Entrepreneurial Ecosystems' Impact on Immigrant Entrepreneurship

- In Context of Kronoberg Region -

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Abstract

The literature argues that the immigrants act in segregated communities and they, in most of the cases, establish low-risk and low return businesses within their ethnic communities. The importance of connecting immigrant entrepreneurs and the entrepreneurial ecosystems is a challenge to be overcome taking into consideration that the immigrants usually are not involved in it as a consequence of a lack of information about how it can facilitate immigrant entrepreneurship.

The aim of this research is to explore how the entrepreneurial ecosystem can facilitate the immigrant entrepreneurship by confronting the stories of the entrepreneurial ecosystem to the stories of the immigrant entrepreneurs in Sweden, in context of Kronoberg region. Qualitative analysis approach is applied and in-depth interviews are performed on seven organizations that are part of the entrepreneurial ecosystem and four immigrant entrepreneurs. Collected empirical data is then transformed into narratives for each interviewed person. The analysis and the answer of the question is done based on the structure of Isenberg’s Domains of the Entrepreneurship Ecosystem.

The research showed that the entrepreneurial ecosystem can facilitate the immigrant entrepreneurship by providing micro loans, alternative ways of financing, equal access to opportunities, embracing the experimentation and drive, consultancy in different areas as legal regulation, accounting and business plan preparation, free of charge working space, seminars and workshops, help with understanding and translation of the language, contacts with early customers and business partners and by providing access to new markets.

However, empirical data showed that even though these resources exist, there is a missing link between the available resources and immigrant entrepreneurs. What is more, improvement is needed with regards to the challenge of language barrier and trust issues.

Finally, the results of this thesis contribute in raising the awareness for the need of a more strategic approach to immigrant entrepreneurs as a vulnerable sub-group in the society and the entrepreneurial ecosystem. What is more, the immigrant entrepreneurs can use it as a valuable source of information for the different benefits are provided by the entrepreneurial ecosystem.

Keywords: entrepreneurship, immigrant entrepreneurs, entrepreneurial ecosystem, domains, confrontation, narratives, Kronoberg, Sweden
Doing Business in Kronoberg Region

Source: own development based on the Tree canvas
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1 INTRODUCTION

1.1 Background

Since the time of Schumpeter (1934), entrepreneurship is used as a fundamental tool and a source of provision of an economic national and local growth of the countries, and moreover entrepreneurship is of critical importance for development of the regions (Fristch, 1997; Uddin, 2016). In connection to this, entrepreneurship and entrepreneurial activities have the key impact to support and to stimulate innovations and to create job opportunities (Audretsch and Thurik, 2001). Furthermore, entrepreneurial activities that stimulate local growth and create competitive advantages have become an attractive field of contemporary research (Feldman, et al., 2013; Lanahan and Feldman 2015; Audretsch, et al., 2017). For this reason, given the potential force of entrepreneurship for fulfilling the needs of the economy development, it is still a phenomenon that is under research in the literature (Baumol, et al., 2007).

Economic development of the countries is founded on a proper and intensive usage of the available resources and competitive advantages. The world’s practice shows that small and medium enterprises play a significant role in the country’s economy supporting its future prosperity. They have a positive impact on the economic growth, on the market saturation with products and services, on development of innovations, on creation of new workplaces and growth of the employment rate, thus solving many economic, social and other problems (Audretsch and Thurik, 2001).

The literature has widely been discussing the need for entrepreneurship development. Unemployment and dissatisfaction with the current option is one of the key factors that push people to think entrepreneurial (Hjerm, 2004). Along to this, the need for financial resources and independence have strong impact on the entrepreneur's’ decision to search for opportunities (Enow, 2010). Besides these factors Henriquez et. al. (2001) claim that on one hand, immigration as a factor has huge impact on the unemployment level and the economy in general, but on the other hand it is one of the most important factors that influence the entrepreneurial activities and boost entrepreneurship.
1.1.1 Entrepreneurship Development in Sweden

Entrepreneurial activity in Sweden has been on the rise throughout the last ten years. According to the Report by Nordic Innovation (2016), since 2010 the quantity of start-ups has increased twice. Sweden is considered as the country with one of the most favourable climates for newly-born businesses with approximately 70 thousand new ventures created on an annual level. For three consecutive years, the major British Research Institute, Legatum, has awarded Sweden the first place in the rank on formatting and ensuring entrepreneurs with favourable opportunities to succeed (Nordic Innovation, 2016). Furthermore, according to the Bloomberg Innovation Index (2015), Sweden is among top-ten most innovative countries of the world, taking the seventh place in the ranking.

GEM Report (2017, p.20) states that over the period of time from the year 2004 to 2015, the rate of early-stage Entrepreneurial Activity (TEA) has almost doubled reaching the mark of 7.6%. Moreover, the Report claims that in Sweden a surprisingly big amount of people (70%) identify favourable business opportunity in the country. However, despite such high level of the acknowledgment of entrepreneurial opportunities, the data presented by GEM Report (2017, p.37) shows that there is a high level of the fear of failure: in the past five years the figure amounted to over 35%. Thus, it is justified to say that a paradox occurs in Sweden – despite the identification of entrepreneurial opportunities, the Swedes have a low level of confidence of starting and/or running a company. Given the described phenomenon, it is fair to argue that migrants arriving to Sweden with determination to establish their own business have a more intense fear due to certain obstacles and challenges they may face, however they still strive to seize an opportunity.

According to the official Swedish statistics (2017), foreign-born citizens account for 18.5% of the total population of Sweden. This data suggests that immigrants are an integral part of the local society bringing its contribution to the prosperity of the economy, and research on the topic is of high relevance.
1.1.2 The Trend of Immigration and Entrepreneurship in Sweden

As a result of the global political and economic crisis in recent years, especially developed countries are faced with waves of immigration. Sweden is one of the countries affected by the immigration (Figure 1 and 2.), taking into consideration the big changes in the demographic structure imposed by it, but also face challenges to integrate the immigrants (Sweden and Migration, 2018-04-01).

Figure 1 Sweden and Migration in different periods

Source: adopted by Sweden and Migration, 2018

The huge impact of the immigration can be noticed by the number of 163,000 of foreigners who migrated to Sweden only in 2016, following the trend of the previous years, especially from the time of Iraq War in 2008-2009.

Figure 2 Population in Sweden for 2016

Source: adopted by Sweden and Migration, 2018

Taking into consideration the raising importance of entrepreneurship on a global level, the researchers investigated the connections between the migration and the entrepreneurship, how they mutually support and benefit from each other, but also the challenges faced by the immigrants who want to establish a business in the country of migration. Besides the great benefits immigrant entrepreneurship can produce for the
society and the economy, immigrants still have to cope with many issues (Baykant-Levent et. al., 2002; Enow, 2010): discrimination, lack of financial, social and human capital (Brenner et. al., 2000; Holguin, Gamboa and Hoy, 2007; Rath and Kloosterman, 2003), less sources for financing businesses, lack of information (Holguin, Gamboa and Hoy, 2007), language barrier. In the year 2000, when the research regarding immigrant entrepreneurs was conducted not only by state representatives, but also independent academic researchers, it was noticed that the main driving factor for immigrants to start their own business was discrimination. Not only on the structural level but also on the individual one, by not recognizing neither their previous education or their professional experience gained in their home countries. These factors would make much more difficult for them to find a job in Sweden and they sure did not want to be depended on the social assistance (Slavnic, 2013). Therefore, even in the 1980s in Sweden there was an increase of interest by politicians for small business and especially for immigrants’ small businesses. The politicians argued that if they support the immigrant small businesses they would reduce the unemployment rate among them and an easier transition in the Swedish culture and society (Slavnic, 2013).

1.1.3 Community Based Entrepreneurship

Many authors agreed that the future of the sustainable economic development cannot be taken separately from the entrepreneurship development and by the literature it is recognized as a factor of success (Acs and Armington, 2004; Fritsch and Mueller, 2008; Hafer, 2013). Attempts have been made to put light on entrepreneurship economic development through interaction with the community. The community is perceived as a fundamental force for entrepreneurship development that bear the capacity and the skills for development of the enterprises (Lichtenstein and Lyons, 2006; Markley, Lyons, and Macke, 2015). Fortunato and Alter (2015) examine the community entrepreneurship development concept as an approach that goes far beyond the economic growth and logic, where the entrepreneurship can be seen as a part of the community and the social and the cultural structure. The authors also stress the importance of the interplay between the communities and the entrepreneurs, observing the both sides as mutually connected and beneficial, and as a field that needs to be further examined.
Community-based and social entrepreneurship in the last decades has aroused a genuine interest among academic and business communities seen it as an important tool in the efforts of creating a sustainable world (Soviana, 2013). Moreover, Welsch (2004) addressed community-based entrepreneurship as a contribution to the economic and social well-being of the community members, hence it is considered as a way to preserve autonomy of rural and local communities (Orozco-Quintero and Davidson-Hunt, 2010). According to Soviana (2013), community-based entrepreneurship has emerged due to lack of satisfaction of unfulfilled social and economic needs, which has triggered the desire for change, and this led to the creation of CBE (Community Based Entrepreneurship). Therefore, importance of a community-based entrepreneurship for society is providing a chance for immigrants to participate in the business sector by alleviating the obstacles they face (Bornstein, 2007; Ratten and Welpe, 2011).

Social and cultural backgrounds play an important role in an entrepreneur’s opportunity-recognition process (Dana, 1995). For this reason, community-based entrepreneurship may have an impact on an entrepreneur’s attitude and selections. They will heavily stem from a venture’s social and informal networks that can trigger innovations. Those networks are formed under influence of customs, beliefs and interests of the members of an organization or community. Organized community-based entrepreneurship enables a community to stand for their social structure simultaneously acting with the aim to achieve financial goals (Ratten and Welpe, 2011). Therefore, importance of a community-based entrepreneurship for society is providing a chance for the society to participate in the business sector (Bornstein, 2007; Ratten and Welpe, 2011).

1.2 Problem Discussion

Creation of a new business may be of high complexity for entrepreneurs in general both for native-born and immigrant individuals willing to establish a venture. This can be induced by lack of necessary resources on a par with insufficient legitimacy (or “liability of newness”) what places obstacles for an entrepreneur on his way to gain needed assistance from credible resource suppliers (Smith and Lohrke, 2008; Stinchcombe and March, 1965). Thus, it is of critical importance for an entrepreneur to successfully eliminate this liability and, alternately, gain the needed capitals what to a
great extent accounts for the entrepreneur’s competency to establish enduring relationships with resource suppliers on an exchange basis (Katz and Gartner, 1988). Such approach to a venture sustainability indicates that it is an economic process integrated into a social context and to a great extent depends on effective social networking (Smith and Lohrke, 2008).

Social networks can act as a valuable source of the necessary means required by a business start-up creation, i.e. information, financial, human and physical resources, etc. Moreover, as Jenssen and Greve (2002) discuss, networking is of high importance for entrepreneurs as it enables them to directly address to those people who are interested in supporting their newly-born venture. Taking everything into consideration, community based entrepreneurship with its feature of being based on close tights between all the participants may be a significant mechanism providing immigrant entrepreneurs with necessary network links in a natural way.

