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# Survival Strategies for Small Independent Full-Service Restaurants

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## Walden University

College of Management and Technology

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Haitham Nizam

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Walden University 2017

Abstract

Survival Strategies for Small Independent Full-Service Restaurants

by

Haitham Nizam

MBA, Middlesex University, 2014 BSc, Ain Shams University, 2000

Doctoral Study Submitted in Partial Fulfillment of the Requirements for the Degree of Doctor of Business Administration

Walden University

December 2017

Abstract

Small businesses play a vital role in the modern economy. They represent the main catalyst for economic development. However, small businesses fail at a high rate, especially small independent restaurants. Around 25% of small independent restaurants fail within the first year of operation, and around 60% do not survive for more than 3 years. The purpose of this multiple case study was to explore what strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt implemented to sustain operations for more than 5 years. The restaurant viability model provided the conceptual framework for this study. The population of this study comprised of 14 owners of small independent full-service restaurant with less than 50 employees in the Al Rehab District, Cairo, Egypt, who sustained their businesses operations for more than 5 years. The data sources included semistructured interviews, restaurant review websites, and social media platforms. Based on methodological triangulation of the data sources, open coding, analyzing the data using qualitative data analysis software, and member checking, 5 themes emerged: restaurant infrastructure strategies, marketing strategies, operations strategies, management strategies, and emotive strategies. The potential implications for positive social change include increasing the success rate of small independent restaurant owners, which in return will create wealth for the owners, generate employment opportunities, increase the government tax revenues, and contribute to the growth of the Egyptian economy.

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## Dedication

I dedicate this study to my mother, Ragaa Hussein, who implanted the value of knowledge in me from my childhood and who believed in me, encouraged, and supported me to reach where I am today.

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#### Section 1: Foundation of the Study

Small businesses fail at a high rate, especially small independent restaurants. Around 20% of small and medium enterprises (SMEs) fail within the first year while more than 50% do not survive for more than 5 years (Neagu, 2016). Moreover, restaurants have one of the highest failure rates among small businesses (Camillo, Connolly, & Kim, 2008). Around 25% of independent restaurants fail within the first year of operation, and around 60% do not survive for more than 3 years (Parsa, Self, Sydnor-Busso, & Yoon, 2011).

Scholars lack a holistic and in-depth understanding of the restaurant failure phenomenon. Although business failure has fostered a steady stream of research, there is no clear consensus among scholars as to what business failure is (Amankwah-Amoah, 2016). Moreover, the lack of an integrated multidisciplinary approach has led to the accumulation of fragmented and contradictory findings (Khelil, 2016). Additionally, several scholars have investigated the restaurant failure phenomenon, yet until today, no single theory can provide a holistic explanation for this phenomenon. Moreover, very few scholars have investigated restaurant failure in a developing country context. Consequently, a holistic lens is necessary for understanding restaurant failure in a developing country context.

Although small independent restaurants fail at a high rate, the relatively low entry barriers and little initial capital required attract many novice entrepreneurs to startup small independent restaurants (Parsa, Self et al., 2011). Exploring survival strategies for small independent restaurants may increase the success chances of restaurant owners, which in return will create wealth for the owners, generate employment opportunities, increase the government tax revenues, and contribute to the growth of the Egyptian economy.

#### **Background of the Problem**

Small businesses are a vital engine for the development of Egyptian economy. SMEs play a crucial role in the modern economy (Neagu, 2016). SMEs represent the backbone of socioeconomic development of any national economy (Laurențiu, 2016). In Egypt, SMEs are major contributors to the gross domestic product (GDP) and employment (El-Said, Al-Said, & Zaki, 2015). Boosting the survival and growth of SMEs is vital for the development of the Egyptian economy and improvement of the living conditions of the Egyptian citizens.

Many novice entrepreneurs establish small independent restaurants to alleviate poverty, yet they lack strategies to sustain their restaurants. Although small independent restaurants fail at a high rate, the relatively low entry barriers and little initial capital required attract many novice entrepreneurs to startup small independent restaurants (Parsa, Self et al., 2011). It is crucial to investigate why small independent restaurants fail at a high rate.

#### **Problem Statement**

The majority of small businesses do not survive for more than 5 years (Rijkers, Arouri, Freund, & Nucifora, 2014; Summers, 2015). Around 20% of SMEs fail within the first year while more than 50% do not survive for more than 5 years (Neagu, 2016). The general business problem was that some small business owners in the services sector lack

strategies to sustain their businesses for more than 5 years. The specific business problem was that some small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt lack strategies to sustain operations for more than 5 years.

#### **Purpose Statement**

The purpose of this qualitative multiple case study was to explore what strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt implemented to sustain operations for more than 5 years. The population of this study comprised of 14 owners of small independent full-service restaurants with less than 50 employees in the Al Rehab District, Cairo, Egypt, who sustained their businesses operations for more than 5 years. The findings from this study could help small independent full-service restaurant owners in Egypt sustain their businesses operations for more than 5 years, which in return can create wealth for the owners, create employment opportunities for youth to combat poverty, and contribute to the development of the Egyptian economy.

#### Nature of the Study

This study was qualitative in nature. Researchers could choose between three research approaches appropriate for social science studies: quantitative, qualitative, and mixed-method (Van Griensven, Moore, & Hall, 2014). I chose to conduct qualitative research because qualitative research is suitable to explore the potential antecedents of a contemporary business problem, about which scholars have little knowledge (Eriksson & Kovalainen, 2016). Qualitative research is a systematic and subjective approach to building a holistic and in-depth understanding of a social or human issue (Khan, 2014a).

In contrast, quantitative researchers test hypotheses to examine the relationships or differences among variables to verify an objective theory (Yilmaz, 2013). Mixed-method researchers combine qualitative and quantitative methods of collecting and analyzing data to gain a comprehensive understanding of a phenomenon (Caruth, 2013). The purpose of this study was to explore strategies that contributed to the success of some small independent full-service restaurant owners. I did not test hypotheses, which is part of a quantitative study or the quantitative portion of a mixed-method study; hence, neither the quantitative nor the mixed-method approaches were suitable for this study.

In this study, I used a multiple case study design. Researchers could choose between several qualitative research designs (Marshall & Rossman, 2016). I opted to conduct a multiple case study because case study design is suitable in addressing *what*, *how*, or *why* research questions (Yin, 2014). Case studies are most appropriate for investigating a contemporary phenomenon within its real-world context (Yin, 2014). Case study research provides holistic, in-depth analysis of a real-life, contemporary bounded system (the case) bounded by time and place (Yin, 2014).

Other alternative qualitative designs were phenomenology and ethnography (Eriksson & Kovalainen, 2016). Phenomenological researchers focus on describing the shared essence of individuals' experiencing a phenomenon based on the meanings of their lived experiences (Gill, 2014). Phenomenological researchers study a phenomenon from the participants' perspectives. The phenomenological design was not suitable for this study because it was going to be subject to the owners' self-serving attribution bias. Self-serving attribution bias refers to the tendency of individuals to ascribe success to their own abilities and efforts but ascribe failure to external factors (Shtudiner, Klein, & Kantor, 2017). Ethnographic researchers study the shared beliefs, behaviors, and experiences of a group of people over time (Cruz & Higginbottom, 2013). Ethnographic studies are suitable for addressing culturally oriented business problems (Eriksson & Kovalainen, 2016). The restaurant failure phenomenon has various external and internal antecedents (Parsa, Self, Njite, & King, 2005). While organizational culture is one of the internal antecedents, it is certainly not the only antecedent; hence, the ethnographic design was not suitable for this study.

#### **Research Question**

What strategies do small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt use to sustain operations for more than 5 years?

#### **Interview Questions**

- 1. What strategies did you use to sustain your restaurant operations during the first 5 years?
- 2. What strategies, if any, did you use to finance your restaurant operations during the first 5 years?
- 3. What strategies, if any, did you implement in recruiting and training employees?
- 4. What strategies, if any, did you implement to procure food and supplies?
- 5. What marketing strategies, if any, did you use to acquire and retain customers?
- 6. What strategies, if any, did you use in managing the restaurant's operations?
- 7. How did you overcome the barriers to implementing your strategies?

- 8. What changes, if any, did you make to your strategies during the first 5 years of operation?
- 9. What other factors, if any, contributed to your restaurant's success?

#### **Conceptual Framework**

The conceptual frameworks depict the key components of a social phenomenon and the relationships between these elements (Díaz et al., 2015). It provides a potential lens for understanding the phenomenon under research and creates a structure for collecting relevant data to investigate the business problem (Green, 2014). Parsa et al's. (2005) restaurant viability model provided the conceptual foundation for this study.

Parsa et al. (2005) endorsed a contemporary multidisciplinary view of the restaurant failure phenomenon. Previous scholars examined the restaurant failure phenomenon from various unique perspectives, such as economic, marketing, and managerial perspectives (Parsa et al., 2005). Parsa et al. argued that although these unique views provided valuable insights, the complexity of the restaurant failure phenomenon requires scholars to explore this phenomenon with a multidisciplinary approach. Moreover, the majority of past researchers adopted an objective view of restaurant failure by focusing on quantitative variables (Parsa et al., 2005). Previous scholars gave little attention to the qualitative aspects of restaurant failure (Parsa et al., 2005). Parsa et al's restaurant viability model represents a subjective multidisciplinary view of the underpinnings of restaurants viability. The restaurant viability model provided a contemporary framework for understanding the potential determinants of small independent full-service restaurants success in the Al Rehab District, Cairo, Egypt, and exploring the strategies that successful owners implemented to assure survival during and after the first 5 years of operation.

#### **Operational Definitions**

*Business failure*: Owner's action to discontinue the business as a consequence of a real or predicted performance inferior to his or her satisfaction (Khelil, 2016).

*Full-service restaurant*: A full-service restaurant is a dine-in establishment, which provides not only food but complete service experiences to their customers (Han, Back, & Barrett, 2010).

*Independent restaurant*: An independent restaurant is an independently owned and operated foodservice outlet that has no affiliation with any other business (Parsa, van der Rest, Smith, Parsa, & Bujisic, 2014).

*Small and medium enterprises (SMEs)*: The Egyptian government defines SMEs as companies that employ less than 100 employees (Tolba, Seoudi, & Fahmy, 2014).

*Small business*: The Egyptian government defines small businesses as firms that employ less than 50 employees (Tolba et al., 2014).

#### Assumptions, Limitations, and Delimitations

It is essential for the researcher to acknowledge the underlying assumptions and limitations imposed by the research approach to interpret findings appropriately (Kirkwood & Price, 2013). Delimitations delineate the boundaries of the study (Yin, 2014). In the following subsections, I outline the assumptions, limitations, and delimitations of this study.

#### Assumptions

Assumptions are facts the researcher considers to be true but cannot verify (Marshall & Rossman, 2016). This study included seven assumptions. The first assumption was that a qualitative methodology was appropriate to explore the strategies that contribute to a business success. The second assumption was that the success of the participant owners was the result of their conscious and deliberate actions. The third assumption was that the participant owners conducted legal and ethical business practices. The fourth assumption was that the participants provided honest and comprehensive responses to the interview questions. The fifth assumption was that the strategies, which contributed to a business survival for 5 years, would continue contributing to the survival of the firm beyond 5 years. The sixth assumption was that the sample size of four successful owners was sufficient to build a complete picture of the strategies that lead to the success of small independent full-service restaurants in the Al Rehab District, Cairo, Egypt. Finally, the seventh assumption was that neither the participants nor I introduced any bias that influenced the responses or interpretation of data.

#### Limitations

Limitations are potential weaknesses that the researcher cannot control (Marshall & Rossman, 2016). The first limitation was that the collected data from the sampled participants might not have adequately represented the views or experiences of all independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt. The geographical scope of this study created a second limitation. The unique locality

attributes of the Al Rehab District, Cairo, Egypt imposed a limitation on the transferability of the findings to other locations. The third limitation related to the distortion due to the inability of the participants to accurately recall events and experiences from the past 5 years. The fourth limitation was due to the distortion introduced by the participants' self-serving attribution bias in attributing causality. Finally, the fifth limitation was that all the participants who accepted to take place in this study were males.

#### Delimitations

Delimitations are the characteristics that define the scope of the study and delineate its boundaries (Leedy & Ormrod, 2015). Delimitations refer to the bounds or scope of the study (Marshall & Rossman, 2016). The boundaries of this study were (a) small restaurants employing less than 50 employees; (b) independently owned and operated restaurants; (c) full-service restaurants located in the Al Rehab District, Cairo, Egypt; and (d) restaurants that were operational for at least 5 consecutive years.

#### Significance of the Study

Failure to sustain small businesses has devastating financial and psychological effects on the owners, employees, their families, and the community. Business failure is likely to generate a negative emotional response from the owners such as grief and depression (Jenkins, Wiklund, & Brundin, 2014). Job loss due to a business failure associated with subsequent unemployment can cause a decline in the employee's psychological and physical well-being, social withdrawal, family disruption, and lower levels of children's attainment and well-being (Brand, 2015). A potential benefit of

conducting this study was to increase the success chances of small independent fullservice restaurant owners.

#### **Contribution to Business Practice**

The findings from this study may provide valuable implications to the business practice in the restaurant industry. This study may help small restaurant owners identify and implement strategies that can increase their rates of success. It may also help potential small restaurant owners create a sound business plan before starting up a small independent full-service restaurant. Nongovernmental organizations could use the study findings and recommendations to build training materials to educate novice entrepreneurs on how to establish and manage a small independent full-service restaurant. Financial organizations could use the results of this study in assessing the viability of the owners' business plans before financing them to reduce loan default rates.

#### **Implications for Social Change**

This study has potential in making a valuable contribution to the social and economic development of the Egyptian society. Many Egyptian novice entrepreneurs aspire to establish their own business, but they are reluctant to do so because of their fear of failure. In general, Egyptians have a positive attitude towards entrepreneurship (Ismail, Tolba, & Barakat, 2016). Almost 40% of Egyptians expressed their intentions to startup a business in the future (Ismail et al., 2016). However, around one-third expressed a moderate fear of failure upon starting a business (Ismail et al., 2016). This study might inspire potential Egyptian entrepreneurs to pursue their dream of establishing a small business and alleviate their fear of failure. Moreover, findings from this study might help small restaurant owners sustain their businesses for longer periods of time, which in return will create wealth for the owners, generate employment opportunities, increase the government tax revenues, and contribute to the growth of the Egyptian economy.

#### A Review of the Professional and Academic Literature

A literature review is a systematic method for identifying, evaluating, and interpreting work produced by former scholars (Baker, 2016). The purpose of the literature review is to discover knowledge gaps and research needs in the problem area in which the researcher intends to contribute to knowledge (Maier, 2013). This section comprises a comprehensive synthesis and critical analysis of existing literature on organizational, entrepreneurial, small businesses, and restaurant survival or failure, which I extracted from journals, books, government reports, industry and market reports, and previous doctoral studies. The focal point of the literature review relates to the causes of small businesses failure, with an emphasis on small independent restaurant survival or failure.

The literature review process consists of four steps: (a) identification of the problem domain, (b) critical analysis of existing literature, (c) identification of knowledge gaps, and (d) presentation of the study objectives (Maier, 2013). I begin this section with an introduction to the purpose of this study. I give a detailed explanation and critique of the conceptual framework and a comparison and contrast of the conceptual framework with classical theories of organizational failure. Additionally, I present the different definitions of business failure and provide a comparison, contrast, and critique of the different conceptualization and schools of thought of organizational failure.

Moreover, this section includes a comprehensive synthesis from various sources on the antecedents of restaurant failure. Finally, I conclude this section by discussing knowledge gaps and the objective of this study.

In my effort to locate literature related to the research question, I used keywords related to small business failure. I combined keywords associated with business such as (a) *organization*, (b) *firm*, (c) *company*, (d) *venture*, and (e) *restaurant*, with keywords related to failure such as (a) *mortality*, (b) *death*, (c) *exit*, (d) *discontinue*, (e) *closure*, (f) *insolvency*, and (g) *bankruptcy*. I also searched the literature for determinants of restaurants' success. I also used keywords associated with determinants of success such as (a) *critical success factors*, (b) *key success factors*, and (c) *survival factors*.

