



**INFLUENCE OF FRANCHISEE CHARACTERISTICS ON THEIR
COMMITMENT AND THE MEDIATING ROLE OF TRUST**

By

ZALENA BINTI MOHD

**Thesis Submitted to the School of Graduate Studies, Universiti Putra Malaysia,
in Fulfilment of the Requirements for the Degree of Doctor of Philosophy**

January 2022

SPE 2022 20

COPYRIGHT

All material contained within the thesis, including without limitation text, logos, icons, photographs, and all other artwork, is copyright material of Universiti Putra Malaysia unless otherwise stated. Use may be made of any material contained within the thesis for non-commercial purposes from the copyright holder. Commercial use of material may only be made with the express, prior, written permission of Universiti Putra Malaysia.

Copyright © Universiti Putra Malaysia



Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfilment of the requirement for the degree of Doctor of Philosophy

INFLUENCE OF FRANCHISEE CHARACTERISTICS ON THEIR COMMITMENT AND THE MEDIATING ROLE OF TRUST

By

ZALENA BINTI MOHD

January 2022

Chairman : Associate Professor Zahira binti Mohd Ishan, PhD
Faculty : School of Business and Economics

Franchising is one of the fastest channels for creating and developing entrepreneurs and promoting business growth in Malaysia. It is vital for the franchisor and his franchisees to have a long-term relationship. Despite the progress in franchising industry, there are challenges faced by the franchisees leading to the failure of various franchise business in Malaysia. Research shows that franchisees have not really optimised the franchise business opportunity as there are still only a handful of them in this business that are doing well. Trust and commitment are the two important variables for a good relationship in the franchising business. Hence this study investigates whether franchisee characteristics influence the franchisee's commitment and the mediating role of trust. This study aims to better understand the impact of trust between the characteristics of franchisees and franchisees' commitment. Moreover, the trust between the characteristics of franchisees and franchisees' commitment to franchise organizations in Malaysia is under-explored. Over the years the characteristics evolved, there is still a need to identify the right characteristics that best fit the franchise business to mitigate the failure of existing franchise business. Understanding the influence of franchisee characteristics (entrepreneurial capacity, professional experience and financial capacity) on franchisee's commitment provides additional insights into the literature in the area of franchise business. It also examines the mediating role of trust in the franchise business. Resource-based theory was used as a theoretical foundation in this study, which explicitly articulate that those resources need to be valuable, rare, difficult to imitate, and non-substitutable for the long-term success of any franchising business. Similarly, commitment-trust theory has also been used in this study as it emphasises that greater trust has a substantial impact on higher commitment from partners, which eventually improves business performance dramatically over time. Using a mixed methodology, questionnaires were distributed to 300 home-grown franchisees and six individual franchisees were interviewed. Using Partial Least Square Structural Equation Modelling, 258 usable responses were used for the analysis. The results provided an empirical evidence of the significant effect of entrepreneurial capacity and financial capacity support on the franchisee's commitment. This study found that the results of professional

experience effects were insignificant. This study revealed that trust is a significant mediator in the relationship between entrepreneurial capacity and financial capacity, hence supporting the theoretical premises. The study concluded that franchisee characteristics (entrepreneurial capacity and financial capacity) were found to be highly and critically important in meeting the needs of franchisee trust and commitment. The result also could be adopted by franchisors in determining the commitment amongst the franchisees that can become the best candidate for the franchise business.



Abstrak thesis yang dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk ijazah Doktor Falsafah

PENGARUH CIRI FRANCAISI TERHADAP KOMITMEN DAN PERANAN AMANAH

Oleh

ZALENA BINTI MOHD

Januari 2022

Pengerusi : Profesor Madya Zahira binti Mohd Ishan, PhD
Fakulti : Sekolah Perniagaan dan Ekonomi

Francais adalah salah satu saluran terpentas untuk mencipta dan membangunkan usahawan serta menggalakkan pertumbuhan perniagaan di Malaysia. Adalah penting bagi pemberi francais dan pemegang francaisnya untuk mempunyai hubungan jangka panjang. Di sebalik kemajuan dalam industri francais, terdapat cabaran yang dihadapi oleh francais yang membawa kepada kegagalan pelbagai perniagaan francais di Malaysia. Penyelidikan menunjukkan bahawa francais tidak benar-benar mengoptimalkan peluang perniagaan francais kerana masih terdapat segelintir daripada mereka dalam perniagaan ini yang berjaya. Amanah dan komitmen adalah dua pembolehubah penting untuk hubungan yang baik dalam perniagaan francais. Oleh itu kajian ini menyiasat sama ada ciri francais mempengaruhi komitmen francais dan peranan pengantara amanah. Kajian ini bertujuan untuk lebih memahami kesan amanah antara ciri-ciri francais dan komitmen francais. Selain itu, amanah antara ciri-ciri francais dan komitmen francais terhadap organisasi francais di Malaysia kurang diterokai. Selama bertahun-tahun ciri-ciri itu berkembang, masih terdapat keperluan untuk mengenal pasti ciri-ciri yang sesuai yang paling sesuai dengan perniagaan francais untuk mengurangkan kegagalan perniagaan francais sedia ada. Memahami pengaruh ciri francais (kapasiti keusahawanan, pengalaman profesional dan kapasiti kewangan) terhadap komitmen pemegang francais memberikan pandangan tambahan tentang literatur dalam bidang perniagaan francais. Ia juga mengkaji peranan pengantara amanah dalam perniagaan francais. Teori berasaskan sumber telah digunakan sebagai asas teori dalam kajian ini, yang secara eksplisit menyatakan bahawa sumber tersebut perlu bernilai, jarang, sukar untuk ditiru dan tidak boleh digantikan untuk kejayaan jangka panjang mana-mana perniagaan francais. Begitu juga, teori komitmen-amanah juga telah digunakan dalam kajian ini kerana ia menekankan bahawa amanah yang lebih besar mempunyai kesan yang besar terhadap komitmen yang lebih tinggi daripada rakan kongsi, yang akhirnya meningkatkan prestasi perniagaan secara dramatik dari semasa ke semasa. Menggunakan metodologi campuran, soal selidik telah diedarkan kepada 300 francais tempatan dan enam francais individu telah ditemu bual. Menggunakan Pemodelan Persamaan Struktur Kuasa Dua Separa Terkecil, 258 kaji selidik yang boleh

digunakan telah digunakan untuk analisis. Keputusan memberikan bukti empirikal tentang kesan ketara kapasiti keusahawanan dan sokongan kapasiti kewangan ke atas komitmen pemegang francais. Kajian ini mendapati bahawa hasil kesan pengalaman profesional adalah tidak signifikan. Kajian ini mendedahkan bahawa amanah adalah pengantara yang signifikan dalam hubungan antara kapasiti keusahawanan dan kapasiti kewangan, justeru menyokong premis teori. Kajian ini merumuskan bahawa ciri-ciri francais (kapasiti keusahawanan dan kapasiti kewangan) didapati sangat penting dan kritikal dalam memenuhi keperluan amanah dan komitmen francais. Hasilnya juga boleh diterima pakai oleh francaisor dalam menentukan komitmen di kalangan francais yang boleh menjadi calon terbaik untuk perniagaan francais.



ACKNOWLEDGEMENTS

All praises and thanks to Allah. There is neither strength nor power except from Allah, the Exalted, and the Almighty. I am indebted to the following people who immensely contributed towards this thesis in many important ways:

I would like to give my heartfelt thanks to Associate Professor Dr. Zahira Mohd Ishan, my supervisor, who had helped me through difficult times with her continuous encouragement, guidance and mentorship. When my confidence was waning, she lifted me up. For all this, I will always remain extremely grateful. Many thanks also go to Professor Dr Azmawani Abd Rahman and Professor Dr Ho Jo Ann my co-supervisors for their help, guidance and constant encouragement throughout the period of this study.

To the darling of my heart, Aina Sabrina, Ameer Danial, Arash Imran and Aideel Hakim, thank you for your understanding, sacrifices and patience along this journey. To, Sallahuddin Abdul Rashid, I cannot find words to describe how I should love, appreciate, and respect you more. Your true love, presence, and support are truly irreplaceable. Last but not least, my sisters, Datin Noraini and Pn. Zaidilah, my mother in-law, and brothers whose presence and support give strength to complete my studies and had helped when the times got rough and tough.

Last but not least, I would like to give many thanks to whoever made their contribution in this study.

This thesis was submitted to the Senate of Universiti Putra Malaysia and has been accepted as fulfilment of the requirement for the degree of Doctor of Philosophy. The members of the Supervisory Committee were as follows:

Zahira binti Mohd Ishan, PhD

Associate Professor
School of Business and Economics
Universiti Putra Malaysia
(Chairman)

Azmawani binti Abd Rahman, PhD

Professor
School of Business and Economics
Universiti Putra Malaysia
(Member)

Ho Jo Ann, PhD

Professor
School of Business and Economics
Universiti Putra Malaysia
(Member)

ZALILAH MOHD SHARIFF, PhD

Professor and Dean
School of Graduate Studies
Universiti Putra Malaysia

Date: 11 August 2022

Declaration by graduate student

I hereby confirm that:

- this thesis is my original work;
- quotations, illustrations and citations have been duly referenced;
- this thesis has not been submitted previously or concurrently for any other degree at any institutions;
- intellectual property from the thesis and copyright of thesis are fully-owned by Universiti Putra Malaysia, as according to the Universiti Putra Malaysia (Research) Rules 2012;
- written permission must be obtained from supervisor and the office of Deputy Vice-Chancellor (Research and innovation) before thesis is published (in the form of written, printed or in electronic form) including books, journals, modules, proceedings, popular writings, seminar papers, manuscripts, posters, reports, lecture notes, learning modules or any other materials as stated in the Universiti Putra Malaysia (Research) Rules 2012;
- there is no plagiarism or data falsification/fabrication in the thesis, and scholarly integrity is upheld as according to the Universiti Putra Malaysia (Graduate Studies) Rules 2003 (Revision 2012-2013) and the Universiti Putra Malaysia (Research) Rules 2012. The thesis has undergone plagiarism detection software

Signature: _____

Date: _____

Name and Matric No: Zalena binti Mohd.

Declaration by Members of Supervisory Committee

This is to confirm that:

- the research conducted and the writing of this thesis was under our supervision;
- supervision responsibilities as stated in the Universiti Putra Malaysia (Graduate Studies) Rules 2003 (Revision 2012-2013) are adhered to.

Signature: _____
Name of Chairman
of Supervisory
Committee: Associate Professor Dr. Zahira binti Mohd Ishan

Signature: _____
Name of Member
of Supervisory
Committee: Professor Dr. Azmawani binti Abd Rahman

Signature: _____
Name of Member
of Supervisory
Committee: Professor Dr. Ho Jo Ann

TABLE OF CONTENTS

	Page
ABSTRACT	i
ABSTRAK	iii
ACKNOWLEDGEMENTS	v
APPROVAL	vi
DECLARATION	viii
LIST OF TABLES	xiv
LIST OF FIGURES	xvi
LIST OF APPENDICES	xvii
LIST OF ABBREVIATIONS	xviii
LIST OF SYMBOLS	xix
CHAPTER	
1 INTRODUCTION	1
1.1 Overview	1
1.2 Research Background	1
1.3 Problem Statement	4
1.4 Research Questions	7
1.5 Research Objectives	8
1.6 Significance of the Study	8
1.6.1 Theoretical Contribution	9
1.6.2 Practical Application for Franchise Business	10
1.7 Scope of the Study	10
1.8 Definition of Terms	11
1.9 Organization of the Thesis	12
1.10 Chapter Summary	12
2 LITERATURE REVIEW	14
2.1 Introduction	14
2.2 Franchise Business Management in Malaysia	14
2.3 Organizational Structure of Franchise Business	18
2.3.1 Definition of Franchise	18
2.4 Components of Franchise Model	19
2.4.1 Trust in Franchise Business	25
2.4.2 Franchisees' Commitment	30
2.5 Theories Incorporated in Previous Franchise Business Studies	31
2.5.1 Agency Theory	31
2.5.2 Resource Scarcity Theory	33
2.5.3 Tournament Theory	34
2.6 Theoretical Background	35
2.6.1 Resource Based Theory	35
2.6.2 Commitment-Trust Theory	38
2.7 Research Framework	39

2.8	Hypotheses Development	40
2.8.1	Characteristics of Franchisees and Franchisees Commitment	40
2.8.2	Characteristics of Franchisees and Franchisees Trust	46
2.8.3	Trust and Commitment	49
2.8.4	The Mediating Effects of Trust	51
2.9	Chapter Summary	53
3	RESEARCH METHODOLOGY	54
3.1	Introduction	54
3.2	Research Paradigm	54
3.3	Methodological Approach	56
3.4	Mixed-Methods Sequential Explanatory Design	57
3.5	Quantitative Methodology	58
3.5.1	Research Design	59
3.5.1.1	Sample Design	61
3.5.2	Sampling Techniques and Unit of Analysis	65
3.5.3	Measurement of Variables	66
3.5.3.1	Constructs	66
3.5.3.2	Dependent Variable	67
3.5.3.3	Independent Variable	68
3.5.3.4	Mediating Variable	70
3.5.4	Pilot Testing	71
3.5.5	Validity and Reliability	72
3.5.6	Data Collection Method	73
3.5.6.1	Conducting the Survey	74
3.5.7	Data Preparation	74
3.5.7.1	Editing Data	74
3.5.7.2	Coding	75
3.5.7.3	Categorization	75
3.5.8	Data Analysis	75
3.5.8.1	Data Screening	75
3.5.8.2	Missing Data	75
3.5.9	Scale Assessment	76
3.5.9.1	Content and Face Validity	76
3.5.10	Analysis Technique	77
3.5.10.1	Introduction of SEM	77
3.5.10.2	PLS- SEM	78
3.5.11	Evaluation of the Measurement Model	80
3.5.11.1	Indicator Reliability	80
3.5.11.2	Internal Consistency	81
3.5.11.3	Convergent Validity	81
3.5.11.4	Discriminant Validity	81
3.5.12	Evaluation of the Structural Model	82
3.5.12.1	Collinearity Issue (VIF)	83
3.5.12.2	Structural Model Path Coefficient	83
3.5.12.3	Coefficient of Determination (R^2)	84
3.5.12.4	Level of Effects Size (f^2)	84

	3.5.12.5	Predictive Relevance (Q^2)	84
	3.5.13	Testing the Mediating Effects	84
3.6		Qualitative Methodology	86
	3.6.1	Sampling	87
	3.6.2	Data Collection – Semi Structured Interview	88
	3.6.3	Data Analysis and Interpretation	90
	3.6.3.1	Prepare and Organize the Data for Analysis	90
	3.6.3.2	Explore and Code the Data	90
	3.6.3.3	Build Description and Themes through Codes	91
	3.6.3.4	Represent and Report Findings	92
	3.6.3.5	Interpretation of Findings	92
	3.6.3.6	Validation of Qualitative Findings	93
3.7		Ethical Considerations	94
3.8		Chapter Summary	94
4		RESULTS AND FINDINGS	95
	4.1	Introduction	95
	4.2	Quantitative Results and Findings	95
	4.2.1	Response Rate	95
	4.2.2	Demographic Profile	96
	4.2.3	Normality Test	97
	4.2.4	Conceptual Model Analysis	99
	4.2.5	Analysis of the Measurement Model of the Study	99
	4.2.5.1	Reliability of Constructs in the 1 st Stage Measurement Model	100
	4.2.5.2	Convergent Validity	101
	4.2.5.3	Convergent Validity (2 nd Order Level)	104
	4.2.5.4	Discriminant Validity at 1 st Order level	105
	4.2.5.5	Discriminant Validity at 2 nd Order level	110
	4.2.5.6	Conclusion on Reliability and Validity of Measurement Model	111
	4.2.6	Analysis of the Structural Model	112
	4.2.6.1	Path Coefficients in the Structural Model	112
	4.2.6.2	Predictive Value of the Model	114
	4.2.6.3	Standardized Root Mean Square Residual (SRMR)	115
	4.2.7	Analysis of Mediating Effect through Bootstrapping Results	115
	4.2.7.1	Model Analysis Summary	115
	4.3	Qualitative Results and Findings	116
	4.3.1	Franchisee Characteristics	116
	4.4	Chapter Summary	119

