

## TA'AWUN-BASED SOCIAL CAPITAL AND BUSINESS RESILIENCE FOR SMALL BUSINESSES

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### ABSTRACT

*This study explores the influence of ta'awun-based (an Islamic concept of mutual cooperation) social capital in business resiliency of small businesses. Ta'awun uses universal solidarity (ukhuwwah) through mutual assistance among stakeholders in providing both financial and non-financial capital in building business resilience for sustainable performance. This model provides contingency perspectives into the current business models with stakeholders' social capital. Thus, the study argues that ta'awun-based social capital enables business resilience for small businesses. The study used personal interview with managers of 10 small businesses that have collaboration with the society to solicit their feedback on the practice of ta'awun-based social capital. The respondents contended that the ta'awun practice is on identified project or business that can bring mutual benefit to the business sectors, third sectors and the society. Indeed, the respondents argued that the inherited competitive nature of the business reduces for the ta'awun-based practices. Nevertheless, the results of the study are contextual-specified that cannot be generalized. The future research should use case study method to include more stakeholders as respondents.*

Keywords: Ta'awun, Social capital, Business resilience, Small businesses.

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### Introduction

In recent years, business sectors are gradually recognizing the importance of having collaboration, smart partnership and strategic alliances with the third sectors or the non-profit organizations. While maintaining networking among business partners and collaborators in the business sectors, the emergence of new challenges require the business sectors to work beyond their traditional boundaries (Omar, Leach and March, 2014; Sparrow and Cooper, 2014; Proulx, Hager and Klein, 2014).

The new challenges in business include how to be effective and efficient in managing resources together with people and stakeholders for mutual benefit and performance. Business extends its financial capital to social capital. The days of competition and collaboration on financial capital for financial gain are getting outnumbered. Omar, Leach and March (2014) argued that all kinds of capital, financial and non-financial that owned by business sectors are actually originated from the society.

The natural environment and the living creatures are becoming important too apart from the human society. The concept of stakeholders includes both voice and non-voice stakeholders. The climate change, earthquake, natural disaster, widespread of diseases, imbalance of natural eco-system is now important factors that need considerable attention in business decisions and actions. In lieu of that, Sparrow and Cooper (2014) contended that efficient and effective businesses are contributed by people and the environment. People can be motivated and skilful to contribute to the business process and performance, but if the environment is uncertain, for instance, too hot weather can lead to health risk such as heat stroke. Proulx, Hager and Klein (2014) pointed out that the challenges that beyond the comprehension require business sectors to work together with the non-business or third sectors. The collaboration is not just on face value, but must be done seriously and with sincerity. Sanzo, Alvarez, Rey and Garcia (2015) argued that the relationship between business sectors and third sectors must beyond charitable basis or public relations. This is particularly important for small businesses as they are highly connected and depending on the support from the third sectors for survival and growth (Zatepilina-Monacell, 2015).

This study argues that the collaboration between business sectors and third sectors require them to have mutual collaboration and understanding, which is the important attribute of Islamic teachings, called *ta'awun*. The notion of *ta'awun* or mutual assistance is not only based on face value assistance, but also deep concern for universal solidarity (*ukhuwwah*). The concept of *ukhuwwah* is not just limited to faith-based, not it is universal-based. In other words, all creatures, with voice or without voice, since they co-exist in this world, they have to work together harmoniously (Elamin & Tlaiss, 2015; Harangozó & Zilahy, 2015).

The motivation of this study is to promote Islamic approach in mutual cooperation as contingency insights to be considered theoretically and practically as sustainable collaboration method for long term business benefits. The discussion in this paper is divided into several parts. Part 1 is the introduction and critical literature review on the basic terms of *ta'awun* (Islamic approach of mutual cooperation) that includes social capital, business resilience, and the impact on small businesses. Part 2 is on the methodology, findings and discussion. The final part is to highlight the implications for practice, implications for theory, limitations of the study, future research, recommendation and conclusion.

