

# The Immigrant's Business Plan

## “IBP – The Immigrant's Business Plan”

Guidelines for the coaching of  
company founders of minority  
ethnic groups

A compilation of good practices  
and inspiring ideas



Education and Culture DG

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# The Immigrant's Business Plan



## Table of contents

### INTRODUCTION (team training)

#### CROSS CUTTING ISSUES

1. EU-policies with regards to entrepreneurship of migrants and people from ethnic minorities (Kerstin)
2. Access to finances on EU-level (Kerstin)

#### THE COACH - CAPACITIES, COMPETENCES, EXPERTISE

3. Why does an ethnic minority business founder need special advice? Checklist for the coach (Nostos)
4. The coach's individual attitude with regards to prejudice / acceptance of minority ethnic groups (Kerstin)
5. Dealing with cultural difference, gender issues and "other" issues (housing, education) (team training)
6. Dealing with language issues (Initial)
7. Business Plan: (subtopic 1 Welcome / diagnoses) (Béatrice)
8. Business Plan: (subtopic 2) (Béatrice)
9. Business Plan: (subtopic 3) (Béatrice)
10. Marketing, market analysis (Rekval)
11. Support for the ongoing business project (Nostos)

#### THE ETHNIC MINORITY BUSINESS FOUNDER - CAPACITIES, COMPETENCES, EXPERTISE

12. Why does a ethnic minority business founder need special advice? Checklist for the founder (nostos)
13. Recognition of ethnic minority entrepreneurship: neighbourhood renewal and regeneration (e.g. Neighbourhood management) (Cédric)
14. Education / Training: addressing limited business, management and marketing skills (Rekval)
15. Communication (Cédric)
16. (Non)-recognition of Qualifications (Cédric)
17. Financing: access to capital (Initial)
18. Discrimination and Racism (Rekval)
19. Preventing an overabundance of low-skill businesses (Initial)

# The Immigrant's Business Plan

## Introduction

Ethnic economy has increased in most European countries. More and more service companies are being founded by unemployed members of minority ethnic groups. Bi-nationality seems to be an additional qualification, a door opener and an economic factor. For many members of minority ethnic groups being self-employed is the only way out of poverty and unemployment and a key to integration through the process of work. Look at the mobile-phone shops, the night-shops, the small shops offering local supplies, the cafés, IT companies, travel agencies...

Ethnic economy creates new potential and economic power as well as new apprenticeship training positions and jobs. In the light of self-exploitation and exploitation of the family networks, however, there is a growing demand of expertise and coaching for the founders and the members of their families.

Seven organisations from five different European countries (Germany, France, Belgium, Greece, and Czech Republic) have been co-operating in the project "IBP - The Immigrant's Business Plan" from 2009 to 2011 in order to develop guidelines for the coaching of company founders of minority ethnic backgrounds. The project "The Immigrant's Business Plan" created a space for exchange of experiences and cooperation. EU added value was obtained from including different aspects concerning the project topic from the participating countries. The present guideline is meant to facilitate the tasks of VET counsellors and coaches, trainers, business start-up advisors, practitioners and professionals in the field of integration into the job market of speeding up, professionalising, and making their target groups' business foundation projects more efficient and successful.

Furthermore business founders will profit through becoming aware of entrepreneurial competences, and service offers in their country as well as improving their professional development. They will intensify their reflections on their situation and develop a perspective on the job market and their own business.

The guidelines are available in the form of a web-based tool, in English as well as in the languages of the partner countries. You can use it easily through the clickable directory. All partners wrote contributions to share information and expertise from their own work – ranging from EU policy to very practical advice on e.g. how to set up a business plan. The diversity of the partnership and its national working approaches is vividly shown in the various areas of work we have covered and which we would like to share with colleagues, institutions, and prospective business founders all over Europe.

# The Immigrant's Business Plan

## The project partners

**ttg team training GmbH** offers vocational training, job services, consulting and coaching for different target groups and general further education in the south-west of Germany. Participants include men and women, job seekers, migrants, founders of new businesses and employees from regional companies. Trainers, consultants and employees of other adult education providers also participate in activities and projects carried out by team training. In addition, team training offers consulting for companies in order to develop their vocational training programme.

The Belgium partner **EU WAREHOUSE** deals -among other- with educational and vocational training issues on European level and provides information, counselling, and training with regards to EU policies and EU strategy management. EU WAREHOUSE has in-depth knowledge of EU financial instruments, EU projects, the development of EU networks and training of management personnel, social and youth workers, know-how management; transfer and distribution of best practice and the dissemination of results.