5	DISCUSSION, IMPLICATIONS AND RECOMMENDATIONS	120
5.1	Introduction	120
5.2	Research Summary	120
5.3	Discussion of Findings	121
5.3.1	Relationship between Entrepreneurial Capacity and Commitment	122
5.3.2	Relationship between Professional Experience and Commitment	123
5.3.3	Relationship between Financial Capacity and Commitment	125
5.3.4	Relationship between Entrepreneurial Capacity and Trust	126
5.3.5	Relationship between Professional Experience and Trust	127
5.3.6	Relationship between Financial Capacity and Trust	128
5.3.7	Mediating Effect of Trust between Entrepreneurial Capacity and Commitment	129
5.3.8	Mediating Effect of Trust on the Relationship between Professional Experience and Commitment	130
5.3.9	Mediating Effect of Trust on the Relationship between Financial Capacity and Commitment	131
5.3.10	Relationship between Trust and Commitment	131
5.4	Implication of Studies	133
5.4.1	Theoretical Contributions	133
5.4.2	Practical Contributions	134
5.5	Limitations of the Research	136
5.6	Recommendations for Future Studies	137
5.7	Chapter Summary	138
	REFERENCES	140
	APPENDICES	169
	BIODATA OF STUDENT	192
	LIST OF PUBLICATIONS	193

LIST OF TABLES

Table		Page
2.1	Number of SMEs Establishments by States	16
2.2	Brands and their Franchise Fees, Initial Capital Investment and Royalty	18
2.3	Studies on Characteristics of Franchisees' Profile	21
2.4	Studies on Trust used as Variables	28
3.1	The Main Features of Paradigm in Scientific Research	55
3.2	Descriptor of Research Design	60
3.3	Number of Franchisors by Industry Registered with MFA	62
3.4	The Measurement Scale Used	66
3.5	Pilot Test Reliability Result	72
3.6	Comments from the Expert Review of the Questionnaire Items	77
3.7	Rules of Thumb between CB-SEM and PLS-SEM	79
3.8	Summaries of Indices for Measurement Model Analysis	80
3.9	Indices for Structural Model Analysis using PLS-SEM	83
4.1	The Response Rate of Survey	96
4.2	Demographic and Profile Details (N=258)	97
4.3	Normality Test	98
4.4	Reliability Measures	101
4.5	Reliability Measures (2 nd Stage Measurement Level)	101
4.6	Convergent Validity - AVE Values of Constructs (1 st Order Level)	102
4.7	Outer Loadings - t values- 1st Order Level (Convergent Validity at Indicator Level)	102
4.8	Convergent Validity - AVE Values of Constructs (2nd Order Level)	104

4.9	Outer Loadings - t values- 2 nd Order Level (Convergent Validity at Indicator Level)	105
4.10	Comparison of AVE and Inter-Construct Correlations at 1 st Stage (Discriminant Validity Check)	106
4.11	Cross Loadings of Indicators at 1 st Order Level (Discriminant Validity at Indicator Level)	108
4.12	Comparison of AVE and Inter-Construct Correlations (Discriminant Validity Check)	110
4.13	Cross Loadings of Indicators at 2 nd Order Level (Discriminant Validity at Indicator Level)	111
4.14	Path Significance and t-Values (Bootstrapping Results)	112
4.15	R-Square Results	113
4.16	Effect Size of Paths (Cohen's f^2)	114
4.17	Predictive Value of the Model (Stone-Geisser's Q^2)	114
4.18	Result Path Coefficients Trust as Mediator	115
4.19	Model Analysis Summary	116
5.1	Summary of Research Questions and Results of Hypotheses	120

LIST OF FIGURES

Figure		Page
2.1	Agency Theory Diagram	32
2.2	Resource Base Theory	36
2.3	Trust and Commitment Theory	38
2.4	Proposed Research Framework	39
2.5	Proposed Theoretical Framework	53
3.1	Mixed-Method Procedure	58
3.2	G*Power Analysis	64
3.3	Structural Model of SEM	78
3.4	General Mediation Model	85
3.5	Bootstrapping the Indirect Effect	85
3.6	Process of Qualitative Analysis	94
4.1	Conceptual Model of the Study	99
4.2	2 nd Stage Measurement Model	100
4.3	The Structural Model: Path Coefficients	113
4.4	Franchisee Characteristics from the Franchisee Perspectives	119

LIST OF APPENDICES

Appendix		Page
1	Survey Questionnaire	169
2	Interview Protocol	174
3	Interview Transcription	178
4	Permission for Data Collection	191



LIST OF ABBREVIATIONS

BCIC	Bumiputera Commercial and Industrial Community
EFDP	Enhanced Franchise Development Program
FDP	Franchise Development Programme
GDP	Gross Domestic Product
MDTCA	Ministry of Domestic Trade and Consumer Affairs
KPI	Key Performance Indicator
MATRADE	Malaysia External Trade Development Corporation
MFA	Malaysian Franchise Association
MTDCC	Ministry of Domestic Trade Co-Operation and Consumerism
Pernas	Perbadanan Nasional Berhad
RBT	Resource-Based Theory
SME	Small Medium Enterprise

LIST OF SYMBOLS

β	Beta
R^2	Coefficient of determination
f^2	Level of effect size
Q^2	Predictive relevance



CHAPTER 1

INTRODUCTION

1.1 Overview

This chapter provides briefly about the introduction of franchise business in the world, particularly the franchise business in Malaysia. The problem statement points out the need for the present study to be conducted and directed. This chapter describes the nine inter-related sections which starts from the overview of the study to the organization of the thesis. This chapter looks into the preliminary view on the research issues such as background of the study, problem statement, research questions and the definition of terms used in the study. The study looks into the influence of franchisee characteristics on their commitment and the mediating role of trust, and it is in line with the next chapters. The operational definitions are presented to give a better understanding of the usage of terms in this study.

1.2 Research Background

Franchising is one of the common forms of businesses practiced in many countries including Malaysia, which help to spread the presence of popular foreign and home-grown business models and trademarks. According to Khan (2019), franchising is a well-established business model that helps companies adapt to different cultures and regulatory policies. According to Hoffman (2016), franchising has always been an important part of a company's foreign expansion. The author claims that franchising has many benefits as an entry mode, including the potential to quickly extend a business and the ability to distribute risk across many networks. According to Alon & Kruesi, (2019), for markets that are culturally distinct from the home market and have little challenges to overcome, franchising is the ideal market penetration strategy that able to withstand heavy competition, high prices, and regulatory restrictions).

Successful franchising partnerships, according to Rosado-Serrano (2018), have three dimensions: economic, non-business, and legal. Because of the cultural isolation from the home market, the first two relationships must be maintained in a global market context, while the third relationship must be maintained due to the legislative constraints that must be addressed in the domestic market.

Franchising first started in the United States of America (the US) by the Singer Corporation during the nineteenth century. They used franchising as a form of channel structure to deliver their sewing machines to the customers (Storholm, 1994; Kang & James, 2004; Chirico, Ireland, & Sirmon, 2011; Jang & Park, 2019). The modern franchising companies from the US such as Burger King, Pizza Hut, McDonald's, Coca Cola, and Holiday Inn have shown enormous growth since the 1950s. Now they have

become the leading companies and have enticed other companies around the globe. The franchise system has driven business growth and expansion (Storholm, 1994; Davies et al., 2011). This system has become the most important channel in retail marketing that has impacted consumers' buying decision significantly. In the franchising system, ranging from product franchise, manufacturing franchise, business format franchise and a combination thereof (Zahira, 2006), globally restaurants, miscellaneous services, and non-food retailing have become the major growing business sectors (Hoffman, 2004; Doherty, 2009; Hitt, Ireland, & Hoskisson, 2013).

For a few decades, the franchising sector has coloured the Malaysian market landscape, allowing many interested individuals to join the bandwagon as franchisor or franchisees. Being a franchisee is easier than being a franchisor since a franchisee simply repeats the franchisor's business model with the promise of long-term revenue due to the brand's goodwill (Siebert, 2015). However, identifying the perfect franchisee is critical for franchisors to ensure the long-term viability of their franchise system (Jang & Park, 2019). Hence, franchisee characteristics are an essential aspect in franchising business, which attract the attention of many researchers (Lafuente & Salas, 1989, Michaelis, Scheaf, & Carr, 2022).

Earlier studies suggested that the characteristics of franchisees are segmented into three parts where franchisees are semi-autonomous entrepreneurs that manage their enterprises in a specific geographic location under a predefined business model with a consistent strategic orientation toward clients which are entrepreneurial capacity, professional experience and financial capacity. Franchisees are members of a franchise system, which includes the franchisor as the umbrella organisation, as well as fellow franchisees (i.e. peers) and maybe franchisor-owned units operating in other areas under the same business model. Entrepreneurial capacity is defined as an individual's ability to spot, recognise, and absorb possibilities (Lopez-Fernandez & Lopez-Bayon, 2018).

Professional experience, on the other hand, is defined as the extent to which people have a favourable or negative perception of themselves as entrepreneurs (Baresa, 2018; Middleton & Nowell, 2018). According to Cao and Shi, (2020), job experience has numerous benefits, including giving skills and ideas that can help franchisees stand out and that cannot be gained in a classroom. Mohd Amy Azhar (2011) emphasised the critical success factors for Bumiputra and non-Bumiputra franchisors in managing their franchise companies in Malaysia. The critical success factors was also supported by Mohd (2019). Two identified variables that have a direct impact on the performance of local franchise enterprises are marketing orientation and entrepreneurship. Soft skills like collaboration, networking, and business knowledge, can also help franchisees grow professionally and better prepare themselves. A person with financial aptitude is also desirable in the franchising industry.

To be competitive, a company's financial capacity, which is the greatest level of production that permits it to create a product or provide a service, must be prepared. Management must recognise the boundaries of the development process while planning for capacity (Santoro et al., 2018).

It has conclusively been agreed that franchising is a business relationship that requires commitment (Grunhagen et al., 2017) to obtain mutual benefits. In a franchise system, in order to run the business effectively and efficiently, franchisors need to depend on the franchisees to do it. Several studies have noted that commitment is an essential ingredient for successful relationship (Andaleeb, 1996, Yang, Zhang, & Zhou, 2021). Thus commitment is important as it results in cooperation, reduces the potential of attractive short-term alternatives and enhances profitability (Morgan & Hunt, 1994, Yu & Pysarchik, 2018). Building customer relationship through commitment in franchise business is important as they increase sales, reduce customer attrition, deliver invaluable marketing, boost employee morale and turn customers to you business (Qaisar & Muhamad, 2021). There are various support and advice offered to the franchisees mainly through training and an operational manual. Franchisees' activities will be monitored closely by the franchisors as they need to ensure that their reputation is being protected and not being damaged by the franchisees (Rubin, 1978; Combs, Ketchen, & Shook, 2010).

It has been suggested that one component that impacts cognitive judgements of threat or vulnerable situations is trust, trust is believed to enable social exchange in authority relationships (Mishra & Grubb, 2015). Trust in management, in particular, reduces the scary category of vulnerable situations by assisting individuals in understanding and believing in management's objectives and expected behaviour (Mishra & Grubb, 2015). In this context, trust is described as a willingness to be vulnerable to others based on the assumption that those individuals are trustworthy, honest, competent, and benign or concerned (Mishra, 1996; Mishra & Grubb, 2015). Thus, researchers in franchising relate trust to satisfaction with franchise partnership (Altinay et al., 2014, Serrano, Paul, & Dikova, 2018). Franchisors can create trust to reduce opportunism in aspects not covered by the contract (Dickey et al., 2007, Minarikova, Mumdziev, & Griessmair, 2019). Therefore, the above can be achieved when both the franchisee and the franchisor are able to establish a quality relationship and work together towards the business's success. Within the Malaysian context, the franchising industry has been critical to Malaysia's economic and social growth. It is also a common option for developing entrepreneurs in Malaysia, especially among Bumiputera.

Recognising the value of the franchising industry, the Malaysian government has established programmes and activities through the Ministry of Domestic Trade and Consumer Affairs (MDTCA) to help the industry expand. Malaysian Home-grown franchisors have since entered international markets such as Saudi Arabia, Indonesia, the United States of America, and Australia. At the same time, Perbadanan Nasional Berhad (Pernas) and the Malaysia Franchise Association (MFA) are active participants in a number of franchise projects, programmes, and events aimed at fostering the growth of the franchising industry in Malaysia. In addition, Malaysia has enacted the Franchise Act 1998, which was revised in 2012, and amended in 2020, to protect the franchising industry.

1.3 Problem Statement

The franchising industry is relatively newer in Malaysia compared to developed countries such as Australia and the USA. This is reflected in the longer time taken for Malaysia to recognise and create franchising laws in comparison to other countries. Notwithstanding, the franchising industry has witnessed considerable expansion in recent years. For instance, the local franchise sector contributed RM32 billion to Malaysia's gross domestic product (GDP) in 2019 (MDTCA, 2019). In November 2021, the value of the franchise industry has surpassed RM14.6 billion, an increase of nearly 10 per cent compared to 2020 despite the world is facing the Covid-19 pandemic (MFA, 2021).

Despite the aforementioned progress in the franchising industry, there are problems relating to lack of franchisor support and capital, poor market orientation (Mohd Hanif et al., 2011), poor franchisee recruitment, presence of bogus and unregistered franchisee firms (Wong et al., 2021), and misconduct by franchisees to mention a few (Aziz et al., 2021). Some of these events, especially those relating to poor franchisor support, are linked to a lack of due diligence by franchisees before signing a franchise agreement. These events contribute to poor franchisee-franchisor relationships, insufficient resources to generate adequate support services, unrealistic expectations, limited performance, and ultimately lack of commitment (Sulaiman et al., 2021). In other words, the combination of the aforementioned problems erode the confidence of major players in franchising business, thereby affecting their commitment and overall performance. This chain of events have been found as possible factors responsible for the collapse of several franchising firms in Malaysia few years into the franchising industry (Khairol, 2016; Sulaiman et al., 2021; Aziz et al., 2021). It is therefore important to look into the issues relevant to assist the franchise development in Malaysia from franchisee perspective.

