

The Self-Employed Post-Start-Up Training and Support Needs

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Abstract

The aim of this study is to identify the activities and services that the self-employed would like to see implemented by support agencies to help them solve their management problems. A survey conducted in Québec allowed us to collect 257 questionnaires from self-employed individuals and micro-business owners. The typical respondent is a male, who is the sole owner of his business, operates out of his home and has no employee. The majority of the respondents' businesses provides services and generates profits. More than half of the respondents (with or without employees) consider the following activities and services to be relevant to their needs: training (in the form of workshops preferably), expert management advice and assistance, mutual assistance and support networking, lobbying groups and access to a centralized government data bank of services and programs.

1. Introduction

In light of the scarce resources available to the support agencies (Riverin, 2001; Cromie, 1991) who have to meet the demands of an increasing number of self-employed (SE) (Delage, 2002; Tal, 2000; Manser & Picot, 1999; CETECH, 2002), the aim of this study is to identify the activities or services the SE hope to see implemented by support agencies to help them solve their management problems. This paper begins with a brief literature review, including our definition of SE, followed by a description of the methodology used to gather and analyze data. Results are then presented. In conclusion, we discuss our results against our goals, the limits of the study, and the need for further research. We also formulate some recommendations for support agencies in regards to the best training and support tools possible they could implement to help the SE manage their small business.

2. Literature review

2.1 Defining the Self-Employed

According to Katz (1984), the SE is a «one-person organization», who has little or no growth intention for his or her business (Davidson, 1990; Dodge *et al.*, 1994; Wiklund *et al.*, 1997; Wiklund *et al.*, 2003; Cooper & Gascon in Box *et al.*, 1998; Glancey *et al.*, 1998; Glancey, 1998; Stewart *et al.*, 1999) and is not dependent upon one client (Boyle, 1994; Roy, 1998a). The individual's motivations at start-up were either push or pull (Boyle, 1994; Fillion, 1996a and 1996b; Beaucage, 2000) and, at any point in time just before or after their business start-up, who may or may not have accepted a job if given the opportunity (Stanworth & Stanworth, 1999; Delage, 2002; Brodie *et al.*, 2002). This definition will help us characterize different groups of SE when analyzing and discussing results. It must be noted that our purpose here is to develop a classification scheme – not a typology – for purposes of analysis (Doty and Glick, 1994).

2.2 Activities and services that could be offered by support agencies

Few theoretical papers have been written on SE as we define it (and fewer still on the solutions to their management problems). The cause of this rarity is probably the fact that SE is not view as high growth entrepreneurship thus electing little interest from subsidiary agencies and researchers. Another cause can be that the self-employment realm is changing everyday and hard to apprehend with continuous new entries and shutting down, or the presence of many part time participants. Faced with this situation, to help us define the activities and services to be offered to SE to solve their management problems, we choose to look at the literature on small and medium enterprises (SME).

We first found out that the management problems of women-owned businesses, young entrepreneurs, SMEs and larger businesses have been thoroughly examined (Alpander *et al.*, 1990; Lorrain & Raymond, 1990; Cromie, 1991; Dodge & Robbins, 1992; Terpstra & Olson, 1993; Dodge *et al.*, 1994; Young, 1996; Huang & Brown, 1999; Orser *et al.*; 2000). However, few writers have focused on the management problems of very small firms and the SE (Delage, 2002; Fillion, 1996a; Roy, 1998a, 1998b, 1998c; Lorrain & Laferté, 2001). We also found that the problems investigated in these studies covered the entire scope of management and the external environment of the firm, regardless of business size and other characteristics (Table 1 sums up the problems covered in the literature). As those problems had been thoroughly explored and described, we will not dwell on them here.

Regarding solutions to these problems, our review of the literature uncovered four (4) broad possibilities: first, *managerial solutions*, for example, increasing hiring efforts if the problem is finding qualified employees or giving a bonus to the sales staff when sales are low (see for example Alpander *et al.* (1990)); second, *government actions* such as guaranteeing loans, modifying laws, and subsidizing training and support agencies (see for example Roy (1998a and 1998c)); third, *intrapersonal solutions* such as forms of self-help by the SE including taking management courses or finding a salaried job (see for example Roy (1998a and 1998c), and Lorrain & Laferté (2001)); and last - and most interesting for the goal of this study - the *solutions or actions offered by support agencies* such as training, advice, meeting organization and networking for the SE, promotion of a market information database, etc. (see for example Roy (1998a; 1998c); Lorrain & Laferté (2001)).