I retrieved journal articles, dissertations, books, and other reference sources from the electronic library at Walden University and Google Scholar. Databases that I searched for the collection of literature included business, management, marketing, organizational psychology, and hospitality databases. Within the Walden University electronic library, I used specific databases including EBSCO Business Source Complete, ABI/INFORM Complete, Emerald Management, SAGE Premier, ScienceDirect, Hospitality & Tourism Complete, The World Bank Open Knowledge Repository, ProQuest Central, and ProQuest Thesis and Dissertations.

The review of the literature includes the examination of research derived from peer-reviewed, scholarly periodicals and seminal works including books. Of the 147 sources in this study, 128 are peer-reviewed references (87% of the sources in this document). Of the 147 sources, 126 sources (86% of the references) have publication

dates within the 5 years of my anticipated graduation date. There are 68 sources in the literature review section, out of which 63 sources (93%) are peer-reviewed and 58 sources (85%) published within 5 years of my anticipated graduation date.

Independent restaurants experience high failure rate (Parsa et al., 2005). The purpose of this qualitative multiple case study was to explore what strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt implemented to sustain operations for more than 5 years. Parsa et al's (2005) restaurant viability model provided the lens through which I explored the restaurant failure phenomenon. I chose this model because it represents a contemporary lens that integrates both the deterministic and voluntaristic views of business failure alternative to the classical theories of organizational failure such as Venkatraman's strategic fit theory, which emerged from the deterministic view.

#### **Restaurant Viability Model**

Previous scholars endorsed a limited view in investigating restaurant failure. Several scholars have attempted to study the phenomenon of restaurant failure (Agarwal & Dahm, 2015; Camillo et al., 2008; Parsa et al., 2014). However, Parsa et al. (2005) argued that previous scholars focused mostly on quantitative factors and bankruptcy rates and gave little attention to the qualitative aspects of restaurant failure. Although these previous studies depicted guardian insights, they provided a limited understanding of the phenomenon, mainly because previous scholars endorsed a deterministic view of restaurant failure (Parsa et al., 2005). Camillo et al. (2008) argued that in order to build an in-depth understanding of the phenomenon, scholars need to use an integrated approach that incorporates the deterministic, voluntaristic, and emotive views. Moreover, previous scholars have examined the phenomenon of restaurant failures from various distinctive perspectives, such as economic, marketing, managerial, and psychology perspectives (Parsa et al., 2005). Parsa et al. argued that although these unique views provided valuable insights, the complexity of the restaurant failure phenomenon requires scholars to take a multidisciplinary approach.

Parsa et al's. (2005) restaurant viability model provides a contemporary framework for understanding the restaurant failure phenomenon, which stems from the integrated view of business failure. In their attempt to study the phenomenon of restaurant failures, Parsa et al. (2005) took a different approach by conducting a mixedmethod study exploring restaurant ownership turnover using a combination of qualitative and longitudinal data. Parsa et al. endorsed a multidisciplinary view combining the deterministic view of organizational failure from the industrial organizations (IO) and the organization ecology (OE) perspectives with the voluntaristic view from the organizational studies (OS) and the organizational psychology (OP) perspectives. Based on their research, Parsa et al. developed the restaurant viability model.

Parsa et al. (2005) argued that a combination of external environmental factors, internal organizational factors, and entrepreneur's psychological factors determine the restaurant's viability. Parsa et al. identified several factors that impact a restaurant's viability. Parsa et al. grouped the factors that shape restaurants success or failure into four groups: (a) external environment, (b) internal environment, (c) organizational life cycle, and (d) family life cycle.

**External environment factors.** Many restaurants fail because the inability of their managers to analyze and adapt to market trends (Parsa et al., 2005). Moreover, the competitive landscape in which the restaurant operates influences its success or failure (Parsa et al., 2005). In their restaurant viability model, Parsa et al. (2005) divided the category of external environment factors into two subcategories: (a) general or macroenvironment factors and (b) specific or competitive landscape factors. The macroenvironment factors include political, legal, economic, social, demographic, technological, and environmental factors that impose constraints on restaurants and influence their success or failure. The competitive landscape includes factors such as restaurant density and the characteristics of competing restaurants such as age, size, and affiliation.

Internal environment factors. The owner's strategic positioning has a strong influence on a business's success (Parsa et al., 2005). Additionally, the owner's management capabilities are crucial in preventing restaurant failure (Parsa et al., 2005). Parsa et al. (2005) divided the category of internal environment factors into two subcategories: (a) operational factors and (b) management factors. The operational factors include restaurant concept, marketing strategy, organizational culture, and cost control. While management factors include the entrepreneur's leadership skills, business management competency, and experience. **Organizational life cycle factors.** Like all business organizations, restaurants go through a series of stages during their life cycle (Parsa et al., 2005). At any point along its life-cycle stages, a restaurant can face setbacks catastrophic enough to lead to failure. Throughout the life cycle, the first stages are the most vulnerable, which is why a high percentage of restaurants fail at an early stage (Parsa et al., 2005).

**Family life cycle factors.** Parsa et al. (2005) argued that effective management of the entrepreneur's family life cycle and quality-of-life issues are critical to the survival and growth of a restaurant. It is essential for the entrepreneur to balance the demands of operating the business with the needs of the family (Parsa et al., 2005). A restaurant's survival and growth depend on the owner's family life cycle. Family situations may drive owners to grow, change, or quit their business (Parsa et al., 2005).

**Emotional factors.** Camillo et al. (2008) conducted a multiple-case study to explore the success factors for independent restaurants. Similar to Parsa et al. (2005), Camillo et al. used an integrated approach. Based on their research, Camillo et al. proposed an augmentation to Parsa et al's restaurant viability model. Camillo et al. argued that emotional factors are fundamental to restaurants' success. Camillo et al. suggested that destructive emotions such as overconfidence, worries, and restlessness are precursors of failure, whereas creative emotions such as curiosity, love, and fondness are important determinants of success. Camillo et al. suggested adding emotional factors as a fifth category to Parsa et al's restaurant viability model.

**Critique of the restaurant viability model.** The strength of Parsa et al's. (2005) restaurant viability model is that it provides a holistic, multidisciplinary view of the

phenomenon of restaurant failures. Parsa et al's. adopted a broad definition of failure that incorporates both deterministic and voluntaristic types of failure. Moreover, the model provides an integrated view of the deterministic, voluntaristic and emotive perspectives of organizational failure. Parsa et al's. grounded their model to insights from IO, OE, OS, and OP social science disciplines. Finally, the model emerged from empirical research using a combination of quantitative and qualitative approaches complementing each other.

The main weakness of Parsa et al's. (2005) restaurant viability model is that it is relatively new compared to alternative theories of organizational failure. There are few studies grounded in this model. Scholars have not thoroughly tested the model by multiple studies in various contexts to evaluate its validity and transferability. Moreover, the model incorporates a limited view of the psychological factors that can influence restaurant viability. Parsa et al's. limited the psychological factors to entrepreneur's family related issues. Camillo et al. (2008) added psychological factors related to the owner's personality and goals. However, numerous psychological factors can influence entrepreneur's success such as psychological factors related to the owner's health issues.

#### **Alternative Theories**

There is an enormous body of literature addressing business failure (Heine & Rindfleisch, 2013). Researchers on organizational failure have mainly focused on two issues: (a) the causes and (b) the potential consequences of business failure (Khelil, 2016). Several scholars from a range of disciplines have explored and studied the causes of business failure using diverse methodologies and various lenses (Walsh &

Cunningham, 2016). However, these scholars used a single theoretical approach, which led to a clear divide between the deterministic and the voluntaristic views (Khelil, 2016). The business failure literature is rich with theories explaining the causes of failure from multiple disciplines and perspectives. In the following subsections, I discuss two of the popular theories: (a) Venkatraman's strategic fit theory, which represents the deterministic view and (b) Barney's Resource Based View (RBV), which represents to the voluntaristic view.

**Strategic fit theory.** According to IO scholars, a range of environmental and industrial factors affects firms, which lead to the process of natural selection, whereby companies that do not fit their environment exit (Amankwah-Amoah, 2016). IO scholars have attributed organizational failure to the process of *natural selection* and *survival of the fittest* (Amankwah-Amoah, 2016). Hence, it is vital for firms to adapt to their external environment in order to survive (Prajogo, 2016).

The strategic fit theory attributes organizational success or failure to the degree of alignment between the firm's strategy and internal resources with its external environment. Venkatraman introduced the concept of strategic fit in 1989, and since then, several scholars have used it to assess organizational performance in different contexts (Johnson, 2013). According to the strategic fit theory, it is critical for any organization to maintain alignment between its resources and capabilities and the external environment (Johnson, 2013).

The principle of strategic fit considers the degree of alignment among the competitive situation and the firms' strategy, organizational culture, and leadership style

(Mohamed, 2014). Mohamed (2014) noted that several studies indicated that high degrees of alignment between these four elements lead to superior performance. The strategic fit is an ideal state that managers should continually strive for but rarely achieve (Mohamed, 2014). Although an organization may achieve perfect alignment at a specific point in time, the dynamic nature of external environment makes this a moving target (Mohamed, 2014). Managers should continuously scan and adapt to the external environment. Continuously aligning the firm's resources and capabilities to the environment provides a firm with a sustained competitive advantage and superior performance (Lin, Peng, Chang, & Dang, 2016). The strategic fit theory attributes firms' success to the managers' ability in scanning, analyzing, and anticipating changes in the external environment and aligning the company's strategy, internal resources, and capabilities to the external environment and aligning the company's strategy, internal resources, and capabilities to the external environment.

The strategic fit theory ignores internal factors that could offer a promising explanation of organizational failure (Mellahi & Wilkinson, 2004). The strategic fit theory ignores aspects of strategy execution; two firms might be executing the same strategy, yet one firm might be more efficient in executing the strategy leading to superior performance. Consequently, the strategic fit theory cannot provide a full understanding of organizational failure. Parsa et al's. (2005) restaurant viability model provides a better lens for exploring the restaurant failure phenomenon because it integrates both the deterministic and voluntaristic views.

**The RBV.** According to OS scholars, the lack of quality resources and distinctive competencies are the main causes of organizational failure (Amankwah-Amoah, 2016).

The RBV indicates that firms represent heterogeneous bundles of resources and capabilities (Coleman, Cotei, & Farhat, 2013). The primary task of the entrepreneur is to develop, assemble, and acquire these resources and capabilities to achieve competitive advantage, which, in turn, leads to superior performance (Coleman et al., 2013). According to the RBV, the accumulation of resources and capabilities that are valuable, rare, and difficult to imitate or substitute provides the firm with a competitive advantage (Lin & Wu, 2014). The second task of the entrepreneur is to adapt to the changing competitive environment by reconfiguring existing resources and acquiring new resources and capabilities as required (Coleman et al., 2013). Continuously reconfiguring and acquiring resources provides the firm with sustainable competitive advantage (Hitt, Carnes, & Xu, 2016). The RBV attributes firms' success to the managers' ability to reconfigure, develop, and acquire resources and capabilities in order to adapt to the external environment.

Due to the overreliance on internal factors, the RBV is unable to account for the context within which firms operate (Mellahi & Wilkinson, 2004). Several studies indicated that the population density has a significant impact on organizations' survival (Cabras et al., 2016; Oertel, 2014; Puig, García-Mora, & Santamaría, 2013). Consequently, the strategic fit theory cannot provide a full understanding of organizational failure. Parsa et al's. (2005) restaurant viability model provides a better lens for exploring the restaurant failure phenomenon because it integrates both the deterministic and voluntaristic views.

#### **Definitions of Business Failure**

Although business failure fostered a steady stream of research, yet there is no clear consensus among scholars as to what business failure is (Amankwah-Amoah, 2016). Scholars have not only used various definitions for business failure, but they have also adopted different views in conceptualizing business failure (Jenkins & McKelvie, 2016; Ucbasaran, Shepherd, Lockett, & Lyon, 2013). Scholars have used various definitions of business failure, which vary, in terms of their scope (Ucbasaran et al., 2013). The researcher choice of how to define failure has critical implications on the research question and methodology (Jenkins & McKelvie, 2016).

The bankruptcy definition. Scholars, who adopt the most restrictive definition, use bankruptcy or insolvency as a criterion to define business failure (Jenkins & McKelvie, 2016). They define failure occurring when a fall in revenues and a rise in costs are of such a magnitude that the company becomes insolvent and is unable to attract new funding (Jenkins & McKelvie, 2016). This definition is objective, deterministic, and narrow in scope. It is objective in regards that it relies on the financial performance of firms as a measurable criterion of business failure (Ucbasaran et al., 2013). It is deterministic in the sense that disclosure or failure is inevitable. This definition excludes firms that turned around after operating under bankruptcy protection. It is narrow in scope in regards that it excludes companies that are barely breaking even, or not providing a reasonable return on investment (Jenkins & McKelvie, 2016). The advantage of this definition is that it relies on an objective criterion in evaluating failure. However,

its disadvantage is that it neglects some forms of failure such as discontinued businesses because they did not generate an adequate return on investment.

The discontinuity of the business definition. Scholars who adopt a broader definition of business failure use disclosure of the organization as a criterion to define business failure (Ucbasaran et al., 2013). This definition is subjective, voluntaristic and broader in scope than the bankruptcy definition. It is subjective in regards that it incorporates the entrepreneur's assessment of the firm's financial performance at the exit. It is voluntaristic in the sense that the owner's voluntary decision to discontinue the business determines the failure. It is broader in scope in regards that it includes unprofitable, or underperforming firms (Jenkins & McKelvie, 2016). The advantage of this definition is that it encapsulates poor performing companies. However, its disadvantage is that is subjective in nature. An entrepreneur might consider certain firm's financial performance as a failure while another might consider the same exact performance as a success.

The discontinuity of ownership definition. Scholars who adopt the broadest definition of business failure use discontinuity of ownership as a criterion to define business failure (Ucbasaran et al., 2013). This definition is similar to discontinuity of the business definition in the sense that it is subjective, voluntaristic, but it is broader in scope. This definition fundamentally deviates from the previous two definitions of business failure. The other definitions imply that organizational failure and entrepreneurial failure are synonymous (Jenkins & McKelvie, 2016). However, this definition separates organizational failure from entrepreneurial failure (Jenkins & McKelvie, 2016). This definition includes not only businesses that ceased to exist but also businesses sold due to reasons related to the entrepreneur such as the owner could not cope with emotional stress or the owner wished to retire for age or health reasons (Ucbasaran et al., 2013). The advantage of this definition is that it is too broad that it encapsulates all forms of business failure. However, its disadvantages are that it is not only subjective, but it also includes some forms of business success. Entrepreneurs may sell their businesses for a profit to startup a new firm (Ucbasaran et al., 2013).

#### **Conceptualization of Business Failure**

Although business failure has been a prominent theme in business and management literature for decades, it is still not clear what it means (Helmig, Ingerfurth, & Pinz, 2014). The lack of a universally accepted definition of business failure has resulted in a broad range of studies (Walsh & Cunningham, 2016). Researchers on organizational failure have focused on a single theoretical approach, which led to a clear divide between the deterministic and the voluntaristic views (Khelil, 2016). Consequently, there has been a long-running debate among scholars on the causes of business failure (Amankwah-Amoah, 2016).

Over time, the field of business failure research has become increasingly complex and fragmented across multiple social science disciplines (Amankwah-Amoah, 2016). Since the second half of the nineteenth century, there has been a steady increase in research investigating business failure (Walsh & Cunningham, 2016). Several scholars from a range of disciplines explored and studied business failure using diverse methodologies and various lenses (Walsh & Cunningham, 2016). Despite the growing interest in business failure and the thriving streams of research, scholars developed much of the existing literature in isolation across multiple social science disciplines (Amankwah-Amoah, 2016). The lack of an integrated multidisciplinary approach led to the accumulation of fragmented and contradictory findings (Khelil, 2016).

