# The Business Leadership and Managerial Strategies of Successful Barber Salons in Indiana

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**ABSTRACT**

Many small businesses in the United States, including barber salons face challenges in succeeding during the initial years of business formation and establishment. The factors responsible for the low survival rate of salons may include factors such as the limited training and education levels mandated by state certification requirements. The purpose of this multiple case study was to identify business strategies that successful barber salon owners use to overcome the business management and staffing challenges associated with a small pool of skilled barbers and the high turnover in a low wage profession. The theory of transformational leadership served as the foundation of the conceptual framework. The data collection included interviews of 3 successful barber salon owners who met the study participation eligibility criteria of licensed, registered, operating a salon business in the Indiana region for more than 5 years, and over the minimum age of 25 years. The principal themes emerging from the interview data analysis were salon leadership and managerial strategies. The data analysis also involved the triangulation of the primary research data against secondary data from the Small Business Administration and barbering industry reports. The expertise and knowledge shared by the interviewees could serve the quest of barber salon businesses in the Indiana region to overcome the profitability and financial sustainability challenges of this industry. The study findings may potentially contribute to positive social change by improving the economic standing and welfare of barber salon owners and professionals in the community.

## Introduction

### Barbering Industry Background in the United States

The Small Business Administration (SBA, 2014) in the United States (U.S.) has indicated that the small business segment of domestic economy is growing rapidly. The Bureau of Labor and Statistics ([BLS], 2018) also projected an increase of 13% in employment in the barbering industry from 2016 to 2026. Burnes, Devasagayam, and Clendenen (2016) had, meanwhile, projected earlier a precipitous post-2015 decline of 50% in salon sales, indicative of the state of the barbering industry. The mandatory requirements to become a licensed barber vary from state to state within the United States. The minimum age of 16 years old, a high school diploma, or equivalent, and graduation from a state-licensed school of barber or cosmetology, however, appear consistent requirements across all geographies (BLS, 2018). The SBA (2016a) has defined a small business as a private and independently managed firm with less than 500 employees.

### The Evolution of the Barbering Industry

Barbershop quartets and other combinations of groups of singers *a capella*, notably in yesteryear, are legendary and the music harmonies and stylistics contributed to the evolution of contemporary music. Decades ago, the term barbershop reflected the art of singing in real harmony in the socio-musical context of the United States (Dohl, 2014). Dohl noted that many traditions derive their origins from the social camaraderie of barbershops of yester years. Mills (2014) held a different view of the definition of barbershops.

Mills indicated that the history of barbershops began with slavery in America. With slavery, African-Americans served as barbers for personal appearance services and grooming, specifically for cutting hair and trimming, or shaving beards. Richter and De Coninck (2015) observed that with poverty, needy individuals succumbed to the domination of the affluent and others. Mills declared that after the Civil fight of 1875 in America, African-Americans benefited with equal rights. African-Americans gathered in a single space by races, religious to discuss political, economic issues of a local community to avoid repressions from white peers. Wilson et al. (2014) argued that barbers and barbershops represent a profound connection with the local community.

Arguably, the evolution of the industry can be traced to the early days of slavery, which thereafter led to economic opportunities for enterprising African-Americans who took up this profession (Bawany et al., 2014). The profession in the twenty first century is viable and profitable, as may be evident from the many successful barber salons and franchises in the United States. As in the twentieth century, laboring white patrons became unpopular, the concept of barbershop drastically changed. The establishment of immigrants Italians and Germans barbers helped professionalize the barbering function through the setting of competition, renewal of its process, unionization, and regulations (Mills, 2014). Barbershops became a neighborhood place where only African-Americans (Wilson et al., 2014) operated exclusively for non-African-American patrons (Mills, 2014).

African-Americans have generally viewed barber jobs as a considerable life balance experience to improve social and living conditions (Richter & De Coninck, 2015). Modern barbershops rose as commercial entities with African-Americans entrepreneurs (Mills, 2014), which the SBA (2016a) defined as small businesses.

## The Business and Economics Side of Barber Salons

Across the United States, the industry of the grooming businesses has developed vertiginously with 56,400 jobs created in 2016. The projected employment growth rate of 13% implies the increase in barbering profession by 64,000 in 2026 (BLS, 2018). The barbering industry evolution has led to the setting of the identification code of 821111 by the North American Industry Classification System (NAICS), and 39-5011 by the BLS (BLS, 2018; Hall & Pokharel, 2016). Barbering business owners generally hire at least two employees (Bawany et al., 2014). Barbers receive a median wage of $12.38 per hour, and an average annual salary of $24,300 in May 2016 for the entire personal appearance services profession (BLS, 2018). The barbering salary, however, varies from one state to another; high-quality services may generate great tips from satisfied customers (BLS, 2018). In Colorado, the hourly pay in May 2016 was $16.54, with an annual remuneration of $34,390 (BLS, 2018). Considering regulation and payment factors, Clark and Douglas (2014) argued that there is a rise in small business growth in America, precisely in the segment (Mills, 2014) of barbering services. The barbering industry is an important thread in the fabric of American society and warranted study for uncovering of business strategies, which will perhaps aid to preserve this unique art form.