While thorough on the problems faced by SME, these studies did not satisfy us in regards to our main preoccupation: the problems faced by the SE in particular and, foremost, the solutions (activities and services to be offered by support agencies) to these problems. So, we formulated two specific goals to our study:

- 1- to identify the solutions (activities and services) the SE hope to obtain from support agencies to help them solve their management problems, and
- 2- to verify if the evaluation of the importance of problems and of the pertinence of solutions changes according to the different variables used to define the SE (with or without employees, growth intention, independence from a single client, and happy, or not, of their SE status based on their intent, at start-up or at the time of the study, to accepted a salaried job if offered).¹

3. Methodology

Since this is mainly a descriptive study, we chose to rely on a mailed-out questionnaire to obtain maximum data within a minimum of time from the largest number of SE possible (Lapointe, 1992; Robson, 2002; Thiéart, 1999). To develop the questionnaire we first organized four (4) focus groups by asking two questions: 1) What are the main problems you face in your day-to-day business operation?, and 2) What, do you think, are the solutions to these problems? We asked the first question (main problems) so the participant would have them in mind when responding to the second one. We broke down the answers into six broad categories of problems (marketing, human resources management, operation, and so forth) based on the classification developed by Terpstra & Olson (1993) and Huang & Brown (1999), one list of solutions (23 different activities and services), and one

¹ Since this paper is part of a broader study, it does not examine variables such as gender, age of business and industry or the relations between problems and solutions. These will be discussed at a later time.

Table 1
Management Problems of Businesses of Small and Medium Sizes

Problems	Studies
Marketing (market study; segmentation, planning, market development; recruiting and maintaining customer fidelity; customer service; commercialization; low sales; meeting sale or market share goals; dependence on one or a few clients; distribution; determining sale price; advertising and promotion; sale force development)	Filion (1996a); Roy (1998b); Alpander <i>et al.</i> (1990); Lorrain & Raymond (1990); Dodge & Robbins (1992); Huang & Brown (1999); Young (1996); Cromie (1991); Terpstra & Olson (1993); Lorrain & Laferté (2001)
Bookkeeping (bookkeeping; cost control; planning; being paid; understanding and interpreting financial data; cash flow)	Lorrain & Raymond (1990); Dodge & Robbins (1992); Terpstra & Olson (1993); Young (1996); Huang & Brown (1999); Lorrain & Laferté (2001); Cromie (1991); Delage (2002)
Personnel management (finding qualified employees; recruiting and selecting employees and management staff; time required to find employees; managing; personnel rotation, keeping personnel; satisfaction, development, personnel training; managing personnel problems)	Roy (1998b); Huang & Brown (1999); Alpander <i>et al.</i> (1990); Lorrain & Raymond (1990); Cromie (1991); Terpstra & Olson (1993); Young (1996); Huang & Brown (1999); Orser <i>et al.</i> (2000); Lorrain & Laferté (2001)
Production and operations management (inadequate premises; production capacity; meeting demand; product, service, technology development; establishing and maintaining quality; obtaining raw materials; access to technology; benchmarking)	Alpander <i>et al.</i> (1990); Lorrain & Raymond (1990); Cromie (1991); Dodge & Robbins (1992); Terpstra & Olson (1993); Young (1996); Huang & Brown (1999); Orser <i>et al.</i> (2000); Lorrain & Laferté (2001)
General management (lack of time; management; work organization; automation; management information system; management and control of growth, over-expansion; administrative problems and red tape; planning; establishing goals; strategic planning; organizational structure; business roles, responsibilities and policies)	Filion (1996a); Roy (1998e); Lorrain & Raymond (1990); Cromie (1991); Dodge & Robbins (1992); Terpstra & Olson (1993); Young (1996); Huang & Brown (1999); Delage (2002)
Intrapersonal (salaried mentality; attitude toward being SE; feeling alone; bridging familial and professional life; finding time away from work; financial insecurity; lack of training; lack of management experience; bad management; difficulties with partners)	Filion (1996a); Roy (1998b); Roy (1998e); Lorrain & Raymond (1990); Cromie (1991); Terpstra & Olson (1993); Young (1996); Huang & Brown (1999); Lorrain & Laferté (2001); Delage (2002)
Environment (business and fiscal laws; legal problems; obtaining funds; lack of capital; finding pertinent information; lack of support; access to external advisers, directors, professionals; competition; economy; relations with unions; SE not being recognized as a form of organization; lack of group representation; market change; access to foreign markets)	Roy (1998b); Roy (1998e); Alpander <i>et al.</i> (1990); Lorrain & Raymond (1990); Terpstra & Olson (1993); Young (1996); Huang & Brown (1999); Lorrain & Laferté (2001); Cromie (1991); Dodge & Robbins (1992); Orser <i>et al.</i> (2000); Delage (2002)

