I’m a firm believer in you build your city and you build your business at the same time. And you look at most successful people - they’ve had some involvement in community organisations or in growing their own business community. (Marcus)

Introduction

Entrepreneurship is as important in regional Australia as it is in cities. In both academic and business circles regional entrepreneurship is largely neglected. Entrepreneurship literature has shown a tendency to disproportionately emphasise initial public offerings (IPOs) and venture capital (VC) financing in examining entrepreneurial intentions and processes (Aldrich & Ruef, 2018) while ignoring a large segment of small businesses who often remain small either due to market constraints or owner preferences. A vast number of businesses may choose to begin and remain as small entities and often the lifestyle preferences of owner-managers may underpin the choice to stay small (Storey, 2011). While some hold that small business is not a defining characteristic of entrepreneurship
(Shepherd, Williams, & Patzelt, 2014), we think such a ruling should be relaxed when it comes to a regional context.

It is not productive to universalise entrepreneurship. In this book we consider the place-based context while examining entrepreneurship in regional Australia. In tackling place-based entrepreneurship we take an inclusive view of the nascent firms, established and growing firms and the established and plateaued firms as integral to the entrepreneurial ecosystems of bioregions. We argue that in the doing of entrepreneurship in regional communities it is particularly important to let go of the dominant imagery that ‘bigger is better’ (Jennings & Brush, 2013) and notions that businesses exporting are better than those serving their local markets (Sheridan, Haslam McKenzie, & Still, 2011). Entrepreneurship can play an important role beyond the economic objectives. It can contribute to the fabric of a region through its enabling of social capital, fostering trust, maintaining social relations and providing place-based initiatives (Delfmann, Koster, McCann, & Van Dijk, 2014).

The intentions of owner-managers vary and some may not see growth as the predominant or a necessary objective. Our work shows that our regional entrepreneurs, both female and male, are embedded, networked, empowering of their staff and communitarian as depicted in Fig. 9.1. They are motivated by goals beyond individual economic gain. There is a strong relational aspect to what they do as they see how they contribute positively to their community and how they benefit from their community’s support. These features feed into their entrepreneurial ecosystems.

While such a relational approach may have traditionally been framed as ‘feminine’, and devalued relative to the agentic notion of the individual, heroic entrepreneur, we believe the deep connections within regional communities matter to all the actors in the entrepreneurial ecosystem and that this may be disturbing the traditional gender binaries. The changing composition of the local economies, and the increasing importance of services are disrupting the neat division of what has traditionally been deemed ‘women’s’ versus ‘men’s’ work. As well, in male dominated industries such as construction there was some evidence of the some of the traditional views about men’s work are being dissipated. In his growing construction business with a footprint across the country,
Matthew observed that ‘we are working hard to involve women. Australia is a melting pot for people. So, we think there are great gains in employing people from different backgrounds and different cultural circumstances.’

In the following sections, we summarise our findings relating to nascent, growing and plateaued firms in our two bioregions. We also highlight the emerging research themes from our analysis of regional entrepreneurship, consider how the components of the entrepreneurial ecosystems in our bioregions fare and how to strengthen the entrepreneurial ecosystem to facilitate different forms of entrepreneurship suited to the local context.
Entrepreneurial Activity in Australia

In assessing the aggregate macroeconomic environment and entrepreneurial activity, based on the reports published by the Global Entrepreneurship Monitor (GEM), the Global Competitiveness Index (GCI) and the Global Entrepreneurship Index (GEI), we draw the conclusion that Australian economic institutions and the national environment is generally supportive of entrepreneurial activity and performs comparatively well in the international space. In Australia, in general the entrepreneurial activity is largely driven by those seeking to take up an opportunity, rather than forced by necessity to undertake self-employment or entrepreneurship. While the macroeconomic environment is stable and there is a well-developed financial system, the government support provided to boost entrepreneurial activity is identified as somewhat less than other countries and there is some sense that the regulatory burden may be somewhat onerous.

Small businesses in Australia, similar to other countries, account for a major share in number of business establishments. There is evidence of a significant business churn for both employing and non-employing businesses with high entry and exit rates particularly for the non-employing businesses. There is also evidence of less business churn when businesses provide employment opportunities for 20 or more people. Chapter 2 also presents details of business longevity in Australia. From ABS business counts data, small (particularly non-employing) businesses chances of survival is just under less than 50%. The high business churn along with low longevity particularly in the small businesses ought to be considered as a strength of the Australian economy, as the continual creation and destruction leads to better adaptation and resilience of the business sector in coping with environmental, economic and social changes. Given the business churn, we see being a business founder or an entrepreneur as a state rather than a permanent trait (Davidsson & Gordon, 2013). Our approach in this book has been to consider the lived experiences of the entrepreneurs and not so much the personal or individual traits of entrepreneurs.
Entrepreneurial Activity in Regional and Urban Australia

While much of the earlier literature on innovation and entrepreneurship considers a national context through indicators such as Global Entrepreneurship Monitor (GEM) the Global Competitiveness Index (GCI) or the Global Entrepreneurship Index (GEI), these indicators do not distinguish entrepreneurship at the regional and urban level. To understand the differences in entrepreneurship at the regional and urban locations in Australia we drew on the CAUSEE dataset, also considering differences in female and male entrepreneurial attitudes and conditions in Australia. Chapter 3 provides a detailed comparison between regional and urban, and male and female entrepreneurship in Australia.

