The Invisible Factors That Break Socio-cultural Wall
- A qualitative study on immigrant entrepreneurship

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Abstract

Research Purpose: The purpose of this paper is to identify the socio-cultural barriers that self-employed immigrant entrepreneur’s face and the overcoming factors that help them to survive.

Research Questions:

1. What are the socio-cultural barriers that immigrant entrepreneurs face in the context of self-employment?

2. What are the factors that help immigrant entrepreneurs to overcome the socio-cultural barriers?

Methodology: This study is followed by qualitative research and explorative approach. The data collection was done by semi-structured interviews. Ten immigrant entrepreneurs are the convenience sample of our study.

Findings: Language, legislation and lack of trust are the most unfavorable socio-cultural barriers that self-employed immigrant entrepreneurs face in the host country. Result shows that knowing the right information is important for immigrant entrepreneurs. For technology, immigrant entrepreneurs are now learning more about it by themselves. Besides, technology helps them to learn the language faster as it is more convenient than in school. Their previous experience and transnational identity are their biggest strength that helped them to break the socio-cultural wall. Immigrant entrepreneurs are often influenced by the native people in a positive way and that influences drive them to learn new things to overcome those barriers. The co-ethnic networks do not always play a positive role rather this study found that these networks actually play a dual role.

Research Limitations: All of our sample are collected from Sweden, but for language and laws, the result might vary from person to person from different corners of the wall. This study was concerned with the self-employed entrepreneurs; not with the large level of enterprises.

Keywords

Immigrant entrepreneurs, self-employment, socio-cultural barriers, overcoming factors.
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1.0 Introduction

1.1 Background

Let’s think about the life of immigrants, a group of people who face problems to integrate socially and economically in the host countries. It not only makes it hard for them to find a job but also it creates an invisible barrier to get integrated to the society of the host countries. Academically and politically they are often introduced as the rootless people who flew from one city to another or one country to another. Newly arrived immigrants also often don’t get the social services that a native citizen enjoys in a country. In most of the cases they look different, sound different, eat different, have different religious views and overall. To sum up, they often have an entirely different lifestyle from the native fellows. Their life can be really hard. Interestingly, if one of us wants to buy a pizza or kebab from a cart or wants to experience Japanese cuisine or Italian pasta or just wants to buy a mobile top-up card, we might have to deal with the immigrants. With tons of barriers, the question about how they make the decision to become entrepreneurs might arise in your mind.

Immigrant entrepreneurship has become a buzz word in the academic field since different studies found that immigrants are extraordinarily entrepreneurial and contribute a significant role in the economy of the host countries (Fairlie and Lofstrom, 2015; Griffith-EL and Olabisi, 2017). During the last century, the concept of ‘Immigrant entrepreneurship’ was framed just within the stories of local Asian grocery stores in the city center or in any Indian or Greek restaurant in a small town or Chinese electronic repairing centers in a tech area. (Ferrie, J. and Mokyr, J., 1994). But since the last decade, the world is experiencing that immigrant entrepreneurs also have a significant footprint in high-tech or knowledge-intensive industries (Mosbah and Daghrir, 2017). In Silicon Valley, foreign-born immigrants have established their remarkable footprints (Mosbah, and Fathi, 2017; Zhang, Wong, and Ho, 2016). It is relevant to mention here that 16 percent of tech companies in the United States have at least one nonnative founder (Liu et al., 2015). Researchers from various fields have evoked the importance of self-employment of immigrant people (Andersson, and Hammarstedt, 2015).
In contrast to that, Eraydin, Tasan-Kok and Vranken (2010) noted that, societies of the host countries are affected by the immigrants socially, economically, culturally and also in other ways. Immigrants are also neglected socio-culturally and have a common economic barrier like lack of resources or difficulties to fit in the jobs in the host countries (Azmat, 2013). As a result, the sociocultural and economic integration have become two prominent issues of immigrant entrepreneurship (Azmat, 2013, Eraydin, Tasan-Kok and Vranken (2010). But it is true that immigrant entrepreneurs contribute a lot to the development of the host countries by their entrepreneurial activities (Eraydin, Tasan-Kok, and Vranken, 2010)

It raises a curiosity to observe the prevalence of immigrants’ success in the entrepreneurial field and this is because the researchers noted a list of barriers that this group of people had to go through (Fatoki and Patswawairi, 2012). Lack of financial capital is the most common barrier that immigrant entrepreneurs face. Besides, a huge number of unskilled immigrants, lack of their institutional support, networking limitations are also very common barriers to cope up with (Fatoki and Patswawairi, 2012). With all these barriers, immigrants often turn to self-employment by starting small businesses using their socio-cultural resources (Min and Kim, 2018). To simplify, becoming an entrepreneur needs different motivations for every single individual (Verheul et al. 2016). The barriers and pros & cons associated with immigrant entrepreneurship leads us towards finding the reasons behind the enormous entrepreneurial activities of immigrants.

1.2 Problem Discussion

To find the barriers that nonnative people face to become entrepreneurs, we went through several studies.

Andersson and Hammarstedt (2015), and Tavassoli and Tripl (2017) conducted some researches on immigrant entrepreneurship in the context of ethnic communities’ impact. Andersson and Hammarstedt (2015) found that ethnic group’s network is an essential element to push immigrants to start their own businesses, while Tavassoli and Tripl (2017) concluded that Immigrant entrepreneurs can easily receive support from their own ethnic communities. Knight
(2014) studied the language effect on immigrant entrepreneurship, stating that the lack of international language skills is the element which can affect an immigrants’ behavior in entrepreneurship. Lastly, Brzozowski, Cucculelli, and Surdej (2017) conducted a research on the relationship between transnational action and entrepreneurship and concluded that immigrants have a chance to do import and export business because of their low transaction cost, low risk and market-based relations between the mother country and the host country.

However, Eraydin, Tasan-Kok, and Vranken (2010) studied immigrant entrepreneurship with a focus to reveal the positive aspects of economic diversity. In this study, it is noted that immigrant’s role in entrepreneurship is not always connected to their talents and ability but also to their social bondage. The findings of this study concluded with the result that social capital allows immigrants become entrepreneurs in the host countries without owning any expensive dependency to the traditional institutions (Eraydin, Tasan-Kok, and Vranken, 2010). In addition, Canello (2016) studied how legislation and policies affect immigrant entrepreneurship and found that local policy interventions can change the immigrant entrepreneurs’ attitude and influence both the chances of failure and success of migrant entrepreneurs.

Kerr and Kerr (2016) examined survival and development of immigrant entrepreneurial activities. In this study, researchers noted that immigrant entrepreneurship has a role in employment growth, and they suggest to do further research on the factors of motivations and competence of immigrant entrepreneurship in the context of job growth.

Min and Kim (2018) investigated the relationship between self-employed tendency of the immigrants and their educational level. They also found that Asian immigrants of the US now have much less tendency of being self-employed because Asian immigrants are educated enough to have good jobs. But in the 1970s Asian immigrants had much less education and often they had to face so many barriers related with social, cultural, institutional and economic issues and for these reasons they became the self-employed persons (Min and Kim (2018). Min and Kim (2018) finished their studies with a recommendation to the policymakers that when bureaucratic system promotes a positive aspect of immigrant entrepreneurs, they need to understand the barriers of integrating labor market which drives immigrants towards becoming self-employed
persons. But this research did not focus only on this issue; rather it states a gap that needs to be addressed more specifically.

Moreover, Shinnar et al., (2012) examined the perceived cultural barriers and entrepreneurial goals among different nationalities and genders. In this study, researchers suggested to do more researches on topics associated with cultural factors and entrepreneurship among different nationalities. Shinnar et al., (2012) were not able to identify the gap in the context of culture but could find significant differences in the context of gender.

In addition, Botvinick and Braver (2015); (Law, 2016); Leary and Baumeiste (2017) discussed the motivational factors that work behind immigrants’ entrepreneurial journey but did not address well the driven factors that help immigrants to overcome the social and cultural barriers. Specially there is lack of study in immigrant entrepreneurship area in the context of self-employment where Fatoki and Patswawairi (2012) recommended that the associated factors related to the barriers of immigrant entrepreneurship need to be addressed more.

After considering all the factors discussed above, we understand that there are so many sociocultural factors that immigrants have to go through in their entrepreneurial journey. Additionally, the social and legal factors are more crucial in the beginning of their entrepreneurial activities. Some studies recommended that the sociocultural barriers of immigrant entrepreneurial activities increase the necessity to study more for self-employment. Some previous studies noted that immigrants’ tendency for being self-employed used to get hindered by the barriers that needed to be addressed earlier. Lastly, some barriers are associated with the culture that immigrants of the host countries face. So, we consider that socio-cultural barriers that immigrants face in the context of self-employment needed to be studied further. Also, the factors that helped them to overcome those barriers needed to be addressed.

1.3 Research Purpose

The purpose of this study was to identify the socio-cultural barriers that immigrants face in the way of becoming self-employed persons and also to identify the driven factors that help them to overcome those barriers.
1.4 Research Question

1. What are the socio-cultural barriers that immigrant entrepreneurs face in the context of self-employment?

2. What are the factors that help immigrant entrepreneurs to overcome the socio-cultural barriers?

1.5 Research Delimitation

We investigated the socio-cultural barriers of immigrant entrepreneurs, so the economic related issues are not discussed in a detailed manner in our paper. Moreover, the study is focused on immigrant entrepreneurs in general; any kind of demographic classification and investigation is not our purpose. In addition, we investigated into the factors that help foreign born entrepreneurs become self-employed persons; no independent motivational factors are discussed in our paper. Lastly, we focused on identifying socio-cultural barriers and overcoming factors but not the inter-relation of those elements.

1.6 Outline of the Study

Our paper has seven parts which is given in 'Figure 1'. In the beginning, we have discussed the background of the research with a problem discussion. The first part ends with a research question that is formed by considering the gaps in previous studies. The next part or chapter two begins with the theories that are relevant to discuss before data collection. All the theories are relevant to the topic and we have tried to select the most recent works to illustrate our literature review. In chapter three, the methodology part, where we have described how we are going to collect and select our data for necessary findings. In the conducting pretest and interviews, we have added three more chapters named ‘Findings’, ‘Analysis’ and ‘Conclusion’.

**Figure 1**: Proposed outline of our paper.
2.0 literature Review

In this chapter, we review the existing literatures from different journals to explore the motivational factors of immigrant entrepreneurs.

2.1 Immigrant Entrepreneurship

An Entrepreneur is considered to be an individual who works with the motivation to create a product or a service with innovation (Barringer and Ireland, 2015) or can change people’s activities in this regard (Dana, 2007). And immigrant self-employment has gradually become an indigenous and significant part of economy and immigrant entrepreneurship has become an important factor while studying the local economy (Jones, Ram and Villares-Varela, 2018 and Dana, 2007).

Nevertheless, people have different concerns on the issues of immigrants (Jones, Ram and Villares-Varela, 2018). For example, Jones, Ram and Villares-Varela (2018) defined immigrant entrepreneurs as people who are immigrants and are not only borne abroad but also, they are the children or grandchildren of these people. However other researchers have different explanations on the range of immigrants, for example, while doing research work on immigrant entrepreneurs, Shinnar and Young (2008) defined immigrant entrepreneurs as people who are self-employed and were born in any foreign country, not including immigrants’ children. After reviewing various view point on ‘immigrant entrepreneurs”, we consider employing Shinnar and Young’ (2008) definition in our research.