Recently some scholars have called for an integrated approach in studying business failure, yet few scholars have explored the multifaceted aspects of business failure (Amankwah-Amoah, 2016; Khelil, 2016; Mellahi & Wilkinson, 2004). Heine and Rindfleisch (2013) argued that until now there has been no complete theory of business failure that integrates the various findings and different approaches. Khelil (2016) noted that in general, there are three schools of thought of organizational failure: (a) the deterministic view, (b) the voluntaristic view, and (c) the emotive view.

The deterministic view. Scholars who endorse the determinist view attribute organizational failure to external factors and argue that failure is inevitable. They assume a deterministic role of the environment and argue that external factors over which the managers have little or no control lead to organizational failure (Khelil, 2016; Mellahi & Wilkinson, 2004). These scholars adopt a restrictive definition of failure that emphasizes the involuntary exits of firms from the market caused by external factors (Khelil, 2016). They argue that managers are constrained by exogenous environment and industry constraints leaving them with little real strategic choice, and hence managers' role can be ignored (Mellahi & Wilkinson, 2004). They argued that a range of environmental and industrial factors affect firms, which lead to the process of *natural selection*, whereby companies that do not fit their environment exit (Amankwah-Amoah, 2016). The

deterministic view implies that organizational failure is an inevitable consequence of the process of *natural selection* and *survival of the fittest*.

The deterministic view branch into (a) the IO perspective, and (b) the OE perspective. Both IO and OE scholars agree that external environmental and industrial conditions over which managers have little or no control impose pressure and constraints on firms that doom them to fail, yet they diverge on how they attribute organizational failure to the external environment (Khelil, 2016). IO scholars attribute organizational failure to gradual changes in the competitive landscape or sudden environmental jolts (Trahms, Ndofor, & Sirmon, 2013). On the other hand, OE scholars attribute organizational failure to the density and the composition of the industry population (Mellahi & Wilkinson, 2004).

**Critique of the deterministic view.** By putting all the emphasis on external factors, scholars who endorse the deterministic view fail to explain why some firms in the same industry facing the same external constraints succeed while others fail (Mellahi & Wilkinson, 2004). Additionally, several studies indicated that the company's performance is a result of the organization's strategy even in times of market turbulence (Blackburn, Hart, & Wainwright, 2013; Hilmersson, 2014; Lechner & Gudmundsson, 2014). Moreover, several studies have shown successful turnaround attempts of firms under bankruptcy protection (Collett, Pandit, & Saarikko, 2014; Evans, Chitnomrath, & Christopher, 2013). According to Mellahi and Wilkinson (2004), the IO and OE scholars are overly deterministic and can only detect the crudest and extreme external effects by

their research methods. Consequently, the deterministic view cannot provide a full understanding of organizational failure.

The voluntaristic view. In contrast to deterministic scholars, scholars who endorse the voluntaristic view attribute organizational failure to internal organizational factors. These scholars reject the assumption that managers are powerless and argue that their actions and decisions are the fundamental causes of business failure (Khelil, 2016). According to them, attributing organizational failure to external factors is irrational, given that managers can shape the destiny of their organizations by adapting to the changes in the external environment (Amankwah-Amoah, 2016). Voluntaristic scholars adopt a broader definition of organizational failure compared to deterministic scholars. According to them, failure may be involuntary due bankruptcy or insolvency of the firm or voluntary due to discontinuity of the business at the discretion of the owner (Khelil, 2016).

The voluntaristic view branch into (a) the OS perspective, and (b) the OP perspective. Both OS and OP scholars agreed that internal organizational factors are the primary causes of failure yet they diverge on how they attribute organizational failure to the internal factors (Khelil, 2016). OS scholars argue that organizations success relies on their ability to acquire and maintain resources critical for their survival (Amankwah-Amoah, 2016). They claim that the firm's competitive advantage stems from the possession and utilization of valuable resources and capabilities that are rare and hard to imitate or substitute (Helmig et al., 2014; Williams, 2014). Therefore, lack of quality resources and distinctive competencies are major contributing factors to organizational

failure (Amankwah-Amoah, 2016). On the other hand, OP scholars attribute organizational failure to the managers' competencies, experience, and skills (Purves, Niblock, & Sloan, 2016). The lack of managerial foresight and the inability of the firm's managers in responding to changes in the external environment are significant factors in organizational failure (Amankwah-Amoah, 2016). OP scholars argued that managers' mental models of the organization and its environment influence their actions (Mellahi & Wilkinson, 2004). According to OP scholars, managers who are compositionally flawed are more likely to experience information processing deficiencies, which lead to strategic errors such as failure to gauge the seriousness of problems and inability to identify market opportunities promptly and respond to early warning signals of failure (Amankwah-Amoah, 2016).

**Critique of the voluntaristic view.** The main weakness of the voluntaristic view is that it relies on several middle range theories without an overall grand theory (Mellahi & Wilkinson, 2004). Consequently, voluntaristic scholars tend to deal with several, often uncoordinated, issues (Mellahi & Wilkinson, 2004). Due to the over-reliance on internal factors, the voluntaristic view is unable to account for the context within which firms operate (Mellahi & Wilkinson, 2004). Several studies indicated that the population density has a significant impact on organizations survival (Cabras et al., 2016; Oertel, 2014; Puig et al., 2013). Organizations located in rural areas had a higher chance of survival than those in urban centers (Williams, 2014). Consequently, the voluntaristic view cannot provide a full understanding of organizational failure.

The emotive view. Scholars who endorse the emotive view adopt the discontinuity of ownership definition of organizational failure. They argue that organizational failure and entrepreneurial failure are not synonymous (Jenkins & McKelvie, 2016). These scholars assign a crucial role to the owners' motivation, commitment, and aspiration to explain why some owners choose to give up performing firms while others decide to persist with underperforming companies (Khelil, 2016). The emotive view emphasizes the psychological factors that may be more significant predictors of business failure or survival than environmental or organizational factors (Khelil, 2016). Emotive scholars argue that the entrepreneur's motivation and personal hardships in running a business are critical antecedents for the owner's decision to quit his or her business (Jenkins & McKelvie, 2016). Emotive scholars provide a complementary view to the deterministic and voluntaristic views of organizational failure (Khelil, 2016).

Critique of the emotive view. The main weakness of the emotive view is its inability to explain economic failure of firms such as failure due to bankruptcy. Moreover, several studies have shown that external and organizational-level factors play a significant role in the failure of organizations (Arasti, Zandi, & Bahmani, 2014; Heracleous & Werres, 2016; Hino & Aoki, 2013). Consequently, the deterministic view cannot provide a full understanding of organizational failure.

The integrated view. Recently some scholars have called for an integrated approach in studying business failure (Amankwah-Amoah, 2016; Khelil, 2016; Mellahi & Wilkinson, 2004). Advocates of the integrated view noted that although the

deterministic, the voluntaristic, and the emotive perspectives have some merits, each category of explanation in isolation offers only a limited picture of the causes of organizational failure (Amankwah-Amoah, 2016). According to them, any attempt to explain organizational failure must take into account the interaction between contextual forces and organizational dynamics (Amankwah-Amoah, 2016). They suggest that an integration of the three views offers a much more robust explanation of the causes of organizational failure (Khelil, 2016).

# **Background Information**

SMEs play a crucial role in the modern economy (Neagu, 2016). More than 90% of all businesses in the world are SMEs; they contribute between 61%-81% of the total private sector employment globally (Petkovska, 2015). SMEs represent the main catalyst of economic development (Neagu, 2016). SMEs exemplify the backbone of socioeconomic development, significantly contributing to achieving the fundamental goals to any national economy (Laurențiu, 2016). The social and economic benefits of SMEs include boosting competition, stimulating innovation, creating jobs, combating poverty, and enabling self-realization of citizens (Laurențiu, 2016; Neagu, 2016). Moreover, the presence of a healthy SME sector reduces the level of informal or black market activities (Hassan & Mohamed, 2014).

SMEs are the major contributors to the GDP in developed economies. In the USA, SMEs generate 65% of the GDP, while in Japan and China SMEs contribute 65% of the GDP and in the European Union, SMEs generate 52% of the GDP (Robu, 2013). SMEs are also the biggest contributors to the employment in both developed and

developing countries (Fouad, 2013). SMEs employ 58% of the total workforce in the USA, 69% in Japan, and 67% in the European Union (Robu, 2013). SMEs are essential to economic growth, especially in low and middle-income countries because they contribute significantly to employment generation and GDP (Tolba et al., 2014). In Egypt, SMEs contribute around 25% of the GDP, which is much lower percentage compared to developed economies (El-Said et al., 2015). SMEs have a higher impact on the employment level in the countries with a lower income per capita compared to countries with a higher income per capita (Robu, 2013). In Egypt, SMEs employ 85% of the total workforce (El-Said et al., 2015).

The global unemployment increased from 170 million in 2007 to roughly 202 million in 2012 (United Nations [UN], 2016). Today, nearly 2.2 billion people live below the US\$2 poverty line (UN, 2016). Due to the vital role of SMEs in stimulating social and economic development, the UN set a goal to encourage the formalization and growth of micro, small and medium-sized enterprises as one of its sustainable development goals (UN, 2016). In Egypt, the GDP growth rate declined from 5.1% in 2009/2010 to 2.2% in 2011/2012 (Malec et al., 2016). Unemployment surged from 2.1 million [8.7%] in 2008 to 3.6 million [13.2%] in 2013 (Central Agency for Public Mobilization and Statistics, 2014). Twenty-six percent of Egypt's population lives below the poverty line (Kouchouk & Alnashar, 2015). In recent years, the Egyptian government made some reform efforts to facilitate starting up small businesses in Egypt.

### **Antecedents of Restaurant Failure**

Restaurants have one of the highest failure rates among the retail and service industries (Parsa, Gregory, & Terry, 2011). Around 25% of independent restaurants fail within the first year of operation, and around 60% do not survive for more than 3 years (Parsa et al., 2005; Parsa, Self et al., 2011). Independent restaurants experience higher failure rates than chain restaurants (Parsa et al., 2005; Parsa et al., 2014; Parsa, Self et al., 2011). The relatively low entry barriers and small initial capital required attracts many novice entrepreneurs to startup small independent restaurants (Camillo et al., 2008; Parsa, Self et al., 2011).

Restaurant failure is a complex phenomenon influenced by the interaction of multiple factors. In their restaurant viability model, Parsa et al. (2005) grouped the factors that shape restaurants success or failure into four groups: (a) external environment, (b) internal environment, (c) organizational life cycle, and (d) family life cycle. Moreover, Camillo et al. (2008) augmented Parsa et al's. restaurant viability model by including a fifth group representing emotional factors.

**External environment factors.** Many restaurants fail because the inability of their managers to analyze and adapt to market trends (Parsa et al., 2005). Successful independent restaurant owners must develop strategies that enable them to continuously adapt to the dynamic environment and find ways to exploit environmental opportunities. The external environment factors into two subcategories: (a) general or macroenvironment factors and (b) specific or competitive landscape factors.

*Macroenvironment factors.* The macroenvironment factors include (a) political and legal, (b) economic, (c) social, (d) demographic, (e) technological, and (f) environmental factors.

Even in stable countries with no political unrest, political trends can have a significant impact on restaurants success (Samnani, 2014). Government policies, regulation, and taxation contribute to restaurants failures (Parsa, Self et al., 2011). Business registration procedures, labor law, operating hours' regulations, health and safety regulations, taxation, civil defense regulations, and brand name registration, are few of the legal factors that can have a profound effect on restaurants' revenues and costs (Parsa, Gregory et al., 2011; Parsa, Self et al., 2011). Moreover, urban planning activities have unintended impacts on restaurant businesses (Parsa, Gregory et al., 2011).

Economic factors have a significant role towards the success of restaurants (Parsa, Gregory et al., 2011). Restaurants depend on customers' disposable income and consumer spending (Parsa, Gregory et al., 2011). During an economic recession, customers experience a reduction in disposable income, which leads to decreased spending on dining out resulting in a decline in full-service restaurants' revenues (Parsa, Gregory et al., 2011).

The social environment is composed of society's values, perceptions, preferences, and behaviors (Kotler & Keller, 2015). Changes in consumer preferences, lifestyle, and habits can have a significant impact on restaurants success (Parsa, Gregory et al., 2011; Samnani, 2014). The growing trend towards a healthy diet is affecting certain segments of the restaurant industry such as fast food restaurants (Parsa, Gregory et al., 2011). The

increasing working hours influenced recent growth in sales in the restaurant industry (Kim & Gu, 2003). The growing trend towards dining out with family and friends, as an opportunity for people to socialize, contributes to an increase in restaurants' revenues (Kim & Gu, 2003). Customers prefer full-service restaurants to fast-food outlets for celebrating holidays and special occasions (Ali & Nath, 2013). Adaptation to locality represents one of the most critical success factors of restaurants (Mamalis, 2009).

Demography is the study of descriptive characteristics of the populations regarding size, age, sex, race, location, education, occupation, and income (Kotler & Keller, 2015). Several demographic factors contributed to the growing dining-out trend such as changes in family structure, increase participation of women in the workforce, the growth in education and health awareness, improved access to information, communication technologies, and urbanization (Ali & Nath, 2013).

Technological factors affect how a firm create and deliver value to its customers. New technologies can help restaurants' managers increase the value offered to their customers such as improving the food quality and the speed of service. Moreover, new technologies can improve restaurants' operations efficiency. However, small independent restaurant owners often have limited capital to compete with chain restaurants that implement the latest technologies in restaurants' operations (Parsa et al., 2014).

Environmental changes also have significant impacts on the restaurant industry. Weather conditions influence the prices of commodities resulting in significant fluctuation in food costs and consequently restaurants' profitability (Parsa, Gregory et al., 2011). Weather conditions also affect customer patronage and the demand for restaurant menu items (Bujisic, Bogicevic, & Parsa, 2016).

*Competitive landscape factors.* The restaurant industry is one of the most competitive industries in the world today (Crandall, Vozikis, & Sparks, 1996). The restaurant industry has low entry and exit barriers (Lee, Hallak, & Sardeshmukh, 2016a). The relatively low entry barriers and small initial capital required attracts many entrepreneurs to startup small independent restaurants (Parsa, Self et al., 2011). Restaurants density has significant effects on firms' survivability (Parsa, Self et al., 2011). Previous research indicated that the restaurant failure rate is higher in areas with high restaurant density (Parsa et al., 2005).

Independent restaurants face fierce competition from chain restaurants, which benefit from economies of scales and affiliation to strong brand name. Owners of affiliated restaurants enjoy market-based superiority due to the transfer of knowledge from one location to another (Parsa, Self et al., 2011). Restaurants affiliated with restaurant chains benefit from higher social capital (Ford & Andersson, 2016). Social capital refers to the relational resource that allows an organization to extract benefits and other resources from its network (Ford & Andersson, 2016). Small independent restaurants lack the purchasing power of the chain restaurants, which can save as much as 10% on food costs through mass purchasing (Walker, 2013). Restaurant affiliated with a restaurant chain had higher survival rate than independent restaurants (Parsa et al., 2014).

The restaurant industry consists of diverse segments with different types of guest service encounters (Parsa, Self, Gregory, & Dutta, 2012). During the past twenty years,

the foodservice industry fell prey to nontraditional competitors including grocery stores, supermarkets, and convenience stores (Parsa, Gregory et al., 2011). Fast food, ready-toeat meals, and dining at home are a serious threat to full-service restaurants.

Internal environment factors. Internal factors play a significant role in organizations failure (Khelil, 2016). Parsa et al. divided the category of internal environment factors into two subcategories: (a) operational factors and (b) management factors. The operational factors include factors related to running the restaurant operations. While management factors include factors related to the entrepreneur's leadership skills, business management competency, and experience.

