THE MANAGEMENT IMPACT OF THE NEW WARRANT OF FITNESS INSPECTION REGULATIONS ON SMALL WORKSHOP BUSINESSES IN NEW ZEALAND

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DECLARATION

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This Thesis entitled;

The Management Impact of the New Warrant of Fitness Inspection Regulations on Small workshop Business in New Zealand

It is submitted in partial fulfilment for the requirements of the Unitec degree of:

Master of Business

CANDIDATE’S DECLARATION

I confirm that:

- This Thesis Project represents my own work;
- The contribution of supervisors and others to this work was consistent with the Unitec Regulations and Policies.
- Research for this work has been conducted in accordance with the Unitec Research Ethics Committee Policy and Procedures, and fulfilled any requirement set for this project by the Unitec Research Ethics Committee.

Research Ethics Committee Approval Number: 2015-1025

Candidate Signature: 01/04/2016

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ABSTRACT

Small business delivers a massive contribution to the New Zealand economy by generating job opportunities. Besides that, small business has several key advantages namely: small businesses are more efficient than large businesses in producing certain goods and services; they are the source of competition and innovation in the economy; they are an important way for entrepreneurs to get into business; and they offer choice and variety to customers. As a matter of fact, several new small businesses are established every day around the country. However, there is some restriction holding back the further growth of small businesses and so a narrowing of the opportunities to generate jobs; this is due to the introduction of new regulations by the New Zealand government.

The purpose of this research is to focus on identifying and measuring the management impact of the new Warrant of Fitness regulations inspection on small auto workshop business in New Zealand. By identifying the issues that cause uncertainty for business in the new regulatory environment, alternative business strategies can be proposed to help management adapt and thus succeed. The research will also examine the level of management impact on small auto workshop businesses in New Zealand.

This research is based on the positive paradigm and uses a quantitative research method, which is capable of providing a result that is objective. This research targets owner/managers, supervisors, and inspectors of small auto workshop business in New Zealand. The quantitative data was collated from 100 respondents, the sample size of this research.

Hypotheses that are associated with the research objective will be tested and verify using several quantitative analysing methods that are available in SPSS software application.

The findings of this research established that the new Warrant of Fitness inspection regulations impact negatively on small auto workshops performing WOF business in New Zealand. Most managers and inspectors are not satisfied with the new inspection regulations due to slow down the work process and loss of confidence in their job security. The study suggests that applying a new alternative business strategy and adopting a flexible working environment is the best way to generate business continuously for the future of small auto workshop businesses in New Zealand.
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## ABBREVIATIONS AND ACRONYMS

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<th>Description</th>
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<tbody>
<tr>
<td>AA</td>
<td>Automobile Association</td>
</tr>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>ACC</td>
<td>Accident Compensation Corporation</td>
</tr>
<tr>
<td>ATO</td>
<td>Australian Taxation Office</td>
</tr>
<tr>
<td>COF</td>
<td>Certificate of Fitness</td>
</tr>
<tr>
<td>GST</td>
<td>Goods and Services Tax</td>
</tr>
<tr>
<td>HRM</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>MVI</td>
<td>Motor Vehicle Inspectors</td>
</tr>
<tr>
<td>NZLTA</td>
<td>New Zealand Land and Transport Authority</td>
</tr>
<tr>
<td>NZTA</td>
<td>New Zealand Transport Agency</td>
</tr>
<tr>
<td>OSHA</td>
<td>Occupational Safety and Health Administration</td>
</tr>
<tr>
<td>PRS</td>
<td>Performance Review System</td>
</tr>
<tr>
<td>SWOT</td>
<td>Strengths, Weaknesses, Opportunities, and Threats</td>
</tr>
<tr>
<td>VIND</td>
<td>Vehicle Inspection New Zealand</td>
</tr>
<tr>
<td>VTNZ</td>
<td>Vehicle Testing New Zealand</td>
</tr>
<tr>
<td>WOF</td>
<td>Warrant of Fitness</td>
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Chapter One: Introduction to the Study

1.1 Background

Ever since the horseless carriage began traveling on the road, car traffic accidents have been bringing death, injury, and property damage to those persons unlucky enough to be involved. Those accidents are most often attributed to human error, but some traffic accidents are reported to be caused by faulty vehicle equipment particularly tyres, brakes, steering, and suspensions systems. At the same time, however, cars owners should take responsibility to maintain their vehicles properly, and thus to reduce their chance of being involved in an accident (News Room 2015).

In an attempt to improve the safety of the driving environment, most countries pass regulations requiring certain minimum-maximum standards for car safety components such as for vehicle structure, light, brakes, steering, seat belt, and suspensions, and these can be enforced by the police when they happen to observe faulty equipment. Inspections can be required at various times, regularly or when a vehicle is being sold to another person, for example that is the case in Australia (Angloinfo 2000-2016). Most European countries and New Zealand require regular motor vehicle inspections; these are usually every three years, every year or six months depending on government or state policy.

Since 1930 many national and state governments have established compulsory, regular motor vehicle inspection or warrant of fitness procedures. These require drivers to have certain vehicle components inspected once or twice a year and to display a sticker on the windscreen indicating that the vehicle has passed inspection. An inspection label or inspection sticker is placed on the vehicle's windscreen when it passes inspection (New Zealand Transport Agency, 2012). In some areas, evidence of inspection is required before a vehicle licence or license plate can be issued or renewed. In others, once a vehicle passes inspection, a label is attached to the windscreen, and police can carry out the inspection law by checking whether the vehicle shows an up-to-date sticker. A vehicle without a windscreen such as a trailer or motorcycle fastens the sticker onto the vehicle body or number plate (NZ Transport Agency, 2012).
1.2 Basic Concept of Warrant of Fitness Inspections and Regulations

In New Zealand, a Warrant of Fitness (WOF) is a document certifying that a light motor vehicle has passed an obligatory, periodic inspection of safety and legality. All vehicles with a gross weight under 3,500 kilograms (7,700 lb.) and are used on public roads are required to undergo a WOF test, with the frequency depending on the age of the vehicle.

Warrant of fitness inspection is a process of checking to identify faulty defective vehicle components to meet the WOF inspections standard. Motor vehicle inspection or warrant of fitness inspection is a procedure authorised by national or subnational governments in many countries, such as, Europe, U.S.A, Australia, Finland, Norway, Africa, Japan, and New Zealand. This involves a vehicle being inspected to ensure that it conforms to regulations governing safety standard, emissions level, or both.

Warrant of fitness inspection has been in force in New Zealand for more than 50 years, using independent inspection stations or licenced private small garages. However, the New Zealand Government 2014 made a decision to implement changes to the Warrant of Fitness Regulation based on the reliability of vehicles manufactured post 2000. Government alleged a saving for motorists of least $160 million a year plus stated the added advantages of these new WOF inspection frequencies would reduce regulatory obligations for vehicle owners – largely saving in charges and time (NZ Transport Agency (2013). For the business owner, the new regulations would have a financial and management impact especially affecting the business of small workshops due to the change in frequency of WOF inspections.

The new rules included: light vehicles first registered between 2000 and onward would be eligible for a 12 month WOF from 1 July 2014; those registered before 1 January 2000 would continue to require a WOF every six months; and following an initial inspection, new cars would not require a WOF for three years. The inspections are carried out by different private sector independent testing stations, such as Vehicle Testing New Zealand, Automobile Associations, Vehicle Inspection New Zealand and local automotive garages. According to the NZ Transport Agency (2013), around 20 percent of inspections are undertaken by private sector independent testing stations and the remainder by private sector service and repair agents – mostly local garages. The new WOF regulations have had a significant impact on inspection-related industries and the labour market.
1.3 Problem Description

The New Zealand Land and Transport Authority motor vehicle regulations state that a transport vehicle (bus, truck, taxi, or passenger car) is required to undergo Warrant of Fitness (WOF) and Certificate of Fitness (COF) inspection regularly. This function is carried out by authorised motor vehicle inspectors (MVI) attached to the government transport department (Ministry of Transport 2013, P 10).

Warrant of Fitness (WOF) inspection is one of the most important tools for assessing motor vehicle safety. Vehicles which are not safe can be a potential hazard to road users. The mechanical condition of a motor vehicle at any time during its operating life involves the interaction of a complicated set of factors including manufacturing design, lifetime of spare parts, a driver’s attitudes and behaviour, the behaviour of mechanics and other elements of the automotive industry (Keatsdale 1999).

However, regular Warrant of Fitness (WOF) inspections can help to reduce car breakdown and road accidents. Thus, a vehicles inspection regulation is needed to ensure that vehicle owners/operators take their vehicles for regular inspections to maintain the necessary level of vehicle condition (Land Transport Authority, 2013). All light vehicles are inspected for road-safety and issued a WOF. There are around 5.5 million WOF inspections annually (excluding rechecks). Previously motor vehicles were inspected yearly for vehicles up to six years-old and six monthly after that (Ministry of Transport, 2013).

From 1 July 2014, vehicles first registered anywhere in the world on or after 1 January 2000 moved to annual Warrant of Fitness (WOF) inspections for their lifetime. For new vehicles, after an initial inspection, another Warrant of Fitness (WOF) inspection is not required until the third anniversary of their first registration. For vehicles registered before 1 January 2000, a WOF is issued for 6 months. However, this new twelve month WOF regulation can and will create uncertainty for small WOF inspection provider workshops, and the consequences are that Warrant of Fitness (WOF) providers will also lose revenue. This could possibly impact on levels of staffing, although at present this is difficult to estimate with any accuracy due to the lack of available information (NZ Transport Agency 2014).

Additionally, the New Zealand Transport Agency stated that, the impact will lower annual inspection revenue by between $20 million and $100 million dollars for NZ. Furthermore, there could also be a net reduction in the consequential repairs resulting from failing WOF vehicle standards. This could result in further revenue loss to the vehicle repair industry and will most likely have the biggest impact on Warrant of Fitness (WOF) and repair centres. On top of that, a
lack of regular vehicles inspection and maintenance can create a safety risk and increase the number of injuries, which could result in an increase in motor vehicle claims to Accident Compensation Corporation (ACC); this could be especially problematic since serious injuries may result in permanent disabilities.

According to Ministry of Transport data (2012) there were 10,980 active registered WOF inspectors in New Zealand, many of them employed as full-time WOF registered inspectors as well as performing mechanical repairs jobs and some of them employed as part-time or casual inspectors. As a matter of fact, it is very difficult to predict with any accuracy the total number of job cuts likely to follow from the new regulations. However, employment in the vehicle servicing, inspection, and repairs industries could fall over time by between approximately 600 and 900 full time equivalent employment units in the year (Ministry of Transport 2013, P 10). This could mean that the vehicle inspection and servicing industry are likely to reduce or close down businesses.

Therefore, management implications as a result of these changes would also be far reaching for these businesses. Businesses will have to find new ways to generate business—thus making it a management problem. In terms of solving the current problem, management need to make sure they think about a new, alternative way of formulating a business strategy and making decisions effectively. Of course, management can think of alternative scenarios and find out how problematic their forecasts are to changes in key variables, but the purpose of such thinking is often to find the most likely outcome and create a strategy based on that (Haque 2014).

Usually problems involve questions or issues which contain uncertainty, doubt or difficulty. However, managers need to overcome problems and issues which will lead to staff reduction. These potential impacts on the inspection related business can be prevented by implementing effective business planning and gearing up for the change. In order to achieve future business continuity, automotive management will have to create sustainable alternative options. As in any business, continuity is all about creating and improving flexibility and adaptability; and it is also about identifying the key products and services. Being flexible means being able to change everything, all at the same time (Pasmore 1994).

Flexible work begins with developing flexibility in technical skills, but increasing technical skill flexibility is only the first step. The real benefits of creating a flexible working environment are achieved when people are able to examine the work they are performing and decide that it is not the work they should be performing and do something about it (Business Continuity Institute, 2015).

In order for the workforce to consider new ways of working they should develop the skills which they need to implement the new system, and examine the outcomes of their efforts. Therefore,
businesses flexibility is a requirement for any organisation in today’s fast-paced environment (Rosemann, et al. 2008). Besides pursuing flexible business continuity there are a number of options and methods that exist to facilitate business stability for the future, such as creating shareholder or stakeholder value.

Another key concept (option) is the business need to create shareholder value or to make wise investments and generate a healthy return on invested capital. Creating the value shareholders desire is one of the most important goals for small businesses. It is also a financial instrument that allows the owners or managers of the business to have more choices when making investment decisions (Frank 2006). For the sake of achieving goals, small business owners or managers need some instruments in order to measure the potential value of each investment opportunity (Largani, et al. 2012). Investment decisions involve making choices.

McIlaney (2011) states that when businesses make investment decisions they must not only consider the financial expense involved in getting a new machine, a new building, and so on, but also take into account the additional expense that any expansion of activity will usually involve. Increasing productivity tends to create a need to support additional ranges of products and work in progress. Increasing sales revenue usually means that the level of business demands will increase.

Generally, the concept of implementing shareholder value is very important to protect the business from current financial failure while potentially improving business continuity for the future.

1.4 The Aim and Objectives of this Research

The aim of this research is to focus on identifying and measuring the management impact of the new WOF regulations inspection on small auto workshops performing WOF businesses in New Zealand.

To achieve the aim described above, the following facets are identified as the key objectives of the research project:

- To review the issues surrounding the new WOF inspection regulation outcomes
- To investigate the result of the new WOF inspection regulations for the New Zealand transportation system
To examine the level of the impact on managers of small auto workshop businesses within New Zealand

- To determine the challenge for WOF inspection providers (both employees and employers)
- To make recommendations as to how to implement alternative business continuity strategies in the future

1.5 Research Questions

The main question of this research is: “How do the new WOF inspections regulations may impact on the management of small automotive businesses performing WOF inspection in New Zealand?” To answer the main question, there are sub-questions to guide this research project:

1. What are the alternative business options that could be implemented and adopted to keep the business continuing in the future?
2. What are the main responsibilities of managers to handle the issues in order to protect the businesses from the resulting loss in revenue?
3. What management change will WOF inspection providers need to make in order to improve the financial measures for the future?
4. What is the New Zealand government contingency plan to support WOF inspection provider employees if they are losing their jobs specifically due to the impact of these new regulations?

1.6 Hypothesis

A hypothesis is a statement or proposition that can be tested to determine whether correct or incorrect with reference to empirical study. Cherry (2015) explains that a hypothesis is a rough précis about the relationship between two or more variables. This research will be based on the three hypotheses formed below:

H1a - There is a high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan.
H10 - There is no high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan.

H2a - There is a relationship between employees’ opinions regarding the future flexible working environment and finding new ways to generate business.

H2b - There is no relationship between employees’ opinions regarding the future flexible working environment and finding new ways to generate business.

H3a – There is a difference of opinion amongst employees regarding the new WOF inspection regulation impact on small WOF inspection providers.

H3b – There is no difference of opinion amongst employees regarding the new WOF inspection regulation impact on small WOF inspection providers.

1.7 Data Collection

This research has been conducted using structured survey questionnaires to collect data from participant workshops. The questionnaires were sent out via mail for voluntary completion by inspection provider managers-owners and inspectors in New Zealand. The total population is 500 and pick-up 100.

1.8 Outline of Thesis

Chapter One starts with an overview and background of the research topic as well as a review of the current facts regarding the impact of the new Warrant of Fitness regulations on small workshops in New Zealand. It discusses the reason for the research and the aim to create a strategy to implement an alternative option for future business continuity for small auto workshops which provide warrant of fitness inspections in New Zealand. The chapter also addresses employees’ need to learn more technical flexibility in order to develop new professional practices to improve business productivity and generate more income for the company. Moreover, the research question and sub-questions have been stated, and the aim and objectives of the research are also established.

Chapter Two presents the literature review, which delivers significant information and direction for the research topic. There are five main concepts covered in this chapter: general management, small business, sustainability (change management), business strategy management, and training
and development. Under the theories of management, there will be a discussion of the history of management and development evolutionary processes. It also addresses management’s principal responsibilities in order to achieve business objectives. The second concept defines small business from a global point of view and the benefit of small business regarding provision of job opportunities for thousands of workers within New Zealand. It also touches on entrepreneurship. The discussion continues with sustainability (change management) and examines change from different perspectives, and explores alternative ways for business continuity for the future service delivery. The concept of strategic management from the first stage of strategy formulation to the final stages, namely, strategy evaluation and control is also addressed. Finally covered is the need for training and development of the employees in any business or organisation in terms of increasing professional skills while achieving performance for both present and future jobs.

Chapter Three addresses the research methods used and the selection of a preferred method for this thesis. This research is based on a positivist paradigm which uses a quantitative research method for data collection. The research paradigm, the data analysis model and ethical considerations are covered in this chapter.

Chapter Four presents an overview of the results of the survey generated through SPSS software, which entails converting the original data values into statistical functions for the analysis process. The research findings are divided into eleven sections based on the key eleven survey questions which originated from the research questions. All opinions and feedback from respondents are highlighted in this chapter.

Chapter Five contains a discussion of the findings, which are interpreted in relation to the eleven major questions. In addition, these results are described in detail and are supported by relevant theory and literature in order to provide the conclusion to the research.

Chapter Six outlines all the research findings and main points. This chapter also covers the conclusions of the research. In addition, the researcher provides recommendations to small auto workshops (WOF) inspection providers to allow for continued business generation in the future. Moreover, further areas of research are suggested and limitations of the study are highlighted.
Chapter Two: Literature Review

2.1 Introduction

The first chapter presented a summary of the basic concept of warrant of fitness inspections and regulations. Additionally, it outlined the management problems of privately owned small automotive garages as well as the research aims and objectives. This chapter critically reviews the extent of the literature relating to the theory of management, including general definitions of management and also looking at management and its responsibilities, followed by a small business management overview, entrepreneurship, sustainability (change management), marketing strategy, business strategy, and training for professional development. The main objective of the literature review is to find and discover essential literature in order to support the findings of the research. In addition, the literature will help to answer the research objectives and research questions of the study.

2.2 Management

In order to fully understand the present we must know something about the past. People have been developing organisations over and over again for a long period of time. Looking back through world history, we can find stories of people working together in formal organisations such as Greek and Roman Armies, the Roman Catholic Church, and the Egyptians (Griffin 2013). Authors have also been writing about how to make organisations efficient and effective since long before terms such as management came into being (Morgen, 2012).

The history of management is frequently seen as starting with the Industrial Revolution; the growth of factories and mass production created a need for strong management processes (Murphy 2007). The invention of the steam engine made large scale manufacturing possible and brought power for factories, ships, trains and vehicles technology. As a good example, the Ford car manufacturing company opened a mass production automobile plant for manufacturing the Model T Ford at the beginning of (Thomson 1989).

However, the manufacturing work system caused new problems and challenges for owners, managers, and society due to their being unprepared for the challenges and also the change from small-scale vehicles production to the large scale modern automotive industry. Moreover, most senior management teams, such as managers and supervisors in the workshops and manufacturing plants, were engineers who had only a technical orientation (Jones and George 2006).
Employees were unhappy with their current working conditions, and they had a lack of the necessary training in how to do their work effectively. Therefore, to avoid this problem, managers and supervisors started to develop their management skills for better possible solutions (Smith 2015). These developments led to the beginning of the scientific management movement.

