

Immigrant entrepreneurs: overcoming sociocultural barriers to employment

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Abstract

Large qualitative studies amongst entrepreneurs are unusual. The ELIE (Employability: learning through international entrepreneurship) project ran in four EU countries, sampling 198 immigrant entrepreneurs & 250 international students using participatory action research approaches. ELIE reported its findings to its funders, EACEA LLP Erasmus, in October 2012. A follow-on project, ELIEMENTAL, funded by EACEA LLP Leonardo da Vinci develops the work of ELIE further, exploring socio-cultural barriers to enterprise and their mitigation through community-based education and mentoring.

A significant proportion of participants in ELIE felt forced into entrepreneurship when suitable employment opportunities were not available. Many were nevertheless successful entrepreneurs but we found their enterprise decision making constrained by sociocultural factors that appeared to also have the potential to act as barriers preventing people taking up entrepreneurship. Work with international students found similar sociocultural barriers acting as a strong disincentive to entrepreneurial intent. We concluded that invisible barriers could prevent a new venture starting, limit enterprise amongst disadvantaged social groups to marginal ventures that often fail to deliver a living wage or severely limit the expansion opportunities of an existing business venture. This correlates with the work of Jayawarna et al., 2007; Rouse, 2004; Meager et al., 2003, MacDonald, 2006. Furthermore, we found that such barriers acted on at least an equal basis to structural barriers to entrepreneurship.

This paper will present key findings of the ELIE project and discuss the roles of entrepreneurial socialisation (as a form of social learning), types of network affiliation and social capital as barriers / enablers for enterprise. It will present initial findings from ELIEMENTAL, the follow-on project from ELIE, showing how socio-cultural barriers to enterprise are embedded in groups vulnerable to social exclusion. The paper explores theoretical perspectives from Bourdieu (1986) & Granovetter (2005) and discusses the potential for policy changes that can assist in mitigating sociocultural barriers to enterprise.

Introduction

It is well understood that some minority groups and older women are particularly under-represented in small business start-ups; currently women account for only 34.4% of the self-employed in Europe, with rates in some countries far lower than this average; in the UK 30% of self-employed people are women (ONS, 2013). Similarly, some minority ethnic groups, the disabled and socially disadvantaged groups such as the long-term unemployed are significantly less likely than average to either be employed or self-employed. However, the potential for entrepreneurship to; 'Reduce unemployment and resolve the problematic employment situation of women and young people in the ethnic segment, but also reduces social exclusion and raise living standards' (Levent et al, 2003, p. 28) is well recognised. It is also widely accepted that 'Entrepreneurship creates value in society...disproportionate to its role within the economy' (Sarasvathy, 2004: 708). Work on barriers to entrepreneurship often addresses structural obstacles; access to capital, institutionalised racism or lack of childcare etc (Klapper, 2004; Kanninen & Poutvaara, 2007). There has been much research focussed on barriers caused by poor business infrastructure, or the bureaucracy involved in setting up and running a business (Georgiou, 2010, Kanninen and Poutvaara, 2007; Waldinger et al, 2009 amongst many others). Social and cultural barriers to entrepreneurship have been less studied, although Liao and Sohmen, (2001 and Rivera-Vazquez et al, (2009) are examples of good practice in exploring this area. Indeed, it might be considered that there are structural barriers to researching socio-cultural barriers to entrepreneurship, with the topic requiring detailed qualitative research which is more time consuming and costly than working with some of the large data-sets available for analysing structural issues in entrepreneurship such as access to capital, and with qualitative research less common in management schools than quantitative (Doz, 2011).

Structural barriers require policy and practice changes but this may be of limited relevance in supporting underrepresented groups into entrepreneurship if socio-cultural barriers are not also addressed. The EU-funded ELIE project found socio-cultural barriers to entrepreneurship hindered or delayed some people in starting up their businesses, or held them in marginal businesses, but also noted that many entrepreneurs within our study had found ways to overcome socio-cultural barriers to entrepreneurship and had made a success of their business. One of the surprising factors was the universality of experience

amongst the ELIE participants, who came from over fifty different countries of origin and were based in the UK, Poland, Finland and Greece.