Entrepreneurship ecosystems (the terminology Ecosystem will be used in the Thesis), became an attractive topic in the literature recently. Entrepreneurship ecosystem consists of many mutually connected elements and it presents a large number of interconnections between them, stimulating growth and innovation on a constant level (Brush et al., 2017). As Isenberg (2014) and Auerswald (2015) stated, the fundamental idea of the ecosystem is motivation of program and policies creation, which stimulate growth of entrepreneurial activities across the specific region. The literature gives attempt to explain the need of entrepreneurship ecosystem existence through the equality to access different type of resources and support, but also to give to the entrepreneurs (especially to the start-ups) equal chance for success (Brush et al. 2017). Fortunato and Alter (2015) stress the role of the entrepreneurial ecosystems to serve to entrepreneurship and encourage entrepreneurs in their battle on functional and relational level. The main point behind these two levels is the need of capital and finance on the functional level, but also, the need of relations, contacts and network as inevitable need for success, on the relational level. In other words, entrepreneurs need different profiles of people that are part of different sectors and levels in the society to be used as a main source for concepts, ideas, advices and knowledge. The main issue, but also gap that needs to be fulfilled in the literature according to Motoyama and Knowlton (2017) is the
connections/interconnections between the different elements of the ecosystem and how these elements affect the businesses. In connection to Motoyama and Knowlton (2017), Soviana (2013) emphasizes the need of close examination of the unique characteristic of the Ecosystems – gathering of people who share much more than just goals to achieve or productive activities. The author argues that community stand for “people sharing geographical location with shared culture, ethnicity, and/or other relational characteristics.” (Soviana, 2013, p.17).

The literature has examined the entrepreneurship ecosystem through different perspectives, regions and structure. With regards to the structure of the entrepreneurs and the diversity vs homogeneity of the entrepreneurial ecosystem, Tomkins-Bergh, (2015) defined the need of further examination of the immigrants as a specific sub-group. O’Connor and Reed, (2015) examined woman, immigrants, and youth entrepreneurs as sub-groups in the entrepreneurial ecosystem. They specified that often the immigrants acting in segregated communities and they, in most of the cases, establish low-risk and low return businesses, by this staying out of the entrepreneurial ecosystem and the opportunities given by it. Nitin Pachisia (2017), founder of Unshackled Ventures, a company that supports immigrant entrepreneurship in America, explains the problem of the importance of connecting the immigrants and the entrepreneurial ecosystems as a challenge to be overcome taking into consideration that the immigrants are usually forced to leave the ecosystems or not involved in it at all. She especially stresses that “by helping immigrants to create start-ups does more than giving them an opportunity to achieve success — it also creates new jobs and ensures that those jobs don’t get moved offshore” (2017-03-27, interview of Nitin Pachisia for HighTech).

As a conclusion of the aforesaid, even though the countries and the regions are facing the problem of immigration on a national and global level, no attention was given to the emerging importance of the immigrant entrepreneurship and how it acts in the Ecosystem’s frame. Taking into consideration previously described situation with the immigration trend in Sweden, immigrants and their entrepreneurial activities are of a crucial importance for local, regional and national development of the country. Växjö as a city of a huge potential for entrepreneurship ecosystem development will be used to
examine the specifics of the entrepreneurial ecosystem and its elements, as well as how it affects to the entrepreneurial activities of the immigrants in the Sweden. Hjerm (2014) said: “The implicit understanding that entrepreneurship amongst immigrants is something positive not only for society, but also for individuals, is not something that is prominent only in the Swedish debate”. The problem is global, but local and regional research that contributes to general conclusion is important.

The case of the entrepreneurship in Kronoberg region is empirically investigated through the key organizations of the entrepreneurial ecosystem in this region, defined by snowball method. Based on the collected primary data from in-depth interviews 11 narratives are developed, representing the immigrant entrepreneurs’ stories on one side and the stories of the representative organization in the Ecosystem from the other side.

1.3 Purpose

This paper aims to explore how the entrepreneurial ecosystem can facilitate the immigrant entrepreneurship by confronting the stories of entrepreneurial ecosystems to the stories of immigrant entrepreneurs in Sweden.

1.4 Research Question

This paper should provide answers to the following research questions:

RQ1: How can the entrepreneurial ecosystem facilitate immigrant entrepreneurship?

RQ1.1: How do immigrant entrepreneurs perceive the challenges within the entrepreneurial ecosystem?

RQ1.2: How do the organizations that are part of the ecosystem perceive the support that can be given to immigrant entrepreneurs?

1.5 Delimitation

Taking into consideration the scope of the thesis and the fact that it is a student work, the limits especially in terms of time exist. As a result of time and other resources limitations, the study is conducted in Växjö focusing on the entrepreneurial ecosystem of the Kronoberg Region. What is more, the organizations that have been taken as a subject of the study in the empirical part have been identified as mostly representative.
parts of the entrepreneurial ecosystem. This means that, with respect to some other organizations that are probably part of the entrepreneurial ecosystem and contribute to it, the limitation is to those that are well known, and their importance and contribution are repeatedly stressed by the players in the ecosystem. The focus of the study is put on foreign-born entrepreneurs who have gone through the entrepreneurial process in the entrepreneurial ecosystem in Kronoberg in the last five years.

1.6 Disposition

The structure of the thesis is presented in Figure 3.

Figure 3 Structure of the thesis

- **Research Question**: How can the entrepreneurial ecosystem facilitate the immigrant entrepreneurship?
- **Research question 1.1**: How the immigrant entrepreneurs perceive the challenges within the entrepreneurial ecosystem?
- **Research question 1.2**: How the organizations that are part of the ecosystem perceive the support that can be given to the immigrant entrepreneurs?
2 METHODOLOGY

This chapter provides explanations for the choices made with regards to the methodological approaches that are used in the research. Based on the specific requirements of the study, the summary of the methodology choice is presented in Table 4.

Table 1 Summary of the methodology in the thesis

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Methodology used in the thesis</th>
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<tbody>
<tr>
<td>Research Design</td>
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<tr>
<td>Research philosophy</td>
<td>Interpretivism</td>
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<td>Research approach</td>
<td>Abduction</td>
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<td>Research strategy</td>
<td>Regional Case</td>
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<td>Data Sources</td>
<td>Primary and Secondary</td>
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<tr>
<td>Research method</td>
<td>Qualitative research, Narratives</td>
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<tr>
<td>Data Collection Methods</td>
<td>In-depth interviews</td>
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<td>Sampling Strategy</td>
<td>Non-probability sample</td>
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<tr>
<td>Data Analysis Techniques</td>
<td>Organizing, Coding, Matching</td>
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<tr>
<td>Quality of the Study</td>
<td>Reliability, Validity</td>
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<tr>
<td>Ethical issues</td>
<td>Informed consent, confidentiality, anonymity</td>
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2.1 The Purpose of the Research Design

Saunders, Lewis and Thornhill (2016) and Ghauri and Grønhaug (2010) suggested that the researchers have to clearly recognize the purpose of the research design. It is essentially important to decide at an early stage, what purpose the research aims to fulfill: exploratory, explanatory, descriptive or evaluative purpose (Saunders, Lewis and Thornhill, 2016). The decision on the research question and the way in which it is designed is of a key importance.

Exploratory studies

One of the most recognizable characteristics of the exploratory studies is the need open question to be asked. Usually, the research question in this study begins with “How” or
“What”, same as the question used during the data collection. Another specific of this type of studies is that the collection of the data is performed through individual in-depth interviews with experts in the area, focus groups interviews, in which the interviews are unstructured, and the quality of the gathered data depends on the participants in the interviews (Bryman and Bell, 2012). What is more, exploratory studies are flexible and adaptable to change, which is seen as an advantage by Saunders, Lewis and Thornhill (2016).

Descriptive studies
The descriptive studies aim to collect information and to create a very precise profile of persons, events or some circumstances, condition or case. The research questions in the descriptive studies usually start with “How”, “Who”, “what”, “where” or “how.” Saunders, Lewis and Thornhill (2016) suggest that the descriptive studies can be used as an extension of explanatory studies or to be performed as an introduction of the descriptive studies. It is highly recommended by the authors’ the descriptive studies not to be used as a main study in the research works as a result of the difficulties to draw conclusions (Saunders, Lewis and Thornhill, 2016).

Explanatory studies
Those studies that have a goal to identify the causes and effects in the relationship are named as explanatory studies (Saunders, Lewis and Thornhill, 2016). The accent in these studies is put on explanation of the connections between the variables in the situation or problem that is under research. The research questions are usually designed to start with “Why” or “How”.

Evaluative studies
Evaluative studies have a task to make assessment if some strategy, process, policy is effective and if it works according the plan and expectations (Saunders, Lewis and Thornhill, 2016). Comparisons between the events, groups, and periods in time might also be part of these types of studies. The research question is usually set up to start with “How” or “What” (to what extent). The evaluative studies can contribute to the theory by providing understanding not only what is effective but also “why” it is effective (Saunders, Lewis and Thornhill, 2016).
2.1.1 The purpose of the research design in the thesis

The goal of the thesis is to explain how the entrepreneurial ecosystem facilitate the development of the start-up established by the immigrants through filed research on the perceptions of the different actors involved in the ecosystem in Växjö, giving an exploratory purpose of the thesis. Through qualitative analysis and conduction of in-depth and unstructured interviews with the different actors in the ecosystem in Växjö, the mutual connection and impact between the start-up creation by immigrants and entrepreneurial ecosystem will be analysed. What is more, taking into consideration the lack of the literature that examines the specific combination, the entrepreneurial ecosystem and the immigrants as a sub-group, the thesis is expected to contribute to the literature.

2.2 Research Philosophy

Burrell and Morgan (1979, cited in Saunders, Lewis and Thornhill, 2015) emphasized that the assumptions are inevitable part of the research and are done in every stage of its conduction. Based on this assumptions and beliefs a knowledge for the area of research is developing. This system that of different types of assumptions (epistemological, ontological or axiological assumptions) is constituting the research philosophy constituted as a fundament for building a set of methods – methodological choices, choices on the research strategy, data acquisition and analysis methods. The final goal is the research project to be coherent and the different parts to be consistent to each other (Saunders, Lewis and Thornhill, 2016). Ontology is consisted by assumptions about the nature of reality which presents the way how the research objects are perceived by the researcher. Epistemology is the human knowledge, or how the knowledge assessed as valid and acceptable, but also how the knowledge is presented to the others. Numerical data, visual data, interpretations of the facts, stories and other types defined as legitim and acceptable. Finally, axiology is the impact and the role of the values and the ethics applied in the research process.

According to Saunders, Lewis and Thornhill (2016) and Bryman and Bell, (2015) two major research philosophy are usually applied in the research processes: Positivism and interpretivism. What is more, critical realism, Postmodernism and Pragmatism are other
three philosophies that can be used in the research process (Saunders, Lewis and Thornhill, 2016). The characteristics of each philosophy is summarized in Table 2.

