Contributions to Management Science

Léo-Paul Dana
Nada Khachlouf
Adnane Maâlaoui
Vanessa Ratten *Editors*

Disadvantaged Minorities in Business

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Léo-Paul Dana • Nada Khachlouf •
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Editors

Disadvantaged Minorities in Business

This title was inspired by Ivan Light who coined the term "Disadvantaged Minorities" in 1979

Springer

Editors
Léo-Paul Dana
Rowe School of Business
Dalhousie University
Halifax, NS, Canada

Adnane Maâlaoui
IPAG Business School
Paris, France

Nada Khachlouf
ICD Business School
Paris, France

Vanessa Ratten
Department of Management and Marketing
La Trobe University
Melbourne, VIC, Australia

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Contents

Introduction to this Book

Ekaterina Vorobeva

Abstract The relevance of minority entrepreneurship for both academics and policy-makers has been steadily growing during the last decades; minority businesspersons proved to stimulate positive social change and promote economic prosperity. However, they still face multiple structural and social barriers to both entering the business market and further expanding their enterprises. Presenting case studies from all over the world, the collected chapters of the current book aim at making a contribution into the debates on constraints to business activities of disadvantaged social groups and, in the longer run, into creation of a more inclusive business environment.

In recent years, the number of minority entrepreneurs, namely, self-employed women, immigrants, youth, people with disabilities, and other non-dominant social groups have been on the rise globally. For example, in the US over the last 10 years, minority-owned businesses accounted for more than 50% of all newly established enterprises (US Senate Committee on New Business & Entrepreneurship, n.d.). Moreover, according to the Minority Business Summary for Nonemployer Businesses, between 2014 and 2017, American minority enterprises without employees grew in number four times faster than similar businesses of the mainstream population (Minority Business Development Agency, 2020). In 2017, they generated $279.3 billion in revenues and created several million jobs (Minority Business Development Agency, 2020). In the EU, the number of immigrant entrepreneurs increased substantially from 2.2 million in 2009 to 2.9 million in 2018 (OECD/European Union, 2019). Thus, growing scale as well as importance of minority-owned enterprises for national economies partially explain increasing interest in the phenomenon expressed by both scholars and policymakers.

Even though many support initiatives were launched, minority entrepreneurs still experience numerous constraints on their way to the business market. For instance,

E. Vorobeva (✉)
University of Bremen, Bremen, Germany
e-mail: vorobeva@uni-bremen.de

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despite a slight increase in the number of female entrepreneurs since 2008, in the EU, only 34.4% of women managed to establish own companies while constituting 51% of the total European population (European Institute of Innovation & Technology, n. d.). In order to eliminate existing inequality and unleash the great business potential of minorities, reasons of their underrepresentation in the market should be studied in depth. Thus, the current book aims at advancing the debates by focusing on prevalent barriers and pervasive impediments to minority entrepreneurship. The collected chapters explore the diversity of topics, including business activities of immigrants, religious communities, women, refugees, and people with disabilities. The phenomena are studied in European contexts of, for instance, Denmark, Austria, and Germany. Nevertheless, importantly, the book overcomes eurocentrism of the field by introducing non-Western states of Iran, India and the Kingdom of Saudi Arabia into the discussion. Majority of the book chapters are based on careful analysis of unique qualitative data. However, another significant contribution offered by the book is insights from invaluable quantitative data rather rarely used in studies on minorities. Overall, a big ambition behind the book is to deepen our knowledge on constraints to minority entrepreneurship and, as a result, catalyze the creation of a business environment with equal opportunities for all.

1 Minorities in the Business Arena

Recent shifts of economic goals towards full realization of available business potential, spread of meritocratic values, and formation of so-called "enterprise culture" placed minority entrepreneurship at the center of concerns in both academia and politics (Jones et al., 2012, p. 3163). It was widely recognized that, being true "agents of change", minority entrepreneurs are able to make significant contributions into local economies and to bring positive social change; they introduce new business practices, offer new products and services, increase competitiveness, reduce unemployment, mitigate economic crisis, spread equality, fight discrimination, improve locations' attractiveness, and establish new business links both nationally and globally (Dana & Morris, 2007, p. 809; Ensign & Robinson, 2011; Baycan-Levent & Nijkamp, 2007: Desiderio & Mestres-Domènech, 2011; Desiderio, 2014; Jones et al., 2012; Wingfield & Taylor, 2016). Acknowledging that, policymakers launched numerous national and supranational initiatives aiming to support entrepreneurship among the most disadvantaged and underrepresented groups such as immigrants, females, and the youth (Vorobeva, 2019).

Despite frequent use of the term, a widely accepted definition of minority entrepreneurship is still lacking. One of the available options, Dana and Vorobeva (2021, p. 17) define a minority business as "a self-employment enterprise run by a person who is not typical of the mainstream society and can therefore be described by the adjective minority." As the mainstream image of an entrepreneur depicts a young, middle-class, white man, therefore, minority entrepreneurs are supposed to possess distinct characteristics in respect to age, gender, race, and class (Dana &

Vorobeva, 2021; Essers & Benschop, 2009; Aydin et al., 2019; Dy & Agwunobi, 2019; James et al., 2021; Martinez Dy, 2015). Nevertheless, as ethnic, gender, and age composition of contemporary societies tends to change over the years, both notions of mainstream and minority entrepreneurship proved to be context-, time-, and case-dependent (Dana & Vorobeva, 2021). In short, minority entrepreneurship is a fluid and dynamic phenomenon challenging prevalent business stereotypes and the mainstream image of an entrepreneur.

2 Diversity within Minority Entrepreneurship

In the relevant body of literature, various types of minorities have been explored. Ethnic and (im)migrant entrepreneurship proved to be one of the most popular and well-researched topics; in his work on Black, Chinese, and Japanese businesses in America, sociologist Ivan Light (1972) was among the first scholars who drew attention to importance of ethnicity and race in business conduct almost 50 years ago. With the rise of feminist thinking, women entrepreneurship was introduced into the discussion; the new analytical lens helped to understand that the business arena is not a gender-neutral space (Brush, 2009). As a mainstream entrepreneur is expected to belong to 35–44 age group, both young and senior businesspersons have been framed as minorities in the business market suffering from various manifestations of ageism (Parker, 2009; Aydin et al., 2019).

However, recently, scholars started acknowledging that one category of difference, for instance, only gender or only ethnicity, could not sufficiently explain experiences of self-employed minorities. Indeed, it is a combination of several, simultaneously present minority identities that seem to define those experiences (Ram et al., 2017; Dy & Agwunobi, 2019). Therefore, intersectionality has been applied in research on minority entrepreneurship; the analytical framework pays special attention to overlapping minority identities and their relation to multiple, combined oppressions in the business market. Barriers and opportunities proved to be conditioned by an intersectional position of an entrepreneurial individual; the subject was studied in respect to Muslim female migrants (Essers & Benschop, 2009), black female migrants (Vorobeva, 2019), gay migrants (Pijpers & Maas, 2014), elderly women (Aydin et al., 2019), or black women in technology sector (Martinez Dy, 2015). In fact, relevance of a sector in which a minority enterprise operates was one of the most significant contributions emerged from the application of intersectionality in minority entrepreneurship. To sum up, intersectionality helped to create more nuanced and deeper understanding of minority entrepreneurship (Lassalle & Shaw, 2021).

3 Barriers to Entrepreneurial Activities of Minorities

Despite considerable efforts of policymakers to facilitate the creation of an inclusive business environment, minority entrepreneurs still face numerous barriers in their business activities. Among the impediments, limited access to loans and governmental support, social and institutional discrimination, insufficient networks, and lack of relevant knowledge and skills have been pointed out by previous studies (Ram et al., 2017; Dana & Vorobeva, 2021). Minority businesspersons suffer from racism, sexism, and ageism as well as from intersectional types of discrimination such as, for instance, "gendered ageism" (Aydin et al., 2019) and "gendered racism" (Harvey, 2005). Furthermore, the discriminatory practices may be employed not only by dominant population but also by their own minority communities (Andrejuk, 2018; Croce, 2020; Essers & Benschop, 2007). Thus, located in a multilayered matrix of oppressions, minority entrepreneurs are often framed as vulnerable groups disadvantaged even before entering the market (Ram et al., 2017).

Even though reasons for increased vulnerability of minority enterprises hugely depend on a context, their disadvantaged position appear to stem from two universally present, interconnected factors: limited legitimacy and specific ways to conduct business. Referring to the first, the archetypical image of an entrepreneur represents a heroic, young, middle-class, white male (Essers & Benschop, 2009; Aydin et al., 2019; Dy & Agwunobi, 2019; James et al., 2021; Martinez Dy, 2015). Those who significantly differ from this image struggle to be accepted as equal economic actors and to acquire legitimacy in the role of entrepreneurs (Dana & Vorobeva, 2021; Vorobeva & Dana, 2021). Second, minority enterprises are mostly micro-, small- and medium-sized companies located in sectors of retail trade, services, and catering (Mo et al., 2020; Dua et al., 2020). Due to various pull and push factors including the above-mentioned legitimacy issues, minority entrepreneurs often lean towards low-entry, labor-intensive sectors with relatively low profits. This choice has several consequences; on the one hand, it makes minority businesses vulnerable to market shocks or crisis, and, on the other hand, it creates a false image of minority-owned companies as niche, traditional, not innovative, and insignificant (Mo et al., 2020; Dua et al., 2020; Volery, 2007; Jones et al., 2012).

4 Towards the Future

The current book seeks to contribute to better understanding of constraints to minority entrepreneurship as well as of possible ways for their elimination. However, to effectively address existing inequality, forces of both academia and relevant authorities should get joined. Although many barriers are context-specific, overall, deconstruction of the archetypical image of an entrepreneur appears to be the first step on the way to creation of a more inclusive business environment. Furthermore, minority entrepreneurs should have access to necessary advice and tailored

assistance in order to avoid being trapped in low-profit, niche markets. Supporting the outlined directions, future research could pay special attention to successful methods to deconstruct the mainstream image of a legitimate businessman. Investigation of minority-owned businesses in high-profit, innovative industries may deepen our knowledge on sector-specific impediments. Moreover, to enable wider generalizations, future studies could continue using mixed or quantitative data and introduce new methods in research on minorities. Finally, the analytical lens of intersectionality encourages further exploration of meaningful categories of difference and accumulation of more nuanced and deeper knowledge on minority entrepreneurship.

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Ekaterina Vorobeva is a doctoral candidate at the Bremen International Graduate School of Social Sciences and an EU researcher at the Research Centre for East European Studies, the University of Bremen. She previously worked in several research projects on forced migration, international migration, and migrant entrepreneurship in Finland and Malta. Ekaterina co-authored scientific articles and book chapters published by International Migration, SAGE Business Cases, GeoJournal, British Journal of Middle Eastern Studies, Palgrave Macmillan, the University of Turku, and the University of Dhaka.

Job Loss in the Pandemic Disruption in Egypt: A Push to Start a Business?

Nada Rejeb, Seham Ghalwash, and Thomas Schøtt

Abstract The Coronavirus caused severe losses, many owner-managers lost their businesses, and many employees lost their jobs. This raises the question of whether such losses were a push into traumatic resignation or a push to start a business? And what are the main factors that influence responses? This chapter aims to answer these questions by drawing on the Theory of Planned Behaviour in order to help advance the scarce literature on entrepreneurial intentions under adverse conditions. We build and test a model of entrepreneurial intention highlighting entrepreneurial mindset (self-efficacy and opportunity perception) and social capital as core determinants of entrepreneurial intention. Using a sample of 1777 owner-managers and employees in Egypt surveyed by the Global Entrepreneurship Monitor (GEM), results of logistic regression reveal that former owner-managers, who had just lost their business, were less entrepreneurially minded and networked less than their continuing counterparts. Former employees, who had just lost their job, were no more entrepreneurially minded than their continuing counterparts. Results also show that self-efficacy and opportunity perception play a key role in promoting people's entrepreneurial intention. The findings contribute to the debate on predictors of entrepreneurial intention in hostile environments and developing countries; and pave the way for studies on whether disadvantages such as the COVID-19 pandemic prompt a new type of entrepreneurship where necessity aligns with opportunity.

N. Rejeb (✉)
ICD Business School, Paris, France
e-mail: nkhachlouf@groupe-igs.fr

S. Ghalwash
The American University in Cairo, Cairo, Egypt

The Technical University of Denmark - DTU Entrepreneurship, Lyngby, Denmark
e-mail: sehgh@dtu.dk

T. Schøtt
The American University in Cairo, Cairo, Egypt

University of Agder, Kristiansand, Norway

University of Southern Denmark, Odense, Denmark
e-mail: tsc@sam.sdu.dk

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1 Introduction

The COVID-19 pandemic forced the world into a lockdown in which businesses, schools, organizations, and all entities were closed, and employees were moved to work from home to reduce the contagion (Saadat et al., 2020; Salamzadeh & Dana, 2020). Consequently, people's lives changed, and many lost their jobs as businesses shut down (Montenovo et al., 2020; Naudé, 2020; Vorobeva & Dana, 2021). The question arises whether such losses were a push into traumatic resignation or a push to start a business? And what are the main factors that influence the responses? Answering these questions are not only important for forecasting the shape and the recovery from the current economic downturn, but also for policy interventions that aim at supporting the entrepreneurial activities among employees and owner-managers who lost their jobs.

Following the Theory of Planned Behavior (Ajzen, 1991; Kautonen et al., 2015), research on entrepreneurial intention has flourished in recent years, highlighting several factors shaping the intention of people to start a business in various contexts. Accordingly, scholars argue that entrepreneurial intention is a complex construct (Kirkwood & Campbell-Hunt, 2007) comprising push and pull factors, but also a combination of both (Hughes, 2003; van der Zwan et al., 2016).

While research in this area is developing, studies on motivational processes that drive individuals' entrepreneurial intentions under adverse conditions are scarce (e.g., Bullough et al., 2014; Nabi & Liñán, 2011). Yet, some authors consider that entrepreneurial intention should be contextualized, and that conditions such as socio-spatial environment, culture, institutional support influence business creation intention (Ismail et al. 2018, b; Liñán et al., 2013; Williams & Williams, 2012).

By investigating entrepreneurial initiatives in the context of a public health crisis, this chapter aims to advance research on entrepreneurial intention in adverse environments. The context of the COVID-19 pandemic seems highly relevant for entrepreneurial intention research. Indeed, many business owners lost their businesses, and many employees lost their jobs with the pandemic disruption in early 2020. According to the International Labor Organization 2020 data, the COVID-19 crisis might lead to half of the world population losing their jobs (Zahra, 2021). The COVID-19 has major impacts on Egypt's economy, especially in the areas related to work and income. In 2020, the official unemployment rate increased substantially (Khalil & Megahed, 2021). The dire necessity to make a living pushed people to try to find a way to earn a living, one way or another. Looking for a job was hardly feasible as unemployment was soaring. Starting a business might look a little more feasible. Therefore, these people, who had suddenly become disadvantaged by the loss of business or job, might form an intention to start a business.

Following research examining business opportunities in hostile environments (e.g., Bullough et al., 2014; Maritz et al., 2020), we build a model highlighting entrepreneurial mindset (self-efficacy and opportunity perception) and individual social capital as factors that expectedly affect the pursuit of entrepreneurial initiatives in the challenging context of the COVID-19 pandemic. We test our model

using data from GEM Adult Population Survey of 1777 persons in the workforce in Egypt. We compare former owner-managers, who had just lost their businesses, with continuing owner-managers. We also compare former employees, who had just lost their jobs, with continuing employees.

We provide two specific contributions to academic research. First, this study offers early evidence on entrepreneurship intention during the early phase of the pandemic. The research stream considering global crisis and entrepreneurship only focuses on differences in business recovery, resilience, or business model pivoting following natural disasters or economic shocks (Li et al., 2020; Marshall et al., 2015; Young et al., 2017; Zhang et al., 2009). To our knowledge, there is no current research that investigates the behavioural intention of people who lost their jobs during the crisis time. Ultimately, our aim is to answer the recent call of academicians to examine the potential of the pandemic as an enabler of entrepreneurship and the mechanisms that shape this potential (Agarwal & Audretsch, 2020; Kimjeon & Davidsson, 2021). Second, we test our entrepreneurial intention model in the context of a developing country, Egypt. Indeed, while only a few research studies have focused on challenging environments, the focus has been mainly on developed countries (e.g. Liñán & Santos, 2007; Maritz et al., 2020; Nabi & Liñán, 2013). We contribute to advance knowledge on entrepreneurial intention in developing countries where the disadvantage associated with the pandemic is expected to be countered with fewer resources.

The following sections introduce the research context followed by theoretical background, research design, results, discussion before concluding.

2 Disadvantaged COVID-19 Entrepreneurs: The Egyptian Context

During the subsequent nearly half-century of relative peace, Egypt pursued economic growth and institution-building. Despite these economic developments there has been a wide gap between poor and rich people (Dana, 2012), making inequality a dominant aspect of Egyptian society. Although many people are pushed to become entrepreneurs by the dire necessity to make a living, an increasing number of people, especially educated youth, start businesses to pursue profitable opportunities in the expanding market, supported by policies that remedy the institutional void (Biltagy et al., 2017). During the latest dozen years, though, unemployment has soared, especially among the less educated youth, as known from the Arab Spring uprising in 2011 (Buckner et al., 2012; Ismail & Johnson, 2019). In general, Egypt is characterized by an informal economy with large number of entrepreneurial activities that contribute to the country's economic development, even with the existence of the institutional voids (Dana, 2000).

With rampant infections and lockdowns, the economy immediately slowed, many owner-managers lost their businesses, many employees lost their jobs, and family

incomes declined (Bosma et al., 2021). The pandemic disruption hit Egypt pervasively in early 2020, like it hit most other countries. The poor economy hardly provided social security, unemployment compensation, or support for faltering businesses (Abdou, 2021).

The COVID-19 has increased the unemployment rate in Egypt to reach its highest during the last quarter of 2020 (Khalil & Megahed, 2021). This large number nonetheless represents the vulnerable segments of young people, females, and informal workers in the country. The compounding impact of the crisis on age, industry sectors, women, disadvantaged segments is undeniable in which it helps the government to draw a policy map of supporting vulnerabilities in the workforce market (Khalil & Megahed, 2021; Zaazou & Abdou, 2021). The Egyptian Ministry of Finance 2020 Report shows that 28% of the people who lost their jobs were operating in industry sectors of wholesale and retail followed by 25% in the manufacturing sector, 21%, 14%, and 13% in food, transport, and construction sectors, respectively. According to the Global Entrepreneurship Monitor Report of Egypt (Ismail et al., 2016, 2017, 2018, b), the wholesale and retail and manufacturing sectors are the major industries that have the highest participation among entrepreneurs with about 70% every year. These high rates represent major entrepreneurial activities as well as businesses shutdown and shrinking, especially in these sectors. The Central Agency for Public Mobilization and Statistics (CAPMAS) 2020 employment survey indicates that, the included respondents, those who lost their jobs due to the pandemic answered "no" to the question on whether they are actively looking for a job. In addition to this, they do not have an ability to search for jobs or willingness to work.

The government, agencies, and foundations had established some programmes for supporting entrepreneurs, but they fell far short of meeting the huge need following the disruption. For instance, a study on the COVID-19 and Egyptian SMEs reveals that entrepreneurs have not received sufficient technical or financial support from the government (Zaazou & Abdou, 2021). Despite the adverse conditions, people's need to earn a living implied that a considerable number of businesses started in the months following the disruption (Ismail et al., 2021).

3 Theoretical Background

3.1 Entrepreneurial Mindset and Entrepreneurial Intention

3.1.1 Self-Efficacy and Entrepreneurial Intention

Entrepreneurial Self-Efficacy (ESE) refers to a person's belief in own ability to successfully engage in the behaviours needed to accomplish certain goals (Bandura, 1977). The most widely studied outcome of ESE is entrepreneurial intention (Boyd & Vozikis, 1994; McGee et al., 2009; Schlaegel & Koenig, 2014; Sequeira et al., 2007).

While the theoretical relationship between ESE and entrepreneurial intention is widely recognized (Ajzen, 1991; Krueger et al., 2000; Ashourizadeh et al., 2014), recent empirical studies (Bullough et al., 2014; Fitzsimmons & Douglas, 2011) show that this link may be weak or even vanish under certain conditions (Hsu et al., 2019). For example, Hsu et al. (2019) argue that when entrepreneurs do not perceive a fit between their personal needs and what the entrepreneurship process would offer, they will not have a strong intention to start a business, even if they believe that they have the knowledge, skills, and abilities to start up and run a company. These findings invite us to consider boundary conditions under which self-efficacy leads to entrepreneurial intention. In this section, we investigate whether individuals with strong self-efficacy form an entrepreneurial intention under the specific condition of a pandemic.

Most researchers have drawn on Ajzen's (1991) Theory of Planned Behavior (TPB) to explain the influence of ESE on entrepreneurial intention. According to this theoretical perspective, ESE captures the extent of an individual's perceived behavioural control, which is a key determinant of their intention to engage in a certain behaviour (Krueger et al., 2000; Newman et al., 2019; Schlaegel & Koenig, 2014). Prior research suggests that internal locus of control is associated with the entrepreneurial intention (Salamzadeh et al., 2014). Some research has stressed the importance of ESE in the context of crises as follows: facing a hostile environment, business owners and aspiring entrepreneurs are likely to be discouraged from launching new entrepreneurial endeavours (Bullough et al., 2014). Indeed, the perception of adversity influences a person's belief in his/her personal abilities, which can raise anxiety and ultimately reduce personal feelings of efficacy. Although challenging contexts can negatively influence self-efficacy, other studies (e.g. Maritz et al., 2020) found that those who have more highly developed self-efficacy skills are better able to cope with hostilities. A strong belief in one's abilities makes it possible for entrepreneurial individuals to have the confidence to overcome adversities that stem from economic downturns and business stagnation and to pursue new business opportunities. In this line of thought, Bullough et al. (2014), based on a survey in Afghanistan, found that even under conditions of war, individuals develop entrepreneurial intentions if they can grow from adversity and believe in their entrepreneurial abilities, their ESE. Their extensive literature review reveals that entrepreneurial self-efficacy and resilience are of particular relevance for pursuing entrepreneurial initiatives under dangerous conditions.

In addition to classic entrepreneurial intentions, researchers have recently examined the relationship between ESE and corporate entrepreneurial or intrapreneurial intentions, i.e. the intentions of employees to engage in entrepreneurial activity within an organizational context. Fini and Toschi (2016) found a strong link between ESE and corporate entrepreneurial intentions, and Douglas and Fitzsimmons (2013) reported a strong relationship between ESE and intrapreneurial intentions of MBA students. Researchers have also found strong effects of ESE on academic spin-off or start-up intentions (Huyghe et al., 2016) and on venture growth expectations (Kolvereid & Isaksen, 2017). Finally, numerous studies have found a positive association between ESE and entrepreneurial intentions of working people in

different cultural settings (e.g. Farashah, 2015; Naktiyok et al., 2010; Prodan & Drnovsek, 2010).

Following research arguing that a personal belief in one's entrepreneurial aptitude is important for business perseverance/start-up in turbulent times, we expect that ESE, as a component of the entrepreneurial mindset, is a critical determinant of entrepreneurial intention in the context of the COVID-19 pandemic.

3.1.2 Opportunity Perception and Entrepreneurial Intention

Previous studies addressed the question of why those choosing self-employment made that choice, and the extent to which it is a voluntary choice. Academic literature refers to "push" vs "pull" entrepreneurship (Amit & Muller, 1995; Dawson & Henley, 2012) or "necessity entrepreneurship" vs "opportunity-based entrepreneurship" (Hessels et al., 2008) and even to "refugee" entrepreneurship (Thurik et al., 2008). This literature emphasizes individuals' motivation to start a business, with opportunity perception as a central concept.

As a person's entrepreneurial activity can be considered to be the extension of perceived opportunities (McMullen & Shepherd, 2006), previous research assumed that individuals who perceive entrepreneurial opportunities should be, at least to a certain degree, more likely to have start-up intentions and to engage in start-up activity (Dimov, 2007; Stuetzer et al., 2014). This assumption refers to the motivational aspect of perceived opportunities for entrepreneurial behaviour as, for example, described by Shane et al. (2003). Past research indeed shows that the perception of opportunities triggers engagement in nascent entrepreneurship (e.g. Arenius & Minniti, 2005; Tamasy, 2010). In academic literature, perception of entrepreneurial opportunities appears to be a central motivating factor that triggers entrepreneurial intentions (Fishbein & Ajzen, 2011; McMullen & Shepherd, 2006; Shane et al., 2003).

Opportunity perception reflects whether entrepreneurs consider business opportunities as good. A crisis can be perceived both as a threat and as an opportunity (Penrose, 2000), and the way decision-makers perceive the crisis and its impact on their businesses directly affects the way they will respond to it. On the basis of these perceptions, opportunities are identified, and strategies are shaped (Kitching et al., 2009). In particular, opportunity perception has been studied in the context of recessions. Studies have analysed the effect of the recessionary context on entrepreneurial intention (e.g. Arrighetti et al., 2016; Nabi & Liñán, 2013), showing that economic crises impact negatively on potential entrepreneurs' assessment of environmental conditions, subsequently shaping their intention to create a new venture (Aceytuno et al., 2020). This body of research argues that resource scarcity following crises is promoting necessity entrepreneurship.

From a different perspective, other studies reveal that necessity-driven entrepreneurship is ineffective during recessions and that innovation and opportunity recognition are more relevant, as success factors, during periods of recession than during periods of prosperity (Devece et al., 2016). Indeed, the business world has witnessed

numerous examples of entrepreneurs recognizing business opportunities that have resulted from the recession based on new consumer needs and newer ways of doing business. COVID-19 pandemic has resulted in new needs, e.g. safe separation and distancing, home-based work and physical isolation, which have prompted opportunities for business such as flexible manufacturing, online education, safety protocol services, remote communication platforms, collaboration hardware, fitness equipment, etc. (Davidsson et al., 2021; Zahra, 2021).

Maritz et al. (2020) explored entrepreneurial initiatives in the context of COVID-19 within an Australian context and found that people behind such initiatives demonstrate a highly entrepreneurial mindset and the ability to create something out of necessity within a short time, when immediate results are required. In particular, the authors show that adopting a positive growth mindset is imperative for employees to survive a future crisis and thrive during them. Interestingly, those disadvantaged workers help themselves and help their societies overcome the economic and social consequences of the pandemic.

Accordingly, we hypothesize that working people with high levels of self-efficacy and opportunity perception (that we referred to as entrepreneurial mindset) under the conditions of a pandemic have a higher entrepreneurial intention.

Hypothesis 1: Entrepreneurial mindset promotes intention to start a business under the condition of a health crisis.

We also expect that people in different occupations have different experiences, specifically different entrepreneurial mindsets, and this makes them differently intent on starting a business when facing a crisis. In particular, we focus on manager-owners and employees and compare the former with continuing ones. We hypothesize the following:

Hypothesis 2a: Former owner-managers are less entrepreneurially minded than continuing owner-managers.

Hypothesis 2b: Former employees are less entrepreneurially minded than continuing employees.

3.2 Social Capital and Entrepreneurial Intention

The network approach to entrepreneurship is based upon the premise that a network is crucial because it provides entrepreneurs with access to necessary resources. In this perspective, social networks are an essential part of an entrepreneur's social capital (Coleman, 1988; Fatma et al., 2021; Seibert et al., 2001). Social capital is the value obtained by individuals through social interactions and thus is embodied in relationships among people (Coleman, 1988). Previous research, which has investigated networks from the entrepreneur's point of view, shows that social networks give access to resources and affect the chance for entrepreneurial success (Jenssen & Koenig, 2002; Schøtt & Sedaghat, 2014). In some studies, scholars consider social

capital a valuable resource that opens access to various other resources such as finance, market information, and customers (Jenssen & Koenig, 2002). Network features such as the strength of ties determine to a great extent what kind of resources the entrepreneur receives (Dana et al., 2019; Sequeira et al., 2007). For example, strong social ties are important channels for information, and weak social ties give entrepreneurs access to finance (Jenssen & Koenig, 2002).

In this research, we expect social networks to influence entrepreneurial intention (Liñán & Santos, 2007). Indeed, according to the Theory of Planned Behaviour (TPB), intentions to perform a behaviour "*can be predicted with high accuracy from attitudes toward the behavior, subjective norms, and perceived behavioral control*" (Ajzen, 1991, p. 179).

The adoption of positive or negative attitudes by individuals depends on how they evaluate the outcomes (favourable or unfavourable) associated with performing the target behaviour. Johannisson (1988) points out that social networks generated by a close group of people around the entrepreneur help mobilize cognitive and emotive resources, self-confidence and the justification of choices already made by the entrepreneur. Accordingly, social networks are more likely to shape the entrepreneur's choices based on their approval or disapproval of that behaviour and on the person's motivation to comply with such others' expectations.

Networking relationships also prompt the formation of subjective norms which reflect the perceived social pressure to carry out—or not to carry out—entrepreneurial behaviours and capture the opinions of social reference groups (such as family and friends) regarding whether the individual should engage in the behaviour. This phenomenon refers to the perception that important other reference people would approve the decision to become entrepreneurs, or not (Ajzen & Fishbein, 2005; Liñán & Chen, 2009). This is in line with Krueger et al. (2000), who indicate that the entrepreneurial intention of an individual could be influenced by the social norms of his/her network members. Social capital in the form of norms indicates what is valued and considered worthwhile (Anderson et al., 2007) and, therefore, contributes to forming different values and beliefs regarding behaviour, including starting a business. Hence, the values and norms held by people in the interpersonal environment and in society have a positive or negative influence on the antecedents of entrepreneurial intention (Liñán et al., 2011; Light & Dana, 2013; Sahinidis et al., 2012). Social norms include the value attached to the entrepreneurial activity in one's closer environment (Kibler et al., 2014; Liñán et al., 2013), the presence of entrepreneurial role models (Dohse & Walter, 2012), and approval of the decision to start a business in one's social circle (Liñán & Santos, 2007).

Finally, perceived behavioural control, or ability to perform a particular behaviour, can be enhanced by the availability of second-hand information about the behaviour, by observing the consequences of the actions of acquaintances and friends, and by the presence of factors that facilitate the performance of the behaviour (Ajzen & Fishbein, 2005).

Although social capital is recognized as a critical determinant of entrepreneurship and innovation, there is limited empirical evidence in the context of complex and uncertain environments. For example, Al-Omoush et al. (2020) confirm that social

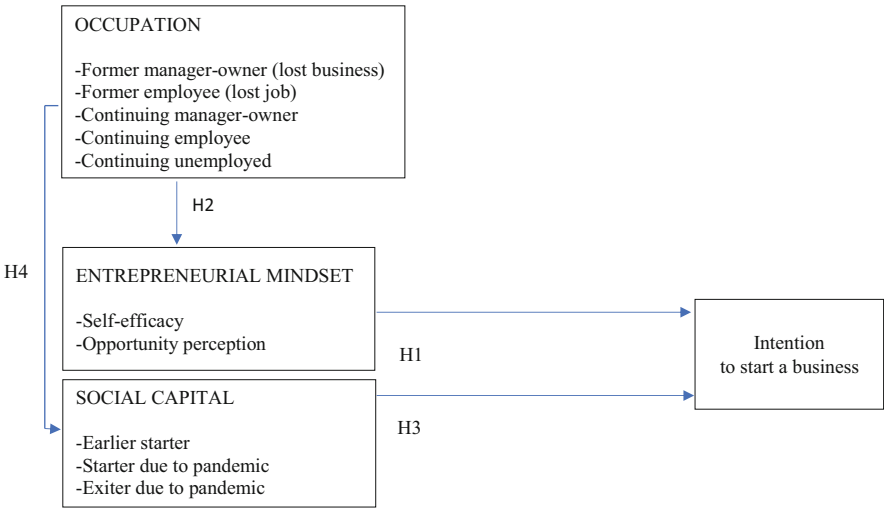

Fig. 1 Conceptual model

capital supports individuals and organizations to sense market opportunities in order to understand customers' needs and act proactively in a turbulent environment. Indeed, networks including members with a range of expertise, backgrounds, and resources allow individuals to discover novel opportunities and consequently adapt to existing conditions. In the pandemic context, recent research found that social capital provides valuable opportunities that significantly help entrepreneurs respond to the COVID-19 crisis (Al-Omoush et al., 2020; Castro & Zermeño, 2020). This recent body of research underlines the importance of strengthening the networks in which entrepreneurs develop for the acquisition of information that is important to their business. In this paper, we focus on social capital as a trigger of entrepreneurial intention, at an individual level, and we hypothesize the following:

Hypothesis 3: Social capital promotes intention to start a business under the condition of a health crisis.

We also hypothesize separately for former owner-managers, who just lost their businesses, and former employees, who just lost their jobs, and compare them to their continuing counterparts as follows.

Hypothesis 4a. Former owner-managers are networking less than continuing owner-managers.
Hypothesis 4b. Former employees are networking less than continuing employees.

Our conceptualization and hypothesized effects are depicted in Fig. 1. People's entrepreneurial mindset affects their intention to start a business, and people's networking likewise shapes their intention. The model also highlights

that people's occupation is related to their entrepreneurial mindset and to their networking.

4 Research Design

4.1 Sampling

We analyse the Global Entrepreneurship Monitor (GEM) survey of 1777 randomly sampled adults in the workforce in Egypt, conducted around July 2020, about half a year after the pandemic disruption in early 2020. Our focus is on the people who suddenly lost their businesses or jobs, but we compare these former owner-managers and former employees to their continuing counterparts. Specifically, our population of adults in the workforce is composed of five distinct categories:

- Former owner-managers (or self-employed, who stopped during the pandemic).
- Former employees (who stopped during the pandemic; but were not included in the above).
- Owner-managers, who had their business both before and during the pandemic.
- Employees, who were employed both before and during the pandemic.
- Unemployed, who were unemployed both before and during the pandemic.

4.2 Measurements

4.2.1 Occupation

The survey asked each respondent to describe their employment status before the pandemic disruption, in terms of currently being employed, unemployed, self-employed, etc. In the category of self-employed or owner-managers before the pandemic, we include those who reported owning-managing a business that began paying compensation in 2019 or earlier, and in this sense was a business that was operating before the pandemic. With the above classification, occupation is thus a categorical variable with five categories. For comparing occupations, we construct 0–1 dummy variables for the various occupations and select one occupation as the reference to which other occupations are compared. Specifically, when we compare former owner-managers to continuing owner-managers, we select the continuing owner-managers as the reference (using a dummy for each other occupation than the continuing owner-managers), so that the regression estimates the difference between former and continuing owner-managers. When we compare former employees to continuing employees, we select the continuing employees as the reference (using a dummy for each other occupation than the continuing employees), so that we estimate the difference between the former and continuing employees.

4.2.2 Entrepreneurial Intention

The entrepreneurial intention was measured by asking respondents: "*Are you, alone or with others, expecting to start a new business, including any type of self-employment, within the next three years?"* An affirmative response is coded 1, and a negative response is coded 0.

This operationalization of intention has been used in GEM-based research for two decades (Bosma et al., 2021). Its validity has been supported in earlier research by positive correlations with mindset, with education (in developed countries), and with being male.

4.2.3 Entrepreneurial Mindset

The entrepreneurial mindset was measured in two aspects, self-efficacy and opportunity perception. Self-efficacy was indicated by the response to the statement: "*You personally have the knowledge, skill and experience required to start a new business"*. Opportunity perception was indicated by the response to the statement: "*In the next six months, there will be good opportunities for starting a business in the area where you live"*. The respondent reported the extent of agreement or disagreement with each statement on a five-point Likert scale, coded 1 to 5 for increasing self-efficacy and opportunity perception.

Such operationalizations of self-efficacy and opportunity perception have been used in GEM-based research for two decades (Bosma et al., 2021). Their validity has been supported in earlier research by positive correlations with being entrepreneur, with performance outcomes in entrepreneurs' businesses, with education (in developed countries), and with being male.

The two aspects of entrepreneurial mindset are positively correlated (0.34), so we appropriately compute the average of the two measures as a formative index of the entrepreneurial mindset and standardized across the full sample.

4.2.4 Social Capital

An individual's social capital was measured in three components. Networking with earlier starters was measured by asking: "*How many people do you know personally who have started a business or become self-employed in the past 2 years?"* Networking with pandemic starters was measured by asking: "*How many people do you know personally who have started a business in 2020 as a result of the coronavirus pandemic?"* Networking with pandemic exiters was measured by asking: "*How many people do you know personally who have stopped owning and managing a business in 2020 due to the coronavirus pandemic?"*

The extent of networking was measured on a scale from 0 to 3, here treated as approximately numerical for regression analyses. The three components of social

capital are positively correlated (correlation coefficients are between 0.23 and 0.32). So, we appropriately calculate the average of the three standardized measures as a formative index of social capital.

Such operationalizations of entrepreneurial networking have been used in GEM-based research for two decades (Bosma et al., 2021). Their validity has been supported in earlier research by positive correlations with being entrepreneur, with performance outcomes in entrepreneurs' businesses, with education (in developed countries), and with being male.

4.2.5 Control Variables

We control for several individual characteristics which are related to entrepreneurial intention (Bosma et al., 2021). Specifically, we control for:

- Gender, coded 0 for women and 1 for men;
- Age, coded in years;
- Education, coded in years to the highest completed degree;
- Income, coded as family income in lowest third among all respondents, middle third, or highest third, coded 1, 2, or 3, respectively.

5 Results

We use descriptive statistics to describe our sample, and we use regression for hypotheses testing. The dependent variable, intention, is dichotomous, so we use a logistic regression rather than a linear regression.

5.1 Descriptive Statistics

The background of the five types of people in the workforce is described by their characteristics (Table 1). The gender composition of former owner-managers differs from the gender composition of owner-managers, in that women lost businesses more frequently than men did. Those who lost businesses tended to be less educated than continuing owner-managers. Similarly, the gender composition of former employees differs from the gender composition of employees, in that women lost jobs more frequently than men did. Those who lost jobs tended to be younger than continuing employees.

Correlations among the variables of interest are weak, as seen in Table 2. This indicates that no problem of multicollinearity will arise in multivariate modelling.

We note that the sample within each occupation is little more than 200, for most occupations. This moderate sample size turns out to be sufficient for testing main

Table 1 Frequencies and means of individuals' attributes, by occupation ($N = 1777$ adults)

		Former owner-managers	Former employees	Continuing Owners-Managers	Continuing employees	Continuing unemployed
Sample of adults		225 adults	205 adults	274 adults	822 adults	251 adults
Gender	Men	64%	43%	84%	74%	33%
	Women	36%	57%	16%	26%	67%
Age		34.9 years	31.1 years	35.4 years	34.5 years	30.6 years
Education		12.4 years	13.7 years	13.3 years	13.9 years	13.3 years
Income		1.9	1.9	2.1	2.1	1.9

effects, as we do below, but is too small for a good analysis of moderating effect, e.g. how mindset moderates effect of occupation on intention. Analysis of moderating effects will become feasible with larger samples such as in the next survey in Egypt and with the GEM global survey covering many countries.

5.2 *The Entrepreneurial Mindset of People Who Lost their Business or Job*

One of our substantive question is, what is the entrepreneurial mindset of people who lost their business or job? More generally, the question is, how is people's occupation related to their entrepreneurial mindset? To examine this, we look at the measures of the entrepreneurial mindset of people in each occupation (Table 3).

Hypothesis 2 posits that occupation is related to the entrepreneurial mindset. Specifically, we hypothesized that former owner-managers are less entrepreneurially minded than continuing owner-managers (H2a); and that former employees are less entrepreneurially minded than continuing employees (H2b). This is tested in Table 3. The former owner-managers' mindset is measured as 0.02, and the continuing owner-managers' mindset is measured as 0.39, on average, on the standardized scale of the index (as described in the above section on measurement). The difference is 0.41 standard deviations which is quite large (and statistically significant, with $p < 0.0001$). Specifically, the difference between former and continuing owner-managers in self-efficacy is significant ($p < 0.0001$) (the difference between 3.3 and 3.9, respectively, in Table 3, as the means on the Likert scale described in the section on measurement). The difference between them in opportunity perception (3.4 and 3.7 in Table 3) is also notable ($p = 0.009$). This shows that the former owner-managers are much less entrepreneurially minded than the continuing owner-managers, and supports Hypothesis 2a.

The former employees' mindset is measured to be −0.08, and the continuing employees' mindset is measured to be −0.09, as listed in Table 3 (the negative scores indicating that their mindset is below average). The tiny difference is insignificant. Thus, there is no evidence to support Hypothesis 2b. Rather, the former and

Table 2 Correlations among variables

	Intention	Social capital	Entrepreneurial mindset	Former owner-managers	Former employees	Continuing Owner-managers	Continuing employee	Continuing unemployed
Intention								
Social capital	0.12***							
Entrepreneurial mindset	0.21***	0.19***						
Former owner-managers	0.07**	0.07**	0.01					
Former employees	0.01	−0.03	−0.03	−0.14***				
Continuing owner-managers	−0.01	0.18***	0.17***	−0.16***	−0.15***			
Continuing employee	−0.03	−0.07**	−0.08***	−0.35***	−0.34***	−0.40***		
Continuing unemployed	−0.01	−0.12***	−0.04	−0.15***	−0.15***	−0.17***	−0.38***	

Table 3 People's entrepreneurial mindset, by occupation[a]

	Former owner-managers	Former employees	Continuing owner-managers	Continuing employees	Continuing unemployed
Self-efficacy	3.3	3.1	3.9	3.2	3.1
Opportunity perception	3.4	3.4	3.7	3.3	3.4
Index of mindset	0.02	−0.08	0.39	−0.09	−0.09
N adults	225	205	274	820	251

[a]Variables are measured on a 5 point Likert scale. Values in the table are the calculated means

continuing employees are to a similar small degree entrepreneurially minded. Specifically, we see (also in Table 3) that the former and continuing employees are similar in their self-efficacy and in their opportunity perception.

In short, owner-managers who lost a business during the pandemic disruption are less entrepreneurially minded than the continuing owner-managers, but employees who lost a job are as little entrepreneurially minded as the continuing employees. These findings are in disagreement with Welsh et al. (2021) who studied the entrepreneurial intention among Syrian refugees in the MENA region post COVID-19 and found that self-efficacy is associated with entrepreneurial intention.

5.3 Social Capital of People Who Lost Business or Job

Another substantive question is, what are the networks of the people who lost businesses or jobs? More generally, the question is, how is people's occupation related to their social capital? We look at people's networking with acquaintances who had started a business earlier, acquaintances who started because of the pandemic, and acquaintances who exited from running a business because of the pandemic (see Table 4).

Hypothesis 4 holds that occupation is related to social capital, networking. Specifically, we hypothesized that former owner-managers are networking less than continuing owner-managers (H4a); and those former employees are networking less than continuing employees (H4b). Our results in Table 4 reveal that occupation is clearly related to networking, in that owner-managers are networking more extensively than people in each of the other occupations. Specifically, former owner-managers are networking less than continuing owner-managers (the difference between 0.19 and 0.41, respectively, in Table 4, as their means on the scale described in the section on measurement), with a difference of 0.22 standard deviations in the index of networking ($p = 0.005$). Former owner-managers are networking with earlier starters much less than the continuing owner-managers are; 1.1 and 1.8, respectively ($p < 0.0001$). This supports Hypothesis 4a.

Table 4 People's social capital (networking), by occupation[a]

	Former owner-managers	Former employees	Continuing owner-managers	Continuing employees	Continuing unemployed
Earlier starter	1.1	0.8	1.8	1.0	0.7
Starter, due to pandemic	0.9	0.7	1.0	0.7	0.6
Exiter, due to pandemic	1.6	1.2	1.5	1.1	0.9
Index of networking	0.19	−0.09	0.41	−0.08	−0.31
N adults	221	196	271	803	239

[a]Variables are measured on a 4-point scale. Values in the table are the calculated means

Table 5 People's intention to start a business, within each occupation

	Former owner-managers	Former employees	Continuing owner-managers	Continuing employees	Continuing unemployed
Intending to start	72.6%	64.5%	61.4%	62.1%	62.0%
N adults	215	183	254	760	229

Former employees are networking to a similar extent as current employees, a similar small extent (as indicated by their negative standardized scores −0.09 and − 0.08). The tiny difference is not statistically significant. There is no evidence here to support Hypothesis 4b.

In short, former owner-managers are networking less than the continuing owner-managers, whereas people who lost a job are networking to the same extent than continuing employees.

5.4 *People's Intention to Start a Business*

The last central question is the following: what are the characteristics of people who lost their business or jobs which are influencing the formation of an intention to start a business? First, we look at the rate of intention in each occupation (Table 5). Then we test effects upon intention in a logistic regression model.

Hypothesis 1 posits that the entrepreneurial mindset promotes intention to start. This is tested in Table 6. The coefficient for the mindset in models A or C is positive, 0.417 ($p < 0.001$). This supports Hypothesis 1. Looking in models B or D at the two components of the mindset, self-efficacy, and opportunity perception, both their coefficients are positive, 0.285 and 0.271, respectively (both with $p < 0.001$). This also supports Hypothesis 1 and agrees with Simmons et al. (2016) who found a positive relation between the former entrepreneurs' cognition and intention to re-enter entrepreneurship.

Table 6 People's intentions affected by occupation, entrepreneurial mindset, and social capital

	Model A	Model B	Model C	Model D
Former owner-manager	0.826***	1.006***	0.487**	0.597**
Former employee	0.347	0.436†	0.008	−0.027
Continuing owner-manager	Reference	Reference	−0.339*	−0.409*
Continuing employees	0.339†	0.409*	Reference	Reference
Continuing unemployed	0.454†	0.470†	0.114	0.061
Index of mindset	0.417***		0.417***	
Self-efficacy		0.285***		0.285***
Opportunity perception		0.271***		0.271***
Index of networking	0.162**		0.162**	
Networking with earlier starter		0.160*		0.160*
Networking with starter in pandemic		−0.035		−0.035
Networking with exiter in pandemic		0.025		0.025
Gender: male	0.262*	0.288*	0.262*	0.288*
Age	−0.099†	−0.122*	−0.099†	−0.122*
Education	0.104	0.107	0.104	0.107
Income	0.113	0.075	0.113	0.075
Intercept	−0.122	−0.133	0.217	0.277
N adults	1258	1117	1258	1117

Logistic regression (full sample of 1777 respondents, less cases with missing information)
Dichotomous variables are 0–1 dummies
Numerical variables are standardized
† $p < 0.10$ * $p < 0.05$ ** $p < 0.01$ *** $p < 0.001$

Hypothesis 3 claims that social capital promotes intention. Also, this is tested in Table 6. The coefficient for the index of networking in models A or C is positive, 0.162 ($p < 0.001$). The index thus supports Hypothesis 3. Looking at models B or D at the three components of networking, we see that the coefficient for networking with an earlier starter is positive, 0.160 ($p < 0.001$), while this coefficient is insignificant for the two other components of networking (starters in pandemic and exiters in pandemic). We conclude that social capital has a positive and significant impact on entrepreneurial intention of people in our sample, and that networking with earlier starters is crucial to the formation of this social capital.

Finally, let us ascertain effects upon intention from occupation, controlling for mindset, social capital, and other individual characteristics. The effect upon intention from loss of business is ascertained by the effect of being former owner-manager in contrast to being continuing owner-manager, model A (and similarly model B) where the continuing owner-managers form the reference that each other occupation is compared to. The positive coefficient for former owner-managers, 0.826 ($p < 0.001$) in model A (and 1.006 in model B), shows that former owner-managers, much more frequently than their continuing counterparts, intend to start. This result is in line with Hsu et al. (2017) and Krueger (1993) who suggested that former entrepreneurs have higher intention to re-enter entrepreneurship.

The effect upon intention from loss of job is ascertained by the effect of being former employee in contrast to being continuing employee, model C (and similarly model D) where the continuing employees form the reference that each other occupation is compared to. The near-zero coefficient of former employees, 0.008 in model C (and − 0.027 in model D) is not significant. Thus, the intentions of former employees do not differ discernibly from the intentions of their continuing counterparts. Prior research suggests that employees do not act entrepreneurial, and their entrepreneurial intention is low unless they have previous entrepreneurial experience (Hatak et al., 2015). Thus, this empirical finding is in line with the prior research emphasizing the important role of entrepreneurial mindset and former entrepreneurship experience to intent to enter entrepreneurship among employees who lost their jobs.

6 Discussion

Overall, our findings confirm that people's entrepreneurial mindset (self-efficacy and opportunity perception) and social capital (networking) matter for forming an entrepreneurial intention in times of crisis. Specifically, we approve previous research arguing that, in turbulent times, personal belief in one's entrepreneurial aptitude is important for business perseverance/start-up under hostile conditions (e.g. Bullough et al., 2014), as well as entrepreneurial opportunity perception, which is recognized to push individuals into entrepreneurship (e.g. Al-Omoush et al., 2020; Devece et al., 2016). Those personal traits appear to be particularly valuable in times of trouble in that they enhance entrepreneurs' resilience when facing crises. Yet, compared to opportunity perception and entrepreneurial self-efficacy, social capital is shown to have a lower discriminatory effect between former and continuing working populations. Besides, the effect of social capital on entrepreneurial intention is weaker (compared to entrepreneurial mindset) and its significance depends on the network type.

This finding can be discussed in the light of studies emphasizing the critical role of social networks for entrepreneurial intention in normal times either in developing countries (e.g. Fatma et al., 2021) or in developed countries (Liñán & Santos, 2007). We argue that while social networking appears to be a trigger to entrepreneurial intention in the specific context of the COVID-19 pandemic, only one category of contacts appears to be valuable (entrepreneurs who started before the pandemic). This is likely to limit the usefulness of social capital for entrepreneurial intention in the studied context. Thus, connections with specific categories of social contacts (i.e. earlier starters) is likely to be a boundary condition to start a business in the context of a pandemic, after losing one's job.

It also might be interesting to compare our results to studies investigating social capital impact on businesses resilience and flexibility in response to uncertainties (e.g. Al-Omoush et al., 2020; Castro & Zermeño, 2020). It appears that in the context of crises, social capital may have different impacts, depending on the business

creation stage. While it proves to be highly valuable for established businesses, its usefulness may be limited when it comes to new business creation. Accordingly, more research is needed to help advance our knowledge on the role of social capital for venture creation and growth. In particular, more research is needed on what categories of social contacts are best suited at different steps of venture creation in times of trouble?

This research has two theoretical contributions, as briefly mentioned in our introduction. First, we add to the literature on entrepreneurial intention in hostile environments and consequently answer the call for more contextualization of entrepreneurial intention predictors (Ismail et al., 2018, b; Liñán et al., 2013; Williams & Williams, 2012) in order to help advance knowledge in this field. Distinguishing different contexts helps to establish boundary conditions of the relationship between entrepreneurship characteristics and entrepreneurial intentions. In addition, by emphasizing the critical role of opportunity perception, we contribute to the debate on opportunity-driven vs necessity-driven entrepreneurship, taking into account the specificity of the context. We argue that, while people in our sample (namely former owner-managers) are pushed by necessity (after losing their business) to start a business again, the ability to perceive opportunity is detrimental and discriminatory between former and continuing owner-managers. This phenomenon is interesting as it may indicate that the COVID-19 pandemic paves the way to a new type of entrepreneurship where necessity aligns with opportunity. Second, we test our entrepreneurial intention model in the context of a developing country, Egypt. Not only has little research focused on challenging environments, but the focus has been mainly on developed countries (e.g. Maritz et al., 2020; Nabi & Liñán, 2013). We contribute to advance knowledge on entrepreneurial intention in developing countries where the disadvantage associated with the pandemic is expected to be fostered with fewer resources.

This study also has practical implications for top management and policymakers to enhance the main aspects that contribute to the development of employees' entrepreneurial intention during crisis times. First, building on the result that employees (former and continuing) have a low entrepreneurial mindset (below the average) which is shown to be critical to entrepreneurial intention, we suggest that top management can lead various initiatives to create an entrepreneurship culture at the organizational level. Organizations should ensure proper communication with their employees about their new business models, revenue streams, dealing with risk and uncertainty. To continually overcome the social and economic losses of the aftermath, organizations should bring employees with an entrepreneurial mindset to aspire to other employees and empower them to flex their entrepreneurial spirit in the organization. Moreover, organizations must give employees ownership of projects and follow their recommendations to encourage an entrepreneurial mindset by having employees take turns of leading business development projects from start to finish every quarter. Second, implications involve governments and policymakers to develop tools for supporting entrepreneurship among employees and owner-managers. Historical information shows that it took up to four years for countries to recover from the financial crisis except for those that had a degree of governmental

support, policies, government programmes, and finances for entrepreneurs. Governments should collaborate with national and central banks to provide special loans for employees who lost their jobs without requiring collateral. In addition to that, governments should collaborate with the public and private sectors to offer a wide range of regular businesses and entrepreneurship courses for employees to support entrepreneurial activities, inclusion, as well as small business development.

7 Conclusion

The pandemic, as an external environmental factor, does not hit the working population randomly, irrespective of their characteristics. Indeed, dismissals are selective, since they were concentrated among people who are less entrepreneurially minded and network less (at least owner-managers). Even if dismissals are partly random and partly based on qualifications and gender, we should predict a difference in entrepreneurial mindset and social networking.

We conclude this chapter by highlighting the main limitations of the study as well as potential research avenues.

A first limitation is our temporal contextualization. We focused on the time immediately following the disruption and not any later phase of the pandemic. That is, we examined the phase of resistance to the disruption and not the phase of recovery from the crisis. The entrepreneurship phenomenon can be studied before, during, and after the covid-19. In the future, a longitudinal study using data for the next years would show if intention translated to action and would be useful for ascertaining causal relationships between individual characteristics and entrepreneurial intention at different points of time and in various geographical locations. A second limitation is our spatial contextualization. While we labour to advance research on entrepreneurial intention in developing countries, our focus on only one country, Egypt, limits the generalizability of our results. More empirical research should be done on other developing as well as developed countries to show the different reactions to the entrepreneurial intention aftermath.

The above limitations suggest other directions for extending our study. First, an extension can informatively follow persons who just lost business or job through the process of forming, or not forming, an intention to start a business. Second, research can examine upstarts by people who lost businesses and jobs, focusing on their bricolage in the form of assembly of resources at hand. Third, further research can extend the spatial contextualization to research the embeddedness of responses to losses in the economies and cultures worldwide (this is feasible with the GEM surveys that by now have covered more than one hundred countries). Finally, we suggest to extend the temporal contextualization and examine resilience in forms of intending and starting in the later phase of recovery from a crisis (this will become feasible with the later annual GEM surveys).