### Literature review

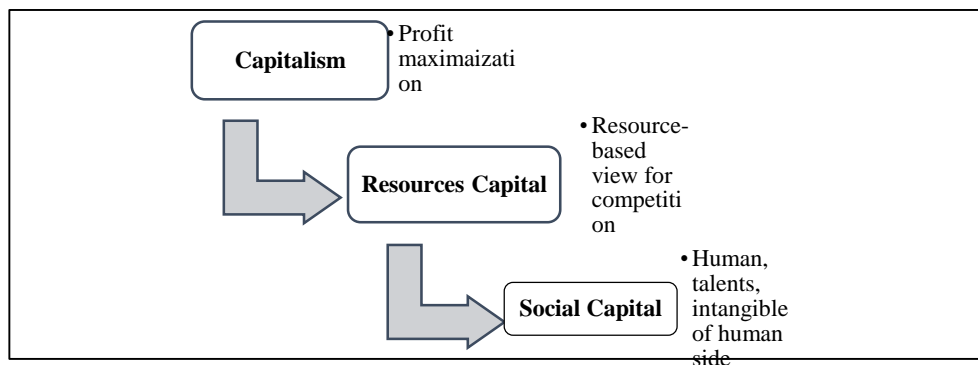
In this section will explain the key terms used in the study, namely social capital, business resilience, small businesses and *ta'awun* (mutual assistance). The study argues that the current model on social capital to sustain business resilience for small businesses is inadequate to face the dynamism, complexities and uncertainties of the business world (Ghezzi, Cortimiglia & Frank, 2015). When the business world is facing ethical challenges in terms of transparency, integrity and good corporate governance, the society is also hampering by weak values and idealism (Yazdani & Murad, 2015). As a contingency view, *ta'awun* (mutual assistance) that derived from Islamic teachings that based on divine sources, the Qur'an and the hadith, offers spiritual and emotional strengths.

### Social Capital

Capital is associated with possession or ownership of valuable substance that can be used in the market transactions. Financial capital is one of the factors of production in the economics terms, along with entrepreneurs or managers, land and labour. In return, capital will receive returns of investment or dividend, landlords will receive rental, managers will receive gainsharing and labour will receive wages (Coleman, 2007; Brauner & Ziefle, 2015). The possession has created two categories of the society, the haves and the have nots.

In the capitalism, anyone with financial capital can participate in the market, but not for those who have no capital. In the contemporary terms, capital has been extended to anything that can be owned by a person, a group of persons, and so on. Human capital refers to skill, talent, ability and capability to be offered to the market, and in return the market recognizes them as essential components of productions (Adler & Kwon, 2002; Palacios, 2015). Social capital implies relationship or networking that can add value to the business process and performance. Greve, Benassi and Sti (2010) argued that social capital is embedded in individuals and organizations that owned and controlled by them. The evolution from the original capitalism to the evolutionary resources capital and social capital shows the understanding of capitalism is not limited to physical resources and business performance (McGuirk, Lenihan, & Hart, 2015). Figure 1 illustrates the evolutionary view on the efficient use of resources for effective performance.

Figure 1: The evolutionary view on the efficient use of resources for effective performance



In the business context, social capital can be in the forms of valuable information that can enhance business opportunities and potential for competitive advantage. Lin (2001) contended that social capital is related to social relations that can bring profit and entrepreneurial opportunities to the business. Klyver, Evald, and Hindle (2011) argued that the positive interactions among people shape positive behaviour and contribute to resources and capability. The contribution of the understanding of social capital is in terms of contingency view on the presence insights on capitalism to include tangible and intangible capital.

### Business Resilience

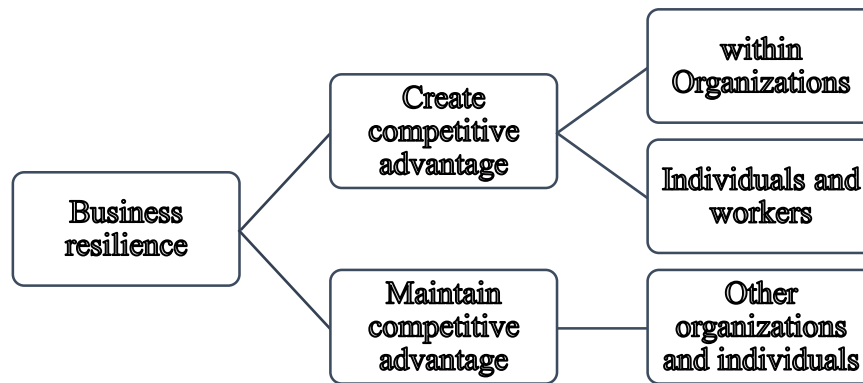
Business resilience is associated with the ability of business sectors to create, maintain and sustain competitive advantage despite still competition, difficulties and challenges. The main factor to provide resilience is the ability of individuals in business to maintain steadfast and ready to face the challenges.