Table 2 Major research philosophy

<table>
<thead>
<tr>
<th>Descriptive</th>
<th>Positivism</th>
<th>Post-Positivism</th>
<th>Interpretivism</th>
<th>Critical Theory</th>
<th>Pragmatism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Synonym</td>
<td>Verify</td>
<td>Predict</td>
<td>Understand/Interpret</td>
<td>Emancipate</td>
<td>Dialectic</td>
</tr>
<tr>
<td>Ontology</td>
<td>Objectivist; findings=truth, realism</td>
<td>Modified objectivist; findings probably true, transcendental realism</td>
<td>Local, relative, co-constructed realities, subjective objectivity, relativism</td>
<td>Historical/virtual realism shaped by outside forces, material subjectivity</td>
<td>Constructed, based on world we live in and explanations that produce the best desired outcomes</td>
</tr>
<tr>
<td>Epistemology</td>
<td>the only knowledge is scientific knowledge – which is truth, reality is apprehensible</td>
<td>Findings approximate truth, reality is never fully apprehended</td>
<td>Co-created multiple realities and truths</td>
<td>Findings are based on values, local examples of truth</td>
<td>Objective and subjective points of view</td>
</tr>
<tr>
<td>Methodology</td>
<td>Quantitative – Primarily Experimental, quasi-experimental</td>
<td>Usually Quantitative – Experimental with threats to validity, Qualitative (e.g., Case study)</td>
<td>Often Qualitative and/or Quantitative</td>
<td>Usually Qualitative, but also quantitative</td>
<td>Qualitative &amp; Quantitative</td>
</tr>
</tbody>
</table>


2.2.1 Research Philosophy in the Thesis

According to Saunders, Lewis and Thornhill (2016) interpretivism has the focus on the personal experience of the individuals, on culture, and on interactions between people. The thesis and the research done will be also focused on the entrepreneurs’ individual experience with regards to the challenges they are facing in the frame of immigrant entrepreneurship, but also based on their perception for the support they receive from the entrepreneurial ecosystem. From other side, the entrepreneurial ecosystem will also be examined, and the perceptions of the people involved there will be analysed in terms how the entrepreneurial ecosystems influence the development of the immigrant entrepreneurship. The data will be collected based on in-depth interviews with the immigrant entrepreneurs and the other actors of the ecosystem.
2.3 Research Approach to Theory Development

The awareness of the theory at the beginning of the research is crucial for deciding on designing of the research project. Saunders, Lewis and Thornhill (2016) and Bryman and Bell (2015) emphasize three main types of research approach: induction, deduction and abduction. Table 3 presents the main characteristics of the approaches.

Table 3 Research approach for theory development

<table>
<thead>
<tr>
<th>Inference</th>
<th>Process</th>
<th>Relationship to theory</th>
<th>Examples based on this approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abduction</td>
<td>Creates tentative explanations to make sense of observations for which there is no appropriate explanation or rule in the existing store of knowledge</td>
<td>Does not start with explanations but instead links things together to generate an order that fits the surprising facts - the beginning of theory-building</td>
<td>Lean start up, grounded theory, ethnography, machine learning, hypothesis-free a-b testing, design thinking, constructive design research, prototyping, cultural probes</td>
</tr>
</tbody>
</table>

Having developed a guess, explore the consequences via deduction

| Deduction  | Taking a general rule and seeing what follows in particular cases | Top down: Explores the necessary consequences of a rule | Randomised control trials, experiments in the natural and physical sciences |

Now make observations to see if the rule and the consequences hold via induction

| Induction  | Looking across cases and data to produce a rule or pattern | Ground up: Has a theory in mind and seeks confirmation across cases | Surveys, cases, interviews |

Source: Adopted from Researching Design for Policy (2018)

As it is clearly presented in Table 3, the deduction approach is connected to the assumptions that have been made and have to be test through the rules of the existing theories and it has been recognized as the most recognizable connection between the theory and the practice (Bryman and Bell, 2015). Its main idea is to explore the consequences of the rules developed in the theory to specific cases and situations. Based on what has been said by Ketokivi and Mantere, (2010), Saunders, Lewis and Thronhill (2016) state that “deductive reasoning occurs when the conclusion is derived logically from a set of premises and the conclusion been through when all premises are true” (pp. 144). The most common steps in the process of deduction are: Theory, Hypothesis
development, Data collection, Findings, Confirmation of the hypothesis and revision of the theory (Bryman and Bell, 2015). The last step involves deduction.

Contrary to the deduction, the *Induction approach* is used when there is a gap between the conclusion and the premises and the final outcome of this process is theory. In the induction research the starting point is the observation leading to induction of theory. Figuratively presented, the difference between the induction and deduction is presented in Figure 4.

**Figure 4 Induction and Deduction approach**

![Induction and Deduction approach diagram](source)

Source: Adopted by Saunders, Lewis and Thronhill, (2016)

Finally, as a result of some limitations in the deductive and inductive research, abductive reasoning has been developed for the purpose of the business research (Saunders, Lewis and Thronhill, 2016). The directions of the abduction research are not only from theory to data or from data to theory, but a combination is used, and the steps are back and forth (Saunders, Lewis and Thronhill, 2016). It starts with observing “surprising fact” noted in the literature and testing the surprises through the plausible theory in order to identify why this phenomenon occurs (Bryman and Bell, 2015). In this case the fact is a conclusion and it is not taken into consideration as a premise. The conclusion is fundamental for determination of several premises, which will be sufficiently explaining the conclusion (Ketokivi and Mantere, 2010).
2.3.1 Research Approach to Theory Development Used in the Thesis

The thesis aims to identify the role of the entrepreneurial ecosystems on the development of the immigrant entrepreneurship in the early stage of a business establishment, by facilitating the challenges that immigrant entrepreneurs are facing. The Abduction approach is relevant for the thesis as it is approach created to the surprising fact, based on conclusion, and not premises. Based on the general conclusion that the entrepreneurial ecosystem should be beneficial for the development of the foreign entrepreneurship and the immigrants entrepreneurs as a sub-group which is usually positioned out of the ecosystem’s frame, analysis through the available theory and the empirical material collected in the research process based on direct contact with the actors in the ecosystems will be performed. The abduction approach is also supported by the fact that the ecosystems are recently researched in the literature, and their effects on the business, as well as the mutual connections between the different elements within the communities has not clearly been examined, especially not with focus on immigrant entrepreneurship.

2.4 Research Strategy

As far as research strategy is concerned, Saunders, Lewis and Thornhill (2009) define the notion as a general set of actions that should be made thus answering the posed research questions. Generally, research strategy covers such facets as a clear goal definition, sources of appropriate data, possible limiting factors (e.g. time, money, etc.) and ethical aspects of the research.

The authors identify various research strategies: experiment, survey, case study, action research, grounded theory, ethnography and archival research (Saunders, Lewis and Thornhill, 2009, p.141). Research strategies are not mutually-exclusive, and several strategies can be combined within one research. Moreover, all the strategies are of equal significance and contribute to a research in their own way in accordance with their nature. Preference of particular strategies is always given to those that lead to answering the set research questions and achieving the objectives of the research.
Experiment

The main objective of an Experiment is to examine how one independent variable and another dependent variable interact, and to what extent such interchange occurs (Saunders, Lewis and Thornhill, 2009; Bryman and Bell, 2015).

As Saunders, Lewis and Thornhill (2009) and Bryman and Bell (2015) discuss, classic experiment implies the presence of two groups: experimental and control. The former group is subject to certain interventional or manipulating action. In the latter group no interference takes place. In both of the groups a dependent variable that is to be studied is measured before and after affecting implementation of the dependent variable what enables to make a comparison between the results. Once the comparison is carried out, any possible difference occurred between the both groups with regard to the dependent variable accounts for and its effect (Saunders, Lewis and Thornhill, 2009).

Generally, scholars define laboratory and field experiments (Bryman and Bell, 2015): the former kind of experiments takes place in a laboratory or a specially-designed scene, while the later experiments are conducted in real world.

Survey

Survey is considered to be one of the most widely used strategies in conducting a business research since it enables to collect a bulk of information from a large group of people economically. Surveys are mainly assigned to the deductive approach for exploratory and descriptive research (Saunders, Lewis and Thornhill, 2009). This type of a research strategy enables to provide answers for such questions as “who”, “what”, “where”, “how much” and “how many” that ultimately represent quantitative data and subsequently is analysed qualitatively (Saunders, Lewis and Thornhill, 2009).

Survey strategy includes questionnaires as well as structured observations and structured interviews (Saunders, Lewis and Thornhill, 2009).

Case Study

Within the following strategy context of a study is of critical importance. Yin (2014) defines a case study as “an empirical inquiry that investigates a contemporary phenomenon in depth and within it real-world context”. As Stake (2005) and Yin (2009) claim, a case study strategy provides a comprehensive insight into a certain
phenomenon within the frames of its context situated in real-life and based on the participants’ perspective. Generally, case studies enable to answer “how” and “why” types of questions (Stake, 2005) and are suitable for exploratory and explanatory research (Saunders, Lewis and Thornhill, 2009).

Bryman and Bell (2015) define the term “case” as ‘an object of interest in its own right, and the researcher aims to provide an in-depth elucidation of it”. Accordingly, as an object of the research the following actors can perform: a single organization, a single location, a person or a single event (Bryman and Bell, 2015). What is more, Yin (2014) point out on single or multiple case study.

*Action Research*

*Action research* is a strategy enabling to combine theory and practice what leads to a more profound and efficient research. The main purpose of the strategy is to provide a change for an environment being studied with a close interaction of all the participants of the research, i.e. scholars and stakeholders (Greenwood & Levin, 2007). Within the frames of an action research, in a particular environment both parties of the research are subject to learning and active cooperation through the whole duration of the study.

*Grounded Theory*

*Grounded theory* was vastly discussed by Strauss and Glaser (1967). Such strategy implies the following process: data collection without developing of a preliminary theoretical framework but basing on several observations; further creation of certain predictions being examined during new observations that either prove or disprove them (Saunders, Lewis and Thornhill, 2009).

*Ethnography*

*Ethnography* represents inductive approach and aims at studying social issues basing on the locals’ perspective in their natural environment. Such strategy is significantly time-consuming, and it requires from a researcher maximum dedication, flexibility and immersion with the surrounding scene (Saunders, Lewis and Thornhill, 2009).
Archival Research

As Saunders, Lewis and Thornhill (2009) claim, archival research is based on “administrative records and documents”. The strategy enables to trace how a phenomenon has been changing over a certain period of time from the past.

2.4.1 Research Strategies Applied in the Thesis

The aim of the paper is to explain and understand how the ecosystem influence immigrant entrepreneurship, based on the perception of the main actors in the ecosystem. For the purpose of the thesis, and in order to understand the impact of the entrepreneurial ecosystem from one side, as well as the perception of the immigrant entrepreneurs for utilization of the ecosystems from the other side, the case of Region Kronoberg is applied.