**REKVAL** company from Czech republic provides customers with services aimed at increasing the professional and personal development through education and counseling. It offers services in the field of: preparation and implementation of training programmes for selected target groups; implementation of accredited training programmes for public administration workers, teachers and social sphere; counselling in the form of balance diagnostics; guidance in analysing and developing educational needs, etc.

**ITG** is a consulting company which employs 2500 people in France. Due to the fact that many companies or organisations are acting all around the world anytime, they need an external help within the company, e.g. human research, training, coaching, technical help, engineering, accounting, bookkeeping, communication. ITG brings an individualised help to any kind of client, giving the right solution to the right problem. Most of the network partners of ITG are companies, universities, training centres, NGOs, public organisation.

**Ekpospo NOSTOS** is a Greek NGO against social exclusion and unemployment, and was established to tackle, in an organised and efficient manner, the serious social and economic issues that repatriates from the former U.S.S.R. faced during their mass return to Greece after the collapse of the Soviet regime; the experience and the know-how acquired was utilized to expand their activities to other socially vulnerable groups always aiming at alleviating social exclusion and unemployment; has been accredited by EKEPIS as a SupportServicesProviderCenter.

For many years, the «**Sud Concept**» co-op company has been making training, social & professional insertion in Corsica, France. On behalf of the State, communities, associations or companies, Sud Concept works on everybody's

# The Immigrant's Business Plan

(initial) training and learning. The company also provides information, guidance, evaluation and assessment measures.

**Initial e.V.** is a German non profit organisation and offers adult and vocational education: language courses, education and training of persons with health problems, reintegration trainings for long term unemployed persons, for parents (mostly women) who want to rejoin the labour market. Initial e.V. has an expertise in working with persons with problems of addiction and persons who have undiagnosed psychological problems.

# The Immigrant's Business Plan

## CROSS CUTTING ISSUES

### 1. EU-policies with regards to entrepreneurship of migrants and people from ethnic minorities

Aspects of fostering entrepreneurship for migrants and people from ethnic minorities can be found in various strands of EU-policies, e.g.:

#### **Directorate Education and Culture – vocational training, education, key competences:**

The support measures and policy initiatives aim at enhancing creativity and innovation, including entrepreneurship, at all levels of education and training, being long-term strategic objectives in EU education and training. Target groups of lifelong learning are not only migrant groups in the broadest sense, but also teachers, counselors and coaches. "Sense of initiative and entrepreneurship" is considered as one of the [key competences](#) ([European framework for key competences in lifelong learning](#)). It refers to an individual's ability to turn ideas into action. It includes creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives. It is a foundation for more specific skills and knowledge needed by those establishing or contributing to social or commercial activity.

#### **Directorate Enterprise and Industry – SME and access to finance:**

The support measures and policy initiatives aim at small and medium-sized enterprises in order to help migrant entrepreneurs and ethnic minority entrepreneurs to overcome difficulties which might prevent them from starting and growing businesses in Europe. Many of the problems faced by ethnic entrepreneurs are considered **the same as for all small businesses in general**. Access to finance and to support services, language barriers, limited business, management and marketing skills as well as over-concentration in low entry threshold activities have been identified as specific barriers for this group. The DG ENTR supports awareness raising in the Member States, improving the access to finance and the exchange of best practice.

### Good practices / ideas / remarks

DG EDUC: [Strategy Framework](#), [VET](#), [Adult Learning](#), [CEDEFOP](#);

DG ENTR: [promoting entrepreneurship for migrants](#), [documents](#).

# The Immigrant's Business Plan

## 2. Access to finances on EU-level

Financing for SME available on EU-level aims mainly at supporting structures in the Member States. (Ethnic) entrepreneurs are not funded directly but through grants and loans administered through banks, facilities and agencies etc. on national, regional and local level. The European Social fund and other EU funds can support the promotion of entrepreneurship, business start-ups and self-employment. Financial engineering can provide the missing link between financial markets and small entrepreneurs. The ESF, the ERDF-funded Joint Action to Support Micro-finance institutions in Europe (JASMINE) and the recently created European Progress Microfinance Facility can help individuals get out of unemployment and social exclusion by setting up business or becoming self-employed.

### Good practices / ideas / remarks

#### Progress Microfinance

Progress Microfinance aims to increase access to finance for individuals who have lost or are at risk of losing their job or have difficulties entering or re-entering the labour market. It also targets disadvantaged individuals, including people at risk of social exclusion. It will also support micro-enterprises.