list of 10 training formats (a theme that had been recurrent in the four focus groups). We then had the classification and lists validated by colleagues and small business consultants. The questionnaire designed was pre-tested with a sample of young entrepreneurs (started their business before being 35 years old), mainly self-employed as we defined it. Finally, we lightly modified the final questionnaire according to the results obtained² in the pre-test.

The questionnaire includes three broad sections: 1) economic and demographic data on the SE and his/her business, 2) problems currently faced by the SE, the importance of which were rated on an ordinal scale of 1 (not important) to 5 (very important)³, and 3) solutions (activities or services and training formats) preferred by the respondents, also rated on an 1 to 5 ordinal scale, where the highest score indicated the most pertinent solution to the problems identified in the preceding section. The questionnaire and the different scales used were prepared and codified to be compatible with SPSS 10.0 software.

Since it was difficult to obtain a comprehensive list of SE individuals in Québec, we enlisted the aid of an SE-targeted magazine as well as three support agencies. Of the over 4,000 questionnaires mailed out, 257 of those returned were deemed usable, for a final response rate of 5.5 percent. Of these, 165 were from SE individuals as we define them (without employees), and the others were from micro-business owners (MBO) with fewer than 5 employees, thus making it possible to compare the two (2) groups.

In regards to our research goal and the nature of the data collected (nominal and ordinal), with the exception of an Exploratory Factorial Analysis (EFA) to reduce to number of data to handle (Grimm & Yarnold, 1997; Gervini & Rousson, 2004), our data were analyzed using nonparametric statistical procedures (Conover, 1999; Grimm & Yarnold, 1997; Howell, 2004, Mason *et al.*, 1999). To test the presence of differences between the SE and the MBO in their evaluation of the importance of problems and of the pertinence of solutions, we used a stepwise logistic regression technique (backward conditional) which is the regression technique recommended to analyze non parametric data (Conover, 1999, Grimm & Yarnold, 1997; Howell, 2004; Hinkle *et al.*, 1988; Hosmer & Lemeshow, 1989). The logistic regression was used with three out of four of the variables retained to differentiate between the SE and the MBO: presence or absence of employee, growth intention and desire to remain SE or accept a salaried job if offered. Since none of our respondents were dependant upon one client, we did not include this forth variable in the analysis.

4. Results

The final sample, or typical respondent, is a male (58.4 percent), who is the sole owner (81.3%) of his home-based business (76.3 percent), works in the service industry (76.2 percent), generated profits (66.1 percent) in the fiscal year prior to the survey and has no employees (64.2 percent). The respondents' businesses were relatively new (a little less than 5 years old on average), and they had not, for the most part, benefited from the services of support agencies either during start-up (65.0 percent) or at the time of the study (77.8 percent), nor had they enrolled in start-up training (71.6 percent). The average respondent would have turned down any job offer (66.5 percent) at the time of start-up and would do the same at the present time (78.2 percent). The respondent's main goal at start-up was to create his own job without employees (65.8 percent), and he currently wishes to maintain

² The pre-test was conducted with the collaboration of Professor Jean Lorrain (Université du Québec à Trois-Rivières), and had been reported in Lorrain and Laferté (2001).