At the aggregate level, we found few differences between the practices of the male and female owned businesses in regional versus urban locations. One area that stood out was the difference in professional support accessed by regional versus urban businesses.

Regional locations have a relatively higher proportion of businesses in sectors such as agriculture, retail and hospitality while finance, real estate, business consultancy, consumer services, construction, wholesale and manufacturing businesses have a higher share of businesses in urban locations. More women have started businesses in both regional and urban locations in sectors such as health, education and social services. These reflect the sectors women have traditionally been employed in, and associated as they are with feminine characteristic of ‘caring’, women’s presence is consistent with the gender norms (Sheridan et al., 2011). In hospitality and business consulting similar proportions of women and men have started businesses in both regional and urban locations. Women in regional areas started more retail and consumer services businesses compared to women in urban locations. In sectors such as agriculture and construction, traditionally dominated by men and commonly ascribed with masculine traits, fewer women started business compared to men in both regional and urban locations.

Parental influence is an important factor in starting a business for both women and men, and for both regional and urban businesses in Australia. Entrepreneurs in urban areas have more managerial experience
working with a large corporation compared to entrepreneurs in regional locations. A large proportion of entrepreneurs in both regional and urban locations have experience working with an owner-managed firm prior to starting a business. Both male and female entrepreneurs have similar previous experience of working with a large corporation and working in owner-managed firms.

In terms of responsibility for product development, there are no significant differences between regional and urban businesses as well as female and male businesses from the CAUSEE dataset. Similarly there are no significant differences between male and female owned businesses in terms of patent, copyright or trademark application. These proxies for innovative entrepreneurship are not relevant to most small businesses irrespective of the region and gender.

One of the key domains of an entrepreneurial ecosystem is the support available—including professional support from key functional areas such as accounting, legal, marketing and finance (Isenberg, 2011). In terms of contributions made by non-owners to functional areas of business, there are some differences between the regional and urban businesses. Regional business received less input to finance or accounting functional areas compared to urban businesses, which may reflect the more limited services locally. In terms of input to the functional areas of sales, marketing or customer services, it seems male owners accessed more support compared to female-owners.

More regional businesses relied on non-owners in developing customer contacts compared to urban businesses. In regional areas, the ecosystem enables small businesses to develop customer contacts through outside business networks and they utilise this bridging social capital well. With their peripheral location geographically, and with smaller local markets, these networks take on a more significant role regionally. In terms of bonding—social capital, friends, employees or colleagues are a major source of information and advice for both urban and regional, as well as for both male and female owned businesses compared to family members or external investors such as venture capitalists and angel investors. Consistent with stakeholder theory, customers are another major source of information and advice for both regional and urban business, as well as for male and female-owned business.
With respect to finance domain of an entrepreneurial ecosystem (Isenberg, 2011), personal savings of owners are the major source of funding for both urban and regional, as well as for male and female owned businesses particularly in the initial years of business. Credit cards are also used as another major source of funding by all types of businesses in the initial years.

In terms of resource advantage comparisons, male owned businesses exhibited a marginally higher advantage compared to female owned businesses particularly in terms of technical expertise and cost efficiency. There are differences in terms of resource advantage for regional and urban businesses. While regional businesses have a marginally higher advantage in terms of technical skills, expertise regarding development of products or services, sourcing supplies and labour costs, urban businesses have a marginally higher advantage in competencies that are difficult to copy, operating costs and overhead costs.

**Our Bioregions**

Intentions and motivations of people who start their own business venture may vary based on the bioregion where the venture takes shape. People with limited employment opportunities may be ‘pushed’ into business ventures. The types of jobs available vary across regional and urban locations. Chapter 4 also examined in depth available business count, business characteristics and other Australian Bureau of Statistics (ABS) data to tease out the differences in the regional and the urban demographics and business contexts in Australia.

From the burgeoning literature there is some consensus on the interacting components of entrepreneurial ecosystems (Isenberg, 2011) with growing attention on how these evolve dynamically in a regional context (Mack & Mayer, 2016). While policy, finance, culture, support, human capital, markets and policy implications are the recognised domains, what the nature of the relationships between component parts are, and what happens if some are missing, continue to be debated (Alvedalen & Boschma, 2017).
Two characteristics of demographics are interesting in understanding entrepreneurial emergence regionally. As detailed in Chapter 4, the Australian population is described generally as coastal hugging and concentrated in a few urban centres. It is commonly highlighted that young people leave regional places in search of employment and entertainment and migrate to larger cities. However, as highlighted in Chapter 4, the Australian population is more mobile than most other OECD countries. In recent times, ‘tree change’ has become a popular phrase that describes the relocation of families from big cities to regional locations for employment and, as the marketing promoting this claims, a more relaxed and quality environment to raise children. Some of the regional areas have experienced growth in population as explained in Chapter 4. An important feature of this growth is the resulting change in the composition of various sectors of the economy. The service sector grew at varying phases in regional cities, connected lifestyle regions, industry and service hubs as well as in heartland regions. Tamworth is classified as a regional city as per the categorisation of the Regional Australia Institute.