*Operational factors.* The restaurant industry has low barriers to entry, which attracts many entrepreneurs with limited capital (Parsa, Gregory et al., 2011). As a result, most owners startup restaurants with limited capital to sustain the first year of operation (Parsa, Gregory et al., 2011). Controlling expenditure is essential for restaurants' success (Parsa, Gregory et al., 2011). Two major costs in the restaurant industry are food and labor expenses (Parsa, Gregory et al., 2011). Full-service restaurants are labor intensive. Labor cost represents a major operating expense for full-service restaurants creating pressure on profit margins (Kim & Gu, 2003). Full-service restaurants have high labor cost to sales percentage, which is about 30% to 35% (Kim & Gu, 2003). Another challenge facing full-service restaurants is the type of menu they offer their customers. Full-service restaurants offer their customers wider variety of items compared to other restaurant segments such as fast-food restaurants (Crandall et al., 1996). The broader menu variety leads to higher cost for full-service restaurants (Crandall et al., 1996).

Working capital has a significant impact on restaurants' profitability (Mun & Jang, 2015). Efficient working capital management is critical for a restaurant's ability to cope with weak financial conditions and increased economic uncertainty (Mun & Jang, 2015). Efficient working capital management refers to the manager's ability to plan and control the restaurant's current assets and liabilities to meet short-term obligations while avoiding excessive investment in short-term assets (Mun & Jang, 2015).

Restaurant owners often lack the basic branding skills necessary to thrive in the competitive restaurants industry (Parsa, Gregory et al., 2011). Restaurant owners need to incorporate all five senses into the restaurant brand to develop emotional attachment between the customer and the restaurant brand (Parsa, Gregory et al., 2011). The success of restaurants relies heavily on the ability of the restaurant owners to understand consumers' needs and attitudes and their ability to develop an appropriate marketing mix (Mamalis, 2009). Understanding factors that influence consumer behavior are especially important for restaurant managers (Mamalis, 2009). Knowledge of the dimensions underlying consumer decisions provides guidance toward marketing decisions regarding product, pricing, promotion, and place (Mamalis, 2009). Bujisic, Hutchinson, and Parsa (2014) noted that food quality and taste were key predictors of customer loyalty. Food quality, variety, and safety in addition to value for money are some of the attributes that influence customers' choice when choosing a restaurant (Ali & Nath, 2013).

Setting the right prices is a critical management decision since it determines restaurants' profitability and long-term success (Yim, Lee, & Kim, 2014). From the customers' perspective, the price of a product or a service is a proxy for quality (Yim et al., 2014). Therefore, management must execute pricing strategies very carefully (Yim et al., 2014).

Sales promotions are an integral and essential part of marketing in the service industry. Marketers use sales promotion frequently to influence consumers' buying behavior and generate customer loyalty (Mamalis, 2009). Sales promotion may affect customers buying decisions even in the case where customers are satisfied with their currently consumed brand (Mamalis, 2009).

A unique feature of full-service restaurants is their emphasis on the highest service levels (Bujisic et al., 2014). In the restaurant industry, service quality represents the intangible benefits, such as responsiveness, courtesy, caring and professional behaviors provided by the service staff (Bujisic et al., 2014). In an increasingly competitive environment, restaurant owners must provide a high-quality of service that exceeds customers' expectations (Mamalis, 2009). High-quality of service is a critical factor in customer satisfaction and loyalty (Mamalis, 2009). Service quality comprises of five dimensions: reliability, responsiveness, empathy, assurance, and tangibles (Bujisic et al., 2014).

Previous scholars have found a correlation between firm size and survival (Parsa, Gregory et al., 2011). Large enterprises are more likely to stay in business than small companies (Parsa, Gregory et al., 2011). Small businesses have limited resources that would allow them to adapt to changing conditions (Parsa, Gregory et al., 2011). Parsa, Self et al. (2011) realized that small restaurants had higher failure rates than large restaurants. Parsa et al. (2014) found that affiliation to a restaurant chain increased restaurant survival. Several studies indicated that restaurant location has a significant impact on its success or failure (Parsa, Gregory et al., 2011). The location is a complex construct that encompasses geographic, demographic, and psychographic variables (Parsa, Gregory et al., 2011). Changes in geographic, demographic, or psychographic variables of the restaurant location could have a significant impact on the attractiveness of a location (Parsa, Gregory et al., 2011). A clear concept is essential to restaurants' success (Parsa et al., 2005). A poor concept that is not differentiated is one of the primary reasons for restaurant failures (Parsa, Gregory et al., 2011). Moreover, concept imitations are bound to fail (Parsa, Gregory et al., 2011). Success or failure of a restaurant depends partly on its physical layout and architectural design (Parsa, Gregory et al., 2011). Restaurant's facilities provide a good reason for customers to visit the restaurant (Mamalis, 2009). Facilities play a major role in attracting customers for special occasions (Mamalis, 2009). Yim et al. (2014) found that the restaurant concept, ambiance, location, and facilities have significant effects on restaurants' average meal prices.

The employees' level of knowledge, experience, and qualifications, developed through formal education, business experience, practical learning, and nonformal education, contribute to the formation of the firm's human capital (Lee et al., 2016a). The human capital theory posits that investing in developing humans increases the productivity of the workforce (Lee et al., 2016a). Developing the firm's human capital through training leads to improved performance, and economic payoffs (Lee et al., 2016a).

Restaurant owners rely on suppliers for the procurement of beverages, food, culinary materials, laundering linen, to ensure the efficient delivery of daily hospitality services (Shi & Liao, 2013). Managing the interorganizational relationship between the restaurant and its suppliers is critical for the delivering high-quality products and services (Shi & Liao, 2013).

*Management factors.* One of the primary reasons of restaurant failure is the lack of entrepreneurship skills (Parsa, Gregory et al., 2011). One of the motivating factors of entrepreneurs starting a restaurant business is chasing the dream of owning their own business (Parsa, Gregory et al., 2011). In most cases, an entrepreneur's passion exceeds his or her competence (Parsa, Gregory et al., 2011). Previous scholars who researched tourism and hospitality SMEs found that the owner's self-efficacy to be a significant predictor of enterprise performance (Hallak, Assaker, & Lee, 2015). The owner's entrepreneurial self-efficacy refers to an individual's beliefs in his or her ability to successfully achieve the tasks of entrepreneurship (Lee et al., 2016a). Self-efficacy influences an individual's motivation, exertions of effort, perseverance in the face of difficulty, emotional stability, and stress levels (Lee et al., 2016a).

New companies often fail because entrepreneurs do not have financial, managerial, marketing or administrative capabilities needed to run the business (Elmansori, 2014). The restaurant owner's management capabilities are critical in preventing restaurant failure (Parsa et al., 2005). Managerial inadequacy, incompetence, inefficiency, and inexperience have been consistent themes in explaining small business failures (Parsa et al., 2005). Many restaurant owners lack the necessary prior business experience to manage their restaurants.

**Organizational life cycle factors.** Like all organizations, restaurants go through a series of stages during their life cycle (Parsa et al., 2005). At any point along its life-cycle stages, a restaurant can face setbacks catastrophic enough to lead to failure. Throughout the life cycle, the first stages are the most vulnerable, which is why a high percentage of restaurants fail at an early stage (Parsa et al., 2005).

New restaurants suffer from liability of newness. Liability of newness principle refers to the fact that young organizations leaders had a little time to build up capabilities and operational routines (Heine & Rindfleisch, 2013). They undergo experimentation with organizational structure and business strategies, which leads to higher rates of failures (Heine & Rindfleisch, 2013). Young firms often lack legitimacy and resources due to their limited record of accomplishment, knowledge, and expertise about the market, which puts them at a competitive disadvantage relative to established firms (Amankwah-Amoah, 2016).

**Family life cycle factors.** Entrepreneurs face a daunting task when striving to balance between their competing businesses and family demands, notably when balancing interpersonal, financial, and operational obligations (Teoh, Chong, Chong, & Ismail, 2016). Work-family conflict can create pressure on entrepreneurs, which can affect their decisions on whether to continue with their businesses (Teoh et al., 2016). Most restaurant owners work 60 hours a week compromising their quality of life and sacrificing their family lives (Parsa, Gregory et al., 2011). Parsa et al. (2005) discovered

that the owners' quality of life is one of the primary factors in the closings of restaurants. Changes in the owner's personal life or the stage of the owner's personal life cycle can influence the restaurants' success or failure (Parsa et al., 2005). Parsa et al. argued that effective management of the entrepreneur's family life cycle and quality-of-life issues are critical to the survival and growth of a restaurant.

**Emotional factors.** Camillo et al. (2008) argued that emotional factors are fundamental to restaurants' success. Camillo et al. suggested that destructive emotions such as overconfidence, worries, and restlessness are precursors of failure, whereas creative emotions such as curiosity, love, and fondness are important determinants of success. Moreover, running a business does involve not only financial reward and cost but also social and psychological or emotional rewards and costs (Revilla, Pérez-Luño, & Nieto, 2016). Emotive scholars argue that an owner is likely to quit their business if the combined financial, social and emotional reward is below his or her expectation (Khelil, 2016). The owners' decision to close or persist with their restaurants depends on their perceived goal-achievement gap and expectation–reality gap (Khelil, 2016). Financially motivated owners are more likely to quit their underperforming restaurants (Khelil, 2016). Also, owners with higher initial expectations are more likely to close their underperforming restaurants (Khelil, 2016).

# Gap in Knowledge

Several studies addressed the restaurant failure phenomenon. However, until today no single theory can provide a holistic explanation for this phenomenon. The existing theories can only provide a partial explanation. Parsa et al's. (2005) restaurant viability model provided a potential lens for understanding this phenomenon. However, Scholars have not thoroughly tested it in various contexts. Moreover, the vast majority of scholars conduct their studies in developed countries. Very few scholars conducted studies in developing countries. I could not find a single study that addressed restaurant failure in Egypt. There is a gap in knowledge of investigating restaurant failure in a developing country and a middle-eastern culture context. My aim of this study was to address this knowledge gap.

## Transition

Previous research indicated that small independent restaurants encounter high failure rates, especially in the early stage. The purpose of this multiple case study was to explore the determinants of small independent full-service restaurants survival and propose strategies to improve the survival rate of small independent full-service restaurant owners. The participants of this study comprised of four successful owners of small independent full-service restaurants in the Al Rehab District, Cairo, Egypt, who managed to sustain their business operations for more than 5 years. The restaurant viability model provided the conceptual framework that grounded this study.

In section 2, I provide a detailed description of the research plan with a scrutinized look at every step of the research process from the role of the researcher, selections of the research methodology, and design suitable to answer the research question, ethical considerations, sampling strategy, selection of participants, to the process of collecting, organizing, and analyzing data. I also discuss ethical considerations and how I tried to enhance the reliability and validity of this study. In Section 3, I provide

a presentation of the findings, application to professional practice, and implications for social change.

#### Section 2: The Project

Yin (2014) placed a great emphasis on the preparation of a detailed plan at the beginning of a case study. Yin noted that researchers should develop a detailed and comprehensive research plan with a highly scrutinized look at every step of the research process from development of the research question, collection, and analysis of data to the reporting of the entire investigation. Yin discouraged researchers from making any major change to the research plan after starting data collection.

In this section, I provide a detailed description of the research project. I start by explaining my role in this study and strategies that I implemented to mitigate bias. I include an in-depth explanation and justification of the research methodology and design, the sampling strategy, and the selection of participants. This section also includes a description of the data collection instruments, strategies to achieve data saturation, and data organization and analysis strategies. Finally, I conclude this section by describing strategies that I used to enhance the reliability and validity of this study.

#### **Purpose Statement**

The purpose of this qualitative multiple case study was to explore what strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt implemented to sustain operations for more than 5 years. The population of this study comprised of 14 owners of small independent full-service restaurants with less than 50 employees in the Al Rehab District, Cairo, Egypt, who sustained their businesses operations for more than 5 years. The findings from this study could help small independent full-service restaurant owners in Egypt sustain their businesses operations for more than 5 years, which in return can create wealth for the owners, create employment opportunities for youth to combat poverty, and contribute to the development of the Egyptian economy.

# **Role of the Researcher**

In qualitative studies, the researcher plays a role of a lens for data gathering and interpretation (Khan, 2014b). It is critical that the researcher plays a neutral role in data collection and interpretation in order to present unbiased results (Khan, 2014b). My role in this study included designing the study, recruiting participants, collecting, organizing, analyzing data, and reporting findings. I was the primary instrument for data collection. In qualitative research, the researcher is the data collection instrument (Fusch & Ness, 2015). Yin (2014) noted that qualitative researchers commonly use in-depth interviews, documentation, archival records, direct observations, participant observation, and physical artifacts to collect data in case studies. I collected data by conducting face-to-face interviews and extracting customers' reviews from online websites and social media platforms.

Fassinger and Morrow (2013) noted that researchers should make their orientation, predispositions, and any relationship with the topic explicit to mitigate bias. I have never been an entrepreneur or managed any small business. I did not have any prior experience in restaurants' operations. My expertise in the restaurant industry was limited to being a customer. As I was born and raised in Egypt, I came from Egyptian culture background. I had an in-depth understanding of the Egyptian society heritage, values, beliefs, habits, and traditions. In order to adhere to ethical research practice, I recruited participants with whom I did not have any prior relationship. I chose to study the survival of small independent full-service restaurants because of the significant social and economic impact it can bring to the Egyptian society.

Fassinger and Morrow (2013) noted that researchers must adhere to general ethical research principles. The common ethical research principals include consenting, respecting autonomy, preserving privacy, minimizing harm, and acting equitably (Hammersley, 2014). According to the Belmont Report, researchers must ensure respect, beneficence, and justice of the participants in their studies (Office of Human Research Protections [OHRP], 1979). I made sure to adhere to ethical research principles and the principles of the Belmont report in every step of this study. I treated participants with respect and equality by asking them to voluntarily participate in this study, conducting the research under their consent, scheduling face-to-face interviews at a time and place convenient for them, showing appreciation for their time dedicated to this study, and asking each participant the same set of questions in the same order. I conducted the interviews in the Arabic language to make the participants comfortable expressing themselves using their mother tongue. Additionally, I safeguarded the confidentiality of the participants and their organizations.

I completed the National Institutes of Health (NIH) required training on Protecting Human Research Participants before collecting data. My NIH certification number is 2025534 (Appendix A). The NIH certification will expire on June 2021. As a student at Walden University who conducted an international research, I had to adhere to the university's ethical standards in conducting international research. I consulted the international compilation of regulations provided by the USA federal OHRP to ensure that this study complied with the Egyptian regulations and guidelines that are relevant to human subjects research (OHRP, 2016). Before collecting data or recruiting participants, I received the approval of the Walden University Institutional Review Board to conduct this international study. Institutional review boards are responsible for ensuring that researchers conduct human studies research in accordance with federal and state regulations and with institution's policies and procedures, with the aim of protecting the rights and welfare of the participants, minimizing risks to the participants and maximizing the quality of the research (Cseko & Tremaine, 2013). Institutional review boards ensure the study meets the approval criteria before allowing the researcher to commence his or her research (Cseko & Tremaine, 2013).

The researcher must commit to creating a perfect relation between the data and his or her interpretation (Katz, 2015). It is imperative that the researcher represents the participants' interpretation of the phenomenon, not his or her own interpretation (Fusch & Ness, 2015). Bracketing their points of view and biases, qualitative researchers must avoid making any judgments about the situation or the participants (Yilmaz, 2013). Chen (2015) noted that researchers use bracketing to mitigate bias by avoiding preconceptions, judgments, knowledge, or beliefs that could affect the research. I mitigated bias by bracketing my preconceptions, beliefs, and judgments, and by maintaining a reflective journal throughout the research process. According to Houghton, Casey, Shaw, and Murphy (2013), member checking enables the participant to verify the researcher's interpretation of data. I used member checking to ensure that I appropriately interpreted the meanings that the participants gave to events, contexts, and situations. As suggested by Elo et al. (2014), I used open coding strategies to allow themes and patterns to emerge from data. Finally, I used computer aided qualitative data analysis software (CAQDAS) to facilitate the identification of themes. Castleberry (2014) suggested that using CAQDAS could assist the researcher in mitigating bias during the data analysis stage.