³ So they would have them in mind when rating the activities and services proposed to them in the following section of the questionnaire.

this status quo (44.0 percent) or manage the growth of his business to include up to 5 employees (41.6 percent).

As Table 2 demonstrates, based on the mean (on a 5 points scale) the most important problems for all respondents are 1) marketing and sales, 2) general management and access to key information and financing, and 3) bookkeeping and financial management. Of lesser importance are 4) entrepreneur-related problems, 5) personnel management and 6) production and operations.

Table 2
Relative Importance – Problems

Problems scales	Mean / 5	Median	S.E.
Marketing and sales	2.39	2.31	0.06
General management, access to key information and financing	2.37	2.13	0.05
Bookkeeping and financial management	2.25	2.00	0.07
Entrepreneur-related	1.95	1.77	0.05
Personnel management	1.70	1.00	0.07
Production and operations	1.70	1.40	0.05

Those means seems low in regards to the range of the scale (5 points scale) but if we look at the problems one at the time, we found that six (6) of them obtained a mean above the center of the scale and were evaluated as important for more than 25 percent of the respondents (see Table 3). Those are finding new clients, lack of time to do everything, advertising, selling, financial insecurity and difficulty finding time away from work.

Table 3
The six most important problems

Problems	Mean / 5	Median	SE	% (score 4 and 5)
Finding new clients	3.25	3.00	0.09	46.7
Lack of time to do everything	3.09	3.00	0.08	38.6
Advertising (making my business known)	2.92	3.00	0.09	37.0
Selling (closing the sale)	2.78	3.00	0.10	36.9
Financial insecurity	2.75	3.00	0.09	32.3
Difficulty finding time away from work (always preoccupied by the business)	2.63	3.00	0.08	29.2

Of the 23 solutions proposed for evaluation, only one obtained a mean at the lower end of the five (5) points scale: a chat site targeted to the SE. All others were fairly to very pertinent (score 4 and 5 on a five point scale) with an overall mean of 3.11/5.00. Five (5) of the solutions were found very or fairly pertinent by over 50 percent of the respondents (see Table 4). As training was deemed the most pertinent solution, we also investigated the preferred training format. As Table 5 shows, the workshop format was the overall winner.

Table 4
The Five Most Pertinent Solutions

Solutions	Mean / 5	Median	S.E.	% very or fairly pertinent
Training	3.56	4.00	0.08	58.1
Networking (mutual assistance and support)	3.56	4.00	0.07	53.1
Lobbying groups	3.49	4.00	0.08	51.5
Expert management advice and assistance	3.48	4.00	0.08	53.5
Centralized government data bank of services and programs	3.33	4.00	0.08	51.3

Table 5
Preferred Training Formats

Training Format	Mean / 5	Median	S.E.	% very or fairly interesting
Workshop (more practical than theoretical)	3.28	3.00	0.08	47.1
Written materials (books and brochure)	3.18	3.00	0.07	40.1
Meetings (one or two days with conferences by specialists)	3.16	3.00	0.07	42.1
Individual counseling (outside business premises)	3.13	3.00	0.08	38.9
Individual counseling (inside business premises)	3.09	3.00	0.08	40.5
Interactive CD-ROM with or without online follow-up	3.05	3.00	0.08	40.8
Traditional classroom training with regular schedule	2.85	3.00	0.08	31.5
Traditional at distance courses	2.76	3.00	0.08	33.8
Experts forum on the internet	2.70	3.00	0.08	30.0
Explanatory videotape on a particular subject	2.66	3.00	0.08	25.6
General mean	2.99	3.00	0.05	

In an effort to reduce the data to handle, we used an exploratory factorial analysis (EFA) - a principal component analysis with a *Varimax* rotation procedure and a *Kaiser* Normalization - to explore the possible subsets of agglomerate data (Grimm & Yarnold, 1997; Gervini & Rousson, 2004). Out of the six original categories, the AFE generated 13 subsets of problems, including the personnel management problems that generated only one component, five (5) subsets of solutions and three (3) subsets of training formats. Appendix 1 shows the rotated component matrices generated by the procedure for the solutions and the training formats⁴.