What is an entrepreneur?

While definitions of entrepreneurship have taken the notion of risk as the central characteristic of an entrepreneur (Cantillon, c.1755; Mill, 1848, Weber, 1905, 1922). The work of Schumpeter (1954) was significant in highlighting the role of innovation in entrepreneurship. Some influential research has supported the 'Schumpeter effect' whereby entrepreneurship helps in reducing unemployment through self-employment and the creation of new jobs (Audretsch & Thurik, 2001; Thurik et al, 2008), a model which is attractive to governments looking to reduce the cost of unemployment and to help their economies towards sustainable growth. This model has led to the availability in many countries of government subsidies for the unemployed who wish to start a business. Shane (2009) posits that this type of encouragement for entrepreneurship is bad public policy, arguing that many such businesses are simply wage-substitution, and not a vehicle for economic growth; governments should focus on developing strategies for identifying and supporting high-growth start-ups (Shane, 2009). This argument is perhaps somewhat simplistic, as sustainable wage substitution may be an excellent outcome for a person who has previously been long-term unemployed or who is a migrant with limited networks and language skills (issues which can be seen as socio-cultural barriers to entrepreneurship) and who may have no entitlement to state support. The work of Kay (2009) provides an interesting counterpoint here, as she considers that for women in particular, rather than entrepreneurs being defined as 'extreme innovators and industrialists', the definition should have room for 'someone who specialises in taking judgemental decisions about the coordination of scarce resources' (Kay, 2009, p. 124). This definition is useful when considering the role of entrepreneurship amongst immigrants and also in marginalised social groups particularly because the capacity to take judgemental decisions and act upon them appears to be a key factor for overcoming socio-cultural barriers to entrepreneurship.

Denis (2004) presents evidence that new businesses of any sort are an important element of economic growth, a view supported by Benneworth (2004) and Lazear (2005); although Lazear would not accept self-employment as entrepreneurship, a stance that is probably

reinforced by the nature of the sample he uses in his work (graduates of a prestigious US business school) and the quantitative methodology he uses, which does not allow for an exploration of the wider social picture. Nevertheless, self-employment may be innovative for the individual or for a particular community or social group and it is also important to remember that socialisation can make some people more comfortable with notions of risk, while other social groups may be culturally risk-averse, which in itself may make self-employment more or less likely for some social groups over others no matter what structural support for entrepreneurship is available.

Oviatt and Phillips McDougall (2005) provide a useful definition of international entrepreneurship that was adopted by the ELIE project, stating that the 'the discovery, enactment, evaluation and exploitation of opportunities across national borders to create future goods and services' encapsulated the concept (Oviatt and McDougall, 2005:30). Within the ELIE project participants were largely entrepreneurs in a country not of their birth. However some entrepreneurs whose business crossed international boundaries were included as were a small sample of people whose initial business continued in the country of their birth but who had migrated and then expanded into a new country.

Entrepreneurs and Public Policy

Despite the somewhat conflicting evidence base regarding the potential of entrepreneurship to provide economic development the World Bank cites entrepreneurship as important to the development of 'dynamic private sector growth' and they note that the decline in new business creation has been sharpest within advanced industrialised economies who have experienced the financial crisis more deeply and quickly than some less advanced economies (World Bank, 2010). However, encouraging people into entrepreneurship is not necessarily a straightforward process and many business start-ups may end in failure unless facilitating factors or barriers to entrepreneurship are properly identified in their wider social context, and measures or resources to facilitate take-up of entrepreneurship opportunities are put into place (Audet, 2004; 2009).

