might influence them as individuals despite their strong collectivistic society. Søderberg and Holden (2002) state ‘... every individual embodies a unique combination of personal, cultural and social experiences’ (2002:12). Furthermore, due to globalization, technology and the speed that information travels, groups of people such as those in this study may not be culturally homogenous meaning that intercultural differences may arise which Browaeys and Price’s model does not consider.

It would appear that more in-depth research is needed in order to incorporate more variables. Earley suggests this should be based on a ‘psychological construct whereby an individual is subject to a number of influences (Browaeys and Price, 2008: 107) allowing research in inter-cultural relationships as well as sub-cultural influences which would cover the need for the development of theories and framework that ‘link culture to action’ (Earley 2006: 928). Nonetheless, Browaeys and Price give a concise and
helpful overview which can help every manager as a guideline and may improve relationships and profitability for the company.

**Overview of each model**

**Time focus**
Hall and Hall’s (1990) concept of polychronic versus monochronic time orientation describes how cultures structure their time which Browaeys and Price have used to highlight the differences between time focus in various managerial tasks. Hall and Hall (1990) describe cultures where monochronic perception prevails as people who ‘tend to one activity at a time’, work linearly and focus on tasks as opposed to people. Cultures, with more polychronic perception are more approximate, with people taking priority over rigid time management or schedules.

Trompenaars (1993) identified two similar dimensions: sequential and synchronic relationships which also measure time focus. While Trompenaars (1993) defines sequential as time being tangible with one activity done at one time, synchronic orientated cultures perceive time to be intangible, flexible and variable.

These observations appear to confirm each other, showing their relevance and validity in daily cross cultural issues, while being inter-related to other orientations such as space and competitiveness. A strong monochronic culture, working systematically is likely to guard its personal space and therefore, be of an individualistic orientation. Contrastingly, polychronic cultures with flexibility in time, show flexibility and openness in space as well being more group or collectively orientated. A modern manager may be advised to pay attention to the strong differences in time focus as asking a monochronic person to complete various tasks at once may lead to frustration, while a polychronic person may feel too controlled and repressed by tight detailed schedules and tasks.

**Time orientation**
While Browaeys and Price explicitly quote Hall and Hall’s (1990) time orientations, an overlap appears with Kluckholn and Strodtbeck time orientation which relates directly to Hofstede (1980) fifth dimension. Hall and Hall (1990) ‘emphasize the importance of knowing which parts of the time frame are given prominence’ (Browaeys and Price, 2008:98) within the past, present and future time which may differ in emphasis and include separate or integrated periods. Hall and Hall’s (1990) publications indicate countries or societies but he did not conduct systematic research or scores for individual countries like Hofstede’s.

The importance of time dimensions appears to be critical as various researchers developed similar dimension based on varying research. Replicating previous patterns or traditions as a guide for present and future is of significance to a manager as by breaking traditions and being to visionary or being too traditional rapport may be broken hindering his and his company’s success.

**Power**
Many researchers appear to find importance with the way culture uses and portrays its equality and hierarchy. Hofstede (1980) calls this power distance to describe the distance between individuals in a hierarchy. Kluckholn and Strodbeck (1961) call it ‘relational orientation’ and use it to describe man’s relation to other men. The power orientation is related to proximity, more hierarchical societies being more private with their space, monochronic within time orientation in their handling of tasks as well as
structurally more competitive. In contrast equalitarian orientated people are more likely to have a smaller personal space and be more collectively or group orientated.

In the business community, there appears to be an awareness of hierarchy and its effects of employees with companies, such as Nokia (Merriden, 2001:36) explicitly using a flat hierarchy, showing power is a significant factor in business relationships with employees and colleagues.

**Competitiveness**
Browaeys and Price (2008:100) introduces the idea of competitive or co-operative suggesting that competitive cultures aim to acquire wealth whilst co-operative cultures gain satisfaction through relationships and consensus. Hofstede (1980) masculinity dimension, where the achiever is celebrated versus the femininity which sympathies with losers, as well as his individualistic dimension where decisions may be based on tasks (individualistic) or relationships (collectivistic) show an overlap in competitiveness.