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Nada Rejeb is an Associate Professor in Entrepreneurship and Strategy at the ICD Business School of Paris. She holds a Visiting Professor position at the JAMK School of Business (Finland). Her research interests revolve around entrepreneurship, family firms, knowledge networks, and collaborative relationships. She is also interested in the role of people with disabilities in Entrepreneurial entry.

Seham Ghalwash is currently a doctoral researcher at the Technical University of Denmark-DTU Entrepreneurship in collaboration with EPFL, Switzerland. She received an MSc degree with distinction in International Business in Emerging Markets from the University of Edinburgh. Seham has 10+ years of research experience being the Project Manager of the Global Entrepreneurship Monitor (GEM) at the American University in Cairo. Seham is a leading author of several academic publications including journal articles, teaching cases, and GEM reports. Seham's research interest focuses on social entrepreneurship, entrepreneurship, and sustainability. In 2021, Seham was chosen as a young woman in academia in the MENA region by Emerald Publishing. Also, she is one of the Alumni 100 list of the University of Edinburgh—a list showcasing 100 alumni who are making an impact around the world. In 2019, she received the Emerald Literati Award for an article on social entrepreneurship.

Thomas Schøtt earned a Ph.D. at Columbia University, a postdoc at Yale University, has held various kinds of professorships in the USA, Denmark, Colombia, China, and Morocco, and is currently a Professor at the University of Agder, Norway, and a Distinguished Visiting Research Professor at the American University in Cairo, Egypt. He has been leading work in the Global Entrepreneurship Monitor, researching entrepreneurship, and social networks. His publications appear in journals such as Research Policy, Small Business Economics, and Entrepreneurship and Regional Development.

Disadvantaged Migrant Entrepreneurs and Their Selection of Location: Entrepreneurial Settlement and Making a "Home" Abroad

Maria Elo, Muhammad Zubair, and Xiaotian Zhang

Abstract Economic migration and refugees have been in the epicentre of attention recently. Social and political debates discuss the length of their stay, possible return and integration policies, approaching migrants often as objects, not as individuals with agency and entrepreneurial endeavours regarding settlement. However, many migrants develop entrepreneurial strategies related to a particular place and accessible resources. These coping-location strategies without ethnic enclave pull have received little attention. In many smaller cities and villages, the role of such newcomers can be fundamental for the local economy counterbalancing migration to urban areas. This study presents location choice and particular location-relationships of disadvantaged migrants in a small town of Klagenfurt, Austria. Contrary to some expectations, their relationship to the new "home" is emotional, strong and permanent, and central to their entrepreneurship. We suggest that this type of disadvantaged migrant entrepreneurship with new local roots is a specific non-mobile category different from the ethnic enclave settlement.

M. Elo (✉)
University of Southern Denmark, International Business and Entrepreneurship, Odense, Denmark

Belt and Road Institute of International Business, Shanghai University, School of Economics, Shanghai, China
e-mail: melo@sam.sdu.dk

M. Zubair
Alpen-Adria-Universität Klagenfurt, Department of Sociology (Austria), Klagenfurt am Wörthersee, Austria
e-mail: m1zubair@edu.aau.at

X. Zhang
Curtin University, Bentley, WA, Australia
e-mail: xiaotian.zhang@curtin.edu.au

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1 Introduction

In the past few decades, international migration has increased rapidly in to 272 million migrants (UN, 2019). In 2019, there are over 70 million forcibly displaced migrants that look for a place to go (UNHCR, 2020). The recent large waves of migrants and refugees arriving in Europe, for example Austria, have been coined as the "refugee crisis" in media and political debates. This notable increase of migrants arriving to developed countries and their potential contribution to the host country's economy is not only attracting the attention of policymakers but has also attracted scholarly attention in different disciplines (Wong & Primecz, 2011; Head & Ries, 1998; Dana, 1993). Despite that little is yet known about migrants' destination selection. There have been numerous debates on the overall nature of the pull forces and effects that generate the flows towards European host countries, also referred to as the fortress Europa (Favell & Hansen, 2002; Castles & Miller, 2009; Lee, 1966), but none addressing the entrepreneurial location logic of migrants. Migrant and diaspora entrepreneurship are directly linked to international migration; entrepreneurship can be an antecedent or an outcome of migration (Dana, 1993; Elo et al. 2018, b; Portes et al., 2002). Previous research has shown that migrants of all kinds are playing an important role as entrepreneurs and founders of start-ups as entrepreneurship is often the best option for progress due to labour market difficulties (Dana, 1993; Mestres, 2010; Nijkamp et al., 2010; Wong & Primecz, 2011). Migrants as entrepreneurs is a phenomenon of global importance, but the phenomenon is of very heterogenous nature (Gurău et al., 2020; Dabić et al., 2020). The majority of the discussions on international migration, especially on decision making, focus on people coming from third world countries to developed countries (Connell, 2008; De Jong et al., 1986; Hamer, 2008). This paper addresses the largely unknown logics of disadvantaged migrants' entrepreneurial location choice and decision making.

Despite the less privileged origin or status (Hakiza, 2014), migrants who are referred to as "disadvantaged migrants" can have a positive impact in the host countries underlining the importance of the topic (Newland & Tanaka, 2010; Tung, 2008; Nijkamp et al., 2012). However, the positive outcome, individual and/or contextual, is often contested (Heinonen, 2013). Migrants, refugees, asylum seekers and paperless migrants are heterogeneous groups and experience a range of distinct problems and inequalities due to their immigration status. The status ranges from permanent residency permits to irregular situations where uncertainty is very high and planning impossible. Furthermore, status can be ignored or determined in ways supporting undocumented existence sustaining vulnerability (Méndez et al., 2020). Vulnerable migrants are assumed to follow the pull of their ethnic communities that often operate in liminal and marginal spaces (e.g. Lee, 1966). Furthermore, they often experience various sorts of discrimination on multiple grounds and face impediments as a visible minority (Dana, 1993; Hofer et al., 2017; Weichselbaumer, 2016). Precarious situations and systemic discriminations can be also made and sustained with and within a particular context (Lancione, 2019).

Disadvantaged migrants, however, are not merely trapped in a survival choice, they can also be framed from the economic participation side (Portes et al., 2002; Rath & Kloosterman, 2000), as entrepreneurs generating value and prosperity in the host context. Despite their liabilities and marginality, migrants appreciate independence, autonomy and self-determination and often adopt a proactive integration strategy by developing entrepreneurial activities and establishing firms (Valenzuela 2001). Demand-oriented studies often neglect the role of human agency and are inherently functionalist, holding deterministic views of the broader social context (Engelen 2001). In short, we know very little about disadvantaged migrant entrepreneurs' criteria and selection of place when establishing business operations that serve their host markets instead of co-ethnic enclaves.

Previously, Waldinger et al. (1990a, b) proposed an analytical model that combines demand (opportunity structures) with supply (group characteristics) and accounts for the stages and spatial scales of ethnic business development: areas with high concentrations of same-group migrants become entry markets with relatively low specialization, preparing the ground for more specialized "ethnic niche markets"; when firms surpass the borders of the enclave, "middlemen markets" begin to address the wider public, while economic assimilation is achieved through the break out in the mainstream economy (see also Bager & Rezaei, 2001). Critics of the model contest its implied teleology and essentialist spatiality (Engelen, 2001, pp. 211–212); its understanding of assimilation as the end of a series of sequential stages (Rath, 2001); its excessive emphasis on the ethnic environment, neglecting socio-economic processes and changing migration trends (Rath & Kloosterman, 2000. The "mixed embeddedness" theory (Kloosterman et al., 1998; Rath & Kloosterman, 2000; Kloosterman & Rath, 2001, 2003) suggests that migrants are embedded in the socio-economic and politico-institutional environment of the host country, as well as in social networks (Kloosterman & Rath, 2001, p. 190). In this view, the opportunity structures involve accessibility of migrant entrepreneurs to (national, urban or local) markets and sectors for developing and expanding their firms. Contrary to ethnic enclaves and research on urban epicentres as locations, there are also migrant businesses emerging in highly atypical contexts without such pull-demand from co-ethnic populations (Elo et al., 2019).

This study focuses on a less researched destination-location context, on Austria representing a Central-European country—without external EU borders relevant for migration—and on the city of Klagenfurt, which represents a medium-sized non-capital urban context (Omata, 2019). Hence, we ask why disadvantaged migrants decide to settle down and become entrepreneurs in Klagenfurt, Austria? How do they select this location? Afterall, in Austria, many migrant entrepreneurs are facing multiple disadvantages due to labour market discrimination, their origin providing lower qualifications, linguistic problems and other un-wanted features (Grand & Szulkin, 2002; Hofer et al., 2017). These disadvantages have partial roots in the non-competitive skill structure (Zikic et al., 2010), but most importantly, this non-competitiveness in host countries also seriously influences their credibility in regard to access on entrepreneurial finance for nascent migrant entrepreneurs

(Vaaler, 2013; Vertovec, 2004). Most such programmes focus on more skilled migrants or investors.

In order to make sense of the location choice and the against the odds-type of entrepreneurship, we focus on the experiences of this specific type of migrant entrepreneurs. We examine disadvantaged migrants who represent visible minorities and have disadvantages in terms of their migratory path and origin, some are even victimized by exploitation. Underprivileged migrants have distinct features mobility-wise, as economic migrants and refuge seeking individuals forced to leave their country or origin contrast the highly-skilled migrant elites who may more freely select their location. Still, for regional development their entrepreneurial criteria and logic are important to understand as they may be part of communities on the move or migrate in a disconnected manner (Parrilli et al., 2019).

The study shows that these migrants have found a way to develop and sustain a life and a business by building entrepreneurial strategies in a place of their choosing—in a non-enclave context (Achidi Ndofor & Priem, 2011). Contrary to expectations on selecting urban hot spots with co-ethnic populations, their relationship to the new "home" is strong and without an ethnic pull, with permanent characteristics, and this settling and root building is also central for their entrepreneurship. This study argues that this type of migrant-diaspora entrepreneurship with disadvantages (e.g. refugeeness) and new local roots is a specific non-mobile category settling down entrepreneurially. This has previously been addressed mainly from the immigrant policy or ethnic angle suggesting that immigrants are allured by macro-level pulls, such as social security benefits, low immigration barriers or notable co-ethnic populations. The findings illustrate an interplay of entrepreneurship and coping with local root building that seems to be specific for refugees and other disadvantaged migrants (Glick Schiller & Salazar, 2013). The study contributes to studying disadvantaged migrant entrepreneurship in smaller cities and more peripheral contexts, and offers insights on the positive elements of integration and localization via entrepreneurship (e.g. Elo et al. 2018, b; Parrilli et al., 2019).

The paper is organized as follows: in the next part the theoretical views addressing immigrant and disadvantaged migrant entrepreneurs are discussed. Then, the research approach and methods are explained after which the cases are presented. Finally, the findings and implications are discussed.

2 Theoretical Framework and Extant Research Literature

2.1 Disadvantaged Characteristics of Migrants

There are massive differences between the privileged expatriates and disadvantages migrants and their life conditions (Brewster et al., 2014; Grand & Szulkin, 2002; OECD, 2015; *World Bank*, 2013; Wissink et al., 2020). The privilege mode of mobility does not apply for the "home"-making of disadvantaged migrants (cf. Zhang & Su, 2020). Disadvantages that are not only related to qualifications

or perceived differences and discrimination but are also real-life aspects that link to safety, persecution, refuge, escape and survival and also shape the life of an individual (Cohen, 2008; OECD, 2015; Méndez et al., 2020; Wissink et al., 2020). As a result of diverse impediments, refugee entrepreneurship is often perceived as being loaded with barriers and difficulties (Wauters & Lambrecht, 2008). Additionally, different ethnic groups have divergent economic integrations and frameworks (Gold, 1992; Lancione, 2019). In general, research literature underlines the importance of social networks and support from family, friends and co-ethnic diasporas as a disadvantage/deficit-counterbalancing element, i.e. the role of social capital in entrepreneurial life and livelihood (Light & Dana, 2013; Sandberg et al., 2019; Bizri, 2017; Wissink et al., 2020). In short, the life path and strategies of disadvantaged migrants who flee some extreme conditions, including poverty and lack of future perspectives, are fundamentally different from those migrants who have the luxury to select broader options in their migratory and entrepreneurial life. Disadvantaged migrants are seen to represent more reactive and necessity entrepreneurship and to improvise using diverse bricolage sort of strategies to cope entrepreneurially (e.g. Dana, 1997; Fisher, 2012)

2.2 *Immigrant and Migrant Entrepreneurship–in a Post-Migration Context*

Migrants often seek better job opportunities and economic prosperity by self-employment and entrepreneurship in the host country after their arrival; while doing so they produce jobs and facilitate new ideas originating from other angles and minorities (Dana, 2007; Chrysostome & Lin, 2010). Entrepreneurs' aspirations, motivations, ideas, risk-taking and incoming capitals open horizons for capacity building, and some regions have particularly benefitted from these effects, e.g. Silicon Valley and Bangalore (Kotabe et al., 2013; Saxenian, 2005). In similar vein, scholars have pointed out the meaning of ethnic businesses and migration for the welfare and prosperity generation in the host context, also indicating spatial characteristics regarding the opportunities and venturing (Light, 1972; Light & Bonacich, 1988; Waldinger et al., 1990b; Dana, 2007).

Moreover, migrant entrepreneurial activities have been approached in literature from various disciplinary angles and in different contexts as recent reviews illustrate (Dabić et al., 2020). The majority of research has concentrated on the immigrants who settle down (mainly permanently) in the host country and start a business (Aliaga-Isla & Rialp, 2013; Hernandez, 2014; Lagrosen & Lind, 2014; Price & Chacko, 2009). A large part of this research has disciplinary lenses from sociology, anthropology and economic geography, and debate various aspects of collective migration, social embeddedness, culture and post-migratory integration and adaptation, particularly, in relation to livelihood generation (Coleman, 2008; Favell, 2007; Granovetter, 1985; Nijkamp et al., 2010; Sheller & Urry, 2006; Urbano et al., 2011;

Zhou & Liu, 2016). Another stream of literature has looked at the forms of transnational entrepreneurship by migrants, connecting both the contexts of home and the host country (Dimitratos et al., 2016; Guarnizo et al., 2003; Patel & Conklin, 2009; Rana & Elo, 2017). Here, the international element in the business and the firm has been in the epicentre of interest (Dimitratos et al., 2016; Oviatt & McDougall, 2005). Migrants follow different entrepreneurial pathways that link to their minority- and contextual status (Elo & Servais, 2018).

Migrants are assumed to select their host country based on its attractiveness and opportunities offered, in short, by following the pull (Favell & Hansen, 2002; Foot & Milne, 1984). The host country context plays a central role in the study of migrant entrepreneurship, similarly as in international business, since this is the arena or locus where difficulties and impediments are realized for migrants (Grand & Szulkin, 2002; Hofer et al., 2017; Liebig, 2007; Weichselbaumer, 2016). Dana (1997) identified four spheres of influence that impact self-employment of migrants: the individual or self, the ethnocultural environment, the circumstances in society and a combination of these. On the host country-society level, he introduces stratification, social blockage, government assistance and occupational clustering as factors that encourage self-employment (Dana, 1997). Hence, the role of extant co-ethnic diaspora community is a pull- and enabling factor for ethnic entrepreneurship. Thus, the host context is theoretically interesting and part of the explanatory mechanisms and lack of co-ethnic diaspora suggests other explanations beyond ethnic entrepreneurship (Dana, 1997; Elo et al., 2019). Furthermore, as theories on integration, assimilation, acculturation and other adaptive frameworks point out, there is a time dimension in post-migratory life (Arends-Tóth & Van de Vijver, 2003; Guarnizo et al., 2003; Schittenhelm & Schmidtke, 2010). The early life after the migration is particularly "loaded" with challenges for migrants, but over time these inherent challenges may diminish while the distance to the original home country respectively may increase (Buckley et al., 2012; Hedberg, 2007; McAuliffe, 2008; Sahin, 1990). Gurău et al. (2020) presented a typology of immigrant entrepreneurs and addressed the ways how migrants overcome their liabilities of foreignness in the host context. These processes can be addressed through the lens of social practice that illustrate different approaches as paths. Migration research distinguishes different types of time orientations, starting from short-term seasonal workers just visiting a country for limited period of work, e.g., in agriculture or tourism, all the way to permanent settlement with the purpose of building a life in the new host country, which also underlines the agency and commitment of the migrant in taking decisions (Bakewell, 2010; Barber, 2000; Hunt, 2011; Klekowski von Koppenfels & Höhne, 2017; Tharenou, 2010). Hence, when the location represents the place of permanent settlement it has a special meaning for life and entrepreneurship of the migrant (Price & Chacko, 2009).

A particular stream of migrant entrepreneurship has focused on the long-term formation of diaspora and ethnic enclaves that create and shape ethnic economies building on co-ethnic ties (Ojo, 2012; Price & Chacko, 2009; Ram & Jones, 2008; Zhou, 2004). Ethnic entrepreneurship (Dana, 2007) examines the economic and entrepreneurial activity of migrants within their ethnic scope and the ethnicity of

their business (Achidi Ndofor & Priem, 2011; Chaganti & Greene, 2002; Volery, 2007; Yeung, 1999). In ethnic entrepreneurship, the shared ethnicity, cultural understanding, social capital, linguistic features and religious setting have specific roles in the business context, influencing the commonalities instead of the divides that may separate the migrants from the mainstream economy, business and societal context (Dana & Dana, 2008; Elo & Volovelsky, 2017; Faist, 2013; McAuliffe, 2008; Mir, 2013; Powell & Steel, 2011; Ram et al., 2008; Urbano et al., 2011; Wahlbeck, 2007). Historically, there have been large waves of migrants, like the guest workers in Germany (Bhagwati et al., 1984; Klekowski von Koppenfels & Höhne, 2017), that create diasporas and respective ethnic enclaves which have provided ample business opportunities for various ethnic businesses. These enclaves have dominated the location choice of the co-ethnic incoming migrants on many levels, socially through family, marriage and friendship, but also in regard to schooling, education, work opportunities and cultural life (Arends-Tóth & Van de Vijver, 2003; Daller & Grotjahn, 1999; Granovetter, 1973; Pruthi, 2014; Rezaei et al., 2017; Sarason et al., 2006; Song, 2011; Waldinger et al., 1990b). Therefore, it has been an assumption that there are social pressures on ethnic businesses from the diasporas to be established within the new "home" context and often to also serve the diaspora with their business models (Hernandez, 2014; Inglis, 2011). Here, this approach is coined "staying in" instead of "breaking out" (e.g. Bager & Rezaei, 2001). These social forces are linked to the culture and the entrepreneurial circumstances that the migrants adapt into (e.g. Hamilton et al., 2008). Although the global mobility of people has departed from the guest worker and migrant "simplicity" to a more diversified and complex migratory life (Faist, 2013; Glick Schiller & Salazar, 2013; Tharenou, 2010), it is still assumed that extant ethnic diasporas and enclaves pull new migrants to settle within or close to them following the idea of gravity and the pull effect of the "better future" communicated by others in the new context (Tobler, 2010). Recent studies on migration are actually pointing out that the most significant migratory flows take place across Global South, exceeding the flows from Global South to Global North. Thus, it can be expected that novel forms of decision-making and mobility have emerged (Patterson, 2006; Saxenian, 2005; Tharenou, 2010). There is a growing stream of research specifically addressing the highly skilled people who employ a more individualistic agency in their global mobility (Mahroum, 2000; Reitz, 2005; Schittenhelm & Schmidtke, 2010). These advanced choices today influence the overall decision making on migratory life and host country selection, the length of the stay or settlement or circulation, as well as the location or locations of a possible business (Dana, 1996; Etemad, 2004; McCormick & Wahba, 2001; Riddle & Brinkerhoff, 2011; Solano, 2016; Tung, 2008). Therefore, the location choice dynamics of entrepreneurial migrants require revisiting.

However, beyond the privileged global mobility and expatriates (Aycan, 1997; Brewster et al., 2014; Vance et al., 2017; Zikic et al., 2010), other types of migrants are not enjoying comparably rich alternatives in their decision-making process. Disadvantaged migrants, like refugees, asylum seekers, uneducated (particularly illiterate people), disabled, women with children and young people without local schooling/education and visible minorities, often face limitations in such life choices

(Abu-Lughod, 2002; Favell & Hansen, 2002; Fiddian-Qasmiyeh et al., 2014; Lee, 1966; McCormick & Wahba, 2001; OECD, 2015; Orhan & Scott, 2001). Since disadvantaged migrants are seen less as a resource and more as a liability or an object for policy, their role as entrepreneurs has remained underexplored (Sandberg et al., 2019). There are studies illustrating various illicit and negative entrepreneurial roles, activities and forms of trade related to migration and its challenges (Datta, 2005; Gillespie & McBride, 2013; Larue et al., 2009; Staake et al., 2009), but very little findings on the entrepreneurial location choice, survival and resilience of disadvantaged migrants (Hakiza, 2014). For this reason, there is a need to explore disadvantaged migrant entrepreneurship in a more processual manner (de Haas, 2010; Halinen et al., 2013; Yeung, 1999) to understand the dynamics over time that influence the decision making, the choice and the commitment to a specific location (cf. Dana, 1996; Elo et al. 2018, b).

3 Research Approach and Methodology

Qualitative case study method can be particularly useful for understanding a complex real-life phenomenon and entrepreneurship that is less well known, such as location dynamics of disadvantaged migrant entrepreneurship (Dana & Dana, 2005; Eisenhardt, 1989). Qualitative research methods addressing rich and deep data and offering are suitable for examining several influencing factors, diverse dynamics and processes on entrepreneurial pathways (Silverman, 2006; Sinkovics & Alfoldi, 2012). A multiple case study allows horizontal, vertical and diagonal comparison processes (Bartlett & Vavrus, 2016) that are useful for reflecting different individual case trajectories (Wissink et al., 2020). These cases are migrant life courses addressed through migratory-entrepreneurial pathways and life-choices. Here, multiple case studies are employed which explore and present the entrepreneurial trajectories over time in a context (Chung et al., 2012; Flyvbjerg, 2006; Marschan-Piekkari & Welch, 2011; Piekkari et al., 2010; Yin, 2013). Case study method on migrant entrepreneurs is particularly suitable as essential aspects of the environment and context are included (Dana & Dana, 2005; Welter, 2011). More ethnographic and emic style narratives from entrepreneurs in such cases may produce valuable lessons and contribute to research (e.g. Berglund & Wigren, 2014). Contextualizing the entrepreneurship of these migrants spatio-temporally is central as the location is of focal interests and its meaning is part of the research rationale. Moreover, this also responds to the call for better contextualization (Ambrosini, 2012; Welter, 2011; Zahra et al., 2014).

The chosen research strategy is explorative, it builds on identifying and understanding the factors that constitute the overall mechanism of location choice and respective decision making of migrant entrepreneurs, who are particularly vulnerable and disadvantaged (e.g. Dana, 1993, 1997). Prior studies on migration addressing pull and push factors serve as a starting point for understanding these dynamics, but we explore more inductive what makes them choose a particular

location. The selection of place for entrepreneurial activity and life requires a deep level of understanding and a more micro-level exploration (i.e. microfoundations). Therefore, a progressive focusing and reflecting back and forth between theory and practice can help form a bigger picture of the phenomenon and exploring individual trajectories within it (de Haas, 2010; Halinen et al., 2013; Sinkovics & Alfoldi, 2012). For this reason, we have designed this individual examination as a "two-way" interaction between the top-down migration dynamics and policy constellations and a bottom-up entrepreneurial emergence and adaptation process in the locality (see, e.g., Dana, 1996, Emmanuel et al., 2019). Beyond the locality of the business, it also contains dimensions related to migrant and diaspora networks and connections or to businesses elsewhere (Alvesson, Skoldberg, 2010; Ojo, 2012, 2013; Solano, 2016).

In terms of geographic-spatial context, our paper explores a less known context of non-capital urban areas, i.e. smaller cities and towns (Tobler, 2010). In contrast to capital areas and emerging mega-cities, these smaller contexts typically have less or lack that urban pull-factor for incoming entrepreneurial people (Elo et al. 2018, b). As location on the EU external borders, such as Greece or Spain, can have significant effect on the incoming dynamics, we explore the dynamics within the central Schengen area to understand these pull effects experienced by disadvantaged migrants.

3.1 The Data Collection

We chose Austria as the context of the study due to its location and migration policy configuration as an EU Schengen country and Carinthia as a regional context with total of 560 000 inhabitants (Statistics Austria, 2017). Further, Klagenfurt is rather small city that does not have ethnic enclaves in economic-entrepreneurial sense as there are only 1659 people from Afghanistan, 549 people from India and 135 people from Pakistan (Statistics Austria, 2017). The ethnic cultural and social institutions are not strong, e.g. there are only 3-4 mosques in Klagenfurt and limited locus for socializing. Due to the religious diversity of the disadvantaged migrant population representing Muslims, Hindus, Sikhs and other religious groups, there is a very heterogenous and diverse migrant population intermingling in Klagenfurt.

The data collection for our empirical analysis has been carried out qualitatively in the city of Klagenfurt (Dana & Dana, 2008; Johnstone, 2007; Marschan-Piekkari & Welch, 2004; Nijkamp et al., 2010). Contacts with migrant-diaspora associations and social connections were employed for identifying suitable candidates. They were contacted purposefully based on their representation of the phenomenon. Also snowball sampling method within the migrant business scene was used to identify other candidates. One research team member identified and double-checked migrants who were selected primarily due to their disadvantaged migrant characteristics. We chose the establisher-owner as the focal individual to concentrate and we focused on entrepreneurship that had been formally established and was actively development. The primary focus was on ethnic origins that represent the "migration

crisis" cohorts. The most important selection criterion for these case studies was built on: the disadvantaged migrant owner-establisher, part of visible minority group, the establishment of the firm after migration to the location, firm location in Klagenfurt, owner-establisher still actively participating in the management of the firm and further business development. Another selection criterion was the availability of varied business experiences and diversity in the degree of success so that we did not have some outliers only as we tried to balance the cases to explore the phenomenon on a broad range.

For our study, we were able to find and selected five cases of migrant entrepreneurs from Klagenfurt that filled our criteria and were willing to participate. These entrepreneurs were interviewed face-to-face. The interviews lasted 60-90 minutes and were conducted to complete a life-story following semi-structured interview approach with guiding questions starting with demographic data for comparability. In all five cases, the interviews have been recorded, transcribed and cross-checked by the members of the research team. The data were collected between 2015 and 2019. The researcher who did the interviews is a migrant sharing features of the sample populations that were interviewed. The researcher could communicate and interpret the data also culturally. Ethnographic style observations, participation and cultural knowledge supported the process of data collection and interpretation over time (Berglund & Wigren, 2014). Our approach increases the acceptability of the request to share life course information and facilitates trust creation due to shared problem-constellations and perceived inclusion–exclusion settings. Thus, it also increases the trustworthiness and reliability of the data as there is a perceived common understanding regarding improvement of life situations that can be useful in data collection (Sinkovics & Alfoldi, 2012; Sørensen & Vammen, 2014; Waldinger & Duquette-rury, 2015; *World Bank*, 2013).

3.2 The Data Analysis

The data is analysed using a network lens on individual entrepreneurial trajectories that start from the idea of entrepreneurship through nascent entrepreneurship towards established entrepreneurship in the particular location (de Haas, 2010; Halinen et al., 2013; Halinen & Törnroos, 2005). The analysis incorporates a coding process and a chronological organization of data into trajectories around the entrepreneurial establishment and migratory path (Elo, 2016; Saldana, 2009; Urbano et al., 2011). Based on the qualitative material and the first level coding, we developed seven sections representing the second level principal codes: personal background, reason for the migration, selection of destination, social network support, cultural background, motivation to become an entrepreneur, remittance back to family at homeland to achieve the object of our case study, see Table 2. These allowed us to theorize on our research concerns (Saldana, 2009).

We examined the personal background of migrant entrepreneurs to assess the immigration related difficulties (as they represented non-EU nationals who need a

visa), country of origin, migration year, language and most importantly education level (see Table 1 for overview). This is important as one cannot establish a business as a paperless person. Similarly, we tried to understand why they decided to come specifically to Austria and Klagenfurt that is not a major urban area nor among the top destinations otherwise. Therefore, we asked our focused participants what had originally motivated them to come to Austria and how that happened. The question to all the migrant entrepreneurs we interviewed, was to assess the factors or limitations in destination selection such as visa requirements and financial requirements. We also tried to check, how their social networks supported them at the desired destination, if there were any. Further, the idea was to explore how these migrants, by developing entrepreneurial strategies find a way to develop and sustain a life and a business in a place of their choosing, and why they decided to settle down permanently in Klagenfurt. With coding we analysed the data contents constructing a trajectory based on their narratives with main critical event phases in their lives that have led to their entrepreneurship in Klagenfurt while reflecting the theory elements (Halinen et al., 2013), see Fig. 1 and Table 2. We run several rounds of analysis going back and forth between data and theory. We tried to address rather holistically the factors that influenced the location choice and explored diverse layers of their narratives. We asked for macro-level pulls such as policies or ethnic diasporas, but were unable to identify any prior to arrival in Klagenfurt, their social ties were influential in the post-migratory setting but not as pull factors to Klagenfurt. In line with the social mechanisms (Emmanuel et al., 2019), we also wanted to check the remitting behaviour of these migrant entrepreneurs back to family members residing in the country of origin as this is potentially linked to entrepreneurial endeavours and transnational features, see Table 2.

4 Analysis–Five cases in Klagenfurt, Austria

First, we provide a contextual overview to the cases and an analysis of the emerging post-migratory entrepreneurship with the key elements in their live courses, see Table 1. This allows a more embedded understanding of their life and emerging entrepreneurship in Klagenfurt. The entrepreneurship of all is directed to multi-ethnic customers, not only co-ethnics, including local customers and niche markets (cf. ethnic cross-over). Due to the size of the city ethnic products and services are mainly sold in such independent retail stores/shops.

Second, we present a visual analysis (colour codes) of the five case trajectories in Fig. 1 and reflect push–pull setting, the critical event phases and the location choices. Case 5 had an emotional push factor, while the other 4 had serious livelihood-danger related push forces (orange). Information had diverse and informal sources. Case 3 was the only one that entered Europe through a legitimate path, while others followed agents ("Schleuser"/human traffickers, yellow) or friends'/family's advice (light blue) resulting in a rather random location. Cases 2 and 4 had paid Germany as the destination, but ended up in Austria. None of the entrepreneurs had prior

Table 1 An overview to the cases and analysis of the emerging post-migratory entrepreneurship

Overview	Case 1	Case 2	Case 3	Case 4	Case 5
Country of origin	Pakistan	Afghanistan	India	Pakistan	India
Gender	Male	Male	Male	Male	Male
Marital Status	Married	Married	Married	Married	Married
Age	50+	25+	50+	50+	60+
Migration start, year	1977	2013	1978	1990	1980
Children	3	4	2	4	2
Educational Background	High school	High school	Secondary school	High school	University level
Total length of stay in Klagenfurt	40 Years	6 years	37 Years	29 years	38 years
In-between stay in other countries, transition phase	Austria, no transition	Austria, no transition	Greece, Austria	Austria, no transition	Finland, Austria
Start towards Austria	Wanted to study in Austria	He tried to find a job, but he failed, due to lack of German language	Worked in a Greek shipping company as a technician/shipping assistant engineer in Greece for 3 years	Worked in McDonald's in Klagenfurt	Gastronomy jobs
Arrival in Austria and Klagenfurt	1977	2013	1982	1990	1981

Decision to settle down in Klagenfurt permanently	1997	2017	1990	2010	1990
Main occupational steps/economic activities taken over time	Worked for 20 years as a bar keeper to earn money and then turned into self-employment	Grocery Store. He collected the information for self-employment	Low labour jobs to survive and to collect money for his own start-up	Worked in McDonald's. He tried to earn money to start his own fast food restaurant	Worked in a hotel Low-level jobs, now his own Indian Restaurant, Boutique
Business strategies, future	No special strategy plans. Coping strategy wishing to spend his whole life in Klagenfurt.	Plan to open Asian chain market in whole Austria. Growth strategy beyond coping.	He is satisfied with his grocery store and he wishes that his all children will also choose entrepreneurship. Mainly coping and bricolage strategies	He wants to grow his Halal Fast food business in the whole Austria, growth strategy.	He is looking forward to opening a Yoga Centre in Klagenfurt. Growth strategy with bricolage style.
Business model and sector	Bar	Grocery store	Grocery store	Street food restaurant	Restaurant
Business Size (employees)	5	3	2	3	3
Ethnic composition of workers	Foreign, co-ethnic and others	Co-ethnic and other foreign	Co-ethnic and other foreign	Co-ethnic and other foreign	Co-ethnic and other foreign
Ethnic composition of clients	Mostly European	Mostly Asians	Mostly Asians	Mostly Asians	Mostly Asians
Family members' current situation	His wife is active as housewife and all 3 children are attending university education	All family members are living in Klagenfurt, they all are working with him	His all children are born in Austria and getting a university education. He would like to see them as entrepreneurs as well	His brother and all family members are living in Austria and the children are studying in Austria and working part-time with him	His both children are born in Austria and getting university education. He would like to see them as entrepreneurs.

(continued)

Table 1 (continued)

Overview	Case 1	Case 2	Case 3	Case 4	Case 5
Usage of networks (diaspora, ethnic, family, transnational)	Strong ethnic social/ business network (with Arabs and Asians in Klagenfurt)	Strong ethnic social/ business network (with Arabs and Asians in Klagenfurt)	Strong ethnic social/ business network (with Arabs and Asians in Klagenfurt)	Strong ethnic social/ business network (with Arabs and Asians in Klagenfurt)	Strong ethnic social/ business network (with Arabs and Asians in Klagenfurt)
Business growth strategy	Stable	Increase	Stable	Increase	Increase

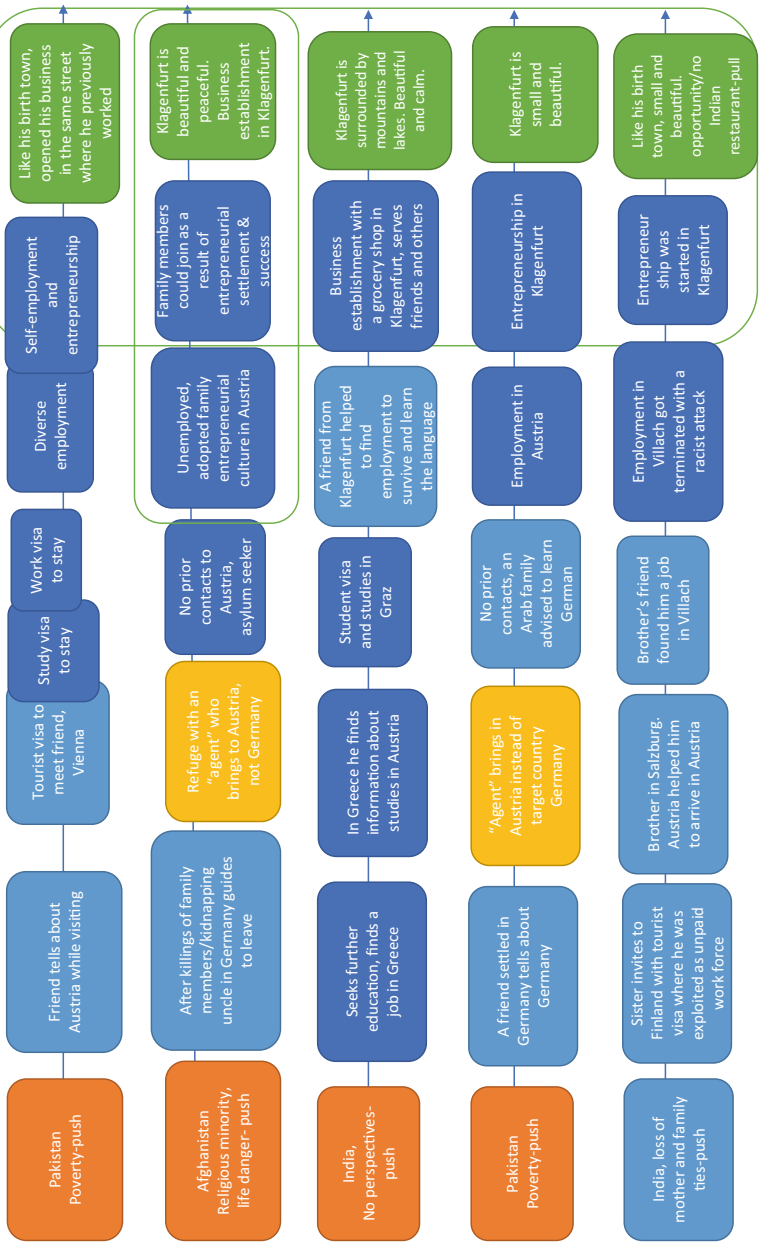

Fig. 1 Trajectories of the cases towards entrepreneurship and settlement

entrepreneurship experience, beyond family tradition (see case 2, green marking), or any intention to go to Klagenfurt. Three cases (2, 3, 4) had no contacts in Austria prior to migration. Many had multiple other cities before Klagenfurt (Helsinki, Athens, Salzburg, Villach, Vienna, Graz) and all had problems with employment/labour markets that contributed to their entrepreneurial motivations and aspirations. All participants referred to location selection "pull criteria" with description such as small, beautiful, calm, peaceful, mountains, lakes, like birth city (see the location choice green marking) without mentioning economic pull. Their relationship developed to the new "home" was strong and even emotional, with permanent characteristics, and formed a central part of their entrepreneurship. Interestingly, only case 5 mentioned a local opportunity as one pull factor. Hence, economic pull factors are inadequate to explain this phenomenon.

4.1 Assessing Pathways Towards Entrepreneurial Settlement and Choice of Location

Despite different ethnicities and backgrounds all five entrepreneurs have selected Austria in a rather unspecific/random manner triggered by the push, not pull. However, the location of actual settlement was based on personal and emotional criteria relating to peace, beauty and the resemblance with home/origin, a response to a qualitative pull. They did not explicate any quantitative pull based on economic criteria or entrepreneurial programmes/policies. This qualitative pull was not diaspora/co-ethnic community driven, it was about the perceived characteristics of the city that clearly addressed the traumata and nostalgia of the migrants in a positive manner. This qualitative-emotional pull was the main pull factor for the entrepreneurial location and making of the new home, while enclaves or homophily was not found (cf. Hernandez, 2014). Contrary to Hernandez (2014) a deep and resilient wish to integrate and find peace and prosperity with the Austrian society was explicitly stated by all cases. The migratory pathway of all of them, including case 5, involved immigration, integration and labour market related difficulties. Exploitation, racism and discrimination happened, also within co-ethnics (case 5). Attempts to study and upskilling strategies failed, mainly to economic reasons (cases 1, 3), but all struggled to learn German. The German language requirement was a surprising hurdle for them, but once they learned, they actively started to help newcomers to integrate better, being "locals". Their Klagenfurtian entrepreneurship was in line with the work of Portes et al. (2002), a form of economic adaptation to match the location with diverse strategies from bricolage to growth as family business but addressing customers beyond ethnic diasporas, see more in Table 2.

Table 2 The migrant life stories towards entrepreneurship

Case 1	Case 2	Case 3	Case 4	Case 5
Personal Background Migrant entrepreneur A was born in the early 1960s, in the city of Gujrat in Pakistan. He first came to Austria in the year 1977. He can speak four languages: Punjabi and Urdu as a mother language, while English and German as second languages. He passed his high school education in Gujrat and due to his household situation, he could not go to school to further his studies. His main hobbies are playing cricket and cooking different Asian delicacies.	**Personal Background** Migrant entrepreneur B was born in the early 1990s in the city of Kabul in Afghanistan. He came to Austria in the year 2013. He can speak four languages: Punjabi and Farsi as a mother language, while English and German as a second language. He has only received his high school education from Kabul. His main hobbies are playing cricket, searching the Internet and cooking different Asian delicacies.	**Personal Background** Migrant entrepreneur C was born in the early 1960s in the city of Haryana in Punjab, India. He can speak four languages: Punjabi as a mother language, while English, German and Greek as second languages. He passed his secondary school education in Haryana and did Machinist diploma in Industrial Training Institute in Haryana. His main hobbies are watching cricket, music, watching movies and reading newspaper.	**Personal Background** Migrant entrepreneur D was born in the late 1960s in the city of Gujrat in Pakistan. He first came to Austria in 1990. He could speak four languages: Punjabi and Urdu as a mother language, while English and German as second languages. He passed his high school education in Gujrat and due to his household situation, he could not go to school to continue his studies. His main hobbies are playing cricket, reading the newspaper and cooking different Asian delicacies.	**Personal Background** Migrant entrepreneur E was born in the mid-1950s in new Delhi, India. He can speak five different languages: Hindi, Punjabi and Pahari as a mother language, and English and German as second languages. He received his Bachelors in Economics in India. His main hobbies are to watch and play cricket, to listen to Indian Music and to watch Indian movies. He has seven brothers and sisters and five of them are settled abroad.
Reason for Migration Migrant entrepreneur A belongs to a poor family. His parents could not afford to send him to school after primary education. He was young and does not want to spend his whole life in a same situation as his parents. "I wanted to change my family's household situation and to live in a better	**Reason for Migration** Migrant entrepreneur B belongs to a middle-class Sikh family. Afghanistan is an Islamic state and he was born in a Sikh family. They were not treated equally in Afghanistan and the whole family was not safe. His Grandfather, uncle and other family members were killed	**Reason for Migration** Migrant entrepreneur C belongs to a middle-class Sikh family. His parents and his brothers were working as agriculturist like his grandparents in India. He was young and wanted to change his lifestyle. "I was keen to know the western culture and wanted	**Reason for Migration** Migrant entrepreneur D belongs to a poor family and he wanted to change his household situation. "I belong to a poor family. My father was the only one who was working, and all our family members were sharing that budget. It was okay till we were not young, but later it was very difficult	**Reason for Migration** Migrant entrepreneur E belongs to a rich family. He did not come to Europe for financial or political reasons. "In 1979, my mother died, and I was very sad because I was very close to her. My elder sister was aware of my situation and at that time she was well settled in Finland.

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Table 2 (continued)

Case 1	Case 2	Case 3	Case 4	Case 5
society" (ME_A_2017)	because of religion and no one raised any complaints about it, because they (Sikh) do not have their own country.	to change my lifestyle" (ME_C_2017)	even to survive for us. After completion of my high school education my parents could not	She invited me to visit her in Finland. So, I can
Therefore, he decided to migrate to Europe in order to support his parents, and to live a better life. Better education standards, high currency value and better living standard were the main factors that attracted him to migrate to Europe.	"I left Afghanistan due to my Sikh religion. Being a Sikh, my life was in threat and unfortunately, we (minorities) had no rights there" (ME_B_2017) Once, he was kidnapped for 30 days and they asked for money from his father but luckily, he managed to run away from them which saved his life. "I am young, and I don't not want to spend my whole life in a threat and in a country where I can't claim equal rights" Therefore, he decided to migrate to Europe in search of a better life.	After the completion of his Technical education diploma, he wanted to improve his studies. It was the best time and chance for him to migrate to Europe, because he did not want to spend his whole life as an agriculturist in his parents' fields. "Therefore, I decided to migrate in Europe to improve my technical education and to know how western people live" (ME_C_2017)	afford to send me to college for further studies" (ME_D_2017) He was young and wanted to change his family situation and to not live in poverty. Therefore, he decided to migrate to somewhere in Europe to earn money and to support his parents. One of his friends was well settled in Germany and went back to Pakistan to see his family for a few weeks. He met him and told him about his family situation. His friend advised him to migrate. "I decided to get rid of poverty and there was no other opportunity for me to help my family and change the household situation, that was the reason, why I chose migration" (ME_D_2017)	travel in Europe and enjoy the European culture which helps me to feel better" (ME_E_2017) He was very young, and it was a great opportunity to change his lifestyle. That is why he applied for a tourist Visa and after getting the Visa stamp he took a flight to Helsinki. "I came to Finland just for three months to stay away from my place in India where my mother died, otherwise I didn't want to leave India"(ME_E_2017)

Selection of destination It was a difficult decision for him to select a destination, because he had not been to any other cities in Pakistan. At that time one of his best friends was already living in Austria. He helped him to select a country to migrate. "At that time one of my best friend was living in Austria. I contacted him and asked him about migration status and policy, living standards, job situation and about Pakistani community in Austria. After getting, all the required information, I discussed with my parents. They did not want to allow me to go to a foreign country, but due to our household situation, they had no other choice and finally they agreed and allowed me.	**Selection of destination** "One of my uncles is well settled in Germany. I contacted him and told him that my life is in danger and asked him for help. He suggested me to migrate in any country of Europe" (ME_B_2017) His uncle was not able to sponsor him, but he recommended him to contact an agent. "I contacted the recommended agent and gave him a very reasonable money to help me to get in Europe" (ME_B_2017) It was a difficult decision for me and my whole family to pay a lot of money and put my whole life on risk, yet again. But at that time, he had no other option. So, he decided to take that risk and his agent brought him in Austria, Europe. "Austria was not in my plan as a final destination, I had not even	**Selection of destination** All his family members and friends were working in India and he did not know anyone in Europe. He asked his teachers for further studies and they told him if he wanted to improve his technical education he should migrate to Europe or the United States. "I started collecting knowledge for further education and one day I read in a newspaper that one of Greek shipping company looking for technical labour in Greece. I immediately applied there and luckily; I was hired for that job" (ME_C_2017) He got the visa stamp from the Greek Embassy in 1978. He was very happy, but his parents were worried, because he was the first family member who would be moving abroad. It	**Selection of destination** He wanted to go to Germany, because at that time his friend was living in Germany and he helped him and motivated him to migrate to Germany. "My friend told me about an agent who took a lot of money, which was borrowed by my parents from few friends. He helped him to cross all the borders. The whole journey was very dangerous, and I was very afraid, but finally he brought me to Austria" (ME_D_2017) Austria was not his choice to live. He wanted to stay in Austria for a few months and then he planned to move to Germany. But with the passage of time he changed his mind and decided not to go to Germany. "I felt that Austria is beautiful place to live and I also	**Selection of destination** Before migration, his four brothers and sisters were residing in Europe and Australia. They all were well settled abroad. He came to see his sister in Finland. She and her husband were running a restaurant in Helsinki. He thought he would help them for three months and then he would go back to India. "After few weeks of my arrival in Finland. I have changed my mind to go back to India, because my brother-in-law treated me very badly and I left his house. I had no money to return to India. I contacted my elder brother, who was residing in Salzburg, Austria

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Table 2 (continued)

Case 1	Case 2	Case 3	Case 4	Case 5
			started to like the Austrian people" (ME_D_2017)	
First, I applied for a visit visa to meet my friend and after getting visa stamp, I came to Vienna and my friend helped me to apply for a student visa, so I could stay in Austria" (ME_A_2017). Even though he wanted to study, however, due to financial reasons he was unable to continue and later he found a job and was able to get a work visa. Being a migrant, the first few years were a very stressful time and he faced a lot of challenges. Apart from the cultural shock, he had to deal with the realties such as: close friends and family members were away. He could not move freely because of not speaking the German language. Eating food that he had never tasted before and finding a job was a difficult for him. Everything was expensive.	heard the country's name before. It was my agent who brought me here in Austria and I am happy and thankful to my uncle and agent that I am safe now" (ME_B_2017)	was a difficult decision for his parents to allow him to migrate. Finally, they agreed, and he booked a flight to Athens. "I came to Greece and started working there, but still I was not satisfied, because I wanted to improve further technical education. After 3 Years, I heard from one of Austrian colleague that there is a good technical university in Graz, Austria. I applied in TU Graz and got admission" (ME_C_2017) That is why I came to Austria and now I like Austria and want to live here for the rest of my life.		and came to Austria" (ME_E_2017) A few days after his arrival in Austria, his brother contacted one of his friends, who was working as a Hotel Manager in Villach, Austria and asked him for a job. He gave him a job in the Hotel, and he moved to Villach. "I was very happy that I could survive. Austria was not my choice to live but with the passage of time, I felt myself well integrated in Austrian society and I decided to stay in Austria" (ME_E_2017)

Social network support When he arrived at Vienna, his friend received him at the airport and provided a lot of support. "After my arrival at Vienna my friend supported in all ways, he shared free food and his room with me. He showed me all the markets and shared all the necessary information where to find job" (ME_A_2017) He met many others Pakistani migrants in Vienna and in other cities, who worked very hard to live in Austria.	**Social network support** He did not get any support from the Asian diaspora because he did not know anyone in Austria. "There was no one in Austria who I know before" (ME_B_2017) He applied for Asylum status and decided to learn the German language as soon as possible. His German language teacher and his lawyer treated him like a human and they helped him to get to know the Austrian/European customs, culture, etc.	**Social network support** He did not get any support from Asian diaspora. "At that time there were not too many Asian or Indians in Greece" (ME_C_2017) Maybe, because I was working full time, I did not find any one from my culture. "When I moved to Graz, I met one Pakistani and he introduced me further 5 Indians migrants. Two of them were living in Vienna, two in Salzburg and one in Klagenfurt. I asked them, how to learn the German language	**Social network support** He did not get any social support, neither from Asian community nor from Austrian Government. "My agent brought me in Austria, and I didn't know anyone here. It was a difficult situation for me, because I thought I could find a job easily and send back money to my family. But I struggled a lot, because Austria is a German speaking country and my friend didn't tell me. I couldn't talk with people and felt home sick. Austrian cold weather was another shock for me. I wanted to go back to my country, but my parents motivated	**Social network support** "In Finland, my sister supported me for a few weeks to live with them and after that I moved to Austria" (ME_E_2017) When he moved to Austria, he was in a bad situation, because he worked at his sister's restaurant in Finland without money. When he left his sister's house, he contacted his brother in Austria and asked for help. "My brother gave me money to survive and I lived in his residence in Salzburg
"I met a lot of other Pakistani migrants, they helped me to learn German language and most importantly, they guided me about the Austrian Values, which helped me a lot to develop my interpersonal relations with western people" (ME_A_2017)		and they advised me to take courses" (ME_C_2017) At that time, he had some savings, but it was not enough money to pay for rent, German language fees and living expenses. So, he decided to look for a job, so he could survive. And he requested all his Asian	me to stay here and face the challenges" (ME_D_2017) Being a Muslim, he also faces Halal food problems, because he did not know where to buy it. No one was there for him and during the journey he also lost the address of his friend. "I started motivated myself	where I could eat free food until I found a job in Villach" (ME_E_2017) "My brother also introduced me the Austrian culture, how to learn German language" (ME_E_2017). Later, when he started his job, his colleagues helped him to learn

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Table 2 (continued)

Case 1	Case 2	Case 3	Case 4	Case 5
		friends to help him find a job. "One of my Indian friend who was living in Klagenfurt, he helped me to find a job in Klagenfurt and I moved from Graz to Klagenfurt. He also helped me to find a cheap apartment" (ME_C_2017) He worked as a cleaner where he has always cooperated with Austrian workers. They helped him to learn the German language and to get to know the Austrian/European customs and culture.	because I already burned my boats. There was no option to go back to Pakistan. One day, I met one Arab family and they guided me to learn German" (ME_D_2017) He started to learn German and after a few months he found a job in a fast food restaurant, which helped him a lot to develop his interpersonal relations with Western people.	the German language and he helped them to learn English.
Cultural Background Asking him about the business culture in his country of origin, Pakistan, migrant entrepreneur A mentioned that people in Pakistan appreciate self-employment. The encouragement for small businesses in Pakistan is much higher than that in Austria. "There are many small businesses in Pakistan and the most common small	**Cultural Background** He belongs to a country where they have been at war from several decades and being a minority (Sikh) they have to adapt to that culture, so when he is asked about his own culture, he is sad. "I have no culture of my own, because I grow up in fear environment. Where I couldn't play with my friends. I couldn't participate	**Cultural Background** He belongs to a country where they have thousands of distinct and unique cultures of all religions and communities. "I belong to a Sikh family and my whole family is agriculturist. I also worked in the fields with my parents, but professionally I am a technician" (ME_C_2017). India has a strong	**Cultural Background** The entrepreneurial culture is almost the same in Austria and in Pakistan. "People in Pakistan appreciate self-employment and I think that the encouragement for the self-employment in Pakistan is much higher than that in Austria" (ME_D_2017) At the beginning, he wanted to choose self-employment,	**Cultural Background** Entrepreneur E belongs to a country, where they have thousands of distinct and unique cultures of all religions and communities. More interestingly, India also has a strong entrepreneurial culture. "I belong to a Hindu family from India, while having a very diverse background. Most of my family members were living abroad. At the age

business in Pakistan is trading of daily commodities, goods and products" (ME_A_2017). He thinks that the Austrian employment and business laws are discouraging self-	in other's communities (marriage) ceremonies. We did not have our own community Mosque to pray. There are a lot of aspects to tell but I don't want to mention" (ME_B_2017)	entrepreneurial culture. Therefore, it was a culturally well-accepted decision to choose entrepreneurship. The encouragement for small businesses in Austria is similar to that in India.	but due to financial reasons he was unable to make any progress. He thinks that the Austrian employment and business laws are discouraging regarding self-employment: "Austria is country discouraging entrepreneurs because of heavy	of 9, I started working in India in an Auto workshop and later I also worked in a Restaurant in India" (ME_E_2017)
Employment in Austria because of the heavy business and employment tax rates. Still he decided to choose self-employment as he is a risk taker and he believes that self-employment contributes substantially to the development of the economy. His family is living in Austria and they are studying in Klagenfurt. He is encouraging his son and daughter to get a university education and later to choose entrepreneurship. He tried to payback his friend who helped him to settle in Austria, but he refused to take the money. He was happy that he can support his family and	On the other side, he is proud to mention that he adopted his family's culture: "I adopted my family culture as an entrepreneur. My family had textile business from decades in Afghanistan and I had the opportunity to work with my parents to run our business" (ME_B_2017) Therefore, it was an easy decision for him to choose entrepreneurship. The encouragement for small businesses in Austria is much higher than that in Afghanistan. He thinks that the Austrian employment and business laws are encouraging self-employment in Austria and he believes that self-		Business and employment tax rates" (ME_D_2017) He worked for 10 years in a Fast food restaurant and after that he chooses self-employment. His family is now living in Austria and his children are studying in Klagenfurt. "I am encouraging my children to get the university education and later choose entrepreneurship" (ME_D_2017) From time to time he is also helping the Asian immigrants to learn Austrian and European values and most importantly how to integrate into European society.	"India is a populated country and I don't want to live there because tolerance level in India is very low. Therefore, I like the European culture because Austrian people are calm, they are always waiting for their turn in offices, etc." (ME_E_2017) He thinks that the Austrian employment and business laws do not encourage self-employment in Austria. While India is one of the strongest entrepreneurial activity promoting contexts, therefore it was not a difficult decision for him to choose entrepreneurship.