Guiloux et al. (2004) emphasis on why individuals become franchisees or the underlying reasons for such persons to prioritise the franchisors. Amongst the factors were franchisor's brand name recognition, support and services provided were considered by potential franchisees before deciding who will be their franchisor. Meanwhile, the agency theory, competitive theory, property rights theory, individual theory, and individual learning are used by franchising researchers to investigate the franchising system (Combs et al., 2011). In terms of franchising outcomes, the application of agency and competitiveness theories as dimensions of the franchisor's sale performance is expected to motivate the franchisor to maintain its service quality. Competitiveness is an effective approach to allocating the requirement of a franchise business and its future expansion (Minarikova et al., 2019). This can be achieved if a strong relationship exists between the franchisee and the franchisors to facilitate good sale performance via its network. Franchisor's performance could be enhanced by having a strong brand name and tacit business practices (Barthelemy, 2008), however, these two characteristics are necessary but insufficient to ensure good performance in the franchising industry. This highlights the need to review the relevant theories regarding the role of franchisees' commitment, as well as assessing trust as a mediator. Trust is found to have been discussed from various perspectives in franchising, for example in term of findings of

characteristics that contributed towards trust, its role as mediator and its role in influencing the level of commitment. These perspectives are discussed below to show the gap by the previous researchers.

Meanwhile it is worth to note the importance of studying franchising industry and in particular the franchisee. The expansion of Malaysia franchise sector was moved aggressively, there is no failure case or statistics reported by ministry to picture the development of the franchise business (Khairol, 2016). However, according to Aziz (2021), the failure of existing franchise business did happen and no proper study was found to clarify the problem faces by the franchisor and franchisee in Malaysian context. In other words although the franchise system was being tested and proven, it can't guarantee the success to entrepreneurs. It was highlighted by Khairol (2016) that the key factors that contributes to the success of franchise system in Malaysia requires the role of trust in a franchise relationship.

In relation to the diverse characteristics of the franchisee, various factors are expected to influence the success and effective delivery of services rendered by the franchisees, as well as meeting their desired goals or overall performance. Relating to franchise performance, the franchisee characteristics is among the widely investigated concept in terms of the right fit at a franchisee level (Mobley, 1982). Over the years the characteristics evolved, there is still a need to identify the right characteristics that best fit the franchise business to mitigate the failure of existing franchise business (Aziz et al., 2021). Thus, this study investigates the franchisee characteristics that would be able to lead to a successful franchise business system in Malaysia. A successful franchise business system requires strong franchisees. According to Wong (2021), a franchisee who is able to duplicate a better business model and increase their commitment towards the business is a successful franchisee.

In relation to trust, it is a vital aspect of a franchise system, which serve as the foundation for building long-term contractual relationships (Grace, Frazer, & Weaven, 2016). Trust is pertinent for the franchisees' success as it is achieved via mutual commitment between the franchisee and the franchisor (Monroy, 2018). The importance of trust as a fundamental attribute in developing a firm relationship in the franchise system is reflected in the alarming rate of failure in the industry when trust is lacking (Dickey et al., 2008). Trust is one of the most researched concepts in franchising studies (Bui et al., 2022). A recent systematic review revealed that antecedents or relational factors such as franchisee trust and commitment were the most cited article in franchising research (Brookes et al., 2014; Bui et al., 2022). According to Chiou, Hsieh and Yang (2004), trust from a franchisee is measured based on the degree of data and information shared with the franchisor in generating symmetrical communication channels. Nevertheless, the significant of trust may differ among various sectors and specific firms or businesses in the franchising industry, depending on the extent of interdependence between the franchisee and the franchisor.

Commitment, trust, and satisfaction are established indicators of the quality of the franchise relationship (Bui et al., 2022). Commitment and trust are important facets within the channel relationships in enhancing productivity, efficiency, and effectiveness in the franchising relationship, but they are often fraught with uncertainties (Brookes et al., 2014). As researchers in franchising relate trust to satisfaction with franchise partnership (Altinay et al., 2014; Serrano, Paul & Dikova, 2018), unlike Bui et al.'s findings, this study argues that trust and commitment are considered the unifying aspects of franchise relationships. The franchisee and the franchisor unite in a franchising system based on mutual reliance, however, both parties have varying levels of control or dependence in the relationship. Despite the franchisor having more control than the franchisee, both players approach the association expecting the exchange of resources to be dedicated to the partnership (Bui et al., 2022). While the franchisees depend on the franchisor to leverage the brand and provide managerial support (training, services, and system design), advertising and promotion services, the latter expects the franchisees to operate at certain levels and abide by inflexible guidelines.

Apart from the study by Castrogiovanni, Combs and Justis (2006), there is a scarcity of research on the relationship between franchising firms considering the role of trust and commitment. Accumulated evidence revealed data paucity on franchisee commitments (Watson et al., 2005), whereas numerous studies have documented conflicts from the franchisee's perspective arising from different aspects of conflicts (Grunhagen & Dorsch, 2003; Perrigot et al., 2019). Franchisees' perspectives of characteristics and their commitments have received less attention in research. This is largely contributed by the ambiguity and misconception of the two concepts: the franchisor's operational or financial success and the success of the franchise system (Bourkheili et al., 2015). Thus, there is a need to expand the investigation of trust and commitment within franchising operations, particularly employing a model comprising the two concepts in elucidating the antecedents of the franchising relationship. This highlights the need for research taking a deeper insight into the role of trust and commitment in influencing franchising performance in Malaysia.

In franchising, mediating and moderating variables play different roles and have different effects on relationships. Trust was used as a mediator by Chang (2012) and Cho (2015). A study by Minarikova et al. (2019) investigated the mediating role of trust in franchising relationships, specifically on intangible knowledge assets and environmental uncertainty and their indirect association with franchising performance in Germany. Trust was reported to negatively mediate the effect of environmental uncertainty while positively mediating the effect of intangible knowledge assets on the franchisor's performance (Minarikova et al., 2019). Thus, literature findings depict the data paucity on the mediating role of trust in franchising relationships from the franchisee's perspective. The dual role of franchisee trust as a mediator between franchising networks and relationships remains underreported. Moreover, no study has considered how either franchisors' or franchisee's commitments are influenced by trust and the resulting impact on performance. The study by Hutzinger, Seferagic, and Windsperger (2016) also highlighted the research gap in the franchising literature regarding the mediating role of trust in affecting the performance of franchise firms via their characteristics and commitment.

Despite being well-established as indicators of the quality of franchise relationships, studies emphasising the importance of franchising relationship quality failed to consider the characteristics of franchisees, and their relationship with trust and commitment. This is reflected in the study by Khairol (2016) in which the concepts of trust and commitment were not taken into account during the hiring process in a franchising firm. This limitation is addressed in this study which is considered important to overcome future business failure. This study advocate further research on the mediating role of trust and identifying the best characteristic to be possessed by candidates before the franchisors could hire them.

Specific research gaps can be identified in some studies that reported the moderating role of trust in franchising relationships, especially in relation to the franchisor's satisfaction. For instance, trust has been linked to satisfaction with franchise partnerships (Altinay et al., 2014). On the other hand, a previous study posited that the main effects of trust are reflected in satisfaction and performance, with a positive moderating effect on the association between standardisation requirements and sales performance (Chiou and Droge, 2015). The study is limited as only franchisees at the infant stage were considered, whereas the whole franchise system was not investigated. Addressing such limitation, this study investigated the franchisees who are already in the system irregardless the stagess that they are in. Overall, there is limited research on the franchising industry in Malaysia. The players involved in the franchising business in Malaysia are not well informed regarding the franchisee's commitment and their trust in the performance and service delivery in the franchising industry. In other words, the antecedents of the franchisee's commitment and the mediating role of trust in Malaysia remain unclear. Hence, the present study attempt to employ trust as a mediator in the relationship between franchisees' characteristics and their commitment to the franchising industry in the Malaysian context.

1.4 Research Questions

Based on the research problems above, the following research questions are pertinent. The following research questions are specifically addressed:

1. What is the relationship between the characteristics of franchisees and franchisees' commitment?
2. What is the relationship between the characteristics of franchisees and franchisees' trust?
3. What is the relationship between franchisees' trust and franchisees' commitment?
4. Does trust mediate the relationship between the characteristics of franchisees and franchisees' commitment?
5. How do the franchisees' characteristics develop the role of trust?

1.5 Research Objectives

The general objective of this study is to empirically investigate the antecedents of franchisees' commitment and the mediating role of trust in Malaysia so that the would be and current franchisees participation in gthe system would contribute to a robust franchising industry in Malaysia.

Research Objectives:

1. To examine the relationship between the characteristics of franchisees and franchisees' commitment
2. To examine the relationship between the characteristics of franchisees and franchisees' trust
3. To examine the relationship between franchisee's trust and franchisees' commitment
4. To examine the mediating effects of trust between the characteristics of franchisees and franchisees' commitment
5. To explore franchisee characteristics through the role of trust.

1.6 Significance of the Study

The advancement of franchising in terms of concept and activity has mounted significantly in Malaysia. Franchising industry is significant to the economic growth of Malaysia and is proven by the quantity and variety of supporting mechanisms and policies in the form of funding, physical infrastructure and business advisory services given to the franchisees. The Franchise Act 1998 has been amended in 2020 to ensure healthy and controlled development of the industry.

The proposed model provides valuable information in establishing an effective tool and measurement in selecting the candidates with the best criterion that suits the franchisors' needs in the franchising system. This tool will help in establishing a profitable relationship between the franchisor and the franchisee. It is believed that when a good relationship is established between the grantor and the grantees of the franchise business, the outcome is commitment by both parties, especially by the franchisees. The standard of commitment is higher when trust exists.

As noted above, there is still a dearth of study on franchising industry in relation to Malaysian business. This study adds to the wealth of knowledge on franchising for the local and international players who run the franchising business in Malaysia. Data collection was done through a survey of franchisees from various sectors in Klang Valley. By reviewing the literature, the research hypotheses were developed and then tested in comparison to the survey data analysis. This research contributes to the

knowledge about a variety of elements that impact the quality of the franchise relationship, including the development of more suitable and complete research agenda for further study of the franchisee's characteristics for commitment.

There is an abundance of research on the franchise business as the best option to stay successful and to grow the business, yet little is known about the characteristics and practices of franchisees - entrepreneurial capacity, professional experience, and financial capacity. The failure rate of small businesses is 80% after five years (Gerber, 2016). Thus, applying the determinants that best influence the franchisee characteristics in Malaysia and examining the antecedents leading to the increase in franchisees' commitment and the mediating role of trust will benefit not only the franchisor, but also the academic community of the franchise business. This study would contribute to the theoretical development and provide insight into the practical issues to facilitate the franchise business.

1.6.1 Theoretical Contribution

This study extends the use of resource-based theory proposed by Barney (1991) and commitment-trust theory proposed by Morgan and Hunt (1994), in which their studies include trust as the mediator between franchisees' characteristics and franchisees' commitment. It is worth noting that a mere adaptation of both theories to investigate the antecedents of franchisees' commitment and the mediating role of trust is not enough to develop the relationship between franchisees and franchisors to enhance the franchise business relationship. With the combination of right characteristics of franchisees' commitment which is unclear from past studies, this study adds three selected characteristics to Morgan and Hunt's commitment trust theory.

This is because the franchisees who are committed to run the franchise business successfully may not display the characteristics of a successful franchisee. For the purpose of this study, the three main characteristics of the franchisees- entrepreneurial capacity, professional experience and financial capacity, are examined by using trust to strengthen the relationship between franchisees' characteristics and franchisees' commitment.

The underpinning theories for franchisees' trust and commitment will increase the understanding of the franchisees' trust and commitment in the franchise system for a continuous growth in the relationship. It is workable for both new and existing franchisees in the system. The extended use of both theories also complement each other in establishing the franchise relationship. These theories are important to be included as they explain the strong relationship as discussed in Chapter 2. This study also contributes to the body of knowledge by expanding the current framework from previous researchers and expediting the positive outcomes of successful franchisees as the critical elements for the best franchisee are already in the package.

1.6.2 Practical Application for Franchise Business

Apart from the theoretical contribution, this study also provides practical contributions to academicians, practitioners and government agencies, particularly the PERNAS, to comprehend and set up an efficient management selection and model for the franchisees in Malaysia. The right selection of a prospective franchisee can generate favourable results for the franchisor and franchisee. Hence, to study on the antecedents of franchisees' commitment for business success is deemed important as it will assist in providing the guiding principles for franchise growth in Malaysia and to look for qualities in potential franchisees. Furthermore, the contributions of this study would provide the franchise system with the main elements for sustaining a successful long-term franchising among the franchise businesses in Malaysia.

The outcomes and information obtained from this study should provide theoretical as well as practical contributions for the improvement in determining the determinants of successful franchise candidates' characteristics and system. The predictors identified in this study would also provide a useful tool for the success of the franchise industry. As soon as the franchisor comprehends the characteristic variables steering towards the franchise success, changes can be carried out to increase the success rate and overall performance of the franchisee. The suggested model could also be utilised to develop the franchisor's management strategy to increase both the franchisor and the franchisee's rate of success. Likewise, the model can help both the franchisor and the prospective franchisee in comprehending the franchisee's characteristic that is best suited in the franchise industry and what it takes to retain franchisees' trust and boost their motivation.

This study also unveils the significant factors affecting the franchise business, which can indirectly act as a guideline in planning the best franchisee to venture into the franchising business. This study can also be used as a practical contribution for future research in the field of franchise industry.

1.7 Scope of the Study

This study is limited to the analysis of franchisees' commitments and the mediating role of trust. The research questions and objectives of the study were investigated based on the data provided by the franchisees from Klang Valley, mainly from Kuala Lumpur, Putrajaya, Petaling, Klang, Gombak and Hulu Langat. Master franchisees are treated as franchisors for the purpose of this study because they are franchisors to the sub-franchisees. This view is in line with the interpretation of franchisor, which includes a master franchise according to section 4 of the Franchise Act 1998.

Even though the study has been carried out in the Malaysian context, its implications are substantial and have potential values as it examines the franchisees' characteristics and how trust influences commitment amongst the franchisees. It should be noted that each

franchise system is unique, which is based on its franchise business module or operation manual developed by franchisors. This aspect would lead to differences in operation between each franchise. In terms of the focus of this study, namely commitment and the mediating role of trust, data sampling taken only from Klang Valley is deemed sufficient to regulate the differences among franchisees' perception of the franchise business due to the module or operation manual of the franchise business

Additionally, the current study has been tested empirically in which the data are collected through a survey using a structured, self-administered questionnaire with respondents who are the franchisees from various franchise businesses in Klang Valley. The model of the study is in accordance with the relevant literature and with suggestions by scholars in related fields.

1.8 Definition of Terms

The following meaning of the key terms found throughout this study are based on prominent writers for each characteristic.

Entrepreneurial capacity is defined as the skill which individuals have to spot, recognize and absorb opportunities. It has been put forward in the entrepreneurship literature as a necessary individual characteristic to become an entrepreneur (Nicolaou, et al., 2008; Shane & Venkataraman, 2000). Song & Schwarz (2009) added, individual's attitudes have an impact on behaviour. These authors define, in particular, three fundamental attitudinal antecedents of entrepreneurial capacity: (1) personal attitude toward outcomes of the behaviour; (2) perceived behavioural control (self-efficacy) ; and (3) entrepreneurial intention. Therefore, we can infer that a person who has a high degree of entrepreneurial capacity will be more actively involved in entrepreneurial initiatives.