Similarly, Trompenaars (1993) uses individualism (personal goals) versus collectivism (group goals) while overlapping with specific (relationship oriented) versus diffuse (task orientated) relationships which describe competitiveness in culture. Kluckholn and Strodtbeck (1961) call this ‘relational orientation’ as it describes man’s relation to other men as to the level of their possible competitiveness.

Le Boteuf (1994:24) states ‘the good manager is not the one who exhibits the same behaviour in all circumstances, but the one who knows how to modify management strategy according to the situations encountered’. A good manager can use competitiveness to modify his behaviour which for competitive cultures would include smaller, individual tasks which may have individual incentives while giving group rewards in more cooperative cultures. ( 

**Activity**
Kluckholn and Strodtbeck (1961) model of ‘being and doing’ is similar to power orientations (found above) states that ‘do’ers’ like to be measured, contrastingly ‘being’ orientations are not as focused on efficiency as ‘doing’ but focus more on effectiveness and adapting showing them to be more in the moment. This in contrast to time orientation highlights spontaneity ‘given in human personality’ (2008:102). While this is similar to Trompenaars’ (1997) achievement versus ascription, the implications for a manager are similar to those of the power orientation. If a manager worked in a more doing orientated culture he would find it advisable to give clear responsibilities and tasks like

**Space**
Space which Browaeys and Price (2008) relate to Trompenaars (1993) specific, where space is shared freely, versus diffuse culture, where more formality prevails, has been discussed in various over-lapping and inter relating sections throughout this report. Hall and Hall (1990) are most associated with proxemics and it is important to note that his work was fundamental Hofstede’s (1980), especially power distance index, relating to space, showing the deep implication of space orientation for managers.

**Communication**
Pease (2004) argues that one cannot not communicate based on the reasoning that even if we are not verbally speaking body language and expressions are always present. This makes Browaeys and Price (2008:103) communication orientation vital for any business, as from the very first second, whether in person, via phone or e-mail, they are communicating. Based on Hall and Hall’s (1990) low and high
context orientation, low context messages and tasks are highly detailed and explicit while in high context communication much is left unsaid and implied in order to avoid confrontation; Browaey’s and Price (2008) used this model to explain communication. It may be argued that tone and body language result in language barriers, managers to need to be able to interact appropriately. Employees from high context cultures may feel threatened by a low-context orientated manager with explicit responsibilities and detailed schedules, while low context employees may feel unsure and badly lead by a harmonious, low context manager.

**Structure**  
Browaey’s and Price (2008:105) have developed Kluckhohn and Strodtbeck’s (1961) ‘I’ versus ‘we’ dimensions, where ‘I’ are encouraged to be independent (Individualistic) and are interested in personal goals and achievements while ‘we’ orientations are more conformed and reluctant to defy standards set (collectivism). This, similar to Hofstede’s (1980) and Trompenaars (1993) individualism, ‘I’, tasks have priority over harmony and relationships, versus group orientation/ collectivism, ‘we’ mentality where social skills and groups are priorities, raises its validity. Highly structured tasks and individual opinion may cause distress to a collectivistic culture, where sharing, group decisions and deviations from standards are acceptable. Further, one needs to be aware of the previously mentioned overlapping orientations: power, time and space.

These dimensions are presented below in Table 1 and Chart 1.

**Table 1. Culture Ratings**

<table>
<thead>
<tr>
<th>Parameter</th>
<th>UK Value</th>
<th>UK Score</th>
<th>PAKISTAN Value</th>
<th>PAKISTAN Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time focus</td>
<td>Monochronic</td>
<td>3</td>
<td>Polychronic</td>
<td>5</td>
</tr>
<tr>
<td>Time orientation</td>
<td>Past</td>
<td>3</td>
<td>Future</td>
<td>5</td>
</tr>
<tr>
<td>Space</td>
<td>Private</td>
<td>3</td>
<td>Public</td>
<td>2</td>
</tr>
<tr>
<td>Power</td>
<td>Equality</td>
<td>2</td>
<td>Hierarchy</td>
<td>4</td>
</tr>
<tr>
<td>Structure</td>
<td>Individualism</td>
<td>3</td>
<td>Collectivism</td>
<td>3</td>
</tr>
<tr>
<td>Competition</td>
<td>Co-operative</td>
<td>3</td>
<td>Competitive</td>
<td>4</td>
</tr>
<tr>
<td>Communication</td>
<td>Low-context</td>
<td>3</td>
<td>High-context</td>
<td>4</td>
</tr>
<tr>
<td>Action</td>
<td>Being</td>
<td>3</td>
<td>Doing</td>
<td>5</td>
</tr>
</tbody>
</table>

Adapted from Browaeys and Price, 2008: 112-117
Chart 1 – UK versus Pakistani Culture Ratings

United Kingdom ______
Pakistan .......