Frederick Taylor developed the scientific management theory which was adopted in organisations to help get the job done and find ways to efficiently manage the organisation and enhance financial rewards. The principles of Taylor's scientific management theory became broadly accepted, and the resultant interrelating between employees and management in the long run evolved into the teamwork we enjoy today. This method worked well for organisations with assembly lines and other routine mechanical engineering (Mind tool club n.d).

Subsequently, other management theories were continuously proposed over hundred years by different theorists such as Henri Fayol, Elton Mayo, Abraham Maslow, Frederick Herzberg, and Robert Merton.

The development in management theory over the previous century is a history of the constantly changing role of leaders in organisations. As organisational leaders developed from the ‘carrot-and-stick’ approach of owner-managers of the earlier industrial age to the servant leaders of the 21st Century, the impact of individual leaders on organisations became more and more important. However, in the early 20th century managers could depend on authority and strong-arm methods to reach their goals, servant leaders in modern times are challenged to set personal examples by living the values and principles they wish their employees to follow to achieve their goal (Bosman 2009).

2.2.1 Defining Management

It is very complicated to give a specific definition of the term ‘management’. Management has been defined in many different ways; different researchers from different disciplines view and explain management from their own angles. Management is a process, in other words it is something that happens over time not just at a point in time (Peel 1993). Managing is all about the allocation and use of resources in order to achieve the predetermined goals (Campling, et al. 2006).

According to Henry (1985), management is the process of planning, organising, leading, and controlling the activity of employees in combination with other resources to achieve organisational goals. Daft (1997) suggests that management entails the achievement of organisational goals in an effective and efficient manner through planning, organising, leading, and controlling organisational resources. Many others can be found along similar lines and they all offer some conception of
management as a process which is aimed at achieving goals, involves resources, requires planning, organising, leading and controlling (Daft and Marcic 2011). Irrespective of the type of industry, the organisational level, or the organisational function involved, there are at least four managerial functions: planning, organising, leading, and controlling activities by anyone who is running the company (Mosley, et al. 1996).

**Figure 2.1 The four functions of management**

![Diagram of the four functions of management](http://www.businessstudynotes.com/hrm/management-functions-and-managerial-skills-and-types/)

**Planning** is the management function which involves setting goals and deciding how best to achieve them. According to Mosley, et al. (1996), planning is the process of choosing an organisation’s purpose and objectives, and then determining the policies, programs and procedures, methods, systems, budgets, standards, and strategies needed to achieve them. However, planning can be either formal or informal depending on how well the purpose or objectives are understood and used. In informal planning, nothing is written down and there is no sharing of goals with others in the organisation (Ebner 2012). Most of the time, this type of planning is used in small businesses where the owner-manager has a vision of where he or she wants the business to go and how to get there (Allred, et al. 2015).

Formal planning begins with stating specific business objectives, and developing a strategic plan for achieving those objectives. These goals are written down and shared with organisational members.
The advantage of formal planning is that because objectives and methods are clearly stated, employees are able to identify with the task they are involved with in the business, thus (Daft 2008).

**Organising** is the management function which involves arranging and structuring work to accomplish the organisation’s goal(s) (Robbins, et al. 2008). In other words, it entails determining how the job is to be done and by whom. This means bringing together all of the resources, such as the workforce, budget, and the right information, so that everything is ready when needed. Additionally, the tasks need to be identified and responsibility and authority delegated to the appropriate people (Hartzell 2003 - 2015). Balkin and Mejia (2002) also point out that organising is very important because it is through the organising process that it is easy to be able to determine which jobs are to be done, how they can be combined best into specific jobs, and how those jobs can be grouped into various units that make up the structure of the organisation.

**Leading** is the management function which involves influencing others to make changes in the work behaviours necessary to reach organisational goals. Mosley, et al. (1996) explains that leading includes direct or face-to-face communication with others, outlining a vision of what can be accomplished, then providing direction, inspiration, and encouragement such that employees are motivated to perform at a high level. In contrast, leading can also be achieved through indirect communication with others, such as providing standard operating procedures and job descriptions.

**Controlling** is the management function aimed at regulating organisational activity. According to Jones and George (2006), controlling involves guiding, monitoring, and adjusting work activities in order to help ensure that organisational performance stays in line with the organisation’s needs and expectations. (Brech 1976) stated that controlling is a systematic exercise which is called as a process of checking actual performance against the standards or plan with a view to adequate acceptable improvement and also recording such experience as is gained as a contribution to possible future needs. The concept of control in achieving planned performance can be seen in many of our daily life activities, such as regularly inspecting a car’s oil, water, belts, tyres condition, and hoses. These all help meet the objective of keeping the vehicle in good running condition and maintaining engine performance.

These four management functions of planning, organising, leading, and controlling are very different but very much correlated. These functions are generally carried out in the sequence of
steps exhibited on above. All managers at all levels of every organisation use these functions in order to manage the businesses as well as making decisions successfully (Carpenter, et al. 2015).

However, some criticisms have been made by several authors about the four functions of management (Fayol theories). Mintzberg (1973) argued that these functions are not useful because they cannot be related to specific activities; namely, planning, organising, leading, and controlling. These functions do not, in fact, describe the real work of managers at all. They describe some unspecified objectives of managerial work. According to Mintzberg (1973), managerial work is a set of activities assisted by the formal authority of the manager. The structure starts with the development of interpersonal relationships, which leads to a network of contacts and access to information, assisting managers in decision-making and strategy formulation.

On the other hand, Carroll and Gillen (1987 pp.38-51) defended the usefulness and relevance of those management functions, pointing out that Mintzberg’s response did not clearly differentiate managers’ work activities by purpose or function in relation to the whole organisation. Hales (1993) responded to the critics simply stating that they were wide of the mark – Fayol did not aim to list specific managerial behaviours but to set out the requisite management functions of an undertaking.

Kotter (1982) addressed the idea that managers guide their efforts through the use of work agendas, which are loosely connected sets of specific goals and tasks that managers attempt to accomplish. These agendas usually develop from the demands, constraints and choices associated with a manager’s job. Moreover, Kotter (1990) suggested that managing is coping with complexity; businesses do this by planning, organising, leading, controlling and problem solving.

In the modern organisation it is not the case of managers managing, but a case of organisations doing management. This shows modernism’s belief in objective analysis, and specialisation and control as the nature of reality. For managers to develop these work agendas, act out roles, and engage in planning, organising, leading and controlling, they also need a knowledge base and key management skills. The key management skills fit into three categories: technical, human and conceptual. These skills, as well as other elements in the management process, impact on performance (Bartol, et al. 1995).

Overall, Fayol’s four management functions, which are: planning, organising, leading and controlling still provide the main theory of what management is about, but Mintzberg’s (1973) conceptualisation of ten different interrelated roles (referred to in the next section) is useful because it provides a different way of thinking about a manager’s job (Stewart 2003).
2.2.2 Management and Responsibilities

Within the business organisation, management (managers) may be involved in different activities or have different responsibilities. However, the prime responsibility of management (managers) is achieving the success of the company objective goal and handling the issues related to business revenue. Management (managers) have a responsibility to do things effectively; they complete tasks themselves or create and maintain situations where others can work effectively on tasks. Sub-question-2 is about the main responsibilities of management to handle the issues in order to protect the business from losing revenue.

According to (Mintzberg 1989) a manager’s responsibilities can be broken down into ten different but interrelated roles. He classifies these roles into three broad categories: interpersonal, informational and decisional roles.

Interpersonal roles involve working directly with other people, such as subordinates, supervisors, peers, or people outside the organisation. Interpersonal roles allow a manager to connect with his or her staff with the intent of achieving organisational goals (Mind tool club n.d). There are three roles listed under interpersonal roles, which include figurehead, leader and liaison.

Informational roles require a manager to receive the important information and share it among the appropriate people. There are three roles listed under informational roles, which include monitor, disseminator and spokesperson (Graybeal 2010).

Decisional roles involve making decisions that affect other people. Decisional roles include roles such as the entrepreneur, disturbance-handler, resource-allocator and negotiator. All of these roles involve the process of using information to make decisions.
In the real world, these roles are highly orchestrated and management is a logical, arranged process in which managers wisely calculate the best way to use resources in order to achieve organisational goals effectively (Mintzberg 1989).

Mintzberg’s contribution to the management concept is not based on one or two intellectual theories within some narrow field. His approach is wide-ranging, involving the study of practically everything managers do and how they do it (Kumar 2015). Among all the 20th century management theorists, Mintzberg has been the most powerful author (Regimbal 2001). As a matter of fact, his ideas have captured the imagination of several researchers in the field. Mintzberg’s ideas even now are very useful in terms of discovering the effectiveness and most efficient characteristics of management. Kotter (1982a), Willmott (1984), Martinko and Gardner (1985), Hales (1986), and Watson (1994) have provided several insights into managerial work attempting to compare existing behavioural frameworks of Mintzberg's roles with effective measures taken across diverse organisational settings. In addition, those researchers have replicated and tested his research methods and confirmed his results. In general, Mintzberg's ten management roles are dynamic and include both internal and external activities. His conceptualisation has generated a great deal of interest and subsequent use.
2.3 Small Business: Overview

Small businesses make a significant contribution to the economic development of any nation, including New Zealand. Nowadays, the entire world economy is focused on small business. Individual and giant companies equally depend on small business for goods and services. In production, small businesses and large businesses specialise in different segments within the same fields, so that there is more often cooperation than competition between businesses of different sizes. However, in order to compete for these outsourcing activities small businesses normally need to achieve a very high quality standard to meet the requirements of a large company’s customers (Smallbone and Welter 2009).

Certainly, many new businesses are established every day around the world. Interest in small business continues to grow, and they do not always stay small. For example, huge companies like Nike and Microsoft started off as small businesses that grew to become major players in the national and international marketplace (Brown 2015). Moreover, small businesses play an important role in creating new jobs in all labour markets, increase productivity, have the ability to be flexible, contribute many innovation ideas, offer opportunities for many people to achieve financial success and self-sufficiency, and (Hatten 2012).

2.3.1 Defining Small Business

Small businesses have been seen as a key instrument in leading innovation development for a long period of time and the definitions of ‘small business’ have been formulated by several different types of academic, government departments, and individuals who have written about small business. The definition of small business is different from country to country; it may be determined by the number of employees in the firm, the annual turnover and leading. On the other hand, a small business can also be defined in terms of characteristics that are unique to it (Hodgetts and Kuratko 2005).

Across the world, there are many different approaches to defining small businesses. For example, in many parts of Asia a small business is one with fewer than 50 employees. In Thailand, small business is defined as a business that has fewer than 50 employees or fixed assets, excluding land, not exceeding US $1.65 million and is in the manufacturing sector. Additionally, a similar definition is used in the service sector, while the definition is slightly different for small business in the wholesale and retail sectors where it the size of employees is fewer than 25 and fixed assets not exceeding US $1.65 million (Charoenrat, et al. 2013). Japan also has its own definition of small
business, but it varies from sector to sector. For example, in the retail and service sectors, small businesses are those whose capital/investment does not exceed ¥ 50,000,000 or has a maximum of 50 employees; for wholesalers are ¥ 100,000,000 or 100 (David and Francis 2010).

In the European Union, a small business is one with fewer than 50 employees but also an annual turnover of less than €10 million. However, in the United States the definition of a small business varies from firms with fewer than 100 employees to those with fewer than 500 employees and has revenue of less than $25 million depending on the type and size of the industry. Therefore, the definition is based on annual sale revenues or number of employees in the firm. On the other hand, Osteryoung and Newman (1993) provided a small business definition for United State researchers and government policymakers interested in the financial aspect of business. They suggested that a small business would be better not listed on the stock exchange, and should provide personal guarantees by the owners to obtain loan finance. This definition highlights the difference between the degrees of riskiness in being an owner of a business and owning a proportion of shares in a large company.

In Australia, small business is defined in a different way depending on the laws they are administrating. For example, the Australian Bureau of Statistics (ABS) defines a small business as one that employs fewer than 20 people. This business will typically be privately owned and operated. The owner-managers who run the business will also tend to be the main decision makers. They will also contribute and own all or most of the business’ operating fortune (Mazzarol 2012).

On the other side of the coin, the Australian Taxation Office (ATO) uses a different approach to define a small business - an individual, partnership, company or trust that is carrying on a business with an annual revenue turnover (excluding GST) of less than Australian $2 million. Fair Work Australia defines a small business as one that has less than 15 employees. Despite these differences, many regulators have informally adopted the definition of small business used by the Australian Bureau of Statistics (ABS), which is a business that employs fewer than 20 people (Peacock 1999).

In South Africa, small businesses are defined and categorised in terms of turnover, gross asset value, and number of employees to distinguish between micro, very small, small, medium, and large size enterprises. A small business in South Africa is a business that employs up to 20 employees, with a turnover of up to 6 million South Africa Rand (up to US$0.9 million) and gross asset value at up 2 million South Africa Rand or up to US$0.3 million (Ogbor 2009). In Nigeria, a small business is defined as any business with a maximum asset base of 500 million Nigerian Naira or US $3.8 million, excluding land and working capital with no limit (Ogbor 2009).
Generally, there is no single, uniformly acceptable definition of small business. For some, small business is defined as managed and operated by one person; to others small businesses are described not only by the number of employees, sales volumes, and value of assets, but also by taking into account the country-specific economic context in which the small business operates. Therefore, the wide-ranging nature of small businesses makes it very difficult to define them exactly. What applies to one may be completely different with regard to another. There is no international agreement on the definition of small business, but one aspect of small businesses that every country does agree on is that they are an essential activity for economic success.

2.3.2 Small Business in New Zealand

Small business is the backbone of the New Zealand economy. Small businesses are in a literal as well as a legal sense private businesses and their owners remain actively involved in the operation of the business and spend the most of their time in this role (Hobbs 2005). In New Zealand, small businesses are described as (Nel and Simpson 2013). Most businesses are this size, or smaller.

According to the Ministry of Business Innovation and Employment (2014), small businesses make a significant contribution to New Zealand’s employment with approximately 584,000 people employed in enterprises with fewer than 20 people, making up 30 per cent of the workforce. Around 460,000 New Zealanders run their own business and 97 per cent of all firms in the country. The average salary of an employee in a firm with 1-19 employees is NZ $ 42,775.00. Traditionally, there have been three main ways of organising or running a small business in New Zealand, as a private owner, as a partnership or as a limited liability private company. However, there is also another method of start-up or running the business such as a co-operative, a franchise, and a spin-off business.

The majority of small businesses in New Zealand are found in the service and related areas including such fields as transportation, construction, property and business services, and personal services (Smallbone and Welter 2009).

According to the data from the Ministry of Economic Development (2011), the majority of self-employed (small business owners) in New Zealand are New Zealand European men, aged between 35-59 years. Maori and Pacific Island categories of ethnicity have the lowest proportion of people who are self-employed without employees, and the lowest proportion of employers. ‘Other Asian’ are classified as having the highest percentage of self-employed individuals without employees (18.6 percent) and the highest percentage of employers (9.1 percent). Thirteen percent of the New Zealand
New Zealand European ethnicity were recorded as self-employed without employees and 8.2 percent were recorded as employers. As the New Zealand European group constitutes 67.6 percent of the population, they represent the largest number of self-employed persons.

Although the highest number of small business are found in New Zealand’s main centres - Auckland (147,578), Christchurch (58,891), Hamilton (47,717) Wellington (46,874) - most of the country’s regions have a similar proportion of small business in their economies when population numbers are taken into account. On the other hand, rural area such as Northland, Gisborne and the Tasman employ the highest proportional number of employees through small business.

As a matter of fact, small business is making a huge contribution to the New Zealand economy by generating job opportunities. Moreover, small business has several key advantages which include being: more efficient than large business in producing certain goods and services; the source of competition and innovation in the economy; an important way for entrepreneurs to get into business; and they offer choice and variety to customers.

However, beyond the above list of important points, there is some holding back of the growth of small businesses and narrowing down of the opportunities for generating jobs due to legislative changes by government. In other words, sometimes government legislation could damage the small business sector of any economy unless they are made aware of it (U.S. Department of State 2006). These particular regulations are creating a management impact of the small business as well as the employees who are seriously threatened with losing their jobs by this change.

In addition, the 2008 and 2009 recession and the Christchurch earthquakes have had a significant impact on small businesses and the lives of their owners. According to the Small Business Advisory Group (2011), from 2008 to 2009 the average quarterly net job creation for enterprises with 1-19 employees dropped by 32 percent. These challenges, along with uncertainty and constant change, have created a new paradigm for small business operating in New Zealand.

Small businesses cannot operate without achieving success in a changing business environment. The situation is such that small business is experiencing many new challenges within an environment where global competition is growing, stock and money markets are volatile, public unrest is a feature of many countries, consumer expectations are increasing and supply and trading chains are becoming more complex. Therefore, the New Zealand government should have a backup plan to stimulate and support small businesses during times of uncertainty in order to keep the business operating continuously for the future, and in the meantime secure jobs for the employees.
In other words, the government should give small business other alternative options to support and find ways of overcoming such uncertainties. Sub-question 4 refers to the New Zealand government’s contingency plan to prevent employees from losing their jobs due to the impact of new regulations on their job.

2.3.3 Entrepreneurship

Entrepreneurship remains not easy to define because the term comes from a variety of backgrounds and is deployed in a range of academic fields including engineering, economics, sociology, and political science. Different researchers of entrepreneurship have adopted different theoretical perspectives. Entrepreneurship comes from the French word ‘entreprendre’ meaning ‘to undertake’ or ‘to take in one’s own hand’ (Schaper, et al. 2014). According to Balkin and Mejia (2002) entrepreneurship is the process of inventing a new business by taking on risk and uncertainty for the purpose of generating income and expansion by finding opportunities and building the necessary resources to take advantage of those opportunities.

Schermerhorn, et al. (2014) explain that entrepreneurship is the use of resources to take advantage of an opportunity to provide customers with a new product or service or changing operations within the business and improving the qualities of entrepreneurship. The term entrepreneurship and entrepreneur are sometimes used interchangeably. Entrepreneurship is considered to be a concept or idea, whereas entrepreneurs are considered as real persons. Entrepreneurs always come before entrepreneurship. The process of development and direction of entrepreneurial functions is labelled as entrepreneurship (Sameer 2015). Since 1723 the term entrepreneur is used in different ways and with different views (Fast Company 2013).

An entrepreneur has to perform several functions right from the beginning of creating the idea up to launching and managing a new business, irrespective of its size (U.S. Department of State 2007). Additionally, an entrepreneur identifies business opportunities and organised resource such as man power, money, machines, materials and methods (Schaper, et al. 2014) (2014 ). Moreover, entrepreneurs need to have a certain degree of investment (Burke 2006).
2.4 Sustainability (Change Management)

Generally, sustainability could be defined as an ability or capacity of something to be maintained or sustained over a long period of time. However, from the business point of view, sustainability is all about making a profit and in the meantime protecting the natural environment from contamination and pollutions. Profit is essential to the success of any business (Miller 2010).