## Statement of the Problem

Excessive government regulations and problems associated with occupational licensing affect nearly 30% of U.S. small businesses and workers (Thornton & Timmons, 2015). Industries classified as low education and income, such as hair workers, consequently face diminished job creation and growth (Thornton & Timmons, 2015), which negatively affects the supply of licensed barbers (Hall & Pokharel, 2016). The general business problem is that the paucity of competent and skilled barbers limits the running of salon operations successfully and in achieving financial sustainability. The specific business problem is that some barber salons owners lack strategies to increase profitability and financial sustainability beyond the first 5 years from business registration, inception and establishment.

## Purpose of the Study

The purpose of this qualitative multiple case study was to explore the business management and leadership strategies that some successful barber salon owners use to increase profitability and financial sustainability beyond the first 5 years from business establishment. From the population comprising 69 active barber salons in Indianapolis, Indiana (Indiana Government, 2018a), a purposeful selection of three successful owners who have, in 5 consecutive years, recorded stable profits constituted the case and study sample. Amaeshi et al. (2016) noted that small business growth yields positive social change for communities. The findings and knowledge from the study could contribute to the progress in economic and social welfare of the barbering professionals, employees, and customers in the Indiana region. Barbers fulfill an important social service in catering to the improvement in physical appearance of customers through barbering services offered to customers.

## Research Question

The principal research question for the study was: What strategies do successful barber salon owners use to increase profitability and financial sustainability beyond 5 years from business establishment?

## Interview Questions

The following interview questions aided in data collection:
1. What leadership strategies serve you in running your barber salon efficiently?
2. What business strategies do you use to ensure retention of customers for your barber salon?
3. How would you describe your communication strategies with licensed barbers working in the establishment?
4. What monetary or other incentives do you use to motivate employees to achieve results?

## Conceptual Framework

The transformational leadership theory (Burns, 1978) underpinned this research and served as its conceptual framework. Burns introduced the theory of transformational leadership in 1978, which Bass and Avolio (1993) developed by framing the fundamental 4 I's, denoted as dimensions of idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (p. 112). Transformational leadership theory appeared suitable to underlie the study since it aligned with the objectives of the study of management and leadership strategies in barber salons. Martin (2015) acknowledged that in the marketplace, fostering a climate of innovation and managing change require leaders to stimulate followers intellectually and adequately to accomplish the goals of adaptability and sustainability. Gyanchandani (2016) added that knowledge is crucial to overcome the dynamic change of the organizational environment and guarantee the effective management of businesses, which transformational leaders typically exhibit by stimulating workers intellectually.

Gyanchandani (2016) argued that transformational leaders fulfill business missions by combining all these traits in a coherent way to challenge, develop follower skills, and increase team performances. Transformational leaders often display empathy and emotional communication with followers and subordinates (Gupta & Mathew, 2015), a skill needed in developing employees' efficiency and ensuring the profitability and financial sustainability of barber salon businesses. The theory of transformational leadership could serve as a valuable lens for understanding successful business management leadership strategies some barber salon owners implement to increase profitability and growth of business operations.

## A Critical Review of the Literature

Small and medium enterprises (SMEs) play crucial roles in the national economic performance but also for its development (Gupta, Wilson, Gregoriou, & Healy, 2014). In Sweden, nearly 98% of small businesses are private while employing 32% of the Swedish workforce (Larsson, Gunnarsson, Schill, & Josephson, 2014). The potential contributions to the national economy notwithstanding, some small enterprises struggle to survive because of the pressure in the local and global marketplaces (Krajnakova, Navikaite, & Navickas, 2015). A study conducted in Israel indicated, that when firms provide poor quality of products and services, it usually leads to many dissatisfied customers (Sharabi, 2014) and the business fallout of some significance is an expected outcome. Some researchers have attributed customer dissatisfaction as reasons for the inefficiencies of

small businesses (Kislali & Tastan Boz, 2015). Identifying such causes is relevant to understanding and improving the internal and external business environment (Iqbal, Long, Fei, & Bukhari, 2015).