2.2 Self-employment

Any person who runs a business with task autonomy and task variety can be considered self-employer (Solano 2016). Furthermore, the self-employers have less need to adapt to the work routines and coworkers (Johansson Sevä et al., 2015), and their payment depends directly upon the profits derived from the services and goods (Schölin, Broomé and Ohlsson, 2016). Similarly, the researchers of economics defined self-employment as an action where one own tax, social
security contributions and insurances, health and safety and their income is a mixture of work rewards, private capital returns and entrepreneurship payback (Black, Myles and Hashimzade, 2017).

However, compared to general entrepreneur, the self-employment is commonly considered has lower wage level, and no or very few employees (Jones, Ram and Villares-Varela, 2018). Sometimes self-employment refers to something ‘replicative’ that predominantly accelerates local demand and population, and this shows that self-employment may has very little innovation (Faggio and Silva, 2014).

When researchers study immigrant, self-employment is a common topic (Dana, 2007). In the early decades of the last century some European researchers used the phrase ‘self-employment’ while studying immigrants doing their own businesses and this is because at that time immigrant ethnic groups belonged to the lower socioeconomic segment (Dana, Thornton 2007). And in the US, self-employment is closely related to the result of unemployment among immigrant groups (Falco and Haywood, 2016) and in the host countries which is normally found in small businesses such as in variety stores, grocery stores and eating and drinking places (Shinnar and Young, 2008).

The immigrants, especially the first-generation immigrants have fewer opportunities in the labor market, then they tend to commit to self-employment for a living, and in this situation the immigrants will start a small business with only families involved or even without any employees (Johansson Sevâ et al., 2015). In one study, Solano (2016) found that most immigrant entrepreneurs do not often have business partners or employees, and among those who have employees, they normally have less than 3.

2.3 Socio-cultural Barriers

Barrier is defined as a force or material of obstruction or external defense or stockade that will hinder the advancements of a person or an object or prevent access to some areas (Curl and Wilson, 2015). It also indicates a natural formation or structure that stops or prevents a movement or an action (Merriam-webster.com, 2019).
And culture is defined as the shared values, beliefs and practices of the people within a certain group, existing in form of visible aspects that the way people act, the way they act with each other and what they expect from others. (Hernández-Mogollon et al., 2010). Moreover, ‘socio-cultural’ is a word that was first used in 1926, involving factors that combine social and cultural (Merriam-webster.com, 2019). It is not easy to identify socio-cultural factors in entrepreneurship research (Thornton, Ribeiro-Soriano and Urbano, 2011). Thornton, Ribeiro-Soriano and Urbano (2011) thought that some factors such as family, work, politics, religion, leisure or recreational activities and neighborhoods all are included in this field and they also specifically state that social capital, social network, politics, technology and religion are also socio-cultural factors that will influence entrepreneurship.

Thornton, Ribeiro-Soriano and Urbano (2011) also stated that entrepreneurship is both a social and cultural process; meaning socio-cultural factors are highly related to the creation of a new business. In some studies, it was found that the socio-cultural barriers become issues when immigrants try to integrate in the host countries. For example, Wang and Collins (2015) found that barriers such as language, cultural unfamiliarity and migrant-specific challenges prevent immigrants from fulfilling their basic social needs or high levels of emotions and also to get involved in their new circumstances, so that they tend to be closer to their familiar spaces instead of entering a new circle. Cultural barriers including linguistic distance and religious distance cannot easily be taken away by well-designed policies as the culture is hard to change and those barriers play a crucial role on immigrants’ decision of which country to immigrate into, what kind of jobs to pursue etc (Belot and Ederveen, 2011). Adjusting to a different culture is one of the biggest costs immigrants will ever face after settling down in another country (Belot and Ederveen, 2011).

2.4.1 Language

In the latest research, language is considered to be an important subject in the area immigrant entrepreneurs (Gomez et al., 2015; Solano, 2016). On one hand, language could be a barrier for immigrants to find a job in host country and so that they would rather start a business on their own, on the other hand the linguistic skill can be a driving factor for the immigrants to start entrepreneurship as well (Canello, 2016). Dannecker and Cakir (2016) also mentioned that
immigrant makes the decision to become an entrepreneur when they face the discrimination in the job market because of their language barriers in the host country.

Limited knowledge of language is one of the constraints for the immigrants for a successful entry to the job market of the host country, and as such it is a push element for some immigrants to start up their own business (Gomez et al., 2015). Knight (2014) has the same opinion that some entrepreneurs choose to start self-employment due to the lack of language skills which are essential to find a job in the host country. Solano (2016) states that inadequate language skills influence the matching process among immigrants’ skills and resources and also influence opportunities offered by the markets. Not only in their country of destination, language skills sometimes help them to do business with other foreign countries as well, for example an immigrant entrepreneur who knows English well, can make deals with any other company which can communicate in English (Solano, 2016).

However, language skills can also help immigrant entrepreneurs in two aspects. One of these is by helping them work with their ethnic groups (Solano, 2016; Gomez et al., 2015). For example, immigrant entrepreneurs can easily get help from their own ethnic groups and thus they can do business with their co-nationals (Solano, 2016). Another aspect is to help them in the transnational business as they know more than one language which a driving force for immigrants is to start a cross-border activity (Solano, 2016; Gomez et al., 2015). Solano (2016) also found that knowing more than one language is an important aspect for immigrants to start a self-employed transnational business. Some immigrants have already developed their language skills before starting entrepreneurship, which helped them to find opportunities easily to start and operate a transnational business between host country and their mother country (Solano, 2016).

**2.4.2 Legislation**

Smith and Ibrahim (2012) noted entrepreneurs have to deal with legislations subjects like barriers to entry, business laws or debt laws, taxation system, ownership transfer, minimum wealth declaration etc. Their study discussed that legislation is often a critical subject to deal with in terms of immigrant entrepreneurship. As a result, some nations like the United States have to reduce the legal barriers for foreign born entrepreneurs. Smith and Ibrahim (2012)
mentioned ‘burdensome’ and ‘redundant’ regulations are most frequent barriers that entrepreneurs often face. So, we found along with entry barriers there are other legislative issues that are often considered as barrier.

Studies about the motivation and barriers for immigrants to become entrepreneurs in early 20th century focus more on the cultural and religious factors, but later research starts to consider external factors of the host country as one of the motivations as well Canello, 2016). In the late 1990s, ‘mixed embeddedness approach’ which states that a broader framework focusing on social, economic and institutional contexts is necessary to be considered to get a comprehensive understanding of immigrant entrepreneurship (Dana, 2007). Researchers also found that the same ethnic groups have different attitudes to become entrepreneurs in different countries, and the host environment is the reason for the differences (Canello, 2016). For example, ‘Mixed embeddedness approach’ contend that immigrant group’s level of participation in entrepreneurship not only results from inner motivation but also results from institutional framework which is of obvious significance in shaping the opportunities for immigrants (Dana, 2007; Lassalle, 2018). Place-based policy interventions in the host country can change the immigrant entrepreneurs’ attitude and increase the chances of success of migrant entrepreneurs (Canello, 2016), and can also affect the incentives and opportunities of immigrants to make a decision to become entrepreneurs (Dana, 2007). The institutional frame of host countries includes labor market policies, immigration laws, social benefits rights, banking system and legal factors (Canello, 2016), welfare regimes (Dana, 2007). In the late part of last century, European countries with more and more immigrants realized that immigrant entrepreneur is an important part of the economy and changed both immigration and self-employment policy to encourage immigrant self-employment as (Dana, 2007). This ‘change’ of the policies are taking place because the existing relations are firmly designed for native entrepreneurs rather than immigrant entrepreneurs which can be considered as a gap or barrier (Dana, 2007).

Some of those policies are positive measures that can help immigrants easily to get financial capital or reduce linguistic and regulatory barriers (Canello, 2016), which will help or hinder immigrants in setting up a business, and guarantees for loans, and by less strict regulation (Dana, 2007). For example, Germany acknowledged for the first time that it is an immigration country and developed labor market policy, industrialism, financial measures to support entrepreneurial
activities (Dana, 2007). At the beginning of this century, countries with many immigrants paid more attention to the immigrant group to enhance the economic structure, and some local support measures have been conducted to support certain group (such as female immigrants) to become an entrepreneur (Dana, 2007).

However, there are some cases showing that strict policy in host countries has restricted immigrants to become entrepreneurs, for example in the last century, some European countries had policies that allow a small portion of immigrant to become self-employed (Dana, 2007). Another example is that welfare state of some host countries with high level of welfare benefits and wages motivates immigrants to find a job instead of starting their own business because as employees they can already live a stable life in host countries (Dana, 2007).

### 2.4.3 Lack of Trust

Besides language skills and cultural knowledge, the lack of trust of locals is also a big problem for immigrants to be entrepreneurs, and this challenge is highly related to their entrepreneurship performance because most of the immigrants not only target their own ethnic group but also consider the local residents as their customers (Aaltonen and Akola, 2012). Therefore, immigrant entrepreneurs generally regard trust of local people as an essential tackle when they start their business in host country (Aaltonen and Akola, 2012). Aaltonen and Akola (2012) also found that in the environment where there is a lack of collective and institutional trust, the personal trust becomes important between businesses and between the start-ups and customers.

Also, the trust is related to the capital immigrant entrepreneurs can get from the host country (Adler and Kwon, 2002). Canello (2016) notes that, when looking for funding or capital from local economic network such as local banks, compared to indigenous entrepreneurs, the immigrant entrepreneurs tend to have more credit constraints, which shows the lack of trust the immigrant entrepreneurs often face during the process. Adler and Kwon (2002) also claim that the law and regulation in the host country may reflect how immigrants are being trusted there, and in some country, immigrants cannot get the capital as local residents because they are not considered to have the same credibility.
Aaltonen and Akola (2012) also research on how immigrants build their trust among the local community: language, networks, high quality of their service or products, professional skills and private emotional communication are all considered helpful for the trust building. Furthermore, time is considered an essential element for immigrants to build their trust system (Aaltonen and Akola 2012). Aaltonen and Akola (2012) find that most of their interviewees mentioned that they are willing to try and wait longer to gain the local society’s trust, and some of them think this process will not be very long. And some immigrant entrepreneurs strengthened the trust by improve their language skill (Aaltonen and Akola 2012).

2.4 Overcoming Factors

2.4.1 Information

Information is one of the exchange benefits immigrants want to and need to get from the environment or networks, and also it plays a key role in idea generation and entrepreneurship action because immigrants do not know much about the host country as local residents do (Fatoki and Patswawairi, 2012). Immigrants need a wide range of contacts to collect enough information, and normally, the more information they get, the greater help immigrant will get (Solano, 2016). However, for gaining more information, especially in the beginning, immigrants tend to turn to their co-national networks (Solano, 2016).

Compared to indigenous entrepreneurs, immigrants tend to have less information about the industry, society and other field (Canello, 2016). Canello (2016) further states that information will generally flow in forms of either top-down or bottom-up, and the top-down is always conducted by government rules or other institutions, while bottom-up is the self-organizing communication among people. He also gives an example that ‘Start it up’ initiative might be necessary for business field but maybe not for industrial districts because the integration of immigrant firms in this district is a long process in which the top-down measures can do little work(Canello, 2016).