Professional experience is earned by being in a profession. It is performed or carried out through a task requiring sustained effort or continuous repeatedly operations (William, 2019). A person who has set up a business or has been directly involved in such a founding process, would know what to expect and could better evaluate own skills. Shane (2010) noted that the experiences which individuals have, either directly or indirectly through being involved in start-up activities, is expected to have an impact on their own tendency to become entrepreneurs. This means that their involvement in a subsequent business will be quite high, irrespective of the outcome of the previous one.

Financial capacity refers to the ability to satisfactorily manage one's financial affairs in a manner consistent with personal self-interest and values (Marson, Triebel, & Knight, 2008). Financial capacity thus involves not only performance skills (e.g., counting accurately, cash flow, paying bills) but also judgment skills that optimise financial self-interest, and values that guide personal financial choices (Marson, Triebel, & Knight, 2012).

Trust is an emotional and logical act. It may expedite social interchange in relationships because it has been speculated as one factor that forms cognitive and affective appraisal of threat or vulnerable situations (Altinay et al., 2014). For instance, trust performs as the behavioral mechanism that assists in the cooperation between franchisors and franchisees (Hunt & Morgan, 1996). To trust one another, both parties must feel comfortable between each other (Sanzo et al., 2003). Findings by Chiou & Droge (2015) state that trust has the main effects on satisfaction and performance.

Commitment is a key determinant of excellent relationships between two parties where each party have executed their responsibility to each other (Dreu, 2015). According to Wright and Grace (2011), commitment is the willingness of two parties to comply with the agreed franchise practices and both parties are required to fulfil their respective obligations to each other. Hence, commitment leads to confidence that is needed to stabilise the relationship for both parties (Ferro et al., 2016).

1.9 Organization of the Thesis

This thesis is composed of five chapters. Chapter 1 contains a description of the background and scope of study, research problem, research objectives, research questions and significance of the study. Chapter 2 begins with the discussion of the importance of the underlying factors and pertinent literature, the extent of the results in relation to the research questions addressed in this thesis, and the evaluation of the gaps in the literature. Chapter 3 covers a theoretical model of the franchisor-franchisee relationship in the franchise business with significant decision variables that impact the quality of the relationship. It also outlines the research framework and the development of the hypotheses. Chapter 4 encompasses an account of the empirical research methodology. The conceptualization of entrepreneurial capacity, professional experience, financial capacity, performance, trust and the franchisee's commitments in this study are modified by a path model with the aim of developing the structural equation model, which are then empirically tested. This alteration is based on the knowledge of what commonly happens in a franchise system. Chapter 5 comprises the tests of the hypotheses resulting from the solutions to the theoretical model, the summary of the research implications, conclusions drawn from the findings and suggestions for future research.

1.10 Chapter Summary

This chapter explains about the introduction and background of study that focuses on characteristics of franchisees and franchisees' commitment. It is essential to discover the impact of trust as mediator on characteristics of franchisees and franchisees' commitment among franchisees in Malaysia. Moreover, the study has extended towards the identification gaps that have been explained in the problem statement. In this section, the researcher identified the issues on the characteristics of franchisees that affect franchisees commitment. Then the researcher outlined the purpose of this study in detail in the research objectives and research questions, with the intention of staying coherent

and to get the best results on the objective of the study. On the other hand, in the significant subheading, the researcher explores the contribution of knowledge and practicality that would enhance the counterproductive work behaviour scope. It is important therefore to next review the literature relevant for this study, in particular the characteristics of franchisees and franchisees' commitment as well as trust to mediate the relationship between the characteristics of franchisees and franchisees' commitment.



REFERENCES

- Aaker, D. A., Kumar, V., & Day, G. S. (1998). *Marketing research*. New York: Wiley.
- Agarwal, R., & Karahanna, E. (2000). Time flies when you're having fun: Cognitive absorption and beliefs about information technology usage. *MIS Quarterly*, 24(4), 665-694. <https://doi.org/10.2307/3250951>.
- Ahad, N. S. (2020). *Share of SMEs in the Malaysian economy expanded further in 2019*. Putra Jaya; https://www.smecorp.gov.my/images/press-release/2020/PR_3augBI.pdf: Ministry of entrepreneur development and cooperatives.
- Ahmad, M. (19 March, 2018). Retrieved from iFranchiseMalaysia: <http://ifranchisemalaysia.com/government-to-the-fore.html>
- Akremiti, A., Perrigot, R., & Piot-Lepetit, I. (2015). Examining the drivers for franchises chains performance through the lens of the dynamic capabilities approach. *Journal of Small Business Management*, 53(1), 145-165. <https://doi.org/10.1111/jsbm.12059>.
- Akrout, H., & Nagy, G. (2018). Trust and commitment within a virtual brand community: The mediating role of brand relationship quality. *Information & Management*, 55(8), 939-955; <https://doi.org/10.1016/j.im.2018.04.009>.
- Albdour, A. A., & Altarawneh, I. I. (2014). Employee engagement and organizational commitment: Evidence from Jordan. *International Journal of Business*, 19(2), 192-215. <https://www.researchgate.net/publication/314759577>.
- Albrecht, S. L., Bakker, A. B., Gruman, J. A., Macey, W. H., & Saks, A. M. (2015). Employee engagement, human resource management practices and competitive advantage. *Journal of Organizational Effectiveness: People and Performance*, 2(1), 7-35. <https://doi.org/10.1108/JOEPP-08-2014-0042>.
- Aldholay, A., Isaac, O., Abdullah, Z., & Alrajawy, I. (2018). The role of compatibility as a moderating variable in the information system success model: The context of online learning usage. *International Journal of Management and Human Science*, 2(1), 9-15. <https://www.researchgate.net/publication/322661166>.
- Allison, P. D. (2003). Missing data techniques for structural equation modeling. *Journal of Abnormal Psychology*, 112(4), 545-557.
- Altinay, L., & Brookes, M. (2013). Franchisees' trust in and satisfaction with franchise partnership. *Journal of business research*, 213-228.
- Altinay, L., Brookes, M., & Aktas, G. (2014). Franchisees' trust and satisfaction with franchise partnerships. *Journal of Business Research*, 67(5), 722-728. <https://doi.org/10.1016/j.jbusres.2013.11.034>.

- Alzola, M. (2005). An analysis of quality management in franchise systems. *European Journal of Marketing*, 39(5), 585-605. <https://doi.org/10.1108/03090560510590728>.
- Andaleeb, S. S. (1996). An experimental investigation of satisfaction and commitment in marketing channels. The role of trust and dependence. *Journal of Retailing*, 72(1), 77-93. [https://psycnet.apa.org/doi/10.1016/S0022-4359\(96\)90006-8](https://psycnet.apa.org/doi/10.1016/S0022-4359(96)90006-8).
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two steps approach. *Psychological Bulletin*, 103(3), 411-423.
- Anderson, J. C., & Narus, J. A. (1990). A model of distributor firm and manufacturer firm working partnerships. *Journal of Marketing*. 54(1), 42-58.
- Angeles, M., Cabarcos, L., Monteiro, S. O., & Rodriguez, P. V. (2015). Organizational capabilities and profitability: The mediating role of business strategy. *Sage Journals*, , 1-13. <https://doi.org/10.1177/2158244015616852>.
- Arend, R. J. (2006). Tests of the resource-based view: Do the empirics have any clothes? *Strategic Organizations*, 4(4), 409-422. <https://doi.org/10.1177%2F1476127006070309>.
- Argyres, N., Bercovitz, J., & Zanarone, G. (2016). The role of relational contracts in inter-firm relationships: Theory and evidence on multiunit franchising. *Journal of Marketing*, 41(2), 20-35. <https://doi.org/10.1002/smj.3095>.
- Armstrong, C., & Shimizu, K. (2007). A review of approaches to empirical research on theresource-based view of the firm. *Journal of Management*, 33(6), 959-986. <https://doi.org/10.1177%2F0149206307307645>.
- Ashtons, F. C. (2019). *Franchise Criteria: Could You Own a Franchise?* Wales: Trafalgar House, Norfolk.
- Auken, H., Stephens, P., Fry, F. L., & Silva, J. (2006). Role model influences on entrepreneurial intentions: A comparison between USA and Mexico. *The International Entrepreneurship and Management Journal*, 2(3), 325-336. DOI 10.1007/s11365-006-0004-1.
- Aureli, S., & Forlani, F. (2016). The importance of brand architecture in business networks: The case of tourist network contracts in Italy. *Qualitative Market Research*, 19(2), 133-155. <https://doi.org/10.1108/QMR-02-2016-0007>.
- Awang, Z., & Wan Afthanorhan, W. M. (2015). Parametric and non parametric approach in structural equation modeling (SEM): The application of bootstrapping. *Canadian Centre of Science and Education*, 9(9), 58-67. <https://doi.org/10.5539/mas.v9n9p58>.

- Azhar, A., Javaid, M., Rehman, & Heydar. (2011). Entrepreneurial intentions among business students in Pakistan. *Journal of Business Systems Governance and Ethics*, 5(2), 12-21. <https://doi.org/10.15209/jbsge.v5i2.181>.
- Aziz, N. A., Hanafiah, M. H., Hamid, H., & Isa, R. (2020). The barriers of international franchise expansion: A study on Malaysia education and learning centre franchisors. *Systematic Reviews in Pharmacy*, 11(5), 888- 895. .
- Aziz, N. A., Hanafiah, M. H., Hussin, N. S., Latiff, M. N., & Aziz, Z. A. (2021). Franchising relationship: Malaysian franchisees' perspectives. *Business Journal*, 194, 317-335, https://doi.org/10.1007/978-3-030-69221-6_23.
- Azmawani. (6 Dec, 2016). Keys to successful franchise business. (L. Hooi, Interviewer)
- Babbie, E. R. (2013). *The practice of social research*. New York: Wadsworth Cengage Learning.
- Bachmann, B. (2016). *Ethical leadership in organizations: Concepts and implementation*. Germany: Springer.
- Bachmann, R. (2001). Trust, power and control in trans-organizational relations. *Sage Journals*, 22(2), 337-365. <https://doi.org/10.1177%2F0170840601222007>.
- Bachmann, R. (2018). *Institutions and trust*. Wales: Routledge.
- Bagozzi, R. P., & Heatherton, T. F. (1994). A general approach to representing multifaceted personality constructs: Application to state self-esteem. *Structural Equation Modeling: A Multidisciplinary Journal*, 1(1), 35-67. <https://doi.org/10.1080/10705519409539961>.
- Barclay, D., Higgins, C., & Thompson, R. (1995). The partial least squares approach to causal modeling: Personal computer adoption and use as illustration. *Technology Studies*, 2(2), 285-309. <https://doi.org/10.4236/ti.2011.21002>.
- Baresa, S., Ivanovic, Z., & Bogdan, S. (2017). Franchise business as a generator of development in. *Journal of Economics*, 8(3), 281-293. <http://hdl.handle.net/10419/195315>.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management* 17(1), 99-120. <https://doi.org/10.1177%2F014920639101700108>.
- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Barringer, B., & Ireland, R. D. (2015). *Entrepreneurship Successfully Launching New Ventures*. New York: Pearson.

- Bauer, T., & Erdogon, B. (2012). *An introduction to organizational behavior*. New York: Creative Common.
- Baxter, P. E., & Jack, S. M. (2019). Qualitative case study methodology: Study design implementation for novice researchers. *Qualitative Report*, 13(4), 544-559, <http://dx.doi.org/10.46743/2160-3715/2008.1573>.
- Becker, G. S. (1994). *A theoretical and empirical analysis with special referenece to education (3rd ed.)*. Chicago: The University Of Chicago Press.
- Beere, R. (2017). Assessing the Emergence of Franchising and its Impact on Structural Change. In R. Beere, *The role of franchising on industrial evolution* (pp. 1-16. <https://doi.org/10.1007/978-3-319-49064-9>). Dublin: Palgrave Macmillan, Cham.
- Beere, R. (2017). *The role of franchising on industry evolution*. Ireland: Springer.
- BERNAMA. (5 November, 2020). *Franchise Development Division*. Retrieved from Ministry of Domestic Trade and Consumer Affairs: <https://www.bharian.com.my/bisnes/usahawan/2020/11/750271/industri-francais-malaysia-berada-pada-tahap-membangankan>
- Berry, D., & Parasuraman, A. (1991). *Marketing Services*. New York: The Free Press.
- Bhattacharjee, A. (2012). *Social science research: Principles, methods, and practices*. Florida: Scholar Commons.
- Biesta, G. (2010). Pragmatism and the philosophical foundations of mixed methods research. In A. Tashakkori, & C. Teddlie, *Handbook of mixed methods in social and behavioral research, 2nd ed.* (pp. 95-117). Thousand Oaks: Sahe Publications.
- Bluedorn, A. (1996). A unified model of turnover from organization. *Human relation*, 135-153.
- Bond, T., Yan, Z., & Heene, M. (2020). *Applying tehn Rasch mode: Fundamental measurement in the human science*. New York: Routledge.
- Braun, V., & Clarke, V. (2019). To saturate or not to saturate? Questioning data saturation as a useful concept for thematic analysis and sample-size rationales. *Qualitative Research in Sport, Exercise and Health*, 13(2), 201-216, <https://doi.org/10.1080/2159676X.2019.1704846>.
- Bretas, V. P., & Alon, I. (2020). The impact of COVID-19 on franchising in emerging markets: An example from Brazil. *Global Business and Organizational Excellence*, 39(6), 6-16. <https://doi.org/10.1002/joe.22053>.

- Buchan, J. (2014). Deconstructing the franchise as a legal entity: Practice and research in international franchise law. *Journal of Marketing Channel*, 21(4), 143-158. <https://doi.org/10.1080/1046669X.2014.917015>.
- Business dictionary*. (10 11, 2016). Retrieved from BD Dictionary: <http://www.businessdictionary.com/definition/agency-theory.html>
- Calderon-Monge, E., Pastor-Sanz, I., & Huerta-Zavala, P. (2017). Economic sustainability in franchising: A model to predict franchisor success or failure. *Sustainability*, 9(8), 1-16. <https://doi.org/10.3390/su9081419>.
- Cao, Z., & Shi, X. (2020). A systematic literature review of entrepreneurial ecosystems in advanced and emerging economies. *Small Business Economics*, 57, 75-110. <https://doi.org/10.1007/s11187-020-00326-y>.
- Capon, N., & Burke, M. (1980). Individual, product class, and task related factors in consumer information processing. *Journal Consumer*, 7(3), 314-326. <https://doi.org/10.1086/208819>.
- Castrogiovanni, G., Combs, J., & Justis, R. (2006). Resource scarcity and agency theory predictions concerning the continued use of franchising in multi-outlet networks. *Journal of Small Business Management*, 44(1), 27-45. <https://doi.org/10.1111/j.1540-627X.2006.00152.x>.
- Chandler, G. (1996). Business similarity as a moderator of the relationship between pre-ownership experience and venture performance. *Entrepreneurship Theory and Practice*, 20(3), 51-65. <https://doi.org/10.1177/2F104225879602000304>.
- Chang, K. H. (2012). Using influence strategies to advance supplier delivery flexibility: The moderating roles of trust and shared vision. *Industrial Marketing Management*, 41(5), 849-860. <https://doi.org/10.1016/j.indmarman.2011.09.020>.
- Chang, S., Witteloostuijn, A. V., & Eden, L. (2010). From the editors: Common method variance in international business research. *Journal of International Business Studies*, 41(2), 178-184. <https://www.jstor.org/stable/27752488>.
- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. *Modern methods for business research*, 295(2), 295-336. <https://www.researchgate.net/publication/311766005>.
- Chiou, J. S., & Droge, C. (2015). The effects of standardization and trust on franchisee's performance and satisfaction: A study on franchise systems in the growth stage. *Journal of Small Business Management*, 53(1), 129-144. <https://doi.org/10.1111/jsbm.12057>.
- Chirico, F., Ireland, R. D., & Sirmon, D. G. (2011). Franchising and the family firm: Creating unique sources of advantage through "familiness". *Entrepreneurship theory and practice*, 35(3), 483-501. <https://doi.org/10.1111/2Fj.1540-6520.2011.00441.x>.