## Relevant Theories and Concepts

The theory of transformational leadership (Burns, 1978) was the conceptual framework for this study. The transformational leadership theory was a potentially useful lens for analyzing and understanding the strategies barber salon owners implement to increase employee skills, in meeting customer expectations, which can ultimately influence profit and business success. Ghasabeh, Soosay, and Reaiche (2015) opined that transformational leaders achieve missions with efficacy by having a vision, innovating, training, and fostering cohesion and support among teams to assure business survivability.

## The cconcept of leadership

Leadership refers to a person's capacity for influencing others to get the most out of them to achieve benefits for the entire community (Jaramillo, Bande, & Varela, 2015). The concept of leadership involves the recognition of an individual called a leader who should have followers to be in a leadership position (Thomas & Rowland, 2014). Leadership is a higher level of status, entrusted to accomplish activities within a group of human beings, not as a single operative (Landis, Hill, & Harvey, 2014; Thomas & Rowland, 2014). The notion of cohesiveness often spurs and galvanizes higher performance. Jaramillo et al. (2015) argued that leadership is a process involving interacting with others by displaying ethical behaviors, elegance, and attention to guide followers to serve the common goal of the society (Jaramillo et al., 2015; Thomas & Rowland, 2014).

Landis et al. (2014) reported that leadership is an essential constituent of organizational success and involves the practice of styles based on situations, traits, and goals. Meuser et al. (2016) emphasized that the concept of leadership evolves and encompasses a wide range of theories, such as servant, charismatic, strategic, transactional, and transformational to achieve growth and profitability of businesses. The leadership concept has evolved (Meuser et al., 2016) to include theories like emergent, visionary, leader-member exchange, pragmatic, situational, and ethical (Bedi, Alpaslan, & Green, 2016; Pundt & Herrmann, 2015; Styhre, 2016; Thompson & Glaso, 2014; Will, 2016).

## Significance of the Ttheory of transformational leadership to Small Businesses

In business organizations management, leaders mainly expect to play crucial roles, which include inculcating ethical values at all levels within the firm, and must lead by example (Hood, Jacobson, & Van Buren III, 2014). Leadership behaviors may reflect individual traits, as well as the propensity to collaborate within organizational settings (Xenikou, 2014), which transformational leaders often exemplify. Transformational leadership, as defined by Nging (2015), is a process in which a visionary leader inspires followers to achieve more significant results than may be otherwise possible. Lee, Chen, and Lee (2014) argued that running a business activity with deft leadership styles positively influences employee outcomes.

Nging (2015) emphasized while citing transformational leadership principles that leaders manipulate worker performances by increasing employee sense of significance, valuing contributions, and inspiring the workforce, leading to the achievement of higher results, which benefit the entire enterprise and community. Hood et al. (2014) stressed that going beyond the expected performances calls for employee engagement, and transformational leaders are critical agents in engaging the workforce to accomplish organizational objectives. Balwant (2016) posited that the practice of transformational leadership principles has limits within organizations. Pradhan and Pradhan (2015) observed that transformational leaders achieve organizational missions by challenging and engaging followers to display extra-role behaviors to meet and exceed expectations. These extra-roles behaviors include voluntary assistance or help to peers who fall behind in accomplishing tasks in the defined time. Balwant (2016) argued that organizational settings dictate transformational leader behaviors to fit the business context entirely. Boer, Deinert, Homan, and Voelpel (2016) noted that as firm representatives, transformational leaders develop leader-follower relationships to foster a culture of organizational commitment, which can influence job satisfaction negatively and only indirectly.

Pradhan and Pradhan (2015) added that transformational leaders urge followers to achieve organizational objectives rather than employee individualistic ones. Boer et al. (2016) observed that transformational leaders develop high-quality and reciprocal relationships with employees to manipulate job performances positively. If the leader-follower relationship quality is low, the impacts should significantly reflect on work outcomes. Pradhan and Pradhan believed that transformational leaders may sometimes create mundane activities to curb employee commitment to the accomplishment of company goals.

The successful management of any firm requires the articulation of a vision and mission (Quintana, Sangwon, & Cabrera, 2015). The concept of vision as defined by Carton, Murphy, and Clark (2015) is verbal and dreaming speech about a future. Hood et al. (2014), however, portrayed vision as the setting of idealized goals and objectives for reaching the desired future as often sought by some transformational business leaders. Emphasizing Hood et al.'s perception regarding vision, Waddock, and Steckler (2016) argued that conceptualizing a vision also aids in the identification of market, or social needs, and leads to uncovering of opportunities in the business environment. Vision, as defined by Reid, Roberts, and Moore (2014), is the mental image of a firm that derives critical organizational conditions such as competitiveness, technological and financial development to impact its success. Reid et al. stressed that although vision applies to business management, it has a broad connotation and facets. Reid et al. added that as a more general concept, the vision includes technology vision, project vision, product vision, organizational vision, and market vision. The previously mentioned diverse types of visions can produce a technology vision, which can help business leaders to pursue radical innovation, as the pathway to higher organizational performance.

