



BUSINESS INSTRUCTOR AND ENTREPRENEUR: EXPLORING THE CONNECTIONS

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ABSTRACT

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The purpose of the paper is to establish a hypothetical and methodological foundation for the empirical investigation of the factors that lead to successful relationships between entrepreneurs and their business instructors during firm creation. Our investigation analyzed 95 previous experiences of Tunisian entrepreneurs with their business instructors, using factor and bivariate analyses of a survey based on interaction, confidence, and loyalty variables. Our principal findings indicate that relationship success largely depends on the skills of the business instructor and their involvement in the firm establishment process. Moreover, a shortage of mutual loyalty in these relationships can impede firm creation.

KEYWORDS: Entrepreneur, Entrepreneurship, Business instructor, Tunisian companies, Survey of trust, Communication, commitment, Factor analyses, Bivariate analysis, Tunisia.

1. INTRODUCTION

Studying the entrepreneur and business instructor connection implies the existence of several reasons that are more important than the others, which are crucial for ability, principally during periods of variation. and uncertainty, beyond which the two involved partners go. So then, it is deemed relevant to study this relationship aiming to create a new business unit and their instructors in firm creation, with their advisory and monitoring functions. Therefore, this paper will focus on these three factors because of the extensive research on these variables.

Trust is considered the primary vector and indispensable condition for sustainable and credible instruction relationships because it provides a sense of security, insurance, and security for the relationship to continue. In addition, confidence facilitates cooperation and delivers significant results. Conversely, a good relationship can be born from listening, provided the latter is genuinely practised according to the mutual

respect principle.

Interaction helps clarify the ideas, representations, and perceptions of partners. It also established good communication and was considered "a key function of the instruction process" (Fayolle, 2002). Thus, mutual listening implies understanding what one partner wants from the other (support needs) and what the other can bring (services offered). Indeed, interaction allows for settling various issues (inform and be informed, know and be known, explain and be explained, understand, etc.) that lead to an exchange and a mutual interest relationship. Generally speaking, mutual listening allows for better coordination of the contributions of each partner, understanding of the context, and making appropriate decisions because these latter will be taken considering the information and views of both partners.

Loyalty is the third variable and considered factor that ensures a more successful instructional relationship. Assoune (2009) argues that "without loyalty to the

relationship or the organization, business instructors and entrepreneurs do not cooperate." In other words, they must mutually commit to implementing the project. As for the need to achieve or succeed, the entrepreneur seeks to be firmly committed.

The remainder of this paper is structured as follows. Section 2 presented the literature review on the business instructor-entrepreneur relationship. Section 3 details the methodology used in this paper and presents the main results. Section 4 concludes.

2. LITERATURE REVIEW

2.1 *Fostering joint confidence between the instructor and the entrepreneur*

Sammur et al. (2005) observed that conventional instruction begins with limited trust between the instructor and the learner. However, as the process progresses, this confidence develops into shared faith. The authors further note that this confidence is gradually established throughout the instruction. In other words, the process will not only persist if trust, limited at the beginning, becomes little by little shared. Similarly, Giddens (1994) adds that confidence is limited as non-confidence cannot persist. Indeed, if the partners do not trust each other, the relationship cannot exist. Confidence is essential for the instructional relationship to be successful as it helps to stun ambiguity and accelerates the learning process. Based on the information, we can create the following hypothesis:
H1: Confidence influences the instruction relationship.

2.2 *Mutual interaction between the instructor and the entrepreneur*

Fayolle (2004) suggests improving mutual listening between instructors and project promoters. The author adds that this improvement goes through better mutual knowledge of representations and perceptions of objects (notions, concepts, and ideas) shared and presented during their exchanges and transactions and through the trade-off between the instruction needs of entrepreneurs and the instruction benefits. Regarding the latter, Cuzin & Fayolle (2004) add that to capture the diversity of the instruction needs of entrepreneurs, the instructor should check the following three dimensions: novelty intensity for the environment, change intensity for the business creator, and the progress of the business creation process. Then, in an instruction relationship, each party is expected to have an open mind to cooperate. Therefore, the interaction variable is required and determines the proper conduct of the instruction relationship. This finding gives rise to a second hypothesis:

H₂: Mutual interaction contributes to the success of the instruction relationship.

2.3 *The loyalty of the human capital of the instructor to the entrepreneur*

Giordani (2005) argues that "the success of the relationship requires another condition, namely the mutual commitment of the parties which enhances mutuality of the relationship. The author believes that mutual commitment is the key to success in an instructional relationship. According to Giordani (2005), the level and quality of loyalty are crucial factors in determining the success of the relationship between the instructor and the entrepreneur. The entrepreneur's responsibility is "obvious from the start."