In the contexts of SMEs, Aleksić, Stefanović, Arsovski, & Tadić (2013) argued that business resilience is very much embedded in the individuals and activities of the organization. However, the scope of resilience is limited to valuable and rare organizational resources. According to Bhamra, Dani & Burnard (2011), business resilience allows for more interconnected world – society, business, technology and environment, to enable the future directions with continuity and sustainable competitive advantage. Torabi, Soufi and Sahebjamnia (2014) argued that good business has good relationship. As for Williams and Vorley (2014), business resilience is related to economic resilience provides more entrepreneurship opportunities with dynamism and responsiveness. Another word, the business sectors are capable of meaningful interaction with stakeholders for vast entrepreneurial opportunities.

Business resilience can be developed through various social relations within the business and outside the business sectors, regardless of the nature of business. Chiesi (2014) argued that immigrants' business owners used interpersonal networking to achieve business resilience. The social interactions among immigrants and their circle of influence allow them to exchange on

information and knowledge about entrepreneurial opportunities, which are not easily available. In a different context, Winnard, Adcroft, Lee and Skipp (2014) contended that business resilience is related to how effective strategies. The effectiveness is gained through solid and valid interactions with many stakeholders. Needless to say, business resilience is not just networking and strategy management, but also ability to manage stakeholders (Carey & Perry, 2014). No doubt, individual entrepreneurs also must be resilient too (Ayala & Manzano, 2014). Figure 2 shows the function of business resilience.

Figure 2: The function of business resilience



### Small Businesses

A small business is privately owned and operated the business small number of employees, the amount of paid-up capital and the collection of annual revenue. Ang (1991) contended that small business obtained its financial resources from personal savings, borrowings from family, friends and relatives.

The sources of financial resources are also social networking for the small business owners to access to the market and to remain relevant in the market with the support of the society. Educational background, familiarity of business, industry nature and social inclination are some of the factors contribute to the choice of small business ownership (Lofstrom, Bates, & Parker, 2014).

There are various categories of SMEs. According to SME Corporation Malaysia (2015), small businesses can include microenterprises across all sectors when they enterprises achieved sales turnover less than RM300,000 OR employing less than 5 full-time employees. For the small businesses under manufacturing category, sales turnover are from RM300,000 until RM15,000,000 or employing employees from 5 until 75. However, for small businesses other services and other sectors, their sales turnover is from RM300,000 until RM3,000,000 or employing 5 until 30 employees. The scope of manufacturing includes any process to transform raw materials into products. As for services, all services, including trade, hotels, business services, and so forth. The definition used by SME Corporation is in line with Malaysian Standard Industrial Classification (MSIC) 2008 codes.

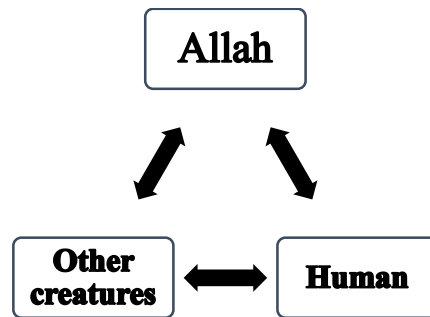
### Ta'awun

Ta'awun is rooted from from Arabic word as "ain" "wa" "na" or "awana", which denotes help or assistance. When the word 'ta' is added, it becomes ta'awun, which is to put on help by others or from others (Mahmud, 2000). Generally, ta'awun can be defined as mutual assistance or mutual cooperation for the sake of goodness. From Shari'ah perspectives, ta'awun is prohibited to be used for illegal, vices, and harmful activities.

This is in line with the main purpose of Islam that emphasizes on the execution of duties as servant and vicegerent of Allah, rather than championing the rights of individuals. This is in line with the purpose of human creation. The verse 56 from Surah al Zariyat, says: "And I created not the Jinn and mankind except that they should worship Me." In Ibn Kathir commentaries explained that the meaning of the verse can be interpreted as: "I, Allah, only created them (human) so that I order them to worship Me (Allah), not that I (Allah) need them." Ali bin Abi Talhah reported that Ibn 'Abbas commented partially "...except that they should worship Me (Allah)" can be understood as: "So that they worship Me, willingly or unwillingly."

The meaning of this verse (51:56) is that, Allah has blessed the creation of human for them to worship Allah without partners. Indeed, those who obey Allah will be rewarded with the best rewards, while those who disobey Him will receive the worst punishment from Him. Allah stated that He does not need creatures, but rather, they are in need of Him in all conditions. He is alone their Creator and Provider. Figure 3 shows the relationship between Allah and human beings and other creatures. The relationship is known as *habl min Allah* and *habl min an-Nās*, the vertical and horizontal relationship.