Pradhan and Pradhan (2015) observed that vision is an appealing image that requires leadership to engage employees in challenging and transforming firms into an expressive and social unit. Lavetelli (2016), however, rejected vision as just an appealing image, and instead defined it as uncertainty about a system future, and its achievement needs engagement from all business members. The involvement of worker demands the enunciation and communication of vision on behalf of leaders (Carton, Murphy, & Clark, 2015) to show direction and guide employees towards the accomplishment

of the enterprise's future goals. Lavetelli noted that leader and employee must exhibit similar behaviors to achieve the vision or overcome uncertainty in business. Carton et al. (2015) clarified that vision setting and communication establishes a sense of shared purpose within the organizational workforce to alleviating uncertainty.

Carton et al. (2015) suggested transparency, role modeling, and trust building by leaders in having a clear and written vision, which must be available, applicable, and observable by all employees to avoid confusing organizational members. A clear vision, when shared at all levels within the organization; often helps create the necessary cohesiveness among the workforce to ensure reaching the mission efficiently. Mackie (2014) discussed that the prediction of positive results for firms requires a well-designed architecture, employee training, coaching, support by leaders, ensuring alignment to a vision, in sustaining activities. The different views on leadership and in communicating and articulating vision have relevance to a barber business, as may be the glue that holds employees together, provided there are financial incentives associated with business development.

### Characteristics of transformational leadership

Balwant (2016) argued that business organizations are a social system where individuals with diverse skills, experiences, and knowledge interplay to define and achieve common goals. The efficient achievement of a company's goals and objectives drives the desire of working with power, or authority, and leadership. Khalili (2016) viewed the concept of leadership as a process through which a leader influences group members and followers intentionally, to reach a desired or higher performance for an organization. Long, Yong, and Chuen (2016) recommended that leaders embrace a proper leadership style to obtain desired results. Transformational leadership, as a theory of leadership, and as defined by Balwant, referred to an interactive system in which leaders develop four diverse and complementary characters; precisely charisma, inspirational motivation, individualized consideration, and intellectual stimulation, to accomplish goals efficiently.

The view of Long et al. are perhaps similar to Balwant (2016) in arguing that through leaders' enthusiasm and optimism, followers receive inspiration and look at goals as challenges, commit to work and perform beyond expectations. Long et al. added that to achieve results transformational leaders use inspirational motivation as an idealized influence to directly or indirectly inspire followers to accept and invest in vital mission and goal accomplishment while sacrificing individual interests to reach organization's as high and top priorities. Cheng et al. (2015) considered intellectual stimulation as the last and fourth characters of transformational leadership. Intellectual stimulation refers to leaders' encouragement of employees for being innovative in challenging and solving problems creatively. The economic fortunes of barber salons may hinge therefore on the owner or manager of a salon using intrinsic, or acquired and adaptive transformative leadership acumen to spur employees to going beyond the call or merely providing a service, to striving for excellence in customer relationships and finesse in the craft of barbering.

### Research Method and Design
### Research Method

A researcher may choose the qualitative approach from among the three principal alternatives: qualitative, quantitative, and mixed method (Barnham, 2015; Park & Park, 2016). The conduct of a qualitative approach engenders accurate results by helping researchers learn from the dynamics and the changing nature of the researched phenomenon at a given time (Park & Park, 2016). The use of semi-structured questions is useful to seek and reach objectivity in addressing the central research question but through the views of interviewees (Barnham, 2015). As the aim was on exploring the business strategic imperatives from the views and perspectives of successful barber salon owners and managers, qualitative research was deemed appropriate, rather than a number intensive quantitative study.

### Research Design

Careful deliberation led to the selection of an exploratory multiple case study, as a suitable design for this research. The multiple case study design requires researchers to complete two or more different studies under the construct of one, for discovering detailed and rich insights about the explored phenomenon (Ogden & Edwards, 2016). Using a multiple case study design, researchers may exploit different small case studies sequentially to undertake a reliable study (Singh, 2015). For this study, the emphasis was on acquiring deep meaningful insights from the expertise and the real-world experiences of barber salon owners and managers who were the study participants. The focus was also on achieving data saturation, which entailed controlling the depth of the interviewee sample and finding repetition in the gathered data throughout the interview, as recommended by several researchers (Park & Park, 2016), an approach implemented in the interviewing of successful barber salon owners in Indianapolis. The replication of participant views during the data collection process has implications in the context of data saturation (Ogden & Edwards, 2016), which often represents the stage, where further interviews do not yield new information pertinent to the research question and phenomenon. Ogden and Edwards stressed that investigators often also achieve data saturation by triangulating information from various authentic and credible secondary data sources. Ogden and Edwards emphasized that the contrast of different perspectives helps to clarify meanings, which was a goal for this study as well.