Within the EU a range of initiatives from the Small Business Act for Europe (2008), awards for enterprise promotion, funding for projects, networks, and regional development grants

linked to enterprise are part of a toolkit of approaches that are designed to foster enterprise.¹ The identification and remission of structural barriers has been the focus of policy initiatives; both in the US and the EU. However, despite attention paid to the removal of structural barriers SME start-ups remain heavily concentrated in certain social groups and numbers of start-ups remain depressed (European Commission, 2012 <http://tinyurl.com/73se9ob>). Furthermore, enterprise start-ups that are marginal, that is those businesses that are not of sufficient quality or where there is inadequate demand, may fail to provide a living income and are often unsustainable as an enterprise in the longer term (Audet, 2009; Kirk & Bolevics, 2006). Certainly the relationship between entrepreneurship, immigration, unemployment and economic growth is complex (Audretsch, Carree and Thurik, 2002) a factor reflected in the contrasting findings of a number of large-scale quantitative studies on this issue.² An important problem with much work on entrepreneurship, unemployment and economic growth though is the tendency to 'neglect ongoing structures of social relations' (Granovetter, 1985, p.481) which in turn may impact on the ways in which policy solutions are developed and applied, and which may lie at the root of the poor performance of many policy interventions. These factors suggest that there are wider issues than structural barriers to entrepreneurship and that until these are identified and addressed with due regard given to the wider social structures in which entrepreneurship fits then the broader economic benefits of entrepreneurship are unlikely to be realised.

Overview of the ELIE Project (Methods and Sample)

The ELIE (Employability: Learning through International Entrepreneurship) Project used participatory action research approaches together with qualitative research methods to explore the lived experiences of immigrant entrepreneurs from four EU countries with

¹ The rationale for the Small Business Act for Europe was to help address structural barriers to enterprise. Structural Barriers would include such issues as start-up or expansion funding, bureaucracy and infrastructure; problems that often require significant capital or legislative input to resolve them.

² Audretsch et al (2002) usefully summarise key papers noting there is evidence to support the contention that income choice is a key impetus for entrepreneurship (Blanchflower and Meyer, 1994) and evidence that the unemployed are not well-equipped to start-up a new business and that income-choice is not a key driver for entrepreneurial activity and that therefore periods of high unemployment are periods of low entrepreneurial growth (Jovanovic, 1982; Audretsch, 1995) and while some studies suggest that entrepreneurial activity reduces unemployment through providing employment (Pfeiffer and Reize, 2000) other work suggests that new businesses make very little contribution to the pool of available employment opportunities (Geroski, 1995)

more than 50 countries of origin. The entrepreneurs within the ELIE project arrived in their destination countries between 1960 and 2010, with the reasons for migration including education, marriage, fleeing war or persecution, economic migration and joining family. The ELIE project interviewed 198 entrepreneurs across four countries and developed 40 representative case studies and conducted eight interactive workshops with immigrant and indigenous entrepreneurs and students in higher education, to explore social attitudes towards enterprise. The reason for working with students was to enable the project team to understand what factors would encourage graduates to employ themselves, an issue of particular importance in a global environment where youth unemployment is rapidly increasing and young people (aged under 24) are the social group least likely to start a business (Schoof, 2006), while the workshops with indigenous and international entrepreneurs enabled the project team to develop themes that emerged from the 198 interviews in greater depth and to allow additional triangulation of responses with the extant literature and across the four countries taking part in the study.

Our strategy was to move beyond interviews and focus groups with the ELIE project in order to explore the lived experience of immigrant entrepreneurs from their own perspectives. We therefore devised an action research strategy that incorporated the principles developed by Mclsaac (1996) and Sussman (1983). The project team took an iterative approach to data collection and analysis, using a plan, action, observe reflect cycle that could be revised and repeated, and augmented this by reflecting with a number of our participants (most particularly with Dr A, Dr S, Ms H, Mr H and Mr N) on our findings and approaches and developing our analysis accordingly. We also included immigrant entrepreneurs as full research partners (Arcady Khotin, in Finland) and within project advisory groups. A range of methods were used, including knowledge cafes and interactive Ketso-based workshops, feedback from participants. A constant review and reflection on process allowed us to focus upon areas of interest significant to understanding how entrepreneurs can be successful in developing a business in a new social and cultural setting as well as providing insights into some social and cultural barriers to entrepreneurship.