With regards to the case, the perceptions of four immigrant entrepreneurs will be analysed, and what is more seven important organizations/institutions that are part and are relevant for the ecosystem in Kronoberg will be included. In order to find out which organization is relevant, a consultancy is done with people who are involved in the entrepreneurial ecosystem in Kronoberg and their opinion is considered. By this, snowball method is applied, and the following organizations were taken into account for doing investigation of the regional case of Kornoberg: Step Two Project, Almi, Bravo, Drivhusset, Videum Park, Talk Innovation and NFC. The intention is to understand the complex phenomena in a real world. Also, the exploratory research design is suitable with the case strategy who intent to give answer to the research “How” type of questions.

The case of the region Kronoberg as entrepreneurial ecosystem is analysed through empirical data collected by conducting in-depth interviews.

2.5 Development of Interview Guidelines

Interviews play a key role in the Thesis for acquiring relevant and valuable information. For the purpose of gathering data of high quality, a well-developed and structured interview guideline was needed. Taking into consideration the focal aim of the research,
i.e. investigation into entrepreneurial ecosystems impact on foreign entrepreneurs, the interview guideline was developed that reflected in further interview processes.

The interview guideline consisted of two parts. The first part included general information about the interview: introduction of the interviewers, purpose of the interview, conditions (timing, recording), ethical considerations, future usage of the gathered information, etc. The second part was devoted to the interview questions.

Since two groups of actors, i.e. foreign entrepreneurs and community leads, form the basis of the research, two various guidelines were needed to be developed. The main part of each of the guidelines was the same for the both. However, the guidelines differed in the questions that were to be asked as various perspectives on entrepreneurial ecosystem in Växjö were needed to be examined. Thus, the questions were designed with an intention to gather individuals’ experiences, opinions on entrepreneurial ecosystem, challenges and support tools, etc.

Considering the qualitative nature of the research, no concrete facts and figures were necessary for the research, but the focus was put on entrepreneurial processes, perceptions, etc. For this reason, the format of interviews had a nature of an open discussion so that interviewees could talk and provide as much information as they wished. In order to embrace the interviewees to talk openly, “How” and “What” questions about their experiences formed the base of the questionnaire. Apart from the questions that were written, several follow-up questions were asked additionally depending on the situation and relevance of gathering more details on a certain notion.

The language of the interview guideline was not supposed to be simplified due to the fact that interviewees were involved in entrepreneurial sphere for a certain period of time, so the terminology was well-known to them. However, in occasion of occurrence of any misunderstandings or needs for clarifying certain notions, explanations were given with an easier language.

The interview guidelines are presented in Appendix 1 and Appendix 2.
2.6 Data Sources

Providing relevant and credible data is of critical importance for the research. In order to meet the objectives of the study and find the answers to the research questions, reliable sources play an important role in a gathering data process.

Data can be collected by addressing two sources: primary and secondary (Kothari and Garg, 2014; Saunders, Lewis and Thornhill, 2009; Bryman and Bell, 2015). Primary data is characterized by its novelty and originality, and it is collected by a researcher aiming at reaching the set purpose of the study. Secondary data represents information that has already been collected, analysed and documented by another interested party (Kothari and Garg, 2014). Although the initial aim of the data could be different, a researcher still can address to secondary data sources and reanalyse information in accordance with the objectives of their study (Saunders, Lewis and Thornhill, 2009). The type of data needed for a research is usually defined by the chosen research design (Persaud, 2010).

Primary Data Sources

Primary data represents first-hand information needed to pursue the objectives a particular research. This type of data can be gathered from such sources as self-conducted surveys, questionnaires, interviews, field observations and experiments (Persaud, 2010; Bryman and Bell, 2015).

As Persaud (2010) discusses, primary data has several advantages. Firstly, the information gathered from primary sources is pure and unfiltered. Furthermore, the collected data is novel and suitable for a current research providing fresh information. In addition, no distortion in information may occur due to the fact that a researcher collects original data instead of addressing to information used numerous times and modified in accordance with their particular objectives. Moreover, a researcher has control over the data-collection process what makes the outcome more accurate and credible.
Secondary Data Sources

In contrast to primary data, secondary data used in a particular research represents information that has already been gathered by another interested party in conformity with their purpose of the work (Kothari and Garg, 2014; Boslaugh, 2010). Sources where secondary data can be found are depicted in Figure 5.

Figure 5 Secondary data sources

![Secondary Data Sources Diagram]

- Publications of the central, state and local governments;
- Publications of foreign governments or of international bodies and their subsidiary organizations;
- Technical and trade journals;
- Books, magazines and newspapers;
- Reports and publications of various associations connected with business and industry, banks, stock exchanges, etc.;
- Reports prepared by research scholars, universities, economists, etc. in different fields;
- Public records and statistics, historical documents, and other sources of published information.
- Diaries;
- Letters;
- Unpublished biographies and autobiographies;
- Publications available with scholars and research workers, trade associations, labour bureaus and other public/private individuals and organisations, etc.

Source: Kothari and Garg, 2014.

Boslaugh (2010) outlines several beneficial features of secondary data. To begin with, a researcher has access to a large quantity of data that usually has been collected throughout the years. Moreover, due to the fact that such data has already been gathered and analysed, it enables a researcher to experience considerable retrenchment of temporal and financial resources, and therefore dedicate their efforts on a particular issue being studied and its analysis. In addition, secondary data sources represented by official and governmental agencies are reliable and comply with high level of quality.

2.6.1 Data Sources Used in the Thesis

Both primary and secondary will form the empirical base for the research. The primary data will be gathered by conducting in-depth interviews with target groups. As
explained in section 2.7.1 in total 12 interviews will be performed and the perception of
the interviewed persons will be interpreted in terms how the ecosystem facilitates the
venture creation by the immigrants. The secondary data will be collected by addressing
to such published sources as books, articles in newspapers, publications of the local
government, reports by official agencies and international organisations, etc. In order to
locate relevant online sources of data such search engines as “One Search” and “Google
Scholar” will be used.

2.7 Data Collection Methods

Since various types and sources of data exist, it is of critical importance to choose the
most appropriate method of data collection in order to successfully reach the aim of the
study. In this view, several aspects should be taken into account while considering a
data collection method. Firstly, nature, scope and object of the research should be
considered so that the chosen method is suitable for the study conducted by a researcher
(Kothari and Garg, 2014). Secondly, a method to be chosen is sometimes determined by
the funds at the researcher’s disposal: a researcher will be constrained to address to a
less finance-consuming method if he does not possess sufficient funds for more
sophisticated and efficient method (Kothari and Garg, 2014). Furthermore, time factor
plays an important role in the decision-making process: the more time there is at a
researcher’s disposal, the more time-consuming and profound methods of data
collection could be used (Kothari and Garg, 2014). Last but not least, a method also
depends on the accuracy that is needed for a particular research (Kothari and Garg,
2014). It should be noted that no data collection method is superior to others, and a
decision can be taken depending on the situation, researcher’s expertise and the nature
of issue to be studied (Kothari and Garg, 2014).

On a par with addressing to secondary data the most commonly-used methods of
primary data collection are observations, interviews, focus groups and questionnaires
(Saunders, Lewis and Thornhill, 2009). Taking into consideration the nature of the
research, such method as personal interview has been applied in the study in order to
collect relevant and trustworthy information that is of high importance for achieving
objectives of the research and answering the research questions (Saunders, Lewis and
Thornhill, 2009).
In general, interview is “a purposeful discussion between two or more people” (Kahn and Cannel, 1957) where the interviewer is the one who asks questions, and the interviewee (or respondent) is the one who provides the answers to those questions (Persaud, 2010). Interviews can be categorized into three main groups: structured interviews, semi-structured interviews and unstructured interviews (Kothari and Garg, 2014; Persaud, 2010; Saunders, Lewis and Thornhill, 2009). A structured interview distinguishing feature is that questions to be asked are of a high level of standardization and the process itself is formal, and it is usually applied in quantitative kind of a research (Saunders, Lewis and Thornhill, 2009). On the other hand, unstructured (in-depth) interview is highly informal, implies the presence not of a set of certain questions, but a general idea of the area to be explored, and the interviewee has a chance to express his attitude freely. Such interviews are suitable for qualitative research (Saunders, Lewis and Thornhill, 2009). In addition to that, semi-structured interviews are more widely used in conducting a qualitative research as it gives certain freedom for a researcher to ask additional questions within the area of the interest, change their order, etc. (Saunders, Lewis and Thornhill, 2009).

In the following Figure 6 other types of interviews are depicted.

**Figure 6 Interview**

*Source: adapted from Saunders, Lewis and Thornhill (2009).*
2.7.1 Data Collection for the Thesis

Data collection process represents a structured procedure with the purpose of collecting empirical material from the target individuals addressing appropriate study methods, i.e. interviews, surveys.

We started to collect the data on the 25th April 2018 and completed the process on the 14th May 2018. Throughout the specified period of time we arranged face-to-face meetings with 5 entrepreneurs and founders of a company and 7 leaders of entrepreneurial communities located in Växjö both at neutral and their working settings. Personal networks were used in order to find individuals appropriate for the research. Before conducting an interview with each target person, the prior contact was established via phone calls or e-mail.

Taking into consideration tight schedules of the target people and their involvement in their own working processes, personal meetings for conducting interviews were arranged well before the date. For some persons it was of high complexity to find time during the day time, so interviews were conducted upon their schedule. Venue for conducting interviews were chosen in accordance with the target person’s convenience so that they would gladly participate in the study with minimum physical costs and waste of time.

Prior to the beginning of an interview, first we presented the objective of the thesis, its main aspects and what phenomenon was under research. Moreover, some clarifications were made – such notions as entrepreneurial ecosystem, immigrant entrepreneurship were explained. Additionally, we clarified such aspects as ethics and privacy, future usage of the information, etc. One of the most important aspects to discuss was the interviewee’s desire to either be anonymous or reveal their name and company’s brand. Before proceeding to the interview and questions regarding the topic, interviewees were asked if they had any questions concerning the process, research or terminology, and then interviewers signalled when the recording started.

Interviews were conducted in the form of an open discussion meaning the presence of several key questions to be asked, and then depending on the moment and sufficiency of the data interviewers asked several supporting questions for a broader gathering of
information. Besides recording the conversations, notes were taken as well. The working language was English. Upon completing an interview, interviewees were asked if they wanted to have a final version of a narrative based on their story, so they could assure themselves of the credibility of the research and be sure that no distortion of the data happened.

Interviews finished with expressing gratitude and appreciation for the interviewees’ cooperation and devotion of their time and effort (it was done without recording). Their contribution to the thesis is significant and by their participation in the work process the objective of the research will be reached.

All interviews were conducted face to face and in English language. The summary is presented in Table 4.