In terms of employment, agriculture, forestry and fisheries and mining sectors account for a large share in regional locations compared to urban locations. Financial and insurance services and professional scientific and technical services sectors on the other hand account for a major share of employment in the urban locations. For our two bioregions, it appears that the profile of Tamworth is generally similar to that of urban Australia even though there is less employment in the professional, scientific and technical services. For Armidale, the dominance of education and training distinguishes its employment profile from other regional communities. Another feature of the employment profile of regional and urban Australia and NSW, and our two bioregions concerns the occupational distribution of the paid workforce. The proportion of employees classified as managers in both Armidale and Tamworth are less than the Australian and NSW averages for regional communities. While less than the Australian and NSW urban averages for professionals, Armidale has a markedly higher proportion in this category compared to Tamworth and other regional communities, and a lower proportion of technicians and trades workers.
Considering the human capital elements of the regional versus urban entrepreneurship ecosystem, there is a significant differential in higher education attainment between urban and regional Australians. The differences between regional and urban Australia are evidenced by the much lower rates of completion of a Bachelor’s degree in regional Australia compared to urban Australia. When looking at NSW as a whole, the differences shrink, and when we examine Armidale we see the pattern reversed which, given the presence of a university and the high share of employment that the education and training sector represents, is not surprising. International literature suggest this could have a positive impact on the number of start-ups in Armidale (Motoyama & Bell-Masterson, 2015). Tamworth’s percentage of the population with a Bachelor’s degree is similar to the Australian regional averages, although lower than of the NSW regional average, and significantly lower than the urban figures.

Higher rates of business churn are often framed as promoting productivity and innovation. Differences are observed in start-up rates across regions in Australia, with lower rates of start-ups in regional Australia and regional NSW compared to their urban rates of start-ups. With Tamworth and Armidale having lower rates of entry and exits than the regional and urban averages, their patterns do speak to on average more firm entries than exits. Chapter 4 also provides a brief coverage of some of the publically available data on the two bioregions in this study—Tamworth and Armidale. While the selected bioregions are geographically proximate, they vary across a number of economic and social dimensions. Both have embraced the recent introduction of a locally based business incubator, the SMART Region Incubator (SRI), as they seek to support future business growth. Tamworth’s population has been growing at a higher rate than Armidale, which from an agglomeration perspective would be an advantage.
The Local Entrepreneurs

As explained in Chapter 5, for our investigation we have adopted a qualitative, interpretivist approach to capture the knowledge and understanding of the regionally based business owners. For this purpose, we selected and conducted in-depth interviews with 30 business owners in Tamworth and Armidale. The businesses managed by these entrepreneurs are at different stages in the business cycle. In these interviews, we also captured the social and cultural aspects of entrepreneurial activity. While earlier literature at times focused on an individual’s education, learning, attitudes and experience as explanators for firm growth, we took a different approach. As entrepreneurship is embedded in a social context, we focused on capturing the participants’ experiences to better understand the local entrepreneurial ecosystem.

Of the 30 business owners we interviewed, 28 had started the business themselves, one had built on family business foundations and one, while not an owner, was the ‘face’ of business. We recognise that we may have a biased sample as those who agreed to participate in the interviews may be optimistic about their business (Cassar & Craig, 2009). Having agreed to be interviewed about their business, it is not surprising that they are great ambassadors for regional business.

Nascent Firms

Chapter 6 examined the entrepreneurial manifestation of nascent firms from the two bioregions. The nascent business entrepreneurs identified social capital of the bioregions as a major factor influencing their decision to consider venturing into a business. Affinity with the local regions and social networks are identified as important enablers of nascent entrepreneurship. Similarly, the role of technology and the availability of reliable broadband infrastructure is identified as an important enabler for innovation in product and service offerings of nascent entrepreneurs. One of the female nascent entrepreneurs highlighted having navigated the intersectionalities of gender, location and innovation to achieve public visibility, but from this group gender is not seen as a constraining
factor. There was some optimism that some of the traditionally male dominated sectors are showing signs of acceptance and appreciation of the advantages that women bring to business.