The interviewing stage of the ELIE project uncovered clear trends in the entrepreneurial life-courses of participants that have enabled distinct routes into entrepreneurship and

prevalent categories of international entrepreneurship to be identified and developed into the ELIE taxonomy of international entrepreneurship. There was significant commonality in the socio-cultural factors that promote or hinder immigrant entrepreneurship across the study, coupled with substantial variation in the structural factors (e.g., bureaucracy, availability of training, and access to start-up funding) in each partner country that might be expected to encourage or limit entrepreneurship.

ELIE Taxonomy of International Entrepreneurship

Our initial research plan included applying existing taxonomies of entrepreneurship to the ELIE project.³ However, there were difficulties in applying these structures to our sample. For example, models concerned with motivations for business start-up tended to have a minimum of seven characteristics (see for example Scheinberg and MacMillan, 1988 and Birley and Westhead, 1994), many of which were not evidenced as discrete motivations in our qualitative findings. There were similar problems with existing taxonomies of entrepreneurial type. For example, the excellent work of Manimala (1996) divided entrepreneurs into two groups; high and low innovation with a total of thirteen sub-types between groups. The sub-types identified by Manimala are useful in thinking about all entrepreneurs but the thrust of Manimala's taxonomy was too generic for the patterns of entrepreneurship found across the four countries of ELIE and a limitation of Manimala's work was that too many of the ELIE entrepreneurs would fall into the 'non-pioneer niche-holder' category which did not do justice to their diversity and difference of experience.

The ELIE taxonomy of international entrepreneurship identified five routes into entrepreneurship: the reluctant (necessity), work-life balance, positive choice, investment and better opportunities routes. Of these the reluctant and better opportunities routes were the most common amongst our sample. These routes into entrepreneurship may be common across all samples of entrepreneurs, although this will need additional research. We then established eight typologies of enterprise amongst our sample of immigrant entrepreneurs; portfolio, social, creative, language, knowledge, skilled, ethnic and web-

³ Taxonomies of entrepreneurship are a feature of work by Scheinberg and MacMillan (1988) Dubini (1988) Blais and Toulouse (1990) Birley and Westhead (1994) Manimala (1996) amongst others

enabled.⁴ The ELIE taxonomy of International Entrepreneurship enabled common characteristics in motivation, attitudes and values amongst our sample to be identified. For example, many of our participants were reluctant to be identified as entrepreneurs, but those in the positive choice route readily self-identified as entrepreneurs. Some of the key features we identified that were common to those immigrants who had overcome socio-cultural barriers to entrepreneurship included the place and role of support structures which people used to enable them to manage effectively across cultural divides, the place of experiential enterprise education (as a form of socialisation for entrepreneurship), the differing types of impetus for entrepreneurship and personal explanations for success or failure all within the social context of migrants who were not necessarily well-embedded into their new community.

Detailed Project Findings

While there are many policy lessons to be learned from the ELIE study with regard to promoting immigrant entrepreneurship, working with immigrant entrepreneurs provided valuable information about overcoming social and cultural barriers to entrepreneurship that can be more widely applied to increasing employability and self-employability skills amongst disadvantaged social groups and to the development of new paradigms in enterprise education (Johansen, 2010; Kirk & Belovics, 2006). Our findings also made clear how theoretical perspectives from sociology can be applied in practice with Granovetter's work on embeddedness of particular importance and the work of Bourdieu also relevant to the development of enterprise education and providing effective support in overcoming social and cultural barriers to enterprise. This section will focus on the three most significant social and cultural barriers to entrepreneurship identified within the project; capital, entrepreneurial identity and reluctance to start an enterprise (lack of self-efficacy). Of these, capital is, on the face of it, is a structural impediment to enterprise, and thus is perhaps a surprising addition here but the project found social constructs of money and capital were important barriers to enterprise. Western capitalism has developed through the use of money as a means of exchange, and since industrialisation money has become one of the basic building blocks of western society (Cross, 1993; Sonnenberg, 2008) with the notion

⁴ The detailed taxonomy of entrepreneurship can be viewed on www.elie-project.eu

that investment of capital is one of the primary means of self and social improvement being deeply embedded in social discourses (Bailey, 1987) and so it should not be surprising that these discourses in turn impact upon the ways in which people conceptualise themselves as actors in the economic structures of wider society, including as potential or actual entrepreneurs.