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Table 2 (continued)

Case 1	Case 2	Case 3	Case 4	Case 5
parents residing back home. From time to time he is also helping the Asian immigrants to learn Austrian and European values and most importantly how to integrate into European society.	employment activity contributes a lot to the developed economies. Now his parents and sister are also living in Austria. His sister is studying in Klagenfurt. He is encouraging his sister to get a university education and later to choose entrepreneurship. He is also helping the Asian immigrants especially Sikhs and informing them how to integrate into European society.			
Motivation to become an entrepreneur The main motivating factor for the migrant entrepreneur A to choose self-employment was his ambition to become an entrepreneur. "I worked for 20 years in a Disco in the Klagenfurt downtown and one day I have to leave my job due to the irrational behavior of my	**Motivation to become an entrepreneur** Entrepreneurship is in his blood because he belongs to a family of entrepreneurs, that already have business experience. "I was well aware that I have only primary education and I am in a developed country. Being a foreigner in a German speaking country, with very low education, it was impossible to find a job in	**Motivation to become an entrepreneur** "At that time there was no Asian grocery shop in Klagenfurt. My friends encouraged me to open a grocery store, where they could buy Asian products and I could save my time instead of looking for a job. I think that was a best decision to choose self-employment, because I created	**Motivation to become an entrepreneur** The main motivating factor for the migrant entrepreneur D to choose self-employment was his ambition and rational behaviour to become an entrepreneur. "I worked for 10 years in a Fast food restaurant in the Klagenfurt city and one day I left my job due to the irrational behaviour of my Austrian Supervisor. I must leave	**Motivation to become an entrepreneur** Entrepreneurship was not something new for him. Because all his family members who were settled in Europe were running their own businesses. But that was not the reason he chooses entrepreneurship. "In 1981, one day I was on my duty in the hotel in

Austrian boss, which I don't want to mention here" (ME_A_2017) Then he decided to become an entrepreneur and he thinks that it was a right decision at the right time. Choosing self-employment has had a positive influence in his life in the shape of caring for his children, who are also able to study. While, on the other hand, he has created five jobs in the market instead of searching for a job himself. Moreover, he is willing to take the risks even if it means he might lose. The main difficulty he faced when starting up his business was the Austria business policy for small business entrepreneurs. He finally succeeded to open a bar in the same street where he worked. "I opened a bar in the same street where I worked for 20 years" He tried his best to offer a friendly environment and new and special free drinks	Austria. I tried for a few years, but I failed. Then I decided to choose self-employment" (ME_B_2017) But it was not easy, because he had to go through a thorough process for self-employment to get permission. "I was fully ambitious and motivated to face all the problems. I had to do a lot of paperwork to get the final approval from Austrian Finance ministry" (ME_B_2017) He also took some seminars to better understand the needs of the Austrian market. "I also took seminars to get knowledge of Austrian market demands and supply in Klagenfurt city" (ME_B_2017) Entrepreneurship has had a very positive influence on his life in the shape of caring for his parents and enabling them to work with him. "I am glad that I created 3 jobs for my family members: one for my father, one for sister and one	a job for me, and my friends were thankful to me that they could buy the Asian products" (ME_C_2017) These are the main reasons he chooses self-employment. On the other hand, he wanted to improve his technical education, but he was unable to make that dream come true, because of difficulties with German language in addition to financial reasons. "It was not easy for me to start my own business, because in Austria I have to go through for a long process to get approval from respective authorities for self-employment. While in India there is no such process" (ME_C_2017) Due to his motivation towards self-employment, he followed the process and got the final approval from Austrian Finance ministry. "Entrepreneurship has very positive influence in my life. I am supporting my children to get good and quality education. I also created 2 jobs,	my job immediately. I am the victim of racism. After all that, I decided to become an entrepreneur" (ME_D_2017) He feels very proud about his decision, and believes it was the right one. Choosing self-employment has had positive impact on his life in shape of being able to care for his family and support their studies. "I created 4 jobs in the market instead of searching, a job for myself" (ME_D_2017) The main difficulty he faced before starting his business was the Austrian business policy for small business entrepreneurs. He finally succeeded in opening a Pizza restaurant in the centre of the city. He is trying his best to offer a friendly environment and offering Asian, Turkish and Italian food and drinks for regular customers. He likes the Klagenfurt and feels proud that he managed to create his own business.	Villach, Austria and my Austrian Supervisor came. He was drunk, he came to me and started abusing me and tortured me with a long steel toe shoes and my blood came. I didn't say him anything even I had no idea why he did that. I went to Police station and complained them about his irrational behaviour. On the meanwhile, he fired me from my job without notice period. He also didn't pay me the money and I am still waiting for justice. It was all about colour and ethnicity" (ME_E_2017) That was the reason he chooses self-employment because he did not want to be an employee again. "I was very disappointed and decided to start my own business. I opened a restaurant in Klagenfurt, and I am very happy about my decision. It was not as easy to start my own business as in India, because in Austria there are a lot of bureaucratic hurdles. I have to apply for a

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Table 2 (continued)

Case 1	Case 2	Case 3	Case 4	Case 5
for regular customers. He likes the place and feels proud that he managed to setup his own business.	for myself" (ME_B_2017) He is expanding his business into another city and has opened another shop in Villach. Next year, he is thinking about opening a shop in Graz. He likes the Carinthia and he feel proud that he has managed to save his own, sister's and his parents lives.	one for me and one for my wife. I am not thinking to expand my business, but one day, I would love to see my children as an entrepreneurs" (ME_C_2017)		confirmation that I have the same rights for self-employment (Gleichstellung mit Inlander) as Austrian and it was very difficult process" (ME_E_2017) At that time, there was no Indian restaurant in Klagenfurt. He also opened a Boutique shop in Klagenfurt.
				Self-employment has had a very positive influence on his life. "I am supporting my children and they are studying in a university now. I also created 2 jobs, one for me and one for my wife" (ME_E_2017) He is also thinking about opening a yoga centre to expand his business.
Remittance to Pakistan Pakistan is a fourth largest remittance receiving country in the world. He is also sending money back to Pakistan to support his family and friends to encourage the education and provide for	**Remittance to Afghanistan** Afghanistan is a country where remittances are important. He is not sending money back to Afghanistan. Because all his family members are residing in Austria. "My wife, parents and sister	**Remittance to India** India is the largest remittance receiving country. He is not sending money back. "I am not sending money back to India. While my parents are not alive, and my brothers and sisters are	**Remittance to Pakistan** He is sending money back to Pakistan every year to support his family and pay for the household needs as well as to encourage the education of his family members. "I am sending money back to	**Remittance to India** Entrepreneur E belongs to India, which is a notable remittance receiving country. He is not sending money back to India regularly, because his parents are not alive, and all his family members are living

the household needs. "I am also sending money back to my family members and friends for household and other needs" (ME_A_2017) But he believes that if they spent this money on self-employment activity, it can play an important role to improve the economic condition of Pakistan. Whenever he is travelling back to Pakistan, he is promoting the European entrepreneurial culture to the younger generation of his family and friends.	all are residing with me in Klagenfurt. That's why I am not sending money back to Afghanistan" (ME_B_2017)	financially in a good situation. Sometimes, I am sending money back to my friends, if they needed for household, marriage or medical use" (ME_C_2017)	my family. Because of motivation and remittance, one of my brothers chooses self-employment in Pakistan" (ME_D_2017) Pakistan is the fourth largest remittance receiving country and he believes that if Government of Pakistan helps and educates the migrants families residing in Pakistan there, they can also start their own businesses with this money, and it can play an important role to improve the economic condition of Pakistan. "Whenever I am travelling back to Pakistan. I am promoting the European entrepreneurial culture to the young generation of my family and friends. While I think that knowledge and money can help them to choose self-employment" (ME_D_2017)	abroad, and they are well settled. "I am not sending money back to my family" (ME_E_2017)

5 Findings and Discussions

The findings illustrate that the meaning of being disadvantaged (perceived vs objective dimensions) remains present over time but may diminish through entrepreneurship. The agency and entrepreneurial drivers of these cases were less linear regarding strategy and growth and more social capital and chance driven than planned (e.g. Sandberg et al., 2019), but despite various impediments the entrepreneurial firms survived in the host context, provided jobs for the family, and primarily served host country customers. This success is theoretically interesting; it has assisted them in breaking out of disadvantaged status (cf. Waldinger et al. 1990a, b), to gain higher integration, including better societal status and prosperity.

The entrepreneurial strategies were based on low tech entrepreneurship and service. Again, this dimension and positioning of the business models are strongly linked to a particular location as service businesses are proximity related. Furthermore, this suggests that the cases have managed to develop the opportunities and resources of their context although their embeddedness differs from the locals. They lack opportunities from large diasporas and ethnic enclaves. Another interesting feature is their strong emotional—even thankful—attitude and bond to Klagenfurt as a location, which stems from the shift that they have experienced from their disadvantageous past to the peaceful and agency-enabling present. The entrepreneurship was made to fit the location, not adapting life (e.g. re-migration) to entrepreneurship. All entrepreneurs settled down and integrated themselves actively into the local context. They did not consider shifting their businesses to larger cities or other countries although such potential would be available within the European Union once they have achieved a permanent EU residence status/Austrian nationality. The sense of home and the ways to create that were interesting (Ishi, 2017; Sheffer, 2003); they were linked with entrepreneurship as a means of living in Klagenfurt, but were not limited to entrepreneurial "home". The home country-resembling mountains and beautiful environment offering peace played a strong role in the entrepreneurial narratives. Furthermore, the foreignness of the location was not perceived as a liability or a threat, but as something positive, Austrianness was something they appreciated and formed a life goal (cf. Hernandez, 2014).

6 Conclusions

This study on entrepreneurial settlement and location choice without ethnic enclave and diaspora pull indicates unexpected emotional features and resilient agency. The theoretical implications suggest that there are un-planned and chance-based disadvantaged migrants becoming entrepreneurs who are not following a pull by co-ethnics as previously assumed. Additionally, implications of following economic pull related to entrepreneurial opportunities, policies or programmes were not found (Castles & Miller 2009; Lee, 1966). Still, information provided by family, friends

and diaspora is influential for migration and post-migratory entrepreneurship. These migrants did not orientate "rationally", but rather randomly chose a place of settlement, partly on inaccurate information, due to human trafficking or coincidence. There was no such distinct assessment process of the best location ("country/benefit shopping") that is often expected from migrants who arrive in developed countries, on the contrary, they chose a small city with limited demand structure. The post-migratory entrepreneurial activity was very reactive, not following classic causation or effectuation (cf. Read & Sarasvathy, 2005) but rather a bricolage kind of strategy (Fisher, 2012), if any, to gain a livelihood via business (cf. Dana, 1993, 1997). Thus, there were no clear entrepreneurial determinants of selecting a location and destination or entrepreneurial purpose in selection (cf. Elo, 2016), as there was no a priori entrepreneurial strategy either (Dana, 1993). The entrepreneurship emerged as a solution to stay in a location, ex post as a coping strategy (Mir, 2013), but this solution worked despite all disadvantages as all five cases were surviving or growing the business, which is interesting regarding small business mortality research.

What is highly interesting, is the strong relationship to this new place of settlement that does not follow the pattern of selecting an entrepreneurial hot spot or opportunity (Kotabe et al., 2013; Saxenian, 2005) and the preference for "small and beautiful". This behaviour contradicts the trends towards the "centre" and the business requirements for adequate demand structures. The resulting relationship to the location is both family- and entrepreneurship- related and forms a full and permanent life settlement, with transgenerational features. These findings relate to the extraordinary findings from the Närpiö region in Finland, where entrepreneurial migrants and their families (also with refugee backgrounds) have found their own sweet spot of settlement and have successfully hybridized the local lifestyle and entrepreneurship (Mattila & Björklund, 2013). Hence, we propose that disadvantaged and refugee migrants may have different, seemingly random and even non-economic dynamics guiding their settlement and entrepreneurial processes. This underlines the existence of a distinct sub-category of migrant entrepreneurs strategically and behaviourally (Elo & Servais, 2018). The study implies that small cities could develop twining and bilateral matching programmes with, e.g., the UNHCR and Chambers of Commerce to attract the right "type" of a migrant from suitable "regions/ecosystems" to settle entrepreneurially (e.g. cooking—HORECA, mountain-mountain).

Managerially, these cases illustrate that a very adaptive bricolage style in entrepreneurial activity is a viable option and seems to match well psychologically with their disadvantaged and/or traumatized backgrounds. They also focused on the "right direction", not on the impediments or problems, although their entrepreneurship could be also seen as a means of coping with marginality, liminality and necessity (cf. Dana, 1993). Social capital, social networks and especially family relations were a crucial and highly central element in their lives, providing motivation, assistance and various tangible and intangible resources, although they were not necessarily even in the same location (cf. Light & Dana, 2013; Gurău et al., 2020). This indicates that it is not just the remittancing behaviour that is theoretically interesting, it is also the positive approach and motivation that family and social relations may foster,

across contexts. The lack of full mixed embeddedness did not impede the establishment of entrepreneurship; with resilience, these entrepreneurs were able to break out of the disadvantageous status and root themselves and their families in the local community. Future research is needed to study the business configurations in more detail to theorize on ways of achieving positive entrepreneurial integration.

Such invisible and complicated processes are sensitive and very difficult to study. The limitations of the research stem from the limitations of the sample, the chosen cultural origins and context as well as the idiographic nature of the study, as another setting might provide highly different cases. Methodologically, it is challenging to examine a process like this in retrospective, as the human memory and psyche influences the way such life events are interpreted and remembered (Mathews et al., 1989).

Migration policy tends to address disadvantaged migrants (due to their limitations), as if they were not able to take care of themselves, and as objects of policy making. This deficit-approach ignores the inherent entrepreneurial potential and agency (see, e.g., Dana, 1997; Bakewell, 2010). In this study, the entrepreneurial drive and activity clearly supports their integration, development and resulting wellbeing (e.g. Liu & Schøtt, 2019). The societal factors, such as discrimination, extreme-right dangers but also complicated formal impediments via bureaucracy are notable problem areas and point out the need for better institutions and inclusive-protective measures for visible minority entrepreneurs. They may perceive and develop local opportunities that the locals are not interested in benefitting the local society and business ecosystem. We conclude that implantation of the UN SDGs[1] that foster empowerment, equality and inclusion can also embrace disadvantaged migrants' entrepreneurial agency and inter-diaspora collaboration. Future studies on these measures and more attention on the business environment's capacity to include newcomers via policies and institutional collaboration are needed, especially employing a more positive organizational scholarship lens (e.g. Stahl & Tung, 2015). Future research on mentoring and exploring useful integration tools by immigrant business organizations could offer fruitful findings for the disadvantaged new migrants.

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[1] See more in https://www.un.org/sustainabledevelopment/sustainable-development-goals/ retrieved 3.2.2020.

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Maria Elo, Associate Professor, University of Southern Denmark; Professor, Belt and Road Institute of International Business at Shanghai University; senior research fellow, University of Turku; and Adjunct Professor, Åbo Akademi University, works on international business, entrepreneurship, and migration with topics such as internationalization, resources of skilled migrants and returnees, migrant and diaspora entrepreneurship, transnational and family businesses, diaspora networks, diaspora investment and remittances. She has published books and articles, for example, in Journal of World Business, Journal of International Business Policy, Industrial Marketing Management, Regional Studies, Journal of International Entrepreneurship, and International Journal of Entrepreneurship and Small Business.

Muhammad Zubair, Ph.D., is affiliated with Alpen-Adria-Universität Klagenfurt, Department of Sociology (Austria), Universitätsstraße 65-67, 9020 Klagenfurt am Wörthersee, Austria. His research interests are mainly focused on international migration, migrant entrepreneurial activities, and foreign remittance impact in developing nations.

Prof. Xiaotian Zhang is the Associate Deputy Vice-Chancellor (Global) of Curtin University and a Professor of International Business and Entrepreneurship. In addition, he has held several senior leadership roles at the world's leading universities in Europe and Asia, including his previous appointment as Associate Vice President of Shanghai University.

Immigrant Entrepreneurship and Dynamics of Being (Dis)Advantaged: An Exploratory Multi-Case Study of Eastern European Origin Immigrant Entrepreneurs in the Nordic Context

Veronika Kentosová, Nasib Al-Nabulsi, Ahmad Arslan, and Ismail Golgeci

Abstract This chapter focuses on the interlink between immigrant entrepreneurs, the gig economy, and the dynamics of being (dis)advantaged in a developed European economy's (Denmark) context. Based on in-depth qualitative case studies of eight (8) gig economy entrepreneurs originally from Eastern European countries Lithuania, Latvia, Romania, and Slovakia, we found that being (dis)advantaged immigrant entrepreneurs is not that black and white phenomenon. We further found that most entrepreneurial ventures were started due to the inability of the immigrant to find a job in the area of his study or interest, mostly due to barriers to entry into the labor market. Significant differences in the dynamics of being disadvantaged based on sector of gig economy operations, where in highly skilled sectors, this phenomenon was less visible. We also found that ease of doing business in Denmark and available help for entrepreneurship played a key role in the start and later growth of gig economy entrepreneurial ventures of these immigrant entrepreneurs. Finally, the case respondents highlighted that despite certain prejudices that may lead to a disadvantaged position, language skills, as well as a supportive institutional framework, play an important role in diluting those influences.

V. Kentosová (✉)
Department of Business Development & Technology, Aarhus University, Herning, Denmark
e-mail: v.kentosova@btech.au.dk

N. Al-Nabulsi
Independent Post-doctoral Researcher, Vaasa, Finland

A. Arslan
Department of Marketing, Management & International Business, Oulu Business School, University of Oulu, Oulu, Finland
e-mail: ahmad.arslan@oulu.fi

I. Golgeci
Department of Business Development & Technology, Aarhus University, Aarhus, Denmark
e-mail: i.golgeci@btech.au.dk

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1 Introduction

There is ample evidence in the literature that immigrant entrepreneurs are in a disadvantaged position compared to native entrepreneurs (e.g., Wood et al., 2012). At the same time, being disadvantaged does not emanate from one particular source, especially in the case of affluent western European economies (e.g., Arslan et al., 2021), and not all immigrant entrepreneurs face similar hurdles or aspects of being disadvantaged (e.g., Aliaga-Isla & Rialp, 2013; Gurău et al. 2020). Hence, it is logical to expect that the dynamics of being a disadvantaged immigrant entrepreneur in developed western European economies differ significantly between refugees, immigrants coming from outside European countries, and immigrants from other European countries, particularly Eastern Europe. The current chapter particularly focuses on the Eastern European immigrants in Denmark, a developed western economy following the Nordic welfare state model. Internal labor movement within the European Union (EU) member countries has been referred to as one of the greatest labor (and entrepreneurs) movements in recent history (e.g., Heinikoski, 2020).

In recent years, the rise of the gig economy has meant that many of the recent migrants of Eastern European countries are increasingly involved in gig economy sectors (e.g., where even though they may be working for a particular firm, they are classified as "entrepreneurs/self-employed" (Crouch, 2019), along with other more traditional entrepreneurial sectors. There is already an increasing amount of discussion on whether gig economy workers are "entrepreneurs" or "workers" (e.g., Prassl, 2018). At the same time, many scholars have highlighted that the gig economy is here to stay and will become increasingly visible in almost all sectors in the future due to technological advancements, particularly automation and the rise of Industry 4.0 (e.g., Prassl, 2018). The economic disruptions caused by the current COVID-19 pandemic are further expected to make the gig economy a more visible feature in many sectors in Europe (e.g., Spurk & Straub, 2020).

In view of these developments as well as increasingly visible new models of entrepreneurship (especially for the immigrant entrepreneurs), our chapter undertakes exploratory research to address the questions: Does being an immigrant entrepreneur, particularly in the gig economy, always mean being disadvantaged, especially if someone is from a not visible minority like eastern European origin immigrants? If not, what are the cases where it is different, and if it means being disadvantaged, how can the entrepreneurs overcome those hurdles? We further probe whether the location within the host country influences the level and dynamics of being disadvantaged for the immigrant entrepreneurs or not. So far, no prior academic research (at least to our knowledge) has specifically addressed these aspects. Hence, our chapter undertakes exploratory qualitative research with interviews as the main data source with eight (8) Eastern European immigrant entrepreneurs operating in different gig economy sectors originally from Slovakia, Latvia, Lithuania, and Romania in Denmark. According to recent statistics, Denmark has approximately 11% population with an immigrant origin (OECD, 2020), making it

an interesting context to study the phenomenon of immigrant entrepreneurship. The particular focus on Eastern European immigrants is due to their visibility in different sections of the gig economy, both low-skilled and highly skilled compared to other immigrant groups (e.g., Crouch, 2019; Fauri et al., 2020), as well as argument in prior studies regarding their relative success compared to other visible ethnic immigrants (e.g., Lafleur & Stanek, 2017; Beicht & Walden, 2019).

By doing so, our chapter contributes to the extant immigrant entrepreneurship, disadvantaged entrepreneurship, and gig economy literature streams by highlighting the importance of aspects like entrepreneurial agility and resilience and link them with elements of the network, ethnic ties, social capital, and desire for integration for the under-researched sections of disadvantaged immigrants originating in eastern European countries. Another contribution of our chapter comes from highlighting the dynamics of being a disadvantaged entrepreneur for not visible minority entrepreneurs and comparing the role of location within a country (i.e., capital city/cities with visible immigrant presence vs. others). This specific aspect has not been studied significantly so far (especially in the Nordic/Danish context). In addition, our findings specifically show the different dynamics of the gig economy by highlighting the important differences between the immigrant entrepreneurs operating in technological fields such as "app development," where such model may be very beneficial compared to the ones working in distribution and logistics, where the challenges may be visibly higher.

The rest of the chapter is organized so that the next section presents a brief literature review followed by a discussion on the study's context and research methodology. After that, study findings are presented. The last section presents discussion and implications.

2 Literature Review

Immigrant entrepreneurship, particularly in the developed western European countries, has been gaining the attention of scholars in recent years due to the topicality and relevance of this issue (e.g., Aliaga-Isla and Rialp, 2013; Rezaei et al., 2013; Light et al., 2013; Haq et al., 2021). The extant research has offered substantial evidence on the problems of unemployment and societal seclusion in the immigrant (foreign origin) population segment in these relatively affluent economies (e.g., Andersen, 2019; Spear et al., 2019). The scholars have further highlighted that entrepreneurship is one of the most useful strategies for immigrants to overcome unemployment and labor market integration difficulties (e.g., Andersson & Wadensjö, 2004; Ramadani et al., 2019). However, immigrant entrepreneurs have been found to be in a disadvantaged position compared to native entrepreneurs due to a variety of reasons (e.g., Andersson and Wadensjö, 2013; Blume et al., 2008; Haq et al., 2021). The prior studies have highlighted that being disadvantaged entrepreneurs can have several reasons (e.g., Desiderio, 2014), with the primary being

language and associated cultural barriers, which can be hard to overcome in many cases (e.g., Baklanov et al., 2014; Dabić et al. 2020).

Along with highlighting the overall phenomenon of immigrant entrepreneurship and associated disadvantaged position, scholars have also explored the dynamics associated with the origin of such immigrants and how certain groups can be more disadvantaged compared to others due to appearance and cultural differences (e.g., Scholten & van Breugel, 2017; De Wilde et al., 2019). Prior scholars have offered a useful overview of the problems of underground entrepreneurial economy activities of entrepreneurs coming from outside Europe (visible minorities), particularly from Africa and Asia in European countries like Denmark, UK, or Germany (e.g., Rezaei et al., 2013; Light et al., 2013; Haq et al., 2021). These studies found that ethnic networks help such entrepreneurs to survive by registering their businesses in the names of legal residents from the same background (e.g., Rezaei et al., 2013), and the more established ethnic entrepreneurs tend to have an advantage over the new ones in the trade (e.g., Light et al., 2013). Such studies have also shown that due to the visible nature of their ethnic origin, the enterprises run by ethnic minority entrepreneurs have a disadvantage especially concerning growth and internationalization (e.g., Baklanov et al., 2014), and unique attributes like compassionate customer service help them to overcome some of the disadvantages (e.g., Haq et al., 2021).

Immigration from ex-communist bloc eastern European countries to western Europe, including Nordic countries, has been referred to as one of the biggest and relatively successful labor movements in recent history (e.g., Lafleur & Stanek, 2017; Heinikoski, 2020). It has further been argued that immigrants coming from eastern European states which joined the EU during the 2000s have been found to face relatively less obstacles (and are more successful) compared to the immigrants originating from Africa and middle eastern countries due to lack of visible (appearance) differences as well as cultural similarity (e.g., Beicht & Walden, 2019). However, this does not mean that Eastern European immigrants are not disadvantaged or the disadvantage is overcome very soon; rather, the associated dynamics change. As highlighted earlier that many immigrants, particularly from eastern European countries, are linked to the emerging gig economy where even though they are educated and active in high-tech fields (like programming or website development), they are considered entrepreneurs/self-employed (Dickey et al., 2018; Crouch, 2019). Hence, it is logical to expect that the dynamics of being disadvantaged and the strategies undertaken by those entrepreneurs to overcome those disadvantages tend to vary in such situations. Due to lack of research on this specific aspect particularly concerning eastern European origin entrepreneurs in Nordic countries, our chapter undertakes an in-depth exploratory inquiry as explained below.

3 Study Context, Research Design, and Methodology

3.1 Sampling and Data Collection

This research focused on Eastern European immigrant entrepreneurs in Denmark, a developed western economy following the Nordic welfare state model. The purpose of the study is to highlight the role of the network, ethnic ties, and social capital in relation to survival strategies and growth (if applicable) of the immigrant-run entrepreneurial ventures operating in the gig economy. Another aspect of the research is the descriptive explanation of the dynamics of being a disadvantaged entrepreneur in Denmark by comparing the location within a country. As such, we rely on case research principles to elaborate a theory on immigrant entrepreneurship (Ketokivi & Choi, 2014; Yin, 2009).

The research is built on eight cases of Eastern European immigrant entrepreneurs operating their businesses in Denmark. The selection of the mentioned cases was based on various criteria, such as entrepreneurs' country of origin, location of entrepreneurial ventures in Denmark, and the industry, emphasizing gig economy sectors. Thus, we adopted the purposive sampling approach consistent with Miles and Huberman (1994).

Data for this research were collected via eight semi-structured interviews and open-ended questions with Eastern European immigrant entrepreneurs in Denmark operating microbusinesses, who were chosen regarding mentioned criteria, experience, and availability. Interviews provided us with satisfactory insights into how the immigrant entrepreneurs perceive their (dis)advantaged position in Denmark, the role of ethnic ties in the mentioned context, and which strategies the mentioned entrepreneurs apply to overcome their obstacles and enhance their market position. As we continued primary data collection, new insights and themes emerged that enriched our understanding of the focal phenomenon. That said, as we approached the eighth interview, insights into the core of the focal phenomenon saturated and emergent themes become stabilized, leading to data saturation (Gligor et al., 2016).

Five interviews were conducted in the English language, and three interviews were held in the Slovak language, consequently translated by a native Slovak researcher to English. The interviews took place during January and February 2021, with an approximate duration between 40 and 60 minutes. The main entrepreneurial ventures' characteristics and descriptions of participants are summarized in Table 1.

3.2 Interview Protocol

The interview protocol provided our participants with the description and the aim of the research as well as the use of data and the participant's contribution to the research process. Participation in the research was completely voluntary and

Table 1 Entrepreneurial ventures' characteristics and descriptions of participants

Participant number	Industry	Gender	Country of origin	Prior entrepreneurial experience	Location	Length of stay in Denmark
Participant 1	E-commerce	Male	Slovakia	No	Central Jutland	6 years
Participant 2	(a) Financial consulting (b) Fitness (c) Food delivery	Female	Slovakia	No	Capital city	8 years
Participant 3	Freelance digital graphic design	Male	Latvia	Yes	Central Jutland	2 years
Participant 4	Cleaning services for private clients	Female	Slovakia	No	Capital city	13 years
Participant 5	Interior and exterior painting for private clients	Male	Lithuania	No	Central Jutland	6 years
Participant 6	(a) Freelance translating (b) Accessory design	Male	Latvia	No	Central Jutland	5 years
Participant 7	(a) Digital agency (b) Freelance photography	Female	Romania	Yes	Capital city	1,5 year
Participant 8	Freelance abstract painting	Female	Slovakia	No	Southern Denmark	5 years

anonymous regarding personal or organizational information. The participants could withdraw from their roles at any time during the data collection process. An informed consent form was sent to every participant to ensure their apprehension of the research and the interviewees' part in it.

We followed established qualitative interviewing techniques (cf. Warren, 2002) to build our interview protocol shown in Table 2 and conduct interviews. Based on the focus of this study and the literature review, the main interview themes (listed in Table 2) were formulated and included in the interviews. Each participant apprehended the mentioned topics well and became aware of related aspects. The same interview protocol was followed during each of our eight interviews while simultaneously enabling flexibility in every conversation to support data accuracy, eliminate potential concerns over originality, and enable original insights and narratives in agreement with Maxwell (2002). All eight interviews were recorded and thereafter transcribed.

Table 2 Interview protocol

Interview themes	Topics of discussion
Interviewee's background	Country of origin, gender, marital status, education, self-employment in interviewee's family, the reason for arrival in Denmark
Length of stay in Denmark and entrepreneurial experience	Interviewee's length of stay in Denmark, a previous job, or entrepreneurial experience (has entrepreneurship been the only survival source?)
The motivation for engaging in entrepreneurial activities	The main motive for engaging in entrepreneurial activities, main expectations at the beginning
Details on the entrepreneurial venture	Industry, the reason behind choosing the industry, interviewee's customer, employees, competition, presenting or advertising
Interviewee's social capital	Links to other immigrants/ethnic minorities of same/similar background, business ties, personal ties, comparison of the mentioned ties connected with different stages of business or relocation
Interviewee's perception of being disadvantaged compared to locals	The main barriers or obstacles, language barrier, administrative/cultural barriers, experience with prejudice
Interviewee's strategies to overcome the main barriers	The most important strategies, the role of social networks in overcoming the mentioned barriers
Location of operations of the entrepreneurial venture within Denmark	The reason behind the choice of the specific city/town (did ethnic ties/network play a role in that choice?), the experience with various locations in Denmark, discussion between pros and cons of operating in the capital city vs. provincial towns (if applicable)

3.3 Data Analysis

Regarding the aim of this research, Eastern European immigrant entrepreneurs in Denmark have been chosen as the main element of analysis. We evaluated by applying thematic analysis to reach our research objectives. We analyzed qualitative data by using NVivo software. We comprehensively assessed the data with the support of interviewees' quotations. Simultaneously, the active engagement of every research participant and the anonymity of interviewees were assured. Despite the disruptions caused by the current pandemic situation, professional interviews with an overall friendly atmosphere were conducted. Fundamental principles of establishing data validity were followed when analyzing data.

After delving into specific cases, we conducted the cross-case analysis to identify the emergent themes and develop a deeper interpretation of the collected data. Thus, key themes associated with the purpose of this research were identified based on thematic analysis that enables identifying, examining, and explaining patterns identified within the data gathered (Braun & Clarke, 2006; Miles & Huberman, 1994). The mentioned procedures allowed us to detect key themes of the research and identify the individual particularities of every case. After completing the analysis,

the emerging patterns were formulated into the following themes: entrepreneurial benefits of operating in Denmark, discrimination in the form of labor market disadvantage or prejudice, language as the most significant barrier, cultural differences, importance of social networks; and immigrant entrepreneurs' strategies to overcome barriers in the foreign country. Based on the mentioned themes, a detailed comparison of each case was performed, which enabled us to compose worthwhile conclusions.

4 Findings

4.1 Overviews of Research Participants

As mentioned in the previous section, eight Eastern European immigrant entrepreneurs have participated in this research to achieve the set objectives. In relation to dynamics of being (dis)advantaged, some disadvantaged position's characteristics based on the interviewees' profiles have been identified, such as their reason of arrival to Denmark, prior entrepreneurial experience, additional income in their household as well as their Danish language fluency. Based on our findings, none of our participants decided to relocate due to entrepreneurial ambition or opportunity. Therefore, each of them can be considered disadvantaged. We assume that with the predominance of relocating reasons such as job offers or education, there was no prior interest in researching the Danish business environment. Therefore, the participants did not have the necessary knowledge about doing business in Denmark.

Additionally, the majority of our participants do not have any previous entrepreneurial experience, which strengthens their disadvantaged position, especially in the foreign market. Another interesting aspect that can be observed in the case of our participants, the additional household income. As there is only one interviewee with no additional income in her household, we can describe our participants as disadvantaged due to their need for additional activities to support their household financially. The most frequently mentioned additional incomes of our participants were social benefits, spouses' incomes, or educational state grants. Lastly, the Danish language fluency can be considered the disadvantage position characteristic. There are only two participants who speak Danish fluently and two other participants who are able to speak Danish with some difficulties. Therefore, we can conclude that the majority of the interviewees can be defined as disadvantaged due to their lack of Danish language. The summarization of described disadvantage characteristics can be found in Table 3.

After conducting our interviews and performing the analysis, we were able to identify emerging disadvantage aspects and challenges observed by our participants, which are described further in more detail and can be found in the findings section of this chapter. To provide more complex information about our eight participants, particular descriptions are offered in the following text.

Table 3 Participants' disadvantaged position characteristics

Participant number	Reason of arrival to Denmark	Prior entrepreneurial experience	Additional income in the household	Danish language fluency
Participant 1	Education	No	Yes	Does not speak Danish
Participant 2	Job offer	No	Yes	Speaks Danish fluently
Participant 3	Fiancé's relocation	Yes (unsuccessful business with an immigrant partner in DK)	Yes	Does not speak Danish
Participant 4	Job offer	No	No	Speaks Danish fluently
Participant 5	Job offer	No	Yes	Speaks Danish with some difficulties
Participant 6	Education	No	Yes	Speaks Danish with some difficulties
Participant 7	Education	Yes (freelance photographer in the homeland for a certain time)	Yes	Does not speak Danish
Participant 8	Education	No	Yes	Does not speak Danish

Participant 1. *Participant 1* is the owner of a start-up company set up in Denmark in 2019. The entrepreneurial venture falls within the category of Entrepreneurial limited companies, also known as IVS and its main business activity is e-commerce and online retailing. The company is run by two immigrant co-owners from Slovakia with a similar background who hire gig workers for specific tasks and do not employ any full-time employees. The firm focuses on English-speaking countries. However, there is a contributive experience with the Danish market and customers, which corresponds with the aim of this research. *Participant's 1* company is located in Central Jutland, and there is no experience with the capital city or multiple locations. Despite the competitive digital environment and various barriers to the Danish market, the company plans to enter new markets in the future and develop products that would fit the Danish market perfectly.

Participant 2. *Participant 2* is a financial consultant from Slovakia who became self-employed in 2015 and set up the Entrepreneurial limited company together with her husband in 2019. The company's main business activities include tax consulting, accounting, and automation, and the initial business idea is associated with helping immigrants in Denmark with their taxes and benefits. Nowadays, there are additional activities of the mentioned participant, such as fitness instructing and food delivery. The company is located in the capital city of Denmark, and the co-owner has no experience with other locations. The firm has no employees. There are only

long-term gig workers helping with particular tasks. *Participant's 2* company is growing, and co-owners plan to spread their activities in the future with additional services and new concepts.

Participant 3. *Participant 3* works as a freelancer in the sphere of digital graphic design and has previous entrepreneurial experience with an unsuccessful business concept in Denmark run together with another immigrant co-owner. The mentioned freelancer comes from Latvia and has lived in Denmark for two years. The main freelancing activities include creating various types of digital promoting materials for start-ups or the owners of long-lasting businesses that need innovation. *Participant 3* does not have experience with multiple locations in Denmark. He has lived in Central Jutland since relocating. Due to high competition in the field, the participant does not plan to remain in freelancing and wishes to find a full-time job. He is working on developing a new business concept as well, together with two immigrant partners.

Participant 4. *Participant 4* is the owner of a sole proprietorship cleaning company that was set up in 2016 and is run by one person from Slovakia. The company provides cleaning services for private clients, and due to the current pandemic situation, it currently has no full-time employees. The entrepreneurial venture is located in the capital city of Denmark, and the owner has no experience with other locations across the country. *Participant 4* plans to continue doing business in Denmark and possibly build a bigger cleaning company in the future.

Participant 5. *Participant 5* is a self-employed interior and exterior painter from Lithuania, who started his business activities approximately one year ago. The business venture is located in Central Jutland, and there is only one experience with doing business in the bigger city, Aarhus. The company has no employees. The owner hires gig workers when necessary. Despite a relatively high competition, the participant plans to remain in the field and build an independent company in the future, which would allow him to relocate back to his country of origin and manage the business remotely.

Participant 6. *Participant 6* is a freelancer with an immigrant family background from Latvia oriented on translating services and accessory design. The translating services are associated with social media, PR, advertising, or promotional materials, while the small designer business set up in 2020 focuses on creating accessories, such as designer leather bags, backpacks, or zip necks. The owner of the mentioned business works alone and occasionally hires gig workers for particular tasks. The entrepreneurial activities are located in Central Jutland. Therefore, there is no experience with multiple locations in Denmark. *Participant 6* plans to grow his business activities in Denmark and eventually relocate to the capital city in the future.

Participant 7. *Participant 7* is a co-owner of the company run by two immigrants from Romania, which provides digital graphic design services, web design, photography, and videography. An additional service offered by the company is the help with the overall business development. The firm was set up in 2020, and it is only operated by the mentioned co-owners and does not have any employees. The founder of the company has prior entrepreneurial experience in her home country.

Hence, it occasionally hires gig workers. *Participant's 7* company is located in the capital city of Denmark, and the owner does not have experience with other locations in the country. Despite the high competition in the field, the participant plans to continue doing business in Denmark and grow the company in the future.

Participant 8. *Participant 8* is a freelance artist from Slovakia, providing clients with customized classic abstract paintings. The participant has a sole proprietorship company which was set up in 2020. While being freshly self-employed, the owner works alone and plans to hire some gig workers in the future. The entrepreneurial venture is located in the Region of Southern Denmark, and the participant does not have experience with other locations in Denmark. There is no ambition to grow a big business venture. The business owner wants to keep it as an additional activity and eventually relocate to a different foreign country after some time.

4.2 Thematic Findings

4.2.1 Entrepreneurial Benefits of Operating in Denmark

Based on our research findings, several benefits of the Danish business environment have been revealed. The benefits mentioned from the immigrants' point of view can be amassed under the following summary: governmental/institutional support, simplified processes, accessible and transparent information, and low bureaucracy. These factors have been highlighted in prior studies as well in relation to fostering immigrant entrepreneurship, especially in the European context (e.g., Solano et al., 2019).

Governmental/institutional support indicates the overall positive perception of the Danish business environment by immigrant entrepreneurs. The participants' determination to set up their entrepreneurial ventures in Denmark was reinforced by the forwardness of the country, attractive business collaboration opportunities, governmental support (especially during the current global pandemic), and the informal and non-hierarchical environment. For instance, *Participant 3* (freelancer) highlighted the mentioned aspects compared with his homeland:

> Danes are also very open to entrepreneurs and encourage people to open their businesses. They support you, and they are willing to help you in case of any difficulties or uncertainty, especially when you contact SKAT [The Danish Customs and Tax Administration]. Thanks to those institutions and their consulting services, we were able to run a business without hiring an accountant or other people... And there is also low support from our government [in participant's homeland]. My friend was forced to close his business with three employees because he didn't receive any support during the current pandemic crisis, and he couldn't make enough money to cover all expenses. I see that here in Denmark, it's safer to do business, even when an unpredictable crisis occurs.

Participant 8 additionally mentioned the overall support and non-hierarchical Danish business environment:

> . . .I see several advantages. For example, networking is very complex, and you can find many supporting centers for entrepreneurs in Denmark. This kind of approach creates the opportunity for everyone who tries, and therefore, there is a real chance of building your network with successful entrepreneurs or getting support from experienced ones. . . Another advantage of the Danish business environment is definitely the overall friendly atmosphere and informal conversations. You can observe equality everywhere. It won't be possible in Slovakia; there is no chance to talk with someone at the top of the company's hierarchy. I also admire many innovation houses or centers here in Denmark and many valuable events for everyone who is interested in business.

On a similar note, *Participant 2* highlighted the connection between digitalization and the mentioned advantages:

> One of the biggest advantages is definitely digitalization of processes. Now we can see it worldwide, which is caused by the current global situation, but that's how it works in Denmark all the time. People can find everything online, and they don't spend hours and hours in different offices, which is typical for Slovakia. Processes in Denmark are fast; information is accessible, clear and almost everything is translated to English, so you have a chance to understand it even if you don't speak Danish.

As mentioned by the previous interviewee, the Danish business environment provides information in multiple languages, which is very helpful for immigrant entrepreneurs lacking Danish language skills, especially during the initial phases of doing business. Some prior studies have stressed language access as being paramount important for immigration entrepreneurship (e.g., Dabić et al., 2020), and our findings further support that notion in the Danish context. On the same topic, *Participant 3* stated: *"There was no language barrier at the beginning. I and my business partner were able to communicate with offices in English and find every important information in English as well." Participant 1* confirmed the mentioned observation by his statement: *"One of the biggest advantages was the possibility to start my business in English language and have a chance to develop it globally."*

The simplified processes together as one of the most significant advantages of the Danish business environment were primarily associated with the process of setting up the entrepreneurial venture. The participants see the overall process as fast, simple, and very easy. *Participant 4* stated: *"Anyone can start a business quite easily. If you're interested in starting your small business based on a sole proprietorship, they don't require any financial deposit."* The mentioned benefit was observed with *Participant 7*:

> Setting up the company in Denmark is very easy. You can do every procedure online, and that's what I really appreciate about Denmark. In Romania, we have a lot of paperwork, and you have to visit at least seven offices to set up your company which is complicated and time-consuming.

The mentioned low bureaucracy level was highly appreciated by several interviewees from the Eastern European countries where there is an opposite situation perceived by the participants as time-consuming and ineffective. For instance, two participants from Slovakia see the difference in bureaucracy level between their homeland and Denmark. *Participant 8* stated: *"Danish business environment is very supportive, the level of bureaucracy is low, and you don't need any special*

permissions for opening the business. Also, you can find everything online." Participant 2 also mentioned the following:

> Another advantage is a low bureaucracy rate in my industry. If I have any misunderstandings or mistakes associated with invoices or paychecks, I can simply contact SKAT [The Danish Customs and Tax Administration] and explain the issue. It would definitely cause a lot of troubles in Slovakia; it couldn't be fixed that simple.

4.2.2 Dynamics of Being in the (Dis)Advantaged Position

Despite our participants' overall positive perception of the Danish business environment, there are still many challenges and obstacles being faced by immigrant entrepreneurs in Denmark. According to our participants' statements and the word frequency overview, several factors can be observed, such as the necessity for speaking Danish language, labor market disadvantage, different culture, and mentality, prejudice from locals, the current pandemic situation, lack of free time, competition in the field, being underpaid in regular jobs, complicated taxation system and accounting, as well as rejection from banks in the process of setting up the business accounts. The word frequency associated with the mentioned problems is visualized in the following word cloud.

The Word Cloud—word frequency regarding obstacles, challenges, and perceived discrimination

Table 4 The codebook of disadvantage aspects and challenges stated by participants

Code name	Description	Number of files
Language	The necessity for speaking Danish language in order to integrate and be able to stay competitive in the business field.	8
Labor market disadvantage	Not being able to find an adequate job matching the participants' background, especially in the initial phase after relocating to Denmark.	8
Different cultures and mentality	The reserved attitude toward immigrants in Denmark which complicates the process of integration. Subsequently, the different preferences of conservative Danish customers.	7
Prejudice from locals	Experience with the prejudice in business practice leading to certain limitations.	5
The current pandemic situation	Difficulties associated with the current pandemic situation.	4
Lack of free time	Not having a fixed work schedule, overworking very often in order to stay competitive and active.	4
Competition in the field	The necessity to stay competitive despite the competition and create a competitive advantage in order to remain in the field.	4
Being underpaid in regular job	The experience with being underpaid in regular job in Denmark.	3
Rejection from banks	The difficulty with setting up the business account in Danish banks, especially in the case of microbusinesses.	2

Due to various emerged disadvantages and challenges, the NVivo codebook with code names, descriptions, and the number of files was exported. Consequently, the numerical order based on the number of files was performed, which has led to the overview of the most frequently mentioned codes.

Regarding the aim of this research, we continued with particularly chosen codes and described them in depth while consequently not elaborating on some of the previously mentioned codes. As the codes, such as the current pandemic situation or lack of free time experienced by some of our interviewees, did not correspond to our research objectives, we did not continue to analyze them further (Table 4).

4.2.3 Discrimination in the Form of Labor Market Disadvantage or Prejudice

Our research findings point out the similarity between the eight participants regarding their experience with discrimination of some sort. The overall effect of immigrant discrimination can be observed in every case, especially while entering the country and during the process of acclimatization. Various subcategories associated with discrimination occurred. However, two main dominated across interviewees' statements and therefore represent the center of our research interest.

The labor market disadvantage can be observed in every case, considering that our participants have previous job experience in low-paid or underpaid positions,

usually cleaning and maintaining the field. In addition, some of our interviewees have a negative experience with finding a job in Denmark, such as *Participant 1,* who stated:

> I remember my difficulties with finding a proper study job in the business field which would match my education. My personal experience was quite disappointing, and I could feel that my immigrant status didn't help. I've also known many good international students from Slovakia or other countries with the same struggles while finding a business-related job instead of maintenance, cleaning, or similar categories. . . . That's why I started to think differently (regarding entrepreneurship). This finding is also in line with the notion in some prior studies that being at a disadvantage in the local market and inability to get a job in one's field also triggers immigrant entrepreneurship in many cases (e.g., Robertson and Grant, 2016).

A similar situation was experienced by another interviewee, *Participant 8*:

> My beginnings [in Denmark] were tough because Vejle is quite a small town and not very internationalized. . .at the beginning, it was very difficult for me to find a part-time job here and integrate. I used to work as a chambermaid in a hotel until last year. . .. . . .

Another form of a labor market disadvantage was described by Participant 5, who has experience with being treated differently by his employer in his first job in Denmark compared to other workers, which was caused by his hardworking approach. Such attitude influenced his former employer's perception of him and led to lower-income and a higher number of several tasks:

> I worked for the construction company only for one and a half years, because it was difficult to get a good income from the mentioned activities. . .[the former employer] used me for many tasks due to my hardworking approach.

The labor market disadvantage can be observed in the participants' business practices as well. To beat the competition in the field, *Participant 5* sees that the lower price for services is required: *"As an immigrant, I cannot provide very expensive services because the potential client would automatically give priority to a Danish worker."* Additionally, the positive instance of the mentioned labor market disadvantage for immigrant entrepreneurs was observed. Some of the participants prefer hiring immigrant gig workers mostly due to the lower prices of their services. The freelancer, *Participant 6*, mentioned: *"There is also another factor, I prefer to hire immigrant gig workers because hiring Danes would be more expensive. However, I am aware that the quality of their work and punctuality would be satisfying."* A similar strategy was described by *Participant 5*: *"I always hire immigrant gig workers as well, because Danish workers would cost me more money, and they're not able to work as fast as immigrant workers."*

According to some of our interviewees, being in a disadvantaged position can also be associated with the competition in the field, especially in digital business. For example, *participant 3* described his disadvantaged position in the digital field due to his current location with the higher living expenses than his international competitors offering cheaper services. According to the interviewee, being located in Denmark does not automatically mean getting offers from Danish companies.

> The competition is high, and a lot of Danish companies prefer to hire freelancers from Russia or India because of saving money. It's difficult to keep your competitiveness if you live in Nordic countries like Denmark. My expenses are higher compared to my competitors from Russia or India, and that's why I cannot beat them when it comes to price.

Despite the previously mentioned overall positive image of the Danish business environment and the valuable institutional support, the rejection by Danish banks while opening the business account was experienced by some of our participants. *Participant 1* described his unexpected personal experience from the beginnings of his entrepreneurial journey:

> I also remember being rejected by twelve Danish banks [before successfully opening the business account] in the process of setting our business account. We didn't ask for any loan or any financial aid. We just needed to open an account where we could put our money and start doing our business. I've never heard about any problem like that before, so it was surprising for me.

A similar situation was observed by Participant 4. However, she does not associate the mentioned issue with the immigrant status of new entrepreneurs, and she believes the problem might be related to the expected turnover:

> There's another obstacle which I have observed. It's almost impossible to set up a company account here. I think your only chance is the online bank. However, regular banks refuse to open company accounts even when you provide them with your business plan. If they see that you don't plan to open ApS and your turnover is supposed to be relatively small, they won't open your account.

The labor market disadvantage was not the only form of discrimination experienced by our participants. The statements of our interviewees indicate that some of them have experience with prejudice from locals, co-workers, and Danish customers. The mentioned prejudice is mostly associated with reserved behavior and the tendency to avoid conversations or interactions with immigrants. Such tendencies were experienced by our interviewees not only in their business practice but in their former regular jobs as well. For example, participant 8 shared her personal observation from the chambermaid job in a Danish hotel:

> I also have experience with prejudice. I think it is natural. Immigrants are simply different. They are the ones who come to other countries where everything is different. I don't have any bad experiences, I only remember distancing at the hotel where I used to work. Danish workers from reception or kitchen didn't like interacting with immigrants there.

Likewise, *Participant 7* shared her similar experience with prejudice in the hospitality field and stated that despite the uncomfortable feeling of being treated differently, she understands that it is impossible to change some attitudes. Therefore, she prefers kindness and a polite approach while integrating with others:

> I also have a bad experience from my part-time jobs with prejudice, I remember how disrespectful some of my Danish colleagues used to be to me. They made sure to show me that I'm from Romania and that they're not happy about it. They used to ask me why I work in a restaurant without a proper education in gastronomy. I always tried to be polite and explain that my kind of job doesn't require a proper degree, and it requires the ability to work with people and learn quickly. . . .I'm used to telling myself that I cannot change people, I

> can only accept them. . .I cannot change their behavior towards internationals, I can only live with that.

Some of our participants described their experience with prejudice in their business practice as well. For example, *Participant 5* usually experiences a different approach from Danish customers in his business practice: *"Sometimes I can feel it from the overall vibe [the prejudice], because Danes like to talk a lot and once they see that my Danish is not at the professional level their behavior changes a little bit."* Additionally, *Participant 1* experienced more intense customers' reactions in the digital field: *"There was also prejudice from Danish people at the beginning. We posted an advertisement for a Danish market, but it was written in English, and they didn't like it at all! They even wrote sarcastic comments about our location and the lack of language knowledge."* Hence, the importance of the local language, as discussed in the next section, appears to be paramount in this context.

4.2.4 Role of Local (Danish) Language

As stated by all of our participants, the Danish language can be considered the most significant barrier for immigrants in Denmark, more specifically entrepreneurs. Some of the interviewees believe that the lack of language skills contributes to creating other obstacles and barriers. *Participant 2* summarized the mentioned observation in her statement:

> My personal opinion is simple—if you're not willing to learn the language of the country, you could be considered ignorant. I see it as an unwritten rule for every immigrant, especially when you plan to do business in the country. The lack of language skills can lead to a bad image of an entrepreneur associated with arrogance and his or her perception of the culture.... Therefore, I can conclude that speaking Danish is a must. It will prevent you from other barriers or help you overcome them. Without the language, you won't be able to integrate, understand the culture or understand the Danish humor.

Participant 6 described the most significant language-related obstacles he experienced during his entrepreneurial journey in Denmark:

> For me, the biggest barrier is the language. When it comes to reading or simple conversations, I feel quite comfortable. However, I see problems when it comes to more complicated conversations or documents. For instance, without the automated translator in my computer, I wouldn't be able to understand any official document or paper. Additionally, there are many specific terms regarding business, for example, the different types of companies or bank accounts.

As stated by Participant 7, the most significant pressure to learn the Danish language comes from Danish customers. She has observed that local customers believe there is no chance to achieve further success in doing business without the proper knowledge of the Danish language: *"[Danish] people keep telling me that without proper knowledge of Danish language, it won't be possible for me to move further in my business."* The importance of language proficiency in the interactions with customers was additionally highlighted by *Participant 5*:

> The most significant difficulty for me was definitely the language. Without the proper knowledge, you cannot communicate with your clients, and it leads to limitations when it comes to your income. Danish people are not very open to hiring immigrants, especially when they don't speak Danish. People are willing to pay you more as soon as they see that you're able to communicate with them.

Likewise, Participant 4 agrees with the previous statement and explains her belief in such an approach by illustrating the results of her ex-husband's different interactions with customers:

> I can also compare myself with others, for example, my ex-husband. He doesn't use the Danish language on a daily basis, and that's why he cannot have the same conversation with Danes as I do. I see the difference in their behavior, of course, they're polite to him but not really open.

Our participants viewed the Danish language as the biggest barrier and therefore believe that learning the language is the most effective strategy. Despite the predominance of immigrant ties in participants' networks, there is an awareness of socializing outside of ethnic enclaves, which was highlighted as another significant strategy as well, which simultaneously supports our finding of building mixed social networks.

Participant 5 summarized the importance of learning the Danish language:

> My most important strategy is to learn the language and talk with people. That's how you can get better and better. I started learning the Danish language from the people around me, especially Danes. I remember one Danish guy working with me in a construction company, he has taught me a lot, and we had a really good relationship. Even after finishing my job, we remained friends, and I used to help him with small tasks. I learn Danish from my customers mostly. . . .

Participant 2 confirmed that learning the language helps with integration and building ties with locals in Denmark: *"Danish people are usually very friendly, open and willing to help immigrants as soon as they see that they try to fit in by speaking language."*

Likewise, Participant 4 operating the cleaning business has a similar perception of the mentioned problem:

> . . .I can see that they [Danes] appreciate when immigrants try to speak their difficult language. That's the point where they start acting differently and friendlier. . . For me, it's a conversation with people that is very important, especially in my business. You need to show respect and be open once you're entering your client's private space. They see it as a very kind act, and that's how you have a chance to build the trust.

Participant 1 mentioned a different perspective by highlighting the importance of integrating with Danish-speaking people, especially in the case of being an immigrant without language knowledge. He stated the following:

> To overcome our biggest barrier, we needed to find someone who speaks Danish. That's where our social networking helped a lot because I was lucky enough to meet a Danish-speaking guy with an international background at the university and become friends with him. He helped us a lot, especially with paperwork.