Table 4 Summary of the Interviews

<table>
<thead>
<tr>
<th>Target Groups</th>
<th>Person</th>
<th>Date</th>
<th>Time of appointment</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Immigrant entrepreneurs</strong></td>
<td>Hasib Faizi</td>
<td>2018-05-04</td>
<td>17:00</td>
<td>1:00:00</td>
</tr>
<tr>
<td></td>
<td>Ameet Khalsa</td>
<td>2018-05-07</td>
<td>12:00</td>
<td>00:28:51</td>
</tr>
<tr>
<td></td>
<td>Sam Naflaki</td>
<td>2018-05-10</td>
<td>13:00</td>
<td>01:09:00</td>
</tr>
<tr>
<td></td>
<td>Chrislan Maneng</td>
<td>2018-05-10</td>
<td>16:00</td>
<td>00:45:15</td>
</tr>
<tr>
<td><strong>Organizations in Entrepreneurial Ecosystem</strong></td>
<td>Step Two Project</td>
<td>2018-04-30</td>
<td>11:00</td>
<td>01:15:00</td>
</tr>
<tr>
<td></td>
<td>Talk Innovation</td>
<td>2018-04-30</td>
<td>13:30</td>
<td>00:42:00</td>
</tr>
<tr>
<td></td>
<td>Bravo</td>
<td>2018-05-02</td>
<td>10:00</td>
<td>00:31:00</td>
</tr>
<tr>
<td></td>
<td>Videum</td>
<td>2018-05-02</td>
<td>13:30</td>
<td>00:24:00</td>
</tr>
<tr>
<td></td>
<td>NFC</td>
<td>2018-05-02</td>
<td>15:00</td>
<td>00:37:56</td>
</tr>
<tr>
<td></td>
<td>Drivhuset</td>
<td>2018-05-02</td>
<td>13:00</td>
<td>00:14:21</td>
</tr>
<tr>
<td></td>
<td>ALMI</td>
<td>2018-05-09</td>
<td>10:00</td>
<td>01:30:00</td>
</tr>
</tbody>
</table>

Source: primary data.

2.8 Sampling Strategy

Sampling is a key component in the research for both qualitative and quantitative approach. Gentles, S.J., Charles, C., Ploeg, J. & McKibbon, K.A., (2015) defined sampling as “selection of specific data sources from with data are collected to address the research objectives” (p.1775). The selection process can be done in two ways; probability or non-probability sample (Bryman A. & Bell E., 2015). The authors explain probability sample as a random selection of the data. Meaning that everyone member of
the population can be selected for the research. The benefits of this selection method are known for keeping the sampling error to a minimum. In contrast, non-probability sample is described as a sample which is not selected randomly, thus some members of the population have higher chance of being selected than the others. The benefit of this method is that you get the information from primary source but form the other side it is addressed of having some disadvantages such as not being able to represent the general population of the research, since the sample size is smaller and the sampling error could be high. (Wilson, 2014; Bryman and Bell, 2015; Robinson, 2014).

As shown in the Figure 7 below, different types of probability and non-probability samples are presented.

Figure 7 Types of probability and nonprobability sample

![Diagram of types of probability and nonprobability samples]


The choice behind each sample depends on which kind of approach you are doing the research study, so you can choose the appropriate methods needed. For example, in qualitative research approach it is more common to use non-probability types of sampling methods since the sample size is small (Malhotra and Birks, 2007). Meanwhile, in the larger sample size it often used types of probability samples.
2.8.1 Sampling Method Used in the Thesis
As described above, this thesis is qualitative based approach and the sampling method used for the thesis is going to be non-probability sample, since the research topic of the thesis is focused on the entrepreneurship ecosystem and foreign entrepreneurs. Meaning of which, is not random selecting sample, since our aim is to select individuals which are related to immigrant entrepreneurship and also that have been gone through the ecosystem in Kronoberg. What is more, to reach relevance in a real time, the company should not be present on the market in more than five years Therefore, non-probability sampling - convenience sampling and snowball sampling will be utilized in the research.

Being more specific, this study intends to conduct in-depth interviews with foreign-born entrepreneurs, as well as with organizations in the ecosystems existing in Kronoberg. The motive for this choice is to get the perspective of all parties included in the entrepreneurial process and their specific role on it. The first contact for the interview was established through personal network, with a founder of a community lead called Step Two: Growth project for entrepreneurs in Kronoberg. The projects goal is to help foreign-born entrepreneurs to grow their businesses. This contact was able to connect us with different immigrant entrepreneurs who has been part of the ecosystem in Växjö.

Also, the Step Two project was used as a reference and connection to the other organizations as Almi, NFC, Bravo, Videum and DrivHuset. Thus, snowball sample method was used as well in the study. In order to achieve balance, it was assessed by the authors that a need for an organization that is not founded by the government is needed for relevant research. Therefore, Talk Innovation as representative of private community is taken into consideration for the research.

The criteria by which the entrepreneur has been chosen is: to be foreign born, the start up to be part of the ecosystem, and the start up to be maximum five years old.

Tables 5 and 6 present summarized in detail the sample used in the thesis.
Table 5 Entrepreneurs Details

<table>
<thead>
<tr>
<th>Entrepreneurs</th>
<th>Nationality</th>
<th>Nature of Business</th>
<th>Age of Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hasib Faizi</td>
<td>Afghanistan</td>
<td>Web Site Development</td>
<td>1 year 2 months</td>
</tr>
<tr>
<td>Sam Naflaki</td>
<td>Iran</td>
<td>Consultancy/ Franchise</td>
<td>6 months</td>
</tr>
<tr>
<td>Chrislan Maneng</td>
<td>USA</td>
<td>Marketing/Consultancy</td>
<td>3 years</td>
</tr>
<tr>
<td>Ameet Khalsa</td>
<td>India</td>
<td>Digital Services</td>
<td>9 months</td>
</tr>
</tbody>
</table>

Source: Primary Data

Table 6 Public founded organization as part of Ecosystem in Kronoberg

<table>
<thead>
<tr>
<th>Organization</th>
<th>Contact Person</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALMI</td>
<td>Dea Lundqvist</td>
<td>Advisor</td>
</tr>
<tr>
<td>Bravo Hub</td>
<td>Sebastian Bocaci</td>
<td>Community Manager</td>
</tr>
<tr>
<td>Drivhuset</td>
<td>Isabell Ternemo</td>
<td>Business Developer</td>
</tr>
<tr>
<td>NyföretagarCentrum</td>
<td>Markus Yngvesson</td>
<td>Advisor</td>
</tr>
<tr>
<td>Videum Park</td>
<td>Stefan Uppman</td>
<td>Business Development Manager</td>
</tr>
<tr>
<td>Step Two</td>
<td>Naimul Abd</td>
<td>Project Leader</td>
</tr>
<tr>
<td>Talk Innovation</td>
<td>Pooya Yousefi</td>
<td>Founder of Talk Innovation</td>
</tr>
</tbody>
</table>

Source: Primary Data

Regarding the sample size, instead of having a precise number of interviews, it is conducted as many interviews as it will be indicated that more interviews will not provide any additional information. However, the initial number to start with will be at least 3 representatives of two categories as shown above.

2.9 Data Analysis Techniques

According to Bryman A. and Bell E. (2015), two most frequently used strategies in qualitative data analysis are analytic induction and grounded theory. Analytic induction is an approach where the authors initially have a research question and then they create hypothetical explanation regarding this question and continues to examine the cases studied. If the case shows that the hypothesis is right, the data collection is achieved. From the other hand, if they notice that the hypothesis is not right, then either they formulate hypothesis or redefine the explanation to exclude the deviant case.
In contrast with analytic induction, grounded theory is not based on hypothesis explanation, but mostly it is based on the theoretical sampling which is result of data gathering and analysis throughout the process. Tools of grounded theory are consisted of four points: theoretical sampling, coding, theoretical saturation and constant comparing. Theoretical samplings stand for the ongoing process where the author collects, analyses and codes data, in order to emerge a theoretical approach. Coding is addressed as a key process in the theory through which the data is divided into different components and these components, each get a name. Theoretical saturation is a merging process of coding of data and the data collection itself, whereas the authors argue that this should be done when no further information can change the concept of the data. Lastly, constant comparing is referred to the process which the concept and the data should keep close connection to each other, by constantly comparing them so it does not lose coded content to a category, in order for the theory to emerge. (Bryman and Bell, 2015)

Analysis of theme, which means to identify, analyse and organize themes from the empirical data has been collected, have been recognized as one of the most valuable technique in the qualitative analysis (Anderson, 2007). The thematic analysis is based on informed objectivity and is suitable to understand and describe the research problem through creation of themes (Daly, Kellehear, and Gliksman, 1997) by reading and re-reading the collected empirical data (Rice and Ezzy, 1999)

2.9.1 Data Analysis Techniques Used in Thesis

The method considered adequate to this particular study is grounded theory, since the aim of the study is not to create a hypothetical explanation in how the entrepreneurial ecosystem help the foreign entrepreneurs before the collection of the data, rather to explore and create a formal Exploratorium, after the data is collected, analysed and based on the theory. Therefore, the techniques pursued in the study will include the organization and analysis of the gathered data (theoretical sampling). The material gathered for and from the interview, such as interview notes and question, interview record audios and finally transcription, will be saved in I-cloud storage in Google Drive document, which can be reachable from all the research groups’ members anytime.
Afterwards, coding and matching the theoretical information with collected data \textit{(theoretical saturation)} to achieve the final result.

The transcription of the interviews conducted will help the researchers to carefully code and interpret the data in a context of different themes by matching coding patterns, which will help to transfer them into qualitative analysis. The transcribed empirical has been using the words of the interviews in narratives. Their words and language have been read and re-read and based on their meaning have been categorized and connected to themes.

For the purpose of the thesis and to give structure that is easy to follow Isenberg’s (2011) Domains of the Entrepreneurship Ecosystem (Figure 9) is used as a model in the part of the analysis. Each of the domains in the model: Policy, Finance, Culture, Supports, Human Capital and Markets is used as theme in the analysis part. Firstly, with regards to RQ1.1, the identified challenges in the literature are confronted to the words of the entrepreneurs and categorized in one of the domains (themes). Secondly, with regards to RQ1.2, the words of the organizations’ representatives are confronted to the literature with regards to the support that can be gained from the entrepreneurial ecosystem and connected to one of the domains (themes). Thirdly, the result of each domain from RQ1.1 and RQ2.2 are confronted in order to find out how the entrepreneurship ecosystem facilitate the immigrant entrepreneurship by providing the resources and support in the parts where the challenges are identified. Thus, besides the fact that the model of Isenberg (2011) presented in Figure 9 is used as a main literature source, moreover its structure is applied for the interpretation and analysis of the empirical data.

2.10 Narratives in the Qualitative Research

As Bryman and Bell (2015) argue, opposite of quantitative research in which the numbers and the figures have a key role, the qualitative research takes into account the value of the words and the language. For the purpose of the analysis in the qualitative research narratives are used as a tool for interpretation of the data. Burke (1969) claim that the exploration of the motives has to be done through a well-defined structure aiming to avoid the possibility of taking into consideration factors in the story that have
little value and importance for the subject that is under research. As Burke (1969) claimed, the structure of the narratives has significant importance for the research, the author proposes five obligatory elements in the story: Scene (where), Act (what), Agent (who), Purpose (the motives) and Agency (course of actions).