Capital

Interestingly, given the focus on overcoming structural barriers to entrepreneurship within public policy, particularly on the provision of start-up capital, an emphasis that has been strengthened on as a result of the economic crisis, a key feature of the ELIE interviews and case studies was the great majority of the entrepreneurs did not need capital to start up or needed only very small amounts of capital that they were able to access relatively easily from savings, disposable income or targeted start-up grants for migrants. Overwhelmingly the biggest capital investment was on time. This was mainly spent on developing contacts with time to spend working on the idea also important; here it needs to be noted that the ability of an entrepreneur to identify that they had a skill or knowledge that they could turn to enterprise was as important as possessing the skill in the first place, many of the ELIE entrepreneurial life-courses tell of a moment of skill recognition that could be exploited entrepreneurially. One such was the ability to provide English Christmas Puddings (and other typically English home-cooked products) in Finland, where these are unusual, which was tied to the embeddedness of this entrepreneur in local networks which assisted him in recognising that there was a demand. Another similar case was that of Miss H who as a schoolgirl in the UK in an ethnically diverse setting realised that her skill at traditional Mehndi artist and at freehand drawing could be combined to provide body art for her friends to adorn themselves on nights out; this became a successful business that supported her well through university and which she hoped to franchise on leaving university in order to benefit more effectively from the increasing popularity of body art amongst women. Many of our entrepreneurs had started businesses that needed contacts, the synthesis of ideas and time to develop the idea fully, all of which required social and intellectual capital rather than access to money.

The other capital requirement that was commonly needed was space. The project team categorised many of our entrepreneurs as initially being 'spare-room start-ups', and this is an element that can in fact be equated in some cases to financial investment. Individuals who did not have space in their home to accommodate their embryonic business would need access to capital to buy or rent access space, suggesting that this is a structural problem. The common policy solution to the space issue is business incubators, but there are problems with accessing these for many socially disadvantaged groups that militate against their effectiveness, such as the need for a settled address, deposit, ability to negotiate paperwork or authority-figures. In the few ELIE cases where substantial capital investment was required we found family or other networks were the most common source of this funding, for example one Lithuanian entrepreneur who had purchased an English pub, borrowed money from compatriots at 15% interest rather than approaching a bank because he had not lived in the UK for long enough to get access to an official loan. In fact, banks and financial institutions were not often used as a source of start-up capital except in a few cases, all of whom had been living in their new country for significant numbers of years. This is an important finding, as it shows that again social capital is critically important. Overall though the experience of ELIE entrepreneurs highlighted a common misconception; that all entrepreneurs need significant economic capital to start up. In fact, this misconception was so strong amongst the student group that it amounted to a barrier to entrepreneurship; they saw economic capital as so central to entrepreneurship (largely due to accepting media stereotypes of entrepreneurship) and were so unaware of the significance of cultural and social capital as facilitators for enterprise that they often discounted enterprise as a graduate option because of the perceived need for significant capital.

Entrepreneurial Identity

Questions about the nature of entrepreneurship led to an important theme emerging across all four countries. When asked to describe characteristics of an entrepreneur there was significant reference to cultural stereotypes, often based upon television shows like 'Dragon's Den', 'the Apprentice' (and their Polish, Greek and Finnish equivalent) or celebrated tycoons such as Richard Branson, Rupert Murdoch, Theo Paphitis, Bill Gates and so on. These people were described as 'heroes', 'driven', 'workaholics', 'leaders',

‘visionaries’, ‘innovators’, ‘creative’ and ‘business -minded’. However, in many cases rather than being seen as potential role models the descriptions and narratives of entrepreneurship that developed during interviews and workshops acted as a barrier to entrepreneurship to varying degrees.