Similar to Houghton et al. (2013), I collected data by using semistructured faceto-face interviews. In semistructured interviews, a researcher relies on a certain number of questions that guide the conversation (Rubin & Rubin, 2012). Subsequently, the researcher may ask probing questions to collect in-depth information until the conversation on a topic fulfills the research objectives (Rubin & Rubin, 2012). The strength of the semistructured interview is that it enables researchers to ensure they discussed the same general topics with all the participants, yet allows a degree of flexibility in asking probing questions to collect rich and thick data (Turner, 2010). Faceto-face interviews elicit in-depth responses from participants using their verbal and nonverbal communication, which fosters a deeper understanding of the research topics (Qu & Dumay, 2011).

According to Jacob and Furgerson (2012), an interview protocol is a procedural guide for directing a qualitative researcher through the interview process. The interview protocol prompts the interviewer to collect informed consent (Jacob & Furgerson, 2012). It includes a script for beginning the interview, a list of interview questions, and a script for concluding the interview (Jacob & Furgerson, 2012). The interview protocol enables researchers to ensure they collect all the information relevant to the research question

from all participants (Jacob & Furgerson, 2012). I followed the interview protocol outlined in Appendix B.

# **Participants**

Qualitative researchers recruit informants who are likely to generate rich, thick, and focused information relevant to the research question (Cleary, Horsfall, & Hayter, 2014). Yilmaz (2013) emphasized the importance of selecting informative participants in qualitative research. Qualitative researchers may use their judgment to select participants based on the study criteria (Leedy & Ormrod, 2015). Participants in this study had to meet the following eligibility criteria: (a) the participant must have been more than 18 years old, (b) the participant must have been the sole owner of independently managed full-service restaurant located in the Al Rehab District, Cairo, Egypt, (c) the participant must not have employed 50 or more full-time employees at any point in time, and (d) the participant must have succeeded in sustaining his or her restaurant operations for more than 5 years.

Gaining access to participants in an ethical manner is vital to ensure the credibility of the study (Moodley, Sibanda, February, & Rossouw, 2014). Similar to Filimonau and Krivcova (2017), Lee et al. (2016a), Lee, Hallak, and Sardeshmukh (2016b), I gained access to participants by using public business directories. I searched local business directories for the telephone numbers of independent full-service restaurants located in the Al Rehab District, Cairo, Egypt. I contacted the restaurant owners via telephone to ensure the owners meet the eligibility criteria before inviting them to participate in the study. When the owner met the eligibility criteria, I sought the owner's willingness to take part in a face-to-face interview.

In a qualitative study, the researcher needs to develop a close, empathic relationship with the participants (Yilmaz, 2013). To build rapport and bond with the participant, Collins and Cooper (2014) suggested that the researcher should (a) present a strong sense of the value of the study, (b) create a safe environment for sharing information, (c) listen carefully during the interview, (d) show interest in the participant's feelings, needs, and concerns, and (e) show gratitude for the participant's time, effort, and cooperation. Turner (2010) suggested conducting face-to-face interviews in a relaxed and informal environment, which enables the researcher to build rapport with the participant. Peterson (2014) supported conducting face-to-face interviews in a public place and offering courtesies such as tea or coffee to show appreciation for the participants' time and to ensure participants are in an environment in which they feel comfortable sharing their experience regarding the topic. I used my Egyptian culture background and social skills to build rapport and empathic relationship with the participants. Additionally, I followed Collins and Cooper, Peterson, and Turner's suggestions to establish a working relationship with the participants.

#### **Research Method and Design**

The research methodology is the strategy by which the researchers acquire knowledge about the world (Khan, 2014a). Researchers need to build in-depth knowledge of the alternative research traditions before making a decision about which method to use when embarking on a research study (Yilmaz, 2013). I reviewed all three research approaches before selecting to conduct qualitative multiple case study. In the following subsections, I justify the chosen methodology and design.

# **Research Method**

The three research methodologies are qualitative, quantitative, and mixed-method (Venkatesh, Brown, & Bala, 2013). Quantitative research is a type of empirical research of a social phenomenon or human problem, testing a theory consisting of variables to determine if the theory explains or predicts phenomena of interest (Yilmaz, 2013). In quantitative studies, the researcher uses a preconstructed standardized instrument or predetermined response categories into which he or she expects the participants' varying perspectives and experiences to fit (Yilmaz, 2013). The quantitative methodology allows the researcher to obtain a broad and generalizable set of findings and presents them succinctly and parsimoniously (Yilmaz, 2013). However, qualitative research fails to provide insight into the participants' individual or personal experiences (Yilmaz, 2013). Quantitative studies ignore the meaning participants ascribe to the phenomenon studied (Patton, 2015). Quantitative researchers endorse a positivist view where behavior and cause and effect can be measured, and human activity can be predicted (Khan, 2014a). Quantitative researchers adopt a deductive, reductionist, and deterministic view (Yilmaz, 2013). The quantitative approach is typically suitable for confirmatory studies (Fassinger & Morrow, 2013). The quantitative approach was not appropriate for this study because this was an exploratory study. I could not abstract the phenomenon of small independent restaurant failure from its context. Exploring the strategies that led to the success of some small independent restaurants required endorsing an inductive and holistic view. I could

not reduce the participants' perspectives and experiences to predetermined response categories.

Qualitative methodology is an inductive, interpretive, and naturalistic approach to the study of people, cases, phenomena, and social situations in their natural settings to reveal the meanings that people give to their experiences (Yilmaz, 2013). The qualitative approach is typically suitable for exploratory studies (Fassinger & Morrow, 2013). I chose to use a qualitative approach because it is suitable to explore the potential antecedents of a contemporary business problem, about which scholars have little knowledge (Eriksson & Kovalainen, 2016). Qualitative research is a systematic and subjective approach to building a holistic and in-depth understanding of a social or human issue (Khan, 2014a). Qualitative research is suitable for examining the context that influences people's actions or interactions and the meaning that people ascribe to their experiences (Yilmaz, 2013).

The mixed-method approach combines the quantitative and qualitative research methods when a single method cannot provide sufficient rich insights to understand a phenomenon (Venkatesh et al., 2013). The mixed-method approach uses a combination of deductive and inductive methods (Van Griensven et al., 2014). Mixed-method is appropriate when converged data add depth and meaning (Fetters, Curry, & Creswell, 2013). Mixed-method researchers combine quantitative and qualitative research methods, either concurrently or sequentially (Venkatesh et al., 2013). Combining quantitative and qualitative research methods concurrently would have been suitable if the purpose of this study had been to verify or critique an existing theory. Combining quantitative and qualitative research methods sequentially would also have been suitable if the goal of this study had been to develop a new theory. Mixed-method is appropriate for explanatory research. However, this was an exploratory study. The objective of this study was limited to exploring the strategies that led to the success of some small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt; hence, the mixed-method approach was not suitable for this study.

# **Research Design**

The research design serves as a logical plan of collecting and analyzing data relevant to the research question (Leedy & Ormrod, 2015). I chose to conduct a multiple case study because case study design is suitable for investigating a contemporary phenomenon within its real-world context (Yin, 2014). According to Morse and McEvoy (2014), a case study design should be considered when (a) the focus of the study is to answer what, how, or why research questions, (b) the researcher cannot manipulate the behavior of those involved in the inquiry, (c) the researcher wants to cover contextual conditions because he or she believes they are relevant to the phenomenon under study, or (d) the boundaries are not clear between the phenomenon and context. Yazan (2015) noted that case study is one of the most frequently used qualitative research designs in business research. The case study design provides tools for researchers to study complex phenomena within their contexts using a variety of data sources (Yin, 2014). The use of multiple data collection sources provides a more convincing and reliable case study (Houghton et al., 2013). Yin (2014) categorized case studies as explanatory, exploratory, or descriptive. This study was an exploratory case study.

Multiple case studies enable researchers to compare cases, especially in diverse settings (Houghton et al., 2013). The use of replication logic in multiple case studies helps researchers enhance external validity and mitigate bias (De Massis & Kotlar, 2014). In a multiple case study, researchers examine multiple cases to understand the similarities and differences between the cases (Yin, 2014). I chose to conduct multiple case study to enhance external validity and mitigate bias.

Phenomenological researchers focus on describing the shared essence of individuals' experiencing a phenomenon based on the meanings of lived experiences (Gill, 2014). Phenomenological studies allow a subjective exploration of an experience from a participants' perspective (Roberts, 2013). Gill (2014) noted that the application of phenomenology to organizational research remains limited despite its power to understand human experience. The phenomenological design was not suitable for this study because it would have been subject to the participant self-serving attribution bias. Individuals tend to ascribe success to their own abilities and efforts but ascribe failure to external factors (Shtudiner et al., 2017).

Ethnographic researchers study the shared beliefs, behaviors, and experiences of a group of people over time (Cruz & Higginbottom, 2013). Ethnographic studies are suitable for addressing culturally oriented business problems (Eriksson & Kovalainen, 2016). Restaurants failure phenomenon has various external and internal antecedents (Parsa et al., 2005). While organizational culture is one of the internal antecedents, it is certainly not the only antecedent. Hence, the ethnographic design was not suitable for this study.

Failure to reach data saturation has an adverse impact on the validity of the research results (Fusch & Ness, 2015). Fusch and Ness (2015) noted that researchers achieve data saturation (a) when there is enough information to replicate the study, (b) when there is no new information, and (c) when further coding is no longer feasible. As suggested by Denzin and Lincoln (2011), Marshall and Rossman (2016), and Yin (2014), I used a reflective journal, probing question, follow-up interviews, member checking, methodological triangulation until I reached data saturation.

# **Population and Sampling**

The population of this study included 14 restaurant owners who meet the eligibility criteria mentioned above. I set the eligibility criteria to only select participants who had key insights relevant to the research question. The population of this study comprised of 14 owners of small independent full-service restaurants with less than 50 employees in the Al Rehab District, Cairo, Egypt, who managed to sustain their restaurants' operations for more than 5 years.

Researchers commonly use purposive sampling in qualitative studies (Gibbins, Bhatia, Forbes, & Reid, 2014). Yilmaz (2013) noted that qualitative researchers should select to study a purposeful sample, which consists of a small number of cases whose study produces a wealth of detailed information, and an in-depth understanding of the phenomenon studied. A purposive sample conforms to the questions, goals, and purpose of the research (Marshall & Rossman, 2016). Purposive sampling refers to strategies in which the researcher exercises his or her judgment about which cases will provide the best perspective on the phenomenon of interest (Etikan, Musa, & Alkassim, 2016). I relied on my judgment in selecting four owners who met the eligibility criteria mentioned above.

Obtaining an adequate sample size is fundamental to the credibility of qualitative research (Marshall, Cardon, Poddar, & Fontenot, 2013). Marshall et al. (2013) suggested three methods to justify the sample size. The first method is to cite recommendations by qualitative methodologists (Marshall et al., 2013). The second method is to act on precedent by citing sample sizes used in studies with similar research problems and designs (Marshall et al., 2013). The third method is internal justification (Marshall et al., 2013). It involves statistical demonstration of saturation within a dataset (Marshall et al., 2013). Andersson and Evers (2015) and Yin (2014) recommended two to three cases as the minimum acceptable sample size in multiple case studies. Higdon (2016), Warren (2016), and Weinreich (2016) conducted similar studies, and they were able to achieve data saturation with samples of three owners. I reached data saturation with a purposive sample of four owners.

Failure to reach data saturation has an adverse impact on the validity of the study results (Fusch & Ness, 2015). Fusch and Ness (2015) noted that in qualitative research it is not the sample size that determines the researcher would reach data saturation; rather, it is what constitutes the sample. A researcher should choose a sample that provides the best opportunity to reach data saturation (Fusch & Ness, 2015). I selected a set of homogenous cases in order to facilitate achieving data saturation. Fusch and Ness noted that researchers achieve data saturation when there is enough information to replicate the study, when there is no new information, and when further coding is no longer feasible.

Marshall and Rossman (2016) suggested that researchers could use member checking and follow-up interviews to achieve data saturation. During the interviews, I used probing questions to collect rich and thick data. I used member checking and follow-up interviews until no new information, coding, or themes emerged. Denzin and Lincoln (2011) noted that triangulating multiple sources of data could facilitate achieving data saturation. I triangulated data collected from interviews with customers' reviews extracted from online websites and social media platforms, and findings from previous studies to reach data saturation.

The eligibility criteria mentioned above ensured that I only recruited informants who had key insights relevant to the research question. The participants who met the criteria were the owners of small independent full-service restaurants in the Al Rehab District, Cairo, Egypt who had successfully maintained their restaurants' operations for more than 5 years. These owners had in-depth experience and understanding of the challenges of operating a small independent full-service restaurant in the Al Rehab District, Cairo, Egypt. They had key insights about successful strategies to overcome these obstacles.

# **Ethical Research**

Researchers must conduct their study under informed consent decisions and in a responsive manner to ethical concerns (Yilmaz, 2013). The process of informed consent requires researchers to provide participants, in writing (a) a full explanation of the purpose of the study, (b) freedom to withdraw from the study at any time, (c) a comprehensive assessment of the potential risk participants face by participating, and (d)

how the participants' identities will remain confidential (Branthwaite & Patterson, 2012). Before collecting data, I provided each participant a consent form. I ensured all participants understood (a) the purpose of the study, (b) their right to withdraw from the interview at any time, (c) they are volunteering willingly to participate in the research, and (d) I will protect their confidentiality. I will maintain a copy of each participant's signed consent form in a locked safe only accessible by me for a period of 5 years. After this period, I will shred all of the hard copies of the participants' consent forms.

Participants had the freedom to withdrawn from the study at any point in time by contacting me via email or phone. At the beginning of each interview, I reminded the participant that he or she could withdraw from the interview at any point in time without any penalty. If a participant had decided to withdraw from the study after the initial interview, I would have shredded all the hard copies of the interview notes and erased the interview digital audio files and all the data related to the withdrawn participant. Additionally, I would have sent the withdrawn participant email confirming that I have destroyed his or her data. Finally, I would have recruited a new participant to replace the withdrawn participant. In order to adhere to ethical research practice, I did not offer any incentives to any of participants.

I stored all the hard copies of interviews notes in a secure safe with an electronic combination. I also encrypted and stored the interviews digital audio files, interview transcripts, and electronic data on an external hard drive. I am the only person who knows the combination to the safe and the decryption key to the encrypted data. I will maintain the data for a period of 5 years. At the end of the 5 years, I will shred the hard copies of data and electronically erase the research data from my hard drive.

Considering the ethical concerns related to anonymity and confidentiality, I omitted any information that can identify the participants or their organizations. I protected the participants' identity by assigning each participant a specific code Owner A (OA), Owner B (OB), Owner C (OC), and Owner D (OD). Wahyuni (2012) described this process as data cleaning. I am the only person who knew the identity of the participants.

## **Data Collection Instruments**

In qualitative research, the researcher is the primary instrument of the data collection (Fusch & Ness, 2015; Yilmaz, 2013; Yin, 2014). Yin (2014) noted that qualitative researchers use six common sources of evidence during data collection in case study research that include (a) direct observation, (b) interviews, (c) archival records, (d) documents, (e) participant-observation, and (f) physical artifacts. Yilmaz (2013) noted that qualitative researchers usually use observation, in-depth interviews, and documentation in collecting data. Yin argued that case study researchers should draw their data from multiple sources to guarantee construct validity. As suggested by Houghton et al. (2013), I collected data by conducting interviews and extracting customers' reviews from online websites and social media platforms.

There are three types of interview structures (a) structured, (b) semistructured, and (c) informal (Rubin & Rubin, 2012). In structured interviews, the researcher asks each participant the same set of questions in the same order (Rubin & Rubin, 2012). In semistructured interviews, a researcher relies on a certain number of questions that guide the conversation (Rubin & Rubin, 2012). Subsequently, the researcher uses probing questions to collect in-depth information until the conversation on a topic fulfills the research objectives (Rubin & Rubin, 2012). In informal interviews, the researcher relies entirely on the spontaneous generation of questions in a natural interaction (Rubin & Rubin, 2012). Fusch and Ness (2015) noted that the researcher should structure interview questions to facilitate asking multiple participants the same set of questions. Otherwise, the researcher will not be able to reach data saturation. The strength of the semistructured interview is that it enables researchers to ensure they discussed the same general topics with all the participants, yet allows a degree of flexibility in asking probing questions to collect rich and thick data (Turner, 2010). Informal interviews were not suitable because the inconsistency in the interview questions would have made it difficult to code data and achieve data saturation. Structured interviews were not appropriate because they would have limited the ability to collect rich and thick data. In addition to conducting interviews, I collected secondary data by extracting customers' comments from online websites and social media platforms.