In today’s dynamic business world, to remain successful, businesses must be able to see into the future to continuously develop customer needs and to maintain competitive advantage. Developing the business and sustaining that development has always been significant to any business organisation. According to the research conducted by Taylor (2014), over the last few decades most small businesses have been founded on short-term success rather than sustaining long-term success. The challenge for many companies, particularly small firms, is that they are engaged on a daily basis in business operations and lack time for planning for the future; they tend to be reactive rather than proactive.

Indeed, other challenges can contribute to the failure to achieve continued growth in business success. For example, such challenges include changing rules and regulations by government, high marketing competition, bad business management, lack of information, lack of strategy, and lack of technology. The solution is that the business needs to be sustainable for the long-term and overcome those challenges that prevent business growth. The business must be engaged and adapt in wide-ranging business flexibility that includes assessing the past and having a vision for future business sustainability at all levels (King 2007).

On the other hand, to embed sustainability into the business and achieve success in the future it is essential to change the management thoroughly. In fact, change is always possible but deadly serious. In other words, making change occurs in any businesses but there are also consequences when dealing with issues.

In spite of any management change there is huge resistance or a roadblock to change. Lawrence (1997) stated that business leaders face some form of employee resistance to change because of the many different ways in which individuals and groups can react to change. That is to be expected with any change. In fact, it may lead to trouble. All people who are affected by change experience some emotional instability. Even though, the management change program is well designed and planned, not everyone will agree with the proposals.

Employees resist change for different reasons, ranging from a direct intellectual disagreement over facts to the extreme level of psychological influences. Agocs (1997) explains that resistance can
take a wide range of forms, including refusal to change, refusal to seek common ground, the silencing of support for change, sabotage, the use of sanctions and a general lack of cooperation. Added to this complexity is that sometimes the stated reason for resistance hides the real, more deeply personal reason. However, management also need to know that people need to work through a psychological change process as they give up the old and come to either accept or reject the new change.

In many cases, employees may experience an initial rejection, then begin to understand that the change cannot be ignored. Strong feelings may emerge, such as fear, anger, weakness and frustration. Finally, the person accepts the change either negatively, with feelings of resignation and satisfaction, or positively, with renewed passion to benefit from the changes.

**Figure, 2.3 Example of a Force Field analysis diagram**


Therefore, leaders and manager/owners need to identify the resistance and be aware of the impact so as to understand that they are dealing with a different and painful challenge. Responding to these kinds of painful challenges will require new approaches, new talents, new structures and new management strategies to neutralise this resistance (Rouse 2007-2015).

Above all, there is need for clear communication from senior management to employees regarding the effective management of change, communication is seen as the best way to overcome resistance.
Providing an opportunity for involvement in a change has also been commended as a way to help reduce negative attitudes toward transformations of the workplace. Employee participation in management change is thought to make the realities of the transformation clearer (Lines, 2004).

Moreover, leaders, managers-owners can deal with potential resistance to change by being supportive during difficult times. This process might include providing training in new skills, counselling, or giving employees time off after demanding periods. Furthermore, negotiation agreements with employees can be a relatively easy way to avoid major resistance, through other processes (Jacoby 2011).

As change is driven onto businesses, management requires good reasons to make a decision and outline all the phases of the change process and create a picture of what financial measures and jobs will need to be carried out into the future. Besides that, management needs to be creating pathways and planning strategic ideas in a limited time, and ensure solution for their change management objectives to succeed (Mcwhinney 1997).

2.5 The Changing Concept of the Business

Change as a concept is a complicated phenomenon to describe without using the word ‘change’ in the description. It is simpler to describe change as a process, such as shifting from one point to the other point (William 2015). Nel and Simpson (2013) explain that change is part of everyday business life plans for reduction of cost, renewal of the workforce, implementation of new activities, upgrade of the quality of products and services, and Richards (2015) notes that change is essential for any businesses because, without change, businesses can expect to lose their competitive advantage and miss the mark to meet the needs of a base of trustworthy customers.

Furthermore, Firth (1999) pointed out that management change is all about the realignment of business; the energy of change drives simply through and about the organisation as it moves on the way to its vision and transformation. According to Nel, et al. (2012), the main goal of renewal or change is increasing productivity, improving value to shareholders, achieving major gains in cost reduction, combining or clustering task, and eliminating unnecessary positions and jobs. Therefore, change transforms the business from what it is now into an unlimited world of what it could be.

In addition, Hodges and Gill (2014) describe change in the businesses is ongoing; the characteristics of change are not permanently the same, as change comes in different shapes and sizes and can be positive or negative depending on circumstances and the factors involved. However, any plan for change will require a time-consuming process of things needing to be done in order to make the
proposed change turn into reality. All these things need to be taken into consideration when designing an implementation plan.

2.5.1 Change Management as a Competitive Advantage

Global (2013) explains that the management change has to be at the centre of capability and that is the only way to gain a competitive advantage. Through management changes the day to day roles of any business have the ability to dedicate suitable attention and resources to how change is applied and managed so it allows renewable change to transpire faster, cheaper and smarter. In other words, every business, small or large, in order to survive and to sustain itself in today’s competitive environment will need to instigate change management as quickly as possible to be effective competitors for the future.

Porter (1982) suggests that competitive advantage is a key component of any business performance in competitive markets. However, to gain competitive advantage business must respond to customers by offering either a low price or by means of delivering a great service that justifies higher prices. In a literature review, Awwad, et al. (2013) describe how businesses need to grow effectively and efficiently to a changing business environment; one of the greatest challenges that businesses deal with is sustaining and developing competitive advantage. Donahue (2013) argues that it is very difficult for the business to maintain competitive success or even survive over a long period of time regardless of the size of business. In most cases, every business has a great moment. However, only some companies achieve sustainable performance over time.

As a matter of fact, competitive advantage cannot be identified by looking at a business as a whole. It needs to be measured on the basis of many different activities such as, designing, producing, marketing, delivering, and supporting its product and service (Porter 1982). Most of the time, competitive advantage can rise from many sources, and this shows how all advantages can be linked to particular activities and the way that activities relate each other, to supplier activities and to customer activities. In order to compete effectively, the businesses must identify where the competition will be, and what is important when it does compete there (Schmerhorn, et al. 2014).

2.5.2 Identifying Competitors

All businesses deal with competition. It is very important that the business identifies which business category and market segment to compete in. However, competition is not just another business that
might take over all customers from the business in the same trade. It can be another alternative way to generate business for the future (Bizfilings 2015).

Porter (1982) suggests that finding out the competitor’s abilities is a very important task to increase management awareness of competitive threats and opportunities. Identifying competitors is a key objective in the business world, and it is also necessary to achieve competitive advantage by giving to the customers a greater value than the other competitors. It is necessary to identify the current situations of competitors around the business, but also very helpful to think about them and be aware of the future competitors’ ideas.

In simple terms, business competitors can be identified as those companies that offer identical products or services to the same customers at equivalent prices. These can be either direct or indirect competitors. An example is Bavarian Motor Works (BMW), and Mercedes Benz as a major or direct competitor for manufacturing vehicles and sales of spare parts. However, they also challenge competition from companies that offer different services. Identifying competitors contributes to the business being able to find opportunities for and threats to the business from the competitive business environment.

2.5.3 Identify Competitors' Strengths and Weaknesses

In today’s extremely competitive market, businesses must be aware of their competition. Finding a competitor’s strengths and weaknesses gives an understanding of the businesses’ ability to engage in many strategies ranging from operations to finance and human resources. Richa (2014) describes how identifying competitors' strengths and weaknesses is very helpful with regard to gaining a strategic advantage against those competitors. However, businesses must be in their best position against the competition to make an influence in the market. In order to do this, the business owner/managers must not only focus on their own strengths and weaknesses, but also be aware of the competitor’s tactics and specific movements as well. In the meantime, identifying the competitor’s marketing strategy plan is important, and so is comparing the business size and industry position with that of its competitors. Furthermore, the business must keep an eye on what the competitors will do next and consider what the competition is going to look like in the future. Forecasting the broad directions of future competition has the potential to give confidence to the business owners in the long term capability of doing business.
2.6 Marketing Strategy

Marketing plays an important role in differentiating the unique functions of the business as well as driving the economy. Production and consumption are the two components of any economy which are joined by a strong chain belt of marketing. There are a number of ways to define marketing based on customer orientation and customer satisfaction as well as society context. Marketing is the making and the delivery of a standard of living; it is about identifying what customers want, also planning and developing a product or service that will fulfill those wants; and then deciding the best way to price, promote, and distribute that product or service (Joshi 2012).

On the other hand, Kotter (2000) postulates that marketing is a societal process by which individuals and groups achieve what they want and need through making, offering, and trading products and services of value freely with others. Both these definitions relate to the subject which is marketing. The most important aspect of marketing is identifying needs and wants in the society and then offering goods and services which can fulfil them. In this sense marketing is concerned with problem solving. However, marketing without a strategy is like driving a car with no destination. In other words, behind marketing, there is a clear strategic objective and considerable goals.

In the most general terms, strategy is a comprehensive idea of how resources are to be used to overcome challenges to the achievement of objectives (O'Shaughnessy 1995). Strategy is also responsible for ensuring that the business has enough flexibility to react to environmental change. Despite the fact that every business runs according to some kind of marketing strategy, a guiding set of goals and ideas that result in business opportunity and success.

According to Baker (2000), marketing strategy is a process that can allow a business to focus its regulated resources on the best opportunities to increase sales and achieve a sustainable competitive advantage. Cravens and Piercy (2009) describe how a marketing strategy involves the analysis, strategy development, and implementation of activities in developing a vision about the market of interest to the company, deciding on market target strategies, setting objectives and developing, implementing, and managing the marketing program position strategies designed to meet the value benchmarks of the customers in each market target. However, a marketing driven method is needed to gain the market strategy required for getting the product or service to sell. Marketing strategy is very important, especially for small businesses. The marketing strategy also helps the small businesses to develop a competitive advantage through increased customer demand, and in the meantime grabbing a strong position in the market (Marjanova and Stojanovski 2012).
According to (Keegan 2004), in marketing strategy everything counts: not only the product/service and the customer, but also everything in the external environment including competition, technology, government, culture and all the aspects of running the business - product/service, price, place, promotion and branding - while in the end, value as observed and experienced by the customer counts a great deal too.

According to Kerin, et al. (2013), one of the first steps in developing an overall marketing strategy is to perform a market segmentation analysis, as a way to manage the strategic development process and ensure its effectiveness and success. The idea behind market segmentation is relatively simple. Market segmentation is simply taking a look at the general market for the product or service and thinking of it in terms of smaller, more manageable sections. Each market segment consists of people who are relatively similar to each other in terms of their consumption behaviour.

An important point to make is that small business marketing needs to pay special attention to the role of marketing segmentation, forecasting information for the marketing strategy and also identifying other marketing activities to transform the business idea into a marketable product. However sophisticated or simple, a business marketing strategy should include a description of the business vision, marketing objectives, sales forecast, target markets, and marketing mix (Hatten 2012).

Small businesses, particularly in the service industries, must be concerned with their marketing strategy. A good marketing strategy will help a business to be proactive, rather than reactive in running the business. These market opportunities can provide very valuable positions and competitive advantages to the small business (Komaev, et al. 2011).

A successful marketing strategy, according to Simpson and Taylor (2002), is the most important of all business activities and is essential for the survival of small firms. Moreover, Stokes (2006) suggests that a small business is the product of a customer-focused marketing strategy designed to minimise wasted effort and maximise results. Planning a marketing strategy is a process of exploring opportunities, identifying and evaluating options and arriving at a marketing plan to achieve substantial results.

2.6.1 Developing Marketing Strategy

Due to the growth of competition in everyday business environments, business organisations need to have a quality marketing strategy in place to keep customers coming back. As a matter of fact, it is a very challenging task to find the right marketing strategies to use, especially for small
businesses. However, it is necessary to develop a quality marketing strategy to build sustainable business continuity for the future. Schenck (2015) points out that creating an effective marketing strategy will help to achieve the business's goals and build a strong reputation for the company; it can increase sales, bring in new customers, get existing customers to buy more, introduce a new product or service, launch an advertising campaign, and increase the share of the market.

2.7 Business Strategy

In its general sense, strategy is the means by which individuals’ or organisations’ long-term goals and objectives are to be achieved (Grant 2010). However, there are various definitions offered. Mazzarol and Reboud (2009) describe how strategy is all about making a plan for the future business direction to follow, and what resources and activities are required to get there. David (2011) states that strategy is the process of achieving, selecting, and implementing activities that will develop the long-term performance of an organisation by setting vision, direction and needs while transforming ongoing stability.

Though, in order to achieve the objectives, strategy may include geographic expansion, diversification, acquisition, product development, market penetration, retrenchment, divestiture, liquidation, and joint ventures. Hoskisson, et al. (2008) mention that strategy is involved with making choices between two or more alternatives. When preferring a strategy, the business decides to take one action instead of others. In fact, the main purpose of strategy is to help decision makers to decide along with the competing priorities of, and alternative options for their business.

Ritson (2013) points out that strategy is an outline of which product or service must be developed and delivered into which markets sectors and also to make sure that a product or service satisfies customers’ needs while achieving objectives. According to Dess, et al. (2010), strategic objectives are used to determine the mission statement. In reality, without objectives nothing else can happen. To be successful, a business must have clearly defined objectives and a fully developed strategy for achieving a high-level of marketing within the business.

Green and Fuller (2005) explain that business strategy is a critical task that leaders, managers or owners must embark on to create vision, mission, and strategic objectives to deliver the all-important direction and the capability in a way that will engage necessary imagination to achieve the businesses strategic objectives, and move on ahead with their mission and vision. Since strategy is defined in a different of ways, the approaches to strategy measurement also differ.
According to Petzall, et al. (1991), in a stable business environment, strategies are employed because the business needs are expected to remain reasonably sustainable over a period of time. Programed strategies are planned on a long-term basis. They are normally formulated in great detail and implemented with a great degree of accuracy in terms of resources and time. However, in a volatile business environment, there is a large amount of uncertainty; the conditions in the environment might change at short notice. This type of environment requires flexible strategies in order to adapt quickly to new situations.

Traditionally, most small businesses are not interested in seeking to shape the future to grow significantly because they never put together and follow a big business strategy. On a regular basis, small business owners create a product or deliver a service that they believe is better than a competitor’s but, in reality, it is not better at all. Sometimes their product or service is different from competitors, but not in a way that customers really care about (Adams n.d).

An effective business strategy identifies and tracks key success factors, such as business target markets and competitors, as well as business strengths and weaknesses, to help the business develop and change or to improve the business idea. Moreover, it helps the business to determine whether or not the idea is feasible and, importantly, marks out a difference from the competitors in terms of customer attraction and satisfaction. This is the part of the secret that can lead to massively increased success and can radically speed up a growing business. Therefore, small business owners must have a business strategy plan to drive their business ahead for long-term success and improve its ability to raise capital and grow successfully (Papulova and Papulova 2006).

**2.7.1 Strategic Management**

Coulter (2013) points out that strategic management is the process of evaluating the contemporary situation, developing strategies, placing those strategies into action, and analysing and changing those strategies as necessary. Strategic management can be described as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable the business to achieve its objectives. In simple terms, strategic management emphasises a combination of management, marketing, finance/accounting, production/operations, research and development, and information system to achieve organisational success (David 2011).

Quinn (1999) describes how effective strategic management is a process of developing clear objectives, maintaining the competitive advantage, focusing on resources for the best effect, staying flexible in the face of change, and applying organised and committed leadership. Moreover,
Campbell, et al. (2002) explain that strategic management can be viewed as a collection of theories, structures, instruments and systems design to explain the reasons underlying the performance of organisations and to help managers in thinking, planning and acting strategically. Furthermore, Wheelen and Hunger (2006) mention that strategic management is an ongoing process which consists of scanning, formulation, implementation, and evaluation. These four ongoing processes play a key role in order to create and sustain competitive advantage.

Figure 2.4: Components of Strategic Management Process

![Components of Strategic Management Process](source)

Source: adapted from Wheelen and Hunger (2006)

Lamb (1984) describes strategic management as a forward looking process that helps the business to: identify the future direction in which the company wants to engage; evaluate its competitors and set goals and strategies to encounter all present and potential competitors; and then review each strategy regularly to regulate how it has been put into effect and whether it has achieved success or needs to substitute with a new strategy to meet changed situations, new technology, new competitors, a new economic environment or a new social, financial, or political environment.

2.7.2 Strategic Management in Small Business

Most studies on strategic management have so far put emphasis on large business industries, and most of the ideas related to the subject have been developed for large businesses (Mazzarol and Reboud 2009). Small business are generally owned and managed by owner-managers who make strategic decisions based more on practical experience than academic rules (Ennis 1998). This practical experience nature of strategy development in small business is characterised by the lack of proper planning within this type of business (Unni 1984).

In small business, due to the small number of employees and managers/owners, many functions are assumed by only a few employees with the ability to perform them. Management by informal
leadership is more common and verbal communication is preferred over written. It has been argued that business owner/managers do not plan because they lack the knowledge, confidence or skills to do so (Posner 1985). However, nowadays many researchers have observed that there is a need to employ formal strategic management concepts in small businesses as well. The use of a strategic management plan has been recognised as a significant tool for the success of small business, particularly to plan the strategic direction of the business, organise action and assist in achieving goals (Sandberg, et al. 2001). Scarborough, et al. (2009) states that strategic management can increase small business effectiveness.

In the small business sector, the role of management is always derived from the size of the company and the role of the owner. Primarily, the importance of the management function is not determined so much by the fact that management has the obvious responsibility for the formulation and implementation of strategy as by the postulation that competitiveness is created or at least affected by all management activities in terms of features and functions of management with a focus on resources, competencies and processes (Karel, et al. 2013).

As the matter of fact, the size of business does not necessarily reduce the level of strategic management importance. In large businesses, responsibility for strategic management takes the entire department of analysts and competent managers, but in small businesses the primarily strategic manager role is taken usually by the owners (Boundless 2015). Scarborough, et al. (2009) mention that small business owners must look forward one step ahead into the future and then develop a strategic management plan to meet the challenges and opportunities the future presents.

According to Volberda, et al. (2011), strategic management based on long-term forecasts helps the business to predict future challenges and opportunities. Magnificence presented onto the large businesses, the fact remains that the small businesses are also important. In the current globally competitive environment, any business, large or small, that is not thinking proactively and acting strategically, is in extreme danger. Strategic thinking and acting to establish the foundation for strategic planning and implementation is vital. In this respect, strategic management is looking forward to the next few years and deciding on which priorities, goals, and objectives should be pursued (Morrison and Wilson 1996). Every business is exposed to the forces of a rapidly changing competitive environment and, in the future, small business executives can expect even greater change and uncertainty. From widespread political changes around the world and fast technological developments to more extreme competition and newly emerging global markets, the business environment has become more unsettled (Prenhall n.d).
Although this unsettled market situation creates many challenges for small businesses, it also creates opportunities for those businesses that have in place strategies to take advantage of them. Therefore, small business can adapt and apply strategic management to develop a better performance and sustainable business with a particular competitive advantage for long-term success.