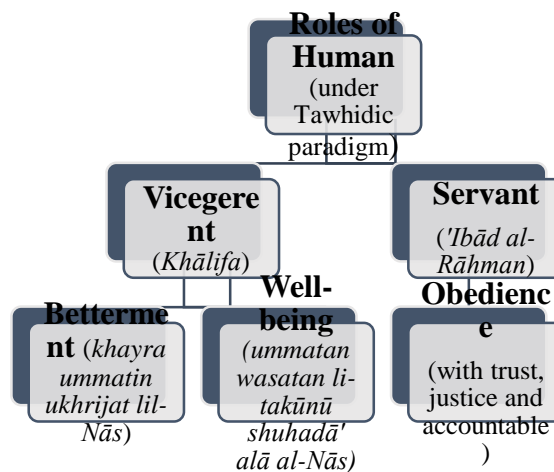
Figure 3: The relationship between Allah and human beings and other creatures



Al-Faruqi (1992) argued human are created to fulfil the trust (*al-amānah*) and duties (*al-farā'id*) through dual roles, servant and vicegerent, with the Divine guidance of Al-Qur'an and Hadith. The physical capability combines with Divine guidance, human can perform the trust entrusted to them. Likewise, Mohd Kamal Hassan (2010) contended that the purpose of human creation through the roles as servant and vicegerent is for the human race betterment in every aspects of life (*khayra ummatin ukhrijat lil-Nās*) (Qur'an, 3:110) and for well-being community (*ummatan wasatan li-takūnū shuhadā' alā al-Nās*) (Qur'an, 2:143). Thus, based on this approach, *ta'awun* enables all the humanity to collaborate for betterment, not for destructions.

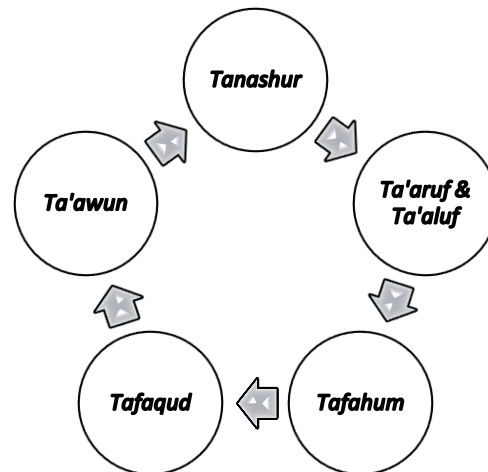
The cooperative spirit and enthusiasm for goodness and betterment will create a default governance and surveillance for any harmful in the society, economy, politics and technology. Figure 4 illustrates the roles of human from *Tawhidic* paradigm.

Figure 4: The roles of human from *Tawhidic* paradigm



The creation of human in dual roles requires the human race to work together in a united and solid manner. The execution of the tasks requires synergy which is in the form of universal solidarity (*ukhuwwah*). According to Mahmud (2000), there are six levels of *ukhuwwah* development, level 1 - *ta'aruf* (to get to know each other well), level 2 - *ta'aluf* (unification and unity), level 3 - *tafahum* (mutual understanding), level 4 - *tafaqud* (be concerned), level 5 - *ta'awun* (helping on goodness), and level 6 - *tanashur* (love and loyalty). Figure 5 summarizes the *ukhuwwah* development process.

Figure 5: *Ukhuwwah* Development Process



Source: Mahmood (2000).

The concept of *ta'aruf* is derived from the Quran, 49:13: "O mankind! We have created you from a male and a female, and made you into nations and tribes that you may know one another. Verily, the most honorable of you with Allah is that (believer) who has *At-Taqwa*. Verily, Allah is All-Knowing, All-Aware." The first and foremost in building universal solidarity is to get to know everyone in this world as universal habit. *Ta'aruf* is a continuous process and has no boundaries of region, tribes, and cultures.

Once the first barrier is overcome, the next universal solidarity is built upon the *ta'aluf* or getting united among the individuals that already known. From *ta'aluf*, the process will go into the *tafahum* (mutual understanding) as a result of trust and confidence. The mutual understanding requires tolerance and reciprocity in every aspects of life. With strong mutual understanding and trust, it will lead to *tafaqud* (be concerned) or everyone will pay attention to the mutual interest.

