

# **DYNAMICS OF AN EMERGENT, FAMILY OWNED AND OPERATED PRIVATE TOUR COMPANY**

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## **ABSTRACT**

## **INTRODUCTION**

Little is understood about the dynamics of the many family businesses that run private tour operations. To help fill this information void, this study examines an early stage, family-run private tour operation on the Hawaiian island of Oahu, a major international tourist destination. The study answers the following research questions: (1) what are the principal entrepreneurial motivations, characteristics, and behaviors of a profitable, fast-growing, family owned and operated private tour operation, and (2) how has running this business affected the operators personally and professionally?

## **METHODS**

The principal author is a part-time operator of the firm studied. The inquiry is based in part on his retrospective participant observation of the workings of the firm, as well as semi-structured interviews with the firm's three employees, data from employees' responses to an online, self-administered questionnaire, and analysis of online customer reviews. Established scales were used to measure the motivations, personality traits, entrepreneurial characteristics, and job satisfaction of employees. Responses were compared across employees. NVIVO 12 and Leximancer 4.5 software were used to perform thematic and content analyses of open-ended responses and online customer reviews.

## **RESULTS**

Although marketing the firm was a painful process of trial and error, the firm is now experiencing significant success. In terms of personality traits, all employees scored above the mathematical midpoint of the agreeableness, conscientiousness, and openness to experience scales, and below the mathematical midpoint of the neuroticism scale. The customer-facing employees scored above the mathematical midpoint of the scale on extraversion; the principal author, as a part-time operator, scored below it. All employees scored above the mathematical midpoint of the Intrinsic Motivation Scale and its subsidiary Enjoyment and Challenge Scales. All employees scored near the midpoint of the Extrinsic Motivation Scale as a result of their scoring below the mathematical midpoint of its subsidiary Outward Scale but above the mathematical midpoint of its subsidiary Compensation Scale. In terms of entrepreneurial

characteristics, all employees scored significantly above the mathematical midpoint of the General Enterprising Tendency (GET) scale, and at or above the midpoints of its subsidiary Need for Achievement, Autonomy, Creative Tendency, Calculated Risk Taking, and Locus of Control scales. The GET scores of 40, 43, and 46 for the three employees placed them at or near the boundary between “medium” and “high” GET. All employees scored significantly above the mathematical midpoint of the job satisfaction scale.

In-depth interviews with all employees revealed that the fulfillment of unrealized personal and professional potential was the most frequently mentioned and important motivation for starting and growing the operation in the case of all interviewees. Also, excellence in customer service was regarded as a key attribute of the firm’s competitive advantage, and personalization of each customer experience was seen as an important business model and strategy, as well as a source of future referrals, word-of-mouth, and positive social media reviews.

An analysis of online customer reviews revealed that the vast majority (92%) of reviews were 5-star ratings and the mean rating score for the tour operator was 4.88 on this 5-point rating scale. Further analysis revealed the unique features of the tour operator’s service that customers described in their reviews, such as the knowledge and friendliness of tour operators, their competence in describing the history of Hawaii, and their ability to provide a high quality experience when delivering one of their main tour packages at Pearl Harbor National Memorial. When describing their experiences, customers emphasized the ability of the tour guides to deliver what they wanted in terms of tourist sites, the island, information, and history, in a timely manner.

## IMPLICATIONS

As with many other start-ups, much of the success of this firm can be attributed to the strong motivation of the owners to provide for their family. Equally significant in this case, however, is the exceptional fit between the primary, full-time business owner’s outgoing and intuitive personality and business sense, and the nature of the work she performs.

In addition, and contrary to prevailing notions of what it takes to succeed as an entrepreneur, success has emerged, not so much from shrewdness and force of will as from the humility, patience, and perseverance evident in primary full-time business owner’s willingness to take courses related to tour guiding at a local community college, start slow and learn the business as a low-paid subcontractor for a more established tour operator, and express intuitive attentiveness to her customers’ needs. The part-time business owner’s willingness to play a supportive role in the background, doing necessary bookkeeping, filing, and legal paperwork, as well as providing support by daily preparing vehicles for tours, has also contributed to success. We suspect the expression of similar spiritual qualities has contributed significantly to the success of many other start-ups, suggesting that the role of spirituality in entrepreneurship might be a topic worthy of investigation.

**Keywords:** entrepreneurship, tour guide, motivation, personality traits, job satisfaction