#### ERDF

The ERDF (the largest EU financial instrument for SMEs) - supports small firms through co-financing activities in a wide range of areas. The programmes are managed and implemented by the Member States.

#### JASMINE

The JASMINE Initiative acts as a doorstep to potential funding at a second stage under EIF-managed microfinance mandates.

#### JEREMIE

JEREMIE offers the opportunity to use part of EU Structural Funds to finance small and medium-sized enterprises (SMEs) by means of equity, loans or guarantees, through a revolving Holding Fund acting as an umbrella fund.

#### Leonardo da Vinci

Individual training, mobility or cooperation between training organisations European-wide.

More examples for access to finance on **intermediary level**:

- [EU finance for SME](#);
- [Venture Capital](#)
- [EIF – European Investments Funds](#)
- [Practical support for entrepreneurs](#)
- [Practical Guide Doing Business in Europe](#)

# The Immigrant's Business Plan

## THE COACH - CAPACITIES, COMPETENCES, EXPERTISE: Training, attitudes, self-concept etc.

### 3. Why does an ethnic minority business founder need special advice?

Simply because he/she is not a member of the culturally dominant group! Being a migrant usually means that he/she is carrying a different cultural identity than the dominant one. Findings of social research have shown that multi-cultural society doesn't necessarily mean that the different cultures are treated as equal. It is more than possible that the cultures varying from the dominant one are perceived as inferior. In the everyday blending where social interaction substantiates, cultural inferiority is turned into social exclusion. Consequently, some members of ethnic groups may not be fully integrated in the host society. In that case they are considered "socially vulnerable".

Out of principle but also in order to ensure social cohesion, European societies have dedicated themselves in combating social exclusion by implementing (and paying for) policies against it. These policies address social vulnerability as a feature of social exclusion, sometimes inherent in some social groups in relation to their cultural identity.

Having run services for supporting vulnerable groups' entrepreneurship, NGO NOSTOS many years of experience evidences that the main reason that an ethnic minority business founder asks for the advice of the coach is that he/she needs support in decision-making.

#### Good practices / ideas / remarks

Coaches should keep in mind that decision-making is a difficult task, especially for persons that turn towards opening a business out of necessity, sometimes not fully realizing the implications or "how the market works". Both experience and literature show that immigrant business founders need advice and also support. So, check: Does the future business founder

- feel confident enough with his/her future venture?
- have all the necessary information on legal and other matters?
- have the social/key skills and competencies required for his/her type of business?
- understand the functioning of the market?

And, most important: remember to use your empathy skills!

# The Immigrant's Business Plan

## 4. The coach's individual attitude with regards to prejudice and acceptance of minority ethnic groups

The task of advising and supporting people with their new businesses can have a crucial impact to their survival and / or success. The "classic" coaches will usually give advice on behalf of mainstream business organisations. Working with people from minority ethnic groups might not only require many of the existing skills of the coach, but also an understanding and awareness of culture and gender-related issues. Especially one's own individual views and attitudes might play an important role in the coaching process with the target group.

**Example:** The 2009 survey «How tolerant are Belgians towards ethnic minorities?» tried to measure the degree of tolerance of the Belgian population - that is to say, tolerance specifically towards ethnicity. The survey showed that Belgians do not attribute very positive characteristics to minority ethnic groups. Ethnic minorities are considered to be neither well civilized, nor uncivilized, nor tolerant, nor intolerant etc.. The Turks e.g. are definitely considered to be lazier by workers, Flemish and less qualified people. Maghreb people are also considered to be lazier by workers and Flemish. Sub-Sahara Africans are seen as being more lazy by the over 55's and less qualified people. As far as the other characteristics are concerned, same trends are visible.

### Good practices / ideas / remarks

To reach more future entrepreneurs with ethnic background coaches do not only need a specific awareness with regards to their needs like access to finance and to support services, language barriers, limited business, management and marketing skills etc. – it would be very helpful to raise awareness/get training on being more aware of one's own individual view and attitudes and how to overcome or handle those issues better within the coaching process.

# The Immigrant's Business Plan

## 5. Dealing with cultural difference, gender issues and "other" issues

Coaches deal with different persons and due to this with diversity challenges and opportunities. Their target groups include people from different cultures, men and women, younger and older people, handicapped persons,...

All people are different in many ways, including different ways of looking at things, different ways of behaviour or different ways of expressing themselves. These differences can cause problems interpreting what the other person is doing or what he/she wants to do and what kind of support he or she needs.

The concept behind this idea is called diversity management: to conceive human diversity as something positive which includes high potential for the development of the society.