- Cho, J. S. (2015). A study on the relationship between franchise firm's supervisors job insecurity and organizational effectiveness: The moderating effect of self-efficacy and trust in manager. *Journal of Distribution Science*, *13*(1), 1738-3110. <https://doi.org/10.15722/jds.13.1.201501.35>.
- Chowdhury, P., & Shumon, R. (2020). Minimizing the gap between expectation and ability: Strategies for SME to implement social sustainability practices. *Sustainability Journal*, *12*(6), 1-15, <https://doi.org/10.3390/su12166408>.
- Churchill, G. (1995). Paradigm of for developing constructs measures of marketing constructs. *Journal of Marketing Research*, *16*(1), 64-73. <https://doi.org/10.2307/3150876>.
- Churchill, G. A., & Iacobucci, D. (2005). *Marketing Research: Methodological Foundations* (9th ed.). Mason, Ohio: Thomson South-Western.
- Ciavolin, E., & Nitti, M. (2013). Using the hybridn two-step estimation approach for the identification of second-order latent variable models. *Journal of Applied Statistics*. *40*(3), 508-526. <https://doi.org/10.1080/02664763.2012.745837>.
- Cochet, O., Dormann, J., & Ehrmann, T. (2019). Capitalizing in franchisee autonomy: Relational forms of governance as controls in idiosyncratic franchise dyads. *Journal of Small Business Management*, *46*(1), 50-72. <https://doi/abs/10.1111/j.1540-627X.2007.00231.x>.
- Cohen, A. (1989). Comparison of correlated correlations. *Statistics in Medicine*, *8*(1), 1485-1495. <https://doi.org/10.1002/sim.4780081208>.
- Cohen, J. (1992). A power primer. *Psychological Bulletin*, *112*(1), 155-159. <https://doi.org/10.1037/0033-2909.112.1.155>.
- Combs, J. G., Ketchen, D. J., & Shook, C. L. (2010). Antecedents and consequences of franchising: Past accomplishments and future challenges. *Journal of Management*, *37*(1), 99-126. <https://doi.org/10.1177%2F0149206310386963>.
- Combs, J. G., Ketchen, D. J., & Short, J. C. (2011). Franchising research: Major milestones, new directions, and its future within entrepreneurship. *Entrepreneurship Theory and Practice*, *35*(3), 413-425. <https://doi.org/10.1111/j.1540-6520.2011.00443.x>.
- Connelly, B., Tihanyi, L., Crook, T. S., & Gangloff, k. A. (2013). Tournament theory: Thirty years of contests and competitions. *Journal of Management*. *40*(10), 16-47. <http://doi.org/10.1177.0149206313498902>.
- Corbin, J., & Strauss, A. (1990). Grounded theory research: Procedures, canons, and evaluative criteria. *Qualitative Sociology*, *13*(2), 3-21. <https://doi.org/10.1007/BF00988593>.

- Cottle, M. (8 January, 2020). Trust is essential for successful franchisor - Franchisee relationships. *Franchising.com*, pp. 12-23.
- Cressy, R., & Bonnet, J. (2019). The long-run impact of bank lending constraints and other economically important factors on SME failure. *Journal of Small Business Management*, 58(3), 544-571. <https://doi.org/10.1080/00472778.2019.1662265>.
- Creswell, J. (2014). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches. Fourth Edition*. United States of America: Sage Publications, Inc.
- Creswell, J. W. (2009). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. California: SAGE Publication, Inc.
- Creswell, J. W. (2013). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. California: SAGE Publication, Inc.
- Creswell, J. W., & Clark, V. P. (2017). *Designing and conducting mixed methods research*. Thousand Oaks: Sage Publications.
- Creswell, J. W., & Guetterman, T. C. (2021). *Educational research; Planning, conducting and evaluating quantitative and qualitative research, 6th edition*. London: Pearson.
- Crittenden, P. M., & Landini, A. (2011). *Assessing adult attachment: A dynamic maturational approach to discourse analysis*. Washington, DC: W W Norton & Co.
- Croarkin, C. (2013). *Handbook of statistical methods*. New York: Sematech.
- Cronbach, L. J., & Meehl, P. (1955). Construct validity in psychological test. *Psychological Bulletin*, 52(4), 281-302. <https://psycnet.apa.org/doi/10.1037/h0040957>.
- Croonen, P. M. (2013). Antecedents of franchisee trust. *Journal of Marketing Channels*, 20(1), 141-168. <https://doi.org/10.1080/1046669X.2013.747866>.
- Cunningham, J., & Evelyn, M. G. (2007). Power, effect and sample size using GPower: Practical issues for researchers and members of research ethics committees. *Evidence-Based Midwifery*, 5(4), 132-136. <http://www.rcm.org.uk/ebm/>.
- Dada, O., & Watson, A. (10 July, 2016). *The effect of entrepreneurial orientation on the franchise relationship*. Retrieved from International Small Business Journal: <http://isb.sagepub.com/content/early/>
- Dahlstrom, R., & Nygaard, A. (1995). An exploratory investigation of interpersonal trust in new and mature market economies. *Journal of Retailing*, 71(4), 339-361. [https://doi.org/10.1016/0022-4359\(95\)90018-7](https://doi.org/10.1016/0022-4359(95)90018-7).

- Davies, P., Lassar, W., Manolis, C., Prince, M., & Winsor, D. (2011). A model of trust and compliance in franchise relationships. *Journal of Business Venturing*, 26(3), 321-340. <https://doi.org/10.1016/j.jbusvent.2009.09.005>.
- Dean, S. A. (2017). *Soft skills needed for the 21st century workforce*. Minnesota: Walden University.
- Debois, S. (8th March, 2019). *10 Advantages and disadvantages of questionnaires*. Retrieved from SurveyPlace Blog: <https://surveyanyplace.com/questionnaire-pros-and-cons/>
- DeVilis, R. F. (2012). *Scale development: Theory and application (3rd ed.)*. New York: Sage Publication Inc.
- Dickey, M. H., George, J. F., & McKnight, D. H. (2008). The role of trust in franchise organization. *International Journal of Organizational Analysis*, 15(3), 251-282. <https://doi.org/10.1108/19348830710880938>.
- Doherty, A. M., & Alexander, N. (2009). Relationship development in international retail franchising: Case study evidence from the UK fashion sector. *European Journal of Marketing*, 38(9), 1215-1235. <https://doi.org/10.1108/03090560410548942>.
- Doney, P. M., Cannon, J. P., & Mullen, M. R. (1998). Understanding the influence of national culture on the development of trust. *Academy of Management Review*, 23(3), 601-620. <https://doi.org/10.5465/amr.1998.926629>.
- DOSM. (2020). *SMEs contribution towards Malaysian economy*. Putra Jaya: Department of statistics, Malaysia (DOSM).
- Dreu, C. K. (2015). When too little or too much hurts: Evidence for a curvilinear relationship between task conflict and innovation in teams. *Journal of management*, 32(1), 83-107; <https://doi.org/10.1177/0149206305277795>.
- Duarte, M., & Davies, G. (2008). Trust as a mediator of channel power. *Journal of Marketing Channels*, 11(2), 77-102. https://doi.org/10.1300/J049v11n02_05.
- Dyke, L., Fischer, E., & Reuber, A. R. (1992). An Inter-industry Examination of the Impact of Owner Experience on Firm Performance. *Journal of Small Business Management*, 30(4), 50-62. .
- Easterby-Smith, Thorpe, R., & Jackson, P. R. (2008). *Management Research, Third Edition*. London: SAGE Publications Ltd.

- Ebrahim, P., Shafiee, B., Gholampour, A., & Yousefi, L. (2018). Impact of organizational innovation, learning orientation and entrepreneurship on SME performance. The moderating role of market turbulence and ICT. In S. M. Goodarzi, Y. Salamzadeh, & A. Salamzadeh, *Competitiveness in Emerging Markets* (pp. 447-480). https://doi.org/10.1007/978-3-319-71722-7_23. Iran: Springer International Publishing.
- Ekinci, Y. (2015). *Designing research questionnaires for business and management students*. London: Sage Publication Ltd.
- Elliot, R., Percy, L., & Pervan, S. (2015). *Strategic Brand Management, 3rd Edition*. Australia: Oxford University Press.
- Enders, K. C., & Bandolas, D. L. (2001). The relative performance of full information maximum likelihood estimation for missing data in structural equation models. *Structural Equation modeling. A Multidisciplinary Journal*, 8(3), 470-489. [doi/pdf/10.1207/S15328007](https://doi.org/10.1207/S15328007).
- Erdfelder, E., Faul, F., & Buchner, A. (1996). GPOWER: A general power analysis program. *Behavior Research Methods, Instruments, & Computers*, 28(1), 1-11. <https://doi.org/10.3758/BF03203630>.
- Fahy, J., & Smithee, A. (1999). Strategic marketing and the resource based view of the firm. *Academy of Marketing Science Review*, 1999(10), 1-21. <http://www.amsreview.org/articles/fahy10-1999.pdf>.
- Farooq, O., Payaud, M., Merunka, D., & Valette-Florence, P. (2014). The impact of corporate social responsibility on organizational commitment: Exploring multiple mediation mechanisms. *Journal of Business Ethics*, 125(4), 563-580. <https://doi.org/10.1007/s10551-013-1928-3>.
- Faul, F., Buchner, A., & Lang, A. G. (2007). G*Power 3: A flexible statistical power analysis program for the social, behavioral, and biomedical sciences. *Behavior Research Methods*, 39(2), 175-191. <https://doi.org/10.3758/bf03193146>.
- Ferro, C. P. (2016). Trust and commitment as mediators between economic and non-economic satisfaction in manufacturer-supplier relationships. *Journal of Business & Industrial Marketing*, 31(1), 13-23; <https://doi.org/10.1108/JBIM-07-2013-0154>.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50. <https://doi.org/10.1177/2F002224378101800104>.
- Fowler, J. (2014). The problem with survey research. *Contemporary sociology: A Journal of Reviews*, 43(5), 660-662. <https://doi.org/10.1177/0094306114545742f>.

- Frederick, L. I. (1998). Franchising as a choice of organizational structure: The FINCA case. *SIT Digital Collections*, 960.
- Fried, V. H., & Elango, B. (1997). Franchising research: A literature review and synthesis. *Journal of Small Business Management*, 35(3), 68-81.
- Fulmer, A. A., & Gelfand, M. J. (2012). At what level (and in whom) we trust: Trust across multiple organizational levels. *Journal of Management*; 38(4), 1167-1230; <https://doi.org/10.1177/0149206312439327>.
- Gassenheimer, J. B., Baucus, D. B., & Baucus, M. S. (1996). Cooperative arrangements among entrepreneurs: An analysis of opportunism and communication in franchise structures. *Journal of Business Research*, 36(1), 67-79. [https://doi.org/10.1016/0148-2963\(95\)00164-6](https://doi.org/10.1016/0148-2963(95)00164-6).
- Geisser, S. (1974). A predictive approach to the random effects model. *Biometrika*, 61(1), 101-107. <https://doi.org/10.2307/2334290>.
- Gerber, M. E. (19 August, 2016). Exactly why small businesses fail. (V. Patankar, Interviewer)
- Gillett, A. (17 July, 2020). *UK Company Finals 2020 - Supporters' Report*. Retrieved from Young Enterprise: https://issuu.com/mbrookes-spiderzone.co/docs/ye_company_of_the_year_report
- Gillis, W. E., Combs, J. G., Giunipero, L. C., Lamont, B. T., & Ranft, A. L. (1st June, 2007). Resource-based and relational antecedents of firms propensity to franchise and their effects on firm performance. *DigiNole*. Tallahassee, Florida, US: Flora State University.
- Gills, W. E., Combs, J. G., & Ketchen, D. J. (2013). Using resource-based theory help explain plural from franchising. *Entrepreneurship Theory and Practice*, 38(3), 449-472. <https://doi.org/10.1111/etap.12008>.
- Godick, G. (2021). *6 common mistakes startups make in the first six months of business*. Washington: G-Squared.
- Gorovaia, N., & Windsperger, J. (2018). The choice of contract duration in franchising networks: A transaction cost and resource-based view. *Industrial Marketing Management*, 75(2), 125-133. <https://doi.org/10.1016/j.indmarman.2018.03.002>.
- Grace, A., Frazer, L., & Weaven, S. K. (2016). Building franchisee trust in their franchisor: Insights from the franchise sector. *Market research* - .
- Gray, L., & Diehl, P. (1992). *Research methods for business and management*. MacMillan Coll Division.

- Grunhagen, M., & Dorsch, M. J. (2003). Does the franchisor provide value to franchisees? Past, current, and future value assessment of two franchisee type. *Journal of Small Business Management*, 41(4), 366-384. DOI: 10.1111/1540-627X.00088.
- Grunhagen, M., Zheng, X., & Wang, J. J. (2017). When the music stops playing: Post-litigation relationship dissolution in franchising. *Journal of Retailing*, 93(2), 138-153. <https://doi.org/10.1016/j.jretai.2016.10.002>.
- Grzelak, K., & Matejun, M. (2013). Franchising as a concept of entrepreneurship development in the SME sector. In M. Matejun, & A. Walecka, *Modern entrepreneurship in business practice: Selected issues* (p. 149). Poland: Lodz University of Technology Press.
- Guba, E., & Lincoln, Y. S. (1994). *Competing Paradigms in Qualitative Research*. California: Sage.
- Guest, G., Namey, E., & Chen, M. (2020). A simple method to assess and report thematic saturation in qualitative research. *PLoS ONE* 15(5), 1-17; <https://doi.org/10.1371/journal.pone.0232076>.
- H, E., & Caemmerer, B. (2016). The franchise dilemma: Entrepreneurial characteristics, relational contracting, and opportunism in hybrid governance. *Journal of small business management*, 54(1), 279-298. <https://doi.org/10.1111/jsbm.12145>.
- Hair, J. F., Money, H., Samouel, P., & Page, M. (2007). *Research methods for business (2nd ed)*. Chichester: John Wiley & Sons Ltd.
- Hair, J., Hult, G. T., Ringle, C., & Sarstedt, M. (2014). *A Primer and Partial Least Squares Structural Equation Modeling (PLSSEM)*. Los Angeles: SAGE, Publications.
- Hair, J., Hult, G. T., Ringle, C., & Sarstedt, M. (2016). *A primer on partial least squares equation modeling (PLS-SEM)*. Sage Publication.
- Hair, J., Joesph, F., Thomas, G., Ringle, M., & Sarstedt, M. A. (2017). *A primer on partial least squares structural equation modeling (PLS_SEM)*, 2nd ed. Thousand Oaks: Sage.
- Hair, J., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice*, 19(2), 139-152. <https://doi.org/10.2753/MTP1069-6679190202>.
- Harmon, R., & Griffiths, A. (2008). Franchisee Perceived relationship value. *Journal of Business & Industrial Marketing*, 256-263.