Access to finance, regulatory compliance and lack of human capital are identified as challenges faced by the nascent entrepreneurs in our two bioregions. All nascent entrepreneurs included in this study have employed their own funds and often managed capital needs through help from family. The participants reported that government grants available were inadequate and often didn’t justify the costs of developing grant proposals. Regulatory compliance and the associated paperwork is considered a hindrance for business development in these regional locations. Often the regulations did not consider small regional firms when formulating policies and requirements. Lack of specialist skills is also a challenge faced by regional start-ups but the availability of technology meant some of the services could be accessed from outside the bioregions to manage the business creation. Another important challenge in the form of an external shock faced by our nascent entrepreneurs was the drought in 2018 and 2019. Farmers in the region and elsewhere are important clients for many of the start-up businesses. The drought not only affected farmers but also the demand for services from the nascent firms.

While they may not reflect the traditional and often lauded form of ‘innovative’ entrepreneurs, the nascent entrepreneurs we interviewed navigated the complexities of business formation through innovative solutions. Their orientation towards innovation was critical in how they valued making a difference to their communities. Most of the nascent entrepreneurs shared a vision for growth in regional, national and international markets. All nascent entrepreneurs shared a strong commitment towards regional empowerment and growth. The themes that emerged from the interviews with entrepreneurs on their efforts to achieve continuous improvement and growth were related to product development, technology integration, new markets, customer segments and identification of niche areas that enrich people’s lives. All nascent entrepreneurs showed commitment to making a difference, and so reflected a strong communitarian orientation (Fauchart & Gruber, 2011). Some of the nascent entrepreneurs have received recognition for their strong community focus and innovation.
Growing Firms

Chapter 7 examined the entrepreneurial journeys of 12 established firms in Tamworth and Armidale that are experiencing growth. The businesses cover a range of industries including agribusiness, accommodation and food services, consulting and professional services, information, media and telecommunications, health services, construction, transportation and manufacturing. These firms successfully navigated the nascent stage and recorded growth in terms of sales revenue, gross profits, and contribution to local employment. The established growth firms are distinguished from other established firms in the selected bioregions in terms of their positive long-term aspirations and prospects. Often these firms have ‘stickier’ characteristics for the regional economies and communities as they are family-based regionally supported and financed operators who thrive on their community network connections and contribute significantly in making the local business networks resilient and adaptable.

One of the major advantages that the growing entrepreneurs experienced is embeddedness. All established and growing entrepreneurs highlight the strong connections with the stakeholders and the value they place on their relationships to the local community. Their embeddedness in their regions is very much a part of their attribution of ‘success’. Another important advantage that growing entrepreneurs emphasised is the social capital that can be accessed through networks. The bridging and bonding social capital evidenced from our established and growing businesses was both within the bioregion and extending beyond the region paving way for their business growth within the region as well as nationally and internationally. The social networks in the region proved to be an important source of financial capital for some of the established growing business in the region. Recognition of the value to their business of the support from their own communities figured strongly in the stories from these business owners. There was a common sense of mutuality figuring in their stories, reflecting their embeddedness in their communities and the value of partnering. The social interaction between the owner and a community matters particularly for these growing firms. Lower
costs, particularly lower property prices are considered as an advantage of doing business in the region by the growing and established entrepreneurs. They also felt that lower costs of living and conveniences of commuting locally are advantages that need to be explained better when attracting staff from metropolitan locations. Persuading potential employees that Tamworth and Armidale is not ‘the country’ is a persistent hurdle for those recruiting. In many of the businesses’ recruitment activities, the lower costs of living and liveability of Armidale and Tamworth, including a short commute from home to work, are stressed.

Access to finance (including cost of finance) and access to human resources with the right skillset are significant challenges faced by established growing firms in these bioregions. For the businesses with significant entry costs, social networks played an important role in setting up financial arrangements that resulted in benefits for the business as well as the local investors. Recognising the importance of good staff to their ongoing success, the businesses came up with creative solutions to attract and retain the right staff as they pursue their growth path. These innovations took the form of supporting accommodation needs to staff relocating to the bioregions and profit sharing models with staff that will help employees build their own wealth portfolio. Tolerance for risk and ambiguity was something that a number of the participants claimed as essential for their success, but this was often framed in a more tempered terms than the stereotype of the reckless entrepreneur often associated with the masculine stereotype.

While growth was framed by some of the established growing entrepreneurs as increasing the size of the business by revenue or employees or accessing international markets, for other entrepreneurs, growth was fortuitous as they identified vertical integration opportunities, which better served their clients, while at the same time recognising it provided staffing challenges.

For the established growing entrepreneurs, appreciating the technology and transport infrastructure supporting their regions, can also see the underlying entrepreneurial ecosystem as vital to their ongoing success. The active business networks in their towns allow for the sharing of insights and are promoting the visibility of the successful businesses—helping to provide role models for those contemplating starting their
own businesses. While they are certainly great ambassadors for regional business, they recognise that persuading the skilled and/or specialist labour they need to continue to build their businesses continues to be a challenge, which they are tackling with some creative solutions.