Participant 6 agrees with the importance of learning the language while simultaneously emphasizing the friendly approach and the willingness to socialize in a foreign environment:

> Learning the Danish language helps, that's for sure. I also believe in kindness and sociability, which is also very effective. I remember that I experienced some struggles regarding business accounts, and the best thing I could do was simply acting kindly and asking for help or advice, even though I felt quite cringe (laughter). It paid off, and I got all the answers I needed. Personal communication is very effective; it helps me all the time, for example, when I plan my photoshoots. Of course, in the beginning, people seem to be scared, but as soon as they understand the situation, it can give much more than just an ordinary phone call.

Additionally, *Participant 8* confirmed the necessity of socializing and integration by her statement:

> When it comes to language, you simply need to learn it. However, it is more about understanding the culture and integrating. I really enjoyed celebrating with Danish friends and experiencing their traditions. It teaches you a lot when you have a chance to see how people live somewhere else. For me, the best strategy is being open-minded and respectful towards other cultures. It is important to realize that just because there are differences in other countries, it doesn't mean they're worse than our country.

Consequently, it can be concluded that Danish language knowledge is one of the most important fundamentals of immigrants' business success in Denmark. This finding is in line with prior research where the knowledge of the local language has been found to be very important for the success of entrepreneurial ventures (e.g., Baklanov et al., 2014) in all gig economy sectors.

It should be highlighted that each of our case participants aims to provide services to the whole Danish market. There is no specific product/service for the immigrant minority being offered. Therefore, language proficiency can be considered a necessary aspect of entrepreneurial success in Denmark. Our participants have their websites/social media pages mostly in the English language. Only two of them provide service information in Danish which can be classified as the barrier to future business success and development in Denmark.

4.2.5 Cultural Differences

Our findings indicate the cultural differences together with a different mentality being faced by all of the case participants. As mentioned before, interviewees perceive Denmark as a developed country with an overall positive image. However, different approaches toward immigrants and culture had to be faced. Based on interviewees' statements, the cultural differences do not always indicate negative barriers and can be associated with positive instances as well. Participants perceive cultural barriers in the form of a reserved attitude toward immigrants or overall conservatism. At the same time, positive instances in the form of mutual trust have been highlighted. These findings align with some prior research focusing on immigration in Nordic countries, particularly Denmark (e.g., Olwig, 2013).

One of the most frequently mentioned cultural barriers of personal and entrepreneurial growth is the reserved attitude toward immigrants, which was described by *Participant 3*:

> Speaking as an immigrant, I see significant differences in culture, as well. Danish people don't like to build closer relationships, and they have a tendency to separate work and private life. For instance, in my country, we combine those two worlds, and it's completely acceptable to invite some of your family members to a workplace gathering or event. That's how you get a chance to build your network in Latvia, and I see huge barriers in Denmark when it comes to the mentioned issue. I believe it can lead to a negative cultural shock in the beginning . . . ..

Participant 7 highlighted the most significant communication difference associated with Danish clients: *"I can see cultural differences in my job as well when I have Danish clients they have a tendency to become authoritative about their requirements and instruct me a lot.*"

Additionally, a conservative approach of Danish customers can be observed. According to our participants, despite the overall country development and innovation growth, there is a predominance of conservative Danish customers and clients. The mentioned barrier can cause several issues for immigrant entrepreneurs, especially in the creative fields with a high degree of innovation. For instance, Participant 5, the painter, described his Danish customers with the following statement: *"The preferences of my customers are not changing at all because we're in Denmark (laughter). People here are very conservative, they don't tend to experiment with colors or extravagance, and they adapt to changes slowly."* Likewise, the freelancer in the sphere of digital graphic design, *Participant 3*, shared one of his latest experiences with a conservative client: *"For example, one of my latest experiences with mentioned companies is connected with funeral services. My customer has been running his business for approximately 20 years, and he hasn't changed anything at all during that time period, so he needed help with an innovative approach...."*

On the other hand, such conservatism and slower adaptation to changes can, in some cases, create positive instances. For example, one of the mentioned advantages of such customer behavior was described by Participant 4, working in the cleaning industry. She illustrated how beneficial a conservative attitude of Danish customers could be to build customer loyalty and simultaneously create new business opportunities:

> I remember one client who moved to a different location which was too far away from me. I explained that it would significantly influence my prices, however, he didn't care. He simply wanted me to clean his household, and he offered me to find other clients in his new area for me so I could see it as a good opportunity.

Another interesting finding was discovered based on the statement of *Participant 8*, the strong patriotism and the support of local production as a part of Danish culture can be observed. The mentioned aspect can represent a challenging barrier for immigrant entrepreneurs and their products. The entrepreneur explained:

> The Danish culture and their patriotism is a very important factor to consider as an immigrant entrepreneur. I know one successful businessman who decided to spread his activities and

> set up a company in Denmark... Danes are too proud of their country and products, especially design accessories, that it is very difficult to offer them something different. To succeed, the mentioned businessman needed to redesign his business and include Danish manufacturers and materials in his processes, so it could be considered something worthy for Danish customers.

The mentioned statements indicate the main business obstacles caused by the different cultures and mentalities. However, there is a positive instance of the Danish culture as well compared to the Eastern European countries of our participants' origin. One of the most frequently mentioned positive features of Danish culture is mutual trust. *Participant 4* highlighted the positive impact of the mentioned feature on her entrepreneurial activities:

> I think that the main problem is the lack of trust in Slovakia. We're not used to letting strangers into our homes. That's another advantage in Denmark. People trust each other. My clients are respectful, and they trust me. I have many keys from their houses or apartments. They don't even see any problem with new employees. They trust them as well.

Likewise, a similar observation was described by another participant from Slovakia, more specifically *Participant 8*:

> Some people can see the Danish culture as a barrier as well. Of course, Danish people have different mentalities and values, and you need to spend some time with them to understand them. I think the biggest barrier is in us, immigrants. We need to be the ones who want to integrate with Danish people. Personally, I like Danish culture and mentality. In Slovakia, we don't trust each other, we are suspicious about everyone, and we believe that others will hurt us, which is completely weird for Danes (laughter).

Hence, we found evidence of the pragmatic attitude of some immigrant entrepreneurs and keenness to integrate into the local context, which can positively influence their venture's overall success.

4.2.6 Importance of Social Networks

Based on participants' statements, the importance of building social networks was evident. The immigrant entrepreneurs have a mixed network with the predominance of immigrant ties due to the need for support, friendships, or understanding. On the other hand, the significance of building ties with locals was highlighted, especially regarding future business success. The mentioned fact can be associated with the interviewees' preference of word-of-mouth presentation and recommendations which require building the network. *Participant 1* described the importance of networking in Denmark:

> I can see that Denmark is all about networking, so you have to know as many people as possible to create or identify new opportunities for you. If we talk about social networks with other immigrants, it's definitely beneficial. However, my personal opinion is that if you're doing business in Denmark, it's essential for you to connect with Danish people as well.....

Likewise, *Participant 3* shared his perception of building social networks:

> My personal opinion is that it is more beneficial to build your network on mixed contacts, immigrants, and Danes. If you know Danish people, you have a better chance to get a job opportunity in the Danish labor market, because they can recommend you to someone and give you credit. On the other hand, Danes are not willing to become friends with immigrants in general and that's why my closest friends or connections are naturally associated with immigrants like me. I think it is because we're all 'walking in the same shoes' and we understand the everyday struggles of an immigrant's life. So my conclusion would be simple—I do have links to other immigrants. However, I'm building my network with Danes as well. . . .

Another interesting insight was presented by *Participant 2,* who experienced the positive impact of networking with Danes during her initial phase after relocating to Denmark. She illustrated how she got a better job offer which fitted her background and education perfectly after showing her abilities and knowledge to her Danish employer:

> After a few months [of being employed as a cleaner], I spotted a mistake in my paycheck which was completely understandable, so I contacted my boss and explained the problem. I also offered him my help with administration or paychecks because I used to do it in my previous jobs in Prague. He appreciated my offer, and he gave me the position.

Additionally, as stated by *Participant 4*, building networks can be considered a significant aspect of business success or growth. The participant summarized her perception of the mentioned matter: *"...I used to promote myself via leaflets, my webpage, or Facebook. However, the best advertising is based on recommendations and satisfied clients. After a certain time, I developed my client network based on my precise work, which led to recommending and getting new clients..."* Subsequently, *Participant 5* shared a similar insight:

> The connections with other immigrants have also helped me a lot at the beginning of my entrepreneurial activities, especially while building my network or hiring helpers. On the other hand, it is important for me to build strong and long-lasting relationships with my Danish clients. That's how I create my new job opportunities... I realized very soon that building long-termed relationships is a very smart idea regarding my business activities. The recommendation is very important in my field, people search for the quality, and they want to be sure that they'll get it. . . ...

As mentioned before, our participants highlighted the predominance of immigrant ties in their social networks, which was mostly justified by the need for mutual support in a foreign country, especially during the starting phase. This is in line with findings of prior studies addressing similar topics (e.g., Guercini et al., 2017).

Participant 2 summarized her beginnings in Denmark and highlighted the importance of immigrant ties in the mentioned phase: *"When I started my consulting services in Denmark, I was influenced significantly by my strong connections and links to other Slovaks in Denmark..."* Likewise, *Participant 4* shared her experience with immigrant ties after relocating to Denmark:

> My beginnings in Denmark were associated with strong immigrant ties. We used to live in a hostel with Slovaks and Polish. In my first job, I worked with people from Slovakia as well. We used to be a community that supported each other. I must say that it has helped me a lot because I came to Denmark as an inexperienced woman. Other immigrants helped me with literally everything, including the public transportation system or SKAT. Thanks to their

> experiences and recommendations, I could understand everything and manage my daily life in a new country.

Based on our participants' statements, there are two main benefits of having immigrant ties in a foreign country. Firstly, there is emotional support and friendship, which can be considered a personal benefit. On the other hand, some of our participants highlighted the positive instance of immigrant ties in business as well. *Participant 6* described his perception of having immigrant ties in Denmark: *"With immigrants, there is an opportunity to build good friendships due to their enthusiasm and willingness to help others. Immigrant ties can provide you with valuable advice, and they tend to think outside of the box, which can show you different points of view."* Additionally, *Participant 7* highlighted the benefits of building an immigrant network:

> On the other hand, internationals are more open, they listen to my ideas, and we communicate about everything in a calm way. I must admit that I prefer building immigrant networks, even though I understand that I live in Denmark, and I should focus on both types of links. Internationals don't act badly towards others. They know the struggles of living in a foreign country, and they support each other. It's much easier to become friends with internationals as well.

Participant 8 shared a similar opinion:

> I think having someone who is there for you is very important. Our studies helped us a lot because we became a part of the student society. Meeting other international people was very helpful. I believe that every immigrant needs to have links with other immigrants in the foreign country. You share similar problems, deal with similar struggles and support each other. I think every immigrant should work hard on building such contacts, not only students.

The positive impact on business activities was explained by *Participant 4*:

> I have many links with other immigrants, even with entrepreneurs from the same field. I see it as a huge advantage because we help each other. If some of us cannot take a job opportunity, we substitute her or him. I even have three Slovak friends in our business, and that's how we support each other. Our relationships are based on cooperation, support, and help. We don't see others as competitors. I would say that having links with other immigrants is very beneficial for every person living in a foreign country. You need to have friends, especially when you're as sociable as me (laughter).

4.2.7 Location and Perception of Being Disadvantaged

An interesting finding of our paper relates to the fact that despite highlighting some problems, most interviewees do not feel disadvantaged, and strangely the location (capital where immigrants are more visible compared to more localized provincial towns) does not appear to influence this perception.

Based on our findings, the predominating perception of not being disadvantaged is usually associated with the feeling of freedom, flexible working hours, turning the immigrant position into the advantage of the term of providing services to another immigrant, or having the opportunity to turn the passion into business activity. The

mentioned findings might be explained by the background of our interviewees who have all achieved a higher education level and who do not represent any visible immigrant group in Denmark. For instance, according to *Participant 6,* originally from Latvia, there is an overall positive perception of people from the Baltic region among Danes, and therefore, he believes this might be the reason behind not experiencing any significant prejudice or any other form of discrimination:

> I also heard a lot of stories from other immigrants regarding prejudice from Danish people, but I was lucky enough to meet open-minded people, and therefore, I don't have any personal experience with the mentioned issue. It might be because of the similarity of Baltic and Nordic mindsets, behavior, and culture. And there is also a good reputation of the Baltic immigrants, so I guess it helps a lot. Or maybe it's simply all about my optimistic approach (laughter).

Table 5 summarizes the perceptions of all case interviewees on the mentioned specific point.

5 Discussion and Implications

This study findings contribute to the phenomenon of immigrant entrepreneurship within Europe, which is increasingly gaining the attention of researchers and policymakers due to its importance in overall political and economic debate (Aliaga-Isla & Rialp, 2013). Prior research offers insights into immigrant labor market disadvantage (e.g., Andersson & Wadensjö, 2004; Blume et al., 2008; Robertson & Grant, 2016) or challenges faced by immigrant entrepreneurs (e.g., Desiderio, 2014) with the predominance of local language knowledge as the significant success factor (e.g., Baklanov et al., 2014; Dabić et al., 2020). This study offers new perspectives in the Danish context with a particular focus on Eastern European immigrant entrepreneurs. While prior research examined immigrant entrepreneurs in Northern and Western Europe, there has been scant attention to immigrant entrepreneurs from Central and Eastern Europe compared to other parts of the world. As such, our study contributes to psychological perspectives of immigrant entrepreneurship (e.g., Robertson & Grant, 2016) by offering an in-depth perception of being disadvantaged, especially in the context of Central and Eastern European immigrant entrepreneurs.

Our findings offer several implications. A major theoretical implication relates to sector-specific theorizing while analyzing disadvantaged, immigrant, and gig economy entrepreneurship due to significant differences between the dynamics in low-skilled and high-skilled sectors. Also, the academic debate on being a (dis)-advantaged immigrant entrepreneur should specifically and more clearly incorporate the perceptions of the relevant people in this regard. It appears that in many cases, the problems associated with adjusting to a new country and culture (aspects which are significantly documented in literature) may be categorized as being disadvantaged. Our findings revealed that even though all the cases experienced a certain level of

Table 5 Entrepreneur's location within country and perception of being disadvantaged

Participant number	Location		Perception of being a disadvantaged entrepreneur	
Participant 1	Central Jutland	*"Our company is located in Herning, and our office is currently in my apartment, so we can save money. I don't have any experience with large cities."*	Does not feel disadvantaged	*"There is also another advantage, but it is only based on my personal opinion. I could see that many Danes are not motivated enough to start their own businesses after graduation. I believe it's influenced by their advantage of having various job opportunities, and that's why they're not being forced to take the risk of opening their own businesses, which means 'less local competitors' for me. I can be considered a disadvantaged person on the job market because I am an immigrant, but having a Danish education and the chance to build a company in Denmark is definitely an advantage for me."*
Participant 2	Capital city	"*We live in the capital city of Denmark—Copenhagen. Therefore, we have our business here as well. I have moved a lot during my life in Denmark. However, it was always within Copenhagen. I don't have any experience with other regions or cities of Denmark."*	Does not feel disadvantaged	*"Based on my field of work, I consider myself an advantaged gig worker. I can focus on what I know and get paid for it. I could take advantage of my immigrant gig worker status in Denmark as well because I started as a consultant and helper for other disadvantaged immigrants. There was no one like me back then, so I wouldn't see it as a disadvantage at all."*
Participant 3	Central Jutland	*"I come from a small town, and I also had a chance to live in the capital city of Latvia. It has influenced my perception of the business. However,*	Feels disadvantaged	*"I totally agree with the opinion that freelancers or gig workers are disadvantaged! I don't see any positive instance, to be honest. If I had a*

(continued)

Table 5 (continued)

Participant number	Location		Perception of being a disadvantaged entrepreneur	
		I haven't lived in any bigger cities in Denmark. I used to like visiting Copenhagen or Aarhus before the current global situation. I liked feeling the atmosphere and observing how things work over there. My dream would be to bring 'the big city life' atmosphere to small towns and local businesses."		*chance to get a job in some company, I would go for it and keep my freelancing activities as my hobbies. My current activities are connected with a huge instability. Of course, you can see very successful freelancers all around the world, they're doing a unique job, enjoying their lives, traveling, and working from Maldives or Spain (laughter). However, that's not how it works because usually you work around 14 hours per day, focusing on your task, and it could easily become your biggest nightmare."*
Participant 4	Capital City	*"My business activities are connected with Copenhagen and surrounding areas. I don't have any experience with other cities or towns in Denmark. To be honest, I'm not a fan of big cities. I would love to live in a small town or village where I could enjoy peace. However, I am aware that it wouldn't be beneficial for my business. It would require a lot of time in a car while transporting to my clients' houses."*	Does not feel disadvantaged	*"I wouldn't describe my position as disadvantaged. I am an optimist, and I'm happy to have my business. I'm thankful for my clients. If you have a chance to build your client network, which can provide you with a stable income, you have no reason to feel disadvantaged."*
Participant 5	Central Jutland	*"I'm located in the small town in Central Jutland, and I also have experience with the Danish east coast, more specifically Aarhus. You have a chance to earn more when you work in Aarhus,*	Feels disadvantaged	*"My overall perception of being self-employed is definitely related to a disadvantageous position. As an immigrant, I cannot provide very expensive services because the potential*

(continued)

Table 5 (continued)

Participant number	Location		Perception of being a disadvantaged entrepreneur	
		that's for sure. I have never lived in Aarhus. I only work there time by time as a gig worker. There are many opportunities. However, the competition is higher than in Central Jutland. I have never searched for job opportunities in Aarhus on my own, so it's difficult for me to compare them properly. There is a possibility for me to relocate in the future, maybe to Copenhagen where I could work on bigger projects, so we will see."		*client would automatically give priority to a Danish worker."*
Participant 6	Central Jutland	*"I don't have any experience with other towns in Denmark. The reason why I'm located in a small town in Denmark is simply associated with my previous studies. However, I used to live in the capital city of Latvia. It was much easier for me back then, I had everything within walking distance, and the public transport was very good. Living in a small town in Denmark made me realize that I definitely need a car due to the quite dubious public transport system. You know, it is sometimes a little bit complicated to pick up a bigger box or more material by bike, and that's why I'm considering buying a car. There is also a huge advantage of living in a small town in Denmark. My expenses are lower than in bigger cities. For instance, I*	Does not feel disadvantaged	*"I see several advantages in my position. One of the most significant ones is definitely my time scheduling. I enjoy working at night, it helps me focus, and I must say that most of my designs were created at night. It gives me freedom. . ."*

(continued)

Table 5 (continued)

Participant number	Location		Perception of being a disadvantaged entrepreneur	
		don't pay a lot for rent, and I would only get a room for the same price in other cities, definitely not a whole apartment."		
Participant 7	Capital city	*"As a freelance photographer, I travel a lot. However, my area is still the capital city and the surrounding areas of Sjælland. I think we have a very good location and I'm satisfied with that, it makes me feel really happy. Our location also gives us a lot of opportunities. I can only imagine relocating because of a huge business opportunity. There is no other reason why to leave Copenhagen, I would say."*	Does not feel disadvantaged	*"I wouldn't say that in my field of business, I should be considered a disadvantaged entrepreneur. It depends on our clients and their preferences, that's what is the most important factor. It's not about your nationality. It's about your outcome and the way of work."*
Participant 8	Region of southern Denmark	*"I have never lived in a different town or city, so I don't have any other experience. I used to consider moving to Copenhagen, but I realized that it would be more difficult for me to succeed in such a big city with huge competition. Of course, there are many opportunities, but I prefer smaller communities of artists and having my art exhibitions in local boutiques or small galleries. Maybe it's only my type of personality. However, I believe that it would be much more difficult to succeed in Copenhagen."*	Does not feel disadvantaged	*"I would say that my field is very specific, and the main definition of your success is simply your unique style. When you create something, you cannot be considered disadvantaged because it is your passion, and you love it. I don't think I'm better than others or that I stand out from the crowd. I simply enjoy painting. However, I believe that in different fields it could be an advantage being a foreigner and bringing new approaches."*

difficulties, including prejudice, they were willing to integrate. Very few of them were keen to categorize those problems as being "disadvantaged."

Similarly, the gig economy and uncertainty associated with it appeared not to be a visible problem in our findings, as most entrepreneurs operating in this context in one way or another were comfortable with the working dynamics in that sector. Moreover, even though there were some references to the difficulties associated with getting access to ethnic "Danish" customers and the specific role of language and social ties in that concern, these elements can be found in any entrepreneurial venture. Hence, the academic debate on the gig economy needs to focus more on immigrants and entrepreneurs who are more vulnerable to exploitation than categorize freelance work as difficult due to association with an increasingly visible term of "gig economy."

We have also found that the framework and effectiveness of institutions play an important role in the debate on disadvantaged immigrant entrepreneurship, especially in the gig economy sector. All case respondents praised the ease of starting a business and multilingual guidance by relevant Danish authorities during this process. Hence, despite being perceived as a tough country for immigrants and certain cultural barriers, regulatory efficiency and support from authorities specific to starting a business and entrepreneurship can soften some of these tough aspects. Hence, the policymakers can build on this positive institutional perception by offering possibilities to immigrant gig economy entrepreneurs a possibility to network with successful immigrant and local entrepreneurs, which will reduce the number of failed initiatives by offering these entrepreneurs learning and other opportunities useful access options. There is also an opportunity for policymakers to build on the positive institutional perception by enhancing the immigrant entrepreneurs' support from banks in order to ease the process of opening a bank account, especially when it comes to microbusinesses or small companies.

Our chapter has several limitations as well. Firstly, it is based on eight case studies of immigrant entrepreneurs from Eastern European countries for whom the dynamics of integration as well as being disadvantaged are different compared to the immigrants from outside Europe. Hence, the findings cannot be generalized. Also, most of the case interviewees were moderate to highly skilled with a good level of education, which can explain the lack of visibility of perception of being disadvantaged. Future studies can build on our study and undertake an in-depth exploratory analysis of immigrant entrepreneurs operating in the gig economy coming from different cultural backgrounds and operating in mostly low-skilled sectors. Future research can also focus on other immigrant groups in Denmark and compare their perceptions with Eastern Europeans on the basis of our study.

Additionally, our research participants do not operate their business in some sort of ethnic enclave, and they do not offer their services/products, particularly to immigrants with the same or similar background, but to the whole Danish market. Future researchers can further explore the specific role of this aspect. Future research could focus on differences regarding EU and non-EU immigrant entrepreneurs. Also, future studies can try to replicate our study in other Nordic countries and see if the dynamics of being disadvantaged immigrant entrepreneur remain the same or

differ as despite being cultural and institutionally close, rather significant variance exists among Nordic countries in relation to approaches toward immigration, integration, and acceptance of foreign origin individuals in labor markets.

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Veronika Kentosova is a researcher with main research interests in the area of international marketing, entrepreneurship, supply chain management, digitization, and innovation. She has previously worked as a research assistant at Aarhus University, Department of Business Development and Technology. She holds a master's degree in Management from the University of Prešov, Slovakia, with minors in business management, economics, and marketing. Veronika is currently participating in a research project on *social exclusion and marketing agility of Eastern European entrepreneurs in* Denmark.

Nasib Al-Nabulsi graduated with the degree of Ph.D. (Economics and Business Administration) from the Hanken School of Economics, Finland, in 2019. His areas of research interest are International Finance, Financial Economics, International Business, and FinTech. His earlier research has been published in the journals *International Review of Economics and Finance* (Elsevier) and *Journal of Small Business and Enterprise Development* (Emerald). He has also presented his work at several international conferences and workshops.

Ahmad Arslan is currently working as a Professor at the Department of Marketing, Management, and International Business, University of Oulu, Finland. He also holds the position of Honorary at the Business School, University of Aberdeen, Scotland, UK. His earlier research has been published in prestigious academic journals like *British Journal of Management, Human Resource Management (US), IEEE Transactions on Engineering Management, International Business Review, International Marketing Review, Journal of Business Research, Journal of International Management, Journal of Knowledge Management, Production Planning and Control, Technological Forecasting and Social Change, and Scandinavian Journal of Management,* among others. Finally, he holds several editorial board memberships and is currently a Senior Editor of the *International Journal of Emerging Markets (Emerald).*

Ismail Gölgeci, D.Sc. (Econ. & Bus. Adm.) is an Associate Professor at Aarhus University, Herning, Denmark. Dr. Gölgeci's research interests range from global and sustainable supply chain management to business-to-business marketing. His research has been published in over 50 peer-reviewed academic articles and appeared in journals such as *Journal of International Business Studies, Human Relations, International Journal of Operations and Production Management, Industrial Marketing Management, Supply Chain Management: An International Journal, Journal of Business Research, International Business Review, International Small Business Journal, International Marketing Review, Journal of International Management,* among others. He is a senior associate editor of *the International Journal of Physical Distribution and Logistics Management.*

Exploring the Entrepreneurial Challenges of Disabled Entrepreneurs in a Developing Country

Aidin Salamzadeh, Léo-Paul Dana, Samira Mortazavi, and Morteza Hadizadeh

Abstract Creating the proper conditions to change the attitude and mentality of those with disabilities towards creativity, innovation, and entrepreneurship in Iran is classified as one of the general and specific issues, accompanied by concerns over solving the challenges in entrepreneurship and startups shaped by people with disabilities (PWDs). The study tried to examine the opportunities available in Iran to identify the entrepreneurial challenges of the disabled and provide strategies to create and develop startups launched by the disabled. The study used the grand theory method to determine the entrepreneurial challenges of the disabled and five relevant basic factors (institutional, environmental, developmental, social, and personal factors) as causal conditions. Furthermore, effective intervention and context for identifying strategies and presenting outcomes have been conducted according to the library studies and analysing and reviewing interviews with six active and top disabled entrepreneurs in the field of startups and businesses. Among the findings were attention to the role of government and reforming social attitudes to increase the economic activities of the disabled by prescribing four indigenous propositions to reduce the challenges in the process of creating startups shaped by the disabled, firstly to their presence in the economic cycle and social influence, and secondly, for developing entrepreneurs with disabilities and creating self-employment, sharing knowledge and experiences among them.

A. Salamzadeh (✉)
Faculty of Management, University of Tehran, Tehran, Iran
e-mail: salamzadeh@ut.ac.ir

L.-P. Dana
Dalhousie University, Halifax, Canada
e-mail: lp762359@dal.ca

S. Mortazavi
Islamic Azad University, Ghazvin, Iran

M. Hadizadeh
Shahid Beheshti University, Tehran, Iran

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1 Introduction

Based on the International Labor Organization, almost 15% of the world's population is composed of the disabled, of whom approximately 80% are at working age. Moreover, many PWDs have no access to higher education or job opportunities resulting in deprivation of social, economic, and political activities (World Bank, 2014). PWDs experience higher unemployment and lower incomes than other people in the community and thus face discrimination and try to increase their participation in entrepreneurship. Thus, the entry of PWDs into entrepreneurship shows a key trend in offering alternative job options and the PWDs use their experiences to create creative and innovative solutions to the current challenges (Hsieh et al., 2019). There is considerable evidence on the personal backgrounds and characteristics contributing to the formation of entrepreneurs. The scholars have described the effect of social expectations as a range of barriers preventing disabled entrepreneurs from entering the business world (Williams et al., 2017; Doshmanli et al., 2018; Powers et al., 2020). The purpose of entrepreneurship is to create a profitable and growth-oriented business that can hire others. Therefore, entrepreneurship is both an employment strategy and, at the same time, an anti-poverty strategy.

Moreover, social entrepreneurship is distinct as it refers to the occupations distinguishing it from commercial entrepreneurship, both for monetary gain and for fulfilling a social mission. In disability studies, social support can reduce the effect of barriers and promote equal access and opportunities. Studies reveal that PWDs usually have smaller and less diverse social networks, leading to most social entrepreneurs with disabilities facing many barriers to starting and promoting businesses (Caldwell et al., 2020). Most studies in entrepreneurship have seen entrepreneurs as capable people with no disabilities, and no major studies have been carried out on the businesses and challenges of entrepreneurs with disabilities (Roni & Ribm, 2009).

On the other hand, as one of the oldest civilisations globally, Iran is an independent country in Western Asia that is officially known as the Islamic Republic of Iran, with a population of approximately 80 million people. Its capital is Tehran, which is the largest city and a leading economic centre of the country. Iran is a US$430 billion economy, which makes it the second-largest economy in the Middle East after Saudi Arabia. Entrepreneurship is considered a major engine of the Iranian economy (Rezaei et al., 2017). Hence, by examining the studies on entrepreneurship for the disabled, the study examines the existing challenges of businesses and startups established by entrepreneurs with disabilities for the disabled.

2 Literature Review

2.1 Social Entrepreneurship

Social entrepreneurship is an emerging, evolving, and flourishing field of study that actually gives individuals the opportunity to strengthen their investment skills and also helps them find solutions to societal issues. The social entrepreneurship concept is based on the idea of investing with social interests as the ultimate objective. Social entrepreneurs try different unique strategies to solve various problems in areas such as education, environment, business, health, and human rights, etc. Social entrepreneurship is considered a key factor for the sustainable development of a nation. Whenever organisations embed social entrepreneurship in their operations, it creates a huge leap towards economic and social prosperity (Lacap et al., 2018). Social entrepreneurship is influenced by demographic characteristics and is based on the concept of investment. The term "social" in social entrepreneurship defines the art and science of providing and creating enterprises beyond creativity, risk-taking, and profit maximisation. Social entrepreneurship is an innovation process, in which resources are employed to take advantage of environmental opportunities and meet social needs. Therefore, a social entrepreneur is an ordinary individual performing extraordinary activities, and what distinguishes a social entrepreneur from others is the irresistible motivation to change society (Abazi-Alili et al., 2016). Social enterprises bring together social entrepreneurs and indigenous communities to collaborate for cultural revitalisation and social modifications. Social entrepreneurs have a common cultural capital and strive to enhance the social capital of firms and communities (Henry & Dana, 2019). On the other hand, women are more likely to be involved in social entrepreneurship than men and senior women are no exception. Such an inclination in women with real altruistic motives, particularly in younger women, is linked to opportunism, training, education, and previous experience (Loarne-Lemaire et al., 2017). Islam is known as the official religion in Iran, and accordingly, it is essential to pay attention to the definition of social entrepreneur from the perspective of Islam. The term Islamic social entrepreneurship is still quite novel in social entrepreneurship and the theory and research of social enterprises. Entrepreneurship from the Islamic perspective considers two paradigms: (1) Islam encourages entrepreneurial development and entrepreneurship as an integral part of its religion. (2) From the perspective of property and wealth sources, Muslims in the Islamic society are responsible for maintaining the trust of God, which creates the responsibility of promoting prosperity, and considering business is, therefore, a part of worship or good deeds, and also from the perspective of business success, the most important thing is to be as valuable to society as possible (Mulyaningsih & Ramadani, 2017).

Social entrepreneurship (SE) is an emerging phenomenon in the entrepreneurial literature. Social entrepreneurship is assumed to go back to the late 1970s and is related to the Bill Drayton Ashoka Foundation, an organisation created to highlight the work of social entrepreneurs (Arasti & Salamzadeh, 2018; García-Jurado et al.,

2021). As a research field, social entrepreneurship is very important for researchers and companies. SE acts as a catalyst for social change, and social entrepreneurs do not expect direct financial benefits from their social capital (Gupta et al., 2020). Entrepreneurs are not autonomous decision-makers, but their role lies in the social, political, and cultural fields. Social networks help individuals obtain financial resources, access information, counselling and reassurance, gather ideas, and identify opportunities (Caldwell et al., 2020). Overall, SE can be seen as a process entailing opportunities and actions to solve social problems by looking for innovative solutions. Like public entrepreneurship, SE, through related activities facilitating job creation that stimulates economic growth, has a positive effect on sustainable development (Méndez-Picazo et al. 2021). SE is mainly defined based on "society". There are different definitions of a social entrepreneur. Overall, a social entrepreneur is a person actively involved in starting a business, or is the owner/manager of a business that primarily has goals (Wanyoike & Maseno, 2021). SE is an alternative employment path for PWDs. As they are not equal to able-bodied people, the government is looking for innovative solutions to enhance these challenges (Loarne-Lemaire et al., 2017). Thus, the government focuses on social entrepreneurship. Entrepreneurship has many benefits for PWDs, including regular employment, greater independence, the ability to set their own schedule, reduce transportation problems, while home-based businesses do not have the constant support of social security (Salamzadeh et al., 2013, 2017). New small jobs create more new jobs in the economy. This job creation primarily happens by entrepreneurs. Creating new jobs by PWDs is a very important and key move while creating sustainable employment strategies. Encouraging PWDs towards entrepreneurship is a policy that leads to the employment of other PWDs. Hence, SE brings about opportunities for PWDs to develop the skills required to work in the future (Parker Harris et al., 2014).

2.2 Entrepreneurship of the Disabled

The concept of entrepreneurship encompasses different phenomena like starting a new company, expanding jobs, innovation, personal traits of leaders, or social trends. Entrepreneurship must contribute to the realisation of sustainable innovations that benefit most people in society (Muñoz et al., 2020). Studies on entrepreneurship have evolved in the past decade, yet there is a lack of enough studies on the entrepreneurship of individuals with disabilities (Saxena & Pandya, 2018). Disability can be considered as a deficiency that leads to the constant limitation of daily activities. Disability is increasing worldwide because of the ageing population and the increase in the incidence of acute health conditions (Devi & Rajamohan, 2020). Disability is a topic that refers to conditions that are less than perfect in nature. It happens in a person or for a certain period or in the rest of daily life. A PWD refers to a person who has a physical problem and is thus separated from others. A PWD lacks long-term physical, mental, intellectual, or sensory interaction with different barriers that might limit full participation in society. PWDs are divided into several

categories: people with motor disabilities, people with visual impairments, hearing impairments, and mental disabilities (Rozali et al., 2017). Employment directs the lives of people, including PWDs. All PWDs worldwide are looking for self-employment, entrepreneurship, and work in public or private organisations, but the number of these jobs is minimal because of the conditions of the disabled. Most PWDs turn to personal employment for their livelihood. Such activities carried out by individuals with no access to a formal job are referred to in the entrepreneurial literature as "necessity entrepreneurship" (Muñoz et al., 2019). PWDs have long been involved in the challenges, barriers, and limitations of different jobs and occupations worldwide. These limitations have ultimately ended in entrepreneurship and self-employment for PWDs (Bagheri & Abbariki, 2017).

2.3 People with Physical-Motor Disability

Disability is an individual limitation that can differ in type, duration, and severity. Disability is a global public health issue that affects one in seven people in the world. Disability is a human rights issue, PWDs are among the most discriminatory people in the world that usually undergo violence, prejudice, and denial of independence, and also face many obstacles (www.who.int/disabilities/en, 2019). Disability is a difficulty or limitation in the activity that a person faces in performing a task. In other words, disability means a restriction on participation or involvement in life activities (Akinyemi, 2016). Disability is defined as "loss or reduction of functional ability". Moreover, it is considered a personal disaster (Barton, 2017). Disability is usually defined as a chronic disorder that significantly affects an individual daily life and a complex category with a political and socio-cultural meaning (Hartblay, 2020). Physical-motor disabilities prevent a person from using his or her limbs or part of it effectively (Brown, 2010). Studies show that PWDs face many challenges in their careers. Additionally, these people mostly resort to social isolation, and therefore their social participation, self-esteem, and self-knowledge are lower than other people in society (Tekinarslan & Sucuoglu, 2007; Gallucci et al., 2011). Most disabled individuals are unemployed. Aside from education, welfare, comfort, and assistance, entrepreneurship has to be seen as a new step in creating jobs for these people. There are several guiding perspectives on the phenomenon of investment creation among disabled entrepreneurs. A major view based on employment studies of disability is the social model of disability. Entrepreneurs with physical disabilities use their challenges as resources to meet adaptive needs. These requirements are "the need to do different things, as well as the motivation to develop results according to specific needs, like using creativity to do different things" (Singer, 2021).

2.4 Startups for the Disabled

Policymakers and experts consider startups as a solution to economic problems ranging from slowing economic growth to high unemployment (Salamzadeh & Dana, 2020). Moreover, people worldwide consider startups as desirable employers and entrepreneurship as an attractive career option (Salamzadeh & Kawamorita Kesim, 2017). The employments in startups and entrepreneurial jobs are more interesting than the more common roles in organisations and departments (Sorenson et al., 2021). The concept of a startup is undoubtedly associated with managing businesses in the early stages and implementing innovations. Three groups of businesses that can initially be classified as startups are significant (Salamzadeh & Markovic, 2018). The first one is the projects from the so-called creative industries, i.e. creative design, handicrafts, and fine arts (Dana & Salamzadeh, 2021). The second case is entrepreneurship in science, technology transfer and commercialisation of inventions. Ultimately, the third group includes the projects that belong to the so-called digital industry, where information processing technologies are major elements in the business model (Skala, 2019). Working and studying the environment and practices for all members of society evolves into "sophisticated and always adaptable systems" that are the modern life of the city. One of the key issues to be examined in the environment and society is the issue of employment and well-being of PWDs, who are the largest and most diverse minority population in the world. The proportion of PWDs is more self-employed or entrepreneurial than those without disabilities in many parts of the world, among the genders and age groups (Martel et al., 2021). For PWDs, entrepreneurship, starting a company or startup can be an excellent opportunity to enhance their financial situation. The key priority for the disabled is to provide for themselves and their families. In fact, startups as well as entrepreneurship are the most accessible ways to earn money, have independence, and be known as a member of society. Entrepreneurs with disabilities can not only enhance their economic state but also provide job opportunities for other PWDs. They are people with very high potential, and if the right opportunity is identified, they can turn into a leading force in social and economic development (Dhar & Farzana, 2017). Research shows that entrepreneurs with disabilities find opportunities to enter the labour market as entrepreneurs, startup founders, or self-employed individuals. Thus, these opportunities can create a new and challenging path for PWDs (Zamore, 2014). Given the continuous and dynamic changes in the Fourth Industrial Revolution, many job opportunities have been created for PWDs, which has led PWDs to seek entrepreneurship and self-employment for the welfare of themselves and their families. Hence, the startups established by PWDs are currently of the key topics in recent studies (Dhar & Farzana, 2017).

2.5 Challenges of Entrepreneurship for Disabled

The WHO and the World Bank report that "more than one billion people in the world live with some form of disability, of whom about 200 million are experiencing major performance problems" and by 2050, 940 million PWDs in cities can be affected by key social health factors (WHO, 2015). PWDs pursue entrepreneurial opportunities and self-employment in the face of employment. It looks as many entrepreneurs PWDs pursue forms of social entrepreneurship as a means of reintegrating themselves into society (Jacocks & Bell, 2020; Vessal et al., 2021). These challenges can be divided into five groups: (1) institutional barriers, (2) environmental constraints, (3) developmental constraints, (4) social and attitudinal constraints, and (5) personal circumstances (Hsieh et al., 2019). By examining Hsieh et al.'s (2019) model as the basic model in this study and the analyses of the interview of the entrepreneur with disabilities, the study tries to identify the dimensions and angles of the challenge for disabled entrepreneurs in Iran to build a matching model in Iran.

2.5.1 Institutional Barriers

Reducing discrimination needs interventions aimed at institutional reform, changing the attitudes of employees and PWDs, and integrating appropriate adaptations into the everyday management of micro-financial operations (Sarker, 2020). Job creation is connected with challenges in the way of institutional activities that create economic opportunities and new activities. Regarding this, PWDs are more at risk than others. For instance, in the corona epidemic, PWDs have had the highest rates of job and income loss relative to others, so in dealing with PWDs the governments have to address the challenges for PWDs to enter the mainstream economy (Blanck, 2020).

In today's world, government support for social entrepreneurship and the participation of various government institutes in creating the infrastructure to support social entrepreneurship is common. The UN Convention on the rights of PWD necessitates the government to protect entrepreneurs with disabilities. The main form of government support for PWDs in the field of entrepreneurship is allocating grants (Bekmansurov et al., 2019). Institutional support and coordinated action at various levels of government (national, regional, and local) is another element that strengthens entrepreneurship in PWDs. However, designing, developing, and implementing measures commensurate with the reality of the disabled person must unjustifiably go beyond the authorities' commitment. This support has to come from the generosity of political parties, from the highest institutional level to municipal companies (Olaz Capitán & Ortiz García, 2019). Institutional discrimination against PWDs can only be solved by changing organisational, social, and individual behaviour, and this needs a legal prescription. Although prescriptive policies at the highest levels of management may not eradicate it overnight, they will certainly contribute significantly to its reduction (Barnes, 1992).

By recognising the significance of the principles and policies set out in the Global Action Plan for PWDs and the standard rules for equalisation of opportunities for PWDs in affecting the promotion, regulation, and evaluation of policies, plans, programmes, and actions at national, regional, and international levels to equalise opportunities for PWDs, the adoption of the Law on the Convention on the Rights of PWDs, consisting of fifty articles in Iran in December 2008 has tried to reduce institutional barriers to the social, economic, and entrepreneurial activities of the disabled, even with the promulgation of laws. However, unfortunately, the view of officials and some citizens to the disabled who consider them weak and weak forces has not changed much, and such an inappropriate culture has strengthened their problems and deprived them of a supportive society.

In the section on the rights of the nation, Article 9, paragraph 9, of the Constitution states that it is the government's responsibility to eliminate undue discrimination and create fair opportunities for all. Additionally, Article 30 obliges the government to create the facilities required for "all nations" by the end of high school and beyond. The single article of the Law on the Establishment of the Exceptional Education Organization, approved in 1990, entrusts the education of disabled students to this organisation. Article 2 of the organisation's charter approved in 1991 sees all educational services, rehabilitation, and prevention of physical and mental disabilities before and after birth as the task of this organisation. Paragraph 3 of Article 2 of the Statute states the last level of education for the disabled in high school, whereas most students with disabilities can study at higher levels where no duty has been defined regarding higher education for the disabled for this organisation according to the statute of another parallel institution. This statute (paragraph 4 of Article 2) entrusts raising this level of public awareness about the incidence of disabilities and the characteristics of exceptional children without providing an operational solution to this educational organisation, whereas this action needs medical and rehabilitation services to be done by the Ministry of Health and the Welfare Organization. The educational focus of this organisation is on students aged 6–21, and while stating the necessity of vocational education, vocational training and job skills, in the field of implementation of their objectivity are incomplete.

Other institutional laws in facilitating the affairs of the disabled in Iran can be found. For instance, (1) International Recommendation 99 concerning the retraining and vocational training of the disabled approved by the National Consultative Assembly approved on October 1, 1959; (2) The second note of Article 119 of the Labor Law approved on November 20, 1990; (3) Law of the Third Economic, Social and Cultural Development Plan of the Islamic Republic of Iran. Articles 38 (regarding insurance protection) 43 and paragraph c of Article 193; (4) Law of the Fourth Development Plan of the Islamic Republic of Iran (Article 30, second paragraph) approved on September 1, 2004; (5) Comprehensive Law for the Protection of the Rights of PWD, approved on May 5, 2004 (Article 2 and the four notes as well as the Note to Article 4); (6) The five-year law of the Fifth Economic, Social and Cultural Development Plan of the Islamic Republic of Iran, approved on January 5, 2011 (Article 169); (7) General policies of the system: The general policies of the system

in matters of promoting and consolidating the culture of self-sacrifice and jihad and organising the affairs of the martyrs in paragraph 9 and paragraph 11 in the urban planning section; (8) The bill to support the urban and suburban rail transportation system approved by the Islamic Consultative Assembly (Note to Article 2) approved on August 13, 2006. All of these are a few examples of the existing laws related to PWDs in Iran.

2.5.2 Environmental Constraints

Access to social benefits and opportunities for PWDs has always been a priority in programmes in connection with the rights of PWDs. The protection of human rights is considered the task of all governments in all societies and for all citizens. Developing an "urban disability justice" strategy can better the systematic ability of studies, policies, and urban planning to solve problems and improve the quality of life of PWDs (Pineda & Corburn, 2020).

Urban administration has to establish areas where the movement of the disabled is not hindered to ensure the peace, security, and well-being of the motor-physical disabled people. This calls for some kind of innovative and creative planning in the field of urban issues. Basically, the development of any country relies on the maximum use of human resources, capabilities and talents of each individual in the community. Changing the prevailing views of urban management and bettering the attitudes to PWDs means that instead of designing a special park or residential area or special health service for the disabled, we have to design a city where all classes—the disabled, the elderly, and the healthy—can fairly and equitably use the facilities available in urban areas, have access to all urban facilities and equipment, and could find equal opportunities compared with others (Azandariani & Nazarlou, 2018).

Institutional authorities have tried to reduce urban restrictions in Iran by regulating, communicating, and enforcing laws, including the development of the performance of the disabled in the use of environmental and urban spaces in the text of those laws that are directly related to the field of urban rights of the disabled. A critical and widely used law cited and used for many years which is related to the adaptation of public roads is titled "Rules and regulations of urban planning and architecture for people with motor-physical disabilities" that was approved on October 23, 1989 and its amendment was approved in 2019 by the Supreme Council of Urban Planning and Architecture of Iran. This law carefully investigates the adaptation of public thoroughfares like sidewalks and transportation systems, and the adjustment of public facilities like buildings and urban spaces with specific needs of the PWDs.

2.5.3 Development Constraints

Apart from education, welfare, comfort, social assistance, and so on, entrepreneurship has to be seen as a new step in creating jobs for the disabled. Challenges and the

barriers for PWDs in the workplace are a factor with a significant effect on the chances of PWDs to find work. However, this has not prevented active measures to get out of their problems. Entrepreneurs with disabilities can create more opportunities to gain a foothold in the labour market (Rozali et al., 2017). However, there are limitations to this that need to be developed. Many PWDs lack education, work experience, and adequate financial resources to enter employment (Harpur & Blanck, 2020). Constraints can be considered in other aspects of development too. Here, we explain more about the limitations of education and finance.

Lack of training for entrepreneurs: PWDs turn to self-employment to prevent unemployment and thus become entrepreneurs. The positive role of education and training in developing this trend is quite evident as they empower PWDs and enable them to increase entrepreneurial attitudes (Mota et al., 2020). However, many PWDs lack sufficient technical and professional knowledge to start a new business. Therefore, they need some training and developmental skills to improve their jobs.

Entrepreneurs have not always had enough budget and working capital. Because of the lack of security and tangible loans in the market, they cannot get foreign funding. PWDs have very little wealth and less bank balance. The relatives of PWDs are unwilling to spend money on their business ideas because of a lack of confidence in their success. Most entrepreneurs are unsuccessful because of insufficient funding, so financial resources are essential for all business activities (Devi & Rajamohan, 2020). Article 8 of the Comprehensive Law for the Protection of the Rights of PWDs stipulates: "Eligible disabled people of various ages can benefit from free education in the educational units under the Ministries of Education, Science, Research and Technology, Health, Medical Education and other government agencies, as well as the Islamic Azad University by Welfare Organization, introducing them". Despite the approval of the executive regulations in 2005, this law has not yet been implemented. Nonetheless, the Welfare Organization provides various educational grants and educational services for all levels of education.

2.5.4 Attitudinal Social Constraints

Employers select PWDs as a condition of admission, mainly by imposing similar conditions on ordinary workers. However, this will not be something kosher as it is clear that the physical ability of a PWD is different. Injustice happens everywhere, but whether it has to be considered a criterion for PWDs to find work is a point of discussion (Rozali et al., 2017). One of the reasons for creating an entrepreneurial spirit among PWDs is the fight against socially restrictive attitudes. Some entrepreneurial people with disabilities design their work models specifically to create a work environment without physical limitations, thus providing job opportunities for other people with disabilities. For instance, the barriers to transportation for disabled workers are removed when employees with disabilities are allowed to work from home to overcome transportation restrictions and access to them in a company (Hsieh et al., 2019).

In spite of the employment laws and programmes and support for PWDs, they still possess lower employment rates than non-PWDs. The studies reveal that about 2.1% of the population of Iran is disabled and the unemployment rate of the disabled is more than 63%, and the unemployment rate of help-seekers is more than 48%. Based on the studies carried out in the geographical area of Iran to develop the business of the disabled, two areas have to be examined more: the acquisition and dissemination of experiences of adults with disabilities and the change in attitudes of employers based on the degree of disability to recognise special abilities (Wakil Al-Ruaya & Aghvami, 2019).

2.5.5 Limitations of Personal Circumstances

Due to the physical limitations of the disabled and the specificities of the development process in the entrepreneurial process, the occurrence of more mental competencies for such entrepreneurs must be considered. The individual competencies that the entrepreneur has to have to create and maintain are important, a model that can be referred to 4 dimensions and 18 aspects of those competencies, four dimensions including personal self-awareness, self-management, social conscience, and management Is relationships (Olaz Capitán & Ortiz García, 2019). Independence seeking is one of the main reasons for creating entrepreneurship by the PWDs, making them feel productive turning into a symbol of pride, enabling them to participate in this route (Hsieh et al., 2019).

3 Methods

In this section, the researchers present the search framework to get the answers to research questions. The study was qualitative, where the data was collected and analysed using Grounded Theory (Dana & Dana, 2005). This approach tries to create a theory, model, or pattern (Charmaz, 2007). The purpose of the study is to "*present a model of startup challenge strategies established by PWDs for the disabled using the entrepreneurial approach*". As the challenges of disabled entrepreneurs are an intangible concept and cannot be observed and calculated with feeling, it is essential to identify the process and factors that led to the formation of this concept by understanding the people who have been associated with this concept and understood these challenges. This study reflects the views of disabled entrepreneurs regarding the challenges they have faced in starting a startup or company. Thus, it follows an interpretive philosophy. Using inductive logic, he has analysed these perceptions that have been formed in various people and extracted a conceptual model. The study used a content analysis method (Dana & Dumez, 2015), and interviews were used to collect qualitative data and the views of five well-known entrepreneurs with disabilities regarding their challenges in starting a startup or company. Data collection for case studies included reviewing documents,

interviews, review of archival reports, direct observation, review of recorded items (Creswell & Creswell, 2005). The data was analysed using content analysis and semi-structured interviews one by one. The sampling method was a non-probabilistic purposive sampling method.

4 Cases: Entrepreneurs with Disabilities in Iran

By focusing on five PWDs able to have a successful business in Iran, the study examined their challenges. Four of these five people are successful and active startup owners, and one is the manager of an industrial company and a service association for the disabled- one of the most successful industrial companies in Iran that 86% of its staff are disabled people.

4.1 Case 1: Vahid Rajabloo

Vahid Rajabloo, born in 1987 in Karaj, is an Iranian entrepreneur and the founder of the startup Tavanito. Vahid Rajabloo has been acquainted with and working in the field of information technology (IT) for thirteen years. Because of his severe disability, he could not attend regular schools and was homeschooled. He has been working in this field since he became acquainted with computers, and it has been several years since the successful establishment of startup Tavanito. Vahid is both a painter and a writer. He says, "*If it weren't for this opportunity in the field of startup work, I would still be working in other fields, I would finally create a way, and I would not be unemployed*". Although he can move only 2% of his body, he has designed more than 200 sites. He is the third child of the family and was born in 1987 and lives in Karaj, born with a disease called SMA. Firstly, the disease was unknown to doctors, and they could not diagnose it properly. As a result, doctors have misdiagnosed the disease since the beginning. For this reason, several spine and pelvic surgeries are prescribed for Vahid, but later it turns out that none of them was necessary, and if these surgeries had not been performed, Vahid's body would be in a much better condition now. And he was forced to drop out of school. However, despite these problems he had inadvertently suffered from, it could not prevent him from success. In 2017, Vahid Rajabloo established the Tavanito online platform as a bridge between the disabled and the service providers. This created 17 direct jobs and about a thousand indirect jobs. Tavanito now has nearly a thousand active providers who provide services to Iranian citizens in health, medicine, rehabilitation, education, and public services through this platform. Vahid Rajabloo has created an opportunity for more than 14,000 citizens with and without disabilities to use Tavanito online services. In 2020, he was recognised as one of the ten most influential figures in the world by Junior Chamber International. This is the first time that an Iranian is among the most influential youth in the world.

4.2 Case 2: Seyed Mohammad Mehdi Mousavi

Seyed Mohammad Mousavi (born in 1954 in Qazvin) is of the top entrepreneurs in Iran and the CEO of Firooz Industrial Group, and the founder of several NGOs active in the rights of the disabled, like the Association of Persons with Disabilities capable of Qazvin. One of his main activities is to create jobs for the disabled in Firooz Health Group. He says that the productivity of the disabled is more than a normal person. He has a disability because of polio in both legs. He was born in 1954 in a religious family in Qazvin. As a child, he became paralysed in both legs because of polio. Despite different problems like the resistance of the primary school principal to enrol him because of his disability, he completed his education in Iran and left for the United States in 1976 to study medicine. He returned to Iran after the revolution in 1979 and became active in institutions like the Imam Khomeini Relief Committee in Sistan and Baluchestan. The management of the Post, Telegraph, and Telephone Department of Qazvin has been one of his other responsibilities. Moreover, holding the "Exhibition of Islamic Industry Guards" one of his other activities in 2017, produced 40,000 billion. In 1986, he started a bankrupt company in the field of housing construction in the Albar-Iran industrial town and started managing and operating in this field. Firooz Health Group Company, with about 47 years of experience, is currently one of the largest Iranian companies that operate exclusively in the field of design, production, and distribution of children's health products. Most of the company's employees are disabled. Mousavi, the company's CEO said: "Wherever there was no need, we did not use machines as our young population is large, unlike Europe, and we did not blindly imitate to have jobs, even at a lower profit". In 2013, the company's staff was 210 people, 86% of whom were disabled, from the blind and deaf to the physically and physically disabled and MS patients. In the first step, by identifying, attracting, and employing the elite and capable disabled people of Qazvin and forming a strong and cohesive team, the association established Tavana Qardh al-Hasan Fund to concentrate the small deposits of the members in this fund. Then it used the fund to invest and implement projects with short-term and long-term income generation. Currently, more than 4250 men and women with disabilities (deaf-blind and physically disabled) and about 1250 of these specialised and committed people (non-disabled) are affiliated and honourably members of the centre and are the main capital of the association always helping this popular centre. Nearly all the activities of this centre (100% managerial and 80% executive) are conducted using efficient disabled personnel. 09911090599.