*Example:* Taking into consideration the increase of the occupation of women generally and their better education, furthermore their proportion among business founders is very low. This has numerous reasons, among other things:

- lower support by the partner (female business founders have no "wife" at home),
- lower own start capital (mainly among mothers because the occupation is interrupted)
- potentially less relations/networks (for same reason) and
- more critical judgement by banks.

### Good practices / ideas / remarks

Discriminatory practices often take root from stereotypes, and misinformation. Instead of passing them on and treating clients unfairly, coaches must be aware of diversity and support the clients progressively based on their level of readiness to take on new responsibilities and initiatives. The coach should be open to developing sensitivity to and understanding of how a client's world view is shaped by culture, ethnicity, age, and gender. Mutual respect and openness to other perspectives can generate new ideas and allows, ideally, a change of consciousness.

The coach can try to find out with the client which of his/her resources have not been used (to their optimum). The both protagonists try to develop alternatives and figure out which is the best way to proceed for the client, by anticipating benefits and pitfalls of the possible solutions.

# The Immigrant's Business Plan

## 6. Dealing with language issues

Language acquisition is managed differently in the differing EU countries. In all countries, the opportunity to learn the native language is made available, but of differing quality. As an entrepreneur, language proficiency is important for a number of reasons:

**Financing:** In order to establish business financing, assistance from various financial institutions may be necessary. Personal contact, whereby all parties understand each other is of utmost importance. Translators are rarely used.

**Information:** Brochures about financial aid, seminars etc. are usually only available in the national language, rarely in English. The entrepreneur should take advantage of the available opportunities for financial help.

**Contact with clients:** Depending on the business, the amount of interaction with the local residents varies. It is possible to only have clients from the businessman's country of origin, especially in specialized markets. However, access to the entire market is advisable to establish a successful business. Therefore, a proficiency of the native language is very important. In addition, trust between the client and businessman is easier to establish when both parties understand each other, especially in businesses where cash is involved.

**Administrative tasks:** Each country has its own rules and regulations, which must be understood and obeyed. Usually, these are also only available in the national language. Contact with the various administrative institutions also take place in the national language. Many tasks can be handled through personal contact and, especially in complicated situations, language competence is very important.

### Good practices / ideas / remarks

The coach must emphasize the importance of language acquisition as the foundation for a successful business. The coach must also be informed and provide information about the local conditions and economics regarding language learning, knowing the funding situation, possible coverage of costs and locations for learning. Along with learning the language, the entrepreneurs should familiarize themselves with regional customs. Addresses and local contacts should be made readily available to the client. The coach must have updated comprehensive information; otherwise a professional consultation is pointless. The importance of language acquisition is essential.

# The Immigrant's Business Plan

## 7. Business Plan subtopic 1: Project presentation and market survey

This step will help in making a diagnosis by checking the holder/project consistency.

Firstly, the business founder should :

- define his own project
- analyze the economical project constraints and requirements while ensuring that these obstacles can be exceeded
- check that there is no contradiction between both projects (personal and economical)
- assess deviations and possible corrective actions.

Secondly, it is essential to know and understand the project location by conducting a market survey.

This crucial step allows not only a thorough analysis of customers and of competition but also a setting up of prices for products and services. This aims at defining the business potential.

### **Examples:**

From concept to completion, business founding may be difficult for a migrant. The obstacles most frequently identified are:

- social, cultural and language barriers
- latent discriminatory behaviors
- difficult access to bank loans.

### **Good practices / ideas / remarks**

A migrant business founder should therefore overcome all the mentioned obstacles to launch his business: he should be prepared to receiving help when needed and breaking out of isolation. In other words, he should rely on his family and friends to support him/her and also be aware of the existing support structures in the host country.

Many business founders do not understand the market survey (added) value hence still do not conduct it. Market survey does not guarantee complete success but helps in minimizing risks while improving the business surroundings knowledge. Thereby it helps in taking adequate decisions: "I know my business environment, I am then able to decide".

# The Immigrant's Business Plan

## 8. Business Plan subtopic 2: Financial and legal packaging

This second step deals with market analysis and forecasts business financial establishment. To do so, the business founder should :

- change the information collected from the previous steps into financial idiom,
- check the business viability by projecting those pieces of information over a period of three years.

Then the appropriate legal and fiscal status should be selected. This step allows the business legal framework establishment: from now on, the project will exist legally.