Gender emerged in subtle ways in the narratives of these established and growing entrepreneurs. Across the group there was a clustering of the male owned businesses in industries in which men dominated, while the women were more likely to be operating businesses in mixed gender or women dominated sectors, reflecting the gender segregation of the Australian workforce more widely (Sheridan, 2018). But beyond the gender structures inherent in the national labour market, the emphasis that all our participants placed on social capital, trust and relationships with stakeholders provides a route into thinking about the ‘doing of gender’ within regional entrepreneurship. An earlier study of women business owners in Armidale found that the women felt marginalised by the local business networks, and reported that their service oriented businesses were not taken as seriously as the male-owned businesses in the town (Conway & Sheridan, 2005). This seems to have shifted over the period, as the professional service sector, reflecting a mixed gender profile has taken on a more significant share of the local economy and women’s representation in business networks have increased.

Plateaued Firms

Chapter 8 provided insights from 11 established firms that didn’t exhibit any growth aspirations. The entrepreneurs managing these established businesses are not often the focus of prior literature in entrepreneurship where the emphasis is on start-ups and high-tech or bio-technology firms. Often policy makers overlook this segment of small businesses. Yet, these businesses exist in large numbers and continue to contribute significantly to communities in which they operate. Chapter 8 explored what these business owners value about where they operate, what challenges they face, what may be shaping their decisions to remain the size they are, and how they perceive their location may impact their businesses. These business came from various sectors including agribusiness,
personal services, accommodation and food services, retail and manufac-
turing. The majority of these business stated necessity as a motivating 
factor for their continued operations. Seven of the 11 business owner-
managers are close to the traditional retirement age in Australia. A 
majority of the business owner-managers indicated that family members 
were actively involved in setting up or in running the business on a 
frequent basis before the business reached its current phase. Most of 
the owner-managers interviewed mentioned the uniqueness of the busi-
ness and took pride in their involvement with running the business on 
a day to day basis. The business owner-managers shared thoughts on 
how they continued to explore new avenues to run their business to 
remain attractive to their customers. Their focus on customer satisfac-
tion and customer service was key for these business owner-managers. 
Family support is seen as an important dimension of the business success 
for these businesses. Given they had passed the nascent stage, not surpris-
ingly all of the business owner-managers demonstrated knowledge, skills, 
capabilities, creativity and competencies required to run their businesses. 

As with the established and growing firms, the challenges of retaining 
skilled staff is a constant stress for these businesses. The findings obtained 
from the small business owner-managers with no growth intentions 
revealed intersections between personal, business, regional and gender 
domains. Almost all the owner-managers with established plateaued 
firms in the region indicated personal aspirations integral to the start 
of the business. However, various individual factors such as age and 
life cycle stage at which they are at are identified as strongly corre-
lated to restricting firm expansion and their consideration of business 
extit strategies. Most owner-managers seemed to think of the business 
exit from the perspective of a lack of succession, with limited knowl-
edge of other forms of exit strategies. The pervasive influence of gender 
and the distinction between women’s and men’s work appeared to 
emerge most strongly in this category, with business owner-managers 
revealing employee-employer stereotypes, a continued gender division in 
the nature of work and their relationships with networks. Some male 
business owner-managers explicitly stated their preference to recruit only 
male staff on a casual basis to carry out multiple activities related to 
the business. The mixed finding from the owner-managers of established
plateaued firms indicate the changing nature of ‘doing business’ in the bioregions and the emergence of balanced and empowered work models.

Doing Regional Entrepreneurship

Similar to previous research, we found that that in regional locations local people start almost all businesses and a significant proportion of these businesses are not seeking rapid growth in sales, profits or employment. Prior literature argues that small businesses are more vulnerable to market shocks compared to large businesses (Sánchez-Marín, Meroño-Cerdán, & Carrasco-Hernández, 2017). The climate of Australian continent is recognised as harsh (Ummenhofer et al., 2009) with increasing risk of bushfires due to climate change (Cai, Cowan, & Raupach, 2009). Much of Australia and specifically the state of New South Wales was in drought for 2019 and bushfires threatened the survival of flora and fauna as well as many businesses in the second half of 2019. The two bioregions considered in this study, Tamworth and Armidale, were not immune to these environmental risks as the surrounding areas, as well as many regions of New South Wales, experienced extensive bushfire damage in late 2019 and early 2020. Not long after the fires had abated, the Covid-19 pandemic significantly disrupted the activities of most businesses across Australia, as well as globally. It is in this dynamic context that regional entrepreneurship in Australia must be considered.

In our two bioregions, Tamworth and Armidale, we found signs that men-owned businesses were growing in the services sector and some women-owned businesses were positioned in male-dominated sectors that are capital intensive, challenging the gender sectoral segregation (Goldstein, Martinez, & Papineni, 2019). Together with the increases in women’s education rates we believe we are seeing disruptions to the traditional gender patterns of employment characterizing Australian regional labour markets, although we recognise that in the established plateaued firms with no growth there was evidence of the vestiges of traditional views of women’s work and men’s work.