4.3 Case 3: Zahra Khanof

Zahra Khanof was born in 1962 in Iran-Tehran and is originally from Isfahan. She has lived a normal and happy life until the age of 18, like all girls. At the age of 19, she became a mother and then was diagnosed with MS. Zahra currently works at

her father's house remotely. Ever since he started working with the public relations unit of Raad Complex, she has become busier. As she cannot do things alone, she has provided employment opportunities for several people to help the disabled community together. Zahra Khanof (engineer), Yousef Rostami (engineer), and Mahdieh Rastegar, who have taken the initiative to create an Internet radio startup, besides strengthening the spirit of hope and cheerfulness in the able-bodied, identifying the talents of this class of society, they can open clear horizons for the able-bodied and improve the quality of life of the able-bodied with officials, managers, planners, and policymakers, especially in the field of the disabled. Radio Tavan Internet radio has been launched with the approach of strengthening the spirit of hope and vitality, creating self-confidence and improving the life quality of PWDs, and all its programmes are run by PWDs. RadioTavan service is an online website that includes news and audio in the fields of social, cultural, artistic, sports, and tourism for citizens with disabilities across the country. Identifying and introducing successful people in all fields, introducing people who are in the fields of sound, dubbing, acting, directing, and writing, producing cultural, artistic, and specialised products of able-bodied people, using the ability to do dubbing and preparing ability reports. The use of sign language interface in covering video news for the deaf and covering and introducing various types of non-governmental organisations is one of the goals that Radio Tavan follows.

4.4 Case 4: Alireza Mohammad Beiginia

Alireza Mohammad Beiginia is a disabled entrepreneur who was born in 1970. He is a retired teacher of education and has taught in normal and blind student schools. Beiginia has bachelor's and master's degrees in Persian literature and has practised so many activities in his life. Currently, with the cooperation of friends and family members, he has launched the Pekinga application: an application to introduce the products and abilities of PWDs for creating employment. Pekinga tries to both build self-confidence among PWDs and to create a culture of identifying them as capable people. Startup Pekinga tries to ensure that all spheres of the population benefit from equal opportunities for growth and prosperity and using all the capacities of the blind and disabled to remove legal and social barriers to the blind and disabled, strengthen their participation in different fields, inform the people and officials, explain the demands to the right of the target community, strengthen the strong presence of the blind and disabled in different areas, and effective thinking and consultation with the executive apparatus and policy institutions in order to apply the dynamic ideas of the target community and flourish amazing talents. These loved ones in national development programmes and ultimately creating sustainable employment and entrepreneurship for the blind and disabled are among the goals of this entrepreneurship startup for the blind and disabled in Iran. Features and services in this application are: (1) the possibility to buy products of the blind and disabled members of Pekinga, including handicrafts and cultural products, (2) provision of support

packages for the blind and disabled members of Pekinga, (3) introducing and presenting special equipment for the blind and disabled members of Pekinga. (4) selling books and other consumer goods for helping the blind and disabled members of Pekinga, (5) introducing and providing services that can be provided by the blind and disabled members of Pekinga, (6) introducing the blind and disabled members of Pekinga applying for jobs to their employers, (7) introducing employers applying for employment of the blind and disabled, and (8) online services for supporting and helping the blind and disabled members of Pekinga.

4.5 Case 5: Hamid Reza Mohtaram

Hamid Reza Mohtaram, 28 years old, was born in Marvdasht, Fars. He is deaf and has a bachelor's degree in IT. Currently, he is the CEO of Tehran Parto Diligent Deaf Company and the licensor of the Deaf Media Studio. He has participated in Tavan Tech with a project for the deaf in 2017 and with the Hanapp project in 2019 (which has been selected as an outstanding project in Tavan Tech and also among the best ones in the Elecomp exhibition). Hanapp is an application that can be installed on a mobile phone or any operating system and helps deaf, hard of hearing and those who are unable to speak for any reason to communicate with their audience without the need for others. Hanapp software has unique features that distinguish it from other software. Using smart cores to understand the needs of users, Persian audio and text processing, ambient voice recognition to create constructive and effective user interaction with their surroundings, banking and payment services, health services, and dozens of other features have all been designed and developed by Hanapp to provide a user interface with general and specialised access levels for your dear ones. Hanapp technological startup has managed to provide a new user interface for providing services to the deaf using artificial intelligence and Persian voice processing algorithms. As the designer of this software, Hamid Reza Mohtaram (Deaf) is familiar with the needs of deaf people that has made Hanapp successful in creating more effective communication between deaf users and the environment and helping them use digital technologies. Machine learning: Using intelligent cores for audio and text processing has enabled Hanapp software abled to understand the needs of users and help deaf people. Software security: Privacy and personal information of users is the most important asset of Startup Hanapp. Thus, we have designed the highest level of security for it. Multi-purpose application: Hanapp is designed to meet the needs of the general public in various fields such as banking, payment, medicine, tourism, and so on.

5 Findings

This section introduces the main categories observed in the first stage of the basic method, open coding of interviews with disabled entrepreneurs as basic theory, to the second stage, axial coding. In the next step, we move towards reaching the desired model by coding. In the coding stage, causal factors, contextual and intervening factors, strategies and consequences are identified among the main categories. In this study, after open coding (first stage), in the second stage of open coding, similar and common concepts and categories were merged through constant comparison of data and a similar category with a common semantic load with emphasis. The frequency of concepts and categories was placed in the form of a single concept and category, and accordingly, the aggregation of data was reduced to a specific and limited number of general categories, where 271 concepts and 86 major categories were obtained. Given the length of the table, it is not presented. Therefore, 16 axial (core) categories were obtained from 86 major categories shaped around an axis to form a strong fabric of relationships. Ultimately, Fig. 1 is the extracted model of the study.

At this stage, a model of the relationships in the axial coding categories is presented. Indeed, the data theorist chooses the foundations of Tables 1 and 2 in a methodical way and draws a paradigm model by relating it to other categories. Hence, the paradigm model of the study for startup challenge strategies of disabled startups for the disabled using the entrepreneurial approach is presented in Fig. 1. As Table 2 shows, all core categories are categorised into conditional, interactive/process, and consequential categories. The main and sub-categories related to identifying the entrepreneurial challenges of the disabled based on the model of startup challenges strategies launched by the disabled for the disabled were recorded using the entrepreneurial approach after the literature review and interview analysis, and the final model was developed as shown in Fig. 1. The model for entrepreneurship development with an empowerment approach for the disabled and veterans was plotted as follows.

According to the results, five main factors were presented as the causal conditions or preconditions in the entrepreneurial challenges of the disabled. To the interviewees, if the entrepreneurial challenges of the disabled in Iran are examined and modified for realisation in the implementation and development of startups to empower the disabled, one can expect entrepreneurship development in this field. Five basic factors have been considered so that other factors and components can emerge and be realised. These are “institutional, environmental, developmental, social and personal factors” briefly examined in the literature review by the researcher.

Overall, causal conditions are those that explicitly deal with the focus of the entrepreneurial challenges of the disabled with the approach of realisation in the implementation and development of startups and are designed and implemented as the main phenomenon. This means that with the elements stated and their connection with each other, they are synergistic by eliminating attitude discrimination, attention

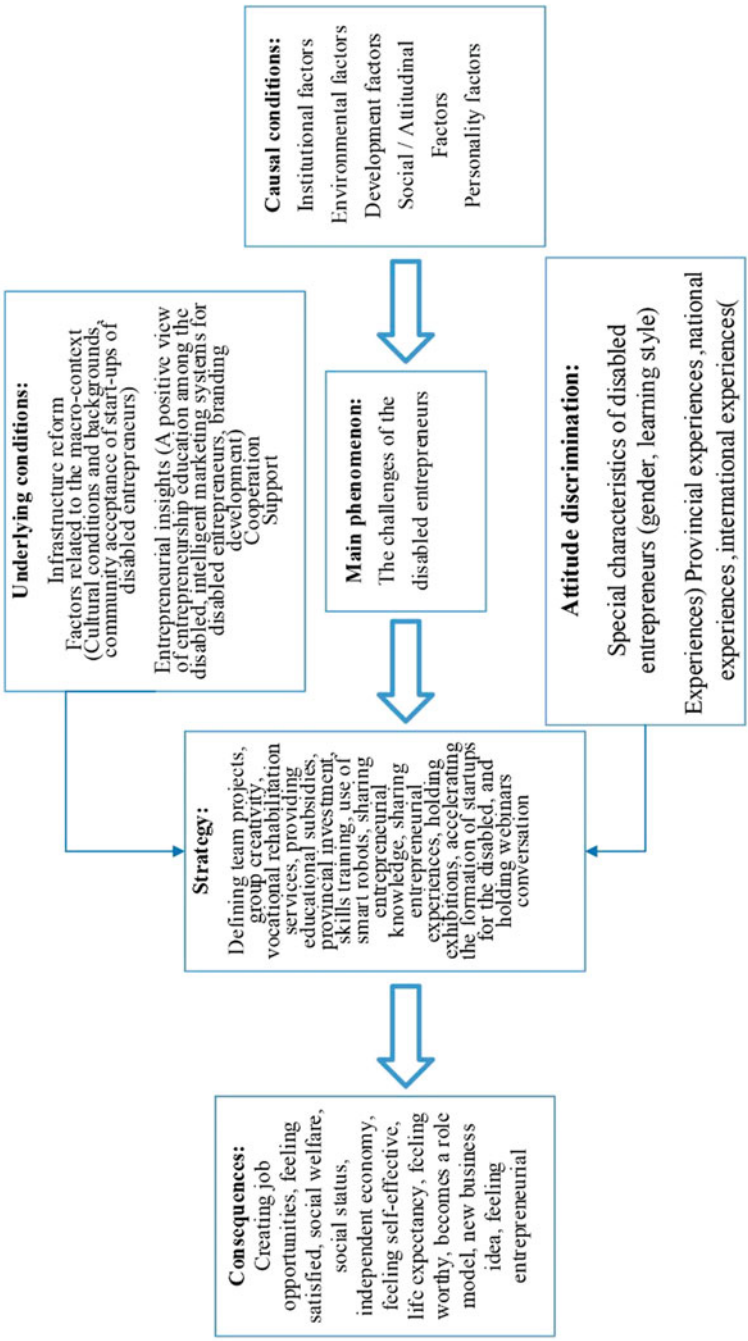

Fig. 1 The model derived from interviews and literature review (source: authors' elaboration)

Table 1 The number of concepts, core categories extracted by dimensions of challenges for entrepreneurs with disabilities

Core category	Main category	Number of the concepts extracted
Institutional factors	10	35
Environmental factors	7	22
Development factors	8	30
Social/attitudinal factors	5	17
Personality factors	9	29
Attitudinal discrimination	1	5
Special characteristics of disabled entrepreneurs	2	7
Experiences	3	9
Infrastructure reform	1	6
Factors associated with the macro context	2	9
Participation	1	6
Protection	1	5
Entrepreneurial insights	3	13
Empowerment	12	30
Consequences	11	25
Phenomenon (challenges of entrepreneurs with disabilities)	10	23
Total	86	271

to the specific characteristics of disabled entrepreneurs in terms of gender and learning style, gaining and transferring experiences (provincial, national, and international experiences) as intervening or intermediary conditions, and attention to infrastructure reform, factors related to the macro context (cultural conditions and backgrounds, and community acceptance of startups of disabled entrepreneurs), entrepreneurial insight (positive view of entrepreneurial education among the disabled, intelligent marketing systems for disabled entrepreneurs, and branding development), participation development and support for the disabled as underlying conditions.

According to the results, 12 factors—definition of team projects, group creativity, vocational rehabilitation services, providing educational subsidies, provincial investment, skills training, using intelligent robots, sharing entrepreneurial knowledge, sharing entrepreneurial experiences, holding exhibitions, formation of startups accelerator for the disabled and holding webinars and dialogues—were identified by the interviewees as appropriate strategies to deal with the entrepreneurial challenges of the disabled for realising the implementation and development of their startups.

Actions-reactions happening in dealing with or managing and controlling a phenomenon will have some consequences. The consequences for solving the entrepreneurial challenges of the disabled for realising the implementation and development of their startups in the study led to the creation of job opportunities, satisfaction, social welfare, social status, independent economy, self-efficacy, life

Table 2 Final classification of the main categories separately for the three dimensions: conditional, strategic/procedural, and consequential

Main category	Axial category	Category type
Government support, strategic plan, decentralisation, foresight, governance organisation, coordination, legal transparency, policy-making, research, and development, reforming structures	Institutional factors	Conditional
Modification of passages, modification of sidewalks, modification of transportation systems, and the adaptation of public facilities, the adaptation of residential and office buildings, the adaptation of urban spaces, urban intelligence.	Environmental factors	Conditional
Financial support, convenient facilities, entrepreneurial experience, entrepreneurial education, internet, and technology access, knowledge exchange, work experience, helping others.	Development factors	Conditional
Social values, social rights, sense of belonging, support of family and friends, encouragement of family and friends.	Attitudinal social factors	Conditional
Independence of action, mental creativity, expertise, attention to needs, inner motivation, effort and perseverance, personal characteristics, patience and endurance, self-confidence.	Personality factors	Conditional
Attitude discrimination	Attitudinal discrimination	Interfering conditions
Gender, learning style	Special characteristics of disabled entrepreneurs	Interfering conditions
Provincial experiences, national experiences, international experiences	Experiences	Interfering conditions
Reforming infrastructure	Infrastructure reform	Underlying conditions
Cultural conditions and backgrounds, community acceptance of startups of disabled entrepreneurs.	Factors related to the macro context	Underlying conditions
A positive view of entrepreneurship education among the disabled, intelligent marketing systems for disabled entrepreneurs, branding development	Entrepreneurial insights	Underlying conditions
Collective contributions	Participation	Underlying conditions
NGO support	Protection	Underlying conditions
Defining team projects, group creativity, vocational rehabilitation services, providing educational subsidies, provincial investment, skills training, use of smart robots, sharing entrepreneurial knowledge, sharing entrepreneurial experiences, holding exhibitions, accelerating the formation of startups for the disabled, and holding webinars conversation	Empowerers	Strategic
Creating job opportunities, feeling satisfied, social welfare, social status, independent economy, feeling self-effective, life expectancy, feeling worthy,	Results	Consequential

(continued)

Table 2 (continued)

Main category	Axial category	Category type
becomes a role model, new business idea, feeling entrepreneurial.		
Recognition of opportunities, institutional and social inequality, new responsibility, startup experience, management experience, customer attraction, sales, experience-based decision-making, opportunity-benefiting skills, and flexibility in the face of opportunities	Challenges of disabled entrepreneurs	Axial phenomenon

expectancy, sense of worth, turning into a role model, a new business idea, and an entrepreneurial feeling.

6 Conclusion

In solving the entrepreneurial challenges of the disabled with the approach of realisation in the implementation and development of their startups, one can conclude that the realisation of this calls for more attention to government and nation support as well as help to increase personal motivation and belief in PWDs through individual empowerment and correcting the collective attitudes and family of these people. In explaining this, four prescriptive propositions have been suggested to reduce the challenges in the process of creating startups launched by PWDs, first for their presence in the economic cycle and social effect and secondly for developing entrepreneurship by PWDs and creating self-employment, knowledge sharing, and sharing experiences among them. (1) Managers of the supporting institutions in the country, especially in the provinces, ought to formulate a strategic plan and a clear law to solve the entrepreneurial challenges of the disabled with the approach of realising the implementation and development of their startups for self-employment, entrepreneurship, and efficiency of the disabled. Moreover, based on institutional, environmental, developmental, social, and personal factors, they should promote and disseminate the realisation and development of startups by PWDs; (2) According to the analysis of the results, the following are suggested to Iranian policymakers regarding those with disabilities: (2.1) The possibility of free attendance of disabled people in educational and skill courses to empower and rehabilitate mentally and physically, as well as sharing knowledge and gaining collective shared experiences in the face of individual disabilities, (2.2) Policy-making to support new and entrepreneurial ideas of the disabled and the possibility of emerging and expanding activities as exhibitions of works in local and international spaces, (2.3) Policy-making to assign resources and investment to start startups by the disabled with a self-employment approach and coverage of other disabled people by the disabled; (3) By focusing and creating a culture on the empowering dimensions of the disabled, non-governmental organisations (NGOs) and associations should try to

create a positive social attitude towards the efficiency of the disabled in doing entrepreneurial and professional affairs, among others; (4) Expanding productivity and using new communication technologies to reduce environmental challenges.

7 Directions for Future Research

Based on the findings of this research, the authors propose the following suggestions: (1) future studies should independently examine the effects of the identified components as in the present study, the dimensions and components affecting the entrepreneurial challenges of the disabled were identified with the approach of realisation in the implementation and development of their startups, (2) the axial codes extracted from the present study might be reviewed and prioritised separately, and (3) the relationships between the categories of the extracted model should be measured using quantitative methods.

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Aidin Salamzadeh is an assistant professor at the University of Tehran. His interests are startups, new venture creation, and entrepreneurship. Aidin serves as an associate editor in Revista de Gestão and Innovation & Management Review (Emerald), as well as an editorial advisory in The Bottom Line (Emerald). Besides, he is the co-founder of the Innovation and Entrepreneurship Research Lab (UK), and a reviewer in numerous distinguished international journals. Aidin is a member of the European SPES Forum, the Asian Academy of Management, the Institute of Economic Sciences, and Ondokuz Mayis University.

Léo-Paul Dana is Professor at Dalhousie University and holds titles of Professor at Montpellier Business School and Visiting Professor at Kingston University. He is associated with the Chaire ETI at Sorbonne Business School. A graduate of McGill University and HEC-Montreal, he has served as a Marie Curie Fellow at Princeton University and a Visiting Professor at INSEAD. He has published extensively in a variety of journals including: Entrepreneurship: Theory & Practice, International Business Review, International Small Business Journal, Journal of Business Research, Journal of Small Business Management, Journal of World Business, Small Business Economics, and Technological Forecasting & Social Change.

Samira Mortazavi received a Ph.D. degree in entrepreneurship-technology from Islamic Azad University, Qazvin, Iran. Her research and teaching interests include entrepreneurial learning, small business management, and formulating business plans. Recently, her research focuses on the impact of entrepreneurship education on creativity.

Morteza Hadizadeh received his MSc degree in organisational entrepreneurship from Shahid Beheshti University. He has earned a degree in BSc in computer engineering from Imam Khomeini International University, Qazvin, Iran. His research interests include entrepreneurship in social networks, entrepreneurial learning. Recently, his research focuses on the analysis and data mining of complex networks with the help of artificial intelligence to develop the future of entrepreneurship in social networks.

Refugee Entrepreneurship in Germany: An Institutional Voids Perspective

Tine Lehmann, Hussam Albaba, and Susanne Kreiter-Sammet

Abstract In 2015 and 2016, forced migration led to a large influx of refugees to Germany. In general, Germany has a low percentage of entrepreneurs and at the same time, many studies have reported a higher propensity of migrants engaging in entrepreneurship. Nevertheless, refugee entrepreneurship is hardly a topic in Germany, neither in common media nor in research. Drawing on the concept of institutional voids, we explore the characteristics of refugee entrepreneurs and ask which institutional voids do refugee entrepreneurs face in Germany.

Our method is based on qualitative semi-structured interviews, but on a two-step basis. In the first round, we interviewed 20 refugees on their general perceptions of labor market integration. In the second round, we conducted seven detailed case studies with refugee entrepreneurs in Germany.

We can show that many refugee entrepreneurs are necessity entrepreneurs due to perceived disadvantages in the labor market. Furthermore, we demonstrate that institutional voids do not just exist in emerging economies, as most literature suggests, but can also exist in the developed world in times of crisis and capacity overload. Lastly, we demonstrate the role of specific social capital in bridging some of the voids.

1 Introduction

In 2015 and 2016 a wave of forced migration reached Germany and put the country in the spotlight of refugee integration. Germany invested tremendous efforts in integrating these new arrivals in society in general and the labor market in specific.

T. Lehmann (✉)
International Business, University of Applied Sciences (HTW), Berlin, Germany
e-mail: Tine.Lehmann@HTW-Berlin.de

H. Albaba
Independent Researcher, Berlin, Germany

S. Kreiter-Sammet
Independent Researcher, Nuremberg, Germany

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Moreover, Germany has received a lot of praise but also critiques about its integration efforts. At the same time, Germany has—despite its reputation as an innovative country—a relatively low level of entrepreneurs (Dana, 2017). Germany is ranked 15th in the Global Entrepreneurship Index, after several other European countries (GEDI, 2019), and just about average for most entrepreneurial framework conditions, according to the GEM (2020) (cf. Dana (2017) for a detailed discussion on the current state of entrepreneurship in Germany)). While many studies report a higher propensity of migrants engaging in entrepreneurship, refugee entrepreneurship is hardly a topic in Germany, neither in common media nor in research. Refugee entrepreneurs are a specific group of migrant entrepreneurs. While the latter have been discussed as disadvantaged entrepreneurs due to their disadvantaged status in the labor market and their liability of foreignness (Gurău et al., 2020), refugee entrepreneurs seem less regarded, even though they are faced with additional disadvantages. Moreover, though literature on refugee integration has increased in the past, it is still a niche section in academic literature (Desai et al., 2021). In addition, there is still a limited understanding of whether refugee entrepreneurs show similar characteristics as other migrant groups, i.e., in terms of motivation and propensity to start a business. But also, there is a lack of understanding of the influence of refugee-specific characteristics, such as human and social capital and the effects of uncertainty and trauma on the propensity to start a business (Desai et al., 2021).

Therefore, we wondered: What are the characteristics of refugee entrepreneurs in Germany? Additionally, some challenges that are described in the literature in the integration process of refugees reminded us of institutional voids in developing countries. Hence, drawing on the concept of institutional voids, we ask which institutional voids refugee entrepreneurs face in Germany.

Our method is based on qualitative semi-structured interviews, but on a two-step basis. In the first round, we interviewed 20 refugees on their general perceptions on labor market integration. In the second round, we conducted seven detailed case studies with refugee entrepreneurs in Germany. Besides the qualitative analysis of the interviews, we used a contingency test as a quantitative approach to support qualitative results.

We can demonstrate that much of the refugee entrepreneurship is necessity entrepreneurship, as labor market integration is perceived as difficult. As a result, most refugee entrepreneurship is in the food sector, related to home country resources. Hence, its contribution to the overall German economy as well as its sustainability could be questionable. We can show that some institutional voids do not just exist in emerging economies, as most literature suggests, but also exist in the developed world in times of crisis and capacity overload. We show that institutional voids of access to information are a specific main issue for refugee entrepreneurs, but in general, labor market integration also exists. Social capital seems to be an important instrument to bridge such voids. After all, an information system that is more tailored to refugee entrepreneurs would be needed not only to foster refugee entrepreneurship but also to support higher skills and to ensure more sustainable refugee entrepreneurship.

The remainder of this chapter is structured as followed. We start with a literature review in the upcoming section on refugee entrepreneurship in developed economies and institutional voids in this field. We then elaborate on our method and results before we engage in a deeper discussion on the characteristics of refugee entrepreneurs in Germany and institutional voids for these refugee entrepreneurs. As our research is rooted in an institutional perspective, we focus on Syrian refugees in Germany as an example of specific institutional constraints.

2 Conceptual Background

2.1 Refugee Entrepreneurship in Developed Economies

The literature of refugee entrepreneurship is rooted in the larger literature section of migrant entrepreneurship (Chen et al., 2019; Dabić et al., 2020; Kloosterman, 2010; Ram et al., 2017). However, as the term migrant is rather large and includes anyone living outside of their country of birth for a longer period, literature on migrant entrepreneurship deals with a very heterogeneous group of entrepreneurs, ranging from international graduates to second-generation immigrants (Baycan-Levent & Nijkamp, 2009; Dabić et al., 2020). There are two main factors that potentially drive the often-larger percentage of migrant entrepreneurs compared to the host country entrepreneurs. Past literature discussed whether this is either based on a more entrepreneurial cultural background of these entrepreneurs or whether their entrepreneurial intentions are more based on necessity entrepreneurship, due to experienced disadvantages (Dabić et al., 2020; Dana, 1997; Ram et al., 2017).

Migrant entrepreneurs are considered a disadvantaged group, nested in an institutional environment not prepared for them (Maalaoui et al., 2020; Martinez Dy, 2020); moreover, obtaining characteristics different from the entrepreneur archetype (Martinez Dy, 2020). They are facing disadvantages in the labor market in general, both with language difficulties and a lack of system knowledge (Kontos, 2007; Volery, 2007), but also discrimination and lack of social capital (Dana & Vorobeva, 2021). The liability of foreignness as another major disadvantage is often addressed (Gurău et al., 2020). Hence, they are less privileged than non-migrant entrepreneurs but have to fulfill the same standards (Martinez Dy, 2020). However, as Wauters and Lambrecht (2006), Desai et al. (2021), and Heilbrunn and Iannone (2019) have argued before, refugees have a different background and situation than migrants; hence, it is important not to mix these groups. Refugees are people that are forced to migrate, thereby having little-to-no time to prepare, less financial possibilities, fewer networks, and less preparation for the new host environment (UNHCR, 2020); additionally, refugees are disadvantaged by a stigmatized identity (Adeeko & Treanor, 2021).

Therefore, this article focuses explicitly on refugees as a specific type of migrant, following Wauters and Lambrecht (2006). They pointed out that refugees have smaller host country networks and less potential to rely on home country resources

as they are forcedly displaced. Additionally, refugees may be affected by traumatic experiences. Wauters and Lambrecht (2006, 2008) show societal benefits of refugee entrepreneurship such as a boost in the countries' overall entrepreneurship scene and faster integration of refugees. Later, they demonstrate that this potential for refugee entrepreneurship for the overall economy is underused, as refugees perceive larger challenges than other migrants. This article additionally focuses explicitly on refugee entrepreneurship in so-called "developed economies," as the institutional setup differs substantially for refugees in less developed economies.

Kone et al. (2021) show that refugees have a six percent higher likelihood to engage in self-employment, apparently, as they receive lower-wage employment incentives than other migrant groups. Already after five years of residence, the likelihood for asylum seekers to engage in self-employment is larger than for native UK citizens; which is faster than any other migrant group. Backman et al. (2021) show in a sample for Sweden, that 17% of refugees are necessity entrepreneurs, hence they became entrepreneurs due to difficulties in access to wage employment. Much of this seems to be related to missing access to qualifications. Similarly, Embiricos (2020) questions whether entrepreneurship is a faster way to labor market integration with cases from Berlin, Germany. She shows that the motivation to become independent from state support is a major driver for refugee entrepreneurs.

Several pieces of literature have discussed barriers in labor market integration for refugees, and even call it a "canvas ceiling" (Lee et al., 2020). Eggenhofer-Rehart et al. (2018) show that career capital, such as the social and cultural capital of Syrian and Afghan refugees in Austria, is radically devalued, making labor market entry challenging. In contrast, Gericke et al. (2018) show how Syrian refugees in Germany find ways to use their social capital to ensure access to the labor market, mainly through horizontal bonding social capital (family and friends living in the host country) but also through horizontal bridging social capital (friends from the host country). Similarly, Verwiebe et al. (2019) showed the importance of personal agency and social capital as an important factor to labor market integration for refugees in Austria.

Brieger and Gielnik (2021) confirm previous studies that female refugees have a smaller tendency to become entrepreneurs. Similarly, Obschonka et al. (2018) show higher entrepreneurial intentions for male Syrian refugees in Germany. However, they also demonstrate that specific intermediaries and institutional support programs have a positive effect on female refugee entrepreneurship.

In a collection of narrative single case studies, Freiling, Harima, and Heilbrunn (2019) show the challenges and motivations of refugee entrepreneurs. They show cases of necessity entrepreneurship, as access to their original profession was blocked (Harima & Freudenberg, 2020). Often, the path to regular employment is considered too time demanding as degrees and certifications are not accepted in Germany and hence have to be redone, which demand prior high time investment in language learning. The cases also show that refugee entrepreneurs are risk-takers and bricoleurs, utilizing whatever they have in order to make their businesses happen. Many businesses established were service provision businesses (Freiling et al., 2019).

In contrast, Mawson and Kasem (2019) demonstrate that (in their sample of Syrian refugees in the UK) all participants had a favorable attitude toward entrepreneurial activities. They attribute this to cultural factors and past experiences in the home country. They showed that entrepreneurial intention also depends on the experiences made during their forced migration. Refugees that benefited from extraction and re-settlement programs showed less proactiveness, less innovation, and perceived more challenges in becoming entrepreneurs compared to refugees that arrived independently and on a riskier path to the UK. Similarly, Backman et al. (2021) also demonstrate that the region of origin seems to be a determining factor. On the other hand, the traumatic experiences along the refugee journey may distort entrepreneurial motivations (Harima et al., 2021). Obschonka et al. (2018) demonstrate a negative correlation between age and risk-taking among refugees in Germany, as well as a positive correlation with resilience and entrepreneurial intentions. How this resilience was built, was unfortunately not explored.

Previous literature has called for a contextual approach, as the picture of refugee entrepreneurship is diverse, based on different home country and host country backgrounds (Dana, 1997; Maalaoui et al., 2020). Harima et al. (2021) developed such a framework of multiple embeddedness. While the observed refugee entrepreneurs were very heterogenous in the countries of origin, reasons for refuge, and their presence in the host country (some have been residents in the host country for 20 years), they developed an interesting typology of refugee entrepreneurs. Among others, "Type 1: Value Creation with Homeland Resources" often referred to entrepreneurs in the food sector, independent of their past home country professions, in contrast to "Type 4: Qualification Transfer," who started a business in the same industry as their home country qualification.

2.2 *Institutional Voids in the Context of Refugee Entrepreneurship*

Maalaoui et al. (2020) call for an institutional perspective on disadvantaged entrepreneurs. Institutions are "humanly devised constraints that shape interaction" (North, 1990), and are comprised of informal and formal institutions (Williamson, 2000). Institutional voids describe situations where institutions are lacking or are mis-designed (Mair & Marti, 2009); due to these voids, transaction costs are increased. Most literature discusses institutional voids in emerging economies (Khanna et al., 2010; Riddle et al., 2010). Puffer et al. (2010) and Schrammel (2014) discussed institutional voids in transition economies and Lehmann and Jungwirth (2019) show that institutional voids are less prevalent and some are not existent at all in non-transition or so-called "developed economies." However, Arslan et al. (2021) discuss, that disadvantaged groups in developed economies face similar challenges as reported from developing economies. They claim that marginalized groups in the West experience disadvantages comparable—even if not

as extreme—to the bottom of the pyramid population. Hence, it suggests itself, that institutional voids could be prevalent in times of crises also in developed economies.

Most literature discusses institutional voids in regards to missing intermediaries that grant access to finance (Khanna & Rivkin, 2001; Mair & Marti, 2009), missing or mis-designed intermediary institutions of education that hence do not provide adequate human capital (Konstantynova & Lehmann, 2017; Wang & Cuervo-Cazurra, 2017), and missing intermediaries of contract enforcement (Khanna et al., 2010; Mair & Marti, 2009). Schrammel (2014), as well as Kingsley and Graham (2017), also demonstrate institutional voids in access to information in transition economies. They show that as information is power in institutionally unstable economies; often misguided formal and informal institutions hinder access to information.

Multiple pieces of literature have discussed how institutional voids are bridged by entrepreneurs (Ge et al., 2019; Olarewaju & Fashola, 2020; Sydow et al., 2020) perceiving business opportunities or business networks (Khanna & Rivkin, 2001; Manikandan & Ramachandran, 2015; Schrammel, 2014) trying to provide better market conditions for its members.

Most literature on institutional voids in the context of refugee entrepreneurship focuses on emerging or developing countries (de La Chaux & Haugh, 2020; Mair & Marti, 2009; Mickiewicz & Olarewaju, 2020; Olarewaju & Fashola, 2020). One exception is Heilbrunn (2019), who shows how refugees overcome and use intentional institutional voids by entrepreneurship based on bricolage strategies in Israel. Hesse et al. (2019) provide an interesting discussion about different institutional logic in a German refugee camp. Among others, they describe refugees as human resources from the perspective of a market logic, but only in a wage-employment setting. Entrepreneurship in a refugee context does not seem to be a prominent institutional logic.

Looking at the aforementioned common categories of institutional voids, we find indications that these also exist in more developed economies in the context of refugee integration, but literature on institutional voids in the refugee context in Germany is sparce. Between 2015 and 2017 roughly 1,five million people applied for asylum in Germany (Harima et al., 2019; Worbs et al., 2019). Bock (2018) considered the overburdened administrative system in Germany and its response to the large refugee influx in 2015 as a "state-failure," Hess and Kasparek (2017) a de-stabilization period, and Dittmer and Lorenz (2021) a "disaster situation" and "humanitarian emergency." Considering that Germany is a coordinated market economy (Hall & Soskice, 2001), Arslan et al. (2021) argue disadvantaged marginalized groups in such countries face challenges concerning access to finance and access to human capital. The situation can be compared to what scholars in emerging and transitional markets have called "environments of institutional voids." In this research, we want to get a deeper understanding of which voids exist and what their influences on (potential) refugee entrepreneurs are.

Several other pieces of literature discuss challenges for refugee entrepreneurs without referring explicitly to institutional voids. At a closer look, some of these challenges can be related to missing or mal-designed intermediary institutions. For

example, Embiricos (2020) shows that many interviewed refugees in Germany perceive a discouraging bureaucracy and lack of knowledge of the general system, not knowing where to turn for which issues. Similarly, Freudenberg (2019) shows that often refugees are unsure of whether they have the right to start a business. Hence, there seems to be a void in access to information, as described by others (Kingsley & Graham, 2017; Schrammel, 2014).

Many refugees report having difficulties of even opening a regular bank account, either because the legal status is still pending or because documents are not accepted (Maalaoui et al., 2019). Access to bank loans is often perceived as impossible, also due to the time constraints of refugee's legal status (Alrawadieh et al., 2019; Embiricos, 2020). Johnson (2019) shows that most of the funding from refugees in Germany and the Netherlands is own or informal funding through family ties. This would point to institutional voids in the access to finance. Nevertheless, the case of Harima et al. (2019) shows that financial intermediaries are present in Germany that provide refugee startups with the needed capital.

Institutional voids in the area of human capital relate in the refugee context very often to missing accreditation of degrees. Harima et al. (2019) tell the story of a Syrian lawyer who opened a restaurant as his prospects of getting his profession accredited was limited or too time-consuming.

Many of the legal voids that refugees face are connected to the right to work. Kolb (2019) reports on a case from Ireland, where a Malawian refugee did not have the right to work or start a business, but was allowed to start a non-profit organization. Hence, this form of social entrepreneurship was the only legal option. Similarly, Rezaei et al. (2013) show how an illegal status pressures migrants into the informal economy in Denmark.

3 Method

Even though we showed indications of institutional voids in the refugee entrepreneurship context in the literature, we opt for a qualitative case study approach following Yin (2009), based on semi-structured interviews. The two main reasons are as follows: 1) We abstain from the positive understanding that many deductive and quantitative approaches possess (Dana & Dana, 2005), as we follow a more constructivist paradigm and want to understand the larger and context-bound picture of refugee entrepreneurship and institutional voids in Germany; 2) The cultural background of our interviewees prefer context and personal dialogue, and hence, a qualitative approach would hopefully provide richer and more insightful data (Szkudlarek et al., 2019).

All cases are from Syrian refugees in Berlin. We decided to focus on Syrian refugees only, as they are the largest group of refugees in the latest wave (Worbs et al., 2019). We intentionally did not include other nationals as different countries of origin might entail different institutional factors, especially legal issues. Our interviewees have left their home country in the last five to six years and are in the

process of integrating into the German labor market. They are medium to highly educated and between 25 and 40 years old, as we wanted to focus on the age range with the highest propensity to integrate in the labor market (Worbs et al., 2019).

Our approach is on a two-step basis. In the first round, we interviewed 20 refugees on their general perceptions of labor market integration; the intention to become entrepreneurs was just one of many questions. Before the interviews, interviewees received a short briefing of the process and filled out a survey concerning their demographic data, their refugee journey, and their legal status. The survey and the interview guideline were tested within a small pilot project in September 2020. Interviewees were on average 27,2 years old and the interviews lasted on average 20,8 min. We relied on theoretical and purposive sampling, some interviewees were contacted based on snowball sampling (Flick, 2014). Eighty-five percent of our interviewees have a refugee protection status, only three received subsidiary protection. Twenty-five percent (5) of the interviewees are female. We did not manage to have a female percentage of interviewees equal to the percentage of female Syrian refugees in Germany (about 40% (Worbs et al., 2019)); however, this underrepresentation is common in many studies (Gericke et al. (2018) i.e. have 16%).

The interviews were conducted in Arabic between October 2020 and March 2021, by Arabic natives from Syria, to avoid language difficulties in the interview setting. This way we aimed to ensure an emic perspective and a sensitive understanding of the interviewees' context and situation. To reduce interviewer bias, we originally relied on two interviewers and had frequent reflection rounds. The interviews were translated and transcribed by the interviewers to German or English. The two interviewers worked jointly to ensure an appropriate translation.

The interviews were coded openly (Saldaña, 2016); however, we used the observed literature of institutional voids in the refugee context as orienting theory in the beginning (Dana & Dumez, 2015). Hence, we do follow a rather inductive approach, but not a proper grounded theory approach as Glaser and Strauss (2010) would propose it. We are more inclined by Charmaz' (2014) constructivist understanding of grounded theory but are probably slightly more rooted in theory than she would advise (Charmaz & Thornberg, 2020). We are aware of the risks of circularity (Dana & Dumez, 2015) in our approach. However, one researcher has an extensive research background on institutional voids and it seems impossible to ignore this background knowledge. We counter this risk by including one novice researcher with a background in political and social science and with a refugee history, who has experience as a cultural mediator. We additionally added a researcher, who has no refugee or institutional voids research background, but is familiar with data analysis. Through these diverse research backgrounds we hope to include an etic as well as emic perspective (Sinkovics et al., 2008).

After several rounds of open coding and focused coding, similar to Gericke et al. (2018), one of the participating researchers with cultural insights checked the codes for consistency and culture-specific interpretations. We include intensive discussion rounds in our research procedure to avoid circularity and guaranty equivalence (Dana & Dana, 2005; Sinkovics et al., 2008). In addition, the phi-coefficient test was performed to determine the relationships between specific factors.

In the second round, we conducted seven detailed case studies with refugee entrepreneurs in Germany, following a comparative case logic (Eisenhardt, 1991). The interviews were conducted in April and May 2021 via Zoom, due to the COVID-19 lockdown restrictions in Germany. They lasted on average 34 minutes. Three interviews were done in Arabic by an Arabic-speaking native and translated to German. The remaining four interviews were conducted in German or English. Only one of the seven interviewees was a female entrepreneur. All interviewees had, at minimum, a high school degree; the majority (four) had attended university. For this second round, we followed a mostly theoretical coding (Charmaz, 2014; Saldaña, 2016) approach, based on literature and our insight from the first round of coding. Again, the coding was conducted by one researcher and checked and discussed with a second researcher with a Syrian background.

Both rounds of coding were done with MaxQDA (Rädiker & Kuckartz, 2019) and by two researchers independently. The usage of CAQDAS also ensures a more structured approach, away from a focus on anecdotical evidence (Sinkovics et al., 2008).

4 Results

Our first round of interviews on general labor market integration of Syrian refugees in Germany showed that the majority of interviewees had the intention to become entrepreneurs. Only 10% (2) mentioned clearly that they have no intention to start their own business, whereas 87,5% of the interviewees that answered these questions (14) stated they intend to start their own business. However, out of these only 25% (4) seemed to have a clear plan, whereas the remaining 62,5% referred rather to an unspecific idea in an unknown future. Interestingly, when asked about their main goal upon arrival in Germany at the beginning of the interview, no one explicitly mentioned entrepreneurship. Forty-five percent named starting or continuing a university education as their main goal, 35% mentioned to get a job or to start a vocational training as their goal, and only 20% (4) had no clear plan besides studying German upon their arrival. Fifty percent of the interviewees mentioned that the governmental body for labor market integration (the so-called "Job Centers") do not provide sufficient information for labor market integration. In contrast, 80% mentioned they relied on information provided by friends. Even though all interviewees were at some point of time registered at the Job Centers and had appointments there, 70% did not recall or could not understand the integration agreement that they had signed. In 57% of these cases, we could see a limited understanding of the job market in general and/or the role of the Job Centers in specific. This led us to the conclusion that access to information seems to be a critical point in labor market integration in general and refugee entrepreneurship in specific. Those findings are supported by the contingency test which was performed to determine the relationship between refugees' friends as sources of information and the intention to start a business in a clear or unclear future.

Table 1 shows the results. The phi-coefficient between information provided by friends and the intention to start a business is (0,33), thus reaching a moderate level

Table 1 Phi-coefficient (authors' own)

Source of information	Intention to start a business		Φ cal	χ^2 cal	Sig.
	No	Yes			
Friends					
No = 0	0	4	0.33	2.14	0.143
Yes = 1	6	10			

(Cohen, 2013). Although the corresponding chi-square value is not significant (which is due to the small sample size of N = 20), this result provides evidence that information support coming from friends enhances their intention to start a business, thus supporting refugee entrepreneurship.

The second round of interviews with entrepreneurs followed a different and more theoretical coding approach. The majority of interviewees in this round had the classical refugee journey background (travel via the Balkan route); however, three arrived in Germany based on a pre-defined Visa. All businesses were service-oriented with the majority being in the field of restaurant or catering provider. Table 2 summarizes the cases before we engage in a cross-case analysis in the discussion section. All cases are anonymized and given dummy-names for the sake of data protection.

5 Discussion

5.1 Refugee Entrepreneurship in Germany: Decoding the Background Story

At first sight, our interviews seem to confirm that Syrian refugees in Germany have a high propensity to start their own businesses, as in our original 20 interviews more than 80% stated they plan to open their own business. However, a more detailed analysis and our second round of interviews provide some interesting insights. One interesting fact that gave us something to consider was that when asked about their original goal when arriving in Germany early in the interview, not a single interviewee mentioned entrepreneurship. Only when asked directly, people confirmed to have entrepreneurial plans. However, only very few had clear plans and many remained very vague, mainly referring to businesses in the food sector, such as Ali stating:

> Yes, I hope so, I want to open a café or a restaurant one day (Ali, para 35).

With our second round of interviews, this picture became much clearer. Even though all entrepreneurs originally named positive intrinsic motivational factors for establishing their own business, such as wanting to support integration, representing their country, or being financially independent, literally all interviewees mentioned they had difficulty finding regular wage employment (Fig. 1). Several interviewees

Table 2 Interviewees round two (entrepreneurs) (authors own)

Nr	Case	Demography	Refugee story	Business
1	Norah	Female, university	Arrived in or after 2015 Visa based on family Reunion	Restaurant with catering Active between 1 and 3 years Between 5 and 10 employees (before Covid-pandemic, currently none)
2	Samir	Male, university	Arrived in or after 2015 Visa based on refugee convention	Catering service (closed)
3	Faizal	Male, university	Arrived before 2015 as a Ph.D. student Entrepreneurs visa	Education provider Active between 3 and 5 years No employees in Germany, but 5–10 outside of Germany
4	Amar	Male, university	Arrived in or after 2015 Visa based on refugee convention	Cultural center Active between 1 and 3 years More than 10 employees (before Covid pandemic)
5	Rashid	Male, university	Arrived in or after 2015 Visa based on refugee convention	Restaurant and catering service Active between 3 and 5 years
6	Malek	Male, university	Arrived in or after 2015 Visa based on refugee convention	Delivery service Active less than a year No employees
7	Habib	Male, university	Arrived in or after 2015 Employment visa	Restaurant Active between 1 and 3 years Between 5 and 10 employees (before Covid pandemic, currently 1–5)

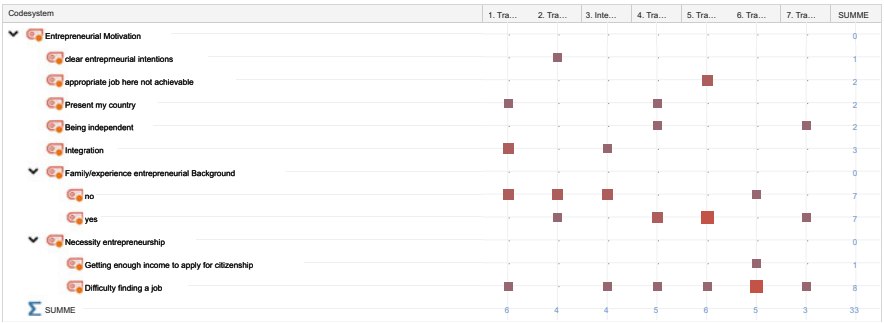

Fig. 1 Entrepreneurial motivation (Source: authors own based on MaxQDA)

mentioned that they perceive the process to achieve wage employment that equals their qualification in their home country as too time demanding:

> I was very qualified in my job at home. But it is difficult to continue with this here in Germany, as the market is different, how people do business, how they communicate. . .I have no further energy to study again. I have so many problems, that I do not have a quiet place to be able to study (Habib, para. 16).

> I have tried a lot but it was a bit difficult to find a job for my qualification (Amar, para. 25).

Many would have needed to study again. However, some even perceived the language courses as too time demanding already, as most universities would ask for a C1 (advanced) level of German. Actually, about half of our interviewees did not speak fluent German, despite being in Germany for at least five years. Many named language difficulties as a main challenge. Similarly, Embiricos (2020) had shown with five case studies of refugee entrepreneurs in Berlin, Germany, that one main motivation was the perception that entrepreneurship is a faster way to labor market integration than regular wage employment. This is even strongly supported by the fact that our interviewee 2 (Samir) sold his business, when he found regular wage employment and even interviewee 1 (Norah), who owns a rather successful restaurant stated:

> Until now, you know, I hope to find a job. Even if it's less salary, less money, less everything, but in my old career (Norah, para 59).

However, Interviewee 2 (Samir) is the only one who did not start a business based on necessity but based on a clear entrepreneurial intention. He plans to start a new business, as soon as he has German citizenship.

Hence, we can demonstrate that the refugee entrepreneurship we observe is mostly driven by necessity entrepreneurship, which confirms similar observations by Freiling et al. (2019) and Embiricos (2020) for refugee entrepreneurship in Germany.

We do not see evidence supporting Mawson and Kasem's (2019) observation in the UK, as we do not see a difference based on the type of refugee journey, nor on family or past entrepreneurship experience. Addressing their refugee journey, interviewees mentioned negative effects like being overwhelmed with a new culture and language and negative health consequences due to the uncertainty of residency issues. However, this seemed independent of whether they came through the traditional Balkan route or if they were able to arrive in Germany via an official visa. Interestingly, almost all interviewees gained strength and the necessary confidence so they could adapt to new situations and to crises, which was a positive result of their refugee experience (Fig. 2):

> I feel I am a good influencer to speak about positive energy, because when you start to build yourself in a new land, to build your business (Norah, para 22).

> I have learned to start all over from zero, no matter where I am. I can now adapt to every situation. I think this is something very positive (Malek, para 10).

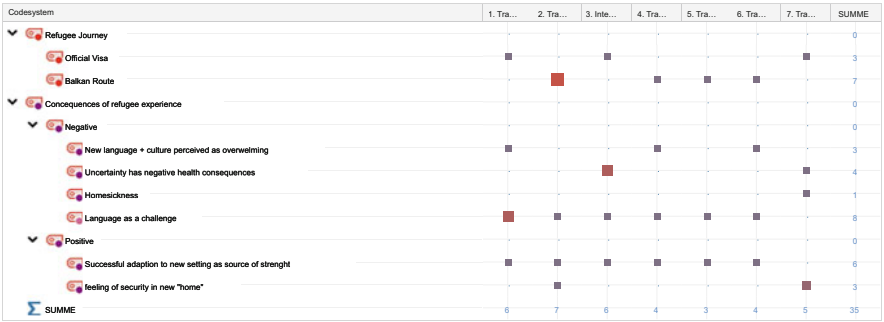

Fig. 2 Refugee journey and consequences (Source: authors own based on MaxQDA)

This is in line with Shepherd et al. (2020), who demonstrated that Palestinian refugees in Lebanon developed resilience based on their entrepreneurial achievement. However, as we lack the psychological background, we did not explore deeper on the potential trauma during our interviews.

Reconsidering Harima et al.'s (2021) scheme mentioned earlier, we can classify five of our seven entrepreneurs as "Value Creation with Homeland Resources." Interviewee 3 (Faizal) is the only one that would fall into type 4 "Qualification Transfer." He has led a university department in his home country and has now built a distance learning center in the same area he was teaching at home. Interviewee 6 (Malek) does not fall into any category of Harima et al.'s (2021) scheme. His business is neither related to home country resources, nor to his qualification, nor to innovation. He is an independent delivery driver, which appears to be a rather precarious and freelance-based job. It seems as if his intention is not to build a business, but to bridge financial independence until a better position comes along (cf. a discussion on motivations of last-mile drivers (Asdecker & Zirkelbach, 2020)). The remaining five interviewees (Norah, Samir, Rashid, Amar, and Habib) work in areas different from their original education or work experience in their home country. Additionally, these cases also show a tendency to type 3 "Integration Facilitation":

> I feel the food, it's common language. Even if I can't speak your language, it's the food, I can give you one dish and this dish is full of love, full of flavor. And that's it, it lets you feel...the food is a good icebreaker between us (Norah, para. 4).

> Our idea is to show people the middle eastern culture. Hence, we are a cultural center for everyone (Amar, para. 15).

Interestingly, in Harima et al.'s (2021) research, the majority of their interviewees from Germany fell into type 1 (Value Creation with Home Country Resources). Out of the nine refugees in Germany in this type, three were Syrian and all three were active as entrepreneurs in the food sector. While in type 5 (Solving Homeland Problems) and type 6 (Creative Innovations) there was just one Syrian refugee settled in Germany each. In type 2 (Transnational Middleman Minority) and type

4 (Qualification Transfer) there were two Syrian refugees settled in Germany each. Harima et al. (2021) did not group any refugee situated in Germany in their type 3 (Integration Facilitation).

To summarize, we can show a clear indication of necessity entrepreneurship of Syrian refugees in Germany, which seems to be independent of their personal background or their refugee journey. Many entrepreneurs are not active in their field of expertise but create value based on home country resources, often in the food sector. It is questionable if this is the type of entrepreneurship that Germany aims to foster.

5.2 *An Institutional Voids Perspective on Refugee Entrepreneurship in Germany*

Our original intention, based on observations before, was to show that institutional voids do not just exist in emerging economies, as most literature suggest; but, also exist in the developed world in times of crisis and capacity overload. This is in contrast to Lehmann and Jungwirth (2019), who demonstrated no significant voids in non-transition economies, however, they did not focus on crisis situations. We expected that institutional voids in Germany exist in the specific niche of refugee entrepreneurship, as it was born out of a crisis and in a capacity overloaded institutional setting.

Our research, however, shows that the situation is more multifaceted. In our first round of interviews, several people had difficulties getting their education certificates accredited, either because they did not know how to, they could not finance it, or because they did not have their certificates. Hence, also in line with Harima et al. (2019), we expected voids in access or accreditation of education as an issue. However, none of the entrepreneurs named this, not even after directly asking for it. It seems as this void exists rather on the general labor market, prohibiting labor market access and hence driving refugees to entrepreneurship, as several interviewees reported to having perceived entrepreneurship as the faster way, as they did not have to study again or take more language courses. In fact, we were a bit surprised that the German language level of many interviewees was at least at an intermediate level.

Two of our entrepreneurs reported issues that can be related to informal voids in property rights (Schrammel, 2014). They mentioned that due to their uncertain legal status as a refugee they perceive being considered as a less trustworthy business partner. However, other issues related to property rights or legal circumstances were not reported, neither in the first nor in the second round. The fact we did not come across other voids in legal issues, such as access to working permits, as other authors have discussed (Kolb, 2019; Rezaei et al., 2013), is simply rooted in our sample. We only interviewed Syrian refugees who received refugee status (three years residence

and working permit). While access to the labor market is restricted in the first couple of months after arrival, this was not an issue anymore for any of our interviewees.

A larger institutional void seems to be access to finance. Four of our seven entrepreneurs reported on such voids. Also, some of our first-round interviewees mentioned they are waiting with their entrepreneurship plans until they have gained more financial resources. Here, we can provide a more detailed picture of voids in access to finance. As demonstrated by Maalaoui et al. (2019), some of our interviewees reported difficulties in opening a regular bank account. However, what seems more pressing after a couple of years in Germany, is the fact that they encounter challenges opening a business bank account, even though they have an established regular bank account. Faizal reports on his enduring journey to open a business bank account as follows:

> There is not a single bank in Berlin who accepted to open a business bank account for me. . .Well, they don't tell me, but I think it's because of my nationality and then, when they see that you're Syrian, that's it. So, I went again to the lady who helped me open my personal bank account, and I could open that one because I had a job at the university. I mean, otherwise, it would have been really kind of impossible. So, I went to her and said, I have this problem and I need a business account. So, she obviously talked to her boss, and after a few days she called me and said we decided after we've screened what you do with your money that we will grant you a limited business account and it's limited until today, by the way, limited means only the basic thing that I can do with it, it's a business account but all the other services and features of any business account, we still don't have (Faizal, para. 64).

Similarly, Rashid, who has three businesses by now reports:

> For two months I have tried to get in touch with different banks just to open a business bank account. But nothing happened. For two months just rejection after rejection (Rashid, para. 42).

Related to this are difficulties in access to credit due to the legal status of refugees. Even though Syrian refugees do get a residency and working permit in Germany, it is a temporary one. This discourages banks and other financiers to get involved in long-term agreements, as discussed already by Embiricos (2020). Another issue regarding access to credit is a cultural one. For Islamic religious reasons, some refugees consider interest rates as forbidden (cf. on Islamic banking and interest rates (Khan, 2010)).

> No, I didn't try because I am very afraid of banks. I am afraid to do it (Norah, para. 63).

By far the largest void, as mentioned by all of our entrepreneurs, seems to be access to information. We did not, however, see uncertainty on whether refugees have the right to start a business, as did Freudenberg (2019). All of our entrepreneurs were very clear about their rights. Also, among our initial 20 interviews, no one mentioned doubts about potential legal barriers. We did, however, see a general uncertainty about bureaucracy and the tax system in specific:

> But until now I cannot understand the taxes and how it works in Germany (Norah, para 98).

> The bureaucracy is a bit problematic and needs a lot of time (Rashid, para 44).