2.7.3 Strategic Flexibility

In an extremely uncertain and changing environment, businesses need to have a strategy to tackle the problems quickly. To achieve that, the business will need to create a flexible strategy that can respond to changes in customer opinions and demand. The definition of flexibility has been arranged under different categories, including strategic flexibility, operational flexibility, and tactical flexibility (Kazozcu 2011).

Among the many definitions of strategic flexibility in the literature, Combe and Greenley (2004) propose that strategic flexibility is the capacity of businesses to take action and continuously adapt to environmental change. According to Hoskisson, et al. (2008), strategic flexibility is an important feature of competitive business strategies, especially the most uncertain business environments; businesses that have the flexibility to respond to new competitive designs have the advantage to easily divert critical resources. The purpose of diversification is to allow the business to enter new tracks of business that are different from the current operation. Sub-question 1 is about the alternative business options that could be adopted and implemented to keep the business continuing in the future.

The Harvard business review (1999) suggests that a strategy can be flexible when it allows the business to be able to change uncertainties by taking corrective action, and give a high priority to switching the directions of others alternative options and help the business gain a better position by taking advantage of the resolve of uncertainty. On the other hand, in an unpredictable business environment managers need to develop a set of alternatives, each of which is available for implementation whenever a specific change of situation makes it appropriate. However, businesses need to achieve flexibility as the main competency to survive in a modernised environment and do better than their competitors. But flexibility is the ability to change quickly in a new and alternative business situation. It is the potential for the business process to be flexible enough to meet the transformation of the business environment so that the business can continue with the competitive challenges (Kazozcu 2011).
2.7.4 Create Shareholder Strategy

One of the strategic options for small business stability is creating a shareholder strategy which plays a very important role in achieving business sustainability. Shareholders or stockholders are those individuals who hold a share in, or own a percentage of a business. In big businesses, shareholders may be the public and governments that basically put in money for future surpluses and for the possibility of increasing the value of their shares, but in small businesses they may be the people who started the business or who have a more personal share in it.

The general idea of creating a shareholder strategy is to help with developing an alternative business future in terms of maximizing the company’s long-term profit and also provide greater flexibility in setting goals aside from making profit (Pitman 2003). In considering the needs of shareholders, the business should be concerned with implementing its strategy rather than simply formulating it; a shareholder strategy may hold one of the key (Fifield 2007).

2.7.5 Business Strategy Formulation

Strategic formulating has long been used successfully by large businesses to manage uncertainties and for better positioning for long-term growth and profitability. In the world of the small business, strategy may be much less formal in its nature; at the extreme, the small owner-managed business may have an implicit rather than an explicitly stated strategy (Lobontiu 2002).

Business strategy formulation is the process of establishing the business's mission, goal and objectives, and choosing among alternative strategies. Strategic formulation, according to Kroon (1993), makes it possible to lead the business continuously, considering the business's situation (strengths and weaknesses) and the external environment (opportunities and threats), and to develop the market with the greatest possibilities for the effective presentation and the profitable sale of a product or service. The quality of business strategy formulation and the entire plan can be assessed by a SWOT analysis. One of the most broadly used strategic formulating tools is environmental analysis or a SWOT analysis (Hatten 2012). The majority of businesses use, in one form or another, SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis as a basic guide for strategic formulating. A SWOT analysis is important to small business because they have fewer resources to risk. However, SWOT analyses, in the first instance, involve an in-depth assessment of the business and its internal environment, identifying and reviewing relevant factors as either strengths or weaknesses.
In addition, the business must determine its external environment by defining its opportunities and threats (Reference for business 2015). According to Scarborough, et al. (2009), strengths are positive internal factors that contribute to the achievement of business missions, goals and objectives. In contrast, weaknesses are internal factors that reduce or stop the achievement of its mission, goals, and objectives. On the other hand, opportunities are external factors that may be of benefit to the business in the future. Threats are also external factors that may be blockages to achieve the business goals. They are generally factors which are out of the control of business owner-managers and they include: a change in interest rates, new government regulations and a competitor’s new product or service.

**Figure 2.5: SWOT analysis**

According to Mazzarol (2004), strategic formulation within the small business requires the owner-manager to have a clear sense of where both they and their business are going, and the capacity to maintain that focus and direction in the face of external challenges and the attraction of new opportunities. A common problem facing small businesses is the risk of strategic formulation. This happens when an opportunity presents itself and the desire to grab it is too strong for the owner-manager to ignore. Although the ability to identify and pursue opportunities is fundamental to the success of small business, the danger is that they go too far for their limited resources so risk failure. Owner/managers must therefore make the right choices about what opportunities to engage in and what to ignore. Once the owner/manager is able to clearly identify what their long-term focus and direction is they can begin to develop strategic plans.

Many studies indicate that there is a positive relationship between small business performance and its strategic formulating. Schwenk and Shrader (1993) proved that by establishing a relationship between strategic formulating and the success rate and performance of small businesses. Some other studies support this perspective. For example, Perry (2001, pp. 206) found that successful businesses did more formulating than unsuccessful Joyce, et al. (1996, p.57) businesses concluded that small businesses that engage in strategic formulating are more effective than those that do not.

By formulating a proper strategy, a small business can make the most use of its advantages while restraining its weaknesses. However, such a process is not simple. According to Heinz W (1982, pp. 59) “Presently most businesses small or large engage in strategic formulating, although the degrees of sophistication and formality vary considerably”. Conceptually, strategic formulating is deceptively simple: analyse the current and forecast future situation, determine the direction of the business and develop the means for achieving the mission. But he further argues that the practical process is extremely complex and hence demands a systematic approach for identifying and analysing factors external to the organisation and matching them with the businesses capabilities

Small businesses, just like large businesses, operate in a complicated environment. Sets of factors, such as government regulation, suppliers, customers, and competitors have either direct or indirect impacts on small business performance. When making small business strategy, these factors have to be taken into consideration. The business needs to finds alternative strategies and action plans to avoid or reduce their potential impact.

However, all of these factors should be assessed and weighted to determine their comparative position in order to deliver the business with the most effective strategic plan. More precaution can be taken to ensure that the means of obtaining information does not breach the law (Flavel and Williams 1996).
2.7.6 Strategy Implementation

Most leaders/managers know more about developing strategy than they know about executing it. Formulating strategy is difficult. Making strategy work, executing or implementing throughout the organisation, is even more difficult. Without effective implementation, no business strategy can succeed (Hrebiniak 2006).

Implementation is hard because it creates conflict and it is time-consuming. The conflict comes from the fact that strategy change normally is not welcomed by everyone. There are always some people who see change as either inappropriate or threatening and resist. That makes moving businesses in a new direction difficult (Lasher 1999). Hill and Jones (2009) suggest that strategy implementation is all about putting the strategy into successful action to reach the business objective.

Strategy implementation involves many different issues that influence the success of strategy implementation. These include: the sales areas, closing facilities, recruitment of new employees, changing company pricing strategy, developing financial budgets, developing new employee benefits, establishing cost-control procedures, changing advertising strategy, building new facilities, training new employees, and building a better information system (David 2011). On the other hand, Abitona (2015) explains that strategy implementation is involved with making a selection of managerial decisions such as the type of organisational structure, the type and source of information systems, leadership and the type of control mechanisms.

However, in a proper strategy process, strategy implementation would be carried out only after a business has collected adequate information on its internal and external environments that includes strategy evaluation and selection processes. In order to implement an effective strategy, the business will need to find out how to resource it. In other words, the required finance, human resources, technology, equipment and buildings must be available.

Additionally, it needs the right leaders in superior and responsible positions to run the strategy smoothly and effectively. They must consider physical, financial and human resources. Without the resources required, no business strategic plans can be put into action (Chand 2015). Finally, once created implemented analysis of the strategy is required to check its effectiveness and to make any alterations if it is necessary to maintain goals (Campbell, et al. 2002).
2.7.7 Strategy Evaluation and Control

The last step in strategic management is strategy evaluation and control, which is concerned with the evaluation systems that are in place to keep the business on the right track and ensure the operation of strategic planning to effectively achieve the business objectives (Abitona 2015). According to Barnat (2014), the primary strategy evaluation and control activities include: assessing internal and external factors that are the sources for contemporary strategies, measuring performance, and taking corrective actions. Such strategic evaluation and control systems allow strategists to adjust strategic plans accordingly. At this point in the process they must examine alternative strategies in a number of different conditions in order to rank options in terms of advantages, and finally choose one or more for implementation and execution.

2.8 Training and Development

Collins and McLaughlin (1996) write that training and development is a means of helping employees to improve job performance and meet high standards of effectiveness. Storey and Greene (2010) highlight that setting up staff training has the ability to provide comprehensive benefits to both employees and employers. The purpose of training and development is to improve outcomes for the individual as well as the company by building up a sufficient amount of employee capability and experience. In fact, training and development is a part of the human resource management strategy (HRM) which can help employees handle anticipated change, both internal and external to the firm (Collins and McLaughlin 1996).

HRM will be involved either in conducting training or in working with appropriate consultants to offer training (Rees and Porter 2008). There are different ways in which training and development needs can be addressed. However, from the content point of view, types of organisational training and development programs (Bartol, et al. 1995).

In small business operations, training and development depends on the type of job and its skill requirement. The owner-managers have the ability to maintain a special strategic direction by managing available resources and at the same time bringing their managerial arrangement into alignment (Mazzarol and Reboud 2009). In general terms, several training and development methods are available in the small business environment, such as formal education, conferences, and lectures. However, on-the-job-training is the most practical and most common of all methods which is used in small businesses.
In fact, many small businesses do not pay much attention to providing training for employees due to the costs of time and money. According to Hiscox (2013), an entrepreneurial trends review showed that 55% of small firms provided no training at all during the year. It is possible for small businesses to offer ongoing training without going over the budget. Spending on staff training can lead to higher productivity and better staff engagement; both enlarge advantages for the business. Similarly, not providing training can result in a significant problem. For instance, accidents can happen as a result of insufficient awareness of health and safety or Occupational Safety and Health Administration (OSHA) procedures (Warren 2014).

It is essential for any business, whether small or large, to motivate and engage its employees, and providing a training programme is a powerful way of doing so. A good professional development and training system developed by small business will be able to: anticipate skill needs, offer more scope for creativity and satisfaction at work, increase productivity and economic growth, and contribute to boosting future innovation and development (International Labour Office 2010). In order to achieve business competition, an employee should be updated with the right kind of skills, knowledge and ability to increase the productivity and quality of their work.

Therefore, providing a continuous training programme is essential for small business and will benefit both the business as a whole and the individual employee in terms of increased productivity, increased ability to adopt new technologies and methods, better motivation and morale, and a lower employee turnover rate.

2.9 Summary

Chapter two reviewed a collection of theories and studies in order to understand the key concepts of this research. The overview of management theories was discussed in the first section of this chapter in order to simplify the definition and the highlight the significant roles of management and the associated responsibilities such as planning, organising, leading and controlling in the businesses, particularly in small auto WOF providers business. It also covered a number of interpersonal, informational and decisional roles as well.

The second section emphasised the theory of small business and important issues including the fact that small business makes a significant contribution to the New Zealand economy. In addition, small businesses are in many ways encouraged to be innovative and create essential job opportunities.
The third section presented the concept of sustainability (change management) based on a theory of change and resolution. This encompassed the changing concept of the business taking the right steps toward solving a problem using the particular skills appropriate to the situation.

The fourth section covered the basic strategic management process which included: marketing strategy, business strategy, strategy formulation, strategy implementation, and strategy evaluation and control. Strategy is potentially a very powerful tool for coping with the conditions of change which surround businesses today. These tools offer significant help for coping with the challenge of instability faced by business.

The final section introduced training and development. The general idea of training and development is to expand the knowledge base of all employees, especially in small business. Employees need regular training in terms of building up to a better performance so ensuring ongoing skill development is vital within the business. Therefore, small business owners/managers should encourage staff members by providing a quality training and development plan.

Chapter Three reviews research methodology and describes that which is applied in this thesis.
Chapter Three: Research Methodology

3.1 Introduction
This chapter primarily addresses research paradigms and explains the research methods adopted for the thesis. The chapter starts by exploring the literature on methodology and research paradigm supporting this research. It then discusses the two main research methods which are qualitative and quantitative. However, the quantitative method is considered to be more appropriate for this research. The chapter also discusses the data collection methods, target population and sample size. It is based on research tools such as the questionnaire survey, and explains the characteristics and advantages of using a questionnaire as the research tool. Lastly, this chapter describes the purpose of data analysis and the commonly used statistical software package SPSS, and explores data analysis methods that are used subsequently in the research, highlighting validity and ethical considerations.

3.2 Methodology
3.2.1 Research Methodology
Commonly research has been considered as the creation of realistic, objective knowledge, following a scientific method. From what is exhibited as data, facts, and the final evidence of reality, it is possible to develop a reasonable research conclusion in the form of solutions toward the concerned problem (Alvesson and Skoldberg 2003). Walliman (2011) explains that research is a word used for any kind of investigation that is planned to reveal interesting or new facts. Generally, research methods can be classified in various ways; however one of the most common distinctions is between qualitative and quantitative research methods.

Thomas (2010) describes how all research is either quantitative or qualitative and is based on original assumptions which establish which research and research methods are appropriate. In order to conduct and evaluate any research, it is therefore important to know what these assumptions are. Research methodology is a systematic way to solve a problem and use the information about a specific area. In addition, it is very important for a researcher to design a methodology for the problem selected (Rajasekar, et al. 2013). In this study, the methodology indicates how the investigation has been conducted and its logical order. The main focus of this research is the new WOF inspections regulations impact on management of small automotive businesses doing WOF inspection in New Zealand. The selected research approach is the quantitative method.
3.2.2 Research Paradigm

The word ‘paradigm’ is originally from the Greek word paradeigma which means ‘pattern’ and was first used by Thomas Kuhn (1962) in his book to refer to a theoretical framework shared by a society of scientists which provided them with an appropriate model for assessing problems and coming up with the solutions. According to Thomas (2010), the term ‘paradigm’ refers to a research culture with a set of beliefs, values, and assumptions that a society of researchers shares about the nature and conduct of research. A paradigm therefore indicates a pattern, structure and framework or system of scientific and academic thoughts, values and norms (Olsen, Lodwick, & Dunlop, 1992, p.16).

Alternatively, Mackenzie and Knipe (2006) provide a definition of ‘paradigm’ which includes three elements: a belief about the nature of knowledge, a methodology and criteria for validity. Quantitative research was a very well-known research paradigm in educational research until the early 1980s, when the paradigm disagreement between the researchers of quantitative and qualitative research reached its highest level (Guba and Lincoln 1994). During the 1980s, several quantitative and qualitative researchers argued that their respective method was superior or perfect. Some of these researchers were conservatives. In other words, they argued that the two methods could not be used together because of differences in the world views or philosophies associated with the two methods.

Bryman (2001) suggests that the difference between qualitative and quantitative research angles is truly a technical matter, but that making a choice between them is to do with their appropriateness in answering specific research questions. This belief is the basis of a paradigm known as 'positivism', which was the main influence in social research throughout the twentieth century and which has been interpreted in several ways by social researchers (Ritchle and Lewvis 2003).

The positivist approach comes from the scientific tradition and is essentially logic which lays emphasis on the fact-based approach to studying social phenomena; it gives significance to research methods focusing on quantitative analysis, surveys, experiments Nirod (2005); Curwin and Slater (2008). This research will be using the positive paradigm method. According to Weaver and Olson (2006), the quantitative methodology shares its philosophical foundation with the positivist paradigm.

The purpose of the positivist paradigm is to describe the understanding in the form of generalisation, and positivism can be identified by scientific research that involves tests of hypotheses, manipulation and active observation of occurrences. Hence, the dominant methodological approaches are based on measurement of quantitative data.
3.2.3. Qualitative Approach

Qualitative methods are ways of collecting data which are involved with explaining in detail rather than numerical data or statistical implications. Bryman and Bell (2007) state that the qualitative approach emphasises the study of some perspectives of social life, feelings, opinions, and experiences of individuals. Therefore, it helps to improve further knowledge of human life and society’s perceptions.

According to Flick (2009), the principal ideas of a qualitative approach are: the correct choice of the right method and the identification of different points of view; the researcher’s idea about their research on understanding complex social process; and to capture crucial aspects of fact. Sutherland and Canwell (2008) mentions that qualitative research is mostly done with a small number of people and so the research can be carried out by in-depth interviews with face-to-face knowledge of individuals and social groups in their natural setting.

This approach is mostly used to provide further description of methods, beliefs and knowledge related to particular issues. However, the discovery from this kind of research cannot be generalised to the whole population since there are a reasonably small amount of people who participate in the research. Sutherland and Canwell (2008) add that the method is very important for identifying customers’ views, opinions, attitudes and their choices in making decisions about purchasing a product.

The main strength of qualitative research is the ability to generate insights, clarify business problems and gain a more in-depth understanding about how consumers feel about an issue. Generally, both qualitative and quantitative approaches are equally important in their particular area. However, this research applies quantitative methods rather than qualitative methods in order to get a better evaluation process of the issues central to the research aim.

3.2.4 Quantitative Approach

Sukamolson (2012) describes the quantitative approach as being all about expressing phenomena by gathering relevant data, and then analysing that data by using scientific methods, which gives a number of insights from a statistical and numerical perspective. Commonly, quantitative research uses questionnaires and survey data-collecting techniques.
This approach also uses structured research sets of questions which are the respondent’s selection from a multiple choice of questions which are set to be answered on a scale to reflect the extent of agreement or disagreement. The answers can be focused on strong points of feeling, such as ‘strongly agree, ‘disagree’, or number scores, such as lower or higher ranges 1 to 10. Moreover, in quantitative research, it is common to use graphs, diagrams, charts, and other non-textual elements to help the reader to understand the data. The advantage of the quantitative approach is that it is quite flexible in terms of doing research such as via post, online or over the phone.

As noted by Babbie (2010), quantitative research can be categorised as either descriptive or experimental research. The use of descriptive research enables one to become more familiar with phenomena, to gain new ideas, and to express a more specific research problem or hypothesis. The research may include a sample population of hundreds or thousands of subjects to ensure that a valid estimate of a simplified relationship between variables has been obtained.

On the other hand, the purpose of using experimental research is to test cause and affect associations among variables. An experimental design includes subjects measured before and after a specific conduct, the sample population may be very small and randomly selected, and it is planned to create a connection between variables.

The quantitative approach is totally different from the qualitative approach in several ways. According to Wyse (2011), the qualitative approach focuses on discovering characteristics of people’s thoughts and opinions regarding situations and using different data collection methods which deploy unstructured or semi-structured techniques. These common techniques include focus groups (group discussions), individual interviews, and participation or observations. The sample size is typically small, and respondents are selected to suit a given proportion.

In contrast, the quantitative approach focuses on quantification of the problem by means of using statistical data or data that can be converted into useable information. It is used to quantify attitudes, opinions, behaviours, performances, and other defined variables and simplify results from a vast sample population. Moreover, quantitative data collection methods are much more structured and more objective, and produce more accurate information than qualitative data collection methods. Hughes (2006) suggests that the qualitative approach is harder, more stressful and more time-consuming than the quantitative approach.
3.2.5 Rationale for Quantitative Approach to Research

According to Morris and Burkett (2011) the quantitative methodology shares its philosophical basis with the positivist paradigm. The purpose of positivism is to describe the understanding in the form of generalisation; positivism is linked to scientific research and involves the testing of hypotheses, manipulation and active observation of occurrences. Hence, the dominant methodological approaches are based on measurement of quantitative data.