Having explained and covered the theoretical framework of the study we now turn to look at the context in which this theory is being explored. The following section highlights the unique characteristics of the family studied.

Country Context

Pakistan has nearly three times the population of the UK and is over twice the size of the UK. GNI per capita however is 1/40 of that of the UK with life expectancy for both men and women over 10 years less in Pakistan than in the UK.

Table 2. UK versus Pakistani – Country Data

<table>
<thead>
<tr>
<th>Full name: Islamic Republic of Pakistan</th>
<th>Full name: United Kingdom of Great Britain and Northern Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital: Islamabad</td>
<td>Capital: London</td>
</tr>
<tr>
<td>Area: 796,095 sq km (307,374 sq miles),</td>
<td>Area: 242,514 sq km (93,638 sq miles)</td>
</tr>
</tbody>
</table>
excluding Pakistani-administered Kashmir (83,716 sq km/32,323 sq miles)

<table>
<thead>
<tr>
<th>Major Languages: English, Urdu, Punjabi, Sindhi, Pashto, Balochi</th>
<th>Major Language: English</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Religion: Islam</td>
<td>Major Religion: Christianity</td>
</tr>
<tr>
<td>Life expectancy: 68 years (men), 68 years (women) (UN)</td>
<td>Life expectancy: 78 years (men), 82 years (women) (UN)</td>
</tr>
<tr>
<td>Main exports: Textile products, rice, cotton, leather goods</td>
<td>Main exports: Manufactured goods, chemicals, foodstuffs</td>
</tr>
</tbody>
</table>

Source: BBC (2011a), BBC (2011b)

**Family Background**

The history of the family business is a very diverse one. The family that owns the business is comprised of three separate families from three very different backgrounds. They are working together to secure the livelihood of two families and to secure the investment of the third. Brothers A and B moved to the UK when they had completed their education in Pakistan. In both cases, their reasons for coming to the UK were due to family; for Brother A due to an Uncle’s call for him and the promise of a better future for him and his family; for Brother B the reasons was that his wife, who was already in the UK, wished to start a family. Brother A was married in Pakistan and then brought his wife to the UK. Brother B’s wife was already in the UK and he gave up his PhD to be with her and the rest of the ‘family’. In contrast Brother C moved to the UK aged 6 and completed all his education in the UK, has been integrated into British society ever since, as have all his grown up children.

Brother A has always been entrepreneurial in the UK having previously owned a range of shops. Brother B worked 11 years for the public sector before being made redundant and starting up businesses with Brother A. This is their 3rd business together and previous businesses included a similar cash and carry as well as a pizza delivery service. Brother C held a full time job with a large British aeronautical company for the last 35 years.

Brother A has 3 children and a wife, none of them are involved in the business and it is not discussed at home. Brother B has 4 children, some of which show interest in the company and are sometimes allowed to help out. This is seen as a great treat by them, as they serve customers, move merchandise and generally are allowed to work everywhere. Brother B, who regrets not finishing his PhD, acknowledges that it is more a case that they are too busy and the children, always only one at a time, are trusted to do the right thing. Brother C’s family consists of 4 children, one completing his degree while the others are all still in fulltime education. In each family the wives are left to their own devices caring for the children and the family, and are not involved in the business. All of the children are actively encouraged to pursue their studies, and to varying degrees dis-incentivised to work in the family business. On the other hand, it is very clear that if any of the children needs a job and has not found something adequate through ‘other networks’ that the business will absorb them or help them start their own business. During the interviews each of the brothers verified that the others would not find
out what they had said about each other. This dynamic was very interesting and showed that they trusted the researcher and wanted to help as it was her ‘education’ but were not willing to share their true feelings with their family. This might appear to be a double standard but also in a male, Muslim world a man neither complains nor speaks badly about their family.