The next process will be *ta'awun* (mutual assistance or helping for goodness or *al khayr* and righteousness or *al berr*). Allah says in Qur'an, 5:2. "O you who believe! Violate not the sanctity of the symbols of Allah, nor of the Sacred Month, nor of the Hady brought for sacrifice, nor the garlands, nor the people coming to the Sacred House (Makkah), seeking the bounty and good pleasure of their Lord. But when you finish the Ihram, then hunt, and let not the hatred of some people in (once) stopping you from Al-Masjid Al-Haram (at Makkah) lead you to transgression. Help you one another in Al-Birr and At-Taqwa, but do not help one another in sin and transgression. And have Taqwa of Allah. Verily, Allah is severe in punishment.)" The scope of mutual assistance or *ta'awun* is limited to any effort to bring righteousness and obedience to God.

The final *ukhuwwah* development process is *tanashur*, mutual love and loyalty. The results of *ta'awun* or mutual assistance with volunteerism, sincerity and integrity bring to mutual affections, love, care and loyalty. The final outcome of the process is the universal solidarity or *ukhuwwah*. Such characteristics are required for modern and contemporary businesses to face the challenges from various aspects of life (Elamin & Tlaiss, 2015; Ghezzi, Cortimiglia & Frank, 2015; Harangozó & Zilahy, 2015). The essence of *ta'awun* is not only applicable to organizational and business life, but also individual investors, consumers, employees, and anyone in the streets to subscribe it as lifestyle.

There are specific meaning, nature and scope of religious, family and personal. Based on the Qur'anic analysis on the definition, nature and scope of *at-ta'awun* (mutual assistance), the concept can be operationalized into building human civilization with knowledge and virtue. In organizational settings, *ta'awun* is defined as mutual cooperation within the spirit of brotherhood (Ismail, Othman, Yousop, Din, Bakar, Noh & Shafi, 2013). The notion of mutual cooperation within the surroundings of brotherhood and universal solidarity brings to the need to collaborate on increasing group cohesiveness. Annan (2001) argued that *ta'awun* is an evolving process for volunteering.

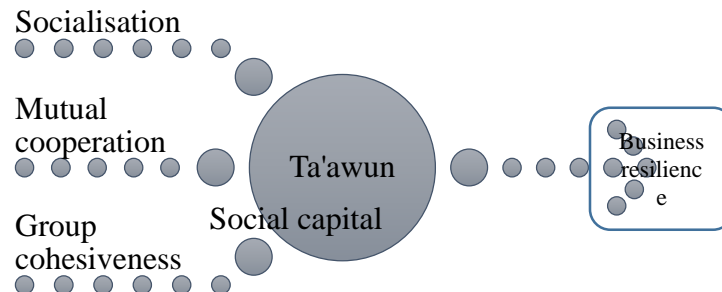
The mutual understanding and assistance reflects for volunteering. Sincerity and integrity galvanize the spirit of mutual assistance for the sake of better nation and well-being of the people. Kamil and Mat Nor (2014) contended that *ta'awun* also can be operationalized as mutual help in the context of family situation. According to Muhammad Syukri Salleh and Osman Md. Yusoff (1997), *ta'awun* is a mechanism for doing things together or collectively in the traditional society context.

Regardless of contexts and situation, Rashid (1993) operationalized *ta'awun* as mutual assistance for betterment of human race. Khan (1991) argued that *ta'awun* as providing mutual help as part of Islamic teachings. Jasmi, Tamuri and Ismail (2012) argued that universal solidarity or *ukhuwwah* is generated through the socialization and learning within the mosque learning system. In any situation, *ta'awun* brings everyone with a focus that is to execute the dual tasks entrusted on human.

Islam (2010) pointed that in group decision making process that based on good values promotes togetherness or *ukhuwwah*. If the concept is extended to religious life, Ibrahim, Kamsani and Champe (2015) contended that *ta'awun* as part of *usrah* or workgroup under Islamic teachings. Malik (2014) argued *ta'awun* is part of social solidarity process called *ukhuwwah* which is part of faith-inspired social capital.

Based on the above literature review, the study proposes that *ta'awun* with socialization, mutual cooperation and group cohesiveness enable mutual cooperation and business resilience. Figure 6 illustrates the framework on *ta'awun*-based social capital and business resilience for small businesses.