A quantitative method is used in this research. Quantitative research places an emphasis on numbers and rigorous mathematical analysis and usually involves questions with defined response formats (Hair 2008). This method has been used broadly by researchers in different areas including automotive engineering. In contemporary days, quantitative research is normally related with surveys and experiments and is still considered the backbone of the research industry for collecting data (Shukal 2008). The principal reasons for the use of the quantitative method contains testing hypotheses, examining cause and effects and making predictions (Taylor 2005).

Hall (2013) states that the quantitative approach handles information by collecting numerical data and converting that data into figures and numbers to draw out the extra meaning. Shukal (2008) pointed out further that the quantitative approach offers opinions relating to relationships between phenomena. There are a significant numbers of Warrant of Fitness (WOF) stations in the Auckland region; this has an influence on the sample size. There is a need consider the vast number of different business activities outside of Warrant of Fitness (WOF) income. Due to a large sample size and dealing with numerical difficulties, quantitative research provides advantages in terms of simplification, reliability, and validity. In other words, quantitative research can constantly produce data that is projectable to a large population (Answers Research Inc 2011). This research developed a quantitative approach to collect the data from a large number of WOF inspection providers (small garages) in New Zealand. Therefore, the data can provide a suitable number of responses to make sure there is sufficient data in order to answer the research objectives.

3.3 Data Collection

Data is simply something we collect and analyse in order to reach a research conclusion. There are many methods of data collection for research purposes. Bloch, et al. (2011) mention that generally data collection tools are divided into three broad categories: self-completed questionnaires, interviews and observation schedules.
This research applies structured mail survey questionnaires to collect the data from participant workshops. The advantage of this method is that it gives greater privacy for respondents as well as the fact that the questionnaire can be completed at the respondent’s convenience. Additionally, mail survey questionnaires have the ability to reach respondents who live at widely dispersed addresses or abroad. Furthermore, due to the nature of the business being hands-on potential respondents will most probably be reluctant to complete an electronic survey. Therefore, mailed survey was chosen as the means to obtained data. The target population of this research is selected in accordance with the selection criteria of being any small to medium warrant of fitness provider organisation in the Auckland metropolitan region which has less than 20 employees. These potential participants are owners, managers, supervisors, or technicians who have New Zealand current warrant of fitness inspection licenses and have worked as inspectors for over one year in the industry. In other words, inspectors that have been working for less than one year are assumed not to be able to provide relevant information to the researcher. Therefore, the participants are considered able to provide relevant information about the management impact of the new warrant of fitness (WOF) regulations on small workshop businesses in New Zealand.

The sample size of this research consists of 100 respondents. This number may be not be large enough, compared to the size of WOF inspection provider companies in New Zealand, which are small businesses from various automotive business sectors. However, this sample size should be appropriate for the analysis of data and to create findings. Blaikie (2003) asserts that bigger sample sizes are better because they more reliably reflect the population mean. However, increasing the sample size will create more complexity, is time consuming, entails a great deal of expense and multi-layered analysis would be required. In addition, beyond cost and time limitations, the researcher employs a non-probability sampling method by randomly selecting small Warrant of Fitness (WOF) inspection provider businesses in New Zealand and mailed the survey questionnaires to these businesses.

### 3.4 Questionnaire

Questionnaires are very important tools for survey research to collect the data. Survey research has derived significant reliability from its well-known recognition and use in academic institutions. Survey questionnaire research involves seeking self-reported information from people about themselves (Bryman 2012). The fundamental goal of a survey questionnaire is to allow researchers to collect the data from the participants and converted into computer decipherable data for statistical analysis and research (Rea and Parker 2005).
Normally, the survey questionnaire exposes all respondents to precisely the same question wording. However, researchers have developed very clear and simple language in terms of choice of words which can be easily understood in the correct manner by respondents. According to Rea and Parker (2005), a well-designed questionnaire will help in increasing the willingness of respondents and will also encourage them to complete the questionnaire as accurately as possible. Importantly, the format and layout of questionnaires should strongly connect to the objectives of the research and the questions should cover all matters in order to get the full data for analysis.

For this reason, this research uses self-completion questionnaires or postal questionnaires as research tools due to their many advantages, such as the fact that they are easy to distribute broadly in very large quantities at the same time which cuts research operational costs. The self-completion questionnaire provides the data that was gathered from respondents. This is then changed over into computer readable data for statistical analysis and research. The questionnaire took about 15 minutes to complete, and contained 11 questions. In this regard, the questionnaires are more convenient to manage and cause less distraction for respondents. Based on the ideas about creating significant questionnaires, this research has carefully designed the questions to make sure that the collected data can answer and meet the primary objectives of the research and validate these main questions.

3.5 Data Analysis

Data analysis is the process of changing data into information. The main purpose of data analysis is to filter potentially large amounts of data into forms that are more easily managed and understood, and that also reject data that is not appropriate in the context of the research project (Lancaster 2005). This research emphasises quantitative analysis approaches that can be applied to quantitative data. After compiling a suitable questionnaire, the researcher used it to undertake the collection of the data for analysis. Data analysis turns the data collected from respondents into information that will be useful in decision making. All data that was collected through the questionnaire was clarified by using IBM Statistical Package for Social Science (SPSS). SPSS is one of the most used statistical software package (Shukal 2008). This research is used SPSS software since it is appropriate for analysing multi-dimensional samples and can manage data effectively (Oliver 2010).

Quantitative analysis methods assist the researchers to investigate, describe and present in a number of ways such as charts, graphs and statistics. These graphical reports make it easier to
describe the data and also help the information users to quickly grasp the essence of the information in the research project (Hair 2008). According to Blaikie (2003), there are different kinds of data analysis methods which are used to describe the characteristics of the research. These analysis methods are described below.

Univariate analysis is used for the purpose of working with a simple form of data analysis, which means in cases the data have only one single variable with no other contributing variables. Most of the time, univariate analysis is used for descriptive purpose or attribute varies, such as describing the frequency of each variable in ratio through a frequency table (Payne n.d). A frequency table is a table that displays the entire set of members in a group or each category of data. It is the best method for analysing statistical data such as nominal and ordinal values.

This method presents data in such a way that it makes patterns and is simpler to read. Additionally, it helps the information user to quickly grasp the essence of the information developed in the research (Hair 2008). Frequency analysis is used to forecast how often certain values of a variable phenomenon may happen and to assess the consistency of the forecast. Moreover, this method can be used to present data such as bar graphs, histograms and line graph.

Bivariate analysis is involved with the analysis of relationships between two variables, or for determining the relationship between the two variables whether related or not and to test an hypothesis (Bryman 2012). Normally, relationships or patterns are analysed by determining the extent to which the position of objects or persons on one variable are to be considered with their position on another variable. There are different kind of methods available for analysing the relationships, depending on the nature of the variables. For example, cross-tabulation allows the researcher to compare two or more groups. These groups are defined by the categories of variables and these groups are compared in terms of their respective frequency distributions across the categories of another variable. By comparing differences in these frequency distributions, researchers can discover whether exists between the two variables (Wyse 2012).

Multivariate analysis is used when analysing more than one variable at the same time. This kind of data-analysis technique is very common in quantitative research methods. However, the multivariate analysis technique is more complicated than univariate and bivariate analysis techniques in terms of interpreting the data. Therefore, it needs some statistics knowledge or skill to interpret the data results correctly.

This data analysis method is very professional and provides accuracy estimate result in order to support any decision making. This data analysis technique deals with testing false relationships among variables, finding intervening variables, and realising moderated relationships between
variables (Bryman 2012). The general multivariate analytical techniques can be used to test the relationship between variables which are included: multiple regression, ANOVA, factor analysis, and correlation (Research Optimus 2014). This research project is using frequency, cross-tabulation, chi-square test, and t-test. The outcomes give evidence for further discussion, which is significant for the achievement of this research.

**Frequencies**

Frequency is the most common statistical technique for analysing data. This method presents data in a way that makes patterns easier to read. Additionally, it helps the information user to quickly grasp the essence of the information developed in the research (Hiair 2008). Frequency analysis is used to forecast how often certain values of a variable phenomenon may occur and to assess the consistency of the forecast. This method can be used to present data in a number of ways, such as bar graphs, histograms and line graphs. The choices of using different graphic representation depend on the type of data collection and the objectives that the researcher wants to emphasize or explain.

**Cross-tabulation**

Cross-tabulation allows a researcher to compare two or more groups. These groups are defined by the categories of a variable and these groups are compared in terms of their respective frequency distributions across the categories of another variable. By comparing differences in these frequency distributions, researchers can discover whether or not a relationship exists between the two variables (Rea and Parker 2005).

**Chi-square test**

Chi-square test analyses are generally used to make suggestions when the data are categorical. In other words, this means measuring participants in terms of categories such as male or female. The Chi-square test can help the researcher to determine whether a relationship exists between two or more categorical variables, or whether the categories obtained from one sample of individuals are similar to the categories obtained from another sample (Rea and Parker 2005).

**Correlation**

Correlation involves measuring the strength of the relation between two variables. This research method allows the researchers to observe and understand the relation between variables that are related to each other. The relation between variables is dependent or independent. The relationship between variables is dependent if one or more variables are assumed to be determined by another
set of variables. In other word, there is a casual link between the variables. The relationship between variables is independent if we assume that several variables are relevant to a particular situation without being a causal relationship. In other word, the variables are analysed simultaneously. This method allows researchers to make predictions from one variable to another with a certain degree of accuracy (Settle 2004).

T- Test

The t-test is probably the most commonly used in SPSS statistical data analysis. In fact, there are several kinds of t-tests used for data analysis purposes, but the most commonly used in data analysis is known as the independent samples t-test. T-test statistical significance indicates whether or not the difference between two groups’ averages most likely reflects a “true” difference in the population from which the groups were sampled. Therefore, the researcher is able to evaluate the means of two related groups to find whether or not there are any statistically significant differences between these means (Lund Research Ltd 2013).

3.6 Validity of Results

Validity is the truthful measuring instrument of data. In other words, the appropriateness, effectiveness, and meaningfulness of the particular conclusions made from the data test results. Validity gives some signal of how well a test measures in a particular area, under certain conditions and with a given group. Conclusions need to be justified from what was found, and need to accurately reflect what was being studied (O’leary 2004).

Moskal, et al. (2002) defined validity as “the degree to which the evidence supports that the interpretations of the data are correct and the manner in which interpretations used are appropriate”. According to Bryman (2012), there is a clear relationship between the reality that is studied and the reality that is reported, with a correlation between the conceptual frameworks, questions asked, and findings evident.

Validity is commonly used in quantitative research in order to validate the research results. As a process, validation involves gathering and evaluating data to assess the accuracy of an instrument. The most important part is knowing how the outcomes are to be used and the way those outcomes impact on the business, employees, employers, and society as a whole.
3.7 Ethical Considerations

Ethical behaviour is as important in research as any other field of human activity. Certain ethical considerations, concerned with such matters as plagiarism and honesty in reporting of results, arise in all research. Generally, doing research can give rise to ethical issues, but many of these ethical issues are not clear (Ang 2014). There are many ethical issues to be taken into serious consideration for research. At a matter of fact, research that involves human subjects or participants raises unique and complex ethical, legal, social and political issues.

According to Lancaster (2005), ethical issues in research contain a set of morals and values for conducting and using research and researchers must be careful not to breach these. The conduct of research therefore must conform to a set of ethical codes or values. The general principles usually stated in code of research ethics are, first, that no harm should befall the research subjects, and second, that subjects should take part freely, based on informal permission (David and Resnik 2011).

As mentioned previously, behaving ethically is not simply a matter of complying with law and regulation. Ethics are concerned with the development of moral standards by which situations can be judged. They focus on those situations in which there can be actual or potential harm of some kind (for example, economic, physical, or mental) to an individual or group (Malhotra 2012).

This research focuses on small businesses which provide warrant of fitness inspection services in general rather than concentrating on any individual ethnic group or nationality. The researcher is aware of the importance of ethical issues in carrying out this research. This research project has been directed under the Unitec Research Ethics Committee guidelines. This research has been approved by the UNITEC Research Ethics Committee from 28/5/2015 to 28/5/2016 and the registration number is 2015-1025.

This research respects issues of privacy, people’s values, cultural and social sensitivity, and honesty, which are all things that need to be taken into account. This research maintains confidentiality and is organised in terms of looking after participants’ privileges and confidentiality. The names of workshops and participants involved in the survey remain confidential in the writing of the thesis and its report. In addition, the information that the participants deliver was treated confidentially. This technique saves the companies’ confidential information from harm, in terms of business security, by not being released for the period of the research.
Finally, this research was carried out truly and legitimately by collecting correct data which is carefully held so as not to be misplaced. The data collected is essentially for the purpose of doing the research, and the researcher takes responsibility for delivering accurate data analysis which finally contributes to the accuracy of the discoveries.

The data collection process took approximately four months from 01/06/2015 to 01/10/2015. The questionnaires were distributed via mail for voluntary participants. The target population of this research was selected in accordance with the selection criteria being small to medium warrant of fitness provider organisations in the Auckland metropolitan region which have less than 20 employees.

These potential participants are owners, managers, supervisors, or technicians who have worked as inspectors for over one year in the industry. This research study is performed by applying quantitative research methods and survey questionnaires as data collecting techniques. One hundred authorised WOF inspectors were selected as the participants for this project.

3.8 Summary

In summary, this chapter explained the entire research procedure ranging from the details as to how the researcher observed the research facts that led to the selection of a research paradigm, to showing the quality of the research project. This chapter primarily explained the methodology and research paradigm supporting this research study and it then described the general theory of both qualitative and quantitative research methods in order to create understanding of the subject being examined. The paradigm indicated to the researcher that the quantitative research method would be the most appropriate for generating objective findings.

This research used the questionnaire survey as a tool for the data gathering process due to its advantages over other methods. Additionally, the chapter highlighted the participants’ selection procedure, including data collection tools, and data analysis methods, validity and ethical considerations. It was explained how the unprocessed data from questionnaires is changed into statistical data and entered into SPSS software to process and analyse. After all these data analysis processes, the researcher outlined how the study applied the essential steps of the procedure to measure and ensure the reliability of the research.

In Chapter four, the researcher employs SPSS software to produce the numerical results for examination and analysis in addition to testing hypotheses that are based on the principal research question and sub-questions.
Chapter Four: Findings

4.1 Introduction

Chapter four sets out the analysis of data gathered from participants by utilising SPSS software to generate statistical outcomes that are essential to the explanation of the discoveries. The analysis process takes a step-by-step approach, sequentially answering the research questions. The material covers the new Warrant of Fitness (WOF) regulation impact on motor vehicle inspection industries: the respondents’ opinions regarding the new way of generating business; strategies including alternative business options and work flexibility; the size of the business which is under small business categories; work experiences in the vehicle inspection industry; and the role of the respondents who are currently working in the organisation.

Additionally, this chapter focuses on drawing from the findings issues regarding improving skills and knowledge in terms of achieving a future business continuity strategy plan as observed by respondents. This analytical research is essential for the researcher to be able to deliver the answers to the principal research question and sub-questions, to identify relationships between survey variables, and address whether or not data samples can be used to represent facts about general WOF inspections provided by the sample.

4.2 Survey Results and Findings

In this research, 100 useable responses were obtained. The first part of the research questionnaire, questions 1 to 7, were designed to understand the opinions of respondents or employees about the new WOF inspection regulations impact on the business as well as on their jobs. It was also intended to elicit employees’ opinions regarding finding new ways to generate business. This section observes how respondents compared the current work activity to the previous years’ activity in terms of business satisfaction.

At the same time, the researcher examines the idea of respondents regarding the future flexible working environment which involves new alternative business operations outside the workshop area. In addition, the researcher focuses on the available opportunities for improving skills and knowledge in terms of achieving a future business continuity strategy plan. The results are based on numerical data analysis which provides more information to the main research question and sub-questions.
In the second part of the research questionnaire, comprising questions 8 to 11, respondents were asked about their employment status in terms of whether a full-time or part-time employee in the firm. Based on the questions this section also identifies the number of employees working in the firm as well as their work experience in terms of how long they have been working as WOF inspectors in the company. Finally, the researcher distinguishes employee roles in that particular company.

4.2.1 Question One

The respondents were asked about whether or not the new warrant of fitness regulations affects the motor vehicle inspection industry negatively, and the findings are shown in Table 4.1.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>40</td>
<td>40.0</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Agree</td>
<td>32</td>
<td>32.0</td>
<td>32.0</td>
<td>72.0</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>12</td>
<td>12.0</td>
<td>12.0</td>
<td>84.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>12</td>
<td>12.0</td>
<td>12.0</td>
<td>96.0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>4</td>
<td>4.0</td>
<td>4.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The responses to this question are represented in Table 4.1, where it is revealed that most of respondents expressed the opinion that the new WOF regulations affected the motor vehicle industry negatively. The result shows that 40% of respondents strongly agreed that the new WOF regulation affected the motor vehicle industry negatively, and 32% of them agreed. Notably, 12% of them remained in the middle (neutral) and 16% of respondents are disagreed.
4.2.2 Question Two

The respondents were asked about their current job satisfaction after the new WOF regulations were implemented.

Table 4.2 Current job satisfaction after the new WOF inspection regulations were implemented

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely satisfied</td>
<td>5</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Moderately satisfied</td>
<td>16</td>
<td>16.0</td>
<td>16.0</td>
<td>21.0</td>
</tr>
<tr>
<td>Slightly satisfied</td>
<td>12</td>
<td>12.0</td>
<td>12.0</td>
<td>33.0</td>
</tr>
<tr>
<td>Neither satisfied nor dissatisfied</td>
<td>11</td>
<td>11.0</td>
<td>11.0</td>
<td>44.0</td>
</tr>
<tr>
<td>Slightly dissatisfied</td>
<td>18</td>
<td>18.0</td>
<td>18.0</td>
<td>62.0</td>
</tr>
<tr>
<td>Moderately dissatisfied</td>
<td>28</td>
<td>28.0</td>
<td>28.0</td>
<td>90.0</td>
</tr>
<tr>
<td>Extremely dissatisfied</td>
<td>10</td>
<td>10.0</td>
<td>10.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The result shown in Table 4.2 reveals that more than half of the respondents stated their satisfaction with their current job even after new WOF inspection regulations were implemented: 16% were moderately satisfied, 12% slightly satisfied and 5% extremely satisfied giving a total of 33%. On the other hand, there are large numbers of respondents who indicated that they are not absolutely satisfied with their current job after the new WOF regulations. Respondents who are in the middle regarding current job satisfaction are at 11%, and those who expressed dissatisfaction with their current job after the new regulation was implemented range from 28% moderately dissatisfied, 18% slightly dissatisfied, and 10% extremely dissatisfied. This totalled 56%.
4.2.3 *Question Three*

The respondents were asked about whether or not the business will have to find new ways of generating business, and the responses are illustrated in Table 4.3.