Table 3. Details of the Family – The Brothers

<table>
<thead>
<tr>
<th></th>
<th>Brother A</th>
<th>Brother B</th>
<th>Brother C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td>male</td>
<td>male</td>
<td>male</td>
</tr>
<tr>
<td><strong>Level of English</strong></td>
<td>9/10</td>
<td>7/10</td>
<td>5/10</td>
</tr>
<tr>
<td><strong>Level of rapport</strong></td>
<td>6/10</td>
<td>7/10</td>
<td>8/10</td>
</tr>
<tr>
<td><strong>Education level</strong></td>
<td>School +apprenticeship in aeronautical engineering</td>
<td>Masters in Biology PHD not competed (in Germany)</td>
<td>School-until 18</td>
</tr>
<tr>
<td><strong>Previous employment</strong></td>
<td>Aeronautical engineer</td>
<td>Sorting mail for 11 years, in the UK</td>
<td>Farmer in Pakistan</td>
</tr>
<tr>
<td><strong>Ethnic origin</strong></td>
<td>Swat, Khyber Pakhtunkhwa, Pakistan</td>
<td>Northern Pakistani, Swat, Khyber Pakhtunkhwa</td>
<td>Pakistani</td>
</tr>
<tr>
<td><strong>Arrived in UK</strong></td>
<td>Aged 6</td>
<td>After starting PHD</td>
<td>Aged 29</td>
</tr>
<tr>
<td><strong>Role</strong></td>
<td>Director</td>
<td>Director</td>
<td>Manager/ Director</td>
</tr>
<tr>
<td></td>
<td>Responsible for working behind the till and being initial investor</td>
<td>In charge of daily market journeys</td>
<td>Mostly in charge of the inside of the shop</td>
</tr>
<tr>
<td><strong>Owner</strong></td>
<td>Yes 1/3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>Yes 1/3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>Yes 1/3&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Partner in Employment</strong></td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Full/part time</strong></td>
<td>Part 3/7 (4/7 for B.A.)</td>
<td>Full 4.00-22.00 7/7</td>
<td>Full 7.00-22.00 7/7</td>
</tr>
<tr>
<td><strong>Family</strong></td>
<td>Married 21-Male 18 13 7 (gender not stated)</td>
<td>Married 12 11 9 7 (genders stated)</td>
<td>Married Wife 15 12 8 (2 males 1 female)</td>
</tr>
<tr>
<td><strong>Are children involved in the business?</strong></td>
<td>Generally uninvolved, but eldest occasionally comes to help.</td>
<td>Son helps occasionally, but priority is education. Discourages children generally</td>
<td>No as education is the priority</td>
</tr>
</tbody>
</table>
The Family Business

Business Profile

The family business is a large Asian food shop in South of the UK. The shop was started 3 years ago but has only been owned by the family for 18 months. The shop is large and contains over 4000 different products from countries such as Africa, India, Pakistan, Poland and many more. Fresh produce is brought daily at 4am in the London markets, while dry and tinned cans are delivered to the store as needed. Sales are made up of 60% from sales to restaurants and shops (business to business/B2B) and 40% from retail customers. Nearly all the B2B sales are to family members and members of the Pakistani community. Due to the nature of their business, i.e. supplying to family members or relatives, there are lax payment terms resulting in the situation where the business has currently extended £20k-60k of credit (depending on which brother you speak to). This is not their only policy with B2B customers. If a customer in the shop cannot pay they ask the brothers if they can pay later. Larger amounts of extended credit of £1k upwards generally warrant a hand written note, which is stuck to the wall but generally customers are trusted to return and pay, whatever their nationality and background.

The shop has 4 full time employees and 8 part time employees which are all male. The reason given for employees being all male is that there is a requirement for physical ability to lift goods of up to 40kg. Pakistani and other language skills such as Bengali are considered as an advantage for employees. While turnover is between £300k and £400k actual profit is much less. Brother A pointed out that on fresh chicken the profit margin is 12 pence per kilo, while on canned goods it can be up to 75 pence. Brother C was unaware of the margins under which the shop operates. He was aware only that until debts had been paid off (which had been left by the previous tenants in the property who were also ‘family’) that profit would remain low. As these debts were ‘family’ debts nothing was said and their existence was just accepted by the brothers.