For students it was the case that the popular narratives of entrepreneurship suggested that significant amounts of capital or technical capability were needed in order to establish a business and that these were perhaps the preserve of older people. This led to discussions of how employment was a necessary precursor to entrepreneurship in order to gain experience and become credit-worthy. While such a perspective might not be surprising in undergraduates from the arts and social sciences, in fact even amongst students from business studies such perceptions were reasonably common and acted as a barrier to enterprise. Entrepreneurs were ‘not like us’ was the message. What was more surprising was that these cultural stereotypes were present amongst the 198 entrepreneurs too, and were surprisingly strong amongst those whose route into entrepreneurship placed them in the ‘reluctant’ category of the ELIE taxonomy (whatever their business typology), and those whose business typology was ‘cultural’ (whatever their route into entrepreneurship).⁵ These ELIE participants were in many cases almost ‘anti’ entrepreneur. They saw the typical entrepreneur as ‘not like me’ (Mrs E), ‘greedy men, I don’t want to be like that’ (Mr H), ‘I would never want to denigrate others’ (Miss H). It was very noticeable that this group self-identified as anything other than an entrepreneur. They described their business activity as consultant (Mrs G) who emphasized that she was not an entrepreneur, musician (Mr H), graphic designer (Miss H), busy mum and carer (Mrs L, whose business involved working with young people at risk of self-harm) and manager (Mrs E) though the respective businesses associated with these descriptions were all more than five years old, and all with significant numbers of clients and three of these examples also employed other people (Mrs L employed three non-family members, while Mrs E employed more than fifty staff). These and many other participants were clear that the popular understanding of an entrepreneur was not something they found particularly attractive. This finding has recently been replicated in two quantitative studies, one across thirteen countries with 2500 participants

⁵ Cultural businesses in the ELIE project included those based upon music, art, crafts, the culture of the country of origin, see www.elie-project.eu for full details in the ELIE project taxonomy of international entrepreneurship.

(Harding, 2013; Marlow et al, 2013) and is particularly significant in preventing women from considering entrepreneurship. What was also of interest here was that for those in creative/cultural businesses the dislike of the notion of entrepreneurship was closely linked to a tendency to think about their business activities in a short-term way, they saw being engaged in business as something that was temporary. Indeed, as one said, 'I'm doing this until my big break [as a performer] comes along', when the supplementary question, 'what will you be doing when your break arrives' was posed he was stumped, eventually suggesting that in fact he would probably still be doing many of the things that currently constituted running his business (organising and promoting events for himself and others). Certainly there is a risk amongst this group that opportunities for growth will not be recognised or planned for, or even that long-term survival of a fundamentally sound business model will be jeopardised through reluctance to self-identify as an entrepreneur.

Reluctant (Necessity driven) entrepreneurs

This group of entrepreneurs were particularly interesting. Within our sample reluctant entrepreneurs were found in every business typology and in all four countries. However, these were generally not people running marginal businesses; in many cases they had sustained a reasonably prosperous business, some over decades, they employed other people, and expanded their business, were able to support their family well and would be considered a success in their community. There were some noticeable common characteristics amongst this group. Firstly where reluctant entrepreneurs were successful they were well educated (a form of capital gained through investment) and often had been successful in their country of origin, although in all cases as an employee. This group included teachers, nurses, doctors, lawyers and midwives as well as skilled craftspeople; needlework, art and design, hairdressing and car / motorbike mechanics. In all cases on arriving in their new country they had expected to find employment suitable to their skills and experience, but this had not materialised. The need to support themselves provided the impetus for entrepreneurship and a wide range of businesses, often unrelated to the training and experience of the individual was undertaken, such as a teacher opening wholesale specialist food business or the telecoms engineer establishing a restaurant. In all these cases education provided the skill to gain relevant knowledge to open a business outside the individuals initial area of competence. So the telecoms engineer realised he