Propp (1968) identified 31 functions in the narratives and the author stresses the importance of existence of seven types of characters in the narrative storytelling: the hero, the villain, the donor, the helper, the princes, the dispatcher and the false hero. According to Propp the characters are involved in the modelling the circle of action in the narratives. Vladimir Propp (cited in Louchart and Aylett, 2004) created and recommended seven-part narrative model consisted of seven sections: Initial situation section, Preparatory section, Complication section, Donor Section, Action Section, Repeat section and Second Move Section.

2.10.1 Narratives in the Thesis

The primary data collected for the purpose of the thesis will be presented through written narratives for each interviewed person, as representative of organization in the ecosystem or a start-up. For this purpose, 11 interviews have been conducted, and thus 11 narratives which will show the perception of the interviewed persons will be written in the empirical part of the thesis. The structure of the narrative will follow the Burke’s proposed narrative model, taking into consideration the five elements: Scene (In the region of Kronoberg), Act (Entrepreneurial Ecosystem), Agent (Immigrant entrepreneurs and organizations from Entrepreneurial Ecosystem), Purpose (to identify challenges of the Immigrant entrepreneurs and to confront with the support from Entrepreneurial Ecosystem) and Agency (how Entrepreneurial Ecosystem facilitate the Immigrant entrepreneurs and in which part a room for improvement exists).

2.11 Quality of the Study

Writing a business research study, three main criteria are considered as crucial for the establishment of the quality in the research study: Reliability, Replication and Validity (Bryman and Bell, 2015).
Reliability: Saunders, Lewis and Thornhill (2009) argued for research to be reliable it needs to have consistency. The authors claimed that it can be achieved by asking these question, by citing Easterby-Smith et al., (2008)

“ 1. Will the measures yield the same result on other occasions?
   2. Will other observers reach similar observation?
   3. Is there transparency in how sense was made from the raw data? “ (pp.156)

In relation to qualitative approach, reliability is consisted of internal and external reliability. Internal reliability is achieved when every member of the team and participants agrees with the what they see and hear. From the other side the external is connected with replication described below (Bryman and Bell, 2015).

Replication: Connecting three questions posed above by Saunders, Lewis and Thornhill (2009), it comes to the replication point of Bryman A. and Bell E. (2015). The authors argued that in order for a research to be reliable, it should be easily replicable by other authors if they choose to replicate the work.

Validation: Validation is described as accuracy. In other words, it is weather the findings of the study are about, what they claim to be about (Saunders, Lewis and Thornhill, 2009; pp.157). Validity is consisted of internal validity and external validity. Internal validity is concerned with the interactions of the authors observation with the theory developed by them. Meanwhile, external validity refers to how the final finding of the author can be sees and a general result for the society. However, the validation cannot be the same in quantitative as in qualitative, since the qualitative has more flexibility in the research method. Therefore, to establish validation in a qualitative approach Bryman A. and Bell B. (2015) address trustworthiness and authenticity as the main criteria.

2.11.1 Quality of the Study Applied in the Thesis
The validity and reliability of the study is going to be adapted on the nature of the thesis which is qualitative approach.
To ensure validation, all the interviews are going to be recorded and transcribed. Moreover, after transcribing the interviews a copy of it will be sent to the respondents of the study in order to check and approve for the transcription, connecting with the enforcement the internal reliability of the study. Complying with the consistency (reliability) of the study, every process of the research (methodology, problem formulation, case studies, interview transcription) is going to be saved and recorded so that if any author want to replicate the study, it will have all the information needed. As well as, all the members of the researchers agree unanimously in all the information provided in the thesis, which ensures internal reliability. Concerning the internal validity, in the analysis is going to be explained in detail the connection of the theory with the results of our observation.

2.12 Ethical Issues of the Study
The collection of the data, while writing a research study, includes individual participant, different material collection. Therefore, the ethical aspect of the researchers should be highly considered. Bryman A. and Bell E. (2015) suggested four main ethical principles:

1. Harm to participants: it is the researcher’s responsibility to carefully determine the possibility of harm to the participants. As well as minimizing this issue.
2. Lack of informed consent: the researcher should give enough information to the participant, so he/she can decide if they want to participate in this study.
3. Invasion of privacy: the researcher should give the opportunity to the participant to refuse the invasion of the privacy, in case he wants to be anonymous or not answer some of the questions asked.
4. Deception: the researchers should in no circumstances represent their research in something that it is not about. Moreover, the participant should always be informed and asked about, when being recorded or observed.

2.12.1 Ethical Issues Applied in the Thesis
The study in our thesis strongly consider the four points presented above. In the selection of the participant and the construction of the questions of the interviewees are
carefully examined in a way that we may not cause any harm to the participants, as well no spread of information will be occurred, so it could harm the responded.

Furthermore, the participant is informed for the study is carrying out and afterwards asked about their participation. As well as, coding is going to be utilized as a way to maintain the privacy of our respondents if they wish to remain anonymous. Moreover, when the interviews are conducted, it is asked the participants’ permission for recording. Only the representative of Almi did not accept the interview to be recorded. In this case the narrative for Almi was done based on the notes that were taken during the interview.
3 LITERATURE REVIEW

The literature review section provides theory for the entrepreneurial ecosystem, and the immigrant entrepreneurship as two basic concepts applied for reaching the answer of the research question. The usage of the theory in connection to the research questions is presented in figure 8.

![Figure 8 Connection between the theory and research questions](image)

3.1 Entrepreneurial Ecosystem

In today’s business and academic communities there is a common idea that entrepreneurship is of critical importance for economic development (Acs, Desai and Klapper, 2008; Audretsch and Lehmann, 2005; Isenberg, 2010; Markley, Lyons and Macke, 2015). However, a local context within which entrepreneurs act cannot be neglected during the decision-making process, and this fact emphasizes the importance of both individual and contextual factors (Acs, Autio and Szerb, 2014; Mason and Brown, 2014; Nylund and Cohen, 2017). Firstly, an individual performs basing on attitudes and opportunities found in a particular context where individuals operate (Wright, 2014; Acs, Autio and Szerb, 2014). Secondly, the nature of start-ups is much influenced by a local context (i.e. whether the foundation of a start-up was necessity or opportunity driven) (Stam, 2014) that also has an impact on their growth speed (Mason and Brown, 2014). As Lichtenstein and Lyons (2001) proved, economic development based on entrepreneurship demands formation of a system providing entrepreneurial
services (i.e. “support ecosystem”) that intends to focus on entrepreneurs’ needs and strives to enhance and upgrade the entrepreneur and the community.

Thus, the 21st century was marked by the emergence of the notion of *community-based entrepreneurship* and its widespread conceptualization (Isenberg, 2010; Lichtenstein and Lyons, 2001; Markley, Lyons and Macke, 2015; Stam and Spigel, 2016). In contemporary literature the term community-based entrepreneurship equates to *entrepreneurial ecosystem*. Recent wide spreading of the entrepreneurial ecosystem notion has triggered creation of supportive policies and programs’ development, initiatives promoting entrepreneurship and boosting engagement in entrepreneurial sphere around the regions (World Economic Forum, 2013; Isenberg, 2014; Auerswald, 2015).

### 3.1.1 Entrepreneurial Ecosystem Forms of Support

Generally, an entrepreneurial ecosystem can be defined as a dynamic aggregation of interconnected and mutually influencing actors (i.e. organizational, institutional, regulatory, individual) that act, promote, facilitate and commercialize entrepreneurial opportunities and activities (Audretsch and Belitski, 2017; Isenberg, 2010; Mack and Mayer, 2016; Neumeyer, et al., 2018). Actors are able to maintain interaction by information technologies and network links, what therefore contributes to creation of new ideas and development of efficient policies (Zacharakis, Shepard and Coombs, 2003; Deloitte, 2012).

Entrepreneurial ecosystems incorporate various symbiotic elements ultimately strengthening, simplifying and boosting innovation and entrepreneurial activeness (Autlet, 2008; Isenberg, 2010; Kantis and Federico, 2012).

A significant contribution to entrepreneurial ecosystem theory was given also by Stam and Spigel (2016) who highlight the fact that ecosystems are regionally located and stem from active mutual influences and networks within the participants. From the scholars’ perspective, entrepreneurial ecosystem can be defined as “set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship” (Stam and Spigel, 2016, p.1). As they claim, start-ups take the central place in the ecosystem, an entrepreneur is a key player in the formation of a sustainable
ecosystem, and moreover such components as entrepreneurial, technical, knowledge and market are of critical importance. In contrast to Isenberg’s vision, Stam and Spigel (2016) came to the conclusion that the center of an ecosystem is devoted to prominent entrepreneurial leads and entrepreneurs’ network links.

Attention to entrepreneurial ecosystems was given not only by scholars, but also by major international economic organizations. The World Economic Forum (2013) emphasized several prerequisites for a community that enable a successful ecosystem development: markets, culture, human capital, education, finance, regulations. Creation of new ventures happen and grow not only due to capable and perspicacious individuals (i.e. entrepreneurs) who found and develop firms, but also due to a fortunate location in a favourable environment consisting of public and private figures that nourish assist them facilitating the entrepreneurs’ business activity (World Economic Forum, 2013).

Further development of an entrepreneurial ecosystem notion has led to introduction of a conceptual framework by Suresh and Ramraj (2012) which includes several support systems facilitating an entrepreneurial process. Synergism is subject to existence when due attention is paid to each element on a par with a proximity of basic resources and support sources (Suresh and Ramraj, 2012; Nylund and Cohen, 2017) (Table 7).
### Table 7 Support system framework

<table>
<thead>
<tr>
<th>Support System</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moral support</td>
<td>Family and other businessman’s influencers</td>
</tr>
<tr>
<td>Financial support</td>
<td>Partners; family and friends; financial structures (banks, venture capitalists, business angels; other capital market players) and institutions, etc.</td>
</tr>
<tr>
<td>Network support</td>
<td>Entrepreneurship advisory and supporting organisations (e.g., industry agencies); alumni associations; online platforms for networking; supply and distribution groups, etc.</td>
</tr>
<tr>
<td>Government support</td>
<td>Policies; incentive systems; infrastructure; business incubators, etc.</td>
</tr>
<tr>
<td>Technological support</td>
<td>Centres supported by “business incubation governments”; new technology tools developed by scholar institutions and business incubators, etc.</td>
</tr>
<tr>
<td>Market support</td>
<td>Business opportunities stemming from distribution of existing goods and services; new connections with prospective customers, etc.</td>
</tr>
<tr>
<td>Social support</td>
<td>Benefits introduced by certain association and organisations; support in case of a business failure; promotion of a business success, etc.</td>
</tr>
</tbody>
</table>

*Source: own development based on Suresh and Ramraj (2012).*

**Component elements of an entrepreneurial ecosystem**

As any system, an entrepreneurial one consists of various elements that form a mechanism for a sustainable operation of ventures and the business community in general. Besides the factors that are directly related to economic aspects, while establishing and running a business it is relevant to take into account also such aspects as
development of a market trends, human capital, sources of support and financing, etc. (Acs, Autio and Szerb, 2014; Lichtenstein and Lyons, 2001; Mack and Mayer, 2016).