**Table 4.3 The business will have to find new ways to generate business**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Most unlikely</td>
<td>15</td>
<td>15.0</td>
<td>15.0</td>
<td>15.0</td>
</tr>
<tr>
<td>Valid Quite unlikely</td>
<td>22</td>
<td>22.0</td>
<td>22.0</td>
<td>37.0</td>
</tr>
<tr>
<td>Valid Likely</td>
<td>32</td>
<td>32.0</td>
<td>32.0</td>
<td>69.0</td>
</tr>
<tr>
<td>Valid Quite likely</td>
<td>17</td>
<td>17.0</td>
<td>17.0</td>
<td>86.0</td>
</tr>
<tr>
<td>Valid Most likely</td>
<td>14</td>
<td>14.0</td>
<td>14.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The results of this question shown in Table 4.3 suggest that the majority of respondents recognised the business needs to find new ways to generate business. Among them, 63% of respondents stated that they see new ways to generate business as an important component to improve business performance. On the other hand, 37% of respondents appear here as not having an interest in or might not consider the idea that businesses will need to find new ways to generate business.
4.2.4 Question Four

The respondents were asked about current work activities compared to the previous years, the findings are shown in the Table 4.4.

Table 4.4 The current activities compared to the previous years

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely satisfied</td>
<td>5</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>Moderately satisfied</td>
<td>14</td>
<td>14.0</td>
<td>14.0</td>
<td>19.0</td>
</tr>
<tr>
<td>Slightly satisfied</td>
<td>18</td>
<td>18.0</td>
<td>18.0</td>
<td>37.0</td>
</tr>
<tr>
<td>Neither satisfied nor dissatisfied</td>
<td>9</td>
<td>9.0</td>
<td>9.0</td>
<td>46.0</td>
</tr>
<tr>
<td>Slightly dissatisfied</td>
<td>26</td>
<td>26.0</td>
<td>26.0</td>
<td>72.0</td>
</tr>
<tr>
<td>Moderately dissatisfied</td>
<td>16</td>
<td>16.0</td>
<td>16.0</td>
<td>88.0</td>
</tr>
<tr>
<td>Extremely dissatisfied</td>
<td>12</td>
<td>12.0</td>
<td>12.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The information presented in Table 4.4 indicates that the respondents in this survey who expressed the view that they are extremely satisfied, moderately satisfied, or slightly satisfied with the current work activities are 5%, 14%, and 18% respectively. Then, those who said they are dissatisfied with current work activities are 54%, and the remaining 9% of respondents are neutral.
4.2.5 Question Five

The respondents were asked their opinion on future flexible work environments, and the findings are displayed in Table 4.5.

Table 4.5 Opinion on future flexible working environment

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly agree</td>
<td>8</td>
<td>8.0</td>
<td>8.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Agree</td>
<td>56</td>
<td>56.0</td>
<td>56.0</td>
<td>64.0</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>21</td>
<td>21.0</td>
<td>21.0</td>
<td>85.0</td>
</tr>
<tr>
<td>Disagree</td>
<td>11</td>
<td>11.0</td>
<td>11.0</td>
<td>96.0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>4</td>
<td>4.0</td>
<td>4.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The results presented in Table 4.5 exhibit that more than half of respondents (56%) said they recognise that a future flexible working environment is important, 8% of respondents suggested that they strongly agree on the need for a future flexible working environment to their workshop, and 21% of them revealed they have a neutral opinion about the importance of a future flexible working environment. However, 11% of respondents show they disagree and 4% of respondents felt future flexible environment is unimportant.
4.2.6 Question Six

The respondents were asked about compliance with new alternative operations outside the workshop area.

Table 4.6 Comply with new alternative business operations outside the workshop area

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely likely</td>
<td>11</td>
<td>11.0</td>
<td>11.0</td>
<td>11.0</td>
</tr>
<tr>
<td>Very likely</td>
<td>42</td>
<td>42.0</td>
<td>42.0</td>
<td>53.0</td>
</tr>
<tr>
<td>Moderately likely</td>
<td>30</td>
<td>30.0</td>
<td>30.0</td>
<td>83.0</td>
</tr>
<tr>
<td>Slightly likely</td>
<td>10</td>
<td>10.0</td>
<td>10.0</td>
<td>93.0</td>
</tr>
<tr>
<td>Not at all likely</td>
<td>7</td>
<td>7.0</td>
<td>7.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

According to the information in Table 4.6, the finding illustrates that the most of the respondents - 42% very likely, 30% moderately likely, 11% extremely likely, and 10% slightly likely - respectively totalling 93% stated able to comply with new alternative business operations outside the workshop area. There is only a small amount of respondents who answered “Not at all likely” at the rate of 7%. The findings in the above Table answer sub-question 4, which indicates the employees have optimistic opinions about whether or not alternative business options can be adopted and implemented to keep the business continuing in the future.
4.2.7 Question Seven

The respondents were asked about the available opportunities for improving their skills and knowledge in terms of achieving the future business continuity strategy plan, and the results are shown in Table 4.7.

Table 4.7 Opportunities for improving skills and knowledge for the future

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extremely satisfied</td>
<td>17</td>
<td>17.0</td>
<td>17.0</td>
<td>17.0</td>
</tr>
<tr>
<td>Moderately satisfied</td>
<td>28</td>
<td>28.0</td>
<td>28.0</td>
<td>45.0</td>
</tr>
<tr>
<td>Slightly satisfied</td>
<td>37</td>
<td>37.0</td>
<td>37.0</td>
<td>82.0</td>
</tr>
<tr>
<td>Neither satisfied nor dissatisfied</td>
<td>8</td>
<td>8.0</td>
<td>8.0</td>
<td>90.0</td>
</tr>
<tr>
<td>Slightly dissatisfied</td>
<td>7</td>
<td>7.0</td>
<td>7.0</td>
<td>97.0</td>
</tr>
<tr>
<td>Moderately dissatisfied</td>
<td>2</td>
<td>2.0</td>
<td>2.0</td>
<td>99.0</td>
</tr>
<tr>
<td>Extremely dissatisfied</td>
<td>1</td>
<td>1.0</td>
<td>1.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.7 illustrates that most of the employees surveyed acknowledged that they need to improve skills and knowledge as a part of a future business strategy. The findings show that 37% of respondents said they are slightly satisfied with the need to improve skills and knowledge as a part of future business strategy, 28% and 17% respectively indicated they are moderately satisfied with the statement. 8% of the respondents chose to remain neutral, and 7%, 2% and 1% respondents stated they are dissatisfied slightly, moderately and extremely, respectively.
4.2.8 Question Eight

The respondents were asked about their employment status, and the findings are illustrated in Figure 4.1 below and are the start of the demographic information pertaining to the survey.

Figure 4.1 Employment Status

The result in Figure 4.1 shows the large proportion of respondents working as full-time employees, which represents 88% of the total figure. Therefore, the research results confirm that most of WOF inspectors are full-time employees and 12% of respondents are part-time employees.
4.2.9 Question Nine

The respondents were asked about the number of warrant of fitness inspectors who are working in the business, and the findings are illustrated in Figure 4.2.

Figure 4.2 Numbers of inspectors are working in the business

In Figure 4.2, the majority of employees working in the business are between 1-5 employees at 87%, and 6-10 at 7%, 11-15 and 16-20 employees at 3%. This finding indicates that most respondents work in the under 5 employee’s small business category.
4.2.10 Question Ten

The respondents were asked about their work experience, and the results are indicated in Figure 4.3.

Figure 4.3 Working period as WOF inspector in this organisation

According to the information in Figure 4.3, 64% of employees have 1-5 years of work experience as WOF inspectors, 20% of employees have 5-10 years of work experience as WOF inspectors, 8% of employees have over 21 years of work experience as WOF inspectors, 7% of employees have 10-15 years of work experience as WOF inspectors, and 1% of employees have 15-20 years of work experience as WOF inspectors.
4.2.11 Question Eleven

The respondents were asked about their role in the firm, and the findings are shown in Table 4.8.

<table>
<thead>
<tr>
<th>Role in this organisation</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager</td>
<td>19</td>
<td>19.0</td>
<td>19.0</td>
<td>19.0</td>
</tr>
<tr>
<td>Supervisor</td>
<td>11</td>
<td>11.0</td>
<td>11.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Inspector</td>
<td>49</td>
<td>49.0</td>
<td>49.0</td>
<td>79.0</td>
</tr>
<tr>
<td>Owner</td>
<td>21</td>
<td>21.0</td>
<td>21.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

In Table 4.8, the results display that the majority of respondents - 49% - are working as inspectors in their company, 21% of respondents are owners of their company, 19% of respondents are working as managers in their company, and 11% of respondents are working as supervisors in their company.
4.3 Hypotheses

This part of the research explains the relevant hypotheses that are correlated to the research objective. The purpose is to achieve the research objectives by producing findings and proof to support the analysis. The hypotheses focus on the main objective which relates to employees’ opinions about the management impact of the new WOF inspection regulations on small WOF inspection providers. The findings support the principal research question and sub-questions, and therefore achieve the research goal. The hypotheses are proved using multiple quantitative analysis techniques that are accessible in SPSS software.

4.3.1 Hypothesis 1

In order to test whether or not the new WOF inspection regulations change does impact on small WOF inspection providers and relate to the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan, a Cross-tabulation method was conducted. The hypotheses in this case are:

H₁a - There is a high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan.

H₁₀ - There is no high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan.
Table 4.9 New WOF regulations affect the motor vehicle inspection industry negatively * the available opportunities for improving skill and knowledge in terms of achieving the future business continuity strategy plan.

<table>
<thead>
<tr>
<th>Available opportunities for improving skill and knowledge in terms of achieving the future business continuity strategy plan</th>
<th>Extremely satisfied</th>
<th>Moderately satisfied</th>
<th>Slightly satisfied</th>
<th>Neutral</th>
<th>Slightly dissatisfied</th>
<th>Moderately dissatisfied</th>
<th>Extremely dissatisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New WOF regulations affect the MVI industry negatively</td>
<td>Strongly agree</td>
<td>8</td>
<td>8</td>
<td>15</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
<td>11</td>
<td>14</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>Neither</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Disagree</td>
<td>0</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>17</td>
<td>28</td>
<td>37</td>
<td>8</td>
<td>7</td>
<td>2</td>
<td>1</td>
<td>100</td>
</tr>
</tbody>
</table>

The results in Table 4.9 illustrate that among the 72 employees who stated they agree that the new WOF regulations affect the motor vehicle inspection industry negatively, on the other hand, there are 60 employees who expressed a belief in the available opportunities for improving skill and knowledge in terms of achieving the future business continuity strategy plan and are satisfied. The other 8 employees expressed dissatisfaction and 4 employees chose to remain neutral.
Table 4.10 Chi-Square Tests Q1 and Q7

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>30.555a</td>
<td>24</td>
<td>.167</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>28.169</td>
<td>24</td>
<td>.253</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.269</td>
<td>1</td>
<td>.604</td>
</tr>
</tbody>
</table>

N of Valid Cases 100

a. 29 cells (82.9%) have expected count less than 5. The minimum expected count is .04.

According to Chi – Square Test 4.10, it can be seen that Pearson Chi – Square and Asymp. Sig. is .167 which is bigger than 0.05. Therefore, it suggests that there is no relation between the new WOF regulations affecting the motor vehicle inspection industry negatively and the available opportunities for improving skill and knowledge in terms of achieving the future business continuity strategy plan. Hence, the finding accept null hypothesis and reject alternative hypothesis.

4.3.2 Hypothesis 2

According to hypotheses 2, to determine that the relationship between an employees’ opinion regarding future flexible working environment and businesses will have to find new ways to generate business, the researcher has developed the following hypothesis.

H2a - There is a relation between employees’ opinions regarding future flexible working environment and that businesses will have find new way to generate business.

H20 - There is no relation between employees’ opinions regarding future flexible working environment and businesses will have find new way to generate business.

- The researcher uses a cross-tabulation approach to analysis the relation between employees’ opinion regarding future flexible working environment and businesses will have find new way generate business. The result is shown as follows:
Table 4.11 Employees’ opinions on future flexible working environment * the business will have to find new ways to generate business Cross-tabulation

<table>
<thead>
<tr>
<th>Future flexible working environment</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neither agree nor disagree</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>The businesses will have to find new ways to generate business</td>
<td>Most unlikely</td>
<td>2</td>
<td>12</td>
<td>1</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Quite unlikely</td>
<td>1</td>
<td>15</td>
<td>4</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>Likely</td>
<td>3</td>
<td>13</td>
<td>12</td>
<td>4</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Quite likely</td>
<td>1</td>
<td>11</td>
<td>2</td>
<td>1</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Most likely</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>56</td>
<td>21</td>
<td>11</td>
<td>4</td>
<td>100</td>
</tr>
</tbody>
</table>

According to Table 4.11, the cross-tab result shows that 64 employees said they believe in future flexible working environments. Among them 56 employees stated their agreement that the businesses will have to find new ways to generate business.
Table 4.12 Chi-Square Tests between Q3 and Q5

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>27.619&lt;sup&gt;a&lt;/sup&gt;</td>
<td>16</td>
<td>.035</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>28.484</td>
<td>16</td>
<td>.028</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>10.252</td>
<td>1</td>
<td>.001</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup> 19 cells (76.0%) have expected count less than 5. The minimum expected count is .56.

Based on Chi-Square Test, on Table 4.12 it can be seen that Pearson Chi-Square and Asymp. Sig. (2-sides) is 0.035 which is less than 0.05. Therefore, it suggests that there is a relation between employees’ opinions regarding future flexible working environment and businesses will have to find new ways to generate business. Therefore, the finding accepts alternative hypothesis and rejects null hypothesis.

> Moreover, the researcher applies correlation analysis to examine the correlation between employees’ opinions on future flexible working environment and the business will have to find new ways to generate business.
According to the result in Table 4.13, there is a reasonable correlation between employees’ opinions on a future flexible working environment and on whether the business will have to find new ways to generate business which is illustrated by the 0.322 figure, and the significant value is 0.001 which is less than 0.05.

> Furthermore, the researcher uses cross-tabulation analysis to find out the relation between job satisfaction after new WOF inspection regulations were implemented and with new alternative business operations outside the workshop area.

---

**Table 4.13 Correlations of employees’ opinions on future flexible working environment and the business will have to find new ways to generate business.**

<table>
<thead>
<tr>
<th></th>
<th>Opinion on future flexible working environment</th>
<th>The business will have to find new ways to generate business</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opinion on future flexible working environment</strong></td>
<td>Pearson Correlation 1</td>
<td>.322**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>100</td>
</tr>
<tr>
<td><strong>The business will have to find new ways to generate business</strong></td>
<td>Pearson Correlation .322**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>100</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).**
**Table 4.14, Opinion on future flexible working environment * New alternative business operations outside the workshop area Cross-tabulation**

<table>
<thead>
<tr>
<th>Opinion on future flexible working environment</th>
<th>Extremely likely</th>
<th>Very likely</th>
<th>Moderately likely</th>
<th>Slightly likely</th>
<th>Not at all likely</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>1</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
<td>27</td>
<td>15</td>
<td>4</td>
<td>3</td>
<td>56</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>1</td>
<td>4</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>21</td>
</tr>
<tr>
<td>Disagree</td>
<td>1</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>11</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
<td>42</td>
<td>30</td>
<td>10</td>
<td>7</td>
<td>100</td>
</tr>
</tbody>
</table>

The findings in Table 4.14 show that 93 of the employees surveyed stated they believe that the new alternative business operations outside the workshop area can generate business for their company. Among them, 56 employees expressed agreement with the proposal that the new alternative business operation is an important element to the business success, while 8 employees who indicated they strongly agree with the statement. The results answer sub-question 4, which suggests that alternative business options could be implemented and adapted to keep the business continuing in the future.
Table 4.15 Chi-Square Tests of Q5 and Q6

<table>
<thead>
<tr>
<th>Test Type</th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>23.257a</td>
<td>16</td>
<td>.107</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>22.047</td>
<td>16</td>
<td>.142</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>2.310</td>
<td>1</td>
<td>.129</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 19 cells (76.0%) have expected count less than 5. The minimum expected count is .28.

Based on Table 4.15, the significant value of Pearson Chi-Square is 0.107 which is greater than 0.05. Hence, it indicates that the findings do not appear to support the alternative hypothesis.

4.3.3 Hypothesis 3

According to hypothesis 3: To determine the difference in the opinions of employees regarding the new WOF inspection regulation impacts on small WOF inspection providers, the researcher developed the following hypotheses:

H₃a – There is a difference of opinion of employees regarding the new WOF inspection regulation impact on small WOF inspection providers.

H₃₀ – There is no difference of opinion of employees regarding the new WOF inspection regulation impact on small WOF inspection providers.

➢ The researcher applied T-Test to analyse the difference of opinion regarding the new WOF inspection regulation between full-time and part-time employees using (Q8) and (Q1), the result is illustrated as follows:
Table 4.16 Independent Samples Test

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>T-Test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Equal variances assumed</td>
<td>.189</td>
<td>.664</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>.223</td>
<td>13.278</td>
</tr>
</tbody>
</table>

**Levene’s Test**

From Table 4.16 it can be seen that the information gives the significant value of Levene’s test as 0.664, which is greater than 0.05. Therefore, there is no difference in the variance between full-time and part-time employees concerning their agreement with the statement that new WOF inspection regulations impact on small WOF inspection providers. Hence, it supports the null hypothesis and rejects the alternative hypothesis.

**Equality of Means**

The significant value of T-Test for Equality of Means is 0.802 which is greater than 0.05. Therefore, it can be said that there is no significant difference between full-time and part-time employees regarding their agreement about the statement that new WOF inspection regulations impact on small WOF inspection providers. Therefore, it supports null hypothesis and rejects alternative hypothesis.
4.4 Summary

Chapter four uses quantitative research techniques to generate the results. The findings were presented based on the eleven survey questions. The results were processed and delivered by using statistical software SPSS. The beginning of this chapter presented the most commonly applied tests of statistical methods, namely the frequency analysis method, to provide overall results for the research. The second part of the chapter focused on analysis of the hypotheses, the process which involves predicting the findings of the research and then testing those predictions.

Chapter five interprets and discusses the findings, which are significant in delivering answers to the principal research question and sub-questions.
Chapter Five: Discussion of Findings

5.1 Introduction

The previous chapter reported the survey findings only. Chapter Five aims to discuss the data further and explain in detail those raw findings. Chapter five also aims to link this detailed discussion of the data with the literature and supporting evidence from previous related studies which were presented in Chapter two. Additionally, it will explain the critical research findings revealed in Chapter four and address all research objectives and hypotheses. The discussion is based on those research questions which are mentioned in Chapter one.

5.2 Discussion of Surveys

5.2.1 Discussion of Main Question and Sub-questions

The main reason for this research is to investigate whether the new WOF inspection regulations have a management impact on small automotive businesses doing WOF inspections in New Zealand.