### Examples:

The easiest way for the business founder to make choices for his company would be:

- for each business activity (purchasing, prospecting, selling, ...), to answer the following questions : how? with which resources? with whom?
- to synthesize all the needed resources within a table and change them into financial costs
- to collect and compile into a register all the undertaken actions for the project achievement.

Given these data, the financial forecast plan should answer 4 key questions:

1. Which will be the main compulsory funds needed to launch the project?
2. Will the business activity efficiently generate enough money to cover all the expenses related to human, financial and materiel resources?
3. Will the income generated throughout the year by the company enable the business founder to cope with the ongoing expenses ?
4. What is the minimum amount of products or service the business founder should sell during the first activity year to cope with, at least, all his/her business expenses ?

### Good practices / ideas / remarks

Via his future business, an entrepreneur legitimately wish fulfillment and integration into the host country. Entrepreneurial success depends on the combination of various human, structural and environmental factors. For this technical step, business founders should seek some SUPPORT from a professional in the business sector.

To get support may sound difficult in a foreign country. One should contact the administrative bodies implanted in the area, *id est* local authorities, chambers of commerce, national representants, etc.

# The Immigrant's Business Plan

## 9. Business Plan subtopic 3: project reminder

After launching the business, the following third step will give information on developing management tools and on dealing with all the administrative work. During the first months of his new business, the migrant business founder should :

- discover and become familiar with his new business surroundings : market and environment,
- establish the means and procedures enabling him to supervise his business administrative and commercial effectiveness.
- 

### **Examples:**

Thereby, several actions should be implemented:

- development and implementation of marketing activities
- deal with tax and social deadlines : be aware of local tax rules for business and be able to deal with them
- establishment of a register.

### Good practices / ideas / remarks

To become successful, business depends a lot on management practices from the very beginning and throughout its lifetime.

The new entrepreneur should rely on professionals able to help him/her in acquiring the fundamental and compulsory business management rules to become independent at the soonest.

He may be supported by a professional in the business sector : an accountant, a public or a private specific organization. The new entrepreneur should also seek for help among his family and/or friends as well as count on his professional network to get, for example, some advice from an entrepreneur working in the same economic field.

# The Immigrant's Business Plan

## 10. Marketing, market analysis

Marketing and market analysis represent one of the necessary steps that every coach and his/her clients have to go through. Marketing strategy is an inseparable part of every business plan. Regarding most clients, the coach can assume certain knowledge of rules and processes on the market in a particular country. In case of an entrepreneur of a different ethnic origin, however, it is necessary to pay more attention to what the clients themselves consider "natural" or "automatic".

For a person coming from a different environment it might be more difficult to analyze the market in the environment in which this person has been living only shortly. That is why every coach, while working with this target group, has to take into account that they require a specific approach. An example of this might be price strategy, especially so-called negotiated prices. These are typical for market places and bazaars, however, in some countries – among them European ones (for example Italy) – we can encounter them also in brick-and-mortar stores and chain stores. Contrary to this, in other European countries this way of trading is impossible. Not knowing the situation in a given country might cause choosing an improper marketing strategy.

### Good practices / ideas / remarks

If the coach uses a certain checklist while working on a marketing strategy with his/her clients, he/she should not ask questions directly from this checklist. To get the answers, he/she had better use an open discussion. This usually is a more suitable tool while working with this target group since it does not exert pressure on a starting entrepreneur. On the other hand, it gives the coach a possibility to reveal that his/her client possibly does not understand the situation in the given environment. It is essential that the coach makes sure that the client has understood everything correctly.

# The Immigrant's Business Plan

## 11. Support for the ongoing business project

For reasons explained in previous chapters various services all over Europe provide support for immigrants that plan to start a business. This support is based mainly on coaching procedures that are usually "tailor-made", that is targeting the clients specific needs, as they result from his/her needs diagnosis and assessment. Through experience and time the procedure of answering to these needs has been more or less typified. It has acquired the form of a practice that consists of modules or steps that lead the way towards supporting the immigrant (a) to decide whether she/he will go on with starting up a business and (b) to proceed with the practical –but also personal–arrangements necessary for starting up a business.

The practice presented shortly herein is based on the counseling approach. Its main feature is the relationship between coach and client; through it both parties contribute towards the objective set in the beginning of the relationship, which is in our case the decision-making procedure that the client must follow in order to start-up a business. A longer version of the practice is available [SUSANNE, CAN WE LINK TO THE SITE??](#)

### Good practices / ideas / remarks

The "long term counseling process" with potential immigrant entrepreneurs is an approach that aims at supporting and empowering immigrants interested in starting up a business.