For a successful functioning of any business a developed and favourable environment is of high importance. Isenberg (2011) provides exhaustive information on the key elements of an entrepreneurial ecosystem (Figure 9).

**Figure 9 Domains of an Entrepreneurial Ecosystem**

Source: adopted from Isenberg (2011).

As it can be seen from the Figure, ecosystem represents a complex and wide net of various connections and contributing elements. Further, the elements are described in more detail.
Finance

It is justified to say that investments play crucial role in any business establishment. Often, entrepreneurs are in need of more funds apart from those that already are in their possession. Investments are needed at all the stages of a venture life-cycle in order to guarantee a sustainable development of the business. Thus, availability of financial institutions is of high importance for any entrepreneurial ecosystem (Case and Harris, 2012; Roundy, 2017; Spigel, 2017).

Culture

In terms of this element, the following aspects are considered.

- **Societal norms.** It was revealed by several research that thriving entrepreneurial ecosystems have several common features. Firstly, it is important to embrace entrepreneurship as a legitimate activity (Roundy, 2017). Moreover, no critical judgement and pressure on failure should take place, but encourage experimentation and creativity (Isenberg, 2011). Taking into consideration various cultural backgrounds of entrepreneurs, a balance between native embedded values and those of the host country should be found.

- **Success Stories.** Stories of successful and failed businesses enable other entrepreneurs to learn from experiences what winning formula may be applied and what pitfalls to avoid (Feld, 2012; Spigel, 2017). This may lead not only to a faster development of businesses and the ecosystem in general, but also to build the ecosystem’s identity, help entrepreneurs allocate themselves in the system (Roundy, 2017).

Supports

The following element can be divided into following components:

- **Infrastructure.** Infrastructure includes such facilities that facilitate the process of reaching customers and suppliers. In this respect, transportation system, affordable work spaces, availability of telecommunication devices, etc. play key role in distribution of the products, information on ventures, as well in attraction of more potential customers and partners (Neck, et.al., 2004; Isenberg, 2010; Roundy, 2017).
- **Support professions.** In addition to physical infrastructure, in order to let entrepreneurs establish and develop their businesses also need supportive professionals and organisations, i.e. business incubators, services concerning accounting, consulting, banking, insurance, etc. (Isenberg, 2011; Spigel, 2017).

- **Non Government Institutions** imply the presence of variety of events and associations aimed at developing network among entrepreneurs, providing support regarding the needs and struggles of businesses, etc. (Isenberg, 2011).

**Human capital**

Human capital is of critical importance for a sustainable entrepreneurial ecosystem. It includes a bulk of knowledge, expertise, essential skills that have a potential to be increased with the help of further education, additional training, etc. (Coff and Kryscynski, 2011; Roundy, 2017). Moreover, valuable knowledge and skills consist of such aspects as previous experience in business creation, ability to identify and hire promising and productive employees, and in addition, various talents through the sectors will contribute positively to the ecosystem development (Case and Harris, 2012; Isenberg, 2010; Roundy, 2017).

Another aspect that has a positive impact on an entrepreneurial ecosystem is the presence of research and educational institutions. They provide possibilities for new entrepreneurs, i.e. educational courses, knowledge generation essential for future work in a new venture, etc. (Case and Harris, 2012; Isenberg, 2011; Roundy, 2017). Moreover, academics may be employed by various companies as consultants, advisors or researchers, and students may form a potential labour force (Neck, et.al., 2004; Roundy, 2017).

**Markets**

A robust market for the ecosystem’s ventures, and consequently sustainable development of an entrepreneurial ecosystem itself, consists of several aspects. Firstly, sufficient quantity of local customers is needed not only to obtain the offered products and services, but also to express their attitude towards them. Such feedback is vital in terms of further upgrading and modifying products, and therefore business models, so
that entrepreneurs could develop their businesses alongside the market demand (Spigel, 2017; Blank, 2013).

Moreover, there is a need of a strong market not only regarding customers, but also suppliers as at early stages of a venture creation entrepreneurs are in need of flexible partners concerning payment settings, for example (Isenberg, 2010).

**Networks**

Ecosystems consist of a wide range of interconnection between both individuals and organisations (Neck, et.al., 2004; Isenberg, 2010) that determine the activeness of an ecosystem. Furthermore, networks represent an indirect access to various types of the resources needed for establishment and development of a business, and a circulation of information, skills and knowledge between the participants and external actors of an ecosystem (Jessen and Greve, 2002; Spigel, 2017; Roundy, 2017).

**Policy**

Support for development of entrepreneurship to a considerable extent comes from the local governmental institutions with the help of their policies aiming at economic development (Case and Harris, 2012; Roundy, 2017). At the initiative of governments, various institutions with the focus on promotion and support for new business creation are established, as well as legislation with the objective to facilitate entrepreneurial activities (e.g., legal protection of the rights on contracts and property, tax benefits, subventions, etc.) (Isenberg, 2010, 2011). Furthermore, reduction of bribery and bureaucracy is a significant contribution that governments might make regarding business registration and licenses since these aspects hamper the entrepreneurial process in terms of increasing consumption of time and imposing extra costs (Neck, et.al., 2004; Audretsch and Belitski, 2017; Roundy, 2017).

In terms of leadership, as it was discussed by Feld (2012) and Roundy (2017), for a balanced and comprehensive development of an entrepreneurial ecosystem it is important to avoid attempts of concentrating of the control over the ecosystem to one organization. However, it may be advantageous for an ecosystem to unite representatives of entrepreneurs and supportive organizations sharing common goals in order for them to advocate for resources and build networks that are of critical
importance for creating a structure in the entrepreneurial ecosystem what will consequently lead to transforming the region into an attractive place for establishing and developing businesses (Case and Harris, 2012; Roundy, 2017).

3.2 Immigrant Entrepreneurship

The importance of entrepreneurship is now a well-known factor all over the world from all governments as a crucial tool of the country’s economic development. Moreover, focusing in the developed countries, the literature shows that the foreign-born business owners have higher rates in relation to the native-born business owners. (Borjas, 1986; Clark and Drinkwater, 2000; Clark and Drinkwater, 2006; Fairlie et al., 2010).

It is crucial to stress the importance to distinguish two types of immigrant entrepreneurs: low-skilled entrepreneurs and high-skilled entrepreneur (Price, 2012). Low-Skilled entrepreneurs are considered to be the business owners which have limited options to choose in their business due to the lack of the required knowledge, hence their options are connected to their ethnic-cultural background, such as clothing or food products etc. On the other hand, highly-skilled entrepreneurs give their contribution in the sector which needs educational background (Kloosterman and Rath, 2002; Barakji, A., and Kalsсли, M., 2017).

3.2.1 The challenges of the Immigrant Entrepreneurship

Fairlie R. W. and Lofstrom M. (2015) argue that immigrants are perceived as having a high entrepreneurial spirit. Therefore, many developed countries’ governments have started to create special immigration policies, by creating special visas and entry requirements, in order to attract immigrant entrepreneurs. It is believed among policy makers that entrepreneurship among immigrant is seen as a solution on a micro level and macro level (Hjerm, M., 2004). The author explains through government’s view how it is seen as a solution on the respective levels. On micro level it is seen as a way for the newcomer-entrepreneurs to integrate with the society and labour market, in a much easier way that they would have done by employment, by this stressing the integration process as one of the most challenging activity. Meanwhile, on the macro level it is seen beneficial for declining the unemployment level in the country and creating a sustainable economic growth. However, Hjerm M. (2004) is sceptical about
the integration into the society through entrepreneurship. His arguments rely on the fact that most immigrant entrepreneurs have small business (Najib, 1999), therefore the connection with the customer is to the minimum level. Moreover, he claimed that long working hours of the entrepreneurs would make them less socially compatible with the society, thus the integration less successful. Despite the scepticism the author agrees that when an individual chooses to achieve incomes on their own by opening a business there is less pressure from the welfare system.

**Human Capital**

Undoubtedly, the foreign entrepreneurs face opportunities and challenges in regards to the process of opening their own business. The first generation is directed more towards being an entrepreneur rather than the second generation or native-born Swedes (Hammarstedt, 2001). The opportunity recognition is noticed by the immigrant entrepreneurs, since they come from less-developed countries, which are quite different compared with the host country (Sweden) and are used with much less resources at their disposal, therefore they are able to create a relationship with the opportunity structure. Meaning of which, they are not only being able to notice the opportunity but creating it with innovative behaviour even there were it does not exist. For them it requires a small amount of capital and a low education level in order to open a shop (Kloosterman and Rath, 2001). Aaltonen and Akola (2012) also argues that some immigrants see the opportunity to become entrepreneurs since he/she is part of an immigrant community and puts his/her strong business base on that. Immigrant entrepreneurs usually hire workers within their family or from their community, in order to ensure they have a higher level of efficiency and would have less cost. Another reason behind it is that the community would easily understand the ethnic market by producing products required by the ethnic market. Moreover, it would help with the language barrier with other employees (Barakji and Kalssl 2017).

Another important obstacle perceived by the newcomers is the lack of language, lack of education or unrecognised education by the host country (Shala, Kidane and Ong, 2009; Gomez et al., 2015; Mitchell, 2016). Fawcett and Gardner (1994) claim that the language of the host country and the level of education as two important elements of the human capital are crucial challenges in the entrepreneurial journey of the immigrants.
The low business language proficiency is the first disadvantage for the entrepreneurs this is seen as a significant obstacle for entrance on the market. According the authors, the language skills are especially important to start a business in a foreign country. The language issue leads to grouping of the immigrant entrepreneurs with employees and suppliers from their ethnic group and setting targets on the customers that are also part of the immigrant community (Menzies, Brenner and Filion, 2003). Shala (2009), based on the research done in Swedish context, agreed on the claim that the language is crucial barrier for success and it leads mostly to separation of the people in their groups of origin (Barakji, and Kalssli, 2017). The lack of human capital expressed in lack of expertise, management and marketing skills and human resources area also significantly contributing to the difficulties of the immigrant entrepreneurs.

The lack of human capital expressed in lack of expertise, management and marketing skills and human resources area also significantly contributing to the difficulties of the immigrant entrepreneurs. One research performed by CEEDR (2000, citied in Barakji, and Kalssli, 2017) shows that the marketing skills, the technology skills and the access to technology are also a challenge for the immigrants. This means that the marketing issue is affected by the location of the business and the business activity. The marketing activities and the lack of knowledge how to promote on the host market sometimes can be crucial for taking the business out of the frame of the ethnic community. On the other side, as a result of lack of knowledge and lack of access to technology the business can also be affected. For example, today the new way of promotions, using the high technology is not easily accessible to the immigrants and can be a challenge for establishment and growth of the business.

Moreover, is the lack of knowledge to deal with bureaucracy as well as not taking the individuals effect of entrepreneurship in consideration (Hjerm, 2004), is additional challenge that makes the entrepreneurial process more difficult. Swedish regulation is related to the unknown bureaucracies, as mentioned above, such as language and finance and it requires deep knowledge of the system requirements (Barakji & Kalssli, 2017).