The business stays competitive due to the contributions from its 60% B2B business. This business survives due to its established place in the market and fact that it offers lenient payment terms, without this they could not survive. This is especially so given that other ‘family’ members want to also own shops in the direct competitive environment. Again, as before this is tolerated. The business also has a competitive advantage as they offer an ‘ordering’ service to the London markets meaning restaurants and shops can have exactly what they want, fresh daily.

Mr A (Z) is an engineer who has worked for 32 years for the same company, and who has never been self-employed or owned a business until 18 months ago. His involvement in the business was due to his wife's (who is Mr B’s sister) wishes. He currently works four days at his full-time job and three days in their jointly owned shop. He feels strongly that if he would have known what was involved beforehand that he would never have become involved. However, as it is family, he can neither back out nor change the situation. Working seven days a week has had an effect on his private life. He sees his wife and children less often and has no free time. While he voiced his regrets in his involvement, he is still supportive of the family business but it is evident that his support is predominantly financial and through his manpower as yet the business cannot yet afford more staff. Moreover, his motivation is predominantly financial and extrinsic. There appears to be no pride at being involved in the family business. His strong loyalty to his family, especially his wife, appears to be unique. He has three children; one just completed a law degree, aged 21; one just completing her GCSEs, aged 15; and one at school, aged nine. He stated that his family are very understanding of his investment of time in the business but he regrets not being able to spend time with them and due to the location of his family home, his
children can neither visit him easily, nor do they show any particular interest in the business. While he states that he would not actively discourage their interest in the business, he does think that a small business is a lot of hard work. Though it might be long-term financially rewarding, the last 18 months have been both mentally and physically difficulty as well as financially challenging.

Mr B (T) came to the UK after completing a degree in Pakistan and starting a Doctoral degree in Germany. He has owned a series of businesses and has been involved from the start in the food shop when three years ago the then six partners of the business decided, due to mismanagement and corruption, to split up. At this point brother-in-law C was already involved. Jointly they decided to seek help from Mr A (Mr B’s sisters Husband), in order to maintain the shop. At that point he did not own his own business but was involved in running a similar shop. While he regularly works 7 AM to 11 PM in the business, he feels this is warranted because he is building a future for his children. He generally does not think that his children should get involved in the family business. He feels his family is very supportive and they recognise how he is building a foundation for their future so his time in the business is well spent and well invested. His wife stays at home with his children, where he feels she belongs.

Mr C (C) is a serial entrepreneur, whose previous businesses include kebab/pizza shop, before coming full-time into this current family business. He worked for many years for Royal Mail however, he also co-owned several businesses. His main reason for going into business with his brother-in-laws is the trust that he has with them. Trust is ‘needed as each person puts in long hours and has to make sacrifices’; he feels this is only possible to achieve with family. He left school with no formal qualifications and has not been involved in any further education. His wife is a qualified dental nurse and is not involved in the business and favours staying home to look after children. Working long hours means his family life suffers. However, he has no regrets and sees this as an important step for the future. He anticipates another 18 months working in the business before he feels the business will be running smoothly.

On a cultural note it is very interesting that both Mr B and C, came to the UK after 18 to 24 years of living in Pakistan or other countries, contrasted with Mr A came to the UK when he was much younger, aged eight. This might reflect the different motivation in starting the business, as Mr B and C are strongly intrinsically motivated to provide their children a better future, while Mr A sees it as an investment and possibly not as profitable as he anticipated, and definitely not as quickly as he thought. It is very obvious that business is only discussed on the premises and then via phone if needed, it is not a kitchen table discussion and certainly not something to be discussed at a family event, with Mr A, stating "I forget it (business) when I leave here".