Figure 6: The framework on *ta'awun*-based social capital and business resilience for small businesses



### Methodology

The study used qualitative method through personal interview with managers of small businesses in Klang Valley, Malaysia. Personal interview allows the researchers to elicit managers' own values (Bourne & Jenkis, 2005) that can be done through questionnaire. In addition, this personal interview allows for rich data (Schultze & Avital, 2011) that includes telephone interview (Carr & Worth, 2001). The rich findings of the interview would be more narrative (Fraser, 2004).

The use of qualitative allows researchers to get rich data (Birkinshaw, Brannen, & Tung, 2011) and to probe deeply into the process of organizations (Yeung, 1995). Personal interview with small business managers and owners allow researchers to understand the social interactions, networking, and dynamism of the small business world (Bygrave, 1989). Due to small size yet facing the dynamism, their developed unique behaviour and thinking along with the small business and socialisation that they belong to (Bryman, 1988; Bygrave, 1989; Grill & Johnson, 1991).

### Findings

This section reports the findings of personal interview with managers of 10 small businesses that have collaboration with the society to solicit their feedback on the practice of *ta'awun*-based social capital to sustain business performance and business resilience. In terms of small businesses classification under SME Corporation and Malaysian Standard Industrial Classification (MSIC) 2008 codes, there are six (6) small businesses under services category (SB services) and four (4) small businesses under manufacturing category (SB manufacturing). Three of the small manufacturing businesses are in food industry and only one in printing industry. As for services category, the types of business are ranging from financial planning, furniture, herbal, books, to retailing. Table 1 summarizes the informants' background.

Table 1: Summary of informants' background

Code	Type of business	Location	MSIC Category	Respondents' position
S1	Financial planning	Sri Gombak	SB services	Principal
S2	Frozen food	Rawang	SB manufacturing	Operations Manager
S3	Fast food	Shah Alam	SB manufacturing	Marketing Manager
S4	Furniture	Setapak	SB services	Branch Manager
S5	Laundry	Batu Caves	SB services	Owner
S6	Herbal products	Petaling Jaya	SB services	Manager
S7	Processed meat	Ampang	SB manufacturing	Owner
S8	Books	Setapak	SB services	General Manager
S9	Printing	Sentul	SB manufacturing	Manager
S10	Retail	Chow Kit	SB services	Manager

The study asked a few open-ended questions, namely:

- a) How do you establish cooperation with other businesses?
- b) What are the steps that you used in establishing networking and mutual cooperation?
- c) What are the factors contribute to your dynamism and competitiveness?
- d) How do you build group binding within organizations?



According to S1, the cooperation was established through formal and informal interactions, whether with customers, suppliers, and chieftains of the market. S1 argued:

*We regarded everyone as our partners, supporters, and patrons. Everyone contributes to our business. Our employees devoted their effort and time to get our business performed. Our suppliers are in the same situation too. We gave our care and concerns to them and they gave us in reciprocal. For us, how we did our cooperation and how we maintain our cooperation with our own internal people and outside is that we respect their views and we honour our pact. Things might change over time and over seasons, but our pact are not unilateral. That's our key success factor.*

The feedback from S1 seems to apply the traditional collaboration method. For S7, the traditional method can be continued, but we some contemporary ways. S7 said:

*The old and the new methods are equally important. The old is outdated because the customers are the younger generation. How we started our collaboration and how we ended our collaboration must be done in the most respected way. No unilateral decision and action. Everyone must honour the pact. If the need to revise the pact, then it is*

S8 counter argued that every business is granted a freedom to engage or disengage. S8 mentioned:

*In the open market, everyone is free to enter and leave the market. To me, that's the liberalization in the market. However, the so called liberalization is not understood by the people.*

However S2 had a different view about how to establish cooperation, maintain and sustain it. For S2, everyone can be friends, and friends also can turn to be foes. S2 made a point:

*In business, everything is dynamic and everyone is potential to be partners and competitors. Even our own employees can be our competitors if they decided to compete with us in the future. We always thought friendship will last longer. But, in reality, friendship without social interactions, will turn friends into enemies.*

S3 argued that the establishment of cooperation with other businesses is done based on mutual benefit and agreement between two or more parties. A contract binds the cooperation. Nevertheless, the parties in the agreement need to have to conduct events that can attract more collaboration.