According to the data analysis presented in Chapter four, the survey results confirmed that over 70% of respondents agree that the new WOF regulations have affected the motor vehicle industry negatively (refer Table 4.1). These findings indicated that the majority of respondents realised and believed in the fact that the new WOF regulations have made a huge impact on small automotive businesses performing WOF inspections in New Zealand. From the findings, it can be suggested that a significant number of employees are losing their jobs as well as businesses closing down due to the change of new WOF inspection regulations.

However, it is also very important to understand that small businesses are the backbone of the New Zealand economy and therefore they help to maintain lower unemployment rates. As discussed in the literature, small businesses play an important role in creating new jobs in all labour markets, they increase productivity, they have an ability to be flexible, contribute many innovative ideas, offer opportunities for many people to achieve financial success and self-sufficiency, and they promote entrepreneurship which is a crucial factor in economic development (Hatten 2012).

Besides that, two analyses were conducted to study how the new WOF inspection regulation impacts on small WOF inspection providers.
The hypothesis in this case, $H_{10}$ - *There is no high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan.*

These findings are drawn from the analysis of the relationship between Survey Questions 1 and 7 using cross-tabulation analysis techniques. They illustrated that 72 employees agreed that the new WOF regulations affect the motor vehicle inspection industry negatively. On the other hand, 60 employees believed in the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan (see Table 4.9).

From the study of the relationship between Survey Questions 1 and 7, the information shows that Pearson Chi – Square and Asymp. Sig. is .167 is bigger than 0.05. Therefore, it suggests that there is no relation between new WOF regulations affecting the motor vehicle inspection industry negatively and the available opportunities for improving skill and knowledge in terms of achieving the future business continuity strategy plan. Therefore, it can be said that the result accepted $H_{10}$ that *there is no high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan* (see Table 4.10).

As a result, the findings suggest that most employees are motivated to improve their skills and knowledge in order to achieve future business continuity as well as for competitive advantages. In other words, employees need training and development to improve job performance and meet the high standard of current competition (Collins and Mclaughlin 1996). As a matter of fact the competitive advantage of any businesses depends on their employees using their knowledge, experience and skills. Improving knowledge and skills can contribute to business success in competitive markets. In addition, businesses require effective growth and must be able to efficiently change the business environment (Awwad, et al. 2013 2013).

These employees acknowledged their opinions regarding the necessity of improving skills and knowledge to achieve a future business continuities strategy plan. These findings proved that there is no relationship between new WOF regulations affecting the motor vehicle inspection industry negatively and the available opportunities for improving skill and knowledge in terms of achieving the future business continuity strategy plan, which supports the validity of hypothesis 1 ($H_{10}$). Even though no relationships exist between the two variables, still the business should provide more training for their employees and assist them to improve their knowledge and skills to improve the quality of the service in the company.
Moreover, another analysis was conducted to examine the relationship between employees’ opinions regarding the new WOF inspection regulation impact on small WOF inspection providers, **H30** — *There is no difference of opinion of employees regarding the new WOF inspection regulation impact on small WOF inspection providers*. Two groups were tested. The two groups were classified by their answers to the Survey Question 8, namely full-time employees and part-time employees. From the analysis in Chapter four, the result show that 88% of full-time employees and 12% part-time employees are working in small WOF inspection businesses (see Figure 4.1). Based on the finding, most participants are full-time based employees and few of them are part-time employees.

From the study of the relationship between Survey Questions 1 and 8 using T-test analysis method, the information shows that the significant value of Levene’s test is 0.664, which is greater than 0.05. Therefore, there is no difference in opinion between full-time and part-time employees concerning their agreement about new WOF inspection regulations impact on small WOF inspection providers. Hence, it supports the null hypothesis and rejects alternative hypothesis (see Table 4.16).

Moreover, the significant value of T-Test for Equality of Means is displayed as 0.802, which is greater than 0.05. Therefore, it can be said that there is no significant difference between full-time and part-time employees in their agreement about new WOF inspection regulations impact on small WOF inspection providers. It can be thus concluded that the result accepts H30 that *there is no difference of opinion of employees regarding the new WOF inspection regulation impact on small WOF inspection providers*. The finding suggested that both part-time and full-time employees have the same level of opinions about the new WOF regulations impact on the business because they are affected by the same issues regardless of their job status.

The purpose of the above analysis was to achieve answers to the main research question, which is to identify the negative management impacts of the new WOF inspection regulations on small automotive workshops. The results proved that most of the employees agree that the regulations that have been implemented by the New Zealand government have a negative impact on their jobs as well as day to day businesses operations. The analysis also covered the objectives of this research which is to review the issues surrounding new WOF inspection regulation outcomes.
5.2.2 Research Sub-question One

The discussion about the importance of alternative business options that could be implemented and adapted to keep the business continuing in the future.

From the analysis of Survey Question 6 using frequency methods, the results confirm that respondents who said very likely represented 42%, 30% said moderately likely, 11% extremely likely, and 10% slightly likely. In total, 93% complied with new alternative business operations outside the workshop area. There was only a small number of respondents who answered “Not at all likely” at the rate of 7% (refer Table 4.6). The findings indicated that most WOF inspection provider respondents have realised and acknowledged the importance of alternative business options and the need for flexibility in order to keep up with business continuity and strategic plans for the future.

Hence, the positive opinion of employees about complying with the new alternative work environment indicates that small workshops (businesses) in New Zealand need to develop new alternative business strategic plans to address the problems immediately. According to relevant literature in Chapter two, small businesses are generally owned and managed by owner-managers who make strategic decisions based more on practical experience than academic rules (Ennis 1998).

On the other hand, there have been criticisms that small business owner-managers do not have a plan because they have a lack knowledge, confidence or skills to do so. In fact, due to the small number of employees and managers/owners, many functions fall at the same time within the ability range of only a few employees who are involved as part of performing their job; informal management is more common and verbal communication is preferred over written (Posner 1985).

However, many contemporary researchers have noticed that there is a need to engage proper strategic management concepts in small businesses. Developing a strategy is a long-term approach to doing business. Importantly, the strategy can be flexible when it allows the business to be able to manage uncertainties by taking helpful action and give a high priority to changing the directions of alternative options and helping the business maintain a better position by taking advantage of the resolution of uncertainty (Harvard business review 1999). It is also noted in the literature that strategy is involved with making choices between two or more alternatives. In fact, the main purpose of strategy is to help decision makers to manage the competing priorities of, and consider alternative options (Hoskisson, et al. 2008).
Therefore, WOF inspection providers owners-managers must look forward one step ahead into the future and then develop an alternative strategy to meet the challenges and opportunities the future presents (Scarborough, et al. 2009).

Besides a strategic plan, it is necessary to develop a quality marketing strategy to build long-term business continuity for the future. Schenck (2015) points out that creating an effective marketing strategy will help to achieve the business’s goals and build a strong reputation for the company. This includes: increased sales, bringing in new customers, getting existing customers to buy more, introducing a new product or service, and launching an advertising campaign, and increasing the market share.

The aim of the above discussion was to answer Sub-question1: how likely is it to you that you are able to comply with the new alternative business operations outside the workshop area?

5.2.3 Research Sub-question Two

Management changes and decisions WOF inspection providers will need to make in order to improve the financial measures for the future.

The challenge for many businesses, particularly small businesses, is that they focus on a daily basis on business operations and they lack the time and power to consider long-term sustainability (Taylor 2014). In order to improve future financial measures, business owners/managers need to adopt change management and make decisions to adapt to a flexible working environment for the future. From the analysis of Survey Question 5 in applying the frequency analysis method, the result illustrated that more than half of the respondents agreed that the future flexible working environment is important, 8% of respondents suggested that they strongly agreed with a future flexible working environment for their workshop (refer to Table 4.5).

The findings can suggest that most employees working in WOF inspection workshops acknowledge the importance of a flexible working environment for the organisation. Therefore, managers need to make effective decisions in order to sustain long-term performance and improve financial measures. Effective decision making demands that the decision maker understand the situation in which the decision is to be made. Most business owners/managers should take into account an effective decision to be one that improves something, such as profit, sales and employees’ benefits. In addition, the business must engage and adapt to a wide-ranging flexibility in the working environment that includes assessing the past and envisions future business sustainability at all levels (King 2007).
Moreover, an analysis was conducted to study the relationship between employees’ opinions regarding a future flexible working environment and how businesses will find new ways to generate business. This analysis is in relation to testing support for hypothesis H3a. - *There is a relation between employees' opinions regarding future flexible working environment and businesses that will have find new way to generate business.*

From the study of the relation between Survey Questions 3 and 5 using the cross-tabulation method, the result shows that there were 64 employees who believed in a future flexible working environment. Among them, 56 employees agreed that the businesses will have to find new ways to generate business (refer Table 4.11). The findings suggested that most of the employees’ opinions about a flexible working environment could entail alternative or new ways to generate business for the organisation. When employees recognise the importance of flexibility and apply it in practice, the business will achieve long-term success. Flexibility is the ability to change quickly toward a new and alternative business situation. It is about the potential for business processes to be flexible enough to meet the transformation of the business environment, so that the business can continue to meet the competitive challenges over the long-term (Kazozcu 2011).

In addition, it is very important that the business identifies which business category and market segment to compete in. However, competition is not just another business that might take over all customers from the business in the same trade. It can be another alternative way to generate business for the future (Bizfilings 2015).

Furthermore, the study was carried out to examine the correlation between employees’ opinions on future flexible working environments and whether the businesses will have to find new ways to generate business. The result showed up at 0.322, and the significant value is 0.001 which is less than 0.05 (refer Table 4.13). Hence, it supports the alternative hypothesis and rejects null hypothesis.

The findings indicate that employees realised the business needed to adapt to a flexible working environment in order to achieve future business continuity. Employees who are interested in flexible working environments are highly likely to dedicate considerable efforts to help management to make decisions regarding improving financial measures for the future.

The above analysis aims to answer Sub-question 2 – *What management change will WOF inspection providers need to make in order to improve the financial measures for the future?* The findings indicated a prominent relationship between employees’ opinions on future flexible working environments and the way a business will have to find new ways of generating business.
Employees with optimistic opinions about new experiences are ready for new challenges. Their opinions about improved financial security for the future will create a positive effect on employees’ performance and increase productivity.

5.2.4 Research Sub-question Three

The main responsibility of management is to handle the issues in order to protect the businesses losing revenue.

Chapter two explains that in any business organisation management, owners/managers may be involved in different kinds of activities or responsibilities. However, the main responsibility of management owners/managers is achieving the success of the company’s goals and handling the issues related to business revenue. Therefore, management (owners/managers) needs to find new ways of making business in order to protect the business from losing revenue.

One of the most important concepts of finding new ways of doing business is developing a strategic plan. It is important to realise that developing a strategic plan for the smooth, long-term of running of the business also entails everyone having a sense of where the business is going. According to Mazzarol and Reboud (2009), strategy is all about making a plan for the future business’s directions, following that plan, and identifying what resources and activities are required to get there.

Additionally, David (2011) states that strategy is the process of achieving, selecting, and implementing activities that will develop the long-term performance of an organisation by setting vision, direction and needs, and transforming in a way to ensure ongoing stability. In other words, strategic planning provides a circumstances analysis and an understanding of the business that is then available as a resource all of the time. Owners/managers have to think and run the business strategically in order to identify the current situation, analyse against previous performance, and get a better understanding of the long-run implications of current development and making decisions.

From the findings for Survey Question 3 in the previous chapter, applying frequency analysis method, it was illustrated that the majority of respondents recognised the business needed to find new ways to generate business. Among them, 63% of respondents liked the idea of new ways to generate business as an important component to improving business performance. On the other hand, 37% of respondents expressed no interest in (unlikely) the idea of business finding new ways to generate business (refer Table 4.3). The findings suggested that the majority of employees of
small WOF provider businesses in New Zealand agreed about the importance of finding new ways to generate business.

In fact, there are a lot of opportunities and ideas to generate businesses, such as developing shareholder value and developing entrepreneurship which is about changing the business direction into seeking other sources of income for the company. Change involves daily business life plans for minimizing costs, restoration of the workforce, applying new activities, and improving the quality of products and services with strategies to sustain performance and success. The main purpose of change is to raise productivity, improving the value to shareholders, achieving major gains in cost reduction, combining or assembling works, and eliminating unproductive positions and jobs.

Therefore, it is about changing the direction of the business from what is today into a limitless world of what it could be (Nel, et al. 2012). Additionally, developing entrepreneurship is a new way of generating business by taking risks and (Balkin and Mejia 2002). Therefore, in order to achieve business success, the company should take opportunities to implement new ways of generating business.

On the other hand, 37% of employees suggested that they did not support the idea of new ways to generate businesses or change current business activities into other sustainable business. Those employees who did not support the new idea of generating business might think differently from the other participants, who it could be assumed have interpreted the word “new ways to generate businesses” to mean dealing with other kinds of jobs or professions which exclude traditional ways of doing vehicle inspections. In other words, they think it might change their job description or original position as vehicle inspectors.

However, it needs a clear communication from senior management to employees that the effective management of change – such as through business mission, vision, and goal - is necessary. Communication is seen as the best way to overcome resistance, providing opportunity for involvement in a change has also been commended as a way to help reduce negative attitudes toward transformations of the work setting. Employee participation in management change is thought to make the realities of the transformation clearer (Lines, 2004).

Employees resist change for different reasons, ranging from a direct intellectual disagreement over facts to the extreme level of psychological influences. Resistance can include a wide range of reasons, including refusal to change, refusal to seek common ground, the silencing of support for change, sabotage, the use of sanctions and a general lack of cooperation (Agocs 1997).
Nevertheless, most employees are very motivated to find new ways of generating business. This motivation plays a key role in determining the reason for change management for the future.

The above analysis aimed is answer sub-question 3 – What are the main responsibilities of management to handle the issues in order to protect the business losing revenue?

5.2.5 Research Sub-question Four

What is the New Zealand government contingency plan to support WOF inspection provider employees from losing their jobs due to the impact of new regulations on their job?

According to the findings shown in Chapter four, more than half of the respondents agreed that the management impacts on small businesses are negative due to the new WOF inspection regulations change (see Table 4.1). Besides these research outcomes, the New Zealand government had understood the consequences of the impact and made a fair decision to support those small businesses to overcome such difficulties by providing a wide range of services and programs such as organising an alternative business option for small workshops and providing training to staff.

After it implemented the new WOF inspection change, the New Zealand Transport Agency was concerned that the new regulations had a big impact on small auto workshops. However, the government agency created an alternative business solution as part of a contingency plan for small WOF providers by offering COF inspection authority. This offer was delivered on 1st December 2014. However, in order to perform COF inspection into small workshops there are number of compliance requirements. The main reason for meeting those requirement criteria are due to the difficulties of moving from WOF to COF, which is a big step up in responsibility.

These requirements include: compliance with the New Zealand Transport Agency performance review system, inspection workshop site and equipment facilities, qualified COF inspectors. One of the main requirements is that the company has to meet the performance review system (PRS), which stipulates that WOF inspection providers must have a proven track record of delivering inspection services to the standard required (New Zealand Transport Agency 2014).

Other concerns regarding COF inspections are workshops facilities such as inspection site areas, inspections equipment, and computer systems needed to improve the New Zealand Transport Agency requirements standard to be able to deliver both inspection services as well as repairing vehicles. Other requirements include the need for qualified COF inspectors in order to perform COF inspections. Companies will need well-trained authorised COF inspectors.
This substantial contingency plan offered by the New Zealand government may balance the management impact of the new WOF inspections regulations changes. By offering COF inspection and repair services at the same site by the same providers, productivity can be achieved and businesses can continue to generate business for the future. In the meantime employees can have job stability. On the other hand, customers have a chance to choose from a wider range of inspection service providers. This change will result in New Zealand economic benefits of between $160 million and $460 million over 30 years (New Zealand Transport Agency 2014, P. 14).

Training and development is also a part of the New Zealand government’s contingency plan. It is very important to motivate and encourage small business owners and employees in order to overcome the problem through training and development to continuously make business improvements. Basically, there are several kinds of small business free training and development programs offered by the New Zealand government including seminars, conferences, online courses, and workshops (Ministry of Business Innovation and Employment 2015). The purpose of these training and development programs is to improve the individual as well as the companies in order to get better outcomes by ensuring a sufficient amount of capability and experience (Storey and Greene 2010). In the case of WOF inspection provider businesses, there is the Motor Industry Training Organisation (MITO) which can provide all the training needed to undertake an inspection professionally.

The above analyses aim is to answer sub-question 4 - *What is the New Zealand government’s contingency plan to support WOF inspection provider employees from losing their jobs due to the impact of new regulations on their job?*

5.4 Chapter Summary

Chapter five focused on discussions about, and explanations of the findings reported in Chapter four. These findings have been combined with the theories and studies obtained from the related literature reviewed in Chapter two and provide a detailed understanding of the negative management impact of the new WOF inspection regulations on small businesses. All related hypotheses are carefully analysed based on numerical data and quantitative study methods. This chapter delivers proof that supports the hypotheses which relate to the achievement of the research objectives. These help to answer the main research question and sub-questions, and the overall aim of the research. Chapter six presents conclusions and recommendations in relation to the key findings of this research.
Chapter six: Conclusions and Recommendations

6.1 Introduction

Chapter five answered the main question and all sub-questions with reference to the hypotheses and findings which were analysed. Chapter six summarises the main findings of this research study. This chapter also provides conclusions and recommendations gained from the sub-research questions reviewed in Chapters four and five. Finally, the chapter identifies the limitations of the research and outlines directions for future research.

6.2 Conclusions

The main purpose of this research focused on identifying and measuring the management impact of the new WOF inspection regulations on small automotive workshops performing WOF inspections in New Zealand. The data collection methods included mail survey questionnaires to collect the data from participant workshops. The target population of this research was selected in accordance with the selection criteria - any small to medium warrant of fitness provider organisation in the Auckland metropolitan region which has less than 20 employees.

These potential participants comprised owners, managers, supervisors, or technicians who have New Zealand current warrant of fitness inspection licenses and have worked as inspectors for over one year in the industry. This research study was performed by applying quantitative research methods and a survey questionnaire as a data collecting technique. One hundred authorised WOF inspectors were selected as the participants for this study. The findings obtained from the survey data were analysed by special software (SPSS) and discussed in relation to the research sub-questions. The analytical outcome is clearly explained as follows: the research verified that the new WOF inspection regulations have affected small automotive workshops negatively.

The main aim was to examine the management impact of the new WOF inspection regulations on small automotive workshops performing WOF inspections in New Zealand. The outcome of researching this issue addressed the research objective. In order to answer the main question, the researcher developed two hypotheses - $H_{10}$ and $H_{30}$.

$H_{10}$: there is no high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan.
The result of testing this hypothesis showed that the majority of small business WOF providers’ employees in New Zealand, as represented in the survey sample, stated that the new WOF regulations have made massive negative impact on the business. Most of them considered that there was a negative influence in terms of their day to day jobs as well as on their business activities continuity. It did happen, however that, the employees were in agreement regarding the available opportunities for improving their skills and knowledge to overcome the uncertainty. Therefore, the finding of this research is that the hypothesis is accepted \((H_{10})\), that \textit{there is no high probability that the new WOF inspection regulations affect the motor vehicle inspection industry negatively and the available opportunities for improving skills and knowledge in terms of achieving the future business continuity strategy plan} (see Table 4.10).