- Hashim, H. (5th July, 2016). *Small is the New Big- Malaysian SMEs help energize, drive economy*. Washington DC: The World Bank. Retrieved from <https://www.worldbank.org/en/news/feature/2016/07/05/small-is-the-new-big---malaysian-smes-help-energize-drive-economy>
- Hayes, A. F. (2009). Beyond Baron and Kenny: Statistical mediation analysis in the new millennium. *Journal Communication Monographs*, 23(4), 408-420. <https://doi.org/10.1108/08858620810865834>.
- Hayes, A. F., & Rockwood, N. J. (2016). Regression-based statistical mediation and moderation analysis in clinical research: Observations, recommendations, and implementation. *Journal Behaviour Research and Therapy*, 98, 39-57. <https://doi.org/10.1016/j.brat.2016.11.001>.
- Helleve, I. (2019). Becoming a professional digital competent teacher. *Professional Development in Education*, 46(2), 324-336; <https://doi.org/10.1080/19415257.2019.1585381>.
- Henseler, J. (2017). Bridging design and behavioral research with variance-based structural equation modeling. *Journal of Advertising*, 46(1), 178-192. <https://doi.org/10.1080/00913367.2017.1281780>.
- Henseler, J., Dijkstra, T. K., Sarstedt, M., Ringle, C. M., Diamantopoulos, A., Straub, D. W., & Calantone, R. J. (2014). Common beliefs and reality about PLS: Comments on Ronkko and Everman (2013). *Organizational Research Methods*, 17(2), 182-209. <https://doi.org/10.1177/1094428114526928>.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the academy of marketing science*, 43(1), 115-135. DOI 10.1007/s11747-014-0403-8.
- Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The use of partial least squares path modeling in international marketing. *Advances in International Marketing*, 20(1), 277-319. doi:10.1108/S1474-7979(2009)0000020014.
- Hershman, S., & Caffey, A. A. (2008). *Structuring a unit franchise relationship*. Chicago, Illinois: American Bar Association.
- Hill, C. W., & Jones, T. M. (1992). Stakeholder-Agency Theory. *Journal of Management Studies*, 29(2), 131-154. <https://doi.org/10.1111/j.1467-6486.1992.tb00657.x>.
- Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2013). *Strategic management: Concepts and cases: Competitiveness and globalization*. Boston, USA: Cengage Learning.
- Horton, M. (2020). The 4 most common reasons a small business fails. *Investopedia*.
- Hoy, F., & Stanworth, J. (2003). *Franchising: An international perspective*. London: Routledge.

- Hoy, F., & Stanworth, J. (2014). *Franchising: An international perspective*. London: Routledge.
- Hoy, F., Perrigot, R., & Terry, A. (2017). *Handbook of research on franchising*. Worcester: Edward Elgar.
- Hua, N., O'Neill, J. W., Nusair, K., & Singh, D. (2017). Does paying higher franchise fees command higher RevPAR? *International Journal of Contemporary Hospitality Management*, 29(11), 2941-2961. <https://doi.org/10.1108/IJCHM-02-2016-0060>.
- Hunt, S. D., & Morgan, R. M. (1996). The resource-advantage theory of competition: Dynamics, path dependencies, and evolutionary dimensions. *Journal of Marketing*, 60(4), 107-114. <https://doi.org/10.1177/2F002224299606000410>.
- Hunt, S. D., Arnett, D. B., & Madhavaram, S. (2006). For dynamic relationship marketing theory: A reply to rese. *Journal of Business and Industrial Marketing*, 21(2), 92-98. <https://doi.org/10.1108/10610420610651313>.
- Hurtado, J. R., Cataluna, F. J., Casas, F. M., & Pineda, J. M. (2011). Identifying the Franchisee Profiles Franchisors Prefer. *Journal of Business and Management*. 12(4), 567-588, 10.3846/16111699.2011.599408.
- Hurtado, M. R., Casas, M. G., & Cataluna, J. R. (2011). Criteria used in the selection of franchisees: An application in the service industry. *Service Business*, 5(1), 47-67. <https://doi.org/10.1007/s11628-011-0101-2>.
- Hutzinger, M. H., Seferagic, H., & Windsperger, J. (2019). Trust, decision rights delegation, and performance-The case of franchising. *Journal of Small Business Management*, 54(3), 973-991. DOI: 10.1111/jsbm.12227.
- I, A., & Kruesi, M. A. (2019). The enigma of franchising in China. *Journal of Business Strategy*, 41(5), 15-25. <https://doi.org/10.1108/JBS-06-2019-0108>.
- Ingenhoff, D., & Sommer, K. (2010). Trust in companies and in CEOs: A comparative study of the main influences. *Journal of Business Ethics*; 95(3), 339-355, <https://EconPapers.repec.org/RePEc:kap:jbuset:v:95:y:2010:i:3:p:339-355>.
- Ingenhoff, D., & Sommer, K. (2010). Trust in companies and in CEOs: A comparative study of the main influences. *Journal of Business Ethics*, 95, 339-355. DOI 10.1007/s10551-010-0363-y.
- Irina, V. K., Stephen, A. S., & Robert, W. P. (2013). Resource based theory in marketing. *Journal of the Academic Marketing Science*, 42(1), 1-21. DOI: 10.1007/s11747-013-0336-7.

- Ishak, K. A., Chuah, F., & Romle, A. F. (2016). The roles of trust in franchising relationship: The Malaysian franchisees' perspectives. *Middle East Journal of Scientific Research*, 24(6), 2071-2078. <https://doi.org/10.5829/idosi.mejsr.2016.24.06.23648>.
- Ismail, A., & Ali, M. N. (2014). *Kaedah penyelidikan sosial daripada perspektif islam*. Bangi: Universiti Kebangsaan Malaysia.
- Jager, L. R., & Leek, J. T. (2013). An estimation of the science-wise false discovery rate and application to the top medical literature. *Oxford academic*, 1-12.
- Jambulingam, T., & Nevin, J. (1999). Influence of franchisee selection criteria on outcomes desired by the franchisor. *Journal of Business Venture*, 14(4), 363-395. [https://doi.org/10.1016/S0883-9026\(98\)00023-8](https://doi.org/10.1016/S0883-9026(98)00023-8).
- Jang, S., & Park, K. (2019). A sustainable franchisor-franchisee relationship model: Toward the franchise win-win theory. *International Journal of Hospitality Management*, 76(2), 13-24. <https://doi.org/10.1016/j.ijhm.2018.06.004>.
- Jang, S., & Park, K. (2019). A sustainable franchisor-franchisee relationship model: Toward the franchise win-win theory. *International Journal of Hospitality Management*, 76, 13-24. <https://doi.org/10.1016/j.ijhm.2018.06.004>.
- Jarvis, C., MacKenzie, S. B., & Podsakoff, P. M. (2003). A critical review of construct indicators and measurement model specification in marketing and consumer research. *Journal of Consumer Research*, 30(2), 199-218. <https://doi.org/10.1086/376806>.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305-360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X).
- Jirasek, M., Windsperger, J., & Gaffke, S. M. (2020). Determinants of overall franchisee satisfaction: application of the performance feedback theory. *Journal in Strategic Marketing*, 15(2), 118. <https://doi.org/10.1080/0965254X.2020.1746823>.
- Johnson, R. B., Onwuegbuzie, A. J., & Turner, L. A. (2007). Toward a definition of mixed methods research. *Journal of Mixed Methods Research*, 1(2), 112-133. <https://doi.org/10.1177%2F1558689806298224>.
- Kacker, M., & Perrigot, R. (2016). Retailer use of a professional social media network: Insights from franchising. *Journal of Retailing and Consumer Services*, 30, 222-233. <https://doi.org/10.1016/j.jretconser.2016.01.020>.
- Kang, G., & James, J. (2004). Service quality dimensions: An examination of Gronroos's service quality model. *Managing Service Quality: An International Journal*, 14(4), 266-277. <https://doi.org/10.1108/09604520410546806>.

- Kaufmann, P., & Dant, R. P. (1998). Franchising and the domain of entrepreneurship research. *Journal of Business Venturing*, 14(1), 5-16. [https://doi.org/10.1016/S0883-9026\(97\)00095-5](https://doi.org/10.1016/S0883-9026(97)00095-5).
- Kelliner, A., Peetz, D., Townsend, K., & Wilkinson, A. (2016). Regulation of and compliance with industrial relations in franchises. *Journal of Industrial Relations*, 58(1), 25-45. <https://doi.org/10.1177%2F0022185615598186>.
- Kenton, W. (2020). Intrapreneurship. *Investopedia*.
- Khairol, A. I., & Muhamad, J. (2016). The relationship quality in franchise networks: Is it important to performance? *10th AAM International Conference on Marketing* (pp. 479-490). Kuala Lumpur: USM.
- Khairol, I. A., Chuah, F., & Romle, A. R. (2016). The role of trust in franchising relationship: The Malaysian franchisees' perspective. *Middle East Journal of Scientific Research*, 24(6), 2071-2078. <https://doi.org/https://10.5829/idosi.mejsr.2016.24.06.23648>.
- Khalique, M., Md Isa, A. H., Shaari, J. A., & Ageel, A. (2011). Challenges faced by the small and medium enterprise (SMEs) in Malaysia: An intellectual capital perspective. *International Journal of Current Research*, 3(6), 398-401. .
- Khan, A. A. (2019). Qualitative Research: A Case for a Multi-Angle View to Enhance 'Validity'. *International Journal of Business Management*, 9(9), 29-40. <http://dx.doi.org/10.5539/ijbm.v9n9p29>.
- Kianto, A., Vanhala, M., & Heilmann, P. (2016). The impact of knowledge management on job satisfaction. *Journal of Knowledge Management*, 20(4), 621-636. <https://doi.org/10.1108/JKM-10-2015-0398>.
- Kuhn, T. (1962). *The structure of scientific revolution*. Chicago: University of Chicago Press.
- Kunz, A. H., & Pfaff, D. (2002). Agency Theory, Performance Evaluation, and the Hypothetical Construct of Intrinsic Motivation. *Accounting, Organizations and Society* 27, no 3, 275-295.
- Kurtessis, J., Eisenberger, R., & Ford, M. T. (2017). Perceived organizational support: A meta-analytic evaluation of organizational support theory. *Journal of management*. 43(6), 1854-1884. <https://doi.org/10.1177%2F0149206315575554>.
- Kuzel, A. J. (1992). *Sampling in qualitative inquiry*. Washington, DC: Sage Publications, Inc.
- Kwong, K. (2013). Partial least squares structural equation modeling (PLS-SEM) techniques using SmartPLS. *Marketing Bulletin*, 24(1), 1-32. <https://www.researchgate.net/publication/268449353>.

- Lafontaine, F., & Shaw, K. L. (1998). Franchising growth and franchisor entry and exit in the U.S. market: Myth and reality. *Journal of Business Venturing*, 13(2), 95-112. [https://doi.org/10.1016/S0883-9026\(97\)00065-7](https://doi.org/10.1016/S0883-9026(97)00065-7).
- Lafuente, F., & Salas, G. (1989). Types of entrepreneurs and firms: The case of new Spanish firms. *Strategic Management Journal*, 10(1), 17-30. <https://doi.org/10.1002/smj.4250100103>.
- Lau, R. (19th March, 2017). *Franchising: A Risk worth taking?* Retrieved from BizHive: <http://www.theborneopost.com/2017/03/19/franchising-a-risk-worth-taking/>
- Lauren, F. W. (2016). An introduction to research paradigms. *International Journal of Educational Investigations*, 3(8), 51-59. www.ijeionline.com.
- Lazear, E., & Rosen, S. (1981). Rank-order tournaments as optimum labor contracts. *Journal of Political Economy*, 89(5), 841-864.
- Lee, C. C., Lee, C. W., Jiang, L. T., Lin, C. Y., Huang, F. L., & Yu, C. (2017). The impact of salary structure, performance requirements, and type of business on the performance of housing brokerage employees. *Asian Economic and Financial Review*, 7(7), 685-699, <https://EconPapers.repec.org/RePEc:asi:aeaftrj:2017>.
- Leeuw, E. D., & How, J. J. (1987). The effects of response-stimulating factors on response rates and data quality in mail survey. A test of Dillman's total design method. *Journal of Official Statistics*, 4(3), 241-249. .
- Lemon, K., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 1-5. <https://doi.org/10.1509%2Fjm.15.0420>.
- Linan, F., & Chen, Y. W. (2006). Testing the entrepreneurial intention model on a two-country sample. *Journal of Business Management*, 78-85. <http://hdl.handle.net/11441/60716>.
- Long, R., MacKay, P., Ray, J., & Zielinski, W. (2012). *Noninvasive Survey Methods for Carnivores*. New York: Island Press.
- Lopez-Fernandez, B., & Lopez-Bayon, S. (2018). Antecedents of early terminations in franchising: franchisor versus franchisee cancellations. *Small Business Economics*, 50, 677-695. DOI 10.1007/s11187-017-9889-z.
- Lu, G., Song, Y., & Pan, B. (2021). How university entrepreneurship support affects college students'entrepreneurial capacity: An empirical analysis from China. *Sustainability*, 13(6), 1-25. <https://doi.org/10.3390/su13063224>.
- Lumpkin, G., & Dess, G. G. (1996). Clarifying the entrepreneurial construct and linking it to performance. *Academy of Performance Review*, 21(1), 135-172. <http://www.jstor.org/stable/258632?origin=JSTOR-pdf>.

- Maanen, J. (1983). *Qualitative methods reclaimed*. Arlington: Massachusetts Institute of Technology.
- MacKinnon, D. P. (2008). *Introduction to Statistical Mediation Analysis*. New York: Erlbaum.
- Madanchian, M., Hussein, N., Noordin, F., & Taherdoost, H. (2018). The impact of ethical leadership on leadership effectiveness among SMEs in Malaysia. *Procedia Manufacturing*, 22(1), 968-974, <https://doi.org/10.1016/j.promfg.2018.03.138>.
- Mahmoud, M., Hinson, R. E., & Adika, M. K. (2018). The effect of trust, commitment, and conflict handling on customer retention the mediating role of customer satisfaction. *Journal of Relationship Marketing*, 17(4), 257-276. <https://doi.org/10.1080/15332667.2018.1440146>.
- Malhotra, N. K., Hall, J., Shaw, M., & Oppenheim, P. (2006). *Marketing Research (3rd ed.)*. Australia: Forest: Pearson Education.
- Marco, T. (7th May, 2020). *How much money should your business keep in reserve?* Retrieved from Factor This!: <https://factor-this.com/about-factor-this/>
- Marson, D. C., Triebel, K., & Knight, A. (2012). Financial capacity. In G. J. Demakis, *Civil capacities in clinical neuropsychology: Research findings and practical applications* (pp. 39-68). New York: Oxford University Press.
- Marson, D., Triebel, K., & Knight, A. (2008). Financial capacity. In G. J. Demakis, *Civil capacities in clinical neuropsychology: Research Findings and Practical Application* (pp. 39-68). New York: Oxford.
- Masui, L. S., Arasa, R., & Mkamwa, T. F. (2019). Policy implications on the intention to engage in knowledge creation behaviour. *Journal of African interdisciplinary studies*, 3(9), 43-60. ISSN 2523-6725.
- McCuddy, M. K., Pinar, M., Eser, Z., & Isin, F. B. (February, 2011). Fundamental moral orientations, stewardship, and etical issues in franchising: What are the linkages and implications. *Political Science*, 46(1), 460-492.
- McCullagh, P., & Nelder, J. A. (2019). *Generalized linear models*. Boca Raton: Routledge.
- McDermott, M. J., & Jason, J. (2020). A qualitative study: Military veterans and franchise ownership. *The Qualitative Report*; 25(3), 769-784.
- McDermott, M. J., Boyd, T. C., & Weaver, A. (2015). Franchise business ownership: A comparative study on the implications of military experience on franhisee success and satisfaction. *Entrepreneurial Executive*, 20(1) , 9-30. <http://hdl.handle.net/20.500.12264/24>.