*There is no shortcut in business. You can have instant Maggi noodle, but not in business. Everyone is connected to you. If you spoiled one of them, the rest will be made known by the networking community. We have to build good rapport and maintain it until everyone is comfortable. By default, all of us are friends in humanity. By profession and trade, we are friends with those in the same profession and trade. A small business is very risky.*

S4 preferred a conservative way to establish cooperation, collaboration, partnership and strategic alliances. According to S4, the key factors contribute to their good mutual cooperation due to the commitment and integrity. S4 said:

*Once we established cooperation, we have to maintain and sustain it. We don't be friends with others for the sake of taking advantage on them. We are sincere to offer what we have and to get what we do not have from our partners. The spirit of give and take, tolerance and understanding is very important. In fact, we took many years to get to know our partners just to be prudent and comfortable. We took the advice of our friends that to get committed friends, we have to be committed.*

S9 made a point that there must proper discipline, rites and rituals to sustain business and to achieve good performance. S9 mentioned:

*A business can't accept sub-standard work because that's mean they are not serious in the business. We have to follow our standards, guidelines and procedures. If our products are bad, people will remember this bad thing more than the good things we did to our society. We can't ignore even a small mistake because it means dollars and cents.*

For S10, the nature of small business due to small capital, small funding, and lack of competent employees makes the company less dynamic. S10 said:

*We know we are small and weak, but we got friends among the big and strong friends. That's the law of survival. We did by ourselves just to cut cost. But, it can be inefficient. When we combined with a group of small businesses, we can grow big, bigger and significant.*

S5 argued that mutual cooperation with other partners is very important. Without the mutual understanding, there will be no cooperation.

*On how we established cooperation with other businesses – we did it as we need it along with our business operations. The step by step, yes, it is on gradual basis, but we started with a simple step – get to know them and nail their interest. The main factor to be dynamic and sustainable in friendship of businesses is to be honest. We did this in our company because we believe people and we trust them.*

In short, the findings suggest that the presence of *ta'awun* for social capital and business resilience of small businesses are apparent vividly in terms formal and informal interactions and sharing of knowledge and experience through social capital (S1, S2, S5, S7). Nevertheless, majority of the respondents are still comfortable with traditional methods (S2, S3, S4, S6, S8, S9, and S10).

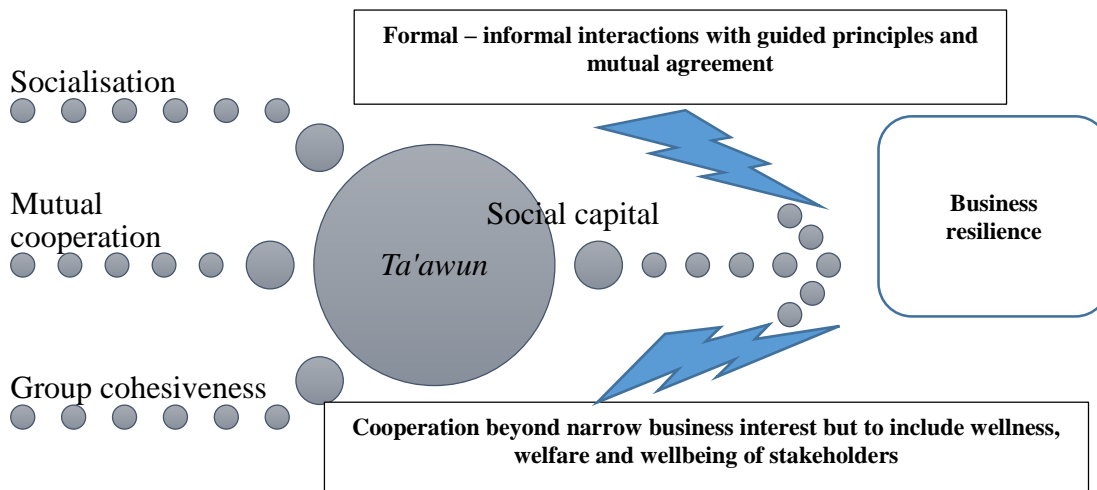
## Discussion

Small businesses are naturally collaborating with the stakeholders for survival and growth in business. They established collaboration among them as a mean to get protection from being oppressed by the big players in the market. The owners personally took initiative to make sure the business is survived (Van Praag, 2003; Hanks & McCarrey, 2015). According to the informants (S2, S3, S4, S6, S8, S9, and S10), they preferred the traditional methods instead of contemporary method. In other words, the business owners or entrepreneurs started the initiative. Nevertheless, among the contemporary business owners still accepted the traditional method (S1 and S5), but they would like for contemporary and traditional to be combined for synergy and better performance.