Lassalle (2018) discusses the reason and result of the information gaps in the market for immigrant entrepreneurs. For the reason, he notes that immigrants tend do rely on their own
ethnic rationalities to make decision because of the language or emotion nature; and for the result of the information gaps, he thinks that because the bounded rationality is limited by certain people’s alertness or his or her level of opportunity opinions, immigrant entrepreneurs might not get thorough information they might need in the entrepreneurship process (Lassalle, 2018).

2.4.2 Experience

Some researchers state that experience is another driving factor that helps immigrant entrepreneurs to overcome the challenges (Solano, 2016; Lassalle, 2018). After getting into a new country, immigrant entrepreneurs’ ability to identify opportunities within the new social structure is partly or mostly influenced by their former experience in their mother country (Lassalle, 2018). Fatoki and Patswawairi (2012) also think that experience together with education, and networking are significant predictors for immigrants to take an action of entrepreneurship, and a large portion of immigrant entrepreneurs do the business which is similar to their old experiences in the mother country.

Lassalle (2018) found that some of the immigrants insist on the favorable conditions found in the host country environment by looking for the similar entrepreneurship or job they had in their mother country.

The experience plays a vital role not only in the initiative moment, but also in the whole entrepreneurship process (Solano 2016). Solano (2016) claims that the previous experience can be considered as a knowledge, and gives an example that if an entrepreneur already knows where to find suppliers or how to obtain payment deferrals for the goods, especially in the early stage, he or she will to enter the market more easily.

Solano (2016) further notes that not only work experience but also life experience of immigrants is important for their entrepreneurship behavior. The life experience includes travels, migration or any kind of past activities. It influences immigrants’ personality in some way, and also affect their decision that whether they will be an entrepreneur or what they will do for entrepreneurship (Solano 2016). Also, some ideas come from immigrants’ life experience either in their mother country or in the host country (Lassalle, 2018). Actually, some small businesses that immigrants come from their previous life experience and they found that the business will have market
among their own ethnic group in host country, no matter whether they had the relevant experience or not (Onu, Oats and Kirchler, 2018).

2.4.3 Influential Factors

Immigrant entrepreneurs’ lives and behavior are influenced not only by their original ethnic group, and also by the host country (Solano 2016). Solano (2016) studied on several elements in the host country which can influence the immigrant entrepreneurship, and found that economic and market structures, legislative settings, and, more in general, play vital roles on immigrant entrepreneurs. Furthermore, immigrant entrepreneurs’ decisions can be influenced by institutional and political conditions (Solano 2016), and the structures of socio-institutional relations and networks in the host country (Canello, 2016). Specifically, Immigrants can get knowledge and information from both countries and will be inevitably influenced by their network (Canello, 2016), and sometimes those information can help creating a condition in which entrepreneurs will make a choice (Solano 2016).

Not only in the decision-making process, the influence factors are crucial for the survival of immigrant entrepreneurship (Canello, 2016). The firm-level, environmental characteristics and the capital intensity in the destination country are considered to be significant for immigrant entrepreneurs (Canello, 2016).

2.4.4 Technology

In this century, technology becomes the most essential subject that almost related with possible field of social and economic study and in the context of immigrant entrepreneurship, it is not an exception (Hart and Acs, 2011; Zhang, Wong, and Ho, 2016). In the US, a perception that immigrant entrepreneurs play an important role in the high-tech sector is generally held (Hart and Acs, 2011). Solano (2016) states that technology creates the conditions in which immigrants develop their transnational behavior and as technology help them to connect with their ethnic networks.

Technology also plays a role in immigrant entrepreneurs’ social life. Hallberg, Hansson, and Nilsson (2016) did research on how information and communication technology influenced
female immigrants’ learning life, ended that the technical tools such as computer or internet are embedded in their social lives. In a host country which has high respect to technology, immigrants tend to get more technical information within their own field, and also tend to integrate with the local culture better (Zhang, Wong, and Ho, 2016).

Technology also changes the immigrant entrepreneurship by creating a ‘high-quality life’, because immigrants’ behavior of choosing or enter an industry could be influenced by the quality of their life in the host country (Jones, Ram and Villares-Varela, 2018). Moreover, in the entrepreneurship process, technology is a crucial role (Zhang, Wong, and Ho, 2016), therefore the highly educated immigrant workforce and innovative entrepreneurs, in turn, play an important role in the economic development in the host country (Jones, Ram and Villares-Varela, 2018).

2.4.5 Transnationalism

Brzozowski, Cucculelli, and Surdej (2017) noted that the term transnationalism was introduced by the anthropologists and it was found that the immigrants of this century have stronger relationship with their land of origin and also with the host county. This relation is not only socio cultural but also an economic relation or integration (Brzozowski, Cucculelli, and Surdej, 2017). These researchers also included that the transnational immigrant entrepreneurs also have an effect and importance to their home country and it’s mostly because of the advancement of communication technology and worldwide good logistic system.

Transnational individuals and entrepreneurs have a connection within their community, business groups and the political groups in the host country although not all international immigrants get involved into those transnational activities (Brzozowski, Cucculelli, and Surdej, 2017). Transnational immigrants or immigrant entrepreneurs have some competitive advantages over local entrepreneurs as the foreign-born entrepreneurs have the ability to identify the new business opportunities and have a greater scope to spread their economic activities all over the world (Brzozowski, Cucculelli, and Surdej, 2017). Since they have more opportunities to get enrolled with cross-border business activities, it allows them to gain more knowledge, information and also expertise them regarding the newer technology and human resources.
Lin and Tao (2012) stated that immigrants or the minority groups have a tendency to participate in the business sector of the host country due to some core reasons like avoiding social refusal, exclusive competencies or the power of mobilizing the resources.

The immigrant entrepreneurs are also doing well in their homeland as many of them obtain their higher degree from abroad and have more knowledge about modern technology and that helps them to set technology-related businesses in their home country (Lin and Tao, 2012). These technology-based businesses are often affiliated with the host countries to catch the international market as well (Lin and Tao, 2012).

Light and Shahlapour (2017) added that Immigrant entrepreneurs are good at import-export related businesses as they generally can keep in contact with the people of both host and home countries though they are generally considered to be from SME category. The social connection is the key element for the immigrant entrepreneurs as it is considered to be one of the main advantages for transnational or immigrant entrepreneurs (Light and Shahlapour, 2017).

Generally, big companies like Wal-Mart can manage to do import or export business because they can afford high transaction cost (Light and Shahlapour, 2017). Wal-Mart established their office in China for trading purpose but a small or medium entrepreneur can rarely think of doing that; while a transnational entrepreneur can do that because of his low transaction cost, low risk and also for the market-based relations between both the countries (Light and Shahlapour, 2017).

Munkejord (2017) stated, one of the major reasons that immigrants become entrepreneurs is their ‘transnational network’. This is because immigrants have an economic existence in their motherland and in the host country. In this study, the researcher also mentions that sometimes immigrant individuals live in the host country while their families live back in their home country, so this situation creates an escape of a business purpose. Many researchers mentioned that relationship with family is also a reason that motivate immigrants to become entrepreneurs (Light and Shahlapour, 2017; Munkejord 2017). Those researchers stated that many Iranian immigrants became successful entrepreneurs in United States because of their extended family
relationships in many countries which help them to build an empire of export-import network (Light and Shahlapour, 2017). On the other hand, Munkejord (2017) noted that Polish entrepreneurs are doing transnational business in Berlin with the support and influences of their family.

According to Lin and Tao (2012), Canada is the perfect example for exploring how immigrants became entrepreneurs and used their transnational competencies. The evidence from Canada shows that immigrant entrepreneurs have a greater experience than that of the native entrepreneurs and in most of the cases they have a better educational qualification than the native people have (Lin and Tao, 2012). Most importantly they can manage to build a far better socioeconomic bondage amongst them than the non-transnational entrepreneurs can do (Lin and Tao, 2012).

2.5 Co-ethnic Networks

Hurtado-de-Mendoza et al. (2014) noted that casual help seeking and making friends in host countries is critical for immigrant people that lead them to an isolated and closed-in life. Poros (2011) mentioned newly arrived immigrants have limitation to get the access of institutional help and also face difficulties to have social services like other citizens. This limitation raise the importance of co-ethnic network and building social capital because by this social capital and informal network, immigrants frequently received various benefits.

Many researchers claim that immigrant entrepreneurs received much support from their own ethnic communities (Tavassoli and Trippl, 2017; Rodriguez-Pose and Von Berlepsch, 2014). To define the ‘ethnic communities in entrepreneurial studies, Andersson and Hammarstedt (2015) mentioned that when the immigrants share the same cultural background, same municipality or region, and more importantly when those people have same language then those people can be considered as from a same ethnic community. The researchers noted those same ethnic communities’ make networks to start and build a new business in the host country which nowadays has become more relevant to study and explore (Andersson and Hammarstedt 2015).

Tavassoli and Trippl (2017) stated that an immigrant entrepreneur can receive the benefits from his/her ethnic group if the ethnic community has two features. Firstly, if that ethnic community
has a large number of ‘employments’ in the same industry or sector, secondly, if the ethnic group has a good number of entrepreneurs in same industry (Tavassoli and Trippl, 2017). This researcher also added that another strong influence that an immigrant might experience when trying to become an entrepreneur is that the other entrepreneurs from the same ethnic community might help them to understand ‘how to start’ a business in the host country.

Andersson and Hammarstedt (2015) also noted that ethnic group’s networking strategies help immigrants to become self-employed persons. This strategy is helpful since in this way an immigrant gets to know the way to collect loans or credits, at least for financing in the very beginning stage (Andersson and Hammarstedt, 2015). This researcher also added in further discussions that the helps that they get from this network might not be a reason for a big success but is effective for achieving low incentives and related activities.

Additionally, Tavassoli and Trippl (2017) discussed the three main reasons that affect an immigrant from a common ethnic group to become an entrepreneur. The first reason behind this is that when an immigrant entrepreneur finds out that there is a large group of customers from the same ethnic group. Secondly, when the ethnic community helps an immigrant to start their business, and lastly when the same ethnic community work as an information hub, especially about institutional matters and other opportunities (Tavassoli and Trippl, 2017).

Further Andersson and Hammarstedt (2015) discussed the effectiveness of the ethnic communities’ network. The researchers found that there are two different ways to measure the power of this network; one is quality and the other one is quantity. It is important to mention that, in here quality means the attitude and knowledge of that specific ethnic community.

Moreover, Andersson and Hammarstedt (2015) mentioned the reasons which are behind this networking effect. 1) People from a same ethnic group have an easy access to the labor supply. 2) After achieving the proper knowledge from the workplace, these ‘supply’ groups become entrepreneurs.

On the contrast, Andersson and Hammarstedt (2015) also claimed that ethnic communities also have some negative impacts on the immigrants. For instance, some new immigrants may find it hard if they start a business by targeting their own ethnic community as their customers because
that particular group might also be targeted by some other immigrant entrepreneurs already (Andersson and Hammarstedt, 2015). Zhang, Wong, and Ho (2016) also discussed one negative side of the co-ethnic network. Sometimes entrepreneurs are locked-in within their own community and which limits their networking capability leaving it at stake in the long run (Zhang, Wong, and Ho, 2016)

Zhang, Wong, and Ho, (2016) introduce two new terms by discussing the co-ethnic relationship and those are ‘social relation’ and social status’. The researcher discussed these terms to explore the relationship between the employees and the employers of Silicon Valley; as in recent two decades Silicon Valley experienced many foreign-born entrepreneurs who brought changes in the traditional business system (Zhang, Wong, and Ho, 2016). In this study, the researchers also discussed that the networking strategy of the co-ethnic groups help them to get funds from others.