### Population and Purposive Sampling Rationale

Duan, Bhaumik, Palinkas, and Hoagwood (2015) argued that purposeful sampling is an efficient and standard approach to qualitative multiple case research. Duan et al. (2015) urged researchers to use purposeful sampling to ensure exploiting most proficient and available resources under budget constraints. Lauritsen and Perks (2015) stated that before choosing any respondent, researchers should assure targeted participants meet the criteria of eligibility. Shafi, Baloch, Memon, Fatima, and Shafi (2016) recommended that researchers base on the goals and objectives of the study to establish proper interview questions, and screen participants to meet the eligibility criteria, from the identified population. Park and Park (2016) advised that researchers should collect information within the natural context of the study to gain more meaningful data.

The success of a study depends on the crucial responsibility of researchers who show rigor in selecting a sample size to fulfill the achievement of the research objectives (Kim, Giacomin, & Macredie, 2014). The sample from the population, as well as its size, can also be subject to a reduction in number, to provide researchers with

information rich sources (Linder, Samawi, Yu, Chatterjee, Huang, & Vogel, 2015) to meet the objectives of the research.

Kim, Giacomin, and Macredie (2014) emphasized the need for holistic and comprehensive data, possible by selecting and interviewing participants steeped in knowledge and expertise pertinent to the phenomenon. These researchers also advocated that the need to interview participants to the point of data saturation, which usually occurs when researchers after conducting depth interviews with participants are unable to acquire any other new insights from additional interviews and interviewees. Kim et al. (2014) counseled that the saturation of data involves selecting participants who are relevant to the study, precisely those having most practical knowledge in the subject area. The quest for data saturation was met in this study, as from the population of barber salon owners and managers in the Indianapolis region of the United States, a purposive sample of three grooming business owners constituted the number of participants recruited for this study. The research involved multiple rounds of interviews with the knowledge and successful barber salon entrepreneurs who were selected based on a proven track record of achievement in running and managing businesses for an extended period of time.

### Data Collection

Singh (2015) identified a researcher as an essential means for data collection instruments in a qualitative study, which was true in this study as well. Singh also observed also that semi-structured questions guide researchers in collecting pragmatic data and generating appropriate conclusions. Dasgupta (2015) argued that various aspects of an organization could fall under the scope of a study when researchers desire to obtain a holistic view of management.

De Ávila and Bertero (2015) posited that data collection instruments include relevant questions to the researched phenomenon for collecting considerable information from interviewees. Dasgupta (2015) encouraged researchers to use quality instruments for data collection, needed information from all participants. Ogden and Edwards (2015) stressed that the review of transcription, triangulation, patterns recognition and observations are pertinent strategic aspects for assuring the purpose of the validity of the qualitative analysis. The interview guide for this research was carefully developed using a panel of experts, reviewing an expansive body of business and management literature, and by us comprehensively studying the barber salon industry.

### Data Organization Measures

Date (2016) advocated that researchers could transfer large data sets to cloud storage at low costs for the preservation of integrity and security. Consistent with the view of Deakins, North, and Bensemann (2015), organizing the data for this study facilitated identifying themes that emerged and analysis through the review of interviews transcripts and other reports and documents. Glowacki-Dudka and Griswold (2016) observed that researchers achieve consistency and trustworthiness through the discussion and review of all gathered data. Designating codes, such as SP1, SP2, and SP3 aided in identifying and differentiating the three participants, while representing a measure to assure participant confidentiality. Data for this study are maintained by us in a database with a protected password to ensure confidentiality and protect the identity of participants.

### Data Analysis

Johnson (2015a) viewed methodological triangulation as the utilization of a mix of methods with the purpose of gathering and contrasting insights from diverse sources to enhance the reliability of the study findings. Methodological triangulation is an approach considered important in achieving comprehensive and holistic analysis, rather than merely relying on data generated from the interviews conducted, and hence was adopted in this study as well.