Other members of their cousins’ family have decided to open a similar shop exactly opposite. This will mean that within 30 m² there will be three specialist food shops offering Polish, Indian, Bangladeshi, African, and the Hallal butcher food. Each of the brothers said they would never tell their cousins not to open up shop, but felt that either the council or some other external partner should have intervened as they fear for their business, but stating ‘the family have every right to do it so what can you do’. Other aspects of the business are presented in Table 4 below.
<table>
<thead>
<tr>
<th>Table 4 – Business Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recruitment</strong></td>
</tr>
<tr>
<td><strong>Sacrifices</strong></td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
</tr>
<tr>
<td><strong>Motivation</strong></td>
</tr>
<tr>
<td><strong>Current feelings</strong></td>
</tr>
</tbody>
</table>
Findings

Time Focus
The brothers show their Pakistani orientation is towards more present and short-term future stating, ‘I have no time, now is when everything happens’ which a strongly past-orientated person may find difficult to understand. The third brother, untypically found himself to be stronger present and future orientated than predicted, which Kluckholn and Strodtbeck (1961) named this ‘cultural deviants’ as not all individuals fit into cultural patterns (Silverthorne, 2005:34).

Structure
There is a clear collectivism exhibited in this family. This was very evident especially when talking about their family and supporting others when they set up their shop. Each brother discussed their collectivistic tendency. Brother A, for example, described his attempt at individualism when he tried to remain uninvolved in this new business. It quickly became clear that he would not be allowed to do this and stated he only invested in the new business ‘under pressure.’ His attempts to more individualist were scuttled as he bowed to the pressure of collectivism because his involvement was deemed to be ‘for the good of the whole family.’

Power
There is a clear hierarchy in this family. It was observed in the shop where the three owners demonstrated that they are clearly in charge and a clear hierarchy exists. While there is clear hierarchy within the family that owns the food shop, this hierarchy manifested differently outside this family. To maintain family peace the brothers have not told their cousins’ family not to open a shop across the street from them despite the fact that this may have a negative effect on their both shops.

Communication
The communication varied throughout the study. Firstly, interviews were conducted in an open area with distractions possible. While Brother C was worried about not answering the questions correctly, Brother B built up rapport quickly and seemed proud of having achieved success for his family and his children. Brother A did not wish to discuss the actual investment in the company and resisted questions and seemed to feel uncomfortable. Throughout the formal interviews their body language was open and friendly with smiles and jokes shared however, from observation, none were as relaxed with the white, female interviewer as with male customers in their own language.

The researcher was aware of trying to communicate throughout the interviews without being too ‘blunt’ and direct. Despite this effort there were various occasions where, due to language or communication barriers, they were asked to explain ‘exactly’ what they meant.

Time Orientation
Time orientation shows clearly that the family business is a future orientated business with long-term plans. This is reflected in statements such as ‘we will make profit in the long run,’ we will employ more people and nothing comes easily or quickly. While there is no overall, coherent business vision there are indirect aims such as to earn enough money to be able to employ more people and thereby work less hours. However, this is neither written down and the term ‘enough money’ has not been quantified by any brother.

Brother A seems to have a personal past orientation, as he misses the days when he had free time to spend with his friends and family and to enjoy hobbies. This is not shared by the other Brothers who did
not want to be seen complaining and talk about how the future for their children will look brighter as they are building solid foundations. This shows their focus on long term achievements and benefits. Further, their ability to adapt to customers wishes or changes in the market supports their tendency towards their objectives in the context of long-term goals.

**Competitiveness**
While Brothers B and C seem to agree with this, stating they needed clear objectives ‘I like to know exactly when and how’, which he likes to achieve in order to gain recognition. He stated at one point that the strongest wins. While clear objectives links to time and power orientations, gaining recognition can be related to collectivism and individualism.

**Space**
This seems to be an open space culture. While a ‘closed door’ policy might exist with information or meetings being held away from employees this was evident but not in a physical sense. Money was not discussed in the open and some information appeared to be very sensitive and was withheld from their family as well as their employees. Certainly family time and business time was not mixed which shows a more a private space orientated country. However, their shop door is always open whether summer or winter and everyone is always welcomed in; sometimes by name or country specific greeting.

The physical shop has an area for files and paper work that is behind a counter area, but this space does not have door, showing their openness. UK management needs to be aware that opened space cultures may be offended by the shutting door, public space cultures may be offended, while if the office door is open and located near employees, a private space culture these may feel ‘watched and controlled’.