Moreover, the researcher developed another hypothesis \(H_{30}: \text{There is no difference opinion of employees regarding the new WOF inspection regulation impact on small WOF inspection providers.}\) According to the finding, the majority of both part-time and full-time employees had the same opinion about the negative impact of the new WOF regulations. This means most of the participants had no difference of opinion regarding the new WOF inspection regulation impact on small WOF inspection providers. Therefore, the finding of this research hypothesis supports \((H_{30})\) null hypothesis and reject alternative hypothesis (see Table 4.16).

The first sub-question examined employees’ opinions regarding the alternative business options that could be implemented and adapted to keep the business continuing in the future. The findings illustrated that employees who work for small auto workshops performing WOF inspections believed that alternative business options are very important factors for keeping the business continuing for the future. In other words, the businesses need to create another way to do business or introduce new sources of income into their business practices. However, in order to achieve this alternative idea, the businesses need to develop and implement effective short-term and long-term strategic plans. Most importantly, effective strategic plans have the ability to direct the businesses and help develop and maintain a greater competitive advantage in the marketplace. Through effective strategic plans, implementation can develop alternative business operations that can lead to a competitive advantage.

In addition, the business needs to develop a marketing strategy plan as a part of strategy. A marketing strategy plan is an essential part for small business. The purpose of a marketing plan is to provide information about the nature, characteristics, and locations of the markets that the business serves. It is used also as an analytical tool for specifying some particular target customer and key competitors operating in the market. Therefore, owners-managers must keep an eye on the market, responding to customer needs, identifying new business opportunities and developing new ideas
from them. All these structures characterise the value of sustainable business continuity for the future.

The second sub-question investigates employees’ opinions regarding the management change or the adapting of flexible working environments needed to make decisions in order to improve financial measures. The findings showed that there were positive perceptions about management changes or adopting a flexible working environment among employees who work for small WOF inspection providers in New Zealand. The findings indicated that employees who agreed with a flexible working environment would have made commitments in order to improve the financial measures through the management change process. The positive opinions of employees can lead management to make effective decisions to break through enhancing financial measures.

Moreover, to answer this sub-question, the researcher developed the hypothesis H2a: There is a relation between employees’ opinions regarding the future flexible working environment and that businesses will have to find new ways to generate business. The finding revealed that the majority of the participants realised that the business needed to adapt to a flexible working environment in order to improve customer demands and find new ways to generate business. Therefore, the finding of this research accepted (H2a) alternative hypothesis and rejects the null hypothesis (see Table 4.13). It can be also said there is a relationship between two variables.

The third sub-question highlighted the main responsibilities of management to handle the issues and to protect the business from losing revenue. Therefore, management (owners/managers) need to find new ways of generating business in order to protect the businesses from losing revenue. The survey results revealed that there is as much interest as expected in finding new ways of generating business for their businesses; that is, only to an “average extent” due to participants misunderstanding or not supporting the idea. However, the findings indicated that the majority of employees liked the idea of finding new ways of generating business.

Moreover, owners/managers need to change their business environment in order to achieve competitive advantages and be able to succeed over the long-term. However, to ensure that the change plan is flexible, it is essential to set goals in parts which can be reviewed regularly to ensure efficiency. By adapting to change in the business environment, it can be easier to observe the marketplace situation and help businesses pay attention to their competitors. At the same time, businesses will find new opportunities and continually adapt to change so that they can more easily capture new ground and stay on top of the game.

The fourth sub-question determined the extent of the New Zealand government’s contingency planning to support WOF inspection provider employees from losing their jobs due to the impact of
new regulations on those jobs. The New Zealand government had realised the negative impact of new WOF inspection regulations on small auto workshops that perform WOF inspections and made effective decisions as a backup plan and offered alternative business options and opportunities to support those auto workshops.

This backup plan allows small WOF providers to perform Certificate of Fitness (COF) inspections as an additional service, but there are some specific selection criteria required to become Certificate of Fitness (COF) inspection authorised workshops as well as Certificate of Fitness (COF) inspectors. In order to comply with the government’s criteria, business owners/managers and employees need to update the workshops as well as their skills. The idea was developed by the government to lift business activities and minimize the risk of employees losing their jobs. In addition, the New Zealand government facilitated free training and development programs to help small business employees and employers to improve their skills and knowledge.

According to the results related to the research questions, the study has achieved its research aim. “To identify and measure the management impact of the new WOF inspection regulations on small auto workshops performing WOF inspections in New Zealand”. The findings revealed that there is a negative management impact on small automotive workshops business due to the change of new WOF inspection regulations, which is creating the consequences that affect sustainable business operations for the future. Thus, its huge impact is something that needs the attention of owner/managers of small business in New Zealand. The result suggests that these potential impacts on small automotive workshops dealing with WOF inspection business can be improved by implementing effective strategic plans, by creating pathways to change management, and adapting a flexible working environment.

This research has explained all the factors that respond to the four sub-questions and fruitfully delivered the answer to the principal research question. Moreover, the study has achieved all its objectives, which aimed to prove the validity of the hypotheses. The three hypotheses were tested applying appropriate quantitative evaluating methods, which are available in statistical software analysis (SPSS). Furthermore, the analyses supported the validity of the hypotheses. The results from these hypotheses deliver concrete proof that helps to answer the principal research question, sub-question, and thus reach the goal of the research.

Therefore, the researcher concludes from the deductions made that identifying the cause of the issues by applying detailed research regarding the management impact is central and may contribute to preventing the small automotive business from failure as well as protecting employees from
losing their jobs by proposing alternative business strategic plans, as well as delivering recommendations to support the strategic plan.

6.3 Recommendations

Based on the results of the research study, the researcher’s recommendations that could contribute to resolving current issues affecting small WOF inspection providers businesses in New Zealand are as follows:

1. The owners/managers of small Warrant of Fitness (WOF) provider businesses should develop effective strategic plans for their business. In order to improve day-to-day business operations a company should develop and implement short-term and long-term strategic plans to keep moving forward efficiently. The advantage of strategic planning is the owners/managers can evaluate the current business operations and forecast future possibilities for business targets. Moreover, the employees can clearly know what to do and be always on the right track to achieve business goals. Therefore, the owners/managers of small workshops business should understand the substantial value of strategic planning and put it in place for future business success.

2. The New Zealand government should review the new Warrant of Fitness (WOF) inspection regulations and reform the document again. For the benefit of motorists and safety concerns, the duration of Warrant of Fitness (WOF) inspections should change from one year inspections back to six months inspections for those vehicles over 10 years old, starting from the date of manufacture. This change will be positive for both consumers and small auto workshops performing WOF inspections in New Zealand.

3. The owners/managers of small Warrant of Fitness (WOF) providers should engage with business sustainability and change management practices and investigate methods for developing their entrepreneurship skills. In other words, workshops should be more entrepreneurial in order enhance survival as discussed in the literature. For instance, they could introduce new safety inspection programs or implement quick basic checks for customer vehicles. If a vehicle’s WOF inspection is needed yearly, they could perform safety inspections or quick basic checks every six months. This inspection would cover all the essential elements for road safety such as, checking steering and suspension, tyre condition, brake system operation, engine oil level and condition, and the vehicles’ exterior and interior condition. This essential inspection can help the customers to know exactly the current condition of their vehicles in terms of safety to drive on the road, and to avoid major accidents due to lack of maintenance or service. In the meantime, WOF inspection providers are
faced with a good opportunity to generate business as well as create long-term sustainable business operations and protect the employees from losing their jobs.

4. The businesses should embrace flexible practices and adapt the working environment to allow for potential business opportunities. By adopting more flexible practices, there may be space to adjust to continuously changing situations for businesses. In other words, small businesses, in particular WOF inspection providers, need to be flexible and change their working environment in the current dynamic business world in order to manage uncertainty.

Flexible working environments allow businesses to meet present and future challenges by creating choice, accommodating production, preventing complexity, and creating speed. It can be said that in an extremely uncertain and changing environment, businesses need to have a strategy to tackle problems quickly. To achieve that, the business will need to create a flexible strategy that can respond to changes in customer opinions and demand.

5. Small auto repair and Warrant of Fitness (WOF) businesses should change the focus of their business model to counteract the loss of WOF income. They should engage with business advisors and seek opportunities for alternative sources of business income. This could include scoping opportunities outside of their normal business practice. Having a varied portfolio of different income streams will be transformational, propelling the business to the next level by using a different approach. In other words, business owners/managers will have to become more market focused and strategic in their thinking in the development of their alternative business strategies. Businesses will have to become comfortable with having to respond speedily to the specific demands of larger companies by offering quick turnaround times, on-demand repairs, and safety check or servicing at locations and times suitable to the customer.
6.4 Limitations of the Research

This study has certain limitations that could influence the results, and concern the overall evidence of the entire small auto Warrant of Fitness (WOF) provider businesses in New Zealand. Primarily, the participants involved with this research are located in Auckland, the economic capital of New Zealand. Although the city accommodates a large number of smaller businesses, these small auto Warrant of Fitness (WOF) provider businesses represent a small proportion of small auto Warrant of Fitness (WOF) provider businesses in the country. This type of research was executed for the first time in New Zealand; to the knowledge of the researcher, no other example exists to compare so as to drill down further regarding this limitation.

The researched results are relevant for small auto workshops businesses found in the main cities of New Zealand. Secondly, the size of the sample is comparatively small due to the limited resources available to the researcher and it is executed in the context of a 90 credit thesis only.

The researcher’s sampling was achieved through the distribution of questionnaires to several small auto workshops performing (WOF) inspections throughout the Auckland metropolitan region. It was small, but is still representative of the industry as a whole.

A restriction on the richness and depth of collected data could be due to the characteristics of the participants’ working environment. In general, respondents are involved with a hands-on job and they are unlikely to give their fullest attention to answering research questions. As a result, the researcher was unable to use some of the respondent data due to the insufficient completion of some questions. However, this research has provided a foundation for the future direction of the topic of study.

6.5 Further Research

First and foremost, this research was executed for the first time in New Zealand and it has been carried out on a reasonably small sample size. However, further research projects in the context of the management impact of the new Warrant of Fitness (WOF) inspection regulations on small businesses in New Zealand with a larger sample size would help to support the accuracy of the results and provide a better context as well. The results of a subsequent research study could provide alternative opinions and be compared with this research. This would contribute to additional evidence about the management impact of the new Warrant of Fitness (WOF) regulations
on small auto workshops performing WOF inspections. Some specifics for further research could include the following:

- Research on how to improve the efficiency of business sustainability and change management practices, and the development of entrepreneurship skills.
- The research could examine the effect of strategic plans on small businesses and employee’s performance.
- Research into driver education on the safety implications of having WOF inspections less frequently.

6.6 Closing Statement

It is concluded that the new Warrant of Fitness inspection regulations have a negative impact on small businesses. This research highlighted that the development and implementation of strategic plans have not been adopted widely by the New Zealand small automotive businesses industry sector. This study offers pathways for small automotive workshops performing WOF inspections to adapt their business continuously for future needs by developing and implementing strategic plans as well as to adopt and practice change management in their organisations. It is very important that owners/managers consider every possible feature when making a strategic plan in relation to long-term business success.

Being the first study on the management impact of the new warrant of fitness inspection regulations on small workshop businesses in New Zealand, it provides unique findings in the context of New Zealand. There are clearly certain actions which need to be done in order to overcome business uncertainty. However, businesses need to improve growth continuously and effectively. It is strongly believed by the researcher that this study has provided a realistic report that can help small WOF inspection providers in New Zealand to improve their current business practice model, which could lead to the success of their business for a long period of time.
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Appendix A: Information Sheet

Information for participants

Research Project Title: The management impact of new warrant of fitness regulation to small businesses in New Zealand.

My name is Zelalem Workneh. I am a student in the Master of Business programme at Unitec Institute of Technology, New Zealand. This research project is part of my completion requirements for my master degree.

What we are doing

The aim of this research is to identify and measure the management impact of new WOF inspection regulations on small auto workshop businesses in New Zealand. By completing the survey, respondents are giving their consent to participate. Furthermore, this research will assist the researcher to determine the possibility of implementing alternative business options to keep WOF business continuing in the future.

What it will mean for you

I would really appreciate it if you would take 10 – 20 minutes out of your time to complete this survey, which seeks your understanding and opinion of the management impact of the new warrant of fitness regulation on small businesses in New Zealand. It would be very valuable if you could answer the survey questions. Please be assured that confidentiality will be kept at all the times; your perceptions and comments will remain absolutely anonymous. If you choose to participate in this research project, please try to answer all questions as honestly as possible and return the completed questionnaires without delay by email. Hard copy will be collected via stamped, addressed envelope.

However, you have right not to participate in this research project if you do not want to do so. If you have any queries regarding the project, please do not hesitate to contact my primary supervisor at Unitec, New Zealand, Professor Pieter Nel, on 09 8154321 ext. 7026 or email pnel@unitec.ac.nz

UREC REGISTRATION NUMBER: (2015-1025)

This study has been approved by the UNITEC Research Ethics Committee from (28.5.15) to (28.5.16). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph.: 09 815-4321 ext. 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix B: Individual Participants

Individual Participant:

My name is Zelalem Workneh and I am Master of Business Student at Unitec New Zealand. For my final research project, I am researching the management impact of the new WOF regulations on small auto workshop in New Zealand. Because you are working as a WOF inspector in this particular professional field, I am inviting you to participate in this research project. The criteria are: Work in Auckland, full time or part time, Owner or inspector, have worked for more than 1 year as an inspector. Moreover, by completing the survey; the participants are giving their consent.

The following questionnaire will require approximately 10 – 20 minute to complete. There is no payment for responding nor is there any known risk. In order to ensure that all information you provide will remain confidential, please do not include your name. Copies of the research project will be provided to Unitec, New Zealand or my principal supervisor Professor Pieter Nel. If you choose to participate in this research project, please try to answer all questions as honestly as possible and return the completed questionnaires without delay by email or the hard copies will be collected in the stamped envelope provided. Participation is strictly voluntary and you may refuse to participate at any time.

Thank you for taking the time to assist me in my research project. If you require additional information or have questions, please contact my principal supervisor Professor Pieter Nel telephone is 09 8154321 ext. 7026 or email pnel@unitec.ac.nz

If you are not satisfied with the manner in which this study is being conducted, you may report to my principal supervisor Professor Pieter Nel on the above address.

UREC REGISTRATION NUMBER: (2015-1025)

This study has been approved by the UNITEC Research Ethics Committee from (28.5.15) to (28.5.16). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph.: 09 815-4321 ext. 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix C: Research Questionnaires

Survey questions for the research

Your name has been randomly selected from a pool of 500 register Warrant of Fitness inspectors held on the New Zealand Transport Authority data base, but based on selection criteria. The criteria are: Work in Auckland, full time or part time, Owner or inspector, have worked for more than 1 year as an inspector. Business employs less than 20 employees.

This survey should only take about 10 – 20 minutes of your time, your views and opinions will remain anonymous. You can select more than one answer where requested and relevant; otherwise, please select one answer. Please complete the hard copy and post back in the self-addressed envelope.

Q1. Do you agree that the new warrant of fitness regulations affect the motor vehicle inspection industry negatively? (Please tick one)

☐ A1) Strongly agree
☐ B2) Agree
☐ C3) Neither
☐ D4) Disagree
☐ E5) Strongly disagree

Q2. Are you satisfied with your current job after the new WOF inspection regulations were implemented? (Please tick one)

☐ A1) Extremely satisfied
☐ B2) Moderately satisfied
☐ C3) Slightly satisfied
☐ D4) Neither satisfied nor dissatisfied
☐ E5) Slightly dissatisfied
☐ F6) Moderately dissatisfied
☐ G7) Extremely dissatisfied
Q3. How likely is it that the businesses will have to find new ways to generate business? (Please tick one)
- □ A1) Most unlikely
- □ B2) Quite unlikely
- □ C3) Likely
- □ D4) Quite likely
- □ E5) Most likely

Q4. How satisfied are you with the current work activities compared to the previous years? (Please tick one)
- □ A1) Extremely satisfied
- □ B2) Moderately satisfied
- □ C3) Slightly satisfied
- □ D4) Neither satisfied nor dissatisfied
- □ E5) Slightly dissatisfied
- □ F6) Moderately dissatisfied
- □ G7) Extremely dissatisfied

Q5. What is your opinion on future flexible working environment? (Please tick one)
- □ A1) Strongly agree
- □ B2) Agree
- □ C3) Neither
- □ D4) Disagree
- □ E5) Strongly disagree

Q6. How likely is it to you that you are able to comply with new alternative business operations outside the workshop area? (Please tick one)
- □ A1) Extremely likely
- □ B2) Very likely
- □ C3) Moderately likely
- □ D4) Slightly likely
Q7. Are you satisfied with the available opportunities for improving your skills and knowledge in terms of achieving the future business continuity strategy plan? (Please tick one)

- □ E5) Not at all likely
- □ A1) Extremely satisfied
- □ B2) Moderately satisfied
- □ C3) Slightly satisfied
- □ D4) Neither satisfied nor dissatisfied
- □ E5) Slightly dissatisfied
- □ F6) Moderately dissatisfied
- □ G7) Extremely dissatisfied

Q8. What is your employment status? (Please tick one)

- □ A1) Full-time employee
- □ B2) Part-time employee
- □ C3) Other (please specify)……………………..

Q9. How many warrant of fitness inspectors are working in the firm for which you work? (Please tick one)

- □ A1) 1 - 5
- □ B2) 6 - 10
- □ C3) 11 - 15
- □ D4) 16 - 20

Q10. How long have you been working as a warrant of fitness inspector in this organisation? (Please tick one)

- □ A1) 1 to 5 years
- □ B2) 5 to 10 years
- □ C3) 10 to 15 years
- □ D4) 15 to 20 years
- □ E5) 21 years and above
Q11. What is your role in this organisation? (Please tick one)

□ A1) Manager
□ B2) Supervisor
□ C3) Inspector
□ D4) Owner
□ E5) Other (please specify)  ……………………………….

UREC REGISTRATION NUMBER: (2015-1025)

This study has been approved by the UNITEC Research Ethics Committee from (28.5.15) to (28.5.16). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph.: 09 815-4321 ext. 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix D: Participants consent form

Participant Consent Form

Research Project Title:

The management impact of the new warrant of fitness inspection regulations on small businesses in New Zealand.

I have had the research project explained to me and I have read and understood the information sheet given to me.

I understand that I don't have to be part of this if I don't want to and I may withdraw at any time prior to the completion of the research project.

I understand that everything I say is confidential and none of the information I give will identify me and that the only persons who will know what I have said will be the researchers and their supervisors. I also understand that all the information that I give will be stored securely on a computer at Unitec for a period of 5 years.

I understand that I can see the finished research document.

I have had time to consider everything and I give my consent to be a part of this project.

Participant Signature: …………………………………….. Date: …………………………………

Project Researcher: Zelalem Workneh Date: …………………………………

UREC REGISTRATION NUMBER: (2015-1025)

This study has been approved by the UNITEC Research Ethics Committee from (28.5.15) to (28.5.16). If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph.: 09 815-4321 ext. 6162). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.