The process consists of a step-by-step procedure organized by a Social Support or Employment Service in order to help the recipient/ immigrant (a) reflect on his/her business idea (b) explore the financial, economic and cultural aspects of the business environment and (c) reach a decision and/or form a business plan.

The practice aims at enabling the potential businessman/woman to make informed choices, to reach his/her own decisions and to make effective plans.

# The Immigrant's Business Plan

## THE ETHNIC MINORITY BUSINESS FOUNDER -

### Capacities, Competences, Expertise

#### 12. Why does an ethnic minority business founder need special advice?

The person that anticipates to open up a business in a country different from the one of his/her origin may apply for help, support and information to services all over Europe that exist for this purpose. In such a service a counselor will be appointed to you and he/she will act as your "coach" while you prepare your business venture or while you just consider options in order to make up your mind and reach a decision.

As mentioned all over this guide, the main "tool" towards finalizing your decision but also towards planning how your business will work is the Business Plan.

#### Good practices / ideas / remarks

You will have a business plan when you are more or less ready to answer the following questions:

- What is my business about?
- Who is going to be my clientele?
- Where will my business be located?
- What is the capital to be invested? What are the resources available?
- What is the everyday cost of the business?
- What is the profit expected? This question also implies that you have considered how the location, the clientele and the product/service you offer are combined. And, consequently, what is my price policy?
- What are the best and worst case scenarios? What are the risk factors and how will they be addressed?
- Who are my rivals? What is their price policy?
- What are the formal requirements for my type of business? Do I meet them?

# The Immigrant's Business Plan

## 13. Recognition of ethnic minority: neighbourhood renewal and regeneration (e.g. Neighbourhood management).

The first rule to start a business is to have a good knowledge of the situation of the environment (city district, "quartiers", ...) you are planning to be.

- Do you want to start your business where other migrants are?
- Do you want to start your business where people selling the same product as you do?
- Do you want to start your business in an area you have no competitors?

All situations met advantages and disadvantages.

### Good practices / ideas / remarks

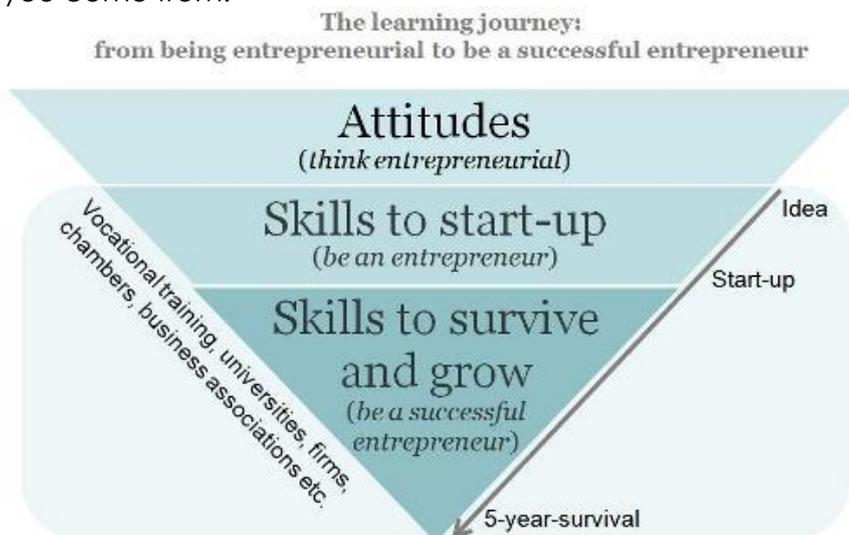
1. If you decide to create your own business in a place, other migrants have already started their business: They might help you (giving you advices) because they already have experienced the situation before you. They will help you to understand local rules, to respond to any legal requirement or any customers tastes... You might there met local associations or local communities willing to help you during the different stages of the creation of your business. Sometime, in such places, your first customers will be people from your community, no pedagogical approach should be requested to sell then your goods. Natives coming there, will be most of the time as well aware about your customs and habits. The main problem then in such place, will be probably a high range of competition. And sometimes, these customers won't have enough money to buy your goods or products.
2. If you decide to create your business in a place no other migrants are, most of the time, you will have to adapt a little bit your way of working to the local customs...  
In case you are planning to start a restaurant, you will have to adapt your food and the way you cook it to the local habits. You will have as well to decorate the place taking into account local requirements. Most of the time, you will need to create a high standard product. Your customers want to meet something exotic, but they require quality and they want to feel safe.

You will always have to ask yourselves, in which way your product is adapted or not to the local requirement, do you respond to a need or do you want to create it?