I followed the interview protocol outlined in Appendix B. According to Jacob and Furgerson (2012), an interview protocol is a procedural guide for directing a qualitative researcher through the interview process. The interview protocol enables researchers to ensure they collect all the information relevant to the research question from all participants (Jacob & Furgerson, 2012). The interview protocol maintains consistency in collecting data and enhance the quality of data obtained (Castillo-Montoya, 2016; Turner, 2010). During the interviews, I asked the participants the same set of questions listed in the interview protocol, yet I asked probing questions when needed to elicit in-depth information.

Rigor, in qualitative terms, is a way to establish trust or confidence in the findings or results of a research study (Thomas & Magilvy, 2011). Houghton et al. (2013) proposed some strategies to ensure the trustworthiness of qualitative research such as prolonged engagement and persistent observation, triangulation, peer debriefing, member checking, audit trail, reflexivity, and thick descriptions. Marshall and Rossman (2016), and Yin (2014) suggested that researchers could use member checking and follow-up interviews to achieve data saturation. To enhance the reliability and validity of the instruments, I maintained a reflective journal and used probing questions, follow-up interviews, member checking, methodological triangulation, and thick descriptions.

## **Data Collection Technique**

Similar to Houghton et al. (2013), I collected data by using semistructured faceto-face interviews. The advantage of the semistructured interviews is that it enables researchers to ensure they discussed the same general topics with all the participants, yet allows a degree of flexibility in asking probing questions to collect rich and thick data (Turner, 2010). The disadvantage of semistructured interviews is the difficulty in coding the data (Turner, 2010). It can be a cumbersome process for the researcher to sift through the participants' responses in order to fully and accurately reflect all their perspectives through the coding process (Turner, 2010). Face-to-face interviews elicit in-depth responses from participants using their verbal and nonverbal communication (Qu & Dumay, 2011). Turner (2010) suggested conducting face-to-face interviews in a relaxed and informal environment, which enables the researcher to build rapport with the participant. A successful interview requires preplanning, listening ability, and extensive note taking while allowing the in-depth exposure to participants' experiences (Qu & Dumay, 2011).

I scheduled an appointment for 60 minutes for the face-to-face interview at a time and place identified as convenient by the participant. At the beginning of the interview, I went through the consenting procedure, reminded the participants that he or she could withdraw from the study at any point in time, reminded the participant that the interview would be audio-recorded, and showed appreciation for the participant's time dedicated for the interview. I used two digital audio recording devices to record the interview for redundancy in case one of the audio devices would have failed during the interview. During the interview, I went through the interview questions in the same order with all participants, asked probing question to collect in-depth information, and took notes of the participants' verbal and nonverbal communication. At the end of the interview, I thanked the participants for their cooperation.

Houghton et al. (2013), Yilmaz (2013), and Yin (2014) noted that case study researchers should draw their data from multiple sources to guarantee construct validity. I also collected customers' reviews from online websites and social media platforms. The advantage of analyzing customers' reviews is that it can mitigate participants' bias. The disadvantage of analyzing customers' reviews is that the interpretation of data is subject to researcher's bias. As suggested by Houghton et al. (2013), I used member checking to ensure that I appropriately interpreted the meanings that the participants give to events, contexts, and situations. Marshall and Rossman (2016) noted that member checking provides an opportunity to the participants to review and verify the researcher's interpretation of their answers to the interview questions. I scheduled a follow-up interview with each participant where I asked the participants to review my interpretations of their responses to the interview questions. Marshall and Rossman and Yin (2014) suggested that researchers can use member checking and follow-up interviews to achieve data saturation. I conducted one follow-up interview with each participant to reach data saturation.

### **Data Organization Technique**

Case study researchers need to organize a large amount of data from multiple sources (Yin, 2014). Data organization is fundamental to ensure (a) proper order of materials, (b) efficient retrieval of data, and (c) participants' confidentiality (Kemparaj & Chavan, 2013). A case study researcher needs to create a database that includes organized and categorized compilation of all the case study data (Yin, 2014). Yin noted that the creation of a case study database enhances the reliability of the research.

I collected interview digital audio files, interview transcripts, and interview notes. Before storing data, I masked the participants' identity by assigning each participant a specific code OA, OB, OC and OD as suggested by Wahyuni (2012). I created a digital database on an external encrypted hard drive in which I organized all the data from each case in a separate folder. Organizing the data by case helped me locate all the information related to one organization in case one of the participants would have decided to withdraw from the study during the research process.

I stored all the hard copies of interview notes in a secure safe with an electronic combination. I also encrypted and stored electronic data on an external hard drive. I am the only person who knows the combination to the safe and the decryption key to the encrypted data. I will maintain the data for a minimum of 5 years. At the end of the 5 years, I will shred hard copies of evidence and erase the research data from my hard drive.

## **Data Analysis**

Performing data analysis on qualitative data involves dismantling, segmenting and reassembling data to form meaningful findings in order to draw inferences (Wahyuni, 2012). Yin (2014) recommended five steps in the analysis of qualitative research data: (a) compiling, (b) disassembling, (c) reassembling and arraying, (d) interpreting, and (e) concluding. The five steps provide a systematic way of analyzing the data (Cox & McLeod, 2014).

Qualitative researchers use triangulation to enhance the validity and reliability of the study (Wahyni, 2012). Fusch and Ness (2015) noted that triangulation increases the depth of research and assists in exploring different perspectives. There are four types of triangulation: (a) data triangulation, (b) investigator triangulation, (c) theory triangulation, and (d) methodological triangulation (Denzin & Lincoln, 2011). Denzin and Lincoln (2011) suggested using (a) data triangulation for correlating people, time, and space, (b) investigator triangulation for correlating the findings from multiple researchers in a study, (c) theory triangulation for using and correlating multiple theoretical strategies, and (d) methodological triangulation for correlating data from multiple data collection methods. Wahyuni (2012) noted that researchers commonly use methodological triangulation in case studies. Methodological triangulation helps in mitigating bias during data analysis (Anney, 2014). I used methodological triangulation to triangulate data, which I collected from interviews, with customers' reviews and findings from previous studies. Methodological triangulation helped to mitigate the participants' self-serving attribution bias in this study.

The first step of the data analysis process involved compiling all the data from all data sources (Essary, 2014). The compiling stage included (a) transcribing the interviews, (b) polishing the interview notes, and (c) extracting customers' comments from online websites and social media platforms. Rubin and Rubin (2012) recommended transcribing interviews as soon as possible. I manually transcribed the interviews within 48 hours. This step also included cleaning data to preserve the confidentiality of the participants (Quick & Hall, 2015). I masked the participants' identity from all data files by assigning each participant a specific code OA, OB, OC, and OD as suggested by Wahyuni (2012).

The second step of the data analysis process was disassembling the data. Breaking data up into manageable segments is necessary for coding (Essary, 2014). According to Cox and McLeod (2014), disassembling the data will enable common keywords and patterns to surface allowing for general coding. Coding refers to assigning labels, or other indicators to highlight different segments of text relevant to the research question (Dasgupta, 2015). As suggested by Elo et al. (2014), I used open coding strategies to

allow themes and patterns to emerge from data. In this step, I read the interview transcripts, the interview notes, and customers' comments and assign codes to common keywords and patterns that emerged from the data. Based on the identified codes, I disassembled the data into small segments.

The third step involved reassembling the data to identify themes. In this step, I grouped data segments with related codes to identify themes. Baškarada (2014) suggested reviewing the data repeatedly to discover emergent themes. Dasgupta (2015) noted that themes development should occur without manipulation or bias by the researcher. I also used CAQDAS to facilitate the identification of themes. Castleberry (2014) suggested that using CAQDAS could assist the researcher in mitigating bias during the data analysis stage.

The fourth step of data analysis was the interpretation stage. During this stage, the researcher interprets the data to realize deeper meaning (Essary, 2014). To derive the true meanings, the researcher needs to use member checking (Anney, 2014). According to Houghton et al. (2013), member checking enables the participant to verify the researcher's interpretation of the data. As suggested by Anney (2014), Marshall and Rossman (2016), Yin (2014), I used member checking to verify my interpretation of the data.

The final step of data analysis involved developing conclusions. In this step, the researcher draws inferences from the data (Wahyuni, 2012). The inferences would encompass the meaning from the data (Yazan, 2015). Cox and McLeod (2014) noted that the final step of the data analysis is reporting and explaining the findings. In section 3, I

present the findings, draw conclusions, and discuss the application to professional practice and implications for social change.

Cope (2014) suggested that researchers should select CAQDAS based on three elements (a) the research method, (b) the research design, and (c) the research question. NVivo could facilitate the identification of keywords and the development of themes from the data (Long, Doerer, & Stewart, 2015). Castleberry (2014) suggested that NVivo can assist the researcher in mitigating bias during the data analysis stage. In this study, I used NVivo 11 qualitative analysis software to organize data, identify common keywords and patterns, and develop themes.

After completing the data analysis, I linked the emergent themes with the literature and the conceptual framework. Several studies identified various themes that shape restaurants success or failure (Bujisic et al., 2016; Mamalis, 2009; Mun & Jang, 2015; Kim & Gu, 2003). Parsa et al. (2005) organized these themes into four groups: (a) external environment, (b) internal environment, (c) organizational life cycle, and (d) family life cycle. Moreover, Camillo et al. (2008) augmented Parsa et al's restaurant viability model by including a fifth group representing emotional factors.

### **Reliability and Validity**

Rigor, in qualitative terms, is a way to establish trust or confidence in the findings or results of a research study (Thomas & Magilvy, 2011). Lincoln and Guba (1985) proposed four criteria in assessing the trustworthiness of qualitative research, which are credibility, dependability, confirmability, and transferability. In the following subsections, I describe how I managed to enhance the validity and reliability of this study.

## Reliability

Dependability means that the process of the study is consistent over time and across different researchers and different methods (Yilmaz, 2013). Houghton et al., (2013) suggested that researchers should outline the decisions made throughout the research process to provide a rationale for the methodological and interpretative judgments. Researchers can enhance the study's dependability by describing the steps taken during the research process (Yin, 2014; Thomas & Magilvy, 2011). Marshall and Rossman (2016) noted that member checking enhances the dependability of the study as member checking gives an opportunity to the participants to review and verify the researcher's interpretation of their responses to the interview questions. I explained the rationale for all the decisions, which I made during the research, process and justified my decisions by scholarly articles. I also used member checking and follow-up interviews to enhance the dependability of this study.

# Validity

Validity refers to the legitimacy of qualitative research, including themes, concepts, and findings (Marshall & Rossman, 2016). Validity indicates the trustworthiness of the qualitative research (Houghton et al., 2013). Validity implies that all facets of the research process are trustworthy and possess credibility, confirmability, and transferability (Farokhzadian, Nayeri, & Borhani, 2015).

# Credibility

Credibility means that the participants who took part in the study find the results of the study true or credible (Yilmaz, 2013). Using replication logic in multiple case study design enhance the credibility of the research (De Massis & Kotlar, 2014). Lincoln and Guba (1985) suggested that prolonged engagement could improve the credibility of the study. Houghton et al., (2013) suggested that methodological triangulation could improve the credibility of case studies. Yin (2014) recommended using more than one type of data in case studies. Houghton et al., (2013) noted that member checking enhances the credibility of the study. In order to improve the credibility of this study, I used replication logic, methodological triangulation, follow-up interviews, and member checking.

**Confirmability.** Confirmability refers to the objectivity or the potential for congruence between independent people about the interpretation of the data (Elo et al., 2014). Probing during interviews, member checking, follow-up interviews, and triangulation are some of the techniques researchers may use to enhance the confirmability of their studies (Houghton et al., 2013; Marshall & Rossman, 2016; Yilmaz, 2013). I used probing questions, member checking, follow-up interviews and methodological triangulation to enhance the confirmability of this study.

**Transferability.** Transferability means that the findings of a qualitative study are transferable to similar settings (Yilmaz, 2013). The responsibility of the researcher lies in providing detailed descriptions to enable other researchers to make informed decisions about the transferability of the findings to their specific contexts (Lincoln & Guba 1985).

A thick description of the setting, context, people, actions, and events studied can enhance transferability (Houghton et al., 2013; Yilmaz, 2013). It is the responsibility of the reader to decide whether the findings can be transferred to another context (Houghton et al., 2013; Marshall & Rossman, 2016). I provided a thick description of the setting, context, participants, actions, and events to enable the readers to make informed decisions about the transferability of this study.

**Data saturation.** Failure to reach data saturation has an adverse impact on the validity of the research results (Fusch & Ness, 2015). A researcher should choose a sample that provides the best opportunity to reach data saturation (Fusch & Ness, 2015). I selected a set of homogenous cases in order to facilitate achieving data saturation. As suggested by Denzin and Lincoln (2011), Marshall and Rossman (2016), and Yin (2014), I used probing questions, follow-up interviews, member checking, and methodological triangulation until I reached data saturation.

#### **Transition and Summary**

Section 2 included a detailed description of the study plan. I explained my role as a researcher and how I mitigated bias. I described and justified my decisions regarding the research methodology and design, the sampling strategy, the participants, the instruments for collecting data, strategies to achieve data saturation, data organization and analysis strategies, and strategies to enhance the reliability and validity of this study. Section 3 includes a presentation of the findings of the study, application to professional practice, implications for social change, recommendations for future action and further research, reflections, and a concluding statement to summarize the study. Section 3: Application to Professional Practice and Implications for Change

## Introduction

The purpose of this qualitative multiple case study was to explore what strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt implemented to sustain operations for more than 5 years. By using methodological triangulation of the data sources, which included interview data, interview notes, and information from restaurant review websites and social media platforms, five main themes emerged from the research. The findings indicated that (a) developing a proper restaurant infrastructure, (b) effective marketing, (c) quality and cost control, (d) human resources management and leadership, and (e) positive entrepreneurial emotive strategies are vital to the survival of small independent full-service restaurants.

### **Presentation of the Findings**

The main research question of this study was about which strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt use to sustain operations for more than 5 years. Several survival strategies emerged from the data, which I grouped under five main themes: (a) restaurant infrastructure strategies, (b) marketing strategies, (c) operations strategies, (d) management strategies, and (e) emotive strategies.

## **Emergent Theme 1: Restaurant Infrastructure Strategies**

Porter (2008) noted that the organization's infrastructure is a critical component of the firm's value chain. The organization's infrastructure provides the foundation for the company's value chain activities in creating and sustaining superior performance (Porter, 2008). Hence, building a solid restaurant infrastructure is critical for delivering superior customer experience and facilitating operations. The owners noted that the restaurant infrastructure is a fundamental component of any restaurant business. They indicated that the key strategies for building a solid restaurant infrastructure include choosing a proper location and developing an attractive restaurant appearance.

**Choosing a proper location.** The owners concurred that the location might be the most important critical success factor of small independent restaurants. OC said, "The location is the most important thing." The owners stated that the location could have a significant impact on the success and survival of small independent restaurants. The importance of the restaurant location is not new since several scholars identified the location as one of key success factors of small independent restaurants (Parsa, Gregory et al., 2011).

The importance of the strategic decision of locating the restaurant comes from the fact that is hard to change once the owner executes it. Relocating the restaurant has several implications. Hence, it is critical that the owner chooses a proper location from the very beginning. Usually, restaurant owners spend a significant amount of money on preparing and decorating the facility. OA said, "I spent all my personal saving on preparing the restaurant." Relocating the restaurant will require additional capital expenditure. Moreover, the owner needs to obtain multiple licenses from various governmental organizations such as the ministry of health, the ministry of tourism, and civil defense to startup a restaurant. Obtaining these licenses is a complex process, which consumes a lot of time. OA stated that "it is difficult to obtain a restaurant license

because it has many requirements, which are difficult to implement." Relocating the restaurant requires the owner to get new licenses. Finally, once an owner establishes a restaurant in a certain district, it takes some time until the restaurant owner creates awareness and develops loyal customers through the spread of word of mouth between the district residents. OC said, "The restaurant business is a profitable business. However, you have to give it time." He continued, "It takes roughly 2 years to develop a loyal customer base that you can rely on." Relocating the restaurant to a new district means sacrificing the brand image, awareness, and loyal customers, which the owner developed in the previous district.