- Mcelwee, G. (2006). Farmers as entrepreneurs: Developing competitive skills. *Journal of development entrepreneurship, Vol 11, No. 3*, 187-206.
- Memon, M. A.-H. (2017). A review of the methodological misconceptions and guidelines related to the application of structural equation modeling: A Malaysian scenario. *Journal of applied structural equation modeling (June)*, i-xiii.
- Michaelis, T. L., Scheaf, D. J., & Carr, J. C. (2022). An agentic perspective of resourcefulness: Self-reliant and joint resourcefulness behaviors within the entrepreneurship process. *Journal of Business Venturing; 37(1)*, 1-18; <https://doi.org/10.1016/j.jbusvent.2020.106083>.
- Minarikova, D., Mumdziev, N., & Griessmair, M. (2019). The bright side and dark side of trust: The mediating effect of franchisor trust on performance. *Managerial and Decision Economics, 41(1)*, 116-129, <https://doi.org/10.1002/mde.3097>.
- Mishra, A. K. (1996). Organizational responses to crisis: The centrality of trust. In R. M. Kramer, & T. R. Tyler, *Trust in Organizations: Frontiers of Theory and Research* (pp. 95-112). California: Sage.
- Mishra, A. K., Mishra, K. E., & Grubb, W. L. (2015). Reducing turnover in franchise-based small business organizations: The role of trust, justice and commitment. *Small Business Institute Journal, 11(1)*, 6-23. <https://www.researchgate.net/publication/275659120>.
- Mobley, W. (1982). *Employee turnover causes, consequences and control*. Wesley: Addison.
- Mohajan, H. K. (2017). Two criteria for good measurements in research: Validity and reliability. *Munich Personal RePEc Archive, 17(4)*, 58-82. <https://mpr.a.ub.uni-muenchen.de/id/eprint/83458>.
- Mohamad, N. A. (2019). *MFA: Franchise industry 2020 GDP contribution target on track*. Kuala Lumpur: Branchise News.
- Mohd Amy Azhar, & Md Zali, S. K. (27-28 October, 2011). Business financing for small and medium enterprise (SMEs): How to strike? *World Business and Social Science Research Conference* , pp. 1-27. <http://repo.uum.edu.my/id/eprint/4436>.
- Mohd Sharif, S. N. (2018). *Exploring the causes of conflicts in franchised restaurant industry: Evidences from the court records*. Iowa, US: Iowa state university.
- Mohd, Z., & Ishan, Z. (28th November, 2017). Reevaluating Successful Franchisees Characteristics. *Social Sciences Postgraduate International Seminar (SSPIS) 2017*, pp. 78-85.

- Mohd, Z., & Ishan, Z. M. (2019). Franchisee characteristics that influence franchise business success: An analysis of focus group findings. *International Journal of Engineering and Advanced Engineering*, *V8:5C*, 1011-1015; DOI: 10.35940/ijeat.E1143.0585C19.
- Mohr, J., & Hunt, S. D. (1994). Collaborative communication in interfirm relationships: moderating effects of intergaration and control. *Journal of Marketing*, *15(2)*, 135-152.
- Monge, E. C., Sanz, I. P., & Zavala, P. H. (2017). Economic sustainability in franchising: A model to predict franchisor success or failure. *Enterpreunerial Sustainability*, *9(8)*, 1-16. <http://doi.org/10.3390/su9081419>.
- Monroy, F., & Alzola, M. (2005). An analysis of quality management in franchise system. *European Journal of Marketing*, *39(5)*, 585-605. DOI 10.1108/03090560510590728.
- Monroy, M. F., Santana, J. M., & Sanchez, I. G. (2018). Building success franchise partnerships: The importance of communication and trust. *Emerald Insight*, *56(5)*, 1051-1064. <http://hdl.handle.net/10553/41458>.
- Morse, J. M. (1991). Approaches to qualiative-quantitative methodological triangulation. *Methodology Corner*, *40(2)*, 120-123.
- Morse, J. M. (2020). The purpose of qualitative research. *Nursing Research*. Springer, 1-17; https://doi.org/10.1007/978-1-4899-4471-9_1.
- Mowday, R., Steers, R. M., & Porter, L. W. (1979). The measurement of organization commitment. *Journal of Vocational Behaviour*, *14(2)*, 224-247. [https://doi.org/10.1016/0001-8791\(79\)90072-1](https://doi.org/10.1016/0001-8791(79)90072-1).
- Mudalige, J., Udugama, J. M., & Ikram, S. M. (2012). Use of structural modeling techniques to overcome the empirical issues associated with quantification on attitudes and perceptions. *Sri Lankan Journal of Applied Statistics*. *13*, 15-37.
- Mugra, Y., & Yadav, P. K. (2019). The mediating effect of satisfaction on trust-commitment and relational outcomes in manufacturer-supplier relationship. *Journal of Business & Industrial Marketing*; *35(2)*, 219-230; DOI 10.1108/JBIM-09-2018-0268].
- Muhib, I. (2014). Agency Theory. *Education, Technology Economy & Finance*, 34-49.
- Myers, M. D. (2019). *Qualitative research in business and management*. London: Sage.
- Nazarova, T. (2016). Financial capacity of industrial enterprise. *Baltic Journal of Economic Studies*, *2(3)*, 141-146. <https://doi.org/2256-0742:2016:2:3:22>.

- Nicolaou, N., Shane, S., Cherkas, L., Hunkin, J., & Spector, T. D. (2008). Is the tendency to engage in entrepreneurship genetic? *Management Science*, 54(1), 194-207. <https://doi.org/10.1287/mnsc.1070.0761>.
- Nooteboom, B. (1999). Innovation, learning and industrial organisation. *Cambridge Journal of Economics*, 23(2), 127-150. <https://doi.org/10.1093/cje/23.2.127>.
- Nor Danial, M. N. (2016). *Franchising - The preferred choice of doing business*. Kuala Lumpur: Malaysian Franchise Association.
- Nowak, R. (2014). *Entrepreneurial capacity and culture of innovation in the context of opportunity exploitation*. Urbana: University of Illinois.
- Nusari, M., Al Falasi, M., & Alrajawy, I. (2018). The impact of project management assets and organizational culture on employee performance. *International Journal of Management and Human Science*, 2(3), 15-26. <http://www.ijmhs.org/index.aspx>.
- Nyadzayo, M. W., Matanda, M. J., & Rajaguru, R. (2018). The determinants of franchise brand loyalty in B2B markets: An emerging market perspective. *Journal of Business Research*, 86(C), 435-445. <https://doi.org/10.1016/j.jbusres.2017.09.015>.
- Okoli, C., & Schabram, K. (2010). A guide to conducting a systematic literature review of information system research. *Electronic Journal*, 10(26), 10-26. <http://sprouts.aisnet.org>.
- Olm, K., Eddy, G., & Adaniya, A. (1988). *Selecting franchisee prospects*. Society of franchising proceedings II. San Francisco, CA: Society of franchising.
- Paek, S., Schuckert, M., Kim, T. T., & Lee, G. (2015). Why is hospitality employees' psychological capital important? The effects of psychological capital on work engagement and employee morale. *International Journal of Hospitality Management*, 50, 9-26. <https://doi.org/10.1016/j.ijhm.2015.07.001>.
- Pallant, J. (2010). *SPSS survival manual: A step by step guide to data analysis using the SPSS program. 4th Edition*. New York: McGraw Hill.
- Pallant, J. (2013). *SPSS Survival Manual: A step by step guide to data analysis using IBM SPSS (5th ed.)*. New York: McGraw-Hills Ltd.
- Pearse, N. (2011). Deciding on the scale granularity of response categories of likert type scales: The case of a 21-point scale. *Business Journal on Business Research Methods*, 9(2), 159-171. www.ejbrm.com.
- Penrose, E. T. (1959). *The theory of the growth of the firm*. New York: John Wiley.

- Perrigot, R., Terry, A., & Lerner, C. D. (2019). Good faith in franchising: The perceptions of franchisees, franchisors and their lawyers in the French context. *International Journal of Retail & Distribution Management*, 47(3), 246-261. <https://doi.org/10.1108/IJRDM-02-2018-0043>.
- Petty, M. M., McGee, G. W., & Cavender, J. W. (1984). A Meta-Analysis of the Relationships Between Individual Job Satisfaction and Individual Performance. *Academy of Management*, 712-721.
- Pizanti, I., & Lerner, M. (2003). Examining control and autonomy in the franchisor-franchisee relationship. *International Small Business Journal: Researching Entrepreneurship*, 21(2), 131-159. <https://doi.org/10.1177/0266242603021002001>.
- Podsakoff, P., MacKenzie, S. B., & Lee, J. Y. (2003). Common Methods Biases in Behavioral Research: A Critical Review of The Literature and Recommended remedies. *Journal of Applied Psychology*, 879-903.
- Polit, D., Beck, C. T., & Hungler, B. P. (2001). *Essential of Nursing Research: Methods, Appraisal and Utilization, 5th Ed.* Philadelphia: Lippincott Williams & Wilkins.
- Preacher, K. J., & Hayes, A. F. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior Research Methods, Instruments, & Computers*, 36, 717-731.
- Preacher, K. J., & Hayes, A. F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40, 879-891.
- Preble, H. R. (2016). Global franchising: Current status and future challenges. *Journal of Service Marketing*, 101-113.
- Purdy, D., Stanworth, J., Watson, A., & Healeas, S. (2005). Retail franchising: An intellectual capital perspective. *Journal of Retailing and Consumer Services*, 12(1), 25-34. <https://doi.org/10.1016/j.jretconser.2004.02.001>.
- Qaisar, F. S., & Muhamad, N. (2021). Internal marketing: A review and future research agenda. *Asia Pacific Business Review*, 27(2), 267-300. <https://doi.org/10.1080/13602381.2021.1858590>.
- Qu, S. Q., & Dumay, J. (2011). The qualitative research interview. *Qualitative Research in Accounting & Management*, 8(3), 238-264. <https://doi.org/10.1108/11766091111162070>.
- Quinn, B. (2011). Towards a framework for the study of franchising as an operating mode for international retail companies. *The International Review of Retail, Distribution and Consumer Research*, 8(4), 445-467. <https://doi.org/10.1080/095939698342751>.

- R, M., & Hunt, S. H. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38. <https://doi.org/10.1177/002224299405800302>.
- Rahman, S. (2015). Supporting entrepreneurial business success as the base of pyramid through entrepreneurial competencies. *Management Decision*, 53(6), 1158-1169. <https://doi.org/10.1108/MD-08-2014-0531>.
- Rajagopal. (2007). Optimising franchisee sales and business performance.
- Rajiv, P. D., & Gregory, T. G. (1999). The challenge of autonomy and dependence in franchised channels of distribution. *Journal of Business Venturing*, 14(1), 35-67. [https://doi.org/10.1016/S0883-9026\(97\)00096-7](https://doi.org/10.1016/S0883-9026(97)00096-7).
- Ramayah, T., Hwa, C. J., Chuah, F., & Ting, H. (2016). *Partial least squares equation modeling (PLS-SEM) using SmartPLS 3.0: An updated and practical guide to statistical analysis*. Malaysia: Pearson.
- Ramon, D. B. (2012). An analysis of three confronting theories to explain franchising supply. *Journal of Business & Economics Research*. 10(3), 167-170. <https://doi.org/10.19030/jber.v10i3.6856>.
- Roderick, L. J., & Rubin, D. B. (2002). *Statistical analysis with missing data*. New Jersey: Wiley, New York (2nd ed.).
- Rosado-Serrano, A. (2018). International franchising: A literature review and research agenda. *Journal of Business Research*, 85(2), 238-257. <https://doi.org/10.1016/j.jbusres.2017.12.049>.
- Roscoe, J. T. (1975). *Fundamental research statistics for the behavioral sciences*. New York: Book, Holt, Rinehart and Winston.
- Ross, S. A. (2005). Compensation, incentives, and the duality of risk aversion and riskiness. *The Journal of Finance*, 59(1), 207-225. <https://doi.org/10.1111/j.1540-6261.2004.00631.x>.
- Rossmann, G. B., & Rallis, S. F. (2017). *An introduction to qualitative research: Learning in the field*. California: Sage.
- Rotter, J. B. (2002). *A review of general psychology*. Washington, D.C.: American Psychological Association.
- Rozmi, I. (2016). *Metodologi penyelidikan teori dan praktis*. Bangi: Penerbit Universiti Kebangsaan Malaysia.
- Rubin, D. B. (2002). *Statistical analysis with missing data, (2nd ed.)*. New York: Wiley

- Rubin, P. H. (1978). The theory of the firm and the structure of the franchise contract. *The Journal of Law and Economics*, 21(1), 223-234. <https://doi.org/10.1086/466918>.
- Rusman, R., & Karim, I. (2017). The influence of relationship marketing among franchisee and franchisor in fried chicken local franchise. *International Journal of Social Sciences and development*, 1(2), 163-169, <http://dx.doi.org/10.24967/saburai%20ijssd.v1i2.252>.
- Sadi, M. A., & Henderson, J. C. (2011). Franchising and small medium-sized enterprise (SME) in industrializing economies: A Saudi Arabian perspectives. *Journal of Management Development*, 30(4), 402-412, <https://doi.org/10.1108/02621711111126855>.
- Sadi, M. A., & Henderson, J. C. (2018). Franchising and small medium-sized enterprise (SMEs) in industrializing economies. *Journal of Management Development*; 30(4), 402-413 ; DOI 10.1108/02621711111126855.
- Salkind, N. J. (2003). *Exploring research*. Pennsylvania State: Prentice Hall.
- Salleh, S., & Hashima, N. H. (2015). Instagram Marketing: A Content Analysis of Top Malaysian Restaurant Brands. *E-Review of Tourism Research*, 1-5.
- Samsudin, F., & Wahab, S. A. (2018). Sustainable development in franchising: Measuring the impacts of strategic direction in franchise organization. *ResearchGate*, 1-15. .
- Sanderson, R. (2014). Are franchisees "really" entrepreneurs? *All Business*.
- Santoro, G., Vrontis, D., Thrassou, A., & Dezi, L. (2018). The internet of things: Building a knowledge management system for open innovation and knowledge management capacity. *Technological Forecasting and Social Change*, 136, 347-354. <https://doi.org/10.1016/j.techfore.2017.02.034>.
- Santos, F., Pache, A. C., & Birkholz, C. (2015). Making Hybrids Work: Aligning Business Models and Organizational Design for Social ENtreprises. *California Management Review*, 36-58.
- Sanzo, M. J. (2003). The effect of market orientation on buyer–seller relationship satisfaction. *Industrial Marketing Management*, 32(4), 327-345; [https://doi.org/10.1016/S0019-8501\(01\)00200-0](https://doi.org/10.1016/S0019-8501(01)00200-0).
- Sanzo, M. J., Santos, M. L., Vazquez, R., & Alvarez, L. I. (2003). The effect of market orientation on buyer–seller relationship satisfaction. *Industrial Marketing Management*, 32(4), 327-345, [https://doi.org/10.1016/S0019-8501\(01\)00200-0](https://doi.org/10.1016/S0019-8501(01)00200-0).
- Sauders, M. L., & Thornhill, A. (2003). *Research methods for business student (3rd ed.)*. New York: Prentice Hall.