2.6 Summary of the Literature Review

After reviewing the relevant theories, we consider language of the host country to be a significant cultural barrier that foreign-born entrepreneurs generally deal with. We also find that English speaker or the immigrant who have good knowledge in this international language, might face fewer barriers in the host country if the native people have good knowledge in English. On the other hand, legislation or any kind of issue related with laws are very complex and large subject that can be considered as a social barrier according to many researchers. Laws, policies, institutional practice, agencies attitude towards immigrants can affect immigrants’ entrepreneurial activities in various ways. Reviewing theories, we also find that in some countries, there is a growing concern for changing policies for making the environment friendly towards immigrant entrepreneurs. But this change is also an evidence of the lacking fairness of existing policies towards them. Lack of trust also came out as a social barrier to the immigrants for many reasons. All together, by considering all those factors we consider language, legitimacy, lack of trust are the prominent socio-cultural barriers that foreign born entrepreneurs face. On the other hand, we also find that transnational identity, co-ethnic networks, technology, information and for influential factors, immigrant entrepreneurs might overcome the barriers.
3.0 Methodology

3.1 Research Approach

According to the research gap and our research questions, we need to conduct business research to collect information of the motivations discussed in previous researches. We also need to explore the inadequately understood elements in motivations of immigrant entrepreneurship.

There are 2 nature of the relationship between theory and research: inductive and deductive. Inductive refers to relationship in which theory comes from research whereas deductive refers to relationship in which theory guides the research work (Bryman and bell (2011, p 4). Our research is based on theory and our aim is to gain the immigrants’ opinions and concerns in the entrepreneurship phase. We hope to collect some open information. Therefore, we chose ‘inductive’ as our research approach.

For deductive research, there are 2 types of research strategy named qualitative research and quantitative research (Bryman and bell, 2011, p 286). Bryman and bell (2011, p 286) stated that comparing qualitative research and quantitative research, the former one emphasizes more on generality in the formulation of initial research opinions and on the interviewees’ perspectives (Bryman and bell, 2011, p 286). Moreover, the qualitative interview can be encouraged in a ‘rambling’ way and with a flexible sequence of the questions (Bryman and bell, 2011, p 466). Bryman and bell (2011, p 467) also noted that qualitative research highlights the words rather than the quantity of the data, which is an additional argument for a qualitative approach that is the most suitable for this research.

For our research questions, the answers we plan to get is not a database from a large quantity. One reason for this is that the quantity of the target interviewees is limited in Sweden and another reason is that the motivation is related to many subjective elements that can hardly be collected from a large group. So, we decide to collect the specific message from the specific individual. Therefore, based on the above argument it can be said that, the qualitative method is the most appropriate for our research work (Birks and Mills, 2011).
3.2 Research Design

Bryman and Bell (2011, p 41) stated that a research design can provide a structure and guide for the data collection and data analysis and it is important to choose a research design based on the need of a paper. Cross-sectional design which is also called ‘a social survey design’ entails the collection of data on more than one case at a time in order to collect more than two variables (Bryman and Bell, 2011, p 53). In our research, we need to collect several immigrant entrepreneurs’ opinion related to socio-cultural factors in their entrepreneurship process and the execution of all the interviews were done in May 2019, so the cross-sectional design is the most appropriate design for our paper.

3.3 Research Purpose

Given our research questions, we chose exploratory method as our research purpose (Saunders, Lewis and Thornhill, 2009). An exploratory research purpose is generally used in research that needs further studies to explore a new understanding of a topic (Saunders, Lewis and Thornhill, 2009). The great advantage of an exploratory research is that it is flexible and adaptable to change in the research process, which means that the researchers can change direction as a result of new data and new insights that emerge in the interviews (Graneheim, Lindgren, Lundman, 2017). The previous literature pointed out four socio-cultural barriers that can, in turn, become motivations for immigrant self-employment. We need to verify the existence and degree of these motivations in our qualitative research. Moreover, we assume that there exists a probability that other new motivations will emerge in our research. Therefore, the exploratory purpose is the principle of our research design.

3.4 Data Resources

There are two kinds of data resource in business research, primary data and secondary data (Saunders, Lewis and Thornhill, 2009). The primary data are collected by the researchers directly via observation, interviews, focus groups and questionnaires; while the secondary data is the data that is collected earlier (Bryman and Bell, 2011, p 313). The primary data collecting process has the aim of collecting tailored and new data which is the fittest purpose of the study (Bryman and
bell, 2011, p 312). Therefore, it is the highly appropriate data resource for our study. For gaining the primary data, we designed interview questions to get a response with reliability and validity.

3.5 Data Collection Method

There are several methods to collect data and conducting interview is a way through which researchers generally use to gather valid and reliable information that is relevant to the research purpose or research questions (Saunders, Lewis and Thornhill, 2009). Among the three types of interviews, semi-structured interview is widely used in qualitative research, for it requires more flexibility with open questions than structured interviews and can also fit more in-depth feedback than focus group interviews (Bryman and bell, 2011, p 467).

The interviews were conducted with each interviewee individually, aiming to gain the real thoughts and feelings of them without interference by each other (Graneheim, Lindgren, Lundman, 2017). During the interviews, we asked the questions and also explored new information depending on their response. Moreover, the interviews were all conducted by directly talking either face to face or online chat, with the aim of catching the emotional expression and also for leading a better communication. Since all the interviewees are foreign born and their mother languages are more appropriate to get accurate information, we tried to conduct interviews in their mother languages as much possible. Besides English, we conducted interviews in Bangla, Chinese and Spanish and therefore we used an extra translator for Spanish. All the interviews were recorded and then transcribed in order not to miss out any important information in the process.

The interviewers tried to keep neutral in the whole process by not showing the opinion or strong reactions about issues interviewees talked about. The appropriateness of interview location, time, interviewer’s appearance are also considerations that can affect the interview efficiency (Saunders, Lewis and Thornhill, 2009), so we conducted the interviews in a more casual way, such as in the fika time in a coffee place or in their workplace to avoid their hurrying for work.

We sent out 23 invitations and finally got 10 interviewees, while others did not reply or did not match the schedule. All of our interviewees are immigrants and had the successful experience on self-employment so far, two of whom are female, and others are male. They are or were doing
business in Uppsala, Stockholm or Örebro, and their businesses range from small size, such as food truck, grocery store or bicycle store to middle size restaurant or farm.

In order to get thorough and profound answers, we sent the interview questionnaire to the interviewees at least 2 hours in advance. And because our research question is objective without a strong attitude, we told interviewees about our research question and purpose in advance as well. Moreover, for 4 of the interviews, we used Spanish, Bangladeshi and Chinese translators to communicate thoroughly.

We chose the entire sample from Sweden and did all the interviews in Sweden. Although we planned to take all the interviews face to face but for the time or location constraints, we had to take 2 of these interviews online. Each interview took around 30 to 50 minutes and the time span depended on the interviewee’s response or attitude on this topic.

3.6 Choice of Sample

Bryman and bell (2011, p 489) emphasized that research questions are the primary guidelines for researchers to choose the proper sample. There are two methods to choose samples for an interview: probability sampling and non-probability sampling, where probability sampling refers to random samples with generalizing to a wider population and non-probability sampling is something more purposive (Bryman and bell, 2011, p 277; Saunders, Lewis and Thornhill, 2009). Given the needs of this paper, we decide to use non-probability sampling to choose the interviewees, so that we can gain the proper information of immigrant entrepreneurs. There are also several methods in non-probability sampling (Bryman and bell, 2011, p 277), Because our research study needs a response from immigrant entrepreneurs themselves, we will use the purposive method to gather a sample, meaning that we will choose interviewees with certain attributes.

How many people should be interviewed is an uncertainty question for the researchers, because it depends on the scope, comparison need and other requirements in a specific interview (Bryman and bell, 2011, p 187). We pondered on the length of the interview, the quantity of interview we can get and the requirements of our qualitative analysis and determined the sample size of 10 to 15 individuals.
In this study, the ethnic backgrounds and occupations are the crucial elements of responders. According to our research questions, our interviewees should be immigrants. In our literature review, we stated that the first generation is our research target, because the second immigrant generation tends to have similar situation as the native citizens (Shinnar and Young, 2008). Therefore, we choose first-generation immigrants as the majority of our interviewees. However, we also interviewed a responder who immigrated to Sweden when he was a child. The reason we took him into account is that as a second-generation immigrant, he also has some barriers for his immigrant identity even though he has no problem of language. Moreover, the interviewees should be in self-employment. According to the definition of “self-employment”, our research objects ought to be in small size business of which they are founders, so 7 of the 10 interviewees are running small businesses with 0 to 2 employees and the remaining 3 have 3 to 6 employees. Finally, the social condition, regulation and cultural background varies in different countries and our study is focused on research in Sweden, so all the entrepreneurship should be done in Sweden.

Because our sample consists of immigrants and some of them are not good at English, we used translators to keep as much information as they could provide us using their own language.

Given the discussion above, our criteria of interviewees are as follow: 1) one is an immigrant; 2) one who is (or was) self-employed ; 3) one whose business is (was) in Sweden.

3.7 Interview Design

3.7.1 Interview Guide

The interviewee bias can be generated in the interview process and even if the interviewees agreed to an interview, they may nevertheless be sensitive to the unstructured questions on certain themes so that they may, therefore, avoid an aspect of the topic that the interviewers wish to explore (Saunders, Lewis and Thornhill, 2009). Although our research questions are related to the socio-cultural factors, we did not mention some sensitive information such as family income or discrimination. Our questionnaire is to communicate with them step by step to gain their thoughts about the topic of interest.
The opening general questions are all the basic individual information and the main body of this questionnaire is the other 4 parts with open questions that specifically focus on the main target of our research questions, aiming to collect and explore more information from the interviewees. The first part of the main questionnaire is aiming to identify the interviewee’s immigration information such as the purpose, the age and the time gap between immigration and entrepreneurship. And the second part is about self-employment to explore when and why they want to do business in this field. Meanwhile, the third part concerns the barriers in the host country, in which part we aim to get information of the factors that could be the socio-cultural barriers. Finally, the fourth part of this questionnaire is exploring how they overcame those barriers.

Before the formal interview, we conducted the pre-test, and it helped us to redesign and make both our questionnaires and the interview methods more perfect. For fitting the quality criteria, our interview questionnaire was changed 2 times during the pre-test process and each of the 4 sections is closely related to the research question. In the pre-test, we found that answers of some questions were overlapped although the questions seem to be different, so we changed some of them in order to conduct the interview in a more organized way. Furthermore, we found that the interviewees were a little conservative in the beginning but tend to be more open and less alert as the interview goes on, so we changed the order of questions to put the significant questions at the second-half of the interview.