After dummy coding all the pertinent variables around the median, thus obtaining a binominal distribution (we coded the response inferior or equal to the median 0, and 1 for the response superior to the median), we first performed a stepwise logistic regression using a backward conditional procedure. We then processed the significant variables retained by the stepwise method using the enter method. These procedures generated six (6) significant regression equations at sig. ≤ 0.05 . Five of those were related to the problems and only one to the solutions. None were found with the training formats.

⁴ The component matrix and related statistics concerning the problems can be obtained from the author.

As with any other regression technique, the logistic regression produces a constant and one or many regression coefficients. This equation can be used as a predictive tool by the way of a simple mathematical transformation based on the natural logarithm (Grimm & Yarnold, 1995:221):

$$\text{Regression product } (\hat{g}) = \text{constant } (b_0) + \text{coefficient } (b_1) (\text{variable X})$$

$$\text{Probability}^5 = e^{\hat{g}} / (1 + e^{\hat{g}})$$

Using this equation and the data found in Table 6, we can estimate that, for a randomly selected respondent in our sample, who is a MBO (coded 1) and who seeks growth (coded 0) for his or her business, he or she would have a 78.9 percent probability to have found the personnel management problem as important (response above the median) (in other words, he or she would have 3.74 more chances (0.789/1-0.789) of having done so than a SE not seeking growth) as in:

$$(\hat{g}) = -0.543 + 1.862(1) - 0.902(0) = 1.319$$

$$\text{Probability} = e^{1.319} / (1 + e^{1.319}) = 0.789 \text{ or } 78.9 \text{ percent}$$

Table 6
Logistic regression and cross tabs
Personnel management problems

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	Type of business	1.862	0.295	39.842	1	0.000	6.438	3.611	11.478
	Growth intention	-0.902	0.316	8.141	1	0.004	0.406	0.218	0.754
	Constant	-0.543	0.287	3.572	1	0.059	0.581		
Step		-2 Log likelihood			Percentage correctly predicted		Nagelkerke R Square		
1		284.729			73.3		0.267		
Cross tabs – Personnel management									
Variables in the equation		Inferior to the median		Superior to the median		Total			
		Number	Percent	Number	Percent	Number	Percent		
Self-employed		126	76.4	39	23.6	165	100.0		
Micro business owner		30	32.6	62	67.4	92	100.0		
Seek growth		31	43.7	40	56.3	71	100.0		
Do not seek growth		125	67.9	59	32.1	184	100.0		

If we used the enter method in the logistic regression, when there is only one coefficient in the equation, the transformation could be more straightforward. Indeed, the percentages produced in the cross tabs could be used as a proxy for the probability. In Table 7, we can see that there are 39.4 percent of the self-employed (coded 0) who have evaluated the receivables management problem superior to the median. Using the regression equation, we found that:

$$(\hat{g}) = -0.431 + 0.605(0) = -0.431$$

$$\text{Probability} = e^{-0.431} / (1 + e^{-0.431}) = 0.394 \text{ or } 39.4 \text{ percent}$$

⁵ e = natural logarithm base

Table 7
Logistic regression and cross tabs
Receivables management problems

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	Type of business	0.605	0.263	5.292	1	0.021	1.832	1.094	3.067
	Constant	-0.431	0.159	7.310	1	0.007	0.650		
Step		-2 Log likelihood			Percentage correctly predicted		Nagelkerke R Square		
1		348.100			584		-0.027		
Cross tabs – Receivables management									
Variables in the equation		Inferior or equal to the median		Superior to the median		Total			
		Number	Percent	Number	Percent	Number	Percent		
Self-employed		100	60.6	65	39.4	165	100.0		
Micro business owner		42	45.7	50	54.3	92	100.0		

As for the other regression equations, using the same proxy for the probability estimate, our results shows that, for our sample, the respondent who would trade their actual status for a salaried job are more likely to estimate the problems related to the specialized marketing functions and the intrapersonal problems as being important (response above the median) than the ones who are satisfied with their status (see Tables 8 and 9).