- Sawant, R. J., Hada, M., & Blanchard, S. J. (2020). Contractual discrimination in franchise relationships. *Journal of retailing*, 97(2), 1-19. <https://doi.org/10.1016/j.jretai.2020.11.008>.
- Schafer, J. L., & Graham, J. W. (2002). Missing data: Our view of the state of the art. *Psychological Methods* 7(2), 147-177.
- Scherbaun, C., & Shockley, K. (2015). *Analysing quantitative data*. New York: Sage Publication Ltd.
- Schindler, D. R., & Cooper, P. S. (2001). *"2003" Business research methods*. London: Ventus Publishing Aps.
- Sekaran, U. (2003). *Research methods for business. A skill-building approach. 4th edition*. Southern Illinois: John Wiley & Sons, Inc.
- Sekaran, U., & Bougie, R. (2010). *Research methods for Business: A skill building approach (5th ed)*. UK: John Wiley & Sons.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill-building approach (7th ed)*. Chichester, West Sussex, United Kingdom: John Wiley & Sons.
- Sequeria, J. M., Weeks, K. P., Bell, M. P., & Gibbs, S. R. (2018). Making the case for diversity as a strategic business tool in small firm survival and success. *Journal of Small Business Strategy*, 28(3), 31-47. <https://www.researchgate.net/publication/328916994>.
- Serrano, A. R., Paul, J., & Dikova, D. (2018). International franchising: A literature review and research agenda. *Journal of Business Research*, 85(1), 238-257, <https://doi.org/10.1016/j.jbusres.2017.12.049>.
- Serrano, A., Paul, J., & Dikova, D. (2018). International franchising: A literature review and research agenda. *Journal of Business Research*, 85(C), 238-257. <https://doi.org/10.1016/j.jbusres.2017.12.049>.
- Shane, J. M. (2010). Organizational stressors and police performance. *Journal of Criminal Justice*, 38(4), 807-818, <https://doi.org/10.1016/j.jcrimjus.2010.05.008>.
- Shane, S., & Spell, C. (1998). *Factors for new franchise success*. Massachusetts: Cambridge.
- Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review*, 24(1), 14-30, <https://doi.org/10.5465/amr.2000.2791611>.
- Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *Academy of Management Review*, 25(1), 21-32. <https://doi.org/10.5465/amr.2000.2791611>.

- Shepherd, D. A., & Patzelt, H. (2018). Emotion and entrepreneurial cognition. In D. A. Shepherd, & H. Patzelt, *Entrepreneurial cognition: Exploring the mindset of entrepreneurial* (pp. 201-258). Switzerland: Springer.
- Shrout, P. E., & Bolger, N. (2002). Mediation in experimental and non experimental studies: New procedures and recommendations. *Psychological Methods*, 7(4), 422-445. <https://psycnet.apa.org/doi/10.1037/1082-989X.7.4.422>.
- Siebert, M. (2015). *Franchise your business: The guide to employing the greatest growth strategy*. New York: Entrepreneur Press Publisher.
- Sijtsma, K. (2009). On the use, the misuse, and the very limited usefulness of cronbach's alpha. *Psychometrika* 74(1), 107-120.
- Silverman, D. (2019). *Interpreting qualitative data*. London: Sage.
- Simons, R. (1994). How new top managers use control systems as levers of strategic renewal. *Strategic Management Journal*, 15(3), 169-189. <https://doi.org/10.1002/smj.4250150301>.
- Sindhav, B., Holland, J., Rodie, A. R., Adidam, A. R., & Pol, L. G. (2006). The Impact of Perceived Fairness on Satisfaction: Are Airport Security Measures Fair? Does it Matter? *Journal o Marketing Theory and Practice*, 323-335.
- Sivakumar. (2011). Franchisee selection for social franchising success. *Journal of Nonprofit and Public Sector Marketing*, 23(3), 213-225. <https://doi.org/10.1080/10495142.2011.586860>.
- Smith, A. M., Duncan, P., Edgar, D., & McColl, J. (2020). Responsible and sustainable farom business: Contextual duality as the moderating influence on entrepreneurial orientation. *The International Journal of Entrepreneurship and Innovatio*, 22(2), 88-99. <https://doi.org/10.1177%2F1465750320944702>.
- Song, H., & Schwarz, N. (2009). If it's difficult to pronounce, it must be risky: fluency, familiarity, and risk perception. *Psychological Science*, 20(2), 135-138. <https://doi.org/10.1111%2Fj.1467-9280.2009.02267.x>.
- Sosik, J., Kahai, S. S., & Piovoso, M. J. (2009). Silver bullet or voodoo statistics?: A primer for using the partial least squares data analytic technique in group and organization research. *Group & Organization Management*, 34(1), 5-36. <https://doi.org/10.1177%2F1059601108329198>.
- Southern, U. (2020). *Empirical & descriptive articles*. Southern Adventist University.
- Southon, M., & West, C. (2018). *The beermat entrepreneur: Turn your good idea into a great business*. UK: Pearson.
- Spector, P. (1992). *Summated rating scale construct: Sage University paper series: Quantitative applications in the social science*. London: Sage Publication.

- Spence, L. (2014). Small business social responsibility: Expanding core CSR theory. *Business & Society*, 55(1), 23-55. <https://doi.org/10.1177%2F0007650314523256>.
- Stanworth, J., & Curran, J. (1999). Colas, burgers, shakes, and shirkers: Towards a sociological model of franchising in the market economy. *Journal of Business Venturing*, 14(4), 323-344. [https://doi.org/10.1016/S0883-9026\(98\)00019-6](https://doi.org/10.1016/S0883-9026(98)00019-6).
- Star, T. (3 September, 2020). Ministry mulls reducing franchise business start-up capital to only RM50,000. Kuala Lumpur, Malaysia.
- Steurer, R., Martinuzzi, A., & Margula, S. (2012). Public policies on CSR in Europe: Themes, instruments, and regional differences. *Corporate Social Responsibility and Environmental Management*, 19(4), 206-227. <https://doi.org/10.1002/csr.264>.
- Stone, M. (1974). Cross-validators choice and assessment of statistical predictions. *Journal of The Royal Statistical Society*, 36(2), 111-147. <https://doi.org/10.1111/j.2517-6161.1974.tb00994.x>.
- Storholm, G. (1994). Ethical implications of business format franchising. *Journal of Business Ethics*, 13, 181-188. <https://doi.org/10.1007/BF02074817>.
- Suri, H. (2011). Purposeful sampling in qualitative research synthesis. *Qualitative Research Journal*, 11(2), 63-75. <https://doi.org/10.3316/QRJ1102063>.
- SurveyMethods. (7 March, 2011). *Advantages and disadvantages of survey research*.
- Tabachnick, B. G., & Fidell, L. S. (2007). *Using multivariate statistics (5th ed.)*. New York: Pearson.
- Tarbuton, T. L. (1986). *Franchising: The how-to book*. New Jersey: Prentice-Hall, Inc.
- Tashakkori, A., & Teddlie, C. (2008). *Mixed methodology: Combining qualitative and quantitative approaches*. Thousand Oaks: Sage Publications.
- Tatham, R., Douglass, R., & Bush, R. F. (1972). An analysis of decision criteria in franchisor/franchisee selection processes. *Journal of Retailing*, 48(1), 16-21.
- Tirelli, A., & Goh, S. C. (2015). The relationship between trust, learning capability, affective organisational commitment and turnover intentions. *International Journal of Human Resources Development and Management*, 15(1), 54-68. <https://doi.org/10.1504/IJHRDM.2015.069971>.
- Urbach, N., & Ahlemann, F. (2010). Structural equation modeling in information systems research using partial least squares. *Journal of Information Technology Theory and Application*, 11(2), 5-40.

- Vaishnav, T., & Altinay, L. (2009). The franchise partner selection process and implications for India. *Worldwide Hospitality and Tourism Themes*, 1(1), 52-65. <https://doi.org/10.1108/17554210910949887>.
- Van Bavel, J. J., & Baiker, K. (2020). Using social and behavioral science to support COVID-19 pandemic response. *Nature Human Behaviour*, 4, 460-471. <https://doi.org/10.1038/s41562-020-0884-z>.
- Vandenberghe, C., Bentein, K., & Panaccio, A. (2017). Affective commitment to organizations and supervisors and turnover: A role theory perspective. *Journal of Management*, 43(7), <https://doi.org/10.1177%2F0149206314559779>.
- Veal, A. J. (2017). *Research method for leisure and tourism. 5th Edition*. UK: Pearson.
- Vinzi, E., Chin, W. W., Henseler, J., & Wang, H. (2010). *Handbook of partial least squares: Concepts, methods and applications*. Berlin: Springer handbooks of computational statistics.
- Voorhees, C. M., Brady, M. K., Calantone, R., & Ramirez, E. (2016). Discriminant validity testing in marketing: An analysis, causes for concern, and proposed remedies. *Journal of The Academy of Marketing Science*, 44(1), 119-134. <https://doi.org/10.1007/s11747-015-0455-4>.
- Wade, M., & Hulland, J. (2001). The Resource-based view and information systems research: Review, extension and suggestions for future research. *Journal MIS Quarterly*, 107-142.
- Wadsworth, F., Tuunanen, M., & Haines, D. (2004). A comparison of Finnish and United States franchisee satisfaction. *Economics and Management of Franchising Networks*, 35(8), 312-319.
- Walker, B. J., & Etzel, M. J. (1973). The internationalization of U.S. franchise systems: Progress and procedures. *Journal of Marketing*, 37(2), 38-46. <https://doi.org/10.1177%2F002224297303700208>.
- Wang, C., & Altinay, L. (2008). International franchise partner selection and chain performance through the lens of organisational learning. *Service Industry Journal*, 28(2), 225-238. <https://doi.org/10.1080/02642060701842290>.
- Watson, A., & Kirby, D. A. (2012). Toward a model of franchise entrepreneurship. *International Small Business Journal*, 30(5), 559-583.
- Weaven, S. (2004). Factors influencing the decision to adopt the multiple unit franchising arrangement. *Unpublished doctoral thesis, Griffith University, Brisbane*.
- Wexler, M. N. (2002). Organisational memory and intellectual capital. *Journal of Intellectual Capital*, 3(4), 393-414. <https://doi.org/10.1108/14691930210448314>.

- Whah, C. (2015). Ethnic chinese entrepreneurship in Malaysia: On contextualisation in international business studies. *Journal of Southeast Asian Economies*, 32(3), 416-418. <https://www.jstor.org/stable/44132221>.
- William, E. N. (2019). Will my professional experience make me a great franchise owner? *Black Enterprise*, 172. <https://www.blackenterprise.com/professional-experience-franchise-owner/>.
- Windsperger, J., Cliquet, G., Hendrikse, W. J., & Tuunanen, M. (2004). *Economica and management of franchising networks*. The Netherlands: Springer.
- Wong, H. S. (2021). Issues and challanges of unregistered franchise business: A Malaysian legal perspective. *Estudios Economia Aplicada*, 39(4), 1-10, <http://dx.doi.org/10.25115/eea.v39i4.4481>.
- Wong, J. N. (2019). *Franchising in Malaysia*. Kuala Lumpur: Lexology.
- Wong, K. (2013). Partial least square structural equation modeling (PLS-SEM) techniques using SmartPLS. *Marketing Bulletin*, 24(1), 1-33. <https://www.researchgate.net/publication/268449353>.
- Wong, L. P. (2018). Data analysis in qualitative research: A brief guide to using Nvivo. *Malays Fam Physician*, 3(1), 14-20, .
- Wright, O. &. (2011). Trust and commitment within franchise systems: An Australian and New Zealand perspective. *Asia Pacific Journal of Marketing and Logistics*, 23(4), 486-500; <https://doi.org/10.1108/13555851111165048>.
- Wright, O., & Grace, A. (2010). Trust and commitment within franchise systems: An Australian and New Zealand perspective. *Asia Pacific Journal of Marketing and Logistics*, 23(4), 486-500. <https://doi.org/10.1108/13555851111165048>.
- Yang, W., Zhang, Y., & Zhou, Y. (2021). Performance effects of trust-dependence congruence: The mediating role of relational behaviors. *Journal of Business Research*, 129(1), 341-350, <https://doi.org/10.1016/j.jbusres.2021.02.060>.
- Yeo, J. (2022). The factors of revenue-sharing contracts in franchising: Evidence from the Korean Franchise Industry. *International Economic Journal*, 36(1), 77-102, <https://doi.org/10.1080/10168737.2022.2029929>.
- Yeoh, T. (2009). *Malaysia: Franchise industry*. Kuala Lumpur: The US Commercial Service.
- Yin, R. (2003). Identifying your case(s) and establishing the logic of your case study. In L. Maruster, & M. Gijnsberg, *Qualitative Research Methods* (pp. 359-399). London: SAGE Publications Ltd.

- Yu, J. P., & Pysarchik, D. T. (2018). Theoretical perspectives of supplier-buyer long-term relationship in India. *Journal of Business-to-Business Marketing*, 25(1), 31-50. <https://doi.org/10.1080/1051712X.2018.1424692>.
- Zaheer, A., McEvily, B., & Perrone, V. (1998). Does trust matter? Exploring the effects of interorganizational and interpersonal trust on performance. *Organization Science*, 9(2), 123-251. <https://doi.org/10.1287/orsc.9.2.141>.
- Zahira, M. I. (2006). The multi-dimensional nature of franchising. *Malayan Law Journal*, 5(1), 35-36. ISSN 2090-4304.
- Zailani, S., Govindan, K., Iranmanesh, M., Shaharudin, M. R., & Chong, Y. S. (2015). Green innovation adoption in automotive supply chain: The Malaysian. *Journal of Cleaner Production*, 108 (1), 1115-1137. <https://doi.org/10.1016/j.jclepro.2015.06.039>.
- Zhao, X., Lynch, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and truths about mediation analysis. *Journal of Consumer Research*, 41(6), 197-206. <https://doi.org/10.1086/651257>.
- Zikmund, Babin, Carr, & Griffin. (2012). *Business Research Methods*. Canada: South-Western, Cengage Learning.
- Zimuto, J., & Maritz, R. (2019). Modelling effect of valuable resources on franchise outlet performance: Dynamic sensing capability as mediator. *South African Journal of Economic and Management Sciences*, 22(1), 211-220. <https://doi.org/10.4102/sajems.v22i1.2706>.