Female nascent entrepreneurs reported family support as integral to the progress and performance of their new ventures, and many male
entrepreneurs flagged the importance of balancing family needs with the business needs, something they believed their regional location enabled. All businesses interviewed spoke to the importance of relationships in managing the day to day business activities. Whether they were serving their local markets, or beyond, were in the nascent stages, or were winding down, the relational dimensions of doing business figured strongly in their narratives.

The owner-managers built on their prior experience and social capital. Our findings highlight the importance of work opportunities and role models. A majority of the entrepreneurs we interviewed gained prior experience working in either family and/or non-family firms before they embarked on their entrepreneurial ventures, which reinforces the importance of a vibrant culture for small businesses. As is well established in the literature, new businesses will be formed by those who live in the region, and exposure to what owning a business entails allows for entrepreneurial spawning with new ideas.

From our analysis of nascent firms, we find that access to finance, regulatory compliance and lack of human capital are critical challenges faced by the nascent entrepreneurs. We know the chances of survival of nascent firms is contingent on entrepreneurial resilience as well as favourable entrepreneurial framework conditions.

The business product or service development in the region is largely triggered by the integration of technology to change the process rather than the product/service (Armington & Acs, 2002). This technology integration in the business is often attributed to the development of human and social capital from the nascent entrepreneur or business owner-managers’ perspective (Gulati & Higgins, 2003). In doing so, the business owner-managers and start-up founders embraced regional embeddedness and local community needs (Van de Ven, Sapienza, & Villanueva, 2007) thus, showcasing the communitarian values in enacting the regional entrepreneurship. Very few business owner-managers and start-up founders mentioned the relevance of patents and trademarks for their regional businesses. The process to obtain patents and trademarks for the regional businesses has been facilitated by the SMART Regional Incubator (SRI) located in the region that is affiliated to the university. This finding showcases the relevance of universities
Female-owned businesses demonstrated growth aspirations, innovation and risk-taking behaviours. Women-owned businesses also relied on employees and specialists on the basis of the emergence of needs. Women owner-managers and start-up founders accessed specialist help and advice from outside the region in the form of formal business contacts thus, challenging the traditional business models entrenched in the region.

Extant literature posits that start-up founders and small business owner-managers perform multitasking and showcase a variety of skills in various functional areas of business. Often skills variety is related to task completion in a timely manner. Our findings from the interviews indicate that regional business nascent entrepreneurs and owner-managers perform multitasking but also rely on seeking specialist help as and when need arises. Regional businesses take a balanced approach in matching their skills and completion of business tasks. In contrast to the national regional data, women-owned businesses in the region seem to access more non-local specialist help in managing technology integrated functions such as digital marketing and accounting software solutions.

Regional location presents an advantage for both male and female-owned businesses to develop less formal networks with various stakeholders. The informality often allows the start-up founders and established owner-managers to develop personal relationships and build trust. This results in the development of key contacts with customers, suppliers, employees and community for the business. Thus, the enabling environment in the region promotes entrepreneurship and presents an ecosystem in which the businesses operate. Trading on their social capital through their networks appears to be similar for both male and female-owned businesses.

In regards to the sources of advice, male-owned businesses readily seek advice from formal business networks, whereas, female-owned businesses rely on informal social networks. At the national level it seems male-owned businesses access a wide variety of funding sources and female-owned businesses mainly rely on debt capital and personal savings. Our findings from the bioregions we focused on, female-owned business start-up founders and owner-managers are not hesitant to seek
expert external advice when the need arises. Some female-owned nascent founders accessed funds from incubators and accelerators and both male-owned and female-owned businesses relied on personal savings in starting and growing the business in the region.

Both male-owned and female-owned regional businesses relied on creating a unique entrepreneurial identity by differentiating their product and/or service offerings. Customers’ needs were given the utmost priority and product or process or market innovations are tailored to meet the customer requirements. In doing so, many regional businesses focused upon integrating technology in their day to day business activities to a smaller or greater extent and catered their business offerings to niche customer segments and niche markets. This practice allowed the businesses to develop place-based initiatives that neatly fit with the regional entrepreneurial ecosystem that fostered entrepreneurial activities within and outside the region.

Swail and Marlow (2018) provide an argument that nascent entrepreneurship is a gendered process that disadvantages women and reduces their future engagement in entrepreneurial activities. However, the interviews sourced from the regional nascent entrepreneurs in our study indicate the absence of gendered assumptions during the nascent stage. This finding could be attributed to the presence of communitarian values in the bioregions in which the interviews were conducted; the increase in the service type businesses in the region that resulted in the way that entrepreneurship is empowered and enacted in the region. The communitarian values further combined with the embeddedness foster opportunities for both male and female nascent entrepreneurs in the region.