As we can see in Table 10, very few of our respondents found that the relations subsets of problems were important. Nonetheless, our results show that they were less important for the SE than for the MBO; for example, a randomly selected MBO in our sample would have a 25.0 percent chance of having found these problems as important.

Even though the training subset of solutions was one of the most pertinent according to our respondents, Table 11 shows that they seems more pertinent for the ones seeking growth for their businesses than for the ones not seeking growth.

5. Discussion and conclusions

As stated earlier, our study had two main goals:

- 1- to identify the solutions (activities and services) the SE hope to obtain from support agencies to help them solve their management problems, and
- 2- to verify if the evaluation of the importance of problems and of the pertinence of solutions changes according to the different variables used to define the SE.

The results presented above show that these goals have been attained. They also open the way for new research as well as for a few recommendations to support agencies.

One of the most interesting results of this research, and our main contribution, regards the solutions the SE and the MBO would like to see implement by the supports agencies to help them solve their problems. The SE and MBO appear to share preferences in support activities and training formats as

shown by the logistic regression, efforts to segregate the two groups seem superfluous. Training

Table 8
Logistic regression and cross tabs
Marketing specialized functions problems

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	Happy or not	-0.906	0.336	7.257	1	0.007	0.404	0.209	0.781
	Constant	0.724	0.305	5.647	1	0.017	2.062		
Step		-2 Log likelihood			Percentage correctly predicted		Nagelkerke R Square		
1		334.754			57.1		0.041		
Cross tabs – Marketing specialized functions									
Variables in the equation		Inferior or equal to the median		Superior to the median		Total			
		Number	Percent	Number	Percent	Number	Percent		
Unhappy (would take a salaried job)		16	32.7	33	67.3	49	100.0		
Happy (would not take a salaried job)		108	54.5	90	45.5	198	100.0		

Table 9
Logistic regression and cross tabs
Intrapersonal problems

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	Happy or not	-1.181	0.354	11.146	1	0.001	0.307	0.154	0.614
	Constant	1.019	0.324	9.909	1	0.002	2.769		
Step		-2 Log likelihood			Percentage correctly predicted		Nagelkerke R Square		
1		329.888			57.9		0.065		
Cross tabs – Intrapersonal									
Variables in the equation		Inferior or equal to the median		Superior to the median		Total			
		Number	Percent	Number	Percent	Number	Percent		
Unhappy (would take a salaried job)		13	26.5	36	73.5	49	100.0		
Happy (would not take a salaried job)		107	54.0	91	46.0	198	100.0		

Table 10
Logistic regression and cross tabs
Relations problems

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	Type of business	1.754	0.419	17.531	1	0.000	5.778	2.542	13.132
	Constant	-2.853	0.343	69.243	1	0.000	0.058		
Step		-2 Log likelihood			Percentage correctly predicted		Nagelkerke R Square		
1		173.327			87.5		0.141		
Cross tabs - Relations									
Variables in the equation		Inferior or equal to the median		Superior to the median		Total			
		Number	Percent	Number	Percent	Number	Percent		
Self-employed		156	94.5	9	5.5	165	100.0		
Micro business owner		69	75.0	23	25.0	92	100.0		

Table 11
Logistic regression and cross tabs
Training solutions

		B	S.E.	Wald	df	Sig.	Exp(B)	95.0% C.I. for EXP(B)	
								Lower	Upper
Step 1	Growth intention	-0.585	0.291	4.040	1	0.044	0.557	0.315	0.986
	Constant	0.672	0.251	7.176	1	0.007	1.958		
Step		-2 Log likelihood			Percentage correctly predicted		Nagelkerke R Square		
1		345.570			56.1		0.022		
Cross tabs - Training									
Variables in the equation		Inferior or equal to the median		Superior to the median		Total			
		Number	Percent	Number	Percent	Number	Percent		
Seek growth		24	33.8	47	66.2	71	100.0		
Do not seek growth		88	47.8	96	52.2	184	100.0		

formats should be oriented toward «how-to-do-it» activities such as workshops or seminars, books and brochures. Since the SE and the MBO asked for a centralized government program data bank, efforts should be made in this direction. Although this information is widely available on the Internet, it does not appear to have reached its intended target, so more advertising or a more focused approach may be necessary.