**Activity**
It would appear that Brother A likes clearly structured sequential tasks with time frames while the other brothers appear to prefer this but have to work on many things simultaneously. Brother C says ‘I do everything...tills, food, all...’ It’s important to recognise and value inter-social skills which they use instead of active marketing.

**Conclusions**
What do these finding tell us? There are three areas where the findings of this study prove illuminating: there is a cost to the family during the start-up phase of the business; the family is motivated to provide a better future for the next generations of family members; women in these families have no input to the business but are influential in the family. Each of these findings is now discussed.

In this particular family it was found that family members experienced extreme working conditions and made huge sacrifices during the start-up phase of business. This was clearly at a cost to the family however the family was very supportive – they expected that this would be so (either in financial or hours). The mindset was unique but consistent across the family in so far as they all believed that failure was not an option. This is because the community will support this business or else the business will need to change.

There is also the belief that family needs come before and above any business needs. This is in stark contrast to the traditional UK family where poor work life balance, high stress and divorce are common occurrences during the start-up phase of a business. We also point out that in traditional UK family the
entrepreneur often feels isolated and misunderstood. How often does business come above family in the traditional UK family? Apparently quite often hence here is another area where the Pakistani and UK families differ. It would be interesting to compare the bankruptcy rates amongst UK and Pakistani family businesses to determine if this family level of support is effective.

It is clear in these families that the motives for business are collectivistic. The family wants to give its children a better future and they want to keep the family together by being supportive - no matter what the cost. In the UK, motives are generally individualistic for money, self-promotion/success, etc. however since there is little research in this area the authors acknowledge that this assertion is somewhat subjective.

What is very clear is that Pakistani women have no say or influence over how the business is operated, developed and run (finances and work). They have influence in the family through exercising their authority over the nurturing function. Their aim is to keep the family together and to educate their children about how important their fathers work/support is for their community.

**Limitations**

The research method limited this pilot study in a number of ways. First, selecting and interpreting the case through a particular framework may have blinded us to nuances and other explanations outside that conceptual framework (Perren and Ram, 2004). We have chosen Browaeys and Price’s (2008) model which considered 8 dimensions of culture. This is not an exhaustive model and other models could have been selected. However, the authors believe that they have been able to show that our interpretation of culture and the conclusions that we draw are more dependent on the paradigm adopted than the ‘facts’ presented in a case. We may have also ignored many strategic level issues because of our focus on documenting the family account of events and decisions leading to firm’s growth. For example, we have not uncovered how the culture impacts on the wives, siblings and children involved in the business. Methodologically, this has important consequences for the researchers in the small business domain. Longitudinal case study research or ethnographic methods are often promoted as the tools that can help researchers present a richer, deeper account of events or entrepreneurial story. However, small business researchers are often working under time and resource pressures, and resort to providing a snapshot account of events based on interviews or shadowing for small time periods. It has been suggested that other methods, such as the use of diaries, can help to deal with these issues. Solicited logs have been used as data collection tool for conducting longitudinal case study research in the field of strategy (Balogun et al., 2003) and they are reported to be the source of an insider’s account of a situation (Burgess, 1984) and can be used to track what participants do in the absence of a researcher (Perlow, 1999). However, significant methodological challenges need to be overcome when using diaries as a data collection tool (Balogun and Johnson, 2004).

Second, this case focused on a South Asian family firm owned and managed by three Pakistani families, whose founders had come from a variety of backgrounds. The influence of family is most commonly noted in the case of East Asian Africans (Ram and Carter, 2003), and there are other ethnic sub-groups within the South Asian families. Although the case study discussed in this article exhibits similar patterns of influence of family, strong community and religious ties as illustrated by East African Asians, future research could widen the focus by including other ethnic groups from the subcontinent. Family businesses are also known to vary across national cultures. Future studies could also compare ethnic family firms that operate within their national settings as well as in international settings.
Thirdly there were a number of barriers with respect to language. Due to language barriers, nuances and subtleties were lost and both interviewer and interviewee sometimes struggled to understand each other. This meant that further depth of understanding could not be achieved and the research is dependent on the actual words as opposed to possible nuanced meanings.