Indeed, the business owners made sound investment in human talent and social capital to sustain the business and also competitive advantage (Bosma, Van Praag, Thurik and De Wit, 2004; Ghezzi, Cortimiglia & Frank, 2015). The traditional methods are still capable of making sound investment through business engagement with the stakeholders, but based on mutual cooperation and agreement. That can be extended with good experience, capability from various talents, and knowledge sharing among collaborators and stakeholders through social capital (Acs, Armington & Zhang, 2007). The proponents of traditional methods (S2, S3, S4, S6, S8, S9, and S10) convinced that the mutual cooperation between business owners and stakeholders can give better synergy and resilience to the small business world. Needless to say, the more important thing is to have good attitude (Caliendo, Fossen & Kritikos, 2010).

The presence of *Ta'awun* is not only in the formal and informal interactions, but also in sharing of knowledge and experience through social capital (S1, S2, S5, S7). Many small businesses are still pleasant and comfortable with traditional methods (S2, S3, S4, S6, S8, S9, and S10). Practically, the socialisation is executed through formal and informal interactions with various stakeholders such as employees, customers, suppliers, and captains of the industry, through traditional and contemporary methods. As for the mutual cooperation, it is achieved through the freedom granted in business engagement with many parties in the collaboration. Everyone should be treated equally important in the collaboration or *ta'awun*. The group cohesiveness is achieved through various ways of strengthening the bonding and *esprit de corp* among participants. Figure 7 illustrates the important argument contributed by the informants for the study.

Figure 7: The contribution of informants on the framework of the study



**Implications for research**

This study contributes to the contingency view of social capital and business resilience for small businesses through the theory of *ta'awun*, a principle in Islamic teaching. The *ta'awun* from the Islamic teachings is about mutual assistance in promoting goodness and preventing evil. In the business context, the mutual assistance is in the forms of collaboration, partnership and strategic alliances.

**Implications for practice**

In terms of practice, the notion of mutual cooperation, assistance and collaboration is part of corporate level strategies to gain access greater market share for survival and growth of the small business. Since the society is expecting more than business interest, which is relevant to the business shareholders, the practice of *ta'awun*, provides more opportunities to share through the spirit of love, care and concern, which is beyond the circle of business influence.

This is in line with current model on social capital to sustain business resilience for small businesses are inadequate to face the dynamism, complexities and uncertainties of the business world. When the business world is facing ethical challenges in terms of transparency, integrity and good corporate governance, the society is also hampering by weak values and idealism. As a contingency view, *ta'awun* (mutual assistance) that derived from Islamic teachings that based on divine sources, the Qur'an and the hadith, offers spiritual and emotional strengths.



### Limitations of the study

This study is done through qualitative method, with the intention to understand the context of *ta'awun* in relations to social capital and business resilience of small businesses. Thus, the results of the study are unable to be generalized as majority of studies in small business research that tends to use positivism approach and to generalise the results for the sake of theory and practice. Nevertheless, case study method with positivism approach is capable of blending the quantitative and qualitative findings into more robust, conclusive and generalizable insights.

### Recommendation

The study recommends researchers in small businesses to use qualitative method as a mean to get more insights and rich data about the reality faced by small business operators. Each business is unique and can be explained by the business owners who went through the uniqueness of the business process and experience. The concept of *ta'awun* that practiced in micro-financing can be extended into social capital in terms of experience, knowledge and wisdom sharing among small business owners as a mean to give resilience to the businesses.

### Future research

The future research should operationalise the concept of *ta'awun* in relations to social capital, business resilience and small businesses. The case study method allows various methods to be employed. The findings would be more meaningful for the research in small business and also the policy and practice of small business as the third engine of economic growth of many first world nations.

### Conclusion

This study managed to show the influence of *ta'awun*-based social capital in business resiliency of small businesses through the concept of *ta'awun*. This concept is powerful as it uses universal solidarity (*ukhuwwah*) through mutual assistance among stakeholders in providing both financial and non-financial capital in building business resilience for sustainable performance. This model provides contingency perspectives into the current business models with stakeholders' social capital.

The findings suggest that the presence of *ta'awun* for social capital and business resilience of small businesses are apparent vividly in terms formal and informal interactions and sharing of knowledge and experience through social capital. Thus, the respondents contended that the *ta'awun* practice is on identified project or business that can bring mutual benefit to the business sectors, third sectors and the society. Indeed, the respondents argued that the inherited competitive nature of the business reduces for the *ta'awun*-based practices.

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