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EDITORIAL

From entrepreneurship to small-to-medium enterprises: Exploring the challenge and the opportunities

Our last issue for 2016 presented a landmark collection of papers exploring the neglected realm of self-employed professionals, freelancers and contractors (see Volume 22, Issue 6, November 2016 at https://www.cambridge.org/core/journals/journal-of-management-and-organization/issue/EB7333B0B99F27D457D105E5DF581ABE for more detail).

Our second issue for 2017 takes this exploration a step further, moving into the domain of the entrepreneur and the small-to-medium enterprise (SME). While perhaps not quite as contested an area as that of the self-employed contractor or freelancer, SMEs are similarly beset by issues of definition (just what is 'small' compared with 'medium' for instance) and complexity (from questions as to the role of government to resource needs and social standing to the real value of the sector).

These are issues are just some of the range and depth of topics the papers this edition covers. For those of you with a yearning to be a detective, think of this as a challenge and something to look for and identify within position each author takes – start with the simple one of what are the definitions they offer and then move to questioning how and why do they differ?

To get you started, here is a bit of specifically Australian detail that may help you on your way – by introducing you to the complexity in just in definition alone. For statistical purposes, the Australian Bureau of Statistics (ABS) defines a small business as an actively trading business with 0–19 employees, while a medium one employs between 20 to 200 employees (ABS, 2013).

This may seem a clear and simple base to work from. It is not. There are a number of options and subsets within this "simple" definition. The first and most commonly known one is that of the microbusinesses as a small business with zero to four employees. This is the segment, which is the topic of our first paper, an invited one by Achtenhagen who explores the contested terrain of the link between entrepreneurship and growth. It may come as a surprise to many that the link is questioned and often even hotly debated but a return to ABS data offers an important insight, revealing that over 60% of all Australian businesses fall into the notoriously complex segment of small business at the micro end – those enterprises who have no employees.

This non-employing subset within micro-business (which I prefer to call 'nano business'), is incredibly important if for no other reason than the sheer number of individuals for whom it is the way they work. If we add the data for businesses employing between one and four employees, we capture up to 87% of all business in Australia as being in the nano to micro end of the business spectrum – and, before anyone thinks that this is a peculiar phenomenon found only in Australia, I should add that this is a result found consistently found economies around the world (ABS, 2016; OECD, 2016).

While Achtenhagen's paper explores the role of government incentives, it also introduces the important notion that limiting the value of SMEs and entrepreneurship solely to growth in firm size and employment number misses the valuable role they play. While a focus on employment has historically been important (particularly for governments), the role of networks offers another aspect to the notion of value. Networks are the subject of two of the papers in this edition (see Chang and Sharafizad) who suggest that there are much wider spillover effects, which have gone largely unexplored. These two papers provide quite distinct perspectives as Chang investigates the role of official role of government and industry bodies while Sharafizad narrows the focus to look at the role of female business owners' networks on start-up motivation.

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The challenging of assumptions continues with a paper by Mero-Cerdan, which develops the gender aspect to provide the reader with a family business view of SMEs, and expands this to question the particular role women play in their management.

A key feature (some may say dilemma with SME research) is that issues are often intertwined and always dynamic –and this is borne out in the final four papers of this edition. First, we see Franco examine entrepreneurship from a highly unusual collective view, which is used to question the role employee perceptions have on leadership styles. This rich examination of the individual view is developed further in the paper by Annink who moves to what would normally be seen as the employer view of the social support required – but at the nano end of the independent professional. Her exploration of work–life balance provides a nice segway for the investigation by Gao and a more public view of the SME owner and role of social status and philanthropy.

Both this and our last paper by Zhou are set within the Chinese SME context and this returns us to the initial point about issues of definition – with the Chinese definition of SME more than doubles the Australian definition of 200 to be up to 500 employees (OECD, 2016).

Overall, the seven papers in the second edition of *Journal of Management and Organization* for 2017 provide a rich and diverse entre into the complex and fascinating world of the SME – enjoy!

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