# The Immigrant's Business Plan

## 14. Education/Training: addressing limited business, management and marketing skills

Every starting entrepreneur needs certain basic training especially in the field of management and marketing skills, at least the rudiments of accounting, communication skills, etc. Generally speaking, these elementary skills are the same for every entrepreneur regardless of the fact what kind of environment you come from.



Still, there is a difference between them in personality qualifications. You as an ethnic minority business founder have to deal with some other difficulties and requirements. One of the most important personality qualifications of a starting entrepreneur is the willingness to learn and adapt to the requirements the market environment imposes on him/her. This is twice as important in case of an entrepreneur of immigrant origin.

### Good practices / ideas / remarks

An example of such difficulties you can encounter is the above-mentioned price strategy. You can automatically set the prices as is common in your home country. However, your price might not correspond with the common price of the given product/service in the new locality. Generally speaking, it is very important for you as a starting entrepreneur of immigrant origin to concentrate during training or counseling especially on confronting your idea of "the right and suitable" with what is considered "right and suitable" in the environment where you want to do business.

Besides training in the field of marketing and management skills and basic knowledge of accounting and law, soft skills are crucial especially for persons coming from a different environment. These are, above all, communication skills and body language, which can differ greatly and which play a significant role during business meetings.

# The Immigrant's Business Plan

## 15. Communication

Whatever the industry in which they work, individuals are often in contact with partners from different backgrounds (customers, suppliers, etc.). If language is a major barrier to communication, behavior more frequently lead to misunderstandings (Varner, 2000).

Dealing with this you will have to think about 3 main points.

- How you want to communicate about your company?
- How should you communicate to people?
- What are the communication skills you might have before starting your business?

### Good practices / ideas / remarks

#### Communication about your company - how to advertise your business

- You can use any written documents such as free newspapers, specialized magazine to market your business
- You can do some mailing, posting documents in box letters,
- You can put some advertisement in any information centers (town hall, other shops, official advertising places, ...)
- Ask for persons who could recommend you to customers
- Don't put too much information on your documents

#### Self presentation and how to succeed in communicating with people

- Don't forget your first media of communication is you...
- Your attitudes, clothes, ... are the first images you give about yourself and your business.
- A "serious" looking" person will ease the business. You should check how your successful competitors are presenting themselves in order to do more or less the same.
- You have to adapt yourself to local requirements and customs and adapt your language to the customers in front of you.

#### Soft skills and requirements responding to your communication

- First of all learn quickly the language of the country you are planning to live in. To be free in the country where you lead your company, you have to speak the language.
- If you are planning to open a shop or a restaurant, don't forget your customers expect something exotic but responding to European habits and customs.
- The way you welcome people should be responding to clients requirements, welcoming works, cleanliness,...

As a conclusion your communication should be exotic but your client needs to feel well and secure...

# The Immigrant's Business Plan

## 16. Recognition of qualification in Europe

The Treaty on European Union makes provision for the free movement of persons in its article number eight. In particular, that freedom of movement is rendered by the right to carry out work as an employee or in a self-employed capacity in countries belonging to the European Union and countries belonging to the European Economic Area.

Exercising that right to freedom of movement is often connected with gaining professional or academic recognition of qualifications obtained in the country of origin or in another European country.

### Professional recognition

The situation with regard to recognition differs depending on whether practice of the profession concerned is regulated in the host State, that is, if practice is conditional upon possession of one or more vocational training qualifications delivered in that State, or whether practice of that profession is not subject to any specific national regulation.

If a profession is not regulated in the host State, approval of qualifications and of professional standards is the remit of the employer.

However, individuals may encounter difficulties in gaining recognition of their professional qualifications at their true value and may find it difficult to find work at a professional level corresponding to their qualifications.

In this event, he or she may appeal to information centers in the host country.

Indeed, in each European country, national information centers associated with the NARIC (National Academic Recognition Information Centers) network or, in some countries, information centers that have been assigned exclusively to provide information on recognition of professional qualifications, are authorized to answer questions and issue accreditation of qualifications.

<http://www.ciep.fr/enic-naricfr/>

### Good practices / ideas / remarks

#### **Example ECVET : Towards a European System of recognition of prior learning...**

ECVET is a European accumulation, capitalization and transfer system elaborated for vocational education and training in Europe. The system attests and registers the learning outcomes of people on a learning pathway leading to a qualification, a certificate or a vocational diploma.

# The Immigrant's Business Plan

It allows for validation and recognition of learning outcomes gained abroad whether in the formal education or vocational training system or in non-formal contexts.