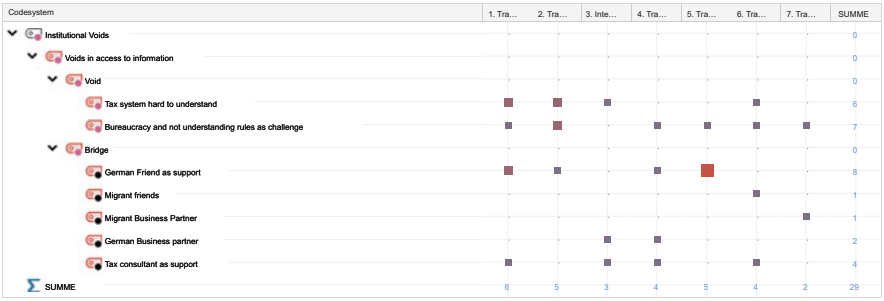

Fig. 3 Informational voids and bridges (Source: authors own based on MaxQDA)

Samir even named this missing information as a main reason that he sold his business and went into wage employment. He did not have a tax adviser and named this as one of the biggest mistakes. In this, we can confirm Embiricos' (2020) observation, that there is a lack of general information on how the institutional setup works. The specific challenges with understanding a foreign tax system have also been described by Alrawadieh et al. (2019) for the case of Syrian entrepreneurs in Turkey. This has been described by Schrammel (2014) and Kingsley and Graham (2017) as a common void in transitional economies, and can be assumed to appear here as the refugees are in a state of transition from their home country institutional framework to their host country framework. This adaption to institutional setups takes time. Interviewee 6 (Malek) expresses the clear void in a missing intermediary as:

> There is no source, such as a counselling center, where I can go and ask. I can only ask friends and the tax counselor, but also they sometimes make mistakes (Malek, para 28).

Interestingly, several entrepreneurs report that they bridge this void by horizontal bridging social capital (Gericke et al., 2018), hence, German friends that guide them through the institutional setup (Fig. 3).

> Our German friends especially helped us...they let us know everything about the German rules, everything (Norah, para 65).

> We take a lot of information from our friend, i.e., these are my rights, what I can do and not do (Rashid, para 99).

> You need a local person to help you, or to partner with you (Samir, para 70).

One person explicitly named other migrant friends with more experience as his source of information. Two had a German business partner that was considered a source of information. Additionally, the majority of entrepreneurs relied on a tax consultant as the tax system was perceived as very difficult. This is an issue that appeared intensively in our first round of interviews as well. All 20 interviewees had reported that they get the main valuable information from sources outside of governmental bodies and 80% have stated that they get this information from friends. However, most of this information is not tacit and hard to codify. It relates

mostly to general institutional logics and practices, so "how things are done." With our quantitative approach, we can strengthen this point as we can show a clear moderate correlation (even though not statistically significant, due to our small N) between interviewees naming friends as their main source of information and their intention to start a business. Thus, information by friends positively influences refugee entrepreneurship.

Only four interviewees reported support by NGOs when asked about it. This may leave the impression that the void in access to information is mainly bridged by horizontal bridging social capital (Gericke et al., 2018), and not by organizations, as reported in other contexts (Schrammel, 2014). However, in the case of our entrepreneurs, we noticed that the "friends" they referred to, are actually leaders of refugee supporting NGOs. Hence, it could be that the lines between friendship and professional NGO support are blurry and are perceived differently.

To summarize, we can demonstrate institutional voids in access to credit and access to information, whereas the informational voids seem to be the larger ones. This seems in line with other observations, that the bottom of the pyramid, also in coordinated market economies, encounters these two main challenges (Arslan et al., 2021). One could argue that this information is in fact provided by governmental institutions and not held as a tool for power as in other institutional settings (Schrammel, 2014). Nevertheless, information is always a two-way process. If the information is available but does not reach its target group, it is not provided in the right form or on the right channel. We can demonstrate that social capital in general, but "German friends" in specific, are a mechanism to bridge the informational voids and a supporting factor for entrepreneurship. More research is needed, however, on whether these friends are really personal private connections, or if they are indeed institutionalized NGO providing an intermediary function that governmental bodies fail to provide. Last but not least we can demonstrate that the institutional voids concerning refugee entrepreneurship in Germany are rather small, and the larger voids seem to lie rather in the general labor market integration.

6 Conclusion

We can demonstrate that much of the refugee entrepreneurship is necessity entrepreneurship as labor market integration is perceived as difficult. The entrepreneurial intention seems independent from past experiences and the refugee journey itself. The refugee experience, besides all of the hardships it entails, is largely also seen as a source of strength and confidence in resilience. Most entrepreneurs create value based on home country resources and not on their home country experiences or education.

We can show that some institutional voids do not just exist in emerging economies, as most literature suggests, but can also exist in the developed world in times of crisis and capacity overload, for the bottom of the pyramid and the disadvantaged. We further show that institutional voids in access to information are a main issue for

refugee entrepreneurs in specific, but also labor market integration in general. These voids seem to be mainly bridged by social capital.

Our research has several limitations. The first and foremost limitation is the small sample size. We had aimed for a larger sample in both rounds, but the perceived sensitivity of the issue (several interviewees connect our questions to their legal status in Germany) and the ongoing pandemic situation did not ease our situation. Most of the first-round interviews were done in person by an Arabic native. He had to spend several hours in trust-building and informal talks in person before the interviews were possible. Another limitation is the rather small lens of our focus group as we only research the situation of Syrians in Germany. Even though Syrians are the largest refugee group in Germany and Germany is one of the main refugee hosts within the EU, our findings might not be transferable to other refugee entrepreneurs in other institutional settings. We purposefully chose a research team that could ensure an etic and an emic perspective as we hoped to increase objectivity. However, having interviews in Arabic by a native Arabic speaker with a similar history also entails potential limitations. A potential researcher bias due to the emic perspective is clearly a risk, as well as translation issues. We tried to overcome this by originally engaging two Arabic interviewers who worked jointly and by an intensive discussion round within the research team. Additionally, the second round of interviews was partly done by a non-Arabic researcher. We could find no essential differences between the non-Arabic and the Arabic interviews.

Our research contributes to a better understanding of refugee entrepreneurs, their characteristics, and their motivations, as well as the constraints in Germany. It becomes obvious that necessity entrepreneurship, which is not based on qualification but home country resources in the food sector, will not be the kind of entrepreneurship that supports Germany into an innovation-based future and increase entrepreneurship in Germany. This implies that Germany should provide a better institutional framework for both refugee labor market integration and entrepreneurship to maximize their full potential. Additionally, we hope to contribute to the academic discussion on institutional voids by sparking a discussion on institutional voids in developed economies in times of crisis and capacity overload. It appears that finance and information voids also exist for the disadvantaged in coordinated market economies. This demands further research and also policy action. Furthermore, we would like to encourage further research on the role of social capital and NGOs in bridging the informational voids observed.

Our findings regarding the voids in access to information imply that governmental bodies need to consider how to transmit the relevant information to the target group. Different cultural backgrounds and informational types might play a role and should be considered when providing information. The voids in access to finance seem to be a rather easy fix. A governmental backup of entrepreneurial loans, i.e., by the Job Centers, would be a potential tool to reduce uncertainties on the creditors' side. We show that the challenges in labor market integration go beyond learning a language. A more systematic research approach, including an institutional perspective, would be beneficial. Overall, policymakers in coordinated market economies need to become aware that institutional voids are not just a topic for developing

economies, but can also exist in countries such as Germany for a specific and disadvantaged section of the population.

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Tine Lehmann is a Professor of International Business at the University of Applied Sciences (HTW) Berlin. She received her Ph.D. from the University of Passau, Germany. Before joining the HTW Berlin, she has been working in economic development projects in Southeast Europe for several years. Her research interests focus on regional development, distorted institutional contexts, and refugee integration.

Hussam Albaba is an independent researcher. Born and raised in Damascus, Syria, but a resident in Berlin since 2015. He used to work as a Community Manager at "Über den Tellerrand e.V.," Berlin, supporting refugee integration and is, since 2018, also consulting in political education at German High Schools for the Foundation of Engagement and Education e.V. as a cultural mediator. Since 2019, Hussam Albaba is enrolled in Social Sciences at the Humboldt University Berlin with a Scholarship by the Heinrich-Böll-Foundation.

Susanne Kreiter-Sammet is an independent researcher. From 2001 to 2007, Susanne Kreiter-Sammet studied International Management and Marketing at Otto-von-Guericke University Magdeburg, Germany. After her graduation, she worked as a Research Associate at the Chair of Marketing at Friedrich-Schiller-University in Jena, Germany and received her Ph.D. in International Marketing in 2015. From 2015 to 2020, she worked as a Research Consultant for GfK, an international market research company and was responsible for data analysis and quantitative empirical studies. Since 2020, she is working for a federal research center focused on topics of migration and refugees.

A Disadvantage to an Advantage? Immigrant Entrepreneurs' Use of Effectuation in Business Start-Up and Development in the Kingdom of Saudi Arabia

Maryam Fozia and Nadeera Ranabahu

Abstract This chapter explores how immigrants start and develop businesses in the context of the Kingdom of Saudi Arabia. Using cumulative advantage/disadvantage theory in conjunction with effectuation, the chapter outlines immigrants' initial resources/means position and how it can be an advantage or a disadvantage for entrepreneurship. The chapter findings illustrate that immigrants use effectuation to either mitigate an initial disadvantaged position or build on an initial advantaged position at the business start-up. The effects are different between first- and second-generation immigrants. Using these findings, the chapter proposes a conceptual framework combining both cumulative advantage/disadvantage theory and effectuation and outlines theoretical, empirical, and policy implications.

1 Introduction

Immigrant entrepreneurship, a phenomenon primarily seen in the global North, explains that immigrants start businesses in their host countries due to the difficulties of finding employment in local labor markets or for personal reasons (Malerba & Ferreira, 2020). The work of Kloosterman (2003, 2010) and Kloosterman et al. (1999) demonstrate that immigrants overcome these personal and labor market situations and identify opportunity structures by embedding them in both home and host country networks in order to start and develop their businesses. Although the phenomenon of immigrant entrepreneurship is not exclusive to the global North (Antwi Bosiakoh, 2020; Hamid, 2020; Rahman, 2018), much of the research work has been done in the USA, UK, European countries, and Australia and New Zealand

M. Fozia (✉)
Independent Researcher, Al-Khobar, Saudi Arabia

N. Ranabahu
University of Canterbury, Christchurch, New Zealand
e-mail: nadeera.ranabahu@canterbury.ac.nz

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(see examples such as Lassalle et al., 2020; Azmat & Fujimoto, 2016; de Vries et al., 2015; Kontos, 2003). This could be due to the lack of a significant number of immigrant entrepreneurs in the South, the temporary and short-term nature of stay of immigrants in these countries, immigration rules and conditions, or contextual constraints, which make it challenging for immigrants to start businesses (Aljuwaiber, 2020; Fargues, 2013; Hamid, 2020; Rahman, 2018). In spite of these reasons, immigrants in the global South do start and operate businesses, and exploring this phenomenon will help in unraveling modalities adopted by immigrants in starting and developing businesses in the global South. It will also provide avenues to extend theory and contextualize practices for policymaking.

Addressing the research gap of limited immigrant entrepreneurship studies in the global South (Aliaga-Isla & Rialp, 2013; Dabić et al., 2020), this chapter explores the business start-up and development process of immigrants in the Kingdom of Saudi Arabia (KSA). We answer the research question: *How and in what ways do immigrant entrepreneurs start and develop their businesses?* The context of KSA is particularly important here for two reasons. First, oil-producing countries, such as KSA, are promoting entrepreneurial activities to reduce their dependency on petroleum and diversify their economies (Aljuwaiber, 2021). As a result, these countries have support available for people to start businesses (Aloulou & Al-Othman, 2021). Second, the immigration context is different in KSA as almost all migrants come to the country as workers (Rahman, 2018; Sreekumar & Varman, 2019). Out of these migrants, only a very few are able to start businesses. This situation is different from the global North and exploring immigrant-owned businesses in KSA will provide context-specific insights on their business start-up and development journey.

We study immigrant entrepreneurs in KSA by adopting cumulative advantage/disadvantage (CAD) theory from social sciences in conjunction with effectuation from entrepreneurship. More specifically, we use CAD theory to explore how immigrants are disadvantaged (or advantaged) when they first arrive in KSA, and then adopt effectuation to describe ways in which immigrants build on their initial resources/means position. Using the narrative data collected from seven immigrant entrepreneurs, this chapter outlines ways in which immigrants, though often disadvantaged when they first arrive in a host country compared to locals, use various host and home country networks, resources and other means at hand, and form pre-agreements in their business start-up and development.

In achieving the aim of this chapter, we first review literature on immigrant entrepreneurship, CAD theory and effectuation. Then we outline the study context of KSA and the methods used for data collection and analysis. The findings are presented next, followed by the discussion, contributions, limitations, and conclusions.

2 Literature Review

2.1 Immigrant Entrepreneurs

Immigrants are considered a disadvantaged group in comparison to locals, as market and institutional failures prevent them from addressing opportunities in entrepreneurship on equal grounds (Maalaoui et al., 2020; OECD and European Union, 2019). Aligning with 'disadvantaged' discourse, existing immigrant entrepreneurship research provides insights into the opportunity recognition, business creation and development processes, immigrants' use of ethnic and non-ethnic resources, differences between immigrants and non-immigrants and support systems available for immigrants (Aliaga-Isla & Rialp, 2013; Dabić et al., 2020; Malerba & Ferreira, 2020). Often, theories from sociology, immigration, and management (e.g., human and social capital theory, embeddedness, intersectionality, institution theory, and culture frameworks) are used to examine the phenomenon of immigrant entrepreneurship (Dabić et al., 2020).

Immigrants' foreignness can be both an advantage or a disadvantage for business start-up and development (Gurău et al., 2020). On one hand, as immigrants move to a new host country, the newness of the environment creates high uncertainty in relation to the lack of awareness of the country's culture and institutions (Gurău et al., 2020). Nonetheless, immigrants deploy ethnic, cultural, and class resources (Pyong & Bozorgmehr, 2000) in overcoming this lack of contextual knowledge and relative disadvantaged position compared to locals. They use multiple home and host country networks (Lassalle et al., 2020), and partner with locals in starting businesses (Rahman, 2018). On the other hand, depending on the context and strategy used by entrepreneurs, liability of foreignness can be a competitive advantage for immigrants (Gurău et al., 2020). For example, immigrants' human and social capital can provide them with a competitive edge when identifying new opportunities in international markets (Morgan et al., 2018). Immigrants' access to international networks can also provide them with a competitive advantage (Neville et al., 2014). Therefore, unarguably, the relative resource position associated with foreignness is either an advantage or a disadvantage for immigrants when they start businesses, which can have a cumulative effect on business development.

2.2 Cumulative Advantage/Disadvantage (CAD) Theory

We use CAD theory to frame the role of the initial resource position of immigrant entrepreneurs and how it shapes their business start-up and cumulative development. CAD theory explains that "the advantage of one individual or group over another grows (i.e., accumulates) over time" (DiPrete & Eirich, 2006, p. 271). This could be across a life course or family generations where the favorable relative position becomes a resource that produces further relative gains. For example, in health,

initial low socio-economic status contributes to ongoing disparities as a person ages (Willson et al., 2007), while in employment, previous unemployment which reduces a person's human capital or career readiness, can make a person less attractive for prospective employers (DiPrete & Eirich, 2006). Applying the same reasoning, and using the immigrant entrepreneurship literature, immigrants' relative resource position (e.g., capital, familiarity with the system, language proficiency) (Baycan-Levent & Nijkamp, 2009) for starting and developing a business is unfavorable compared to host nationals. In other words, immigrants face a disadvantage in terms of resources, means, or the networks they have. This can later contribute to further inequalities. At the same time, as explained above, immigrants' familiarity with international markets could give them a comparative advantage which they could later build upon.

The available entrepreneurship literature suggests that CAD is an appropriate theoretical framework to study the way immigrants start and develop businesses. For example, notwithstanding the initial resource position, immigrants embed themselves in home and host country networks for economic integration; in fact, de Vries et al. (2015) argue that such embedding is essential to overcome integration challenges in business start-up and development. An immigrant is usually part of two different networks in the host country: (1) the host country migrant network; and (2) the host country local network (Lassalle et al., 2020). Furthermore, the individual may also be a part of an original country network by virtue of their origin (Lassalle et al., 2020). An immigrant takes advantage of the networks they are embedded into and it provides initial access to resources to start a business. However, to grow a business beyond start-up, immigrant entrepreneurs require access to the broader host country network (Lassalle & Scott, 2018). They also need to bridge the host country's social network, and break from the constraints of immigrant networks, to seek additional resources and customers. Furthermore, fluency in their host country's language, familiarity with the context and customs (Pyong & Bozorgmehr, 2000) and having family members working in business (Hamilton et al., 2008) also help in managing business challenges in the new context.

2.3 Effectuation

Along with CAD theory, this study uses effectuation theoretical framing to understand ways in which immigrants focus on their own actions in overcoming these uncertainties, network barriers, resource constraints, and contextual challenges. Effectuation explains managing uncertainties through entrepreneurial action rather than relying on predictive strategies (Sarasvathy, 2001, 2008). According to Sarasvathy (2008), expert entrepreneurs use "means" available to them such as their skills, the knowledge they have, the available resources and existing networks, and focus on creating ventures (Fisher, 2012; Sarasvathy, 2001, 2008). During the process, entrepreneurs allow goals to emerge and change, take into account the resources that they could afford to lose, form partnerships with like-minded self-selected stakeholders and convert constraints into opportunities (Sarasvathy, 2001,

Table 1 A summary of effectuation principles

Effectuation principle	A brief explanation of the principle
Means-driven thinking	Use of current means, such as relying on their identity, knowledge, resources at hand, or networks, in making business decisions.
Affordable loss thinking	Consider the downside of a business decision and take into account what an entrepreneur could afford to lose or willing to put at risk to follow a course of action.
Forming pre-agreements	Formation of agreements or alliances by self-selecting partners to reduce uncertainty or enhance the means.
Acknowledging the unexpected	Use and acknowledge contingencies as opportunities and incorporating them into the business process. This allows the business goals to emerge and evolve.
Non-predictive control	Focus on controllable aspects within a person's means, rather than using predictions to manage uncertainty.

Source: Dew et al. (2009), Fisher (2012), Sarasvathy (2001, 2008)

2008). This process is called effectuation and these different strategies form the five principles in effectuation (See Table 1 for a summary).

Although effectuation was developed and mainly used to explain experts' entrepreneurial actions in developed countries, later studies demonstrate that effectual reasoning is used by non-expert entrepreneurs even in developing countries (e.g., Ranabahu & Barrett, 2018, 2020; Rosca et al., 2020; Shirokova et al., 2020). The effectuation principles are also used to explain internationalization processes (e.g., Andersson & Fletcher, 2011; Chetty et al., 2015; Crick et al., 2020; Karami et al., 2020) and, in the case of immigrants, reliance on different types of networks (Lassalle et al., 2020). Hence, we use effectuation theoretical framing to explore how immigrants from developing countries, in less-than-ideal circumstances, create and then develop their businesses.

As explained in the previous section, CAD theory is useful to study the ways in which immigrants are disadvantaged (or advantaged) when they first arrive in KSA, while effectuation describes ways in which immigrants build on their initial advantage or disadvantage. This dual theoretical framing is essential, as immigrants arrive in KSA for work purposes and starting a business requires them to integrate and understand the context in the country (Rahman, 2018; Sreekumar & Varman, 2019).

3 Immigrants in KSA and the Business Context

KSA has around 11 million immigrants from more than 100 nations who are primarily in employment (Rasooldeen, 2017). In 2020, approximately 30% of the country's total population was immigrants (TGM Research, 2020). The immigration

process is primarily reliant on a sponsorship system (known as the *Kafala* system[1]), where an employer who can be an individual, a placement agency or a company/institution in the host country (known as *Kafeels*[2]), sponsors immigrants for employment for a set period (Rahman, 2012). *Kafeels* have legal obligations in providing work, informing the immigration department of any changes to the labor contract and repatriating the employee upon termination of the contract (Rahman, 2012). In KSA, most immigrant workers are from Syria followed by India and Pakistan (TGM Research, 2020). The main sectors immigrants work in, are the oil and mining industries (TGM Research, 2020).

Even though most migrate for employment, research and anecdotal evidence illustrates that some immigrants start and develop businesses in KSA (see Rahman, 2018). The most common way of starting a business is by collaborating with *Kafeels* and developing businesses that cater to the needs of both immigrants and the local population (Rahman, 2018). Nonetheless, even with the *Kafeel* approach, there are still very few immigrant-owned businesses (Sreekumar & Varman, 2019). Reasons such as lack of financial resources, not having established networks, local market conditions, and regulations act as barriers for immigrants to start businesses (Rahman, 2018; Sreekumar & Varman, 2019).

Recent policy initiatives, aligning with KSA's strategic focus as outlined in the Saudi Vision 2030 (2017) document, *Vision 2030: Kingdom of Saudi Arabia*, could contribute positively to immigrants' business start-up and the overall entrepreneurial environment. KSA has undertaken a significant number of regulatory reforms recently that has contributed to improving the country's "ease of doing business" ranking. Currently, the country is ranked at the 62nd position, with an overall score of 71.6 out of 100 (World Bank, 2020). The vision document also outlines an increased focus on businesses, including small and medium enterprises (SMEs), and posit strategic activities to boost entrepreneurship, such as establishing new business incubators, setting-up specialized training institutions, facilitating investments and international business relationships, creating venture capital funds and other support (Aloulou & Al-Othman, 2021; Saudi Vision 2030, 2017). Aligning with *Vision 2030: Kingdom of Saudi Arabia* (Saudi Vision 2030, 2017), the government also has plans to ease some of the restrictions in the *Kafala* system (BBC, 2020). Another measure is encouraging investments to promote entrepreneurial activities. This includes covering a percentage of the risk that investing parties take if a company they invested in fails (Aloulou & Al-Othman, 2021).

[1] The *Kafala* system allows the temporary employment of non-nationals in the Gulf Cooperation Council countries, and Jordan and Lebanon. *Kafala* in classical Arabic draws connotations of "guarantee," "provide for," and "take care of." It is a delegation of responsibility by the State to the private employer to oversee both a migrant worker's immigration and employment status. The term *Kafala* originated from a noble Bedouin tradition of hospitality that made it incumbent upon nationals to grant strangers protection and temporary affiliation to their tribe for specific purposes (International Labour Organization, 2017).

[2] Under *Kafala*, a migrant worker's immigration and legal residency status is tied to an individual *Kafeel*, throughout their contract period.

4 Method

We use case studies to answer the research question: *How and in what ways do immigrant entrepreneurs start and develop their businesses?* Case studies help to understand the environment/context within which entrepreneurs operate (Dana & Dana, 2005) in detail and gain unique insights into the business start-up and development processes. This study was approved by the Human Ethics Committee of the University of Canterbury, New Zealand.

We used individual entrepreneurs as the unit of analysis and selected seven participants through convenient or snow-ball sampling. Following Eisenhardt (1989), we selected these cases for theoretical, but not statistical, reasons. Therefore, these seven participants were considered as "unusual cases," as immigrant business owners were limited in KSA. Such cases, known also as theoretical cases, are instrumental in extending emergent theory and facilitating inductive theory/or conceptual framework development (Eisenhardt, 1989). According to Eisenhardt and Graebner (2007), theoretical cases are also suitable for identifying and extending relationships and links between different constructs/ideas. The seven theoretical cases we selected fulfilled all these criteria and allowed us to study immigrant entrepreneurship in detail in KSA. Table 2 provides a brief overview of the study participants.

The data was collected from interviewing entrepreneurs using a semi-structured interview guide. This process allowed us to collect rich insights and report detailed descriptions (Dana & Dana, 2005). One of the researchers based in KSA, interviewed participants via zoom or telephone calls or by visiting entrepreneurs' business premises in person. These three types of data collection techniques were necessary as researcher adhered to the KSA's physical distancing COVID-19 guidelines. The interviews were conducted in English, Hindi, or Urdu, depending on the language most appropriate for the participant. The interviews were recorded with the participant's consent and verbatim scripts were developed from the recordings. The interviews conducted in Urdu and Hindi (two interviews) were translated into English.

We used NVivo software, due to ease of managing the data, and applied thematic data analysis techniques. We employed a concept-driven (Gibbs, 2007) coding process. First, we identified open codes related to theory: home country; initial resource position; effectuation principles; and cumulative resources from interviews. Then by comparing these themes across cases, we categorized codes into the advantages/disadvantages immigrants face at the business start-up, their use of effectuation, and how effectuation facilitates business start-up and development, despite challenges associated with the context. We then used these findings to develop a conceptual framework and practical and policy implications.

Table 2 Participant profile

Interview no.	Gender	Home country	Migrant and business start-up details	Business details		
				Type	Classification (*Kafala*[a]/*Sagia*[b])	Approximate business age
1	Male	Pakistan	Parents came and settled in KSA. Participant was born and brought up, educated, and employed in KSA. His father started the business by catering for pilgrims during *Hajj*[c] season, and he extended it into a catering business with two functioning outlets. He has lived in KSA for over 35 years.	Catering	*Kafala* business	*Hajj* catering: > 38 years; Catering outlets: > 13 years
2	Male	India	Born in KSA to an expatriate family. He was educated in India. The participant had professional/employment experience in India and Bahrain. He worked in KSA for a total of 9 years and started the business partnering with a friend also working in KSA. Both then left their jobs and floated the business, which serves the middle-east market.	Architecting and interior designing	*Kafala business, (applied for conversion to Sagia business)*	7 years
3	Male	India	He was born in India and came to KSA 30 years ago. He was employed in KSA as an unskilled laborer at a petrol pump and cloth shop for 5 years. He met a KSA national, a customer in the cloth shop, who was ready to support him to start a business and who suggested opening a tea shop.	Tea, snack, and breakfast shop (called *Boofia*)	*Kafala* business	25 years
4	Male	India	Born in India and came to KSA in 1984. He was employed in KSA in an engineering firm for 22 years. He later started and floated his own firm to implement his style of working in the contracting industry.	Contracting	*Sagia* business	14 years

5	Male	India	Born in India and came to KSA around 17 years ago. He was employed as a web designer and software developer for 7 years in KSA. He developed his own enterprise resource planning (ERP) product and identified the demand in the KSA market. At the same time, he met a KSA national who was ready to support him to set up the business.	Web development and ERP related services	*Kafala* business	10 years
6	Male	India	Born in India and had his own manpower supply business in India. He came to KSA to execute a construction project contract for his Indian company over 5 years ago. Then he got to know about a non-functional construction company registered in the name of a KSA national, who he approached in order to get contracts under the name of this company.	Construction	*Kafala* business	5 years
7	Male	India	Born in India and came to KSA for the first time 23 years ago. He was employed in a salon for 9 years, then he went back to India, stayed 10 years, and came back again 4 years ago. This time he negotiated for his own business ownership and an agreement to pay a fixed monthly amount to the sponsor.	Salon	*Kafala* business	26 years

[a]A *Kafala* business is a venture started under the sponsorship system (see footnotes 1 and 2 above)

[b]A *Sagia* business is registered under the *Saudi Arabian General Investment Authority (SAGIA)*. SAGIA is committed to supporting new and growing businesses by making it as easy as possible to invest in or set up and operate a business in KSA and through creating a network of dynamic Business Centers throughout the nation. Each center provides a highly responsive and effective resource to help companies set up and run their businesses quickly and efficiently (United Nations Economic and Social Commission for Western Asia (UNESCWA), 2020)

[c]*Hajj* is the name of a pilgrimage to Islamic holy sites in and around Makkah, a city in KSA. It is obligatory to perform *Hajj* at least once in a lifetime if a Muslim is physically fit enough and financially able to undertake the journey. The pilgrimage is one of the 'Five Pillars of Islam' and it occurs annually in the Islamic month of Dhul Hija (Zaki, 2019)

5 Findings

5.1 Arrival to KSA

According to our narratives, with the exception of two of the immigrants, all others arrived in KSA as employees. They escaped poor employment circumstances and low wages in their home countries, where they were also concerned with their inability to save for the future. For example, Participant 3 mentioned the lack of employment options in their home country:

> There were very few employment opportunities in my village, I came to know through my friends that jobs were good in Saudi (Participant 3).

Others, such as Participant 4, arrived in KSA for higher wages and although he was working in the public sector in the home country, was dissatisfied with the remuneration he was getting:

> It's a transferable job and unable to settle in one city, at one place. I want to [sic], salary is not very attractive and I thought it is better to go to Gulf countries. At that time, Gulf countries are paying very good, a good salary (Participant 4).

The idea came to Participant 4 when his friends, who worked in different Gulf countries came for visits and explained to him the opportunities and remuneration differences in Gulf countries compared to their home country.

Similarly, Participant 7 was concerned with their lack of earnings. For him, lower wages meant that he was unable to save money for himself.

> The situation was that I worked in India for 9–10 years but the income was not good. It was just hand to mouth [. . .]. However much I earned I spent. No saving was possible for our future. And expenses were increasing every day (Participant 7).

In contrast, Participant 5 moved to KSA due to the dynamic market in the country and market potential for his products/services. He had a web-development business in his hometown, but he saw more potential for his business in KSA than in his home country:

> I find out that I could not grow my business in this area, from that city. I have to find out good place in GCC [Gulf Cooperation Council] and do the business and, it has to be for the expansion purpose so I decided to get more [sic], better opportunity and better business options available in GCC market, so I decided, I chose Saudi Arabia (Participant 5).

5.2 Comparative Disadvantage or Advantage of Immigrants in KSA

The children born to expatriate families (i.e., second-generation immigrants such as Participants 1 and 2), had an advantage over first-generation immigrants. The advantage they enjoyed was as a result of accumulated resources such as knowing

local contacts and understanding local norms and language. These were ingrained into the second generation as they were exposed to the local culture since childhood. For example, Participant 1 was born and brought up in an expatriate family living in KSA and he benefited from the connections developed by his father:

> Actually he [Kafeel] was my father's, he was my father's partner, and then both fathers died and his son became my friend and we became partners again and we continued it [business] like that (Participant 1).

Participant 2, although second-generation immigrant, had studied in his home country. He had also worked in other Gulf states, where he had established business networks. Hence, although Participant 2 had host country networks as his family lived in KSA, and had the advantage of knowing the context, his entrepreneurial approach was more transnational; that is, he used home, host, and other networks established in multiple countries over the years for entrepreneurship.

It was also observed by the interviewer that Participant 1's Arabic dialect was no different than native Arabs. This gave him an advantage in communicating and understanding the legal/government documents during any negotiation processes with KSA clients. However, in contrast, others such as Participant 4 had to hire an agent to manage all such formalities.

> [...] He knew all the, I mean systems and local rules. So he's the one initially done all the requirement, all the formalities to make [sic], all the forms because the thing has to be done in Arabic (Participant 4).

Nevertheless, in day-to-day operations, language was not considered a barrier. Participant 5 mentioned that as he was interacting with senior managers and they were always familiar with English; hence, he rarely had to speak or interact in Arabic, the local language.

Most immigrants (e.g., Participants 1, 2, 4, and 7) mentioned "Saudization" as a situation that challenged them; that is, the mandate of having a certain percentage of KSA nationals employed in the business and the requirement of having sponsors and documentation. Although this was not framed as a disadvantage, participants said that they spent money and time even before their business took off to address these factors, which were not only relevant to the start-up stage but were challenging throughout the business process.

5.3 Business Idea and Start-up and Development

5.3.1 Use of Means-driven Approaches

Aligning with the effectuation means-driven principle, immigrants used their professional knowledge, skills, and their existing and new networks. For example, in our sample, Participants 1, 2, 4, and 5, revealed that they ventured into businesses that they were already familiar with:

> [. . .] I was handling the same kind of job throughout my career, contracting job, construction works, civil, electrical, mechanical works, this is the work I am continuously doing in India as well as here also, so I thought that the job [sic], since I have a lot of experience in the same line, why can't [sic] I try the same line and I can do a better way in my own way, independently so that I can develop my own business and what line I already know (Participant 4).

In the case of Participant 5, his education was related to the business and he used that knowledge in his business.

Similarly, existing networks were used as means. For example, Participant 2 used 'who he knew' in both starting and expanding the business:

> I had a colleague of mine, [..], one of my seniors from college who was working as part of a contracting company in Saudi, he was doing interior contracting, so I used to meet with him and you know, the thought came and why don't we just start setting things up in Saudi and try some business (Participant 2).

However, given the nature of the businesses, with the exception of Participants 1 and 3, other businesses were not focused on expanding on co-ethnic networks. In fact, although immigrants knew and interacted with co-ethnic migrants on a personal or social level, their established business linkages were with multinational companies who wanted to establish offices in the Middle East or with the local communities.

> Our clients, mostly they are corporate clients.[. . .]. You know, being a countryman, yes, you get better support from them than other, I don't say that others are not helpful, but yes, they, our countrymen, they are more considerate (Participant 2).

However, these businesses recruited immigrant workers including workers from their home countries (e.g., Participants 1, 2, and 4) to perform the work.

5.3.2 Use of Affordable Loss

While setting up businesses, immigrants considered what they could afford to lose in worst-case scenarios. For example, Participant 1 thought of giving the business "a try" as he already had a job and had a fallback strategy.

> We thought to give it [catering business] a try. Let's work on it. If we lost, we are on square one. Okay, I already have a job. I was having a job and things were, so it's okay, we'll get back to our jobs and our lives as we were but if it worked or successful, that would be good, better for our lives. So, we just tried and that was it (Participant 1).

For Participant 2, easing into the business was a gradual process. Participant 2 and his partner were also more strategic where first, only Participant 2's partner moved into the business to reduce the initial financial burden on the business:

> He [business partner] got out [resigned from his job] and, we did not want to have a huge burden of my expense and his expense on the company, the new company so we decided that I continued to stay in Bahrain [where he was employed] and I do a part time as a consultant to work on this. So, he got out of the company full time. It was very, it was a big decision. It was very, you know, it was not easy, when you make a lot of money working in, in

> international company as a project manager and now you have to start with nothing [...] (Participant 2).

All these immigrants (i.e., Participants 1, 2, 3, 4, 5, 6, and 7) invested personal savings or business earnings. This was a strategy used to avoid losses beyond their means.

We also found that, going beyond effectuation, budget planning was visible among our participants. This was because it took some time for the customers to know about a business. Hence, entrepreneurs needed to allocate money to cover their initial sunk costs and operational expenditure. This was explained by Participant 1 as follows:

> I had a business plan. I worked on it like six months, like how much the place is going to ask and how much the business is going to need, what about the utensils which we are going to need and like employees and visas and people have to, we have to bring people on board, you know and how many years we are going to survive, so we need that money on the side in case if the business doesn't work like for six months or one year (Participant 1).

5.3.3 Having Pre-agreements

In KSA, all immigrants, except Participant 4, had a local sponsor (*Kafeel*) in their business. This was due to KSA government requirements and these pre-agreements facilitated the business start-up process. Our interviews demonstrate that some, such as Participant 1, had a very good relationship with their sponsor:

> I already have a partner. He trusts me a lot. I trust him a lot. It's been a long time we have been together, [...]. He's basically a local, you know so most of my business is on his name and he's the main partner. I'm like a small person. We have like 60, 40 percentage of partnership and that's how we have worked (Participant 1).

Others, such as participant 7, also mentioned having a good relationship with their *Kafeels*:

> *My* Kafeel is a very good man. Till the time I am in this country, I will be associated with him I have thought-out this.[...] The money I had to give to Kafeel I didn't give for 3.5 months as shop was locked in corona situation, and he has never asked me for that money (Participant 7).

Apart from local sponsors, business partners also helped people to complement each other's strengths.

> I am choosing my partner very carefully. They should have some experience and there should be more knowledge than me and they have to tell me what to do. They have to tell me what to do. I should not tell him, you have to do this way, this way. No, I am learning from him (Participant 5).

This same mentality was evident with Participant 2, who had a co-ethnic partner in his business, where each partner complemented the other.

> He [business partner] was not very greedy for money. But he wanted to do things in life, more than money, he was looking to move ahead and you know, make some point and somehow, I felt that, I will complement him. I was very technical in doing things very

> structured [. . .]. He's got ambitions and he can lead me. He can take, guide me along. So, it was a good partnership (Participant 2).

In addition, having "contracts" (agreements with buyers) reduced multiple contextual uncertainties such as the product acceptance and market response to their services. Although these were not agreements made before starting a business, formal agreements made after business start-up facilitated the business development process. For example, Participant 4 mentioned that pre-payments or advances in agreements helped in managing financial flow.

> For example, one job, you are quoting, in that job you will tell them 50 percent advance, 50 percent after the completion of the job, like that will put condition. Some companies, they will pay the money in advance also. Not most of the companies, some companies. Under, they will give you an advance payment to start the work (Participant 4).

5.3.4 Converting Challenges into Opportunities

Our respondents leveraged challenges and converted them into opportunities. For example, Participant 3, to accommodate growing competition, enhanced the quality of their food and personalized services:

> The competition was there, there are Boofia shops nearby, there are many similar shops in the surrounding. What they are providing, we try to provide better and more tasty food from of our shop [. . .] One person will come and say put excess milk in my tea. I add more sugar/ less sugar, so what customer says--we do accordingly (Participant 3).

The same participant used his customer service skills to build links and improve the client base:

> If one person drinks our tea, he will tell the next one and so on. That's how our links develop. Local people encouraged me to try and make this new kind of tea that is Karak-tea. And so, I tried and almost this tea replaced the earlier Lipton tea (Participant 3).

Similar to Participant 3, Participant 1 took advantage of opportunities. He used an unexpected chance meeting to his advantage and expanded the catering business; a person working in an international corporate tasted his food and invited him to supply food for their workers.

Likewise, Participant 7 mentioned that although he did not have any customers at the beginning, he started providing value-added services in his business which created a regular customer base:

> But I observed what extra can be given to customer. I got a head massager machine from India. I give added services after a haircut, head massage. And customer becomes happy, yes, in the same cost, extra service *(*Participant 7).

Some entrepreneurs, such as Participant 2, during the business development process realized that they had to change the ownership to a *Sagiya* business. This was because of the uncertainty associated with *Kafeel* being listed as the owner:

> We look forward, this has been always a problem having a sponsor, and you know, things getting done for that. So, we've been planning ourselves to move into Sagiya, and have

> registered under, as a partnership because you really don't know what is next, you know. XXX [sponsor's name, he's fine but if he's not here tomorrow, what is going to happen to us [...] we should be part of the company legally. So we've been working, we are working towards that (Participant 2).

5.3.5 Control

Entrepreneurs take control of the future through focusing on means available to them and taking action. Immigrant entrepreneurs used their available means, rather than relying on external investments, as shown below:

> We had only the idea, we tried to talk to people but they were not interested because Saudi market were, at that time was too down, you know and the recession was going on so nobody was planning to spend money. We had the idea. We had to initiate it and we did it on our own, without having any financial support (Participant 1).

However, in the case of Participant 1, he had searched for external investors and he went to plan B, as there was no one who was willing to collaborate.

Similarly, the ability to control and "do a good job" by relying on the capabilities of the entrepreneurs themselves was a key driver for immigrants' business start-up. As Participant 2 explained, realizing he and his partner could do the work facilitated their business start-up process.

> I know something which I can do it and I can do it at much lesser cost. I know how to control things. So rather than somebody, starting a business and you know, taking money from X, Y, Z or taking money from me and starting a business, we felt that at one stage, myself and my colleague, you know said why don't we start our own business? (Participant 2).

Similarly, Participant 5 realized that he had the capabilities to do the work on his own after he got feedback from his former manager. That led him to start the business.

5.4 Cumulative Resources or Means Position

Our interview findings demonstrate that resource position (in terms of assets, knowledge, information, and networks) changed for participants during the course of their business start-up and development journey. Participants 1 and 2, who already had some advantage over the other immigrants, were able to enhance their existing social networks and further develop their bonding capital. As explained above, Participant 1's business partner was a long-term friend and they trusted each other and worked well together. Other immigrants slowly accumulated contextual knowledge by relying on their networks. However, these networks were not limited to their own home country (Participants 3 and 5). Any immigrant whom they were able to get help from, they obtained support.

At the same time, the interviews also revealed that the length of time they stayed in KSA had an effect. For example, Participant 4 mentioned that he was a "long timer" in KSA as he had worked in the country for more than 22 years and that gave him connections and an established network base. Similarly, Participants 4 and 7 had stayed in KSA for more than nine years before starting businesses. Hence, the longer the length of time immigrants had stayed in KSA seemed to have a positive effect on their business start-up.

6 Discussion

In this study we explored how and in what ways immigrant entrepreneurs start and develop their businesses in the context of KSA. We used both CAD and effectuation in our study.

Our findings illustrate that the comparative advantage (or disadvantage) position in relation to resources/means of immigrants in KSA varied across different stages of their migration (see Fig. 1). For example, aligning with mixed-embedded perspective (Kloosterman, 2003, 2010; Kloosterman et al., 1999), second-generation immigrants were much more embedded in their context compared to first-generation immigrants. Our findings illustrate that the second-generation entrepreneurs have established networks with host country nationals, work experience, and competence in the local language. In contrast, among first-generation immigrants, both host and home country work experiences shaped their initial resources/means position in their host country situation. In addition, those who had stayed for a long time in their host country were more embedded than others. Our findings also highlight that host country rules and regulations on immigration, such as saudization and business registration affect both first- and second-generation immigrants. Hence, as Fig. 1 illustrates, immigrants' initial resources/means position, in return relative advantage or disadvantage compared to locals, varies considerably across migrants.

Our findings, as illustrated in Fig. 1, also demonstrate that effectual principles, in particular means-driven thinking, use of affordable loss thinking, establishing pre-agreements and converting challenges into opportunities shape business start-up and development. These findings align with the work of Lassalle et al. (2020). In addition, realizing their own potential and their capabilities to control the business tasks better than any others also led them to take charge, and to start and develop businesses. These strategies help in mitigating or building on the initial resource/means position.

In Fig. 1, we also highlight the cumulative effect on the resource position due to the use of effectuation. As our findings highlight effectuation was an avenue to enhance immigrants' cumulative resource position. Immigrants either developed or enhanced the advantages associated with initial resources/means or mitigated/addressed disadvantages associated with their initial resources/means position.

Beyond the development of the conceptual framework in Fig. 1, our work also indicates the need to be critical of the existing immigrant entrepreneurship literature

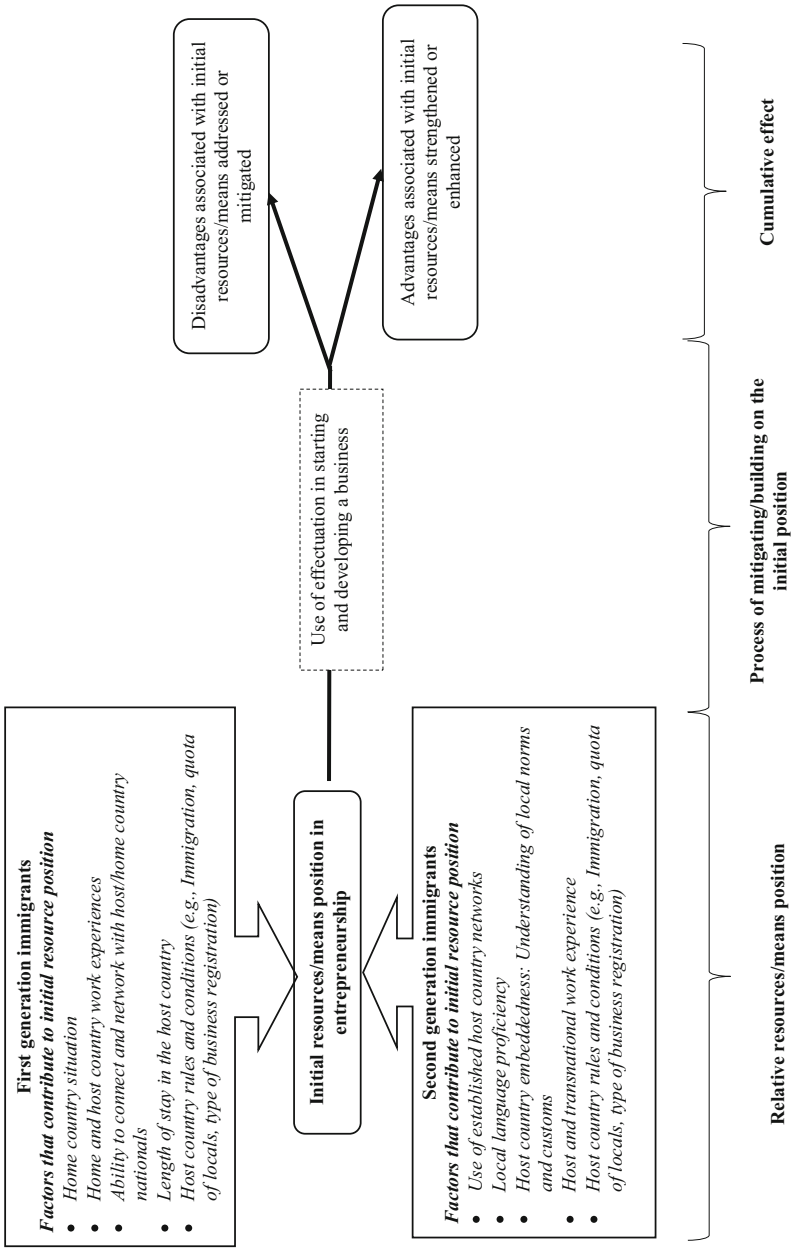

Fig. 1 Conceptual framework on relative resource position of immigrant entrepreneurs

in the context of the global South. We found that the disadvantages that immigrants experienced were related to their home country environment and that was the driving force for migrating to KSA. Almost all participants went for employment and later ventured into entrepreneurship. This is mainly because of the context-related immigration restrictions and challenges. Hence, unlike studies conducted in developed countries where many business start-ups were necessity-driven (Baycan-Levent & Nijkamp, 2009; Malerba & Ferreira, 2020), the entrepreneurship process is not necessity driven in KSA. Almost all participants' businesses were opportunity driven. Hence, our findings contradict the narratives associated with immigrants' motivation for entrepreneurship compared to the global North. It also questions the notion of "disadvantage" defined using a western perspective, such as in OECD and European Union (2019), by using the terms "unemployed immigrants" and "need of support and access to resources" to establish a business.

The work of de Vries et al. (2015) and Lassalle et al. (2020) show that ethnic network embeddedness is essential for immigrant entrepreneurship. Contradictory to these established works, a key finding in our study is that co-ethnic networks play a less prominent role in establishing businesses. Although our participants relied on co-ethnic persons as business partners, and then moved on to find a local sponsor, their ventures were not relying on co-ethnic networks to the extent that was found in other studies.

6.1 Contributions and Practical Implications

Our main contributions of this study are both theoretical and empirical in nature. Theoretically, we demonstrate potential links between CAD theory and effectuation by showing that effectuation could be a way to convert situations of disadvantage to an advantage or build on whatever advantage they have. The conceptual framework developed in this study (i.e., Fig. 1) could be used in the future to identify dependent and independent variables and mediating and moderating factors when developing quantitative studies.

Empirically, we illustrate the business start-up and development process of immigrants in KSA and outline how it differs from the established studies conducted in developed countries. This also provides grounds to question the way we define "disadvantage" in relation to immigrants and applicability of that into the global South. We also demonstrate that in contexts like KSA, co-ethnic networks do not assist so much on business start-up and development. Although some businesses hire migrants from other countries, their relationship is more employer-employee in nature.

Finally, this study also provides insights into policy and practice. For policymakers, we show that in addition to home and host country embeddedness, the immigration status, the length of stay or employment, and avenues for transforming from employment to entrepreneurship need to be considered for promoting business start-up and development. Establishing networking sessions

for migrants to meet and collaborate with locals could also help in the entrepreneurial process.

6.2 Limitations

This study is not without its limitations. Although we used only effectuation, we found that other entrepreneurial strategies also facilitate business start-up and development among migrants. For example, we found planning which relates more to causation thinking, specifically in relation to managing risks and budgets, do help a business. Similarly, we also found that bonding, and even bridging capital, play a major role among immigrant business owners. The theory of bricolage could also be used to explain some of the business start-up processes. Therefore, future studies could use these theories, in conjunction with the conceptual framework here, to comprehensively examine the business start-up and development process. We also have a very small sample with limited variability in terms of immigrants' host country and gender. All our participants, except one, are Indian nationals and all are men. This is a limitation in our study and future studies need to validate whether the conceptual framework developed in this study is applicable to other immigrant groups.

7 Conclusions

In conclusion, we demonstrate that immigrants' business start-up and development in countries like KSA is different from that of developed countries. The contextual disadvantages they initially experience also vary according to whether they are first-generation migrants or not, and if first generation, the duration they have stayed in the country. The use of effectuation provides a way to mitigate some of the disadvantages they experience (or build on the advantages) they already have, and start and develop businesses in countries like KSA. Future studies could explore these further and test the generalizability of these findings to other immigrants in the global South.

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Maryam Fozia is an independent researcher residing in the Middle East. She obtained her Ph.D. in Business from the Aligarh Muslim University, Aligarh (India) in 2019. Her research focuses on assessment of entrepreneurial processes and the aspect of decision making by entrepreneurs. She is currently engaged in a research project focused on migrant and under-privileged entrepreneurship, family business succession, and women entrepreneurship in the Middle East region. In addition, she is an active member of the Society for Effectual Action (SEA), and is currently engaged in studying philosophical questions around "World Making" and "Use of symbols" in the field of entrepreneurship.

Nadeera Ranabahu is a senior lecturer in entrepreneurship and innovation in the Department of Management, Marketing, and Entrepreneurship at the University of Canterbury, New Zealand. She obtained her Ph.D. in Business from the University of Wollongong (Australia) in 2018. Her research focuses on disadvantaged or under-represented people in entrepreneurship, employment, and innovation. Currently, she has ongoing research projects focused on women, refugees, youth/students, migrants, and the low-income people. In addition, she also studies the use of innovative initiatives, such as microfinance and FinTech, for entrepreneurship and employment among the disadvantaged.

From Retirement to Entrepreneurship Through Skills, Attitude, and Technological Innovation

Rupa Rathee and Pallavi Rajain

Abstract Indian start-up space is dominated by young entrepreneurs but for starting an enterprise age does not matter. Senior entrepreneurship has come into the picture as people even after attaining a mature age seem to be willing to achieve new goals. After retirement, they might not want to be a burden to the economy but rather be active contributors. Thus, the following study was conducted among people above the age of 50 years in India to identify their entrepreneurial intentions. The study also aimed to find the impact of personal attitude, personal digital innovation, and entrepreneurial skills on entrepreneurial intentions. The sample of the study included 111 respondents from whom the data was collected using a standardized questionnaire. The results of the study were analyzed using correlation and regression analysis. It was found that at present people in India belonging to the mature age group do not seem to be in high agreement toward starting their venture. However, the variables like personal attitude and entrepreneurial skills have a significant and positive influence on their entrepreneurial intentions. Several suggestions have been provided at the end to enhance their interest in senior entrepreneurship.

1 Introduction

Economies all over the world have increasing dependency ratios and aging workforces with the number greater in developing economies. This is mainly because people nowadays live longer and healthier lives due to improved health infrastructure. This creates a requirement for governments to create policies regarding self-employment and business start-ups for the older population. Thus, the interest of academicians and scholars has also increasingly developed in this area which has

R. Rathee
Department of Management Studies, Deenbandhu Chhotu Ram University of Science and Technology, Murthal (Sonepat), Haryana, India

P. Rajain (✉)
Department of Management, Gateway Institute of Engineering and Technology, Sonepat, Haryana, India

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scanty literature. The interest in this area has also risen due to the importance of reducing older age unemployment as well as extending the working lives of elderly people. An effective solution for this is entrepreneurship. In this context, the terms "older entrepreneur," "latepreneur," "grey entrepreneur," "senior entrepreneur," and "third-age entrepreneur" can be used interchangeably. Senior entrepreneurship is defined as "the process whereby people aged 50+ participate in business start-ups" (Kautonen et al., 2014).

The participation of older people in entrepreneurial activities reduces the strain on pension systems and social security. In the digital age, it has become easier nowadays to start-up businesses due to technological innovations even for the older generation despite the stereotype that young people are more technologically savvy. The older people have certain advantages over their younger counterparts which include: better financial position; higher managerial and technical knowledge; more experience and developed networks. Dr. Alex Maritz, LaTrobe University Professor of Entrepreneurship said that "As digital technologies penetrate industries, boomers are at the forefront to continue its advances by launching new start-ups" (Chapter Magazine, n.d.).

The present chapter covers trends presented in senior entrepreneurship through previous works. Further, the objectives and hypothesis of the study are mentioned. The next section discusses the methodology used to achieve the objective of the study. Further, the results of the study are discussed. Lastly, recommendations are provided related to the promotion of senior entrepreneurship in a developing economy like India.

2 Previous Work

2.1 Skills and Attitude for Senior Entrepreneurship

Dana (2000) in his article on creating entrepreneurs in India provided a historical perspective regarding the evolution of entrepreneurship in India. He provided details on how organizations like EDII (Entrepreneurship Development Institute of India) and PHD (Progress Harmony Development) Chamber of Commerce were instrumental in laying the foundation of entrepreneurship in India. He discussed how efforts to foster entrepreneurship led to its present state. At present entrepreneurship is not restricted to any single group and has diversified into specialized groups like social entrepreneurship, women entrepreneurship, and senior entrepreneurship. Since research on the topic of senior entrepreneurship is in its nascent stage therefore it is important to understand the trends and practices followed by senior entrepreneurs. Kautonen (2008) collected empirical data related to third-age entrepreneurs due to the requirement of more data in this field of research. The author compared the data of entrepreneurs between the age of 20–49 years and those above 50 years. The findings of the study revealed the need to collect more data on the cultural and social needs of elderly entrepreneurs. Similarly, Singh (2009) discussed the statistics and

trends related to the aging population in the United States. Even though much data is available regarding the aging population, still research on older entrepreneurs is very few. Therefore, in this study, the author provides empirical results regarding this unique group and its contribution to the US economy. Besides the economic benefits, there are health benefits as well. Staying physically and intellectually active increases the quality and length of life. Later, Wainwright and Kibler (2014) tried to find the structure of an emerging retirement planning model in the form of old entrepreneurship. The authors found how the individuals, as well as households, develop enterprises after retirement to manage the inadequacies that rose due to finance-centric retirement plans. It was also explored how people are displacing the notion of "retirement" by running businesses from home after retirement. Much earlier, Dana (1987) in his research developed a correlation between styles of learning and aptitudes and also the types of skills required for entrepreneurship. Further, he discussed how these skills could be improved and suggested that emphasis should be on the development of entrepreneurial skills in universities besides concentrating on the traditional courses. Pilkova et al. (2014) studied the relationship between the entrepreneurial context and senior entrepreneurship propensity for countries in Europe that exhibited low or high levels of senior entrepreneurship. The data was collected from the Global Entrepreneurship Monitor in 2013. The propensity is analyzed for making clusters and consequently compared and analyzed based on the entrepreneurial environment. GEM national expert survey was used for GEM evaluation which was used for assessment of the national entrepreneurial environment. Further, Zolin (2015) found that in Australia and America even though the fastest-growing segment of entrepreneurship is those aged between 55 and 64 years, still research on this topic is sparse. The older entrepreneurs are helped through this research as their strengths are identified. A career in entrepreneurship provides a rewarding and satisfying career after the elderly people leave their wage and salary jobs. Păunescu and Blid (2017) in their study tried to find the perceptions and motivations of senior entrepreneurs in Romania. The data was collected from people above the age of 60 years. The study analysis included motivations, intentions, and attitudes toward entrepreneurship. The study results showed that people above the age of 60 years had a descending perception of entrepreneurship. Farmaki et al. (2021) examined the conditions and drivers of senior entrepreneurship in places of tourist interest. Semi-structured interviews were conducted as a part of the study to understand the entrepreneurial orientation of senior business owners. The study highlighted both the contextual and personal conditions that restricted or enhanced entrepreneurship in places of tourism. Soto-Simeone and Kautonen (2020) tried to find what motivated older people to pursue entrepreneurship. They conducted interviews with the twenty-one individuals in the United Kingdom who had started their own business. The findings suggested that rather than monetary rewards, non-monetary rewards were the actual motivating factors. These included the feeling of being valuable, self-realization, and pursuit of autonomy.