Johnson asserted that the triangulation of data using primary and secondary may aid researchers in comprehensively seeking deeper knowledge pertaining to exploring and understanding the phenomenon. The information gathered from secondary sources, namely company reports, policies, institutional videos, and other documents could reveal considerable knowledge about respondents (De Oliveira Menezes & Da Cunha, 2016), which we found true in this study. Using data triangulation, researchers endeavor to increase the reliability by revealing dissimilarities and resemblances of the research results within different respondent replies to the same questions from interviews (Singh, 2015). The member-checking, as Johnson conceptualized it, forces researchers to seek confirmation and conformity of accuracy and interpretation from the perspectives of participants and was observed in this study as well.

Singh (2015) stressed that with the identification of various and salient themes, researchers could structure evidence to address the research objectives holistically but with full explanations. The qualitative data analysis software NVivo, widely used by researchers (De Oliveira Menezes & Da Cunha, 2016; Johnson, 2015b), facilitated handling and analyzing the qualitative data from the analysis of transcripts of the interview recordings. The potential participant insights in tandem also aided in relating the findings to the theory of transformational leadership postulated by Burns (1978), in exploring the business management leadership strategies of successful barber salon owners.

### Reliability and Validity in a Qualitative Context

Reliability in qualitative studies refers to the achievement of objectivity in collecting verifiable insights and findings (Erg & Pelger, 2015). For qualitative studies, the analogue of reliability for quantitative studies, is dependability. In both qualitative and quantitative research studies, assuring the reliability/dependability and validity of findings requires demonstrating or enabling others to determine the external validity of the study or transferability (Garside, 2015). Erg and Pelger argued that verifiable, objective insights assure the dependability in addressing the central research question. Garside noted that researchers can report justifiable and dependable results through using audit trails. Garside insisted that describing and using audit trails buttresses the reliability and adequacy of the research study.

Researchers need to demonstrate clear and objective efforts to ensure quality, truthfulness, and confidence of research study findings to increase credibility (Hajli, Sims, Featherman, & Love, 2015). In a qualitative research study, credibility replaces the quantitative criterion estimators of internal validity, and transferability in enabling other determinations of the relevance of the study findings to different settings (Garside, 2014). Demonstrating the validity of qualitative research requires the researcher to minimize personal bias and subjectivity in analyzing and reporting study findings, with neutrality and without personal feelings (Teusner, 2016).

To ensure the credibility for a study, we used methodological and data triangulation, continuous

engagement, member-checking, relatable observations, and peer debriefing, as suggested by Garside (2014) and others. Teusner (2016) argued that the control of bias and subjectivity require trusting relationships building between researchers and interviewees to remove possible barriers and reduce any potential threat to validity. Using data and methodological triangulation facilitates assuring the credibility of qualitative research studies (Garside, 2014).

**Presentation of the Findings**

Semi-structured interviews served in exploring the business leadership and managerial strategies favored by successful barber salon owners. The aim was to understand the strategies of successful barber salon owners and managers to increase profitability and financial sustainability and succeeding beyond the first 5 years from business establishment, when many small enterprises are susceptible to failure. The central research question that guided the study was: What strategies do successful barber salon owners use to increase profitability and financial sustainability beyond 5 years from business establishment? The data collection process included interviews of three established successful barber salon business owners. The participants in the semi-structured interviews held diverse and specific knowledge, experiences, and approaches in implementing business leadership and managerial strategies, with the aim of ensuring successful and economically viable operations. The interviews were first digitally recorded, then transcribed, and finally analyzed using a process of data reduction and constant comparison. The data analysis led to the identification of important themes, imperatives, and strategies that the interviewed and successful barber salon owners have used to increase profitability and financial sustainability beyond the first 5 years from business establishment.

The open-ended questions format provided participants an opportunity to recall, express, and share different insights, knowledge, practices, and experiences in the domain of operating barber salon business in the United States, particularly in the Indiana region. All participants met the study eligibility criteria of (a) over 25 years of age, (b) running a successful business for more than 5 years since business formation, and (c) established and registered with the Indiana PLA. The detailed description of the data analysis is also supported by figures and tables below, and portray the essential findings and results of this study.

**Theme 1: Salon Leadership and Managerial Strategies**

Theme 1 emerged from the analysis of participant responses to questions 1, 2, 3, and 4 where participants were asked to express opinions about leadership, business and communication strategies implemented to operate salon daily activities, incentives used to motivate employees, ensure customer retention, and achieve business profits as outcomes and results. The essential emergent word components revealed by the participant responses were strongly relevant to servant leadership, co-partners, no specific leadership strategy, boss, leaders, and co-workers. Table 1 reflects the

different leadership strategies developed by salon owners, based on the type of salon operating structure embraced. The word cloud generated by the NVivo 12 software showed the business management strategies developed by salon owners regarding an operating model. The emergent themes directly related to business, salon, barber shop, strategies, customers, and derived from questions 1, 2, 3, and 4 where participants expressed opinions about leadership, business and communication strategies embraced in running the barber salon, monetary or other incentives used to challenge employees, ensure customer retention, and to achieve results.