We also got some experience according to the attitude and the rhythm of interviewers. For recording the whole process, the interviewers should be loud and clear with the moderate speed to get a corresponding loud, clear response. Furthermore, the interviewers should express understanding in the whole process to encourage the interviewees to give honest information. Especially if one of them mention a word with strong emotion, the interviewers should not response with a strong reaction back, because this behavior may stop the interviewees from explaining more on this topic. The interview guide can be seen in appendix.
3.7.2 Operationalization

Saunders, Lewis, and Thornhill (2009) stated that operationalization is a way to translate the concepts of the research into tangible indicators. There are several concepts within our research questions, we designed our interview questionnaire with 4 main parts and each of which aims to explore one key concept. The table is the operationalization of our paper (see Table 1), showing the relation of theoretical concepts and questions in the interviews. The first column is the theoretical concepts of our research and the last column is the questions we will ask in interviews. The second and third columns show the reader how concepts and questions get connected.

*Table 1 operationalization*

<table>
<thead>
<tr>
<th>Theoretical Concepts</th>
<th>Concept Definition</th>
<th>Operational Definition</th>
<th>Questions</th>
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</table>
| Immigrant entrepreneurship | Immigrant entrepreneurs are those who work with the motivation to create a product with innovation and foreign born. (Barringer and Ireland, 2015; Dana, 2007) | Explore the interviewees’ immigrant identity by asking the purpose and time they came to Sweden and figure out the time interval between the immigration and entrepreneurship. | -With what purpose did you migrate to Sweden?  
-At what age you migrated to Sweden?  
-At what age you did start your business in Sweden? |
| Self-employment | Self-employment is commonly used as jobs where the payment depends directly upon the profits derived from the services and goods (Schölin, | Explore the size of the interviewees’ business as self-employees, and also identify the field of their business and the reason why they | -How many people did you recruit when you started your business or was it only you?  
-What business you have now?  
-Why did you choose this business for becoming a self-employee? |
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<th>Theoretical Concepts</th>
<th>Concept Definition</th>
<th>Operational Definition</th>
<th>Questions</th>
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<tbody>
<tr>
<td>Broomé and Ohlsson, 2016)</td>
<td>choose this business.</td>
<td></td>
<td></td>
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<tr>
<td>Socio-cultural barrier</td>
<td>Socio-cultural barrier are barriers related to social-cultural factors such as: family, work, politics, religion, leisure or recreational activities and neighborhoods et. (Thornton, Ribeiro-Soriano and Urbano, 2011)</td>
<td>Explore the barriers the interviewees faced in both everyday life and entrepreneurship process as an entrepreneur. And explore what support they can get from the government or society in Sweden.</td>
<td>-Before starting your business, did you face any social-cultural barriers for earning and living as an entrepreneur? -To start your business did you face any socio-cultural difficulties as an entrepreneur? -Did you get any support from the government or private institutions in Sweden?</td>
</tr>
<tr>
<td>Theoretical Concepts</td>
<td>Concept Definition</td>
<td>Operational Definition</td>
<td>Questions</td>
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| Overcoming factors   | Immigrant entrepreneurs’ lives and behavior are influenced by the host country (Solano 2016). Information is one of the exchange benefits (Fatoki and Patsawairi, 2012), and the experience plays a vital role in the entrepreneurship process (Solano 2016). | Collect the overcoming factors that immigrant entrepreneurs have in the process and explore the degree which immigrants involve in each factor. | -How do you overcome these barriers?  
-Why did you decide to fight with the barriers rather than giving up?  
-Did you co-ethnic communities motivate you to start your business?  
-What did you learn from your immigrant entrepreneurial journey? |

### 3.8 Data Analysis Method

Saldaña (2009) noted that coding is a common analysis method in qualitative research because it gives the researchers the chance to analyze the data in a deeper way. Furthermore, coding is the key process in data analysis, which means breaking down the data into component parts with a given name and it should start soon after the data collection (Bryman and bell, 2011, p 585). Our interviews aim to collect information related barriers or overcoming factors and we need to analyze them on the component part, so coding is our data analysis method. In our interviews, most of the interview questions are open questions all the answers were recorded with the interviewee’s consent with an aim to code them properly.

The first step after interviewing was to transcribe all the records. These transcriptions were all implemented manually. In the coding process, our respondents are labeled with 3 or 4 letters of their mother country name. This with the aim to make people read the findings of this paper more easily.
The next step is to collect the themes and count how many people mentioned each. The vital themes of our interviews are socio-cultural barriers and overcoming factors, so the main theme of our coding scheme is divided into these two parts. Each of the main themes has several factors that the respondents mentioned. To see what factors which corresponded with our theoretical concepts they mentioned, each of the respondents had an own row with the factors created out of the interviews in connection to our main theoretical concept. The last row is the total number of respondents who mentioned the certain factor (see table 2).

*Table 2 Coding scheme*

(ETHNIC NETWORKS ARE IN THE BOTH SIDES AS IT PLAYS DUAL ROLES)

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<thead>
<tr>
<th></th>
<th>Socio-cultural barriers</th>
<th>Overcoming factors</th>
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<td></td>
<td>Language</td>
<td>Legitimation</td>
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<td>Bang</td>
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<td>Hina</td>
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<td>Latv</td>
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<td>Amer</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>7</strong></td>
</tr>
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</table>

Besides the coding scheme tables, the empirical material has been summarized in the findings to give the reader a specific insight into what the respondents said. The transcribed material from the interviews is available if requested through contacting the authors.
3.9 Quality Criteria

Bryman and Bell (2011, p 394) discussed that there are two critical criteria in research: reliability and validity. We implemented those criteria in this research from the research design phase to the analysis phase.

3.9.1 Reliability

Reliability is a criterion that refers to whether the findings and result of the research will be the same when the researchers conduct it repeatedly (Bryman and Bell, 2011, p 395) and also reliability requires that the research can be transferred into other situations (Graneheim, Lindgren, Lundman, 2017). In order to fit this criterion, we did pretest for the interview to adjust some of the questions which might lead to misunderstanding or overlapping information. We finally changed our interview from 12 questions to 13 questions, with deleting 5 questions of the last version and adding 6 new questions and the final version can be seen in Appendix. Regarding the reliability, Bryman and Bell (2011, p 395) also note that reliability can be both external and internal and the internal reliability is one criterion that this paper should follow. The internal reliability means that there will be more than one observer and they get the common sense of what they heard or get a correct understanding or there is the possibility that their decisions might be lack of consistency (Bryman and Bell, 2011, p 395). In our interviews, both of the two researchers are taking part in all the interviews, transcript the records and discussed the findings together soon after the interview.

3.9.2 Validity

Validity refers to how the researchers collect and deal with the information in the way that they claimed in the paper and there are also external validity and internal validity that the researchers should consider (Bryman and Bell, 2011, p 395). The external validity refers to how much of the findings can be generalized across social levels but sometimes the sampling and case study limits the generalization (Bryman and Bell, 2011, p 395). In our research, we tried to reach entrepreneurs in a wide range of background, for example, our 10 interviewees had come from 8 different countries and they are doing business in 5 different fields. We believe that our sample is
representative for this paper and will enhance the validity, because the broad range of background helped our research reveal a general finding. Internal validity means the research should highly match the research question and purpose (Bryman and Bell, 2011, p 395). We designed the interview guide and changed some of the questions after pretest to fit to this criterion, and also match the question with research questions in the operationalization part.

Furthermore, in the interview process, when some of the interviewees tend to offer more information than the questionnaire, the interviewers tried to explore those within the research direction. And our interviewing style showed that we have a common sense of what they talked about and this is also a way to increase the validity. This is because we noticed that, after answering several questions, most of the interviewees like to talk more and in a casual way.
4.0 Empirical Findings

4.1 Respondents’ Backgrounds

At the beginning of every interview, we ask questions that revealed gender and age, cultural and educational background and other characteristics like their birth countries. Most of the participants are from different backgrounds. At this point, we can say that the candidates are very diverse. The interviewees are from Bangladesh, China, Ecuador, Latvia, Netherlands, Peru, UK, and the USA. All of them are foreign-born and ethnically different from the native people of the host country. Everyone from this group is doing or did business in the host country.

From the 10 respondents, 9 are involved in businesses that are still being run and one has just shut down her business a while ago. Two of them are female and eight of them are male. Moreover, all of them are well educated. Majority of them attended graduate level education except two respondents who were taught till high school level. Four of them are involved in restaurant business, three have groceries business, one has an agricultural farm, one works in technology related industry and one is a cycle store owner.

The reasons behind their coming to Sweden are also very different. One respondent said she had come here as an international student, one as an employee, two for their personal relationships, others for seeking better opportunities. Most of them are experienced on what they are doing now. For example, Neth said he grew up in a farmer’s family and now he got involved in agro-business, while Engl said his father had an Indian restaurant and for this reason, it is easy for him to start the food business with a food truck where he sales Indian foods. Bang worked four years in a cycle store before starting his own cycle store. Chin said “Since I was a kid I had been experiencing grocery business as my family is doing this business since long ago. So when I came to Sweden, I had decided to start a groceries store too as I know how this business works”. Desh said that she did not have any experience of what she had been doing lately and interestingly she is the only one who just shut down her enterprise among these 10 respondents.

These people are from different age groups. Mostly they came to Sweden when they were in their 30s and had started their business in their 40s. But two of them had come and started
businesses in their 20s. One of them came here when he was a child as his parents migrated to Sweden from UK though ethnically, they are Bangladeshis. Another female interviewee who came for studying here could not run her business for so long.

4.2 Self-employment

Most of the people who started businesses by their own effort had no co-founders or did not recruit any employees. Their family played a vital role to run and grow their businesses. For example, Per who sales grocery products imported from his country said it was just him and his family members who always had to handle the business. Similarly, Neth, who owns a tomato farm also shared that since the very beginning he has been managing his business by himself and the help of his family members. Chin also shared that he and his wife are managing their Asian grocery store since the start.

On the other hand, Ecua and Hina inform that they had started their businesses by working alone and still they does not have any partners and employees as they think that for running small businesses it is not necessary to have more people.

Amer, Desh, Engl shared that they used to have co-founders at the beginning of their businesses. One of them, Engl, is an Indian food truck owner. He said that they were four in the beginning but gradually others had left the project for their personal reasons or for education. Now he is the only owner of that store. Another respondent Bang said that she started an Indian restaurant with a Swedish co-founder but after six months the co-founder left the project and she had to handle it all until it got closed. Amer informed that she owns a restaurant that serves Swedish food and this project had four co-founders including her; the remaining three are natives and one of them is her husband. This respondent confirmed that all her co-founders are still active in this project, no one left the business.
4.3 Socio-cultural Barriers

4.3.1 Language

The most common barrier that was stated by all respondents is “Language”. 9 respondents out of 10 admitted that language was a major problem. The only respondent who did not mention the problem was Engi who came to Sweden when he was only one year old. He said: “I did not feel that language is a problem for me because I grew up here and I know the language like a native does”. 8 respondents said that they did different jobs before starting their own businesses in Sweden. Per, who owned a grocery shop in Stockholm said that “I was a professor in my country but here I started a job as a dishwasher because I did not know the language”. Another respondent Bang who owned a cycle store added that the problem with the language became more complex when he figured it out that it is not easy to learn the language because immigrant like him has to work hard all day and it makes it difficult to go language school every day. Amer who is from the USA said “the only job I got here is teaching English because I cannot do most of the job here. I don’t know Swedish and I identified that as a person, who is only capable of teaching English, I am much more qualified and experienced than an English teacher”. We had two respondents who came to Sweden for business purpose and started a business just after they had arrived in Sweden. One is from Chin and another one is from the Netherlands. When Chin identified that language is the biggest barrier for immigrant entrepreneurs, Neth who has an agro-business stated that “Language is a problem but not a big problem because people here in Sweden can speak in English and I am also okay with English. So, in the first year it was only English that I used to speak, on the second year it was half English and half Swedish and from the third year I started communicating in Swedish in general though my Swedish is not as fluent as local people”.