2.2 Entrepreneurship Through Technological Innovation

Elderly entrepreneurship has many benefits for the old age population as well as those retiring. Maritz et al. (2015) researched the importance of entrepreneurship in extending the work lives of senior entrepreneurs in Australia. The authors claimed it to be the first empirical research on senior entrepreneurship in Australia. A systematic literature review was conducted and data was analyzed from Global Entrepreneurship Monitor (GEM) and Comprehensive Australian Study of Entrepreneurial Emergence (CAUSEE). The data was collected using both qualitative and quantitative methods. Linton and Solomon (2017) in their article on technology, innovation, and entrepreneurship suggested that to gain competitive advantage it was important to have uncertainty tolerance and technological distinctiveness. Further, they elaborated that the impact of social networks is that for growing firms it is necessary to use social networks along with other forms of technology. Later, Kenny and Rossiter (2018) identified the entrepreneurial learning and support for senior entrepreneurs. Action research was conducted involving focus groups and interviews with 132 older individuals across 6 countries. A deeper understanding is provided regarding the needs of senior employees for entrepreneurial learning and support. Similarly, Matos et al. (2018) communicated and reviewed key conceptual approaches using empirical findings of behaviors and characteristics of senior entrepreneurs. Although senior entrepreneurs do not form a homogenous group, they are driven by non-pecuniary motivations. Senior entrepreneurs display high levels of self-efficacy and have entrepreneurial experience. The authors suggested that future research should gather primary data of impact on aging due to entrepreneurial activity. Ratten (2019) found that due to changing demographics and aging population, older or mature age entrepreneurship has become an important area of research. Therefore, in this study, the author reviewed previous literature related to senior entrepreneurs to find areas that require more attention. A systematic literature review was undertaken and the key issues discussed were stated. The findings revealed that more studies should be undertaken to conceptualize the term older entrepreneurship. Recently, Stypińska et al. (2019) in their study conducted interviews with four senior entrepreneurs and six experts. They wanted to find the factors other than financial sustainability that are important for senior entrepreneurs. The authors found three factors which include self-confidence, social connectedness; and skills, knowledge, and experience which contribute to social innovation. These factors help to improve the quality of life and well-being of the employees. The aging population can find an answer to their problems in the form of senior entrepreneurship. Velilla et al. (2018) analyzed empirically the differences between developing and developed nations regarding characteristics that drive older people to become entrepreneurs. The data was collected from Global Entrepreneurship Monitor (GEM) 2014 and analyzed using Qualitative Comparative Analysis and fuzzy set logic. The results indicated how entrepreneurship can become a source of income for older workers. Maritz et al. (2021) conducted a first-of-its-kind study in Australia regarding senior entrepreneurship. They found that 34% of the new businesses were

owned by senior entrepreneurs and it has become the sector with the fastest growth. The study explained the challenges and benefits faced by senior entrepreneurs.

3 Research Gap

After reviewing the literature, it was found that most of the studies conducted previously related to senior entrepreneurship were conceptual and provided a qualitative perspective. However, empirical studies related to the entrepreneurial intentions of elderly people are very few. The empirical studies conducted previously were mainly confined to developed nations. Thus, there remained a gap where primary research could offer some new insights regarding the prospects for senior entrepreneurship in a developing country like India.

4 Objectives of the Study

- To study the entrepreneurial intentions of people above the age of 50 years in India.
- To find whether personal attitude, personal digital innovativeness, and entrepreneurial skills act as "pull" factors for senior entrepreneurship.

5 Hypothesis

H_1: There is a significant impact of personal attitude on entrepreneurial intentions.
H_2: There is a significant impact of personal digital innovativeness on entrepreneurial intentions.
H_3: There is a significant impact of entrepreneurial skills on entrepreneurial intentions (Fig. 1).

6 Methodology for the Study

6.1 Sample and Design

The descriptive research methodology was followed and data was collected through standardized questionnaires. Primary data was collected from people above the age of 50 years. The sample included people who have already retired or would be retiring soon. The data was collected from 111 respondents in India using an online survey through Google forms by using snowball sampling. The data was collected

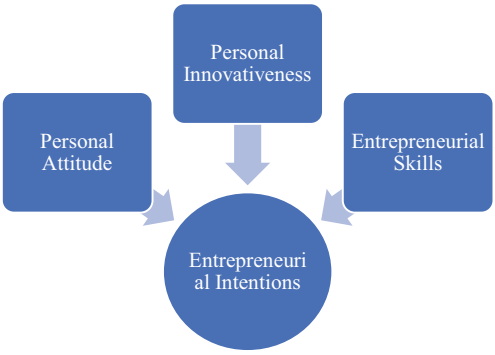

Fig. 1 Senior entrepreneurial intentions

Table 1 Demographic profile

Variable	Categories	Frequency	Percentage
Gender	Male	84	75.7
	Female	27	24.3
Age (in years)	50–55	60	54.1
	55–60	17	15.3
	60–65	28	25.2
	65–70	4	3.6
	70 above	2	1.8
Qualification	10 + 2	1	0.9
	Graduate	45	40.5
	Postgraduate	59	53.2
	Doctorate	3	2.7
	Other	3	2.7
Occupation	Govt. service	25	22.5
	Private service	19	17.1
	Retired	40	36.0
	Others	27	24.3

Source: Survey by authors

from April 2021 to June 2021. The respondents included both males (75.7%) and females (24.3%). The majority of the respondents were from the age group of 50–55 years (54.1%). The respondents were mostly retired (36%). The qualification of the majority of the respondents was post-graduation. The monthly income of majority of the respondents was between Rs 50,000 and Rs 1,00,000 (40.5%). The data was analyzed using SPSS version 23 by applying percentage, mean, standard deviation, correlation, and regression (Table 1).

6.2 Measures

The survey provided empirical data regarding the entrepreneurial intentions of older people. For this, the scale developed included information regarding their personal attitude, entrepreneurial skills, entrepreneurial intention, and subjective norm which was developed by Liñán and Chen (2009). Further, the personal innovativeness scale developed by Lu et al. (2005) was used to assess personal digital innovativeness. Both personal attitude and entrepreneurial skills included 5 items each, personal innovativeness included 4 items and entrepreneurial intentions included 6 items. Each item in the scale was assessed on the 5-point Likert scale ranging from strongly disagree (1) to strongly agree (5). SPSS 23.0 was used for the statistical analysis of the data. Cronbach's alpha was used to check the reliability of the scale used. Further, mean, standard deviation, correlation, and regression were used for the analysis of the data.

7 Data analysis and Discussion

7.1 Reliability Assessment

Cronbach's alpha was used to assess the reliability of the scale as it measures the internal consistency of the items. In the present study, the value of Cronbach's alpha was 0.92 (above the acceptable limit of 0.7 as given by Nunnally (1978)), indicating good consistency among the items used in the survey instrument.

The values of mean as given in the above Table 2 depict that in the case of personal attitude, the respondents had an agreement toward having a positive attitude toward entrepreneurship. The respondents also showed a positive outlook toward personal innovativeness. However, regarding entrepreneurial skills, the response of the people was neutral as they did not seem to possess the skills required to become an entrepreneur. The respondents also were not sure if they had positive entrepreneurial intentions. On the other hand, they believed that their family, friends, and colleagues would support their decision of becoming an entrepreneur (Table 3).

7.2 Impact on Entrepreneurial Intentions

Before applying regression analysis, the values of Pearson's correlation were checked for all the variables under study. It was found that there was a significant and positive correlation between entrepreneurial intentions with personal attitude ($r = 0.623$, $p < 0.000$), personal innovativeness ($r = 0.533$, $p < 0.000$), and entrepreneurial skills ($r = 0.744$, $p < 0.000$) (Table 4).

Table 2 Descriptive statistics

Personal attitude	**Mean**	**Std. deviation**
Becoming an entrepreneur seems advantageous to me	3.28	1.080
A career in entrepreneurship seems attractive to me	3.35	1.006
I would like to start a firm if I get the opportunity and resources	3.32	1.113
It would be quite satisfactory for me to become an entrepreneur	3.31	1.051
Among various things, I would choose to be an entrepreneur	3.23	1.070
Personal digital innovativeness	**Mean**	**Std. deviation**
On hearing about new technology, I look for ways to try it	3.53	0.942
Usually, I am the first one to explore new technologies among my peers	3.09	0.859
I like to experiment with new technologies	3.41	0.976
Usually, I hesitate to try out new technologies	2.46	0.998
Entrepreneurial skills	**Mean**	**Std. deviation**
It would be easy for me to start a firm and keep it running	2.95	0.938
I can manage the creation of a new firm	3.12	0.941
I am aware of the practical details required for starting a firm	3.12	1.085
I have the knowledge of developing an enterprise	3.05	0.976
I would succeed if I tried to start a firm	3.25	0.995
Entrepreneurial intention	**Mean**	**Std. deviation**
Becoming an entrepreneur is my goal	3.05	0.961
I am ready to do anything to become an entrepreneur	2.95	0.957
To start and run my firm, I will make all efforts	3.34	0.968
I have thought seriously about starting a firm	3.12	0.998
I intend to start a firm in future	3.11	1.065
Running an entrepreneurial venture would give me pleasure	3.42	0.977
Subjective norm	**Mean**	**Std. deviation**
If you make a decision of becoming an entrepreneur, would your family support your decision	3.34	1.100
If you make a decision of becoming an entrepreneur, would your friends support your decision	3.51	0.893
If you make a decision of becoming an entrepreneur, would your colleagues support your decision	3.44	0.921

Source: Survey by authors

Regression analysis was applied to check the effect of personal innovativeness on entrepreneurial intentions. The value of R square in the table suggests that 60.3% of the variance in entrepreneurial intentions was caused by personal attitude, personal innovativeness, and entrepreneurial skills (Table 5).

The F value of 54.220 with $p < 0.001$ (value of significance) in the table depicted the significance of the impact of the independent variable on the dependent variable. From the table, it can be seen that there was a significant impact of personal attitude

Table 3 Correlations

		Personal_Attitude	Personal_Innovativeness	Entrepreneurial_Skills	Entrepreneurial_Intentions
Personal_Attitude	Pearson's correlation	1	0.704[a]	0.599[a]	0.623[a]
	Significance (2-tailed)		0.000	0.000	0.000
	N	111	111	111	111
Personal_Innovativeness	Pearson's correlation	0.704[a]	1	0.706[a]	0.533[a]
	Significance (2-tailed)	0.000		0.000	0.000
	N	111	111	111	111
Entrepreneurial_Skills	Pearson's correlation	0.599[a]	0.706[a]	1	0.744[a]
	Significance (2-tailed)	0.000	0.000		0.000
	N	111	111	111	111
Entrepreneurial_Intentions	Pearson's correlation	0.623[a]	0.533[a]	0.744[a]	1
	Significance (2-tailed)	0.000	0.000	0.000	
	N	111	111	111	111

Source: Survey by authors

[a]Significant correlation at the 0.01 level (2-tailed)

Table 4 Model summary

Model	R	R square	Adjusted R square	Std. error of the estimate
1	0.777a	0.603	0.592	0.54543

Source: Survey by authors
[a]Predictors: (Constant), Entrepreneurial_Skills, Personal_Attitude, Personal_Innovativeness

Table 5 Coefficients[a]

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.521	0.248		2.102	0.038
	Personal_Attitude	0.235	0.074	0.264	3.175	0.002
	Personal_Innovativeness	0.044	0.115	0.038	0.387	0.700
	Entrepreneurial_Skills	0.555	0.092	0.557	6.046	0.000

Source: Survey by authors
[a]Dependent variable: Entrepreneurial_Intentions

($\beta = 0.235$, $p < 0.000$), personal innovativeness ($\beta = 0.044$, $p > 0.000$), and entrepreneurial skills ($\beta = 0.555$, $p < 0.000$) on the entrepreneurial intentions.

Since there was a significant and positive impact of personal attitude and entrepreneurial skills on entrepreneurial intentions, therefore, hypotheses H_1 and H_3 were accepted. However, there was no significant impact of personal innovativeness on entrepreneurial intentions. Thus, hypothesis H_2 was rejected.

8 Discussion

This study addressed three hypotheses through regression analysis. The study confirmed two hypotheses and rejected the third. The first hypothesis of the study was that there was a significant impact of personal attitude on entrepreneurial intentions. Although this has not been previously established for senior entrepreneurs in general attitude has a positive impact on entrepreneurial intentions (Ayalew & Zeleke, 2018; Izquierdo & Buelens, 2011; Schwarz et al., 2009). This outcome implies that if elderly people have a positive attitude toward entrepreneurship, then it increases their entrepreneurial intentions. The second hypothesis stated that there was a significant impact of digital personal innovativeness on entrepreneurial intentions. There is evidence of the impact of innovation on entrepreneurial intentions (Law & Breznik, 2017; Wathanakom et al., 2020). However, this hypothesis was rejected for the present study of senior entrepreneurs. A possible explanation for this result is that the generation which is above 50 years was born somewhere around the 1950s–1970s. At that time the digital revolution was far away and technological innovations were just beginning to take place. Even though this generation has adapted to the present digital world but still a vast majority find it difficult to adapt

to new technology, social networks, and online form of business. So, this may be a reason that their digital innovativeness does not show a significant impact on entrepreneurial intentions. The last hypothesis of the study was that there was a significant impact of entrepreneurial skills on entrepreneurial intentions. This hypothesis was accepted and supported by the works of previous authors (Koe et al., 2018; Liu et al., 2019). Thus, providing skills to senior entrepreneurs through entrepreneurship education would improve entrepreneurial intentions. These skills can be provided through short-term courses suited to the needs of the senior population.

9 Conclusion

The present chapter dealt with some new insights regarding senior entrepreneurship. The study tried to find the impact of personal attitude, personal digital innovativeness, and entrepreneurial skills on entrepreneurial intentions of people above the age of 50 years. The results of the study supported two out of the three hypotheses. The personal attitude and entrepreneurial skills had a significant and positive impact on entrepreneurial intentions. However, the personal digital innovativeness did not seem to have a significant impact on the entrepreneurial intentions in presence of the other two variables. However, on checking the impact individually it was found that personal digital innovativeness seemed to have a significant impact on entrepreneurial intentions. This may be because the generation that is above the age of 50 years at present has become part of the digital economy at a very later stage in their life and is usually influenced by things other than personal digital innovativeness. Thus, the other two factors overpower the presence of personal digital innovativeness.

This study helped to find the mindset of mature people regarding entrepreneurship. It contributed to the existing literature on senior entrepreneurship by establishing the role of personal attitude and entrepreneurial skills in influencing entrepreneurial intentions.

9.1 Recommendations

Currently, the government in India does not provide any scheme directly related to the development of senior entrepreneurship. Without the availability of a specifically targeted scheme, the senior entrepreneurs face difficulty in setting up their enterprise. Thus, a scheme suitable to the senior entrepreneurs would highly motivate them toward entrepreneurship.

Further, due to a lack of awareness regarding entrepreneurship as a career option after retirement, many people having the required talent are not able to develop it as a

career option. Thus, specialized organizations may work toward creating awareness toward senior entrepreneurship.

Entrepreneurs may also start with hybrid-entrepreneurship so that before becoming full-fledged entrepreneurs they can simultaneously start their venture along with their full-time job.

Even though the current study showed that the mature-aged people had some entrepreneurial skills but they were not in high agreement with possessing these skills. Thus, training schools or academies can be developed to impact the right knowledge and skills required for becoming an entrepreneur, especially for people who already had a long career.

9.2 Future Research

As this field of study is in its nascent stage, so it is required that more research studies be conducted in this area to explore various avenues. Future research could address the challenges faced by senior entrepreneurs by conducting a study on a sample of the senior population that tried their hand at entrepreneurship and consequently either succeeded or failed.

Future research could also differentiate between the various types of business ventures being opted by senior entrepreneurs. This could help to identify which type of businesses are more suitable for them.

The studies in the future could also explore digital innovativeness. In the present study, digital innovativeness did not seem to make an impact but future research could include an in-depth study using interviews or focus groups.

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Rupa Rathee is presently working as an Associate Professor in the Department of Management Studies, DCRUST, Murthal (India). She has more than twenty years of teaching experience to her credit. She has attended 19 FDPs at various prestigious institutes like *IIM-Bangalore, IIM-Calcutta, IIM-Kozhikode, MDI-Gurgaon, IITM-Gwalior, JNTU-Hyderabad***,** etc. She has contributed papers in *several international conferences* and several national conferences. She has *more than fifty publications* to her credit in reputed international and national journals. Her areas of interest are Marketing and HRM.

Pallavi Rajain has completed her Ph.D. from DCRUST, Murthal (India). She received her B. Tech. from Kurukshetra University and MBA from DCRUST, Murthal in 2010 and 2012, respectively. She has qualified UGC NET and worked as a Project Fellow on a *UGC sponsored major research project* on Women Entrepreneurship. She has presented papers in 50 national and international conferences. She has received "*Second Best Paper Award*" in International Conference held at JIMS, Rohini. She has 40 publications in National and International Journals.

Women and Wealth Creation: Investigating Financial Self-Efficacy Differences Versus Men as a Barrier

Warren Lloyd

Abstract Gender inequality continues as a broad issue, despite many studies and pursuant actions in an organizational context. Highly concerning, and the focus of this chapter, is the actual wealth creation inequality, exemplified by the lack of women on the top end of the wealth curve. The impact of financial literacy and self-efficacy is investigated through a research survey to support understanding of the influence of this financial self-efficacy on women's wealth creation versus men. The evidence gathered disputed the thinking by showing that although there is no significant difference in financial self-efficacy, there continues to exist a significant wealth difference favouring males. It did present future research potential towards understanding then the adjacent factors, such as motivation, that could explain the lack of wealth creation, where financial literacy and self-efficacy are equal to men.

1 Introduction

The topic of gender inequality has been well studied in the organizational context, and specifically in the developed world economic environments. In this context, it remains known that even in the current day with the actions taken by institutions and the private sector throughout the globe, this inequality continues to exist, largely due to the socio-cultural barriers that inhibit women gaining knowledge and experience equally to men (Alkadry & Tower, 2006). Equally concerning though, and less studied, is the continued inequality in actual wealth creation by gender, exemplified by the lack of women on the top end of the wealth curve, an area that is dominated by entrepreneurs, exemplifying the lack of highly successful female entrepreneurs accumulating wealth in the same manner as men. This inequality, often described by a broad range of factors that influence individuals through their lifetime, is intended in this chapter to be explained in the context of Bandura's Agency Theory (Bandura, 2002), which is considered in relation to the Human Capital Theory (Sweetland, 1996) to pose that the benefit of financial literacy may be one of the

W. Lloyd (✉)
Open University, Heerlen, Netherlands

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key drivers of the wealth accumulation difference that exists between men and women, often despite overall education attainment. Bandura's 'agent' is a vital individual quality that moderates a person's influence on their own lives and circumstances, with the concept of self-efficacy being deemed at the centre of what guides and motivates the individual (Bandura, 2002). This then can imply that, whether high or low, agency may influence specific outcomes that are associated with the application of individual competencies such as financial literacy. Bandura further notes that certain social structures impose both restrictions and provide resources for individuals development and functioning, with typically men benefitting from resources and women often constrained by socio-economic influences.

This self-efficacy is often associated with human capital accumulation, and the Human Capital Theory implies that investments that add to an individual's human capital (which can also be considered their personal knowledge and skills), such as education, experience, and leadership ability, have a definitive effect on their potential for success (Alkadry & Tower, 2006). The importance of human capital in the context of this paper is confirmed in Parker (2009) who stated that higher levels of human capital correlated with entrepreneurship and wealth, and wealth is likely to improve the probability of success in new ventures. But also suggests that low-wealth and middle-class entrepreneurs are just as capable as the wealthy, should they possess the confidence and ability to compensate for lack of finance, such as enable them to raise and secure alternative means of finance. It is noted though by Lusardi and Mitchell (2014) that this human capital approach to financial literacy is inconsistent in application across individuals due to the likely heterogeneity of the financial knowledge and economic behaviour of individuals. The formation of human capital is intense in the first phase of an individual's existence (Galor & Moav, 2004), known as adolescent development, where the individual is likely to devote almost their entire time towards the acquisition of human capital. It is therefore critically important that society and infrastructure support the individual in that acquisition. Unfortunately, in many instances, the environment is not as supportive for females as it is for males, and often creates barriers for females in acquisition of specifically financial knowledge. Farmer (1985) discussed this in line with Bandura's social learning theory, where learning is a result of three interacting influences, namely: the background of the influences (including gender), psychological factors such as attitudes and beliefs, as well as the environment or social factors influencing and individual. The effect of these influences is considered more accentuated in developing world environments, and more moderate in the developed world environments. The effect of the socio-economic barriers towards women within these influences is a critical area of understanding, which is expanded on through analysis of the survey conducted in order to define the potential impact of financial literacy and self-efficacy on female wealth creation versus that of men.

2 Methodology

The primary data used in this research was collected through an online survey instrument, where random sampling was used through Facebook advertising intended to target individuals in Europe and Africa as world regions. The survey contained a limited number of questions to cover general demographics, including education level and financial position, as well as self-attributed measure of their financial efficacy. Demographics were defined by:

- **Age Group** (Silent Generation, Baby Boomers, Generation X, Millennials, and Generation Z).
- **Global Nationality** (Africa, Asia, The Caribbean, Central America, North America, Europe, Oceania, and South America).
- **Gender** (Male or Female).
- **Ethnicity** (American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, White, and 'I do not wish to disclose'.)
- **Employment Type** (Employed Full-Time (by others), Self-Employed (as a proxy for Entrepreneur), Part-time Employed/Part-time self-employed (by necessity), Part-time Employed/Part-time self-employed (by own choice), Unemployed (but looking for employment), Retired/Student/Unemployed (by own choice).
- **Education Completed** (Pre-primary, Primary, Lower secondary, Upper secondary, Post-secondary non-tertiary, Tertiary and Post-Graduate Education).
- **Wealth Level** (Dependant on others or insolvent, Financial Stability, Security & Investment, Wealthy and Super Rich).

A total of 795 completed responses were received, of which 324 were female and 471 were male. Although there were respondents from outside the intended regions, the majority were from Africa (651) and Europe (124). Due to the random sampling approach, not all respondents were entrepreneurs, as defined in the employment type demographic. 58 females and 96 males are classified as self-employed (as a proxy for entrepreneurs), either full-time or part-time self-employed. The choice of data collection is appropriate as explicit motives represent the individuals own concept of their goals, values, and preferences (Schonbrodt & Gerstenberg, 2012), and it is considered that these explicit motives are typically assessed by way of self-report measures, involving self-conscious goals individuals ascribe to themselves which predict short-term and deliberate choices between behaviours (Pang et al., 2009; Ziegler et al., 2010). The data is presented in simple charts and table format to represent the aggregate outcome of the influences.

In order to measure financial self-efficacy, the survey conducted for this paper included five select questions from Nguyen, who validated a Financial Self-Efficacy Scale (FSES) to contribute to the pool of standardized measurements. These questions provide broad insight on the common categories in financial management curricula and are presented in a 5-point Likert-scale format of confidence level as follows; (1) Not confident at all, (2) in-between Not and Moderately confident,

	Males	Females
I can keep track of my spending to see where I need to make changes	3.5	3.6
I can find resources to help me solve a difficult financial problem	3.3	3.2
I can invest my savings appropriately to achieve my financial goals	3.0	3.0
I can be prepared to handle unexpected financial problems	2.9	2.8
I can complete my income tax forms by myself	3.3	3.0
Overall Aggregate of Financial Efficacy	**3.2**	**3.1**

Chart 1 Aggregate of Likert-scale responses

(3) Moderately confident, (4) in-between Moderately and Highly confident, and (5) Highly confident. The responses to the questions are analysed by aggregation of the Likert-scales in Chart 1, with a total (n) of 795, consisting of 324 female and 471 male respondents.

3 Socio-Cultural Barriers that Inhibit Women's 'Agency'

Preamble: In order to understand the cultural differences between ethnic groups, it is impossible to avoid naming categories for them, which in this paper includes 'whites', referring to individuals of European descent, and 'non-whites' referring to individual of African descent. The use of these terms is not to deliberately reiterate the classifications, but rather necessary to distinguish the inequality between them.

Hofstede (1998) defined national culture as the fundamental value systems specific to a certain group, and that these values are what motivates individuals within that group to behave in certain ways. Further noted was that these value systems can also outline the societal gender roles within those groups, often creating stereotypes and determining occupations considered appropriate for men or women, where often long-term career motivation for women competes with expectations of homemaking roles. Within these groups then, the aspirations and motivations of women are highly influenced by what is socially accepted and leads to avoiding those that may not be considered appropriate by the group. Exemplified in a 2013 study by Alkadry and Tower (2006), where women are negatively perceived by their male counterparts when they were seen as succeeding in traditionally male roles or leadership in general, which most often is linked to economic success and wealth. This too represents a significant barrier for women as it relates to entrepreneurship, and is exemplified in Shinnar et al. (2012) who showed that there were no significant differences across cultures in men's attitudes towards entrepreneurial intention, but even when controlling for other indicators such as income, women's attitude towards intentions differed significantly. And although this is a phenomenon seen globally in both developed and developing world environments, it is common in non-white ethnic groups in South Africa, where local community cultures are known to

perceive women negatively in power positions, often despite any educational attainment.

Lloyd (2020) found a distinctive difference in parental (cultural) influence between men and women, with men reporting a high influence of parental culture towards achievement (entrepreneurship), whilst for women there was no influence identified. This finding was consistent with Ratten (2014) who noted that family business experience influences entrepreneurial orientation and impacts children's decisions to start a business. In fact, even the influence towards education and related financial literacy was identified as far weaker for women than for men by Lloyd. This reinforces the *Human Capital Theory* thinking, which suggests that because many women, due to various socio-cultural barriers, potentially gain less knowledge and experience than men throughout their upbringing, will likely have a lower return on that knowledge and experience, resulting in a wealth gap. The findings provide added relevance to literature in that; even where women may be formally educated equally to men (Gemici & Wiswall, 2014), women continue to be disadvantaged towards wealth creation due to the socio-cultural barriers that limit this association between education, financial literacy, and wealth. It was further stated (Gemici & Wiswall, 2014) that for the developed nations at least, the past decades have seen a significant increase in women's educational attainment, however Lloyd (2020) found in his research that although the overall female respondents reported equal or higher educational attainment (in aggregate) than men, his results confirmed that the same respondent group of women reported lower financial wealth than men.

In relating this to national cultures, careers in entrepreneurship may often be considered socially inappropriate for women, and thus may lead to women experiencing a heightened fear of failure when considering starting a venture. Wagner (2007) illustrated this through gender specific differences to risk aversion, where 56% of women cited fear of failure as a reason to be more risk averse in becoming self-employed. In contrast to that thinking, Mueller and Conway Dato-on (2013), in their study on American university MBA students, found that there was no significant statistical difference in self-efficacy between women and men. However, their own findings were contradicted in Spain, where rather they found traditional gender-role stereotypes existed. Cultural differences are exemplified within the primary data collected, where Fig. 1 illustrates the high contrast of the employed full-time and unemployed for the non-white (African) group versus other (European) groups. This is a strong indicator of the cultural influence described above, where the non-white females are significantly unrepresented in the employed group/s, yet significantly overrepresented within the unemployed group, despite the non-white male group being largely on-par with the white male group. An added indication of the self-efficacy may be seen in the white female group, who are significantly underrepresented in the full-time entrepreneur group. In this segment, although the non-white female group are seemingly represented in the full-time entrepreneur group, there is a high likelihood this is a misrepresented effect of informal sector work, such as selling crops grown at stalls in public areas that is carried out by many non-white females to supplement family incomes in poor communities. This is a well-known phenomenon in the African region as poor community women are

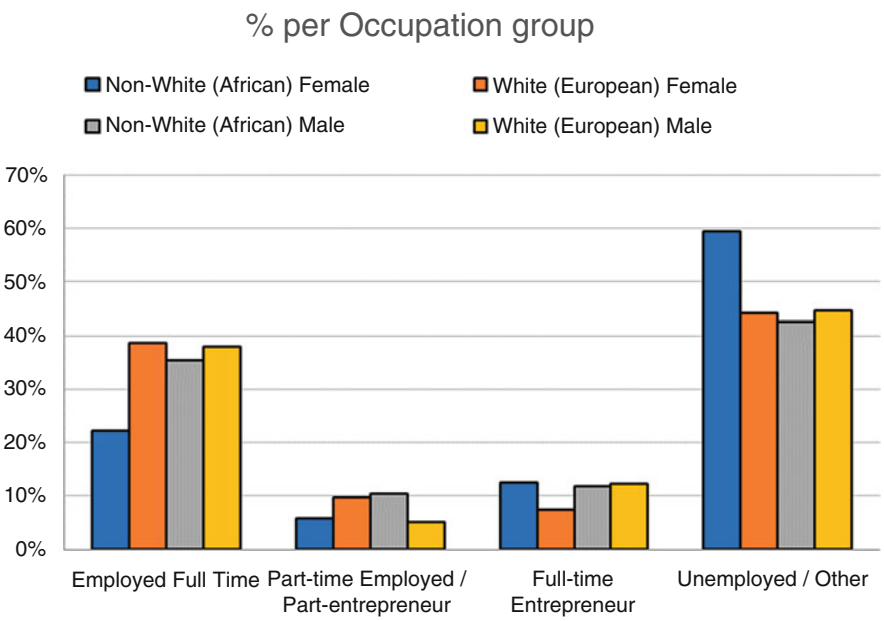

Fig. 1 Survey data: percentage of ethnic group gender per occupation group

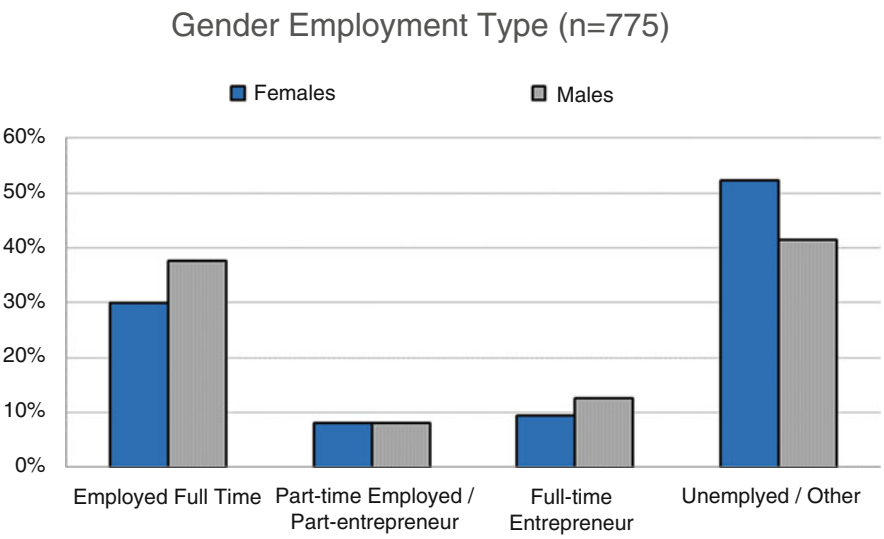

Fig. 2 Survey data: employment type per gender

forced into necessity entrepreneurship, or what can even be considered a form of subsistence entrepreneurship. In summary though, as seen in Fig. 2, it is most likely that both white and non-white females will be underrepresented in the

entrepreneurial group, and/or predominantly would be considered necessity entrepreneurship, and not necessarily wealth-building opportunity entrepreneurship.

4 Inequality in Human Capital Development

In attempting to understand the lack of females represented in opportunity entrepreneurship, the lens is turned towards financial literacy or knowledge, which is defined by Lusardi and Mitchell (2014) as the individual's ability to process economic information and make competent decisions on their financial plans, debt, and pension, as well as wealth creation. Attainment of the financial knowledge as a human capital investment is explained as an individual forgoing some present earnings by dedicating time to education, and thereby increasing their human capital with the belief that the investment will provide significant rewards at a later stage (Monticone, 2010). Further to this, the self-perception of financial knowledge has recently begun to be researched as an influencer on financial behaviour (Bannier & Schwartz, 2018), associating then the human agency perspective with wealth accumulation. Historically, women tend to be less financially independent, and in many instances, unaware of how to improve the situation (Bannier & Schwartz, 2018), with Jarecke et al. (2014) noting that low financial literacy had a higher impact on women than on men, and men tend to dominate in the acquisition of this financial knowledge while women may only increase this knowledge when necessary, such as the death of a spouse (Lusardi & Mitchell, 2014). These findings were consistent for both basic and sophisticated literacy questions, and both older and younger women, which is somewhat surprising in the modern day as younger women are considered as more 'in charge' of their own finances. Further to this, the research suggested that women are less likely than men to seek out financial knowledge and resultantly have much lower confidence when considering managing money. Hyde and Kling (2001) noted in their research that girls found mathematics not only less valuable than boys did, but too found it less enjoyable, even though girls tend to consistently perform better as students than males. Ojong et al. document in their paper on Female entrepreneurship in Africa that these and other tendencies have a negative impact on motivation of females towards entrepreneurship, as well as their possible success as entrepreneurs.

Within the survey responses received in this study, it can be seen in Fig. 3 that there is a higher propensity for men to continue studies in a more academic direction (University and Post-graduate), whilst there is a higher propensity for females to continue education further in a more vocational direction (Post-School Non-Tertiary). This would then imply men, in these populations, are more inclined towards higher financial literacy in academic university environments, while women in vocational education that is often aligned with occupational education, typically learn specific skills for a particular job function and not the general education components that would include elements of financial knowledge and literacy (Lloyd, 2020). These differences in educational outcomes is an added reflection of the parental influences noted by Lloyd in similar population groups, which indicated

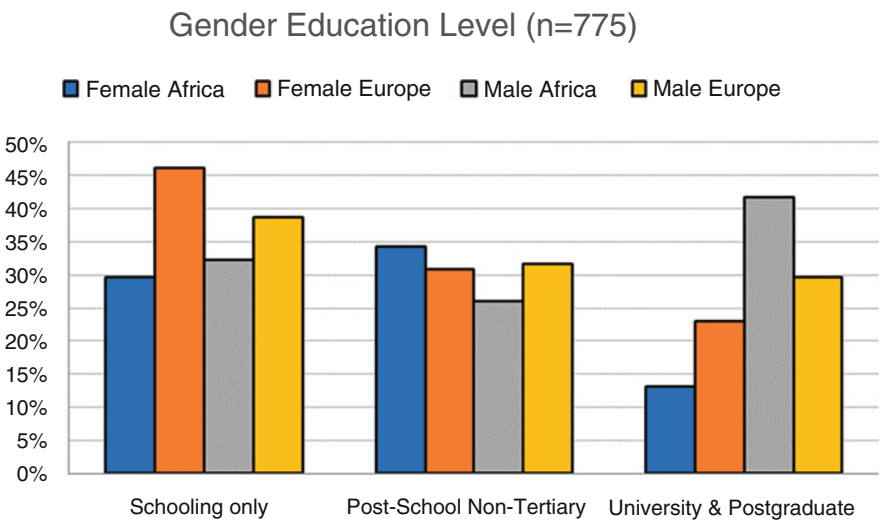

Fig. 3 Survey data: education levels attained by gender

high influence of parental culture towards achievement (entrepreneurship) for men, yet no influence identified for women. The effect of this on women entrepreneurship is exemplified in Ramadani et al. (2013) in their study of female entrepreneurs in Macedonia, where the majority of women entrepreneurs have obtained a higher (university) education.

It is considered known that good financial literacy contributes to good decision making (Grohman et al., 2018), with Gustman et al. (2012) confirming on several studies endorsing the link between financial literacy and household wealth. Along similar lines, Mondragon-Valez (2009) confirmed that wealth is not independent of education, but often a result thereof. This is emphasized in Behrman et al. (2012) who found that financial literacy was positively associated with total net worth and each of its components, further stating that financial knowledge was more important than general schooling when considering wealth creation. Bannier and Schwartz (2018) found that men's wealth increases with their confidence, whilst for women there is no such effect, despite both genders showing a positive effect of financial literacy on wealth. In the primary data for the chosen population groups, Fig. 4 illustrates the difference in financial position between men and women. In this paper we consider financial position as a proxy for financial wealth and compared 'Dependant on others' to all other positions of wealth (Financial Stability, Security & Investment, Wealthy and Super Rich), which are group together as 'Financially Secure'. Although not controlled for age, Fig. 5 illustrates the relatively even spread of gender for respondents across age groups in their respective regions.

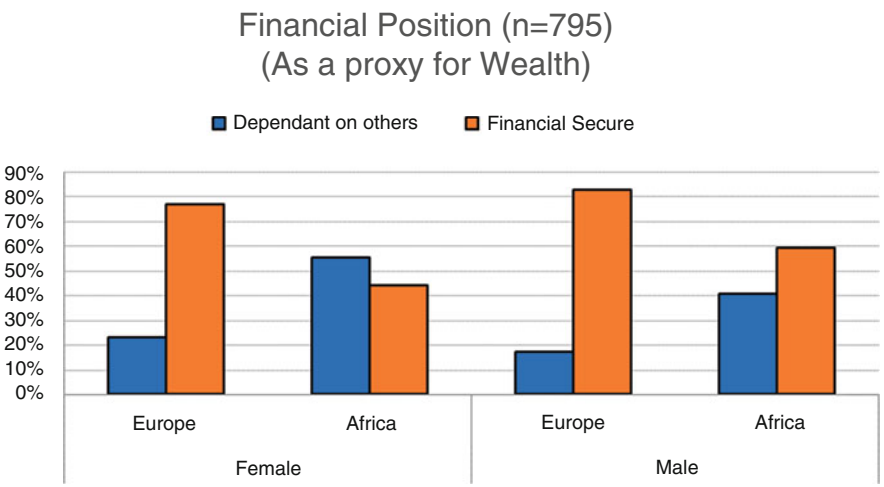

Fig. 4 Survey data: financial position (as a proxy for wealth) per gender

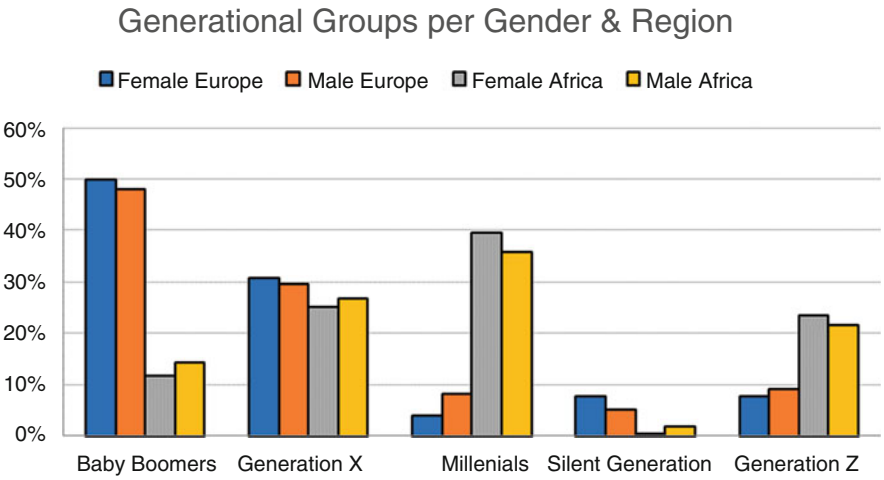

Fig. 5 Survey data: generational groups per gender & region

5 Financial Efficacy and Female Entrepreneurship

Gender differences are considered an important causal variable in entrepreneurial motives, with literature often accepted that men tend more towards entrepreneurial intention than women, despite the growth of female entrepreneurship (Shinnar et al., 2012). Within studies discussed in Giasomin et al. (2011), men and women differ in the dynamics of entrepreneurship motivation as it relates to push–pull effects, noting that for women, both due to their role in the household and the absence of

professional prospects in male dominated cultures, tend to be more necessity driven than opportunity driven, suggesting a lower level, or perhaps some absence, of self-efficacy. Cultural patterns of men as the 'head of the household' means men may be more stigmatized by unemployment than women, resulting women in these environments less driven by necessity, and potentially less motivated entirely. Similar to this, Dana (1995) notes that opportunity entrepreneurship is a function of cultural perspective of the opportunity, which for women may differ significantly to men. This may accentuate the inequality where government polices attempt to encourage entrepreneurship through subsidies and tax incentives that require certain knowledge of finance (Ratten et al., 2007).

Along similar lines, Andre and Metzler (2011) discussed the newly introduced term of 'Fear of Success', a term introduced to assist in explaining gender differences in achievement behaviour, which is intricately linked to opportunity entrepreneurship. It is theorized that emotional influences, such as guilt, confusion, and anxiety are more specific to women than to men as the behaviours required to achieve, such as assertion and competitiveness, are stereotypical of men, and in many instances, not socially appropriate for women. This then may result in a higher tendency by women to avoid success, such as venture created out of opportunity, creating a psychological barrier towards wealth acquisition. Hyde and Kling (2001) affirm this thinking in their paper, suggesting too that a negative stereotype of an individual's own social group can lead to behaviours that reinforce the stereotype. The cause for concern in the current day, is that consistent in current statistics from The World Bank (2021), more women may either be single working mothers or head of the household, and their average income is less in comparison to men. When related to entrepreneurship, a common problem stated in Grohman et al. (2018), is the lack of financial inclusion, measured as the access to financial services and tools. In this context, women may be significantly disadvantaged in terms of development of business ventures and opportunities. Correlating education and new business creation, Giasomin et al. (2011) observed that education had a distinctive effect on intention to start a business or not, with higher educated individuals tend more towards opportunity entrepreneurship.

Within the respondent data collected in this survey, in four of the five questions, the aggregate score was within 5% between male and females. An independent t-test was performed with a result of 0.1966, suggesting no significant differences between them. The fifth question on completion of income taxes presented a difference of 9%, which can be attributed to the 'Head of the Household' theory, where it is considered that men typically undertake family matters such as tax forms, whilst women may only learn this skill when necessary, as noted by Lusardi and Mitchell (2014). The overall aggregate of the questions is too within $<5\%$ variance, which provides a strong indication of the self-confidence in the common categories in financial management curricula and is not significantly different between men and women. As a secondary step, we investigated the independent t-tests between males and females in the two separate regions. For the Africa region, a p-value of 0.4577 was calculated, indicating no statistical difference, while for the Europe region, the p-value was 0.0230, indicating a significant difference. Lloyd (2020), in an

in-depth analysis, determined that the education levels and systems within Africa are at a substantially lower level than that of Europe, which could suggest that this low level of education could attenuate the impact of financial self-efficacy between the two groups in Africa. It could too though suggest that, despite the socio-economic barriers' females encounter throughout their development and growth, including potentially suppressed education opportunities, they present a strength and resilience to those barriers by showing almost equal confidence and self-efficacy in their financial literacy.

For the European groups, with likely more advanced education systems, but yet similar socio-economic barriers identified in this paper, the impact of financial self-efficacy could be accentuated, resulting in the significant difference noted in the survey data. Unfortunately, the low n for the European groups, and females in particular at just 26, may mean the result could potentially be inconclusive. This does though provide indicators for future research to further understand not just the differences between genders, but too the differences between regions for the gender. So, while this paper is not definitive in this regard, it does reiterate that the barriers encountered in gaining financial wealth are not limited to knowledge barriers alone but may consist of much wider influences that limit women's ability to increase wealth in the same manner as males.

6 Conclusion & Recommendations

In this paper, we explored the effect of individual 'agency' in combination with human capital, in the form of financial literacy knowledge and the financial self-efficacy, of women on wealth creation. Our evidence disputes the posed thinking that the benefit of financial literacy may be one of the key drivers of the wealth accumulation, by showing that although there is no significant difference in financial self-efficacy, there continues to exist a significant wealth difference favouring males. Our research did identify a difference in education, where women may not have been exposed to the same opportunities in gaining financial literacy knowledge, but this seemingly did not dampen the financial confidence of the women to a significant degree. And while, on the one hand, it is disappointing to see the financial self-efficacy of women not translate into financial wealth equally to men, it is encouraging to see the resilience of women, despite the barriers in education, to display the financial confidence equally to men. Through this paper though, there were indications of other influences linked to this that may be considered in relation, such as the motivations of females versus males in certain societies, which is seen as particularly repressive in African non-white communities. Further research should investigate this effect more deeply, to understand adjacent factors that could explain the lack of wealth creation, where financial self-efficacy is equal to men, and as was posed by Lloyd (2020), potentially too where women are educated equally to men.

It is thought in this paper that education in some communities is officially offered equally to men and women, but there remain certain societal barriers that may hinder

development, particularly of motivation and achievement towards financial literacy in adolescent women. It is recommended then that the following three main cultural areas require focus for the improvement of development in woman:

(a) Parental Support—Parental encouragement predicts children's aspirations, along with career motivation and support of achievement in mathematics (as an accepted pre-cursor to financial literacy) areas, such as ensuring daughters are made to feel equally able to achieve status careers, such as doctors, lawyers, and the like. This affects their academic self-esteem, competitiveness, and ability attributions, enabling them to develop in a manner that is less biased towards boys. Importantly, it is about changing their social experiences at home.
(b) Teacher Support—Classroom behaviours influence children significantly and a teacher's behaviour towards achievement greatly influences pupil's confidence and motivation to achieve in specifically subjects such as mathematics. Often it is seen that teachers' expectations differ between boys and girls in terms of recognition, where boys are seen as 'winners' when they achieve, whilst girls may rather be seen by teachers as 'diligent workers' rather than competitive achievers. Education systems could consider including some form of cultural training for teachers in this regard.
(c) Support for successful working women—Adolescent perception of working women is critical during development years, where it is important for young girls to see women successful and achieving great status and possibly wealth. An example being when bringing guests into schools, consideration should be given to bring in successful women rather than men, in contrast to years gone by where the 'Successful Business Leader' visiting would be male, and the 'Community Support Person' female. This creates the stereotype perception of success, which should rather be promoted as introducing as successful female Entrepreneur or Business Leader, and likewise a positive view of a successful male social worker. This kind of environmental support system influences motivation and ensures the equal development of motivation between men and women.

Bandura (2002) noted that although genetically humans have not changed much over the past decades, due to cultural and technological advancements, they have made dramatic changes in beliefs, behaviours, and social interactions, suggesting that there exists a significant potential for adaptability. This then means that it is imperative for society as a whole to adapt to the needs of diverse environments created, specifically as it relates to gender equality. Societal change is in effect somewhat slow, so governments should enact policies, or reinforce existing policies, that are genuinely more friendly to women in the business world such as tax breaks and subsidies for childcare support and/or further education, specifically targeted towards financial knowledge and wealth creation. Hyde and Kling (2001) confirm this in their paper that; 'Policies designed to foster girl's and women's educational achievements will necessarily help our nation achieve a better educated citizenry'. Specific strategies and plans for women's financial education programmes could be critical as women have preferences and unique needs when learning finance, and historically male oriented programmes need to adapt. Lastly, it is critical for

governments and institutions to create opportunities for women in transferring learning to real life contexts, as well as provide occasions to build networks of support.

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Warren Lloyd has a Doctor of Philosophy (Ph.D.) in Management Science from the Open University Netherlands, as well as a Master of Business Administration (MBA) from Regent Business School. Warren has prior academic education in commerce through studying a Bachelor of Commerce at the University of Cape Town, as well as further studies in General Management, Purchasing Management, and Project Management. He is currently involved in the corporate sector as a Global Director of a large Multi-National Corporation and holds a chartered MCIPS accreditation. Importantly, Warren is an active human rights defender.

"Home Away From Home": Displaced Migrant Entrepreneurship in Times of Covid-19

Tenzin Yeshi

Abstract The unprecedented Covid-19 pandemic crisis has put entrepreneurship at bay. Scholars swiftly started investigating the impact of the pandemic on entrepreneurship in all possible manners. However, there is a distinct entrepreneurial agent; displaced migrant entrepreneurs (DME) are often understudied and underrepresented in the entrepreneurship literature. Against this background, this study explores the influence of the Covid-19 pandemic on the displaced migrant entrepreneurship. Two research questions were raised in this study: i) What are the challenges faced by displaced migrant entrepreneurs during the Covid-19 pandemic? and ii) How are displaced migrant entrepreneurs dealing with the Covid-19 pandemic? To answer these research questions, this qualitative study conducted 10 in-depth interviews with DME in developing countries and identified three distinct mechanisms: i) Disconnectedness from their homeland, ii) Rootlessness in host county, and iii) Reassessing the resource in hand. The study findings reveal that DME have a double disadvantage, unlike other migrant entrepreneurs, since it is hard for them to use the host and home country resources. It also demonstrates that DME show resilience during the pandemic by utilising the resource at hand. This study contributes to the discussion on DME by exploring the unique context and highlighting the DME responses during the pandemic.

1 Introduction

The World Health Organization (WHO) declared coronavirus (Covid-19) a pandemic on 11 March 2020. Since then, this pandemic has cost us more than 117 million worldwide cases, and more than two million people have died. The unprecedented Covid-19 pandemic crisis has hindered all walks of life, especially entrepreneurship in general (Brown et al., 2020; Ratten, 2020). Researchers have responded rapidly by analysing the entrepreneurial landscape changes and exploring

T. Yeshi (✉)
University of Bremen, Bremen, Germany
e-mail: tenzin@uni-bremen.de

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the new challenges that entrepreneurs face during the pandemic (Brown et al., 2020; Castro & Zermeño, 2020; Kuckertz et al., 2020; Narula, 2020). The most unpropitious aspect of this crisis is the uncertainty and its long-term implications on business. Previous studies show that entrepreneurship can be an effective alternative for hosting countries in facilitating economic integration (Alrawadieh et al., 2019; Heilbrunn et al., 2019; Wauters & Lambrecht, 2006). Displaced entrepreneurs, among other forms of entrepreneurs, faced significant difficulties during the Covid-19 pandemic. The displaced population is frequently marginalised, facing social isolation and long-term poverty (Turner, 2010). Moreover, the world is witnessing 79.5 million displaced population worldwide, the highest number ever reported, and the number has been increasing in recent years. Furthermore, 80% of the displaced population is hosted in developing countries, and 75% of the displaced population lives in neighbouring countries (UNHCR, 2020).

There are three main indications on why the Covid-19 pandemic is wreaking havoc on displaced migrant entrepreneurs: First, they experience the double whammy of displacement and a deteriorating environment in the host country (Kwong et al., 2019; Turner, 2010). Second, there is a misalignment with the host institution when it comes to supporting their business (Orendain & Djalante, 2021). The majority of the displaced migrant population lacks financial resources and does not have access to social and health services (Chu & Michael, 2019; Nassar & Elsayed, 2018). Third, the existence of the nature of displaced entrepreneur's business. It is frequently a small-scale or informal business with no long-term goals. This disadvantage is likely to affect the current entrepreneurial activity during the Covid-19 pandemic, as survival requires rapid adaptation.

The term "displaced population" refers to people who have been forced to flee their homeland because of persecution, war, or violence and have a well-founded fear of persecution prohibiting their return (UNHCR, 2020). The displaced population is broadly classified into three main categories: refugees, asylum seekers, and internally displaced people as per the United Nations High Commissioner for Refugees. In this study, the term "displaced migrant entrepreneurship" is defined as entrepreneurs who do not have the same (full) rights as other entrepreneurs but have undertaken entrepreneurial activities in the host country.

Displaced migrant entrepreneurs faced double difficulties in their host countries, particularly in developing countries. However, the challenges and mechanisms by which displaced entrepreneurs respond during and after the crisis's onset are poorly understood. Therefore, to fill the void, this study aims to explore the influence of the Covid-19 pandemic on the displaced migrant entrepreneurship. Consequently, this study poses two research questions:

1. What are the challenges faced by displaced migrant entrepreneurs during the Covid-19 pandemic?
2. How are displaced migrant entrepreneurs dealing with the Covid-19 pandemic?

The paper's structure is as follows: the following section reviews the scholarly discussion on the implications of the Covid-19 pandemic in entrepreneurship. The second part illustrates the research design, data collection method, and data analysis.

It also sheds light on the displaced migrant entrepreneurs in India and Nepal. Afterwards, it presents the study's findings and argues the outcome based on the research question raised in this study. At last, it discusses the limitation, practical implications, and further outlook of the study.