**Figure 1.Thematic derivation from participant responses to Interview Questions 1, 2, 3, and 4.**

In the barbering industry, participants developed diverse strategies based on the favored management and operating structure of the salon, evolved and currently in place to seem suitable to generate business growth and profits. C2SP1noted, "We do not implement a specific leadership strategy," which C2SP3 emphasized, stating that "As a salon owner, I consider contracted barbers as co-partners." C3SP3 insisted also that "I look at my contracted barbers as business owners." These two participants use self-motivation and charge booking fees per contracted barber who run their salon shop, as strategies to increase profitability and financial sustainability. C3SP3 mentioned, "I charge $85 and $65 respectively to contracted barbers who open four and three days per week." The BLS (2018) indicated that barbers who are self-employed, often schedule flexible working hours.

**Table 1. Salon Leadership and Managerial Strategies (Interview Questions: 1,2, 3; 4)**

| Salon Leadership Strategies | Salon Management Strategies | | | | | |
|---|---|---|---|---|---|---|
| | Business Factors | | | | | |
| | Employees | Motivation | Communication | Price | Opening Hours | Key Challenges |
| Co-ownership & spot booking | Contractors & co-partners | Self-motivation | Religion, family members to get along with | Standard price menu & customized pricing policy | Standard hours for all Flexible & individual hours | Lateness from contracted barbers |
| Servant leadership | Hired and employees | Bonuses & paychecks | One-o-one & meetings | Standard and unique pricing policy | Standard hours for all | Lateness from hired employees |

Note. Table designed based on perspectives gathered from participants in the study to reveal salon leadership and managerial strategies.

## Table 2. Salon Leadership and Managerial Strategies (interview Questions: 1, 2, 3; 4).

| Salon Operating Structures | Strategies for Customer Retention and Profitability | | | Interpretation & Analysis |
|---|---|---|---|---|
| | Licensed Barbers | Customers | Profitability | |
| Barber shop | C3SP3: "I make sure the contracted barbers follow the standard pricing policy set in the shop." | C1SP1: "The customer base grows at least from 50 clients at establishment to 200 weekly then to 800 in a month." C3SP3: "I always offer great service to guarantee retaining customers…I cut hair for entire family members from grand-daddy to grand-son." | C2SP3: "The standard price of $25.00 was essential in having grown a customer base of 250 clients." | An analysis of participant responses revealed that they measure profitability of barber shop in terms of the growth of customer base. |
| Barber salon business | C2SP2: "I am the business owner and the boss…. I coach my 20 employed barbers through one-o-one communication or meetings." C2SP2: "I take care of my employees by giving them what they want and nobody wants to leave here." | C2SP2: "It does not take long to build clientele, and we are growing bigger and bigger, as we have at least 250 customers daily; 5,000 within a week because we open 5 days." | C2SP2: "You build the business and its profitability from there." C2SP2: "The more employed barbers I have, the more profit I can make. The best strategy is to retain employees to ensure retaining clients." | The analysis of involved participant responses revealed that salon owners retain high number of employed barbers to ensure building clientele and grow from there by increasing profits. |

Note. Table designed based on participant views, while involved in this study.

C1SP1 observed that "If barbers show up late and cannot respect the contract, I let them go." C3SP3 reinforced by saying "I make sure we all stick with the pricing policy…. and I guarantee whoever cuts the client's hair, the client will get great service." C1SP1 reasoned, "My co-partners must understand that we are uniform." The participant coaches and conducts meetings to ensure employed barbers completing missions efficiently. C2SP2 added, "I treat employees as they want to retain many as I can." This participant believes in and valuing employees to ensure customer retention. C2SP2 said, "You can build the business by retaining barbers and sustain financially from there; it is crazy!" This participant also coaches, offers bonuses to employees to assure commitment to work, but things keep happing. To achieve business success over time and through the years, C2SP2 mentioned, "My best strategy is: take great care of people, and they will take care of you."