Another problem is that language barriers also create a sub-problem and that is barriers to know the right information. Many respondents had talked about it and said that to start a business in Sweden requires knowing a lot of information but when not knowing the language properly it is hard to get all of those. To know all the information takes years. Most of them through they study well on laws before stating but it was very time consuming. Similarly, Bang said that knowing the right information was the most crucial thing to him. As he does not know the
language, he had to go to different places for getting the right information, but no one helped him. He also went to the government agencies and to many individuals, but he did not feel like he could find out what he had needed.

4.3.2 Legislation

Some respondents said that before starting a business here in Sweden, they also had to face some barriers that belong to legislations arena. For example, Per said “Immigrant people have to work so hard here which is not always related to their background. If you want to settle down here, you have to go through some rules and regulations and that’s why people do whatever they get to do and as I know almost every immigrant has to go through this process”. The almost same issue was mentioned by some other respondents. Bang also express the same thing in more clearly and he said “If you want to live in Sweden with a work permit visa you have to work four years in a company and that’s why I worked as a cycle mechanic in a store whereas I used to be a marketing manager of a three star hotel back in my country. For getting a business visa one can get permanent residence permit after two years”. So, two respondents mentioned that visa related issues are also some barriers.

When respondents were asked one fundamental question that “To start your business did you find any socio-cultural barrier for earning and living as an immigrant?” The respondent responded by mentioning more barriers. Except one respondent all talked about language barrier but this time legislation issue was a big part of the interview.

Most of our respondents shared that the businesses’ rules and regulations of Sweden are not very easy to understand, and it is more difficult to know about laws when there is no helping hand. In this point, Amer responded, “Union is a very important stakeholder to deal with and having a good relationship with the union is also a must. If you are good at communication and bargaining, you can have a good relationship with them but not knowing the language makes it hard”. Hina think if someone don’t have a proper business plan in Sweden, it is not possible to survive in Sweden as the business plans and the rules and regulation related with a business must have a common tone. Amer said, “Swedish business laws are complicated in such a level that it’s easy to do mistakes”. Another issue arises that is related to legislation is “Tax”. Most of the
respondent stated that Sweden has a very high tax rate towards paying employees; roughly you have to pay double to pay your employees and it is more crucial for immigrant as they don’t find enough capital because banks and institution are not very helpful towards them. In a result the high tax become an extra burden for them. As Bang said “Swedish tax is so high that I tried not to recruit anyone and did all the works by myself. I worked so hard that I became sick and got admitted in the hospital. After that I had to recruit employees”.

4.3.3 Lack of Trust

Lack of trust was another issue that was mentioned by some respondents. Bang said he sale cycle and if he had tried to sale an expensive cycle some days, he noticed that it used to be harder. Other native entrepreneurs used to sell the same products very easily. This may be because people don’t trust the immigrant entrepreneurs. And he thinks the main reason behind it is that the unfair practices of other immigrant entrepreneurs”. Engl expressed similar opinion and said “I think people have a negative perception on immigrant food business owners that we are not clean. I mean they think we produce the food in a relatively dirty process. But I have no idea where they get it from. It is impossible in Sweden to do food business in an unhygienic way because we are continuously controlled by government’s agency and they ensure that all the restaurants and food truck are producing food in a hygienic environment”.

When we asked whether they got any support from government agencies or any other private companies their responses were mixed but mostly negative. Per said “There is discrimination or inner racism towards the immigrants in the whole system. Many Banks and agencies are pretending like they are helpful but once they identify the immigrants, they do not tend to help them”. Desh said that She had received a loan from Almi only because her co-founder was a Swedish. She thinks that if the business is only owned by her then it was not possible to get helped by Almi, as they only help those people who have permanent resident in Sweden. Moreover, Amer mentioned that she got supports by the banks only because she had three other native co-founders with her. Another respondents Engl who grew up in Sweden but have foreign identities mentioned “I went to Almi but their interest is so high. For new entrepreneurs, it is too hard to bear Almi’s high tax and for immigrants it even more hard to bear the high interest rate”.

In addition, one respondent said that he receives absolutely nothing from government agencies
and banks when another respondent mentioned the names of some agencies saying “Skatteverket (Swedish Tax agency) was the worst but helping entrepreneurs is one of their core rules, they are only concerned about tax and catching people if anyone did any mistake”. Except one respondent everyone else said that banks were not helpful in their cases. One said “All the money I got to start my business is from my family and friends. I borrowed a lot from them but could not get any support from any formal institution”.

All together three respondents informed us of getting helped by banks, Almi or other agencies. Neth responded “When I started my business, I received help from the Swedish Tax agency and gradually I got a loan from one of the Swedish Banks”.

4.4 Overcoming Factors

To overcome the barriers, immigrant entrepreneurs mentioned several ways that they had followed. They found some strong reasons to defeat the barriers. Most of the respondents mentioned that they worked very hard and some are obsessed with what they are doing. Engl said “When I started this business, I also had a job at the same time, but my mind was filled with things like what I could do to establish my business. I used to go to my food truck right after my work and spent the whole evening there.” Hina who own groceries store said he work 12 hours a day to survive in this competitive market. Band included in this point, “When I closed my shop, I did not go to home, I used to repair the cycles inside my store and used to go back to home at midnight”. Most of the entrepreneurs mentioned that they used to work harder than a native entrepreneur and it is one of the key reasons that they could overcome those barriers. Hina conclude this by saying “My philosophy is, if no one helps me, I will do it by myself, whenever I face difficulties, I increase my effort to do the things right”.

Another very important finding that can help immigrants to overcome the barriers in Sweden is to know English language. As Amer said “I had a very good advantage and that is English is my first language. It was incredibly helpful for me. All my co-founders can speak in English and in general, all Swedes know English pretty well.” We also mentioned earlier that Neth also express that his knowledge in English helped him to cope with a new culture.
4.4.1 Information

Knowing more information is helpful to get rid of those barriers. Chin said, “As I identified that knowing the system is important to get success in Sweden, I learned all the important laws and information that are needed to be learnt and this learning came out to be very helpful to avoid unnecessary hassles”. Bang said that it was hard for him to know all the laws and information to start and operate a business. He added that no one helped him that time. So, he tried to share his knowledge and the right information to other immigrants who want to start a business here.

Two of the respondents said separately that lack of trust is another issue that immigrant entrepreneurs often face. So, they tried to build their own customer base to help them. After running the business for years, now native customers get to know that those entrepreneurs ensure fair practices in their business, whether it is an issue related to hygiene or fair price. Per mentioned that selling something new in the Swedish market can be a way to overcome those barriers. Immigrant people introduced kebab in Sweden, which was not very often experienced by the Swedish, so they didn’t have any other option to have this previously. Two of our respondents sell products that are from Latin America which are hard to find in a native shop. Chin and Hina sale Chinese products. In the interviews, it was clear that most of their customers are either from China or Latin America.

4.4.2 Experience

Experience is also an important factor that helped to overcome those barriers. The respondent named Ecuia who runs Mexican food business in the host country also had the same business in his country. Chin and Hina who are doing grocery business also belongs to a family who actually had a convenient store in China. Earlier we mentioned that the interviewee, who owned a cycle shop, worked in a cycle store for several years before starting this business. Engl, who owned a food truck, his father had a restaurant where he had learned the basics. Desh and Amer, these two respondents did not have any previous experience of what they are doing. Interestingly both of them are female and had Swedish co-founders as their partners. Amer doing this business (Swedish Restaurant) because her husband is a chef and he knows everything related to this business. On the other hand, other immigrant entrepreneur Desh, who already gave up her
business belongs to this business because her Swedish cofounder had an interest in this business. Many of them directly stated that previous experience is really important for overcoming the barriers. Neth whose family also did agro-business like him stated “In a new country everything is new, new expression, a new language, new culture, and new system. It is already too much to handle at a time. So, in the beginning, stay with something what you already know. It makes the journey much easier”

4.4.3 Influential factors

Another interesting finding was “native people”. Amer has have three Swedes partners ans said that all the problems can be solved if you have native people in your business, it is not because they are native because they know the legal system much more than a non-native does and also they know the language. Chin said native people can be a factor from a different perspective. As Per said “We (immigrants) often start businesses emotionally but in Sweden, people do the paperwork first then they start a business. I learnt it from the Swedes. Now before starting anything, I make a plan and then I proceed”. Similarly, Neth said stated that he bought a farm from a Swedish person and he helped me a lot, especially regarding the paper works, it was very helpful because at that time he did not know much about the laws of Sweden. It was clear about the interviews that immigrant people mostly don’t think that Swedes are very nice to them. In case of Sweden, native people don’t create any direct problem for them. Mostly it is the system which they think needs to be more efficient towards the immigrant entrepreneurs.

4.4.4 Technology

The advantage of using technology also took place during interviews. Neth said that he can get so much information about his business, rules and all other general things by just browsing internet. The respondent Ecua said that he learned the language by using some translator tools which the new trend of is learning a new language. Engl said when he got depressed, he used to learn the business strategies by hearing podcasts. Most interestingly, one of our respondent Latv said he doesn’t have to find almost any problem just because of the technology. He currently lives in Sweden, but he is involved in IT business and his client in North American. So, he doesn’t have to face language or any other sociocultural problem. In addition, as he registered his
company in another country of Europe, he doesn’t have to deal with Swedish regulatory agencies. Technology make his journey in a very different level and he can operate the whole business by sitting in any concern of the world.

4.5 Co-Ethnic community

Interestingly most of the respondents said that the co-ethnic communities had almost no role in their entrepreneurial journey directly. But indirectly co-ethnic community played a good role as for some of their main customers are from their same ethnic community. As Groceries store owner Chin said that most of the customers that he has are from China. Same goes for the Per who is from Peru. Only one respondent said that he got supports from his countrymen in terms of getting information and knowledge access. Bang, Desh and Engl are sharing similar co-ethnic community but they don’t think this network is playing very active role in their entrepreneurial life; Desh said “As I am a young girl, my community did not appreciate my initiatives in a positive way. It’s more than just a cultural thing. I should say they had even tried to get me down”. In contrast, the Neth respondent said “I had communicated with other people who are from my country. We talked over the phone and that is how we learned from each other”. Some respondents confirmed that they did not expect anything from their communities and got nothing really helpful as they did not ask anything from them.
5.0 Analysis and Discussion

Barringer and Ireland, (2015) and Shinnar and Young (2008) noted that immigrant entrepreneurs are those who are born abroad and had created a product or service to become self-employed. All of our respondents were born aboard and all of them were involved in entrepreneurial activities for becoming a self-employed person. Most of our respondents started the business by themselves and had no formal employee. The entire businesses were run by themselves. The self-employed persons often got helps from their family members. To discuss these issues in a more detail manner we can consider what Solano (2016); Johansson Sevä et al., (2015); Schölin, Broomé, and Ohlsson, (2016) claimed. According to those researchers an entrepreneur is a self-employed person who runs a business and has a much less tendency to recruit employees. Some of the businesses of immigrant entrepreneurs are designed basically for their co-ethnic people. The Latin and Asian small convenient shops are good examples. It’s hard for them to recruit additional people in their businesses. As Dana (2007) mentioned, ‘self-employment’ is a very common trend taking place in the immigrant entrepreneurial arena because in many cases their co-ethnic groups belong to a lower socioeconomic segment. Another reason is that they just cannot afford additional workers as Schölin, Broomé and Ohlsson, (2016) noted that their earning is much more depended on profit or on direct sell of their services and goods. And this ‘profit’ is not very significant, and their payment depends directly upon the profits derived from the services and goods. Jones, Ram, and Villares-Varela, (2018) mentioned that self-employed persons generally earn less than other entrepreneurs. Though Immigrant entrepreneurs choose to become self-employed persons as they don’t have any other options due to their sociocultural barriers as Falco and Haywood (2016) stated that technically self-employment is an effect of unemployment.