Parsa, Gregory et al. (2011) noted that the location is a complex construct that encompasses geographic, demographic, and psychographic attributes. In addition to these three variables, a fourth attribute emerged from the collected data, which was the suitability of the location for restaurant operations. The owners proposed four strategies for choosing a good location to startup a small independent restaurant.

The first strategy relates to the demographic attribute of the location. Restaurants depend on customers' disposable income and consumer spending (Parsa, Gregory et al., 2011). The owners stated that the restaurant owner must select a district in which the average income per household is suitable for the type of dishes and service he or she will offer to his or her guests. This strategy is in line with the strategic fit theory, which indicates that it is vital for firms to adapt to their external environment to survive (Prajogo, 2016).

Regarding the geographical attribute of the location, the owners noted that when choosing a location, it is important for the restaurant owner to choose a location where there is naturally high traffic flow of guests all year around. OA mentioned that he initially located his restaurant in an area where there was high guest traffic during summer and low traffic during winter. He stated that "in the winter there was no work other than on the weekend." He was making a good profit in the summer season, but he was losing during the winter season. He said, "I made a profit in the summer and made a loss in the winter." After losing for 4 continuous years, he had to relocate his restaurant to a better place, where there is high traffic flow of guest all year around. He stated, "I stayed losing for 4 years, but I had spent all my personal saving on preparing the restaurant. So, I could not retreat or close." He continued, "Later, I found a better location." After relocating his restaurant, he started to make profits.

Walker (2013) noted that the number of potential customers passing by the restaurant and the visibility and accessibility of the restaurant from a major highway are some of the factors that the owner must consider when selecting a restaurant location. The owners indicated that the ideal restaurant locations are inside a popular shopping mall or on a main street. Locating the restaurant inside a popular shopping mall will generate a high flow of guests to the restaurant. In the case of locating the restaurant on a main street, the restaurant name sign must be easily visible from a distance. OD noted that "the front side of the restaurant must not be obscured by trees, billboards, etc." The owners also stated that it is preferable to have a parking area close to the restaurant.

Regarding the psychographic attribute, it is preferable to have an outdoor area. The four restaurants of the four owners whom I interviewed had an outdoor area. OB said, "People prefer to sit outdoor especially in summer." Guests' reviews on social media platforms indicated they prefer sitting outdoors to enjoy the cool in the evening during summer and to enjoy the sun's warmth during winter. One of the guests posted a review on a famous tourism website saying, "excellent restaurant with outdoor terrace ideal for evenings and winter sun." The significance of the outdoor seating area is in line with recent studies. In a recent study conducted by Turner (2015) on three successful coffee shops in Duval County, Florida, Turner noted that all the three coffee shops had an outdoor seating area.

Regarding the suitability of the location for restaurant operations, the restaurant has a unique setup. It requires an area for the back-of-house operations and another area for front-of-house operations. The owners stated that the area for the back-of-house operations is preferable not to be visible to the guests. It needs to be large enough to be divided into sections for different stages of food preparation. OA said, "The restaurant kitchen should have dedicated spaces for hot, cold, salads, and washing." Walker (2013) noted that owners design restaurant kitchens so that the material flow is from the receiving area to the cold and dry storage spaces to the preparation area, to the preparation area, to the cooking area, and finally to the last station, the final preparation area.

Additionally, governmental organizations such as civil defense will not permit the owner to turn any facility to into a restaurant. It is critical for the restaurant owner to

liaison with governmental organizations before acquiring or renting any facility. Walker (2013) indicated that outside pressures in the form of legislation and public policies play a major role in restaurants design.

**Developing an attractive restaurant appearance**. Success or failure of a restaurant depends partly on its physical layout and architectural design (Parsa, Gregory et al., 2011). Mamalis (2009) noted that the restaurant's facilities provide a good reason for customers to visit the restaurant. OD stated that "the restaurant outside décor plays a significant role in attracting the guest to try out the restaurant." The owners noted that the restaurant appearance included several attributes such as the décor of the facility, cleanness of the facility, the uniform of the waiters, the layout of the tables, and illumination. They also noted that restaurant appearance should reflect the quality of the food and service offered. OA said, "You might have an excellent chef, but if the look of your restaurant is ugly such as decoration, guests will not come." Several guests indicated in their online reviews that ambiance is one of the important factors that attracts them to restaurants. One guest posted a review on one of the restaurants Facebook page stating, "relaxing ambiance and excellent food."

Walker (2013) noted that the design of the restaurant and layout of the dining area requires careful consideration. The owners agreed that an effective strategy to develop a compelling restaurant appearance is to hire a professional architect who has previous experience in designing restaurants. They emphasized that it is important not to compromise on spending on restaurant decorations because the restaurant appearance is the physical artifact that reflects the level of service.

### **Emergent Theme 2: Marketing Strategies**

Independent restaurants face fierce competition from chain restaurants, which benefit from affiliation to strong brand name and huge expenditure on marketing activities. Parsa et al. (2005) noted that most successful restaurant owners attributed their success to their marketing activities, especially relationship marketing, while the failed owners often blamed their failure on competitors' intensive marketing activities. It is essential for independent restaurant owners to implement effective marketing strategies to generate a steady flow of customers to cover the high fixed costs of labor and rent. According to the owners, marketing strategies branch into two parts: (a) creating awareness and (b) generating guest traffic flow.

**Creating awareness.** The owners agreed that the most cost-effective marketing strategy to create awareness is utilizing social media marketing. The effectiveness of social media marketing in creating awareness is in line with recent studies. Kwok and Yu (2013) stated that social media has become a significant force in consumer decision making. When consumers plan a restaurant visit, they usually rely on online reviews for information (Kwok & Yu, 2013). In a recent study conducted on 20 small restaurants in the Northeastern United States, Lepkowska-White (2017) realized that social media significantly contributed to the marketing strategy of most small restaurant owners. Lepkowska-White noted that most small restaurant owners use social media marketing as a low-cost advertising tool to create awareness, generate interest, and spread word of mouth.

The four owners outsourced their social media marketing activities to professional social media marketing agencies. The social media marketing activities included creating a Facebook page for the restaurant and publishing the restaurant information and menu on several restaurant review websites such as Roundmenu.com and Cairo360.com. OC stated that "the marketing agency manages all the social media marketing activities including posting and updating promotions on the restaurant's Facebook page in return for a monthly fee."

Strategies to generate guest traffic flow. Full-service restaurants suffer from high fixed costs due to the cost of labor and rent. It is important for restaurant owners to generate steady cash flow to cover the high fixed costs. Mamalis (2009) noted that marketers use sales promotion frequently to influence consumers' buying behavior and generate customer loyalty. Given the perishable nature of the restaurant service and the fluctuations of guest traffic, the owners noted that promotions and corporate marketing are useful strategies to generate steady guest traffic flow. Some owners relied on their social network to sign corporate agreements with various organizations. The corporate agreements included catering services to organizations such as training centers at discounted prices or offering set menu vouchers to organizations. OA said, "I made a contract with some companies to get sandwiches from me." OB said, "I offer some companies set menu vouchers." OC posted frequent promotions on the restaurant's Facebook page to generate guest traffic during lunchtime, which is usually lower in comparison to dinnertime.

## **Emergent Theme 3: Operations Strategies**

Operations is a fundamental component of any firm's value chain (Porter, 2008). Hence, efficient operations management is vital for the survival of any restaurant. In a recent study conducted by Parsa et al. (2014), they realized that poor operations management was a common theme among failed independent restaurants. According to the owners, operations strategies branch into (a) food quality control strategies, (b) service quality control strategies, and (c) cost control strategies. In a similar study of three successful ethnic restaurant owners in Vancouver, British Columbia, Canada, Le (2015) found that food and service quality were significant factors to the success of small restaurants.

**Food quality control strategies.** The owners stated that food quality is one of the critical success factors of small independent restaurants. Bujisic et al. (2014) noted that food quality and taste were key predictors of customer loyalty. By analyzing guests' reviews on social media platforms, it was clear that the customers put a high emphasis on food quality. One of the customers posted a review on the restaurant's Facebook page stating, "My favorite place. Good food quality." According to the owners, food quality depends on two factors, the quality of the ingredients and the chef's skill in preparing food.

Parsa et al. (2005) noted that restaurant owners must establish working relationships with their suppliers. The owners indicated that it is important that the owner procures raw food from reliable and trusted suppliers. The suppliers must be licensed companies. It is critical to ensure that the suppliers comply with the government health and food safety regulations. OB noted, "I deal with trusted suppliers." It is also important to have more than one supplier for each item. The strategy of splitting the purchase orders between multiple suppliers is essential to avoid disruption to operations in case one of the suppliers could not deliver the required material on time. OB stated, "I must have with each supplier three backup suppliers."

The owners noted that the chef is a critical human resource in any small independent restaurant. The chef must be trained and skilled in preparing food as per the authentic way of the restaurant's cuisine. OA mentioned that it is "important to hire a good chef who can lift up the restaurant." Additionally, the owners noted that it is not recommended to frequently change chefs. Changing the chef will affect the consistency of the food taste, which will reflect on customer loyalty. OA said, "The chef is clever. I am forced to increase his salary." He continued, "If this person [chef] leaves that is it."

Service quality control strategies. Service quality emerged as another critical success factor. The high quality of service is a key factor in customer satisfaction and loyalty (Mamalis, 2009). Service quality is one of the important factors based on which guests choose a full-service restaurant. A guest posted a review stating, "The food was delicious. The service was amazing. I recommend [it] for all people." Service quality represents the intangible benefits, such as responsiveness, courtesy, caring and professional behaviors provided by the service staff (Bujisic et al., 2014).

According to the owners, laborers pose a significant challenge to small independent restaurants in Egypt. OB stated that "Laborers are the most difficult part of the whole setup." Educated and qualified laborers are very costly in Egypt. The supply of graduates from hospitality and culinary institutes cannot meet the demand from hotels, chain restaurants, and independent restaurants. Qualified and skilled laborers, such as waiters and chefs, usually work for international hotel chains and international chain restaurants, which can afford their high wages. OA said, "It is hard to find skilled and qualified labor." He continued, "Most of the laborers who work in the small independent restaurants in Egypt are inexperienced and unskilled. They are not trained or graduated from culinary institutes. Laborers build their experience from field work."

According to the owners, small independent restaurants do not generate enough revenues to cover the cost of qualified and skilled labor. Small independent restaurants can only afford to hire unskilled labor. OD said, "I cannot hire a skilled and educated laborer whose salary is high. Instead, I hire unskilled laborer whose salary is low." Additionally, small independent restaurants suffer from high labor turnover. OB noted "These laborers do not work permanently like any employees in an organization. They hop from one place to another." Laborers also exhibit a high rate of absenteeism and lack of citizenship and commitment to the restaurant in which they work.

The combination of unskilled labor, high labor turnover, high rate of absenteeism and lack of laborers' engagement impact the consistency of service quality, disrupt the restaurant operations, affect the customer experience and jeopardize the survival of the restaurant. Hence, it is vital to implement human resources management strategies to attain trained laborers, motivate laborers, and increase laborers' engagement and citizenship. The owners suggested some strategies to attain trained labor, which included offering incremental salaries and benefits based on the laborer's tenure with the restaurant. The owners also proposed offering laborers an annual bonus, which they only collect by the end of the year if they stayed employed for the whole year. In addition, the owners suggested implementing recognition programs such as the employee of the month rewarding exceptional performers with small rewards to increase laborers' engagement and citizenship.

**Cost control strategies.** Full-service restaurants offer their customers wider variety of items compared to other restaurant segments such as fast-food restaurants (Crandall et al., 1996). The wide menu variety leads to high cost for full-service restaurants (Crandall et al., 1996). The two major costs of full-service restaurants are food cost and labor cost (Parsa, Gregory et al., 2011). Parsa, Gregory et al. (2011) noted that restaurant managers that do not understand the importance of cost controls are bound to fail. The owners pointed out that today there is a broad range of management systems specialized in full-service restaurants operations. The management systems include point of sales systems and inventory management systems, which can help the restaurant manager efficiently manage the restaurant operations and controlling costs.

The owners indicated that it is important for the restaurant owner to have the right management systems in place. OA stated that initially, he did not have such management systems, which lead to lost revenues due to many unbilled items. OA said, "I should have had an accounting system and work orders and how to control them." He continued, "In the past, I did not have this system." OB stated that he has a management system, which reports every dish that the waiter sells, and what ingredients does it constitute. OB said, "For the dishes to be ordered from the kitchen the waiter must report it in the system, and this system is the one that sends the order to the kitchen." OB stated that he conducts monthly inventory audit comparing the inventory stock to the inventory management system to ensure there is no waste or leakage of material.

# **Emergent Theme 4: Management Strategies**

Leadership skills of the restaurant manager emerged as a critical factor for motivating laborers. The owners noted that the restaurant manager needs to possess effective human skills. Leaders with human skills create an atmosphere of trust, where employees feel comfortable and secure (Northouse, 2016). Leaders with human skills are sensitive to the needs and motivations of the followers and consider them in decision making (Northouse, 2016).

The owners indicated that the restaurant manager needs to exhibit a combination of directive, supportive, and disciplinary behavior. Directive behavior involves giving followers instructions about their tasks, including what they expect from them, how they can do it, and when they should complete it (Northouse, 2016). Supportive behavior involves being friendly, approachable and attending to the well-being and human needs of the followers (Northouse, 2016). Disciplinary behavior involves taking disciplinary actions to force followers to conform to the leader's expectations. The directive and supportive leadership behavior align with the path-goal theory of how leaders motivate followers to accomplish designated goals. Disciplinary behavior does not explicitly align with path-goal theory. However, it might implicitly conform to the achievement-oriented behavior of the path-goal theory. According to the path-goal theory, achievementoriented leaders challenge followers to perform work at the highest level possible (Northouse, 2016).

The restaurant manager is a cornerstone of smooth operations and superior customer experience. OB noted that "the restaurant manager is the orchestrator who ensures smooth operations." The owners indicated that it is essential that the restaurant manager has extensive experience in hospitality and the restaurant industry before managing a restaurant. Parsa, Gregory et al. (2011) noted that lack of prior experience in a related field makes new restaurant owners more vulnerable to failures.

Three of the restaurant owners started their career at a young age as waiters. Eventually, they established their own restaurant business by investing their lifetime savings. OB said, "I started by working as a waiter at one of the international hotel chains." On the other hand, OA did not have prior experience in the restaurant industry. He initially struggled for a couple of years before he could effectively manage his restaurant and make profits. OA said, "At the beginning, I did not have experience of restaurants management." He continued, "I learned by trial and error." He said, "I was losing a lot. I stayed losing for 4 years." Eventually, he developed the required experience and was able to turn around his restaurant. OA said, "I learned very well because I went through all the problems that you might face when you open a new restaurant." He continued, "I paid a lot to learn." The owners suggested that if the owner does not have prior experience in the restaurant industry he or she should hire an experienced and trustworthy restaurant manager to run the restaurant operations.

# **Emergent Theme 5: Emotive Strategies**

Managing a restaurant is a psychological demanding activity. Walker (2013) stated that long working hours are common in restaurants. Parsa, Gregory et al. (2011) noted that most restaurant managers work more than 60 hours a week compromising their quality of life and sacrificing their family lives. Walker (2013) pointed out that restaurant managers experience a high level of stress from working long hours and facing many challenges some beyond their control. Parsa et al. (2005) noted that family pressures and sacrifices were some of the reasons for why restaurant owners discontinue their businesses. Parsa et al. argued that effective management of the entrepreneur's family life cycle and quality-of-life issues are crucial to the survival and growth of a restaurant.