### Study Findings Analyzed Using the Lens of Transformational Leadership

From the analysis of the interview data, the commonality of some business leadership and management strategies formulated and implemented by participants, perhaps may indicate that there are imperatives and best practices to achieve business growth and success. The conceptual framework underlying this research study was the transformational leadership theory framed by Burns (1978). Transformational leaders as portrayed by Albelha, da Costa Caneiro, and de Souza Costa Neves Cavazotte (2017) may reflect the approach and characteristics of these individuals to shape and influence organizational behaviors of the workforce towards achieving organizational goals. Using the lens of the theory of transformational leadership helped as a theoretical reference to aid in identifying the strategies successful barber salon owners used to increase profitability and sustainability beyond the first 5 years from business establishment. The findings from the data analysis helped to appraise factors related and congruent to the theory of transformational leadership. The finding in this study in many ways reflected that the traits and leadership styles of successful barber salon leaders appears mirrored in the essential qualities and traits of transformational leaders, as

postulated by Burns and evolutionary offshoots of the theory of transformational leadership.

The BLS (2018) has also projected an increase of 13% in employment in the barbering industry from 2016 to 2026. Barber salon owners strive to expand businesses, increase sales, co-partners with licensed barbers, employs and retain licensed barbers, develop customer base, generate more profits, and grow businesses. The BLS (2018) advised that licensed barbers, willing to open and manage salon businesses, would benefit by taking additional educational courses and some form of education and training in sales and marketing.

### Recommendations for Business Management of Salons

The following recommendations derived from the analysis of the themes, which emerged from the responses of participants to the 4 open-ended interview questions, may aid advance the aspirations of barber shop, barber salon business owners seeking the continuous quest to achieve business growth and sustainability. Transformational leaders are role models, and in this setting would require the business manager and owner to playing a role model of salon leader, to foster a culture of engagement and leadership to spur employees to develop business and technical skills. Church, Rotolo, Ginther, and Levine (2015) opined that it is possible to craft a single process or program to develop the talent and potential of employees. Vatankhah et al. (2017) suggested organizational managers must demonstrate the leadership to inspire and motivate employees in achieving business and productivity goals.

The recommendation is that barber salon business owners need to run salon activities routinely as a business enterprise. Barber salon leaders can perhaps examine the best practices of other industries and businesses, which have achieved success, by developing and customizing management and operating structures suitable to the business, in its operating sphere. Under this structure, leaders would be able to include different focus on marketing, communication, finances, human resources, and hire licensed barber as employees to achieve the mission and purpose of the enterprise. The efficiency in operations, is not a facet of operations in isolation, rather requires the skills to retain and acquired customers, with service quality and barbering

stylistics as key aspects of revenue generation and competition differentiation. The Internal Revenue Service (2018) has noted that small businesses, such as barber salons can choose different form of business structures best suited, from among the options of sole proprietorship, partnerships, different types of corporations, and a limited liability company. From a critical review and analysis undertaken in this study, there is no single ideal management structure. Each business must develop its management using transformative skills and leadership. In a low wage and high turnover industry, it is an important to provide employees with remuneration and even some profit sharing commensurate with the effort in delivering excellence in service and optimal value to new and existing clientele.

**Opportunities and Directions of Further Research**

The first recommendation could be to replicate this study to include barber salon owners in other states within the United States, such as Illinois, New York, Florida, California, and other states. Participants in these states may have additional insights, and the experiences may be unique and different. The second recommendation may be to replicate this research study to cover small business owners in different facets of the barbering industry, such as barber schools and cosmetology businesses and beauty schools. The third recommendation is to complete a comparative analysis using the vehicle of an exploratory research study, using servant leadership and the transformational leadership theoretical underpinnings respectively, to determine the most appropriate business management leadership strategy and characteristics to run barber salon business efficiently.

**Summary and Study Conclusions**

The purpose of this proposed qualitative multiple case study was to explore and identify the strategies that successful barber salon owners use to increase profitability and financial sustainability beyond the first 5 years from business establishment. The theory of transformational leadership underpinned the study and served as the conceptual framework for this study. The method used to collect primary data entailed using face-to-face semi-structured interviews, to record, transcribe, and analyze verbatim transcriptions through the Qualitative Research Software NVivo 12. The analysis of data resulted in the emergence of salon leadership and managerial strategies. The findings and knowledge from this research study may benefit salon business owners in the state of Indiana in finding and applying new strategies, in growing and sustaining barbering businesses.

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**Appendix B: Interview Protocol**

A- Self-introduction to each and all participants.

B- Explain the consent form; address all questions and concerns of participant(s).

C- Obtain a signed copy of consent form from participants, through e-mail and prior to the interview.

D- Tell participant and turn on recording device.

E- Follow procedure to introduce participant(s) with coded identification.

F- Begin interview by asking questions, in order from the first to the final one.

G- Follow up with additional questions if necessary.

H- End interview session and discuss member checking with participant(s).

I- Be thankful to the participant(s) for input in the study. Repeat contact numbers for further questions and concerns from participants.

J- End of the protocol.