However, we found that when immigrant entrepreneurs started growing businesses, they had started recruiting people. When most of the immigrant entrepreneurs were not interested or did not find any co-founders, they took helps from their families. Johansson Sevä et al., (2015) noted that, in most of the cases immigrants started business by themselves or involved their families but we found female immigrant entrepreneurs have a higher tendency to grow business with the native cofounders.
Canello (2016), Dannecker and Cakir (2016) stated that Language is one of the main barriers for immigrants for their economical intermigration. We found that many highly qualified immigrants chose self-employment for not having a job which is related to their educational backgrounds. Socio-cultural barriers like linguistic problem is one of the major factors for this situation too. For this barrier immigrant entrepreneurs have to face hard time to understand official papers and negotiating with important stakeholders like Union. Unfortunately, learning the language of the host country is not very easy because most of the immigrant entrepreneurs have to work for a long hour, as a result they don’t have time to go school. Here technology plays a great role for them to overcome this sociocultural barrier. With the help of some mobile apps and internet now immigrants are learning the basic from home in their convenient time. Another solution is, to become a self-employed person by targeting the co-ethnic people. This is because they can communicate with their language. Similarly, Solano (2016) and Gomez et al. (2015) noted that immigrant entrepreneurs can do business by targeting their co-national groups where they don’t have to face any language barriers.

The immigrant entrepreneurs who have a sound knowledge in English for them language is not a big issue as Solano (2016) said knowing English can be a very big advantage for immigrant entrepreneurs to deal with all stakeholders. On the other hand, the immigrants who came in the earlier stage of their lives had to face fewer barriers in the context of language. If one immigrant entrepreneurs has native business partners then the language barrier become lighter because of the help of their native partners.

Apart from language, most of the respondents mentioned that ‘legislation’ is also a big barrier for them. Smith and Ibrahim (2012) mentioned that immigrant entrepreneurs have to pass a hard time to understand and deal with business laws, entry barriers, ownership transfer, minimum wealth declaration etc.

Our respondents shared that to start a business in Sweden, it requires a good level of knowledge of the laws and regulation because business is much more than paper works. Canello (2016) said in different countries immigrants have to face different problems which require a different level of adaptation. We observe that ‘legislation’ and ‘language’, these two socio-cultural barriers might have an interrelation by considering respondents opinion. By considering our respondents
opinions, it was clear that taxation was also a barrier to run a business in Sweden for immigrants because for the high tax rate it’s hard to hire employees for native and nonnative small entrepreneurs. But for immigrant entrepreneurs the ‘high tax’ issue is more crucial because most of our respondents are self-employed and small business owners and according to them, most of them often get rejected by banks and other financial institutions for loans for their nonnative identity. As a result immigrant entrepreneurs have to work alone for long hours as they can’t afford to have employees and one of the reasons behind that is high tax paying system in Sweden. Most of our respondents think that there is an invisible discrimination for nonnative entrepreneurs and all together this socio-cultural condition has become an economical barrier and that is the lack of capital. So, immigrant entrepreneurs tend to have less capital than native fellows but at the same time they have to pay the tax just the same as a native entrepreneur. Similarly, Smith and Ibrahim (2012) noted that taxation system can be a vital legislative barrier for immigrant entrepreneurs. In addition, respondents also mentioned that having a proper business plan is important to cope with the complex rules of the host country.

The agencies who are responsible for applying the laws and policies and supposed to help the immigrant entrepreneurs, are not playing an active role for the immigrants. Many respondents shared, they did not find that Swedish tax office which is known as ‘Skkateverket’ is helpful toward them and one of them even stated that this agency is the worst of all. Moreover, it was found in our study that this agency has a high tendency to create more problems than helping the entrepreneurs. The opinion towards banks received a mixed response though. Only a few immigrant entrepreneurs think that banks are helpful where most of them believed that banks are not very helpful for small and new entrepreneurs in general. They even claimed that the banks were discriminative towards the immigrant entrepreneurs. Canello (2016) mentioned that to get any amount of loan from banks or any economic networks, an immigrant entrepreneur has to face a real hard time. In this point, it is also visible that there might be an interlink between lack of trust and legislations of the host country as Adler and Kwon (2002) claimed the laws and regulations of the host country are responsible for the way that immigrants are treated in that foreign land.

Another Institution also mentioned by entrepreneurs is investment organization Almi who are renewed for giving loan to entrepreneurs’ projects. It is revealed by entrepreneurs that Almi
gives bigger amount of loans to all in general and this organization only helped people who have Swedish passports. It is also true that many immigrant entrepreneurs don’t have Swedish PR or Passport yet. Canello (2007) pointed out that immigration law has an influence on immigrant entrepreneurs as well as taxation or any other rules. Immigrant entrepreneurs who got the loan from Almi, believes that only reason they got it because they had native cofounders. We found that immigrants have to search for the help in informal networks because formal agencies are not helpful, so they borrowed money from family and friends and also they got to know many rules and regulations from the informal sources. It means one way to overcome this legislatives’ sociocultural barriers are their ethic networks. Our paper is not focused on economic barriers rather our research is more concerned with the socio-cultural barriers. Interestingly while investigating the regulatory bodies’ roles towards immigrants we found that legislative and economic barriers are also interrelated. As Canello (2016) and Dana (2007) said that instructional frame of the host countries is a complex subject that is involved with labor market policies, social benefits right, banking system and other legal factors.

Most of the respondents said knowing proper information about rules and regulations of the host country are essential to survive, especially in case of overcoming legislative related barriers. Fatoki and Patswawairi (2012) discussed that knowing proper information about entrepreneurial issues of the host countries is also very important for immigrant entrepreneurs. Most of the respondents have gaining knowledge on host countries systems to do business by gathering information years after years. As Canello (2016) noted that immigrant entrepreneurs, tend to have less information about the society and the business industry than native entrepreneurs do. Respondents said that they got more information and ‘learn’ the process of doing business in the host countries from native fellows than co-ethnic communities whereas Solano (2016) said co-national’s networks can be a good source of getting more useful information. In contrast to that, Lassalle (2018) mentioned immigrants have a higher tendency to rely on their own ethnic groups for getting information which creates a gap. Some of our respondents also shared the same opinion, as they said some immigrants started a business without knowing much more of everything and some said that their co-ethnics groups can’t simply contribute to share proper business information as they don’t know much about business. But more or less every respondent expressed that knowing information from different sources were the key to overcome
legislative related barriers because when there is a barrier there is a way to solve it. All they have to do is just to collect the right information that leads to the solution.

Like all other socio-cultural barriers, Aaltonen and Akola (2012) consider lack of trust is also a barrier that immigrant entrepreneurs have to face. Our respondents also expressed the same opinion. Immigrant entrepreneurs faced a hard time to sell expensive products because the native customers don’t trust them. This may be due to the other immigrant entrepreneur’s unfair practices in the same industry. Native customers often have a strong negative perception about immigrant entrepreneurs’ hygienic food production but technically it is not possible due to the high controlling system. Immigrant entrepreneurs overcame this barrier by building personal relationships with their customers.

When their customers notice that they are authentic and follow fair practices, they tend to stick to them as Aaltonen and Akola (2012) claimed, a lack of collective trust makes ‘personal trust’ important. It means that the trust between entrepreneurs and customers has become more vital than the institutional or collective trust. Earlier in this analysis we discussed that immigrant entrepreneurs have to face a very hard time to get a loan or any support from banks and other financial institution, respondents claim that there is an invisible discrimination towards them, one of the reasons behind that might be the ‘lack of trust’ as well.

Most of the respondents who got success in the host country without having native business partners were experienced on the business they are doing. Lassale (2018) said previous experience is a major factor to overcome the social barriers in the host country. Fatoki and Patswawairi (2012) also stated that experiences with education what immigrants achieve in their country are vital to get success in the host country. Our respondents mentioned that in a new country they have to deal with many unknown and strange factors. So, it is hard to do something which is also unfamiliar to them, especially in the beginning. As a result, most of them chose what they did before. As Solano (2016) mentioned that immigrant’s previous experience is one of the strengths that they have and thus they used this knowledge to make the journey easy in the early stage. Having no prior experience is not a big problem when immigrants have native co-founders with them.

Brzozowski, Cucculelli, and Surdej (2017) mentioned that immigrant has a unique identity and
that is trans-nationality. They noted that most of the immigrant entrepreneurs maintain a sociocultural bonding with their native lands and this relation is also involved with economic integration as well. Our research revealed that immigrants offer their home products in the market of the host country which sometimes help them to break the sociocultural wall. Mexican food, kebab and many vegetables were not very common before immigrants’ entrepreneurs from the different corners of the world started offering those products. The native people went rushing grab those foods as other native entrepreneurs did not have the same products. So, their transnational identity became their strength which was hard to compete with and that helped them to survive in the market. We find out many immigrants only focused on selling their home countries products not only because they knew the business before but also considering this identity as an advantage to survive in the host country where they had faced a lot of sociocultural barriers. As Lin and Tao (2012) also noted, immigrant entrepreneurs have a higher tendency to get involved into entrepreneurial activities not only for avoiding social refusal but also for their transnational competences. Also, we find out that in many cases immigrant entrepreneurs’ customers are basically their co-ethnic people, especially in case of specialized grocery businesses (Asian, Latin) so that they can communicate in their language and also they don’t have to face so many barriers. We can mention Light and Shahlapour’s (2017) discussion here that said the social connection of immigrant entrepreneurs is one of the positive aspects of their transnational identity. They also stated that immigrants are also good at importing products from their home countries to the local markets as they generally have a good connection with both the markets.

We find that immigrant entrepreneurs are getting influenced by several factors and that help them to overcome socio-cultural barriers. Mostly they get influenced by the native people of the host country. For example, Sweden is a country where paperwork is very important before starting a business and immigrant entrepreneurs in Sweden usually get to know about these things by their native friends who play role of the influencers. Solano (2016) stated that immigrant entrepreneur’s decisions are influenced by their host countries legislative systems and socio-institutional relations. When entrepreneurs want to play self-employment role in the host country they get much information and gain knowledge from the native fellows. Canello (2016) discussed that immigrants generally get knowledge and information from their networks and these networks are not only limited by co-nationals but also native citizens of the host
countries. This support clearly helps them to cope up with existing sociocultural barriers.