According to the owners running a restaurant involves making sacrifices and coping with a high level of stress. The owners concurred that restaurant's manager must be present all the time to supervise operations. OB said, "My opinion is that restaurants require the presence of the owner all the time in order to able to work." OA said, "I am must be here most of the time. I have no choice." He continued, "For example, I am eating here alone. My children [are eating] alone. I not present at home most of the time during summer." He also said, "The person [restaurant owner] must sacrifice his rest time."

The owners noted that in order to cope with the stress and sacrifices associated with managing a restaurant, the owner must have a passion for what he or she is doing and adapt to this demanding lifestyle. OA said, "I am taking the business as a hobby." In a similar study conducted by Warren (2016) on three small business owners in Birmingham, Alabama, the owners indicated that having a passion for their business and the industry in which they operated was a key factor in their business success.

## **Other Relevant Findings**

Among the interesting findings, which emerged from this study, were the demographic factors of the successful restaurant owners. Out of the 14 successful owners who represented the population of this study, there was only one woman. The four owners who participated in this study were males. According to a recent report published by Global Entrepreneurship Monitor organization, women-led businesses in Egypt have a lower probability of continuation compared to men-led businesses (Ismail et al., 2016). Only one in every four entrepreneurs in Egypt is a woman, and one in every six established business owners is a woman (Ismail et al., 2016).

The finding from this study indicates that women-led restaurant businesses in the Al Rehab District, Cairo, Egypt have a much lower survival rates compared to the average survival rate of men-led restaurant businesses. The psychological cost associated with running a restaurant such as long working hours and lack of quality time with family might be one of the reasons for the low survival rates of women-led restaurants. According to a study conducted by Parsa et al. (2005), one of the failed owners felt the guilt of being unable to be with her children while they were growing up.

## Linkage of Findings to the Conceptual Framework

Parsa et al's. (2005) restaurant viability model provided the conceptual framework for exploring the overarching research question of this study. The findings were in line with Parsa et al's restaurant viability model. Parsa et al. argued that a combination of external environmental factors, internal organizational factors, and entrepreneur's psychological factors determine the restaurant's viability. Parsa et al. divided the category of internal environment factors into two subcategories: (a) operational factors, and (b) management factors. Camillo et al. (2008) suggested adding emotional factors as a fifth category to Parsa et al's restaurant viability model.

Parsa et al. (2005) noted that external factors are out of the control of the restaurants' managers. Many restaurants fail because the inability of their managers to analyze and adapt to the external environment (Parsa et al., 2005). The findings indicated that the owners did not have control over the external environment. However, their success resulted from adapting to the external environment. The lack of affordable qualified and skilled laborers in Egypt imposed pressure on restaurant operations. The supply of affordable qualified and skilled laborers was out of the control of the restaurants' managers. However, their success relied on implementing human resources management strategies to train, motivate, and attain trained laborers.

Parsa et al's. (2005) noted that operational factors have a strong influence on a restaurant's success. According to Parsa et al., the operational factors include restaurant concept, marketing strategy, organizational culture, and cost control. The first three themes were in line with the operational factors of Parsa et al's restaurant viability model. The findings indicated that effective restaurant infrastructure, marketing, human resources management, and cost control strategies contributed to the success of the participants. Additionally, food and service quality control strategies were among the critical operational factors, which influenced the owners' success.

Parsa et al's. (2005) noted that the owner's management capabilities are crucial in preventing restaurant failure. The fourth theme aligned with the management factors of the restaurant viability model. The findings indicated that the restaurant manager's field experience and leadership skills are crucial for the survival of small independent restaurants.

Finally, Camillo et al. (2008) noted that emotional factors are fundamental to restaurants' success. The fifth theme aligned with Camillo et al's. emotional factors. The findings indicated that the owner's passion for their businesses was a significant factor in their success.

## Linkage of the Findings With the Literature

Due to the high failure rate of small independent restaurants, several scholars conducted many studies to identify the critical success factors of small independent restaurants. The literature review section included a synthesis of the key success factors from previous studies. The five emergent themes from this study aligned with the critical success factors from the literature.

The first theme that emerged from this study was restaurant infrastructure strategies. The owners highlighted the importance of the restaurant infrastructure in the success of small independent restaurants. This theme aligned with findings from previous studies. Parsa, Gregory et al. (2011) noted that the success of a restaurant depends partly on its physical layout and architectural design. Mamalis (2009) argued that the restaurant's facility plays a major role in attracting customers. Yim et al. (2014) found that the restaurant concept, ambiance, location, and facilities have significant effects on restaurants success.

The second theme was marketing strategies. The owners indicated that effective marketing strategies are essential for creating awareness and attracting guests. This theme aligned with the literature. Parsa et al. (2005) noted that most successful restaurant owners attributed their success to their marketing activities. Parsa, Gregory et al. (2011) argued that restaurant owners need to implement branding strategies to develop emotional attachment between the customer and the restaurant brand. Mamalis (2009) noted that marketers use sales promotion frequently to influence consumers' buying behavior and generate customer loyalty.

The third theme was operations strategies. The owners signified the importance operations efficiency for the survival of small independent restaurants. They stressed the importance of food and service quality control and cost control. This theme aligned with the literature. Bujisic et al. (2014) noted that food quality and taste were key predictors of customer loyalty. Mamalis (2009) argued that in an increasingly competitive environment, restaurant owners must provide a high-quality of service that exceeds customers' expectations. Additionally, Parsa, Gregory et al. (2011) noted that controlling expenditure is essential for restaurants' success.

The fourth emergent theme was management strategies. The owners indicated that the restaurant's manager must possess leadership skills and field experience. This theme also was in line with findings from previous studies. Parsa et al. (2005) argued that the management skills of the restaurant owner are critical in preventing restaurant failure. Parsa et al. noted that managerial inadequacy, incompetence, inefficiency, and inexperience had been consistent themes in explaining small independent restaurants failures.

Finally, the fifth theme that emerged from the data was emotive strategies. The owners noted emphasized the importance of positive emotions such as passion in order for the restaurant managers to be able to cope with stress and sacrifices associated with running a restaurant. This theme also aligned with the literature. Hallak et al. (2015) found that the owner's self-efficacy to be a significant predictor of small businesses performance. Self-efficacy influences the owner's motivation, exertions of effort, perseverance in the face of difficulty, emotional stability, and stress levels (Lee et al., 2016a). Parsa et al. (2005) argued that effective management of the owner's family life cycle and quality-of-life issues are critical to the survival of a restaurant.

## **Applications to Professional Practice**

In this study, I adopted the integrated view of small business failure. The integrated view provides a holistic lens that combines economic and management aspects with psychological aspects of business management. Usually, small business owners focus their attention on the financial cost of running a small business and the capital gain they will make from their business. They often ignore the psychological aspects of the entrepreneurial activity. By this study, I encourage small business owners to take a holistic view of the entrepreneurial activity by considering it has two dimensions, an economic dimension and a psychological dimension.

During the period between 2010 and 2015, one-third of the established business owners have exited their businesses (Ismail et al., 2016). Findings from this study indicate that there is a psychological cost to any entrepreneurial activity. Organizational failure and entrepreneurial failure are not synonymous (Jenkins & McKelvie, 2016). While a business might be economically profitable, the psychological cost of the entrepreneurial activity could be a cause of the entrepreneur failure. As much as it is important for the small business owner to assess the economic cost and benefit of establishing a business venture, it is vital that he or she evaluates the psychological cost and benefit associated with running the business before embarking into starting up a business venture.

Lack of profitability, as a reason for business discontinuation in Egypt, has increased from 31% in 2010 to 43% in 2015 (Ismail et al., 2016). This study exposes novice entrepreneurs who are considering starting up a small independent restaurant business in Egypt to some of the challenges, which they might face in running their business. It gives them an opportunity to develop sustainable business plans to overcome these challenges without beginning exposed to huge financial losses and psychological implications. Moreover, the findings of this study provide small independent restaurant owners effective and practical business strategies, which they can implement to increase the success chances of their businesses.

One of the weakest areas in Egypt's entrepreneurship ecosystem is the entrepreneurship education both at school and after school stages (Ismail et al., 2016). Ismail et al. recommended promoting business education at schools and universities to improve the Egypt's entrepreneurship ecosystem. Hospitality and culinary institutes, business schools, and Nongovernmental organizations could use the study findings and recommendations to develop restaurant management courses to novice entrepreneurs.

One of the top reasons for business discontinuation in Egypt is the difficulty of getting finance (Ismail et al., 2016). The percentage of entrepreneur finding difficulty in getting finance in Egypt has increased from 13% in 2010 to 24% in 2015 (Ismail et al., 2016). This study has the potential to encourage financial organizations to provide loans to small independent restaurant owners. Financial institutions could use the results of this study in assessing the viability of the restaurant owners' business plans before financing them to reduce loan default rates.

### **Implications for Social Change**

Small businesses are a vital engine economic development (Neagu, 2016). Survival of small businesses in Egypt continues to be challenging for most owners (Ismail et al., 2016). During the period between 2010 and 2015, one-third of the established business owners have exited their businesses (Ismail et al., 2016). Moreover, the rate of business discontinuation in Egypt has dramatically increased over the past five years, from 2.7% in 2010 to 4.8% in 2015 (Ismail et al., 2016). Lack of profitability, as a reason for business discontinuation, has increased from 31% in 2010 to 43% in 2015 (Ismail et al., 2016).

Failure to sustain small businesses can have devastating financial and psychological effects on the owners, employees, their families, and the society (Jenkins et al., 2014). Boosting the survival and growth of small businesses is vital for the development of the Egyptian economy and improvement of the living conditions of the Egyptian citizens. The findings from this study provide small independent restaurant owners in Egypt effective and practical business strategies to improve the success chances of their businesses. The findings from this study might also help small independent restaurant owners sustain their businesses for longer periods of time, which in return will create wealth for the owners, generate employment opportunities, increase the government tax revenues, and contribute to the growth of the Egyptian economy.

A substantial percentage of Egyptian entrepreneurs are necessity-driven entrepreneurs. Around 43% of Egyptian entrepreneurs started their business due to the absence of other work alternatives (Ismail et al., 2016). Business failure can drive necessity-driven entrepreneurs to take a criminal path. Increasing the success chances of necessity-driven entrepreneurs can have a profound impact on their standard of living and the society in general. Moreover, increasing the success probability of small business owners can create a positive social attitude towards entrepreneurship. Elfving, Brännback, and Carsrud (2017) argued that exposure to successful exemplars prompts 'if he can do it, I can do it too' attitude towards entrepreneurship.

Despite the overall challenging economic environment in Egypt, there is an opportunity for entrepreneurs to play a strong role in economic recovery and growth (Ismail et al., 2016). Around 47% of Egypt's adult population recognize good market opportunities for new business (Ismail et al., 2016). However, more than one-third of them feel reluctant to establish a business due to their fear of failure (Ismail et al., 2016). About 33% of Egypt's adult population lack of confidence in their knowledge and skills

to startup a small business (Ismail et al., 2016). This study exposes novice entrepreneurs who are considering starting up a small independent restaurant business in Egypt to some of the challenges, which they might face in running a small independent restaurant. It gives them an opportunity to develop sustainable business plans to overcome these challenges and feel more confident in exploiting good market opportunities. By encouraging novice entrepreneurs to exploit good market opportunities, they drive the Egyptian economy forward.

## **Recommendations for Action**

The first recommended action for small business owners is to take a holistic view of the entrepreneurial activity by considering it has two dimensions, an economic dimension and a psychological dimension. As much as it is important for the small business owner to assess the economic cost and benefit of establishing a business venture, it is vital that he or she evaluates the psychological cost and benefit associated with running the business before embarking into starting up a business venture. Running a small business involves making sacrifices. Not every entrepreneur can cope with these sacrifices.

The second recommended action for small independent restaurant owners is to take a holistic approach to developing a restaurant business plan by addressing the (a) macroenvironment, (b) competitive landscape, (c) operational, (d) management, and (e) emotive factors that influence restaurants viability in their plan. Overlooking one of these factors can have a severe impact on the survival of the restaurant business. I recommend that small independent restaurant owners (a) develop a suitable restaurant infrastructure that can sustain their business; (b) implement effective marketing strategies to create awareness and generate guest traffic flow; (c) implement effective quality and cost control strategies; (d) implement effective human resources management and leadership strategies that can improve laborers' motivations, engagement, and citizenship; and (e) adopt effective emotive strategies that can help them cope with stress.

The supply of graduates from hospitality and culinary institutes in Egypt cannot meet the demand from hotels, chain restaurants, and independent restaurants. I recommend that policy makers in the Egyptian Ministry of Technical Education and Training develop more hospitality and culinary institutes in order to increase the supply of skilled guest service laborers and reduce unemployment. Finally, obtaining a restaurant license in Egypt is a complex process. I recommend that Egyptian policy makers simplify the procedures for getting a restaurant license.

## **Recommendations for Further Research**

One of the limitations of this study was that all the owners who participated in this study were males. It is important to conduct further qualitative studies to explore the survival of small independent restaurants in Egypt from the perspectives of both genders. Furthermore, I bounded this study to the geographical area of the Al Rehab District, Cairo, Egypt. I recommend conducting similar studies to explore the survival of small independent restaurants across different geographic regions in Egypt. Moreover, I bounded this study to small independent full-service restaurants. It is important to conduct further qualitative studies to explore the survival of different forms of small independent dining outlets such as fast food restaurants, and cafes.

## Reflections

Before carrying out this study, I did not have any prior experience in restaurant operations. While conducting this study, I developed in-depth knowledge about entrepreneurship, small business management, and restaurant operations. I initially struggled with finding small independent restaurant owners who were willing to participate in this study. However, by emphasizing the potential social benefits of this study, I could find passionate owners who were keen to share their experiences. These owners had pride in their success story and did not mind sharing their pitfalls. This study made me change my view of the entrepreneurial activity by realizing that it has two dimensions, an economic dimension and a psychological dimension.

## Conclusion

The purpose of this qualitative multiple case study was to explore what strategies small independent full-service restaurant owners in the Al Rehab District, Cairo, Egypt implemented to sustain operations for more than 5 years. The sample of this study consisted of four small independent full-service restaurant owners. The data sources included (a) participant interview data, (b) interview notes, (c) information from restaurant review websites, and (d) information from social media platforms. Five main themes emerged from the data: (a) restaurant infrastructure strategies, (b) marketing strategies, (c) operations strategies, (d) management strategies, and (e) emotive strategies. The findings from this study provide small independent restaurant owners in Egypt effective and practical business strategies to improve the success chances of their businesses.

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## Appendix A: Certificate of Completion



## Appendix B: Interview Protocol

Before beginning the interview, I will ensure that I have received a signed consent to participate form from the participant. I will follow the following steps in order during each interview.

- 1. Thank the participant for volunteering and dedicating time for this study.
- 2. Remind the participant of the purpose and the value of the study.
- 3. Inform the participant that their identity and responses will remain confidential.
- 4. Remind the participant that they can withdraw from the study at any time without any penalty.
- 5. Inform the participant that the interview will be audio-recorded.
- Remind the participant that I will not offer any incentives for participation in this study.
- 7. Explain to the participant the interview process and the estimated duration of the interview.
- 8. Inform the participant that I will schedule a follow-up interview with them to verify my interpretation of their responses to the interview questions.
- 9. Ask the participant the following interview questions in order and ask probing questions to collect in-depth information.
  - a. What strategies did you use to sustain your restaurant operations during the first 5 years?
  - b. What strategies, if any, did you use to finance your restaurant operations during the first 5 years?

- c. What strategies, if any, did you implement in recruiting and training employees?
- d. What strategies, if any, did you implement to procure food and supplies?
- e. What marketing strategies, if any, did you use to acquire and retain customers?
- f. What strategies, if any, did you use in managing the restaurant's operations?
- g. How did you overcome the barriers to implementing your strategies?
- h. What changes, if any, did you make to your strategies during the first 5 years of operation?
- i. What other factors, if any, contributed to your restaurant's success?
- 10. Finally, I will conclude the interview by thanking the participant for his or her valuable insights and cooperation.