needed to learn from experts and set out to find willing restaurateurs and an accountant who could help him gain new skills and the teacher made use of extensive contacts in her home country to source imports for the business and expertise on what to stock while her ability to synthesise new information enabled her to negotiate health and safety regulations and undertake relevant training. Whilst these participants did not set out to be entrepreneurs, and in some cases they strongly resented having to abandon a cherished profession, once that decision had been taken they had a bank of knowledge that helped them to succeed. Often they knew they could be entrepreneurial because growing up they had seen other family members running a business, a parent or close relative, and this provided experiential learning. Others had no family members to provide informal enterprise education but were able to make their own opportunities to learn about enterprise because they were accustomed to finding things out, to researching. This group were excellent at making very strenuous efforts to learn the language of their new country, and then at making use of their research skills to synthesise knowledge from a range of sources; their investment in education paid dividends in allowing them to transfer their skills from one setting to another. They also networked effectively, building up contacts in their new area of interest and often making links between their new country and old, making use of many social connections to help provide a foundation for enterprise. However, having not wanted to be an entrepreneur did impact on business decisions; as Mrs E (founder and owner of a business employing around 50 staff) said, 'I had to give up my ambitions to be a lawyer for this, I'm not doing more. I could go online and grow the company but I won't, if my boys take over the business then they can worry about expanding, but I want them to be professionals, running this is not what I want for them.' Her two older sons were at university doing law and accountancy; she expected her younger son to follow his older brothers and enter a profession.

Entrepreneurs, Embeddedness and Social Capital

What is clear from the lived experiences of the ELIE entrepreneurs is that entrepreneurship does not necessarily require economic capital, there does not need to be an individual who self-identifies as an entrepreneur in order for enterprise to take place, and successful and businesses can be established by people who are driven by necessity and would prefer to be doing something else. Of course, within ELIE there were entrepreneurs with access to

economic capital who started highly technological businesses; a significant proportion of participants who had always planned to start a business took part in the project, there were those who had multiple start-ups (including several with PhDs); all of these people confidently asserted their identity as entrepreneurs. Interestingly, for those with several start-ups it was clear that the experience of failure provided essential education in the process of entrepreneurship, which in fact both Dr A and Mr M were able to reflect upon as an important learning experience. However, what the ELIE project showed is that entrepreneurship requires people who either know (because of entrepreneurial socialisation or formal enterprise education), or who can find out (through the ability to synthesise ideas and information) that entrepreneurship is a social process that succeeds or fails within a wider social context. Starting a business requires access to networks (social capital), access to information (which equates to knowledge as a form of capital) and often for our immigrant entrepreneurs, the ability to spot how best to make use of cultural capital (Bourdieu, 1986).

The relationship between economic growth and enterprise is complex, but so too is the social structure economic activity (Granovetter, 1985). The work of Granovetter (1983, 1985, 2005) is particularly useful in understanding how the social process of entrepreneurship can work even where there are social and cultural barriers that act to prevent or limit the capacity of individuals or social groups to become entrepreneurial. The significance of embeddedness (Granovetter, 1985) is recognised within entrepreneurship (Uzzi, 1997; Dacin et al 1999; Kalantaridis and Bika, 2006) as a significant factor in whether an enterprise is sustainable within its social setting. It has been observed that the place an individual inhabits within a social network can inhibit or facilitate their entrepreneurship as a result of the ways in which information is channelled through a network (Aldrich and Zimmer, 1986), which links back to Granovetter (1983) and Burt (1992) on strong and weak ties within communities.