The entrepreneurs we interviewed did not fit the highly individualised heroic stereotype image of an entrepreneur. All of them exhibited embeddedness with connections to the community and linkages. This relational approach is often framed as a feminine approach. In this study we approach this in a holistic way devoid of the usual male and female divisions. Only a small proportion of businesses we engaged with have an international focus, which is consistent with the broader national patterns (Bosma et al., 2020). The majority of firms particularly those in the established no growth category (regardless of owner characteristics),
through either market constraints or owner preference, reflect a ‘lifestyle’ profile; they begin and remain very small.

Future studies must explore the merit of carrying out mixed methods research in multiple regional locations with increased sample size for addressing the validity and reliability issues. The comparison of regional and metropolitan small business owner-managers experiences, perceptions and opinions will also be meaningful in drawing themes with similarities and differences. Expanding the focus on regional to international contexts will also elicit interesting cultural, sub-cultural, diversity and inclusivity aspects alongside the impact exerted by macro environmental forces.

**Implications for the Entrepreneurial Ecosystems**

We revisit the components of an entrepreneurial ecosystem here (seen in Fig. 2.3) and conclude there is some evidence to consider both as growing entrepreneurial ecosystems (Mack & Mayer, 2016). Ideally a careful combination of the innovation-driven economic status of the regional context with relevant entrepreneurial framework conditions will provide a suitable entrepreneurial ecosystem that will trigger individual motivations and acquisition of adequate resources for the creation and development of nascent firms in a region (Hopp & Stephan, 2012).

While they share the same national macro environment, which we have seen from international studies is generally favourable, there are common elements to the entrepreneurial ecosystems of Tamworth and Armidale, but there are some differences too. Their industrial profiles vary. Tamworth has a growing population, Armidale’s population has had little growth for two decades. For those businesses serving their local markets only, these dynamics can impact opportunities, whereas for those serving clients beyond the local market, this may be of less consequence. Accessing skilled labour to support businesses is a challenge across both regions. Both communities are supported by a local regional incubator, and appear to have embraced this reflecting a culture that values entrepreneurs. The common characteristics for the firms
at different stages in their business lifecycles are that they are deeply embedded in their place, they are networked within their communities and beyond, where they have staff they are empowering and they are communitarian. They are motivated by goals beyond individual economic gain. For those doing entrepreneurship in regional communities there is a strong relational aspect to what they do. They value how they contribute to their community and how they benefit from their community’s support.

**Policy**

The federal, state and local governments in which our bioregions operate all have a supporting environment for entrepreneurial activity. Small business is seen as a critical pillar to the economic well-being of Australia, and as the policy responses to the recent natural disasters highlighted, governments at all levels recognise the importance to communities of the small businesses. At the federal and state levels there are government funded programs directed to supporting innovation in small businesses, which the SMART Region Incubator has been a beneficiary of and acts as a conduit for connecting local businesses to government incentives. Within the local government strategic plans, growing small business is a priority.

In being a founding member of *Evocities*, Tamworth local government was keen to showcase their bioregion to attract more businesses and people to their growing community. Armidale, while not a founding member, has since also joined this collaborative effort to sell the benefits of a regional location. It seems that policy in the form of government support would be having a positive influence on the entrepreneurial ecosystems.

**Finance**

With respect to financial capital, the distance from urban sites is recognised as a limit to accessing venture capital (VC) or angel investors, and certainly it was the case that none of the sample had drawn on VC.
Rather than accessing these forms of finance, most of the businesses drew on their own savings. For the few businesses that required capital as part of their initial venture or for growth, what emerged was the importance of social capital in facilitating access to locally sourced finance. The SMART Region Incubator has played a growing role in alerting owners to government grants and/or tax incentives but the capacity to access these remain limited because of the size of the grants relative to the amount of work, and/or the businesses don’t meet the criteria to access. Attention to access to finance is an area where the entrepreneurial ecosystem may be bolstered.

Culture

Another component of a vibrant entrepreneurial ecosystem is the celebration of success stories. The strong evidence of networks among the entrepreneurs in the region are lifting the profiles of local business owners. For at least the past decade, both bioregions have been celebrating the success of their local businesses through well attended and highly promoted events. Many of the winners of the local awards have been successful in the state based awards too, and the ‘region’s’ success is highly promoted when this has occurred. To the nascent business owners such recognition is particularly valued.

The account by one of our participants of how even the traditionally male dominated sector of construction is recognising and valuing more diverse contributions is indicative of how the role support networks play in fostering a vibrant entrepreneurial ecosystem areas are now recognising women’s contributions more fully.

For both bioregions, where the culture may require some bolstering is how to promote successful exits. This appears to be an area where owners are less aware of the options they could pursue. With business churn being a feature of vibrant entrepreneurial ecosystem, then making more visible the stories of how business owners have exited could help to support this important process.
Support

Regional communities are generally less well provisioned in terms of access to the knowledge spillovers characterising many urban environments. The advent of the SMART Region Incubator (SRI) in 2017 in Armidale and Tamworth, funded by the NSW Department of Primary Industry’s Boosting Business Innovation Program and its association with the university, is recognised by many of the local business owners as a visible sign their regions value local entrepreneurship. While it has a primary focus on agritech clusters, reflecting the role of agriculture in both bioregions, it has an inclusive approach, fostering business connections across all sectors. Both the local governments of the bioregions have develop strong relationships with the SRI and refer to the role of fostering local business growth in their strategic plans (Armidale Regional Council, 2017; Tamworth Regional Council, 2017).