Following Giordani (2005), the attitudinal approach denotes the intention to continue the relationship and develop a preference for partners; it is long-term. Some researchers argue that commitment results from emotions, feelings of affection and attachment to cooperative partners. For others, loyalty is cognitive and interest-oriented. Moreover, the behavioral approach considers loyalty an act that binds the individual to his future in some project (Giordani, 2004). Besides, it represents the individual's efforts to maintain the relationship. Through their behavior, actors mutually show a willingness to contribute to and stay in the relationship (Brown, 1996). Therefore, we formulate the following hypothesis:

H₃: Commitment contributes to the success of the instruction relationship.

3. MATERIALS AND METHODS

This section will present the foundations of the instructor-entrepreneur relationship by focusing on the three factors mentioned above, using factor analysis.

3.1. *The sample*

We surveyed a group of entrepreneurs from (2011 to 2016) who had newly created their businesses by administering a questionnaire focused on their relationship with their instructors during the business creation process. We surveyed 95 young entrepreneurs.

3.2. *Methodology*

The method used to explore the entrepreneur-instructor relationship is a factor analysis to cluster the different characteristics of this relationship into one or more factors and then theoretically extract all these factors. First, we outlined a series of questions on the entrepreneur's satisfaction with their instructors regarding interaction, loyalty, and confidence. Second, we will examine the interaction between the relationship's success, as measured by meeting the business creation deadline, and the three factors characterizing the relationship between the instructor and the entrepreneur.

3.3. Analysis results

First, we start by checking the adequacy of applying factor analysis to the predefined variables in

the questionnaire, as defined above. Sufficiency of the factor analysis needs the KMO test, which allows us to judge the fit quality and explanatory power of all the selected variables (cf. Table 1).

Table1: KMO and Bartlett's Test

| | | |
|---|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | | 0.39612 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 651.341 |
| | Degree of freedom | 135 |
| | Significance | 0.000 |

The table above (Table 1) shows that the KMO test is insignificant since its value is less than the critical chi-square value ($p\text{-value} \leq 0.05$). This test shows

the ability of the factors to be used to cluster most characteristics.

Table2: Initial and extraction values of factors used to construct cluster characteristics

| | Communalities | |
|-----------------------------------|---------------|------------|
| | Initial | Extraction |
| Know-how and security | 0.66613 | 0.48110 |
| Give-and-take | 0.84112 | 0.77222 |
| Limited confidence | 0.64257 | 0.41134 |
| Meeting needs | 0.87783 | 0.74668 |
| Comprehensive listening | 0.77191 | 0.52379 |
| Knowledge sharing | 0.51134 | 0.49901 |
| Relationship mutuality | 0.79778 | 0.65443 |
| Loyalty from the start | 0.66396 | 0.47112 |
| Short-term sacrifice | 0.50116 | 0.43359 |
| Behavior change | 0.82333 | 0.79667 |
| Involvement with the organization | 0.88814 | 0.86606 |

Extraction Method: Principal Axis Factoring

The factors' power to explain each variable exceeds 50% (cf. Table 2). This leads us to apply this method to group these characteristics into confidence, interaction, and loyalty. In what follows, we present the results of the factor analysis. We tried to extract these

characteristics into one or more theoretically predetermined factors. These factors will represent the success of the relationship between the instructor and the entrepreneur (cf. Table 3).

Table 3: Factors of power effect on instructor-entrepreneur relationship success

| Relationship characteristics | Respect for business Creation deadline |
|-----------------------------------|--|
| Know-how and security | 0.69711 |
| Give-and-take | 0.89533 |
| Limited confidence | 0.12920 |
| Meeting needs | 0.87708 |
| Comprehensive listening | 0.17662 |
| Knowledge sharing | 0.30111 |
| Relationship mutuality | -0.78821 |
| Short-term sacrifice | 0.61184 |
| Behavior change | -0.89161 |
| Involvement with the organization | 0.89335 |

3.4. Confidence

The factor analysis results indicate confidence in the instructor's know-how, the give-and-take strategy between the instructor and the entrepreneur, and little faith. We note from Table 4 that the critical factors

behind the success of the connection between the entrepreneur and his instructor are the know-how of the latter and the give-and-take strategy between the two parties since these factors correlate with the relationship success at 69.711% and 89.5%, respectively.

Paradoxically, limited or imposed confidence shown by one of the two partners admits a very low correlation with success, estimated at 12.92%. This is confirmed by the bivariate analysis, where we found that their instructors have met their business creation deadlines for the surveyed entrepreneurs. Moreover, 100% felt that their instructors disposed of advanced know-how. Conversely, 71.513% consider that their relationships evolved around the give-and-take strategy. However, imposed confidence is not significant,

indicating that the success of the relationship of Tunisian entrepreneurs never depends on set faith. Therefore, the results reported in our study suggest that the success of the association between the entrepreneur and his instructor, marked by the respect for the business creation deadline, depends heavily on the skills of the instructor, namely his abilities and expertise, leading the entrepreneur to feel secure against any abuse or misconduct of his instructor.