Fourthly, all three brothers had strong opinions about women, work and family, based on their cultural values, religion and personal beliefs. In order to gain a deeper understanding of the dynamic within the family business and the positive and negative effects, the wives or children would need to be interviewed. While the practical problem of the wives not speaking English is a constraint, there was no possibility of speaking with them as the owners felt they had told the truth and that the researcher was undervaluing their opinion or even calling them liars if this information needed to be corroborated by their wives. Further, they expressed concern that this might distract the wives from their duties of household and children. None of the three offered to ask if his wife would like to participate, it was ruled out by each owner without consulting the wives immediately. This presents a major barrier for ethnic family business research as without the ability to conduct broader views any efforts to comment on the family view is restrained.

As with all case studies it is not possible to make broad generalisation based on one family business. While there is consensus in the amount of hours worked as well as the price that entrepreneurs and family businesses pay, this case study cannot be generalised as a view into all UK Pakistani family businesses.

**Further Research**

While the UK Government is working to ensure that there is sufficient evidence and data available about the activities of ethnic minority businesses there is currently a great deal of information which is unknown in relation to BAME led business in the UK. It would be prudent for such research to consider cultural differences since BAMEs may well vary significantly in their business goals and objectives.

This paper has discussed the findings from a pilot study which is part of a larger on-going study considering the nature of family dynamics in ethnic minority owned family businesses based in the UK. This pilot has raised a number of interesting issues for further research. Some of these questions revolve around the motivations of family business members and whether or not these motivations are fundamentally different between UK and Pakistani families.

There are a number of areas where further research is indicated. Working conditions seem to be particularly difficult in this family business where long hours, heavy physical labour and low financial rewards see to be standard. The subjugation of the needs of the parents in order to support the aspirational activities for furthering the children’s opportunities seems significant. It also shows that the contribution of migrant entrepreneurs goes well beyond the business and in fact given that the way the business is run, the contribution to developing the next generation warrants further investigation.

Ethnic family business presents a number of opportunities for further research. Questions which come to mind include: How does the culturally and religiously informed business model assist or hinder growth in these micro-businesses? How do ethnic family businesses handle succession planning? What cultural barriers can enhance governance in bigger ethnic businesses?
There seems to be a lack of strategic focus in this business. The aim is to ‘pay off’ current debts but once this has been achieved there is little acknowledgment of the future for the business. Investigation into how the business might be improved to achieve this goal sooner or alternatively to understand how the aims might be developed. Clearly there are policy implications which might also be explored.

Policy Implications

For ethnic minority communities, whilst entrepreneurship rates are high in some communities, they are less so in others. Self-employment rates are above average for Pakistani (12 per cent), Chinese (10 percent) and Indian (eight per cent) people but below average for Black Caribbean (four per cent) and Black African (five per cent) people. There are an estimated 320,000 ethnic minority-led SMEs in the UK, contributing an estimated £25 billion to the UK economy per year – six per cent of total SME Gross Value Added (£430 billion in 2007) (BIS, 2011).

According to BIS (2011) Black Asian Minority Enterprises (BAME) led businesses are vital to the UK economy. There are an estimated 310,000 ethnic minority SMEs in the UK, contributing an estimated £20 billion to the UK economy per year – approximately 5% of total SME Gross Value Add (GVA) (£398bn in 2006) (BIS Enterprise Directorate Analytical Unit 2011). BAME groups have an overall self-employment rate (7%) similar to British and other white groups (8%). However, there is a wide variation between different ethnic groups. Black Africans (4%) and Bangladeshis (5%) have lower self-employment rates than Pakistani (11%), Indian (7%) and Chinese (9%) individuals. In the last four years the BAME self-employed population has risen by 37%. This is a steeper rise than that of the white self-employed population, which grew by 3% over the same period. The number of working age self-employed ethnic minority women had gone up by 48% between the second quarter of 2005 and the second quarter of 2009. However, the findings of this small pilot indicate that for Pakistani women there are significant cultural barriers to working in their own family businesses. This may have implications for Government initiatives which seek to increase self-employment amongst this group.
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