They also seems to find grouping activities (for lobby or networking) very interesting. However, in regards to the result indicating that finding time to do everything is their main problem, we would recommended that support agencies invest in supporting those kind of activities (logistic and organization) so the SE and the MBO can participate to these activities without having to neglect their businesses to organize them.

The SE and MBO both indicate they prefer individual counseling, expert or general, on or outside their business site. This may be problematic since resources in support agencies are scarce. The option should be examined closely however if we, as a society, wish to help the SE and the MBO manage their small businesses more effectively.

We also found that the SE and MBO share the same problems as the other business owners as reported in our literature review. This comfort us in thinking that, while the businesses are quite small, they are businesses nonetheless and should be treated as such in the literature and by the support agencies. We also found that finding new clients, the lack of time to have everything done, making the business known, closing the sales, financial insecurity and finding time away from work were the more important one on a single out basis. Are those problems more important or less important for the SE and the MBO than for the SME owners? More research is called for to investigate this question. For our respondents however, it seems that, at least for the personnel management and receivables management subsets of problems, the MBO in our sample estimated them as more important than the SE did, which seems reasonable in the presence of employees and a «bigger» business.

In spite of the main limitation of this study - the non random sample and a possible bias in the data owing to this situation (our results can only be applied to this sample, within the context of Québec) – those results and the logistic regression statistical technique that we used open the door to further research. Namely, more data should be collected in an effort to develop a diagnostic tool. This tool could be of great help pointing the SE and the MBO toward activities that will help them to solve their problems.

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APPENDIX 1

Table A
Component Matrix - Solutions

Items	Components				
	Grouping	Advice	Training	Promotion	Internet
Networking (mutual assistance and support)	0.863				
Lobbying groups	0.598				
Networking with an expertise sharing goal	0.768				
Punctual meeting to discuss our every day problems and success	0.854				
Association with a sharing of services goal (buying group, recruiting group)	0.691				
Publication of a new businesses list in my region	0.423				
Expert management advice and assistance		0.557			
Coaching (sector oriented)		0.477			
Advice and assistance by management generalist		0.665			
Business center		0.720			
Incubator		0.817			
Advice on production and operations by domain specialists		0.560			
Mentoring (management counseling by experienced business people)		0.474			
Training			0.662		
Conferences by specialists			0.743		
Conferences by entrepreneurs			0.708		
Promoting market information databanks				0.504	
Exhibitions or shows to present my business to potential buyers				0.545	
Identifying the product as a regional one				0.841	
Buying local campaign				0.830	
Centralized government data bank (financial and support programs)					0.523
Internet site on small business management					0.636
Chat site for SE					0.423
Eigenvalues	8.383	1.914	1.722	1.287	1.134
Percent of variance explained	36.450	8.320	7.487	5.598	4.929
Mean	3.36	3.03	3.34	2.79	2.97
Median	3.50	3.14	3.33	2.75	3.00
Standard Error of the Mean	0.06	0.06	0.06	0.07	0.06

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 12 rotations.

Table B
Component Matrix – Training formats

Items	Components		
	Specialized / alone	General / In group	Individual counseling
Interactive CD-ROM with or without on line follow up	0.817		
Traditional at distance courses	0.744		
Expert forum on the Internet	0.802		
Explanatory videocassette on a particular subject	0.559		
Workshop (more practical than theoretical)		0.782	
Written materials (books, brochures)		0.427	
Meeting (one or two days with conferences)		0.743	
Traditional classroom training		0.680	
Individual counseling (outside the business premises)			0.894
Individual counseling (inside the business premises)			0.909
Eigenvalues	3.421	1.623	1.177
Percent of variance explained	34.210	16.229	11.768
Mean	2.79	3.12	3.11
Median	2.75	3.25	3.00
Standard Error of the Mean	0.06	0.05	0.07

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 5 rotations.