Table 4: Effect of the trust factors on the instructor-entrepreneur relationship success

| Trust | Know-how | Give-and-take | Limited confidence |
|--|----------|---------------|--------------------|
| Respect for the business creation deadline | 100% | 0.71513 | 0.12920 |
| Significance | 0.04810 | 0.01010 | 0.15711 |

This result is consistent with that of Giddens (1994). The relationship rests on interest exchange made possible by the give-and-take strategy. This latter consolidates and enhances the entrepreneur's relationship with his instructor; it gives him bargaining power while the instructor will be more motivated to manage his partner's interests. Bornarel (2004) found the same result. Unlike previous findings, Tunisian entrepreneurs do not pretend to trust their instructors. This can hinder the success of the relationship and becomes a relationship of distrust that will not be shared by the two partners, as shown by Sammut (2005).

3.5. Interaction

Table 5 shows that comprehensive listening and its correlation with relationship success are insignificant. This finding indicates that relationship success between Tunisian entrepreneurs and their instructors does not depend on mutual listening. Thus, interaction between

the entrepreneur and his instructor is related to the instructor's ability to meet the entrepreneur's needs, aligning the two partners for a better convergence of interests and a successful relationship. Fayolle (2004) found the same result. However, between 100% and 93.25% of entrepreneurs say that their instructors did not fall behind deadlines, met their needs, and shared their know-how with them.

Furthermore, we found that sharing knowledge between the two partners only slightly helps the relationship succeed. This information monopoly between both partners only aggravates the distance between the two partners. It leads to more information asymmetry, conflict of interests, and a deviation that can impact the business creation deadline. This result is inconsistent with Giodani (2004), who found that sharing knowledge is essential for the instructor's credibility.

Table 5: Effect of the communication factors on the instructor-entrepreneur relationship success

| Interaction | Meeting Needs | Comprehensive Listening | Knowledge Sharing |
|--|---------------|-------------------------|-------------------|
| Respect for business creation deadline | 100% | 0.74211 | 0.93250 |
| Significance | 0.02900 | 0.00100 | 0.0000 |

Moreover, comprehensive listening is absent in the relationship between Tunisian entrepreneurs and their instructors. In other words, this relationship lacks mutual listening, which is essential for better converging ideas and aligning interests and for listening not to be evaluative and critical. Evaluative interaction only widens the interests of both partners. It makes the relationship conditioned by the instructor's ideas or the entrepreneur. Consequently, there will be no self-regulation and moderation of thoughts, allowing for a better relationship.

3.6. Loyalty

Table 6 shows that the critical success factor of the relationship between Tunisian entrepreneurs and their instructors mainly relates to the instructor's involvement in the business creation project. However, it is essential to note the other side of the argument for the entrepreneurs who have successful projects. Around 88.73% of their instructors have sacrificed moderately in the short term to ensure the sustainability of the relationship because they are all heavily involved in the project through their human capital to receive a reward. Moreover, we also found a strong correlation

between relationship success and the instructor's behavior change once the employment contract is signed between the two partners. Furthermore, we found that 79.521% of entrepreneurs who succeeded in their relationships with their instructors have instructors who

have changed their behavior after the official commitment. Again, consistent with the previous results, the mutuality of the relationship is not verified since the interaction between the latter and relationship success is not significant, pointing to the absence of mutual loyalty.

Table 6: Effect of the commitment factors on the instructor-entrepreneur relationship success

| Commitment | Mutuality Of Relationship | Commitment From the Start | Short-Term Sacrifice | Behavior Change | Involvement In the Organization |
|--|---------------------------|---------------------------|----------------------|-----------------|---------------------------------|
| Respect for business creation deadline | 100% | 0.79910 | 0.88730 | 0.79521 | 100% |
| Significance | 0.20450 | 0.00110 | 0.00510 | 0.02201 | 0.00500 |

The nature of the connection that exists between the two partners is firmly based on financial motives since success requires the instructor's involvement in the project by rewarding him for aligning himself with the entrepreneur. When Tunisian instructors commit, they make short-term sacrifices to obtain rewards and guarantee long-term stability, as shown by Giodani (2005). Ironically, most instructors adopt different behaviors and strategies compared to what was negotiated and secured in the contract, which can hinder the success of the projects, as indicated by Valeau (2004).

4. CONCLUSION

The aim of this research paper is to explore and explain the connection between entrepreneurs and their mentors. The paper will examine various viewpoints and investigate how mentors can impact the success of entrepreneurs during the creation of a business. As indicated by the authors, this relationship is based on interaction, confidence and loyalty. Furthermore, all authors have agreed that for a relationship to succeed, these three factors must be reciprocal for the relationship to be mutual.

Our empirical study showed that relationship success between Tunisian entrepreneurs and their instructors depends primarily on the instructor's quality, namely his CV, expertise and skills, despite the absence of transparent and healthy information exchange between the two parties, which tends to throw evaluative and incomprehensive dimensions on the instructor who would hide information and even may misbehave after the official commitment. In addition, the relationship between Tunisian entrepreneurs and the instructor is known for material loyalty. A relationship is based on the give-and-take principle through the instructor's involvement in the project, who may sacrifice in the short term to generate long-term benefits.

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