There are communities that are particularly at risk of falling into long-term unemployment or of moving frequently between unemployment and low-wage, insecure employment. These include older people (over 50), young people (under 24), the disabled, single parents, ex-offenders and some minority ethnic groups. These groups are keen to return to work,

seeing work as beneficial in terms of income, self-esteem and social relationships (Clasen, Gould and Vincent et al, 1997) but face a range of barriers to employment, both structural and socio-cultural, with the most disadvantaged social groups those most at risk of long-term unemployment also those most likely to be facing significant levels of prejudice in and isolation from wider society within their country. These are the very groups whose social networks are often restricted, albeit with strong ties, which as Granovetter (1983) notes may have benefits and problems, 'Weak ties provide people with access to information and resources beyond those available in their own social circle; but strong ties have greater motivation to be of assistance and are typically more easily available.' (Granovetter, 1983, p.209). Over-embeddedness, that is being part of a community with very strong ties may also have disadvantages in terms of entrepreneurship, for your network may very well only have access to the same information as you, and thus an individual may not learn of opportunities that exist (Uzzi 1997).

The success of the ELIE 'Reluctant Entrepreneurs' group appears in part to derive from their ability to manage to develop a level of social embeddedness within their new community and to both build networks and to understand how these networks fit into the wider social picture, often bridging a diaspora community and a more culturally diverse social environment, whilst often also remaining embedded within a network of strong familial and weak (often education based) ties in their home country. As Jack and Anderson (2002) observed, this process of becoming embedded within a community goes beyond 'simply developing social networks' and requires 'understanding the nature of the structure' in order to facilitate 'developing credibility and acquiring knowledge of how business is conducted' (Jack and Anderson, 2002, p.468), and it is here that areas of commonality across the ELIE 'reluctant entrepreneurs' can provide the glimpse of a solution to issues of developing a new focus for enterprise education.

Within the ELIE project we found that social and cultural barriers to entrepreneurship were in many cases similar to the barriers faced by socially vulnerable groups in finding sustained employment that provided a living wage. However, the difficulty of living on government benefits has effectively led to the development of moral economies within such communities. Informal entrepreneurship exists amongst those communities under-

represented in business start-ups, although this is difficult to measure because of its informal nature this may be worth as much as £200bn per year in the UK (Dellot, 2012, p.10). The social constructs of their community will have facilitated the actions of informal entrepreneurs as social relationships and cultural values (shared) dominate economic transactions. For socially marginalised groups the informal economy provides an example of entrepreneurship more readily accessible than the media stereotypes that so alienated many of the ELIE project participants and tends to fit the experience of entrepreneurship lived by ELIE participants, as being something that takes time and networks. As Granovetter noted; 'Not all innovations arise from the social inner circle. Indeed, the socially marginal may at times be best placed to break away from established practice' (Granovetter, 2005, p.45), a point reiterated in the work of Dellot (2012). It may be the case that informal enterprise is sufficiently well-embedded in some of the social groups under-represented in new start-ups that providing targeted enterprise education that focusses on soft skills related to building networks of weak ties, that provides role models recognisable as being from within the target community and makes available space and time for people to safely try out enterprise will help in overcoming social and cultural barriers to enterprise that clearly exist. Preliminary quantitative work with socially marginalised groups in the follow-on project from ELIE provide statistically relevant data supporting the notion that entrepreneurship is goal-directed behaviour and that, like the 'reluctant entrepreneurs', given a goal and an understanding of the route to the goal (in this case accessible enterprise education about the process of entrepreneurship) it is possible that social and cultural barriers to enterprise can be overcome. Of course, we will have to await the final results of ELIEMENTAL in 2015 in order to evaluate whether this is in fact the case.

Conclusion

The ELIE project developed a detailed qualitative account of motivations, methods and impacts of immigrant entrepreneurship, finding significant economic gains in destination countries for individual entrepreneurs and noted (although did not quantify) economic benefits within communities where immigrant businesses were based, including providing employment opportunities for others, business-to-business trade and increasing the diversity of the local economy. Work on social and cultural barriers to entrepreneurship, based upon the findings of the ELIE project now continues with our new project, Eliemental;

building on the elements of ELIE but is already showing promise both in identifying the nature and extent of social and cultural barriers and in working in community settings with local co-researchers in order to place enterprise education into relevant social contexts for marginalised social groups.

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