Technology was embraced by the nascent entrepreneurs as they identified and leveraged opportunities with technology. The technology and transport infrastructure of both bioregions were seen by the growing businesses to be a key to their success, with a cautionary note of the importance of them to be maintained at relatively high levels. The access to professional services to support their businesses within the bioregions was generally found to be sufficient. Where there were specialist skills required from outside of the region, these were enabled through the high quality technology infrastructure. Further growth of the population and markets should ensure this would continue.

Entrepreneurially munificent environments are important in supporting the development of entrepreneurial self-efficacy and entrepreneurial intentions (Bacq, Ofstein, Kickul, & Gundry, 2017). For those already employed, a start-up incubator in their region can expose them to the benefits and dangers of launching their own business. By participating in incubator events or engaging in mentor–mentee relationships with entrepreneurs, it can foster their entrepreneurial intentions (Bacq et al., 2017).
Human Capital

In both bioregions, and for all categories of businesses, access to the right skills for their businesses is a challenge. Even in Armidale, with its university and higher average levels of degree qualifications in the local population, staffing was a struggle. For the individual businesses, there are specialist skills they require and the local labour markets are thin. With smaller populations than their urban counterparts to draw on, this is seen as an enduring problem for the local ecosystems. As we have seen the growing importance of the services sector to the local economies, there is a shifting in the skills sets that will be sought into the future.

Markets

The market opportunities for the entrepreneurs varied across the sites and sectors. With a growing population, those businesses serving the local market in Tamworth felt more optimistic than those serving the local population in Armidale. For many of the growing businesses, their markets were beyond the local. They served regional communities across Australia and for a couple of businesses, internationally. The wider markets were sustained by the owners’ social capital—the strong external networks the business owners fostered and the trust and relationships they actively developed. For some their regional identity was a facilitator for them to do business in other regions, it evoked a sense of confidence in common values.

Policy Implications

The macro environment in Australia plays a positive role in improving business survival. However, the recent drought and bushfires have made it extremely hard for regional businesses in particular. The further external shock of Covid-19 will impact all businesses. The government response so far has helped businesses hibernate their operations to some extent. Spontaneous venturing, particularly in regional communities in response to the devastation of the bushfires has helped businesses to
maintain minimum levels of service offerings. However, for the nascent firms to improve their longevity and pursue growth aspirations there needs to be continued support in terms of creating financing alternatives as well as improved access to human capital. Both public policy and private capital have a role to play in strengthening regional educational infrastructure and skill building essential to the ongoing development of those firms who seek to grow. Technology and transport are critical for firms to continue to grow. These improvements in entrepreneurial ecosystems will also help growing firms to tap new markets regionally, nationally and internationally. It is also important to consider harvesting business knowledge from plateaued owner managers and providing them with more information about their opportunities to exit in a meaningful way.

A majority of the challenges as outlined by the nascent firms’ founders relate to the existing government processes and procedures (Urbig & Monsen, 2012). For example, the founders interviewed expressed frustration towards the associated paperwork in meeting the state and federal compliance and regulatory standards, as well as additional local council requirements. Government at various levels not only needs to work cohesively to promote regional entrepreneurship, but also to develop innovative ways that encourage businesses to meet compliance and regulatory requirements.

The nascent entrepreneurs we interviewed shared a vision for growth in regional, national and international markets. They also shared a strong commitment towards regional empowerment and growth. Future studies should focus upon exploring inter and intra-regional similarities and/or differences that foster or hinder nascent firm entrepreneurship and female-owned businesses.

**Final Remarks**

From our analysis of regional entrepreneurship, we hope we have provided some navigational guidelines to regional businesses, policy makers and those interested in enabling vibrant regional communities. In focusing on nascent, growing and plateaued firms we are rejecting
the notion that the only firms warranting attention in our bioregions are the growing and ‘ambitious’ firms. The presence and contributions of all firms are integral to a flourishing entrepreneurial ecosystem. From these diverse businesses, many of them service oriented, we see the face of the changing economy in the doing of regional entrepreneurship. Embedded in their communities and with a concern for the relational dimensions of doing business, in many ways these are disrupting the traditional binaries of masculinity/agency and femininity/communion, and challenging the stereotype of the entrepreneur operating as the heroic individual (Bruni, Gherardi, & Poggio, 2004). In interrogating the doing of regional business by these business owners, we are witness to a more nuanced understanding of the evolving gender relations in these communities.

The two bioregions we have examined in this book continue to demonstrate strong aspirations to offer high quality of life and opportunities for youth to pursue their dreams not far from home. It is imperative that existing institutions are strengthened to attract new families from other regional and urban locations.

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