Focused on the individual, it is based on the validation and accumulation of learning outcomes, defined in terms of knowledge, skills and competences required for a qualification.

ECVET has been created to work on a national level and to enable the accumulation and transfer of units.

# The Immigrant's Business Plan

## 17. Financing: Access to Capital

In all European countries many business founders trying to access money without using banks or funds from local, national or European administrations (<http://ec.europa.eu/enterprise/policies/finance>). Seed and start-up funding for small businesses often comes from the entrepreneur, friends, professional contacts and family. Therefore it is important that you as a new business founder have better and deeper knowledge about funding opportunities.

### Good practices / ideas / remarks

#### Business Angels

Business angels (wealthy individuals) are typically interested in firms with potential for rapid growth. Increasingly, business angels are gathering in private or semi-public organisations and networks, which help match up entrepreneurs with potential investors. Most networks operate at a regional or national level. The [European Business Angel Network \(EBAN\)](#) represents the European business angel markets and networks. EBANs goal is to identify and pass along information about successful partnerships to improve the conditions for business angel investment. The [Competitiveness and Innovation framework Programme \(CIP\)](#) allows business angels to develop co-investment funds in partnership with venture capital funds. The funds should focus on seed and start-up financing, and the venture capital fund should act as lead partner.

#### Venture Capital

Strictly defined, venture capital is a subset of private equity. Venture capital is, therefore, professional equity co-invested with the entrepreneur to fund an early-stage (seed and start-up) or expansion venture. Offsetting the high risk the investor takes is the expectation of a higher than average return on the investment. At present, there is no integrated European venture capital market - the regulatory situation varies widely from country to country and the market is fragmented along national lines. The EU is seeking to unify the venture capital market in order to provide innovative small businesses with easier access to financing. To achieve this, it is promoting cross-border venture capital investments.

More information at <http://ec.europa.eu/enterprise/policies/finance/>

# The Immigrant's Business Plan

## 18. Discrimination and Racism

Discrimination and racism, just like the question of prejudice, are very sensitive topics for both the starting entrepreneur and his/her coach. Every business founder encounters a lot of difficult problems and situations during the first stages of his/her enterprise. For an entrepreneur of immigrant origin the situation can be more difficult just because of your different origin – you might encounter manifestations of discrimination and racism from the majority society but also representatives of other minorities. Intolerance between individual generations of the same ethnic minority, for example the one generation of immigrants and newly-arriving members of the same ethnic minority is a frequent phenomenon, too.

### Good practices / ideas / remarks

It is important to remember that despite the fact that we try to treat immigrants and foreigners equally, problems of racism, intolerance and discriminations still persist in some European countries. For example, based on an annual statement of the European Monitoring Center on Racism and Xenophobia (EUCM), the phenomenon of racism and violence in some European countries has been rising in recent years, especially in terms of discrimination on the job market – access of foreigners to the market, and housing – getting apartments for immigrants.

Realize that you might encounter prejudices and manifestations of intolerance as an ethnic minority business founder. It is important to be versed in the laws of the given country – to learn about your rights and duties. In case you encounter manifestations of racism or discrimination, it is important to know where to turn and discuss possibilities in the given situation. Being aware of the possibility of discrimination and racism is a great advantage for an ethnic minority business founder because you will not be taken aback and you will be better prepared for it when you find yourself in such a situation.

# The Immigrant's Business Plan

## 19. Preventing an overabundance of low-skill businesses

To avoid an overabundance of certain low-skill businesses, the coach and client should perform a simple market analysis. Examples from many European countries show that many migrant entrepreneurs do not consider the location before opening a business. This holds especially true for such branches as grocery stores, mobile telephone stores or fast-food restaurants. This can result in an oversaturation of services or products in a very concentrated region.

Many studies have shown that businesses from migrants fail in the first three years. This could be avoided using a simple market analysis, which does not have to be very complicated or scientific. Often a visit to the area where the business should open is enough. Together, the coach and client can gather local contacts and analyze the local situation. Simple questionnaires are also a possibility. Often the local Chamber of Commerce or the Craftsmen's Guild provides analyses and statistics about the successes and failures of specific lines of business. They sometimes provide consulting services.

### Good practices / ideas / remarks

In order to prevent a business failure, moving just a few streets away or to another neighborhood is enough. Alternatively, after a local visit, you may choose to change the products or services provided based on local conditions. Alternatives to the prospective enterprises should be made available. It is important to be prepared with analyses of the region, city or neighborhood regarding the range of products or services available.