Where several researchers like Tavassoli and Tripl, (2017); Rodriguez-Pose and Von Berlepsch, (2014) claimed immigrant entrepreneurs received supports from their co-ethnic networks, most of our respondents replied the opposite. We found that co-ethnic networks play a dual role for immigrant entrepreneurs. Some of them stated that they did not get any help as they did not ask for any and their co-ethnic communities were able to help them as they don’t know much about business. Andersson and Hammarstedt (2015) figured out this situation by noting that co-ethnic network is not an essential reason for a big success and perhaps it might a reason for only low incentives or similar activities. One respondent from Asian background stated that she didn’t get any support but had received negative vibes from her co-ethnic community and she believed it to be because of her gender and other people’s ‘jealousy’. Andersson and Hammarstedt (2015) did not point the same issue as the way we can explain it but they stated that co-ethnic communities might have a negative impact over new immigrant entrepreneurs if they target the same community as their customers. Immigrant entrepreneurs from the same community might create barriers for insecurity as Zhang, Wong, and Ho (2016) mentioned entrepreneurs to be sometimes ‘locked-in’ within their own communities. This ‘jealously’ might be considered as an ‘entry barrier’ that was created by the earlier immigrant entrepreneurs.

On the other hand, one responded with a European background said that he gets information from his co-national people; he got huge support especially in case of getting information. Tavassoli and Triplle noted that co-ethnic network is useful if this network works as an information hub. However, most of them agreed that though most of them did not get any significant support from their co-ethnic communities to overcome the socio-cultural barriers their co-ethnic networks are helpful as many of them are their customers. To make it more clearl, Chinese and Latin groceries owners got support from their co-ethnic communities as their respective communities are their main target customers. As Tavassoli and Tripll (2017) noted that co-ethnic networks become more fruitful when there are large groups of customers from the same ethnic community. Three of our respondents also shared that they always tried to help new entrepreneurs who belong to the same ethnic groups just as Tavassoli and Tripll (2017) mentioned immigrant entrepreneurs often played a strong role among other potential entrepreneurs from a same ethnic group in the context of starting their businesses.
6.0 Conclusion

Our research question was finding out the socio-cultural barriers of immigrant entrepreneurs in the context of self-employment. We found that language is the hardest socio-cultural barrier that immigrant’s entrepreneurs usually face. For language barriers, they often face problems to understand the agreement paper and it can lead them to a very problematic situation. The language barrier also makes them isolated from important stakeholders like union and for not knowing the host countries’ native language they have to go through several unwanted mistakes. Additionally, most of the immigrants become self-employed persons just because of not having competence in the language of the host country, no matter how qualified they are. Secondly, ‘legislation’ can be considered as the second biggest problem after language and this problem can be separated in two different ways. One is, to understand the law and prepare a proper business plan for coping up with the market. If the host countries business rules and regulations are as complicated as Sweden, then it requires much more information to know which is hard for the foreign-born entrepreneurs. Another problem related to legislation is the ignorance and unhelpful practices of the government agencies and financial institutions. Taxation rules are one of the biggest legislative barriers for self-employed immigrants. Lack of trust is also another socio-cultural problem of immigrant entrepreneur. For unfair practices of some immigrant entrepreneurs in the host countries, all the immigrant entrepreneurs face this problem. It is a problem where a customer in the host country starts distrusting the foreign-born people which creates barriers to grow their businesses. Expensive products are hard to sale for this kind of trust related issues. But not in all cases immigrants are reasons for this distrusting situation. A strong negative perception of native people towards immigrant entrepreneurs can also be responsible for this situation. And in most cases, those negative perceptions are not realistic. But nothing to do much because self-employed immigrants cannot change those perception overnight by launching an awareness campaign that big players can do. Immigrant entrepreneurs who are related with food business have to fight with a strong negative perception that native people think many immigrants are not hygienic. Our second question is how self-employed immigrant entrepreneurs overcame those socio-cultural barriers. We found that knowing more business information is important to overcome the legislation related complexities. And to overcome language barriers technology became a blessing as immigrant entrepreneurs can self-learn the foreign language in
their convenient time from internet and language specialized mobile applications. Technology also helps them to get proper information which they need more or less to overcome all the socio-cultural problems. Another strong sociocultural barrier related to the trust issue can be solved by creating more personal relations with the customers. When customers become familiar with immigrant entrepreneurs personally and their fair practices, they start trusting nonnative entrepreneurs. Translational identity is a strength of self-employed immigrant entrepreneurs because for this identity they can offer something new which does not exist in the current market of the host country. We found that Co-ethnic networks play a double role but both roles don’t have a great significance. Co-ethnic networks can be considered as a sociocultural barrier by the gender and geographical identity of the immigrant entrepreneurs. As gender classification was not our research focused area though we found that co-ethnic groups can be considered as a barrier for female immigrant entrepreneurs in some cases. In contrast to that, co-ethnic networks can also be considered as an information hub where the foreign-born entrepreneurs can share their knowledge. But most of the self-employed immigrant entrepreneurs who are running their business successfully do not depend on their co-ethnic networks only, rather they depend on themselves and hard work, creating personal relation with their customer and learning various things by using convenient technologies.
7.0 Implications

7.1 Limitations

We found some interlink between socio-cultural barriers and overcoming factors but enough discussions did not take place as it’s beyond our focused area. Also, we took all the interviews in Sweden but results can vary in different geographical locations as every country has different laws regarding business and migration. This can be considered as one of our limitations. We think it is our limitation that we did not come with a clear point about the role of co-ethnic networks. Additionally, the findings and analysis can vary by the gender differences of immigrant entrepreneurs but our study was not much focused on demographic factors like gender, age and race.

7.2 Implications for Policy Makers

In our research, we found that there are several discrimination practices in Swedish regulatory agencies and financial institutions. For the lack of trust and information gap Government agencies and banks treat foreign-born entrepreneurs in a negative way. We mentioned that regular and specialized banks have a much less tendency to help immigrants to start their businesses. Our research found Almi’s interest rate is not affordable for new entrepreneurs. Banks are more interested to give loan for the house, cars and for other assets than for starting a business. Most surprisingly Swedish Tax agency is the most unhelpful for immigrant entrepreneurs. This government agency is responsible to share information and take necessary steps to help entrepreneurs where our research found that they create additional barriers. Immigrant entrepreneurs also often find difficulties to get the resident permission on the host country. Banks should have more flexible policies towards foreign-born immigrant to give loans as they don’t have many assets to proceed traditionally in the system. Almi should take more responsibilities as they are a specialized financial institution and responsible to support entrepreneurs. The high interest of Almi is big hindrance which needs to be reconsidered. Swedish Tax agency should thoroughly redesign their services and policies because we found them as the most negative actor in the whole immigrant entrepreneurial process. The visa
policies of immigrant entrepreneurs should not be a long-suffering process. Banks and
government agencies should work more intensively to make sure that immigrants’ entrepreneurs
are getting the proper information. The banks should find an alternative way to increase the trust
between immigrants and themselves instead of ignoring foreign-born immigrants. Incubators and
municipalities also should come forward to help immigrants for knowledge sharing and other
logistical supports. This research finds that native people can contribute most to immigrant’s
entrepreneurial journey. So municipalities and business incubators can offer knowledge
exchange events between both parties. In those events, native people also can learn new
techniques about businesses as immigrant entrepreneurs have the transnational strength.

7.3 Theoretical Implications

Most of the previous study was a focused on either cultural or social barriers of immigrant
entrepreneurs but in our study, we discussed both the issues in a parallel way. Moreover, many
previous studies were about barriers related to both economic and social motivations. We tried to
focus as much as possible in only sociocultural barriers rather than in economic issues. As we
followed a qualitative approach, we found more evidence about the legislative issues in the
context of Sweden. It was not discussed in the earlier studies in that detail manner. Also, the
situation of lack of trust could be one of the unique findings that we have. We discussed the
distrust issue relating with the legislation issues and policies where the other researchers talked
mainly about the distrust between natives and foreign-born. We found the distrusted issue is not
limited between these two parties; it also has a correlation with legislation as well. In previous
studies, co-ethnic networks were only considered as a subject that plays a positive role in the
immigrant entrepreneurial journey; where we found it can also play a negative role and finally
make the point that co-ethnic networks play a dual role which was not discussed before. On the
other hand, the founded factors that drive foreign-born entrepreneurs to overcome sociocultural
barriers are also relatively new. For example, we found that technology played a great role to
overcome language barriers as for a beginner learning from technological devices is more
convenient than going to a traditional institute which was not discussed in previous immigrant
entrepreneurial studies. Other driven factors like ‘experience’ were also a great contribution to
the field of overcoming sociocultural barriers. Because we found in the beginning stage
experience of an immigrant is one of the biggest strength that they have to start and run a
business in the context of self-employment. As our study found that immigrant entrepreneurs are generally ignored by the host countries culture and social institutions, we find that native people of the host country can be an influential factor that influence immigrant to take the proper business decision in a new market.

7.4 Further Research

In our research, we found that information, technology, experience, transnational identity, and positive influential factors are the reason that drives immigrants’ entrepreneurs to break the sociocultural barricades. We also found some point that was not discussed largely as we were focused on our research questions. At first, we wanted to recommend a further study between lack of trust and legislation in the same context. While analyzing the findings, we observed a strong link between these two factors in the field of immigrant entrepreneurial study. Responsible agencies’ policies and practices are found discriminative because of distrust issues towards immigrants which requires a full separate study to find out more. On the other hand, we also found out a possible link between co-ethnic networks efficiency and cultural-geographical backgrounds of those networks. Because some co-ethnic networks are supportive for self-employment immigrants and some are not. There is much diversity in different co-ethnic networks, culture, and background. So, a study can be conducted by considering those factors. Most importantly, we found a very different story between male immigrant entrepreneurs and female immigrant entrepreneurs. In some point, we touched this issue but did not go further as it was not our focused area. But we strongly recommended two separate studies on this area. One is analyzing the difference that one male immigrant entrepreneur has to face and a female foreign-born has to face and the second is to examine the negative impact of co-ethnic communities over female immigrants. We found that female entrepreneurs are often demotivated by their co-national networks. Lastly, we want to recommend one independent study on influencer’s role in immigrant entrepreneurs’ journey in the context of overcoming the social refusals. We are recommending this point because one respondent said celebrities helped him to get more social acceptance. Though getting more acceptance by influencers are not new and it is applicable for everyone, though we think in the context of nonnative people the findings can be more interesting.
References


Appendix

Interview Questions

General Questions

• Age:
• Sex:
• Education:
• Birthplace:

Immigrant Entrepreneurship

1. With what purpose did you migrate to Sweden?
2. At what age did you migrate to Sweden?
3. At what age did you start your Business in Sweden?

Self-employment

1. How many people had you recruited when you started your business or was it only you?
2. What business do you have now?
3. Why did you choose this business for becoming a self-employed person?

Barriers

1. Before starting your business had you faced any social-cultural barrier for earning and living as an immigrant?
2. To start your business did you face any socio-cultural difficulty as an immigrant?
3. Do you get any support from the government or private institutions in Sweden?
Overcoming Factors

1. How do you overcome your barriers?

2. Why did you decide to fight with the barriers rather than giving up?

3. Did your co-ethnic communities support you to start your business?

4. What did you learn from your immigrant entrepreneurial journey?