2 Conceptual Background

2.1 Entrepreneurship in Times of Covid-19

The research studies on Covid-19 are rapidly emerging, particularly in entrepreneurship, as there are numerous aspects to investigate in this field due to the unprecedented pandemic (Salamzadeh & Dana, 2020). The recent literature on Covid-19 revealed that the exogenous shocks could be counter through entrepreneurial bricolage and showing resilience. Many entrepreneurs were either forced to switch or close their businesses' structure due to the Covid-19. The long-term repercussions of this pandemic on entrepreneurship are still unknown (Bartik et al., 2020). To meet the market demands, entrepreneurs increase their risk-taking behaviours to survive this pandemic (Dumitrasciuc, 2020; Lim et al., 2020; Manolova et al., 2020). The entrepreneur's nature can be recognised as resilient in adapting to a new environment through the support of the entrepreneurial ecosystem (Ratten, 2020). Governmental support is another key driver for the entrepreneurs, which helped many entrepreneurs sustain their business during the unprecedented era. Thus, the government in many countries responded by providing several funding services and aids to stabilise the global economy (Beland et al., 2020; Brown et al., 2020; Kuckertz et al., 2020; Lim et al., 2020). Additionally, digitalisation plays an imminent role during such a crisis. The pandemic's impact on entrepreneurship is exemplified in the digital transformation (Dumitrasciuc, 2020; Lungu & Bogoslov, 2020; Maritz, 2020), which is essential for the business structure leading towards a digital and online approach. The digital world has supported global business growth. This means that entrepreneurs can run their businesses from anywhere in the world and collaborate with international teams to build and grow their businesses.

Notwithstanding, entrepreneurship in developing countries was arguably the least studied significant economic and social phenomenon in the world today. However, in particular economic aspects, the disadvantages have a negative effect (Sampedro et al., 2014). Entrepreneurship practice in developing countries has a vast difference from developed countries due to its nature. Entrepreneurs in developing countries have more opportunities than developed markets, but the Lockdown and Social distancing are impractical; they have to work (Narula, 2020). The effect of the Covid-19 pandemic on the global socio-economic system can be significant, and recovery is crucial to surviving in a new normal (Farzad et al., 2020; Islam et al., 2021; Kawamorita et al., 2020). However, there is still a scarcity of research on the effect of a pandemic outbreak on microbusinesses in developing countries, especially business continuity and recovery (Fabeil et al., 2020). 75% of businesses with

a continuity plan will fail within three years of a disaster or crisis. Thus, it is essential to understand the influence of the Covid-19, particularly on developing countries.

2.2 Displaced Migrant Entrepreneurs in Times of Covid-19

The Covid-19 pandemic is one of the most consequential tragedies in its recent history as it has a striking effect on global civilisation and the economy. The displaced population is often marginalised and faces social isolation and enduring poverty (Turner, 2010). They often lack identity cards, making it more difficult for them to access essential services and restricting them from exercising their political and civil rights. In addition, they may struggle for years or even decades with psychological trauma experienced caused by displacement. The unprecedented Covid-19 pandemic crisis hampered entrepreneurship in general, but it hit displaced entrepreneurs particularly hard.

Displaced migrant entrepreneurs tended to have few pre-established local connections within host populations (Turner, 2010). Many entrepreneurs used unconventional methods to keep their businesses running (Liguori & Winkler, 2020), but most of the displaced entrepreneurs were not prepared for such a crisis. Additionally, digital transmutation has been seen as a key to effective entrepreneurial pandemic response. In contrast, it has been discerned that displaced entrepreneur is not readily adaptable when it comes to the digitalisation. Previous studies also highlighted that displaced entrepreneurs strengthen existing resources, primarily human capital and external resources, and indicate that displaced entrepreneurs use other displaced persons' resources (Cheung et al., 2019). However, the previous studies do not emphasise the different characteristics of the displaced migrant entrepreneurs, especially during a pandemic; they have a unique nature compared to transnational entrepreneurs.

While the Covid-19 epidemic affects practically all types of business sectors across globally, it has a more significant effect on displaced migrant entrepreneurs for the three reasons listed above: i) the double whammy of displacement, where they confront more hurdles and roadblocks than any other type of entrepreneur, ii) there is a misalignment between the host institution and the displacement entrepreneurs and a lack of a network and resources, contributing to further mistrust between the two, and iii) the nature of business, where displaced entrepreneurs frequently choose small-scale businesses or informal sector businesses where they do not have long-term business plans. To sum it up, previous researchers overlooked this entrepreneurial agent, even though it is home to several entrepreneurs. They are mainly unheard, and it is more challenging to address their status quo during the Covid-19. Therefore, it is imminent to bring attention to the unheard entrepreneurs that still matters.

3 Methodology

3.1 Research Design

This paper applied a systematic inductive qualitative research following the social constructivist paradigm (Gioia et al., 2013). The foundation of the qualitative research methodology is based on the social constructivist paradigm (Achtenhagen & Welter, 2007). A qualitative research approach is an appropriate method for explorative studies, particularly if relatively new and complex phenomena stand at the fore (Dana & Dana, 2005). Navigating and understanding the process of how displaced migrant entrepreneurs cope with the Covid-19 pandemic and how much it influences their entrepreneurial activities is necessary. In entrepreneurship research, a qualitative approach could be the most appropriate method for explorative studies to generate new theories (Dana & Dana, 2005).

3.2 Data Collection and Descriptive Overview

The author conducted 10 qualitative virtual interviews with displaced entrepreneurs from India and Nepal to reach a sufficient level of variety and identify patterns in rich data. The interview partners' selection was scrutinised and considered those displaced who were born in the country but still did not received the neutral citizens of the country due to political and various other reasons, making them a viable and feasible interview partner for the study. The data were collected between June and September 2020, and the partial lockdown was still in place when interviews were conducted. Out of 10 interviewees, there are nine males and one female. Most of the interviewee had an average age between 28 and 58 years.

Finding the right interview partners was challenging due to the new travel regulation during the Covid-19 lockdown that hammered this study from face-to-face interactions with the potential interview partners. Thus, this study also relied on secondary sources like websites and social media accounts of the interview partner to capture the different dynamics. The author followed the snowball sampling considering displaced entrepreneurs from a diverse entrepreneurial background. The author has used the abductive approach to assess the richness of the data. Table 1 presents an overview of the interviews, which is exhibited in the Appendix.

3.3 Data Analysis

All of the interview data were translated and transcribed into English before being analysed. There were ten transcribed interviews for this study. All the data were analysed using the qualitative software tool MAXQDA and Microsoft Excel.

The author analysed the empirical data in three distinct steps. The first step consists of developing the initial coding through MAXQDA software by following the word-by-word or line-by-line coding that comprises two criteria (fit and relevance) of the grounded theory (Charmaz, 2006), first-order category. The main goal of this step is to simplify the data by rephrasing the phrases, but the main message remains constant. For instance, DME-2, who is into the Cargo business, said, *"There was no new order during the lockdown, but even if they do, then we need to go out, which is next to impossible. I have some ongoing orders, but there was no new order"*. This sentence was then paraphrased by *"Working from home is difficult owing to the nature of the business"*. In the second step, all the initial coding was then exported to MS-Excel to construct the second-order category. The main goal of the second-order category is to screen all the first-order categories and select the most significant codes that are strongly attributable to the core of the study. Some of the examples of the emerging categories were *"dysfunctionality in digitalisation", "nature of the business",* and "Identity perplexity". In addition, to derive more dynamic codes, the author began referring to literature on displaced entrepreneurship and entrepreneurship during Covid-19. This bolstered the recognition of the pattern and the development of a constructive second-order category. For the final step, all second-order coding were imported into the mind-map tool for theoretical coding. The emerging categories were then clustered into an aggregate theme concerning their specific properties and categories relevant to each other while considering the conceptual background (Charmaz, 2014). Furthermore, this study used different data sources to enhance the persistence of the constructed mechanism considering the reliability and validity of the qualitative study (Golafshani, 2003). The author relied on both the primary interview data and secondary data from various interviewees' business platforms such as websites. This allows the author to validate all of the possibilities when constructing the aggregated themes. Hereafter, the author recognised the three mechanisms of the displaced entrepreneurship in times of Covid-19: *"Disconnectedness from their homeland", "Rootlessness in the host country",* and *"Reassessing the resource at hand"*. Figure 1 shows an overview of the emerging categories. The leftmost column is the first-order coding, following by second-order coding, and then final aggregate themes.

4 Research Setting: Tibetan Displaced Migrant Entrepreneurs in India and Nepal

As a research setting, this study considered the case of Tibetan displaced migrant entrepreneurs in India and Nepal. Since 1959, over 80,000 Tibetan sought exile in India, Nepal, and Bhutan (Bhatia et al., 2002). Since then, Tibetans have faced numerous physical and mental challenges, including language barriers, hygiene, weather, and so on. The Tibetans first started their livelihood as road labourers in India's northern states. At the same time, Tibetans in south India began their lives by

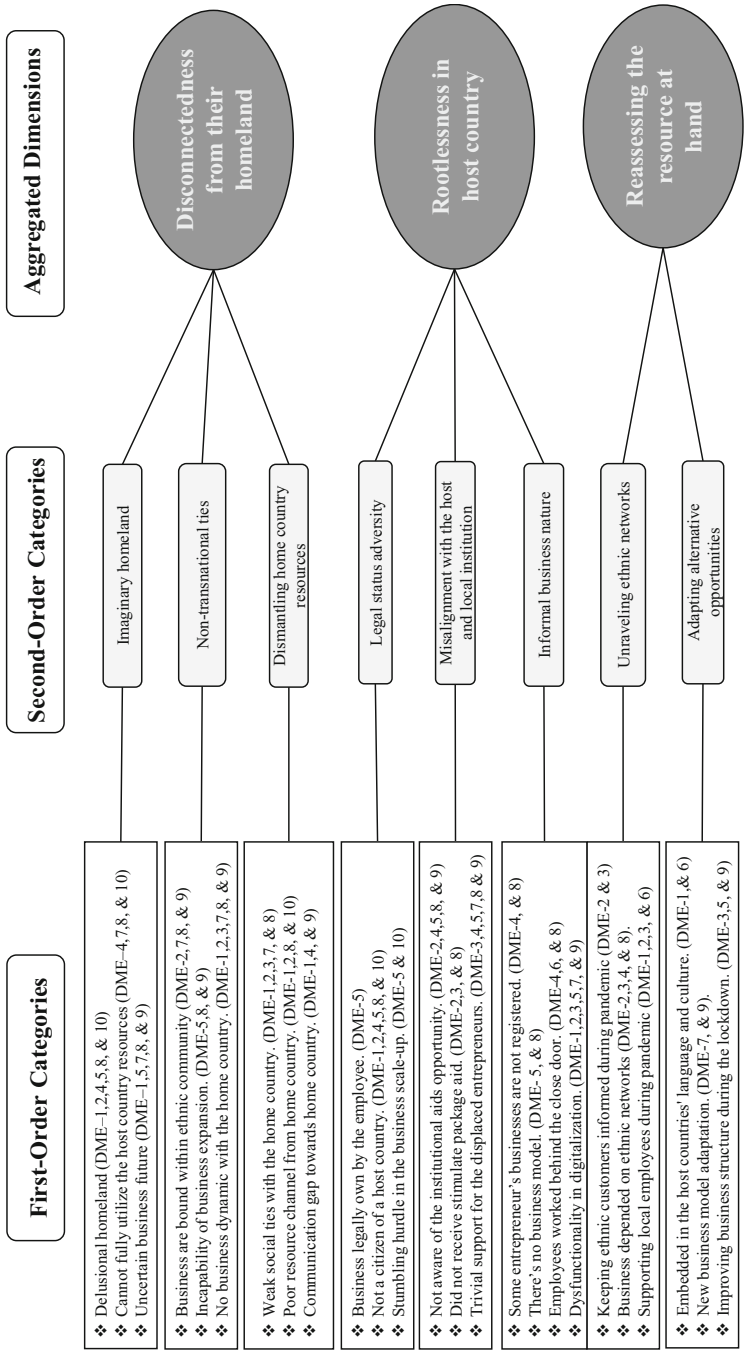

Fig. 1 Data structure (Source: own illustration based on Gioia method)

engaging in agriculture, which became a primary source of occupation. However, the Tibetans' legal status in India (Bentz, 2012) and Nepal is still ambiguous, as they are either regarded as refugees or stateless. The fact that the Tibetans living in those countries do not own any legal status and are not officially recognised as refugees makes them a unique case of the displaced population since India and Nepal did not participate in the 1951 Refugee Convention (United Nations Treaty) held in Geneva, Switzerland. The 1951 Refugee Convention and its 1967 Protocol were the first time 149 states drafted refugee legislation. It was also the time where the term "refugee" was defined, and it highlighted refugees' rights and their obligations to protect them. The United Nation's High Commissioners in 1961 defined (page. 3), *"A refugee is someone who is unable or unwilling to return to their country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion"*. This criterion describes Tibetans living in India and Nepal well enough to deem them refugees. However, they are not legally refugees due to the two nations' signatory exclusion from the 1951 Refugee Convention. Tibetans in India and Nepal are currently granted a document that allows them to dwell in the country but does not grant them the same privilege as regular citizens. Nonetheless, Tibetans living in India enjoy more freedom than those in Nepal.

In recent years, there has been a shift in the occupation from agriculture to business among the Tibetan exile population, especially there are now many budding Tibetan displaced entrepreneurs (Nayak et al., 2019). Despite the growing livelihood standard for Tibetans living in both countries, there is still apprehension that inhibits them from conducting business in the host country, such as documentation problems, business nature, government policy, etc. Especially during Covid-19, many of the displaced migrant entrepreneurs could not carry out their business due to the unprecedented shock that no one anticipated. Many Tibetan displaced migrant entrepreneurs, for example, own self-regulated small retail outlets such as handicrafts or souvenir shops. Their business relies primarily on walk-in consumers and foreign tourists. Their business was severely hampered during the lockdown because their livelihood reliant on it. Consequently, UNHCR (2020) annual report shows that 85% of the displaced population is hosted in developing countries. Therefore, it will be intriguing to find out how the Covid-19 pandemic affects displaced entrepreneurs' entrepreneurial activity and how they cope during an unprecedented epidemic.

5 Research Findings

The following section continues an in-depth discussion with the support of the research proposition to address the research question, which underlines the difficulties endured by displaced migrant entrepreneurs and how they cope during the Covid-19 pandemic.

6 Disconnectedness from Their Homeland

This study found that the displaced migrant entrepreneurs are often disconnected from their home country, impeding their entrepreneurial activity during the pandemic, particularly among Tibetans living in India and Nepal. Three vital dimensions support the assertions: i) imaginary homeland, ii) non-transnational ties, and iii) dismantling home country resources.

First, all the displaced migrant entrepreneurs in this study live in exile. They are born in the host country or fled from their home country. They acknowledged both countries as their homes, but they did not have all the privileges enjoyed by the regular citizens in the home country, which hindered their entrepreneurial activities. For instance, DME-5, shared *"I was born in Tibet, and then I fled to India when I was a child. I do not recall much about the home country. I now do business in Nepal without having proper documentation"*. Likewise, some found it difficult to make use of the resources available in the host country: "*We are not allowed to acquire land in the host country. My current residence is a government-leased property. Of course, I am grateful, but it diminishes my motivation to expand the business. In addition, I do not have contact with my family back home. That is why there is no alternative way to keep my business running during the pandemic"* (DME-1). The barriers that impede displaced migrant entrepreneurs from fully utilising host-country resources are concerning because they are unsure of their future business plans.

Similarly, displaced migrant entrepreneurs own a business in the host country, but they are unsure about their future: *"I arrived in India from Tibet when I was just eight years old. I grew up in India and completed my schooling here. I am still in touch with some of my families in Tibet, and I want to expand my export business, but the pandemic has further divided us"* (DME-4). It made it harder for a displaced migrant entrepreneur to keep social ties to the home country. Moreover, the pandemic made it challenging to utilise their resources in the home country and forced them to rely more on the host country's resources.

Second, it was also observed that displaced migrant entrepreneurs do not have transnational ties to the home country when it comes to the business, which has a ramification during the Covid-19 pandemic. For instance, DME-2, runs a cargo business, said *"We do not have any business tie with the home country because of the political issues"*. Likewise, DME-9 shared "*All my family members are in the home country, but we do plan to carry out any business there. 90% of my customers are walked in people. They are mostly tourists, both foreigners and Indians. Since lockdown, I have no business because I don't do online business"*. They could not carry out the business and had a considerable loss. Similarly, in the case of DME-7 said, *"I had to reduce my employee to 4 from 14 because I don't have a stable income to pay them. My employee did not work during the lockdown"*. It was a massive blow to those entrepreneurs because they were unprepared for such circumstances.

Third, unlike most transnational entrepreneurs who use a mixed-embeddedness approach by utilising resources from home and host countries, the displaced migrant entrepreneur does not have access to home country resources: *"We do not use the home country resources to sustain our business. However, majority of our customers are ethnic people who trust us more"* (DME-3). Displaced migrant entrepreneurs have weak ties and limited resource channels to their home county: *"Our resources are limited to what we have in the host country, and the lack of resource channel with the home country have caused some complications during the pandemic"* (DME-1). Notably, almost all the displaced migrant entrepreneurs in our study do not consider their core customers' as local and native populations, which is quite enthralling.

7 Rootlessness in the Host Country

The second aggregate dimension examines how displaced migrant entrepreneurs are affected by rootlessness in the host country, especially during the Covid-19 pandemic. Three sub-dimensions illustrate this: i) legal status adversity, ii) misalignment with the host and local institution, and iii) informal business nature.

First, many Tibetan displaced entrepreneurs living in India and Nepal do not hold legal status. They could not benefit from the stimulus package and relief fund offered by the host government. For instance, DME-6 shared, *"We do not get any stimulus package from the government. I don't think they even have a budget for that"*. Similarly, DME-9, who has been operating a sustainable clothing store for over seven years, shared, *"I have heard some relief packages, but I have not received any benefits from it. I honestly do not think I will get it because of my legal status"*. Furthermore, to avoid conflict due to their legal status, some entrepreneurs have registered their own business with their employee's names. For instance,

> Because of my identification, my employee is the legal owner of my business. As a result, I took the risk as our identity is always in jeopardy, and we must sacrifice to earn. That is why I cannot do much during the pandemic because of the consequences of not having the official business (DME-5).

For DME-5, the pandemic hit the business more significantly than the others did since he is compelled to keep his secret and does not want to be involved in any government policy because of the business ownership. All these statements show that displaced migrant entrepreneurs face ramifications due to their legal status, hampering them from pursuing a greater entrepreneurial goal.

Second, the misalignment between the host and local institutions and the displaced migrant entrepreneurs was observed in this study. On the one hand, local support organisations claim entrepreneurs did not approach them during the pandemic. For instance, DME-10, a president of an institution (anonymous) supporting displaced migrant entrepreneurs, expressed, *"None of the displaced migrant entrepreneurs has approached us for the business consultation during the*

pandemic. We are always willing to help". On the other hand, some displaced entrepreneurs believe that neither host nor local institution can help them during the pandemic because there is a lack of trust between them: *"I know there are some local organisations that support entrepreneur, but you need to become a member and I am not sure how effective they perform"* (DME-3). Similarly, DME-9, shared *"I did not seek any support for the business, and I am not sure how they can help us with this pandemic since everyone is being affected by it"*. Thus, there is a perception among displaced entrepreneurs that supporting institution will be unable to assist them in any means. Regarding the support from the host institution during the pandemic: *"I have consulted several charter accountants during the pandemic, and they claimed that there are no governmental aids accessible"* (DME-2). Consequently, DME-6 exhibits concerned, *"We do not get any stimulus package from the government. I don't think they even have a budget for that"*.

Moreover, few entrepreneurs sought support from incubation programmes while developing their business ideas, but they did not support during the pandemic. DME-4, who manufactures and exports traditional guitar, expressed: *"I took part in the incubation program, and it was beneficial at the initial state. Now, the program is over, and there are no assistants during the pandemic"*. In a similar vein, DME-7, who recently started an e-commerce chain, stated: *"I took part in the incubation program from our local administrative. It helped me move forward with the business plan as I received seed funding for the business. However, during the pandemic, there was nothing much the local administrative can do since they have to follow the regulations set by the central government"*. These statements demonstrate that local institutions are bound within the host country's law and could not support the displaced migrant because of the rootlessness.

Third, many of the displaced migrant entrepreneurs have informal nature of business and informal employment working for the business, meaning the business is either not registered or not regulated. As a result, they do have access to governmental support during the Covid-19 pandemic. Since it is not regulated, many displaced entrepreneurs carried out entrepreneurial activity behind closed doors. They endangered both their health and law at risk since they have no alternative solution for surviving the pandemic:

> My employees are willing to work and calling me often when can they come to work even during the lockdown. They say what is pandemic when there is no life at first. So, they worked behind the closed door (DME-4).

DME-4 receives no governmental assistance during the pandemic. Their only source of income is from the business. They had to work putting their health at risk, making them even more vulnerable during the pandemic. Furthermore, DME-6, who owns a carpet business in Nepal, stated, "W*e are not allowed to work, yet we made our products from home. We even lived with our employees, and we worked alongside during the lockdown"*. Similarly, DME-8, who runs a spicy business and exports the products both inside and outside India, mentioned, *"I have been running my chili/spicy business from my house for over 20 years. I have 8 employees, but the business is not officially registered. So we carried out our business during the*

lockdown since we normally make our products at home". As a consequence of the rootlessness in the host country, these entrepreneurs choose life over health during the pandemic because their sole purpose is to survive, as there is no other source of income.

On the other hand, other displaced entrepreneurs could not operate much of their business because it required fieldwork. Since the lockdown banned the movement of the people, so does their business. Some of the entrepreneurs did not do anything for their business. For that, DME-1, who manufacturers' glass beat, shared, *"My business cannot be done at home, we have to work in a warehouse, but it was not possible".* For some, it was hard to move their business online because they are not prepared for it. Converting from offline to online mode is rather difficult in such a short period. The same for the DME-2, who is involved in the Cargo business, expressed, *"Our business solely depends on the export of our customer's product which was all halt during the lockdown in the country".*

8 Reassessing the Resource at Hand

The third underlying mechanism deals with how displaced migrant entrepreneurs perceive this pandemic as an opportunity to bounce back from the various adversity encountered during the pandemic. This consist of two sub-dimensions: i) Unravelling ethnic networks and ii) adapting alternative opportunities.

First, displaced migrant entrepreneurs rejuvenate their entrepreneurial venture during the pandemic by using the resource in hand by unravelling ethnic network connection. They tend to have a close circuit of regular customer that helps them to sustain their business: *"I didn't lose my customer; I know they will come back once the lockdown was lifted since they have been my loyal customer for decades"* (DME-6). The entrepreneurs also keep in touch with the customers updating them about the new business regulation so that their customers are informed: *"Normally, we help each other because we live in a small community and we know each other really well. That is a relative advantage for us"* (DME-4). The following entrepreneurs, DME-1, 3, 4, and 6 shared the similar thought that they have a close relationship with the customers, employees, and they understand their situations: *"I have many employees and during the lockdown. I have distributed essential items to my employees since there are no one else who can support them during this tough period"* (DME-6).

Furthermore, some entrepreneurs used this time to revitalise their business model and plan for the future, adapting to the new normal. For instance, DME-9 *"I have a website but didn't take it seriously before. I now feel this is the right time to invest time on expanding my business through online".* Similarly, DME-2, who runs an export business, shared a similar thought" *I took this lockdown as an opportunity to focus more on converting to the e-commerce business. I wanted to do it for a long time but did not get enough time until now".* Therefore, some entrepreneurs turned

this challenge into an opportunity and thrived for it. Also, DME-6 *"Exports are not possible, but we didn't stop working on manufacturing the carpets"*.

9 Discussion

The following conceptual model in Fig. 2 represents the influence of the Covid-19 pandemic on the displaced entrepreneurship, which is constructed based on the data structure presented in Fig. 1. Firstly, displaced entrepreneurs were affected because of the *"disconnectedness from their homeland",* secondly, unlike other entrepreneurial agents, Covid-19 have influenced them due to the *"rootlessness in the host country",* and finally, displaced migrant entrepreneur bounced back by *"Reassessing the resource at hand"* during the pandemic. There are also three research propositions developed in this model. This model also includes three research propositions. The first two research propositions reflect the ramification of displaced migrant entrepreneurs during the pandemic. In contrast, the third research proposition underlines how displaced migrant entrepreneurs identified entrepreneurial opportunities during the pandemic. All these mechanisms uniquely influence displaced migrants' entrepreneurial activity during the Covid-19 pandemic.

First, the empirical evidence presented above shows that displaced migrant entrepreneurs' disconnectedness from their home country impacts their entrepreneurial activities during the pandemic. Notably, the ramifications of the three proposed categories influence their activities. It is also shown in the current literature

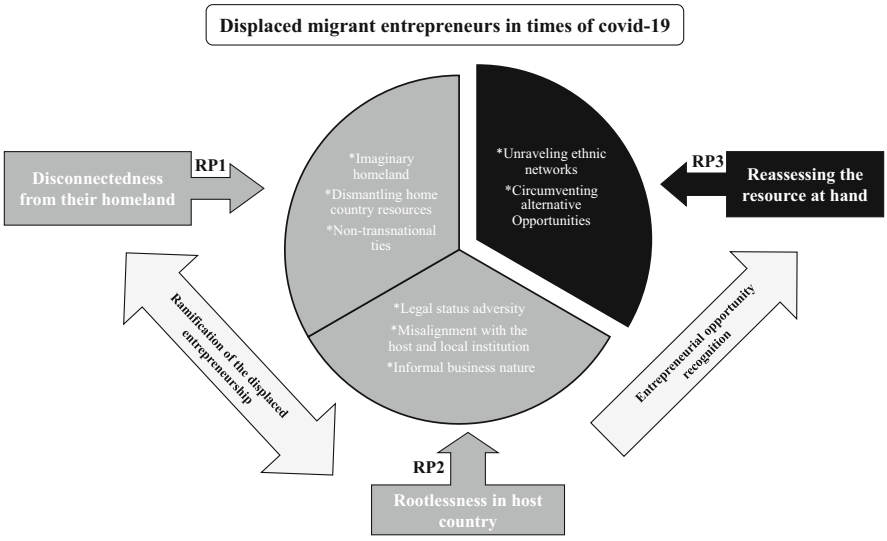

Fig. 2 Model for Displaced Migrant Entrepreneurs in times of Covid-19 (Source: own illustration)

on the Covid-19 that entrepreneurs tend to rely on relational capabilities in circumventing advert situations (Kuckertz et al., 2020). In addition, Bizri (2017) study highlighted that social capital is the leading network structure of the displaced entrepreneurs contributing to their development. Nevertheless, since they cannot utilise their social capital resources from the home country, their position during the Covid-19 pandemic was in limbo. Moreover, many entrepreneurs began to shift to alternative approaches to continue their entrepreneurial activities, but most of the displaced entrepreneurs were unprepared for such a crisis. Therefore, the following research propositions were developed:

RP-1 Displaced migrant entrepreneurs endure adverse consequences of the Covid-19 pandemic because they live in an imaginary homeland, cannot exploit home country resources, and have fewer transnational ties with the home country.

Second, according to a prior study, dedicated supports are critical for refugees and migrant populations in building resilience (Samuel, 2020), but this is not the case in displaced migrant entrepreneurship. Likewise, a lack of comprehension of the institutional structure and environment may inhibit growth (Kwong et al., 2017). However, this is the situation for displaced migrant entrepreneurs who operate an informal business and are unaware of government policy changes. Prior research shows that 75% of businesses without a business plan fail within three years (Cook, 2015). In the context of Tibetan displaced entrepreneurs, prior research highlights that they still face economic difficulties despite their success in the host country (Nayak et al., 2019). The literature also noted that business model adaptation was a prominent entrepreneurial response to circumvent adversity during the pandemic. In contrast, displaced migrant entrepreneurs lack a business model and no external support, which jeopardises their livelihood. According to prior studies, businesses such as manufacturing, tourism, and trade are frequently the most vulnerable to adversity during the pandemic (Gössling et al., 2020). Therefore, concisely, this study proposes the following research proposition.

RP-2 Due to the rootlessness in the host country, displaced migrant entrepreneurs faced repercussions in legal status adversity, misalignment with the host and local institutions, and informal business nature. The repercussion of the rootlessness induces severe impendent to them, especially during the pandemic era.

Third, we learned that displaced migrant entrepreneurs recover from adversity and revitalise themselves by reallocating available resources, such as networking with the ethnic community and choosing alternative methods to carry on their business pandemic. Scholars acknowledge that exogenous shocks can be mitigated through bricolage and resilience (Castro & Zermeño, 2020; Kuckertz et al., 2020). The bricolage concept states that something is created from nothing (Baker & Nelson, 2005), which displaced migrant entrepreneurs during the pandemic. They also demonstrated entrepreneurial tenacity by exploring alternative options. Previous research also shows that displaced entrepreneurs frequently strengthen their resources with human capital and external resources. Furthermore, they use other

displaced person resources, which makes them resourceful (Cheung et al., 2019). Therefore, we developed the following research proposition:

RP-3 Through unravelling ethnic networks and adapting alternative opportunities with the resource in hand, the displaced migrant entrepreneur continues to show hopes for survival during the pandemic as some exert this pandemic as a blessing in disguise.

10 Conclusion

10.1 Limitation

This paper investigated and explored the displaced migrant entrepreneurship in the times of Covid-19. This study examined the entrepreneurial activities and coping mechanisms of the displaced migrant entrepreneurs during the Covid-19 pandemic based on an inductive qualitative analysis. Despite the contribution that this study made, it does have several limitations that must be recognised. These limitations are necessary to define the extent of this study.

First, the data constrain the study's scope; a larger perspective must be considered to provide a more comprehensive overview of this topic. In order to have a more balanced sample, it would also be interesting to include more female entrepreneurs. Furthermore, to improve the study's quality, it is recommended that displaced migrant entrepreneurship from other locations be included. Second, the study could not pursue the dynamics of entrepreneurial activities and the changing environment in which they operate. Therefore, it is also recommended that a longitudinal study be conducted to better understand the various behavioural patterns over time. Third, due to travel restrictions between countries, all interviews in this study are conducted virtually. Although the interviews went off without a hitch, there were some issues with Internet connectivity that may have had a small difference in the interview quality. Furthermore, due to the pandemic, the author could not capture all of the interview partners' on-site impressions and had to rely heavily on secondary sources. Fourth, this research is context-specific, emphasising displaced migrant entrepreneurs in India and Nepal. As a result, the findings cannot be generalised because there may be differences in other cases. For instance, all of the interviewees reported difficulty in obtaining information from their home country. This is due to the political environment, but it may not be the case for other displaced migrants entrepreneurs.

10.2 Policy Recommendation and Future Studies

This study contributes to displaced migrant entrepreneurship studies: First, it will encourage policymakers and practitioners to implement measures to embrace displaced migrant entrepreneurs based on the study's findings. It is recommended that the concerned policymaker first comprehend the existing displaced migrant entrepreneurial activity conditions and their needs thoroughly during the pandemic and then implement the measures, which help both the party. Furthermore, displaced migrant entrepreneurs are encouraged to enhance the overview of this study and can recognise the opportunity out of it.

Lastly, the author encourages future research to further drive into three key displaced migrant entrepreneurial responses and determine if it fits with other displaced entrepreneurs' context. It also recommends that further researchers conduct studies by reaching out to more diverse displaced entrepreneurs in a different country setting and consider the longitudinal study. It will also be interesting to study the longitudinal modes in the context of a Covid-19 pandemic that may reflect a broader overview and understanding of the displaced migrant entrepreneurship. Lastly, the displaced migrant entrepreneurship during Covid-19 is just one distinctive aspect. More studies should be carried out on the different dynamics of the displaced entrepreneurship that is yet to be explored in the international research field. The scope and the gravity of the displaced migrant entrepreneurship studies during the Covid-19 pandemic is just the tip of the iceberg; there are many more aspects to explore in this field.

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Appendix

Table 1 Overview of the interviews

Interviewee	Gender	Age	COB	COR	Business	Virtual mode	Duration (Minute)	Education
DME-1	Male	52	India	India	Glass beat manufacturer	Google meet	72	Secondary school
DME-2	Female	33	Tibet	India	Cargo business	Zoom	46	Bachelor's degree
DME-3	Male	28	Nepal	Nepal	Tour and travel	Zoom	64	Bachelor's degree
DME-4	Male	28	Tibet	India	Traditional guitar (Export)	Skype	81	Secondary school
DME-5	Male	35	Tibet	Nepal	Handicraft	Zoom	76	Bachelor's degree
DME-6	Male	58	Nepal	Nepal	Carpet industry	Zoom	100	Bachelor's degree
DME-7	Male	26	India	India	Grocery delivery	Zoom	92	Bachelor drop-out
DME-8	Male	51	India	India	Chilli/spicy product	WhatsApp	43	Secondary school
DME-9	Male	36	Tibet	India	Sustainable designer	Facebook	66	Designing school
DME-10	Male	34	India	India	Real estate	Zoom	91	Mechanical engineer

Notes:
1. DME = Displaced migrant entrepreneur
2. COB = Country of birth
3. COR = Country of resident

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Tenzin Yeshi has been pursuing his Ph.D. at the University of Bremen under the Chair of Small Business & Entrepreneurship (LEMEX) since June 2018. He completed his education at the Tibetan Children's Village (TCV) school in India. He earned a Master of Philosophy (MPhil) in economics. His current research interest includes "Refugee and Displaced entrepreneurship."

Intersectionality and Minority Entrepreneurship: At the Crossroad of Vulnerability and Power

Ekaterina Vorobeva

Abstract Intersectionality has been introduced into research on minority entrepreneurship relatively recently but has already managed to make a significant contribution into better understanding of the phenomenon. The analytical framework helps to describe in more detail a complex structure of opportunities and constraints that a minority entrepreneur is embedded into. However, extreme diversity in topics and focuses among relevant studies poses a challenge to identification of general tendencies within intersectional minority entrepreneurship. The current chapter intends to take on this challenge and to contribute to better understanding of the role intersectionality plays in minority entrepreneurship. The current overview of literature points at the factors that appear to unite all minority businesspersons across various axes of difference; intersectional identities of minority entrepreneurs lead to limited legitimacy in the business market. This limited legitimacy, on the one hand, constitutes an impediment to numerous lucrative industries dominated by mainstream entrepreneurs but, on the other hand, may become a source of competitive advantage in a few gendered, ethnicized, or other niche markets. To ensure that minority businesspersons are not restricted to low-income, labour-intensive sectors with limited potential for growth, deconstruction of the archetype of an entrepreneur through tailored support and diversity initiatives may present the first steps on the way to creation of a more inclusive business environment.

1 Introduction

Despite the extensive use of the term, a definition of minority entrepreneurship varies depending on a context. Generally, a minority business can be defined as "a self-employment enterprise run by a person who is not typical of the mainstream society and can therefore be described by the adjective minority" (Dana & Vorobeva, 2021, p. 17). As the term is tightly linked to mainstream or dominant

E. Vorobeva (✉)
University of Bremen, Bremen, Germany
e-mail: vorobeva@uni-bremen.de

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entrepreneurship, the latter also needs a clarification of its meaning. Previous studies pointed at existence of the archetypical image of an entrepreneur who is supposed to be a heroic, rags-to-riches, young, white, male Calvinist (Aydin et al., 2019; Dana & Vorobeva, 2021; Dy & Agwunobi, 2019; Essers & Benschop, 2007, 2009; James et al., 2021; Martinez Dy, 2015; Martinez Dy et al., 2017). Thus, minority entrepreneurship introduces other than above-mentioned, non-dominant categories of class, race, age, gender, sexual orientation, or ethnicity into the discussion on business activities (Dana & Vorobeva, 2021). However, changes in composition of dominant population affect the notion of minority as well demonstrating relational and fluid nature of the phenomenon. Thus, groups defined as minorities are context- and time-dependent.

In recent years, minority entrepreneurship has attracted significant attention of both academics and policy-makers. It can be partly attributed to growing scale of the phenomenon: Fielden and Davidson (2012) maintained that the number of new ethnic minority enterprises alone grew from 32,000 to 50,000 in 2000 to 2005 in the UK. In the USA, 2.8 million businesses owned by ethnic minorities, immigrants, females, young people, veterans, native populations, and other minority groups had an impressive payroll of 2.6 trillion dollars in 2018 (United States Census Bureau, 2021). In fact, it was widely recognized that minority entrepreneurs have great potential to contribute to local economies: Barr (2015) mentions that in America, gross receipts of minority enterprises grow faster than those of dominant population businesses. Moreover, minority enterprises introduce new products and services, reduce unemployment, establish transnational business links, and act as crucial agents in spreading equality and fighting discrimination (Dana & Morris, 2007). Therefore, numerous national and supranational initiatives were created in order to support minority entrepreneurship; for instance, in Europe, under the Small Business Act (SBA) and the Entrepreneurship 2020 Action Plan, seniors, unemployed individuals, disabled people, migrant females, and young migrants were empowered through various projects such as “Entrepreneurship Without Borders” (EntryWay) and “Kaleidoscope: Supporting Female Migrant Entrepreneurs” (Vorobeva, 2019).

Female, ethnic, and migrant types of entrepreneurship have received extensive academic attention (Dana & Vorobeva, 2021). In fact, minority entrepreneurship, even with one category of difference such as gender or ethnicity, has been looked at through the lens of intersectionality; Barrett and Vershinina (2017) explore intersection of ethnic and entrepreneurial identities in lives of Polish businesspersons in the UK. Nevertheless, recent studies shifted their focus from single-axis minority entrepreneurship (e.g. ethnic or female entrepreneurship) to multiple, overlapping minority identities of entrepreneurs (e.g. female migrants, black poor, Muslim female immigrants) (Dy & Agwunobi, 2019). Exploring more nuances in construction of minority identities, intersectionality helped to deepen our understanding of complexity in minority entrepreneurship as well as of diverse experiences of privilege and vulnerability.

The current chapter intends to systematically and critically review the existing studies devoted to the role of intersectionality in entrepreneurial activities of minorities in order to better understand how intersectional identities affect business

experiences of non-dominant social groups. Such overview may help identify factors that unite minority enterprises across various axes of difference as well as point at new directions for research and policy-making. The existent study is built on a systematic review of articles, discussion papers, theses, and book chapters devoted to intersectional identities of entrepreneurs acquired through a thorough search in Google Scholar and Web of Science. During the search, articles were considered suitable for the analysis if they meaningfully link the key words "intersectionality"/"intersection" and "entrepreneurship"/"entrepreneurs"/"business" in their titles and abstracts. At a later stage, ancestry search approach has been used which consisted of exploring bibliography of the selected articles with the purpose to identify relevant studies that were missed in the initial search (Malki et al., 2020). In the end, 28 articles have been chosen for the review. Further on, the studies were coded in NVivo software using a data-driven qualitative content analysis. After that, the meta-synthesis approach has been applied in order to integrate insights from various studies (Dingwall et al., 1998).

The remainder of the chapter is structured in the following way: in the section "Intersectionality in Minority Entrepreneurship" major contributions of intersectionality to knowledge on minority entrepreneurship and characteristics of the relevant studies are discussed; in the section "Vulnerability and Power in Intersectional Entrepreneurial Identities" main advantages and disadvantages of intersectional minority entrepreneurship are debated; finally, conclusions and recommendations for practitioners and future research are provided in "Concluding Remarks".

2 Intersectionality in Minority Entrepreneurship

Described by McCall (2005, p. 1171) as "the most important theoretical contribution that women's studies, in conjunction with related fields, have made so far", intersectionality as an analytical lens has entered the discussion on entrepreneurship relatively recently (Dy & Agwunobi, 2019; Granados & Rosli, 2018). Previously, focus on entrepreneurs' identities has not been very popular unlike forms of capital or personal traits of businesspersons. Distinct from former approaches, intersectionality pays special attention to complexity of enterprising individuals' identities; the latter can consist of multiple categories of difference overlapping and, therefore, defining position of a person in power structure. As Lassalle and Shaw (2021, p. 2–3) notice, this framework "enabled scholars to acquire a deeper, more nuanced understanding of the combination, rather than the sum, of multiple, inseparable and simultaneously experienced oppressions and identities and of the influence of oppressive structures on individual agency". Originally coined to describe an interconnection between race and gender in lives of black women, later on, intersectionality acknowledged other dimensions such as class, ethnicity, migration, sexual orientation, age, and disability as crucial in forming life experiences of individuals (Lassalle & Shaw, 2021; Romero & Valdez, 2016; Werbner, 2013).

However, Werbner (2013) underlines exaggerated focus of intersectionality on structures of oppression and discrimination called by Hill-Collins (1991) a "matrix of domination". Therefore, the scholar calls for distinguishing between intersectionality, on the one hand, and multiple identities research, on the other hand, which focuses on positive aspects of multiple identities (Werbner, 2013). Although the call is well justified, in recent studies, intersectionality seems to be redefined; scholars highlighted positive outcomes of multiple social groups' membership such as contextual legitimacy (Tao et al., 2020), personal empowerment (Croce, 2020; James et al., 2021), access to niche markets (Essers & Benschop, 2009) and to resources from several cultural contexts (Essers & Benschop, 2007), unique social capital, and strong in-group solidarity (Harvey, 2005; James et al., 2021; Wingfield & Taylor, 2016). Thus, intersectionality framework does not anymore exclusively focus on structures of oppression but also on structures of opportunities enabled by multiple groups' membership.

Importantly, even if overlapping minority identities are present, it does not always imply that they affect entrepreneurial activities; Barrett and Vershinina (2017) mention that not all ethnic or immigrant entrepreneurs utilize their ethnic identities in business conduct. To avoid overemphasizing intersectional identities, Anthias (2009) suggests focusing on situational intersecting processes defining positions of individuals in power structure in each given moment. Supporting the idea, Tao et al. (2020) also propose to study when and how multiple identities matter in entrepreneurship rather than approaching them as given, unquestionably relevant facts.

Intersectionality framework has been applied in multiple case studies on minority entrepreneurship. Countries covered by research include Poland (Andrejuk, 2018), the USA (Banerjee, 2019; Harvey, 2005; Valdez, 2016; Vallejo & Canizales, 2016; Wingfield & Taylor, 2016), the UK (Barrett & Vershinina, 2017; Fielden & Davidson, 2012; James et al., 2021; Lassalle & Shaw, 2021; Martinez Dy, 2015; Martinez Dy et al., 2017), Canada (Chiang et al., 2013), Australia (Chiang et al., 2013), the Netherlands (Essers & Benschop, 2007, 2009; Pijpers & Maas, 2014; Tao et al., 2020), Colombia (Granados & Rosli, 2018), and Taiwan (Wing-Fai, 2016). Following the original focus of the framework, intersection of gender with class (e.g. Harvey, 2005), race (e.g. Wingfield & Taylor, 2016), immigrant background (e.g. Chiang et al., 2013), and ethnicity (e.g. Andrejuk, 2018) proved to be one of the most popular focuses of intersectionality investigation. However, new categories of difference such as age (Aydin et al., 2019), religion (Essers & Benschop, 2009), informality (Granados & Rosli, 2018), sexuality (Pijpers & Maas, 2014), location of business operation (Martinez Dy, 2015), and generation of immigrants (Tao et al., 2020) proved to affect business experiences of minorities as well. Finally, all studies applied qualitative research methods such as in-depth interviews (e.g. Andrejuk, 2018), biographical narratives (e.g. Essers & Benschop, 2007), life-story narratives (e.g. Essers & Benschop, 2009), overview of existing studies (e.g. Croce, 2020), and analysis of longitudinal data consisting of archival sources on events (Granados & Rosli, 2018). Noticing the absence of quantitative methods in intersectionality research, Dy and Agwunobi (2019, p. 1735) proposed to apply sequential

mix-methods approach "to obtain more accurate and nuanced pictures of the phenomena under investigation".

Research on minority entrepreneurship significantly benefited from application of intersectionality; the approach assisted in better understanding of barriers to resources, networks, and clientele stemming from memberships in multiple minority groups (Romero & Valdez, 2016). Ram et al. (2017, p. 8) state that "accounting for ethnic relations, racism and discrimination is not sufficient to explain the ways in which migrant entrepreneurs find their way in the markets of the countries of destination. Its intersection with gender and class is central to these experiences". In this respect, intersectional identities of minority entrepreneurs were linked to "survivalist entrepreneurship" based "on the classed, gendered, and racialized experiences of minorities who seek self-employment as a result of discrimination encountered in the labour market" (Romero & Valdez, 2016, p. 1559).

Moreover, together with traditional for intersectionality scholarship categories of race, class, and gender, minority entrepreneurship pointed at new dimensions that matter in business activities of non-dominant groups such as generation of immigrants (Tao et al., 2020), religion (Essers & Benschop, 2009), sexuality (Pijpers & Maas, 2014), age (Aydin et al., 2019), and a business sector (Martinez Dy, 2015). For example, justifying introduction of generation as a significant category of difference, Tao et al. (2020) mention different motivations that first-generation and second-generation immigrants have to engage with entrepreneurship; the former are more motivated by financial reasons while the latter is inspired by status and ambition. Age also proved to be a significant factor while intersecting with gender; with age, women have less labour opportunities, suffer more from career discontinuity, and acquire fewer experience that may help to succeed in entrepreneurship such as management skills (Aydin et al., 2019). However, importance of a sector where a minority enterprise operates can be considered one of the most significant insights enabled by introduction of intersectionality into minority entrepreneurship. Minorities proved to be better received by wide public when they act as representatives of their communities. In other words, they are seen as legitimate when own gendered, ethnicized, or age-specific businesses, for example, a Chinese who runs a tea house (Tao et al., 2020) or a woman who manages a beauty salon (Harvey, 2005). Nevertheless, once they enter predominantly young, white, male business spaces such as Information Technologies, business consulting, or innovative sectors, they struggle to acquire necessary legitimacy (Vorobeva & Dana, 2021). For example, Dy (2015, p. 3) beautifully describes how, despite the general perception of the Internet space as "neutral and meritocratic 'great equalizer'", women remain not accepted as equal economic actors in technology sector. Vorobeva and Dana (2021) demonstrate how stereotypes about Africa as poor, underdeveloped, and backward region makes work of African business consultants in Finland extremely challenging. Thus, the existing prejudice in many ways defines choice of industries among minority entrepreneurs directing them towards low-entry, low-income, and labour-intensive sectors (Harvey, 2005).

3 Vulnerability and Power of Intersectional Entrepreneurial Identities

Originally, intersectionality has paid increased attention to systems of oppression (Werbner, 2013). Indeed, intersectional entrepreneurial identities may act as disempowering depending on a context and time. Vulnerability of minority entrepreneurs may be especially visible in times of crisis; for example, the economic downturn caused by the COVID-19 pandemic proved to reinforce existing inequalities and disproportionally affect minority-owned enterprises putting them at risk of closure (Dua et al., 2020). As it was mentioned above, minorities struggle to acquire necessary legitimacy in their entrepreneurial roles; disassociated from the archetypical image of a white, young, male entrepreneur, minority businesspersons are not accepted as equal economic actors by fellow entrepreneurs, clientele, and authorities (Essers & Benschop, 2007; James et al., 2021; Martinez Dy, 2015; Vallejo & Canizales, 2016; Vorobeva & Dana, 2021). Moreover, as those identities disconnected from the archetype can overlap, it becomes even more difficult to acquire desired legitimacy (James et al., 2021). Essers and Benschop (2009) beautifully exemplify this with the case of Muslim female entrepreneurs in the Netherlands. Their role as entrepreneurs clashes with the general Orientalist discourse depicting Islam as primitive, backward, and violent, and Muslim women as submissive and uneducated, thus, incompatible with the image of open-minded, innovative entrepreneurship. This prejudice causes substantial legitimacy problems for Muslim women entrepreneurs.

Stemming from the above-mentioned exclusion, the main problem that minorities proved to encounter is an unequal access to resources, networks, and skills (Aydin et al., 2019; Fielden & Davidson, 2012; Harvey, 2005; Martinez Dy, 2015; Vallejo & Canizales, 2016). Indeed, all minority-owned enterprises experience barriers in access to loans, credit, and mainstream support; therefore, they have to rely on their families, partners, personal savings, or informal networks (Fielden & Davidson, 2012; Harvey, 2005; Vallejo & Canizales, 2016; Wing-Fai, 2016; Wingfield & Taylor, 2016). However, even within a family unit, women still seem to remain disadvantaged; Valdez (2016) mentions that wives more frequently offer their free labour to entrepreneurial husbands than the other way around. Moreover, due to various constraints, generation of human capital for minority entrepreneurs is hampered; for instance, female, migrant, and senior entrepreneurs and especially female migrant senior entrepreneurs appear to be limited in acquiring business and management skills due to overlapping types of discrimination, gendered and cultural norms (Aydin et al., 2019). The overlap of various forms of discrimination has been grasped with the terms “gendered agism” (Aydin et al., 2019) and “gendered racism” (Harvey, 2005) that represent intersectional phenomena in their nature. Indeed, sexism, racism, agism, and other forms of discrimination are parts of entrepreneurial experiences of minorities as noticed by Chiang et al. (2013). Racism in entrepreneurship leads to emergence of peculiar coping strategies; for example, Martinez Dy (2015) mentions that Black and Asian entrepreneurs often implement the so-called

whitewashing, hiding their real ethnic or racial identity from consumers in order to comply with the ideal entrepreneurial type and appeal to wider clientele. Thus, ethnicity in entrepreneurship can act as disempowering as it may signal that products belong to a niche market, to the category of gendered, racialized, or ethnized produce (Essers & Benschop, 2009; Martinez Dy et al., 2017).

However, pointing at diversity of courses of constraints, Andrejuk (2018) mentions that barriers can originate not only from mainstream community but also from social groups an individual belongs to. Utilizing the example of indigenous women entrepreneurs, Croce (2020) highlights that these businesswomen experience violence not only from the wide public but also from their own community. Essers and Benschop (2007) also mention that when female immigrants westernize, they experience pressure from their ethnic fellows who do not see them as appropriate women anymore. In short, it appears to be true that multiple memberships entail a necessity to deal with multiple barriers, follow multiple norms, and comply with expectations from multiple social groups simultaneously which puts entrepreneurs with intersectional identities under increased pressure.

At the same time, intersectional identities can also result in empowerment. Indeed, recent studies explored positive outcomes of intersectional identities for minority entrepreneurship. This contribution is significant; it helps to move away from focus on oppression towards more balanced and nuanced understanding of intersectionality in lives of women, migrants, seniors, and other minority groups. First of all, intersectional identities allow understanding of needs of specific social groups, and, therefore, result in recognizing niche markets. For instance, Essers and Benschop (2009) show that Muslim female entrepreneurs are aware of reluctance of Muslim women to receive certain services from males such as driving lessons, which creates business opportunities for Muslim female entrepreneurs. Croce (2020) noticed that entrepreneurship allowed indigenous females achieve better gender equality, financial independence, and personal empowerment. Essers and Benschop (2007) maintain that multiple belonging makes entrepreneurs enjoy benefits embedded in two or several cultural contexts. Finally, shared experiences of marginalization helped minorities to create special solidarity that can be used as substantial social capital (Harvey, 2005; James et al., 2021; Wingfield & Taylor, 2016). In addition, through its uniqueness, intersectional identity can be used as a source of confidence, empowerment, or niche legitimacy; the latter is exemplified by Tao et al. (2020) with the case of Chinese entrepreneurs selling tea in the Netherlands (James et al., 2021).

Along with providing financial well-being and autonomy, entrepreneurship also appears to serve as a place for resistance to discrimination, a platform for social negotiations, or subversion against dependence on a state (Banerjee, 2019; James et al., 2021). Indeed, tightly linked to power, control, progress, and wealth in the public narrative, entrepreneurship has attracted many minorities who long for a more positive self-image, want to acquire legitimacy, bring positive change to their communities or fight negative stereotypes. Essers and Benschop (2007, p. 66) notice that "entrepreneurship may be regarded as an empowerment tool that attributes agency and honour to otherwise marginalized individuals".

Moreover, power minorities acquire through entrepreneurial activities may trickle down to their communities. In fact, bringing positive change or helping others are popular pull factors among minority entrepreneurs; through their businesses they aim at helping members of their communities to escape poverty (Croce, 2020; Vallejo & Canizales, 2016), to earn a living through self-employment (Harvey, 2005), to access education (Wingfield & Taylor, 2016), and to overcome discrimination and inequality (Vallejo & Canizales, 2016; Wingfield & Taylor, 2016). In formation of solidarity, intersections of gender, race, and class proved to play a crucial role; Harvey (2005, p. 801) mentions that "this willingness to help is based on shared experience of racial and gender discrimination but is also characterized by the willingness to reach across class lines to help those less economically privileged". Thus, minority entrepreneurship empowers not only enterprising individuals but also their communities through positive role models, spread of information, and tailored products. Finally, minorities transform existing business environments. They try to deconstruct the myth about a heroic, white, young, male entrepreneur with their own examples of business success (Essers & Benschop, 2007).

4 Concluding Remarks

Applied in numerous empirical studies across the globe, intersectionality made a significant contribution into the discussion on minority entrepreneurship; it provided a more nuanced and complex picture of opportunities and constraints associated with multiple social membership. Intersectional enterprising identities which include non-dominant categories of gender, race, ethnicity, age, religion, sexual orientation, class, and a business sector prove to lead to limited legitimacy of minorities in the market. The dissociation from the archetype of a young, white, male entrepreneur results in refusal to accept minority entrepreneurs as equal economic actors demonstrated not only by mainstream society but also, in some cases, by very members of minority communities. In fact, minority businesspersons often experience intersectional discrimination in the forms of gendered agism or gendered racism which hampers their access to funding, information, networks, and other valuable resources. However, some minority entrepreneurs manage to turn their multiple social membership into a competitive advantage by presenting it as a source of uniqueness and authenticity or by appealing to solidarity with other members of marginalized groups.

Insights from previous studies concerning how intersectional identities function in practice suggest future research to focus on relational and fluid intersecting processes. Special attention should be paid to the questions of when and why combinations of certain axes of difference result in increased empowerment, in one case, or increased vulnerability, in the other. However, what was made clear by previous research is the fact that entrepreneurs with intersectional identities can make not only feasible contributions into economies but also act as crucial agents of positive social change. Thus, support provided to them by relevant authorities may

assist in solving both economic and social issues and deserves being considered as an effective tool in spreading well-being, social cohesion, and equality. Therefore, policy-makers should design tailored support mechanisms for individuals located at the most disempowering intersections of gender, class, and race. Furthermore, minority businesspersons should be encouraged to enter innovative highly profitable industries with the potential for future growth to remove from them the stigma of small niche entrepreneurs. Finally, creation of an inclusive business environment appears to be impossible without deconstruction of the archetypical image of an entrepreneur which requires more complex, systemic, and creative practical solutions.

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Ekaterina Vorobeva is a doctoral candidate at the Bremen International Graduate School of Social Sciences and an EU researcher at the Research Centre for East European Studies, the University of Bremen. She previously worked in several research projects on forced migration, international migration, and migrant entrepreneurship in Finland and Malta. Ekaterina co-authored scientific articles and book chapters published by International Migration, SAGE Business Cases, GeoJournal, British Journal of Middle Eastern Studies, Palgrave Macmillan, the University of Turku, and the University of Dhaka.