CEEDR (2000) stress that the access to information what are the different facilities offered by different organization, mostly as a result of their unawareness that they exist,
is also one problem of the immigrant entrepreneurs. According to Pinkowski (2009) the low level of awareness for the differences in the administrative rules and regulations of the system, as well as the business traditions that have to be taken into consideration, is another challenge that needs to be overcome by the newcomers who wants to establish business in the host country.

**Financial Capital**

The lack of financial capital is also recognized as a challenge for the immigrant entrepreneurs in the early stage of the business development or in the later stages when the business should grow. Fairlie and Lofstrom (2015) claimed that the biggest barrier to starting a small business is the lack of access to the financial capital. The lack of capital is connected to acquisition of financial resources mostly connected to the low level of integration and trust issue (trust between the institution and immigrants). According to Levin and Weström, (2001) the immigrant entrepreneurs in Sweden differ from the native–born with regards to the possibility to gain capital, stressing the lack of financial history and reliable references as the main reason for this. The immigrant entrepreneurs mostly financing their businesses by using their funds or the funds of their families and friends, since the banks and the institutions are not open for cooperation especially in the early stages of the business development (Barakji and Kalssli, 2017).

**Culture capital**

The literature states that some of the challenges faced by the immigrants during the process to become an entrepreneur or to enter in the Swedish labour is discrimination factor (Hjerm, 2004; Musterd et al. 2008; Rath and Swagerman, 2016; Mitchell, 2016; Hedberg, 2009). The discrimination is an obstacle to have access in the labour market, which gets a preference on the native-born population and as consequence leads to the unequal pay and discrimination.

Barakji & Kalssli (2017) in their research paper regarding the obstacles faced by Arab immigrant in Sweden, concluding that Swedish culture is a huge obstacle. By Swedish culture it meant, due to the clashing culture differences between two countries, as well as having trust issue as a barrier.
Besides all the challenges faced taking in consideration welfare perspective, it is stated that immigrant entrepreneurs have lower incomes than the immigrant employees. Nevertheless, the entrepreneur's state that the income is not everything for the individuals, and that they are happy with the choice to be an entrepreneur as much as their incomes (Hjerm, M., 2004). Other immigrants decide to become an entrepreneur as an attempt to be accepted within the community and be recognized for the efforts done to be there (Sahin, Nijkamp, and Baycan-Levent, 2007).

**Social Capital and Networks**

OECD defines social capital as “networks together with shared norms, values and understandings that facilitate co-operation within or among groups”. Grannovetter (1985) emphasizes that the entrepreneurs and their activities are not separate from the social context of the society and the interaction between the entrepreneurs and the society has significant meaning for success. Thus, the social capital, seen through the prism of network development and creation of trust, is crucial element of the immigrant entrepreneurship (Deaux. 2006; Giorgas. 2000)

The networks, as argued by Coleman (1988) are the key part of the social capital, and thus strong social networks are the main tool for success. Aldrich and Zimmer (1986) claim that the entrepreneurial process is embedded in the social networks and relationships. The social networks can be discussed as two types: vertical and horizontal networks. The former one, the vertical social networks is hierarchical and often obstruct the creation of social capital, while the latter, the horizontal social networks are presented through different NGO’s and community associations (Maloney and Robteutscher, 2007; Newton, 1999). The immigrant entrepreneurship should be strongly supported by the horizontal networks by intensive development of networks which are crucial for the business development.

On the other hand, the trust has been discussed as institutional and personal, and achieving sufficient level of trust in the host society by the immigrant entrepreneurs is defined as highly challenging for the immigrants (Turkina and Thi Thanh Thai, 2013). The interpersonal trust should bring new aspects in a new environment, while the institutional trust is decisive for immigrant entrepreneurs’ success. As part of the trust
are the norms as honesty, fair treatment and objectivity which are also important for immigrant entrepreneurs (Putnam, 1993).

Holguin, Gamboa and Hoy (2007) argue that the social capital is connected to the social status of the entrepreneurs and is in direct correlation to the networks, which are the link to the clients and suppliers. The challenge with the lack of social capital is that it minimizes the chances to attract diversified type of clients and it has impact on the growth possibility. Also, the networks can be seen as a valuable source for different information from the business community and thus the immigrants’ formal or informal embeddedness into the social networks is challenge and strong need for immigrant entrepreneurs (Enow, 2010).

According Stein (2000), the immigrant entrepreneurs are faced with the issue of ignorance with regards to the Swedish law, rules, and social norms and values. The ignorance is a fundamental obstacle for trust building into the society. As Stain (2000) argue, the problem of ignorance about the immigrant entrepreneurs, their values, social norms and believes exists on the side of the native-born population also, which creates problems in communication between the both sides. On long term, the lack of trust and the difficulties in accepting and understanding each other can affect and harm the business results in general.

3.3 Conclusion of the Literature Review

For the purpose of the research question the challenges of the immigrants are summarized in Table 8. Later, in the part of the analysis the challenges will be categorized in the Domains of Entrepreneurship Ecosystem developed (Figure 9) by Isenberg (2011). What is more, in order to answer the research question, Isenberg’s Domains of Entrepreneurship Ecosystem developed (Figure 9) will be used as a structure. Thus, two main concepts that are used and confronted with the empirical data in the analysis are the challenges of the immigrant entrepreneur and the support that can be gained by the Entrepreneurial Ecosystem through the six domains suggested by Isenberg (2011).
Table 8 Summary of Challenges of Immigrant Entrepreneurs based on the Literature Review

<table>
<thead>
<tr>
<th>Summary of Immigrant Entrepreneurs Challenges</th>
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<tbody>
<tr>
<td>• Difficulties in market entrance</td>
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<tr>
<td>• Grouping within the same ethnic community</td>
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<tr>
<td>• Need for connections</td>
</tr>
<tr>
<td>• Need for customers</td>
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<tr>
<td>• Insufficiency in language</td>
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<tr>
<td>• Lack of management and marketing skills</td>
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<tr>
<td>• Lack of human resources</td>
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<tr>
<td>• Lack of knowledge</td>
</tr>
<tr>
<td>• Need for funds/finance</td>
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<tr>
<td>• Need for a better cooperation with banks</td>
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<tr>
<td>• Need for venture friendly legislation</td>
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<tr>
<td>• Need for financial support</td>
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<tr>
<td>• Need for cooperation with Institutions</td>
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<tr>
<td>• Need for legitimacy Creation</td>
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<tr>
<td>• Lack of system knowledge</td>
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<tr>
<td>• Need for legal regulation advisory</td>
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<tr>
<td>• Need for guidance assistance</td>
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<tr>
<td>• Need for affordable working space</td>
</tr>
<tr>
<td>• Trust issue</td>
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<tr>
<td>• Discrimination</td>
</tr>
<tr>
<td>• Different social norms</td>
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<tr>
<td>• Ignorance</td>
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</table>
4 EMPIRICAL DATA

The research aims to investigate how the entrepreneurial ecosystem facilitates the immigrant entrepreneurship by using the words and the perceptions of the involved individuals from both sides – the immigrant entrepreneurs and the representative of the organizations that are part of the entrepreneurial ecosystem. For this reason, large amount of qualitative data was collected and transcribed. By read and re-read the words of the interviewed persons 11 narratives were written. The stories present the organizations in the ecosystem aiming to identify the connections between what they provide as a support and the needs of the sub-groups that are more vulnerable, in the case of this study the immigrant entrepreneurs. The second part of the stories presents the perceptions of the immigrant entrepreneurs with regards to the challenges they faced during their entrepreneurial attempts to establish and grow business, but also their attitudes with regards the support that can be gained from the entrepreneurial ecosystem. A list of the narratives is provided in Table 9.

Table 9 List of Narratives in the Empirical Chart

<table>
<thead>
<tr>
<th>Narratives of Organisations (4.1)</th>
<th>Narratives of Entrepreneurs (4.2)</th>
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<tbody>
<tr>
<td>Step Two Growth Project</td>
<td>Entrepreneur A (Hasib Faizi)</td>
</tr>
<tr>
<td>Bravo Entrepreneurial Hub</td>
<td>Entrepreneur B (Ameet Khalsa)</td>
</tr>
<tr>
<td>Nyföretag Centrum (NFC)</td>
<td>Entrepreneur C (Sam Naflaki)</td>
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<td>ALMI</td>
<td>Entrepreneur C (Chrislan Maneng)</td>
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<tr>
<td>Videum Science Park</td>
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<td>Drivhuset</td>
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<td>Talk innovation</td>
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4.1 Narratives of Entrepreneurial Ecosystem’s Organizations

The section 4.1 is consisted of the narratives for the organizations of the entrepreneurial ecosystem written based on the empirical data collected.

4.1.1 Step Two – Growth Project for Entrepreneurs in Kronoberg

“Imagine to arrive to a new place and to lock yourself up in a room…. How will anybody find that you have arrived there?”

- Naimul Abd, project leader of Step Two

2018-04-30, Växjö

Several years ago, inspired by the growing need of integration of those who have foreign background, Coompanion Kronoberg launched a project named Step Two to focus on the well-being and growth of the immigrants in Kornoberg region (http://www.steptwoprojekt.se/). Financially supported by the municipality of Växjö, Kronoberg Region and the EU and by the consultant support from ALMI and Coompanion, Step Two has a goal to support the foreign-born entrepreneurs’ businesses that are already established, no matter of their size, number of customers or owners and to make their business grow. Naimul Abd, the project leader stresses the few entrance criteria to be part of the project: “the entrepreneurs have to be foreign-born, to have a business in Kronoberg and to have the ambition to grow. Our focus is people who want to grow”.

Naimul Abd trusts the idea that the foreign – born entrepreneurs can have significant success if supported by the ecosystem in the region they act. Naimul Abd stresses: “I have seen the advisory industry and in my opinion, Växjö has a very strong entrepreneurship potential. In several municipalities and regions’ meetings the discussion is on how to further build up the entrepreneurship in Växjo and a lot of initiatives currently are in a process. Both, Region Kornberg as a government establishment and the Municipality of Växjö are focusing on entrepreneurship and provide support to immigrant entrepreneurship”.

Step Two is very active on the social media as a crucial way to reach the entrepreneurs. Taking into consideration that many of the foreign-born entrepreneurs have barriers to the language both languages are sued as a tool for communication, the Swedish and the
English. In fact, as Naimul Abd emphasized, three of four entrepreneurs came to Step Two because they found information in English and thought it was really helpful. Besides the social media, another way to promote the activities of Step Two is to be part of the networking events that happen every year in Växjö where Step Two also participate, go out and talk to the entrepreneurs who can be potential members of the project.

Development and success of the Step 2 project is noticeable in the recent period through the activities and events organized or supported by it. According to the information on the project’s website, but also according to the words of the project leader Naimul, the strategy of the project is to facilitate the growth of the foreign-born entrepreneurs’ businesses by providing: knowledge opportunities, network opportunities and office space in a business hotel. “Very new people with a very new idea might have more challenges in starting that compared to somebody who has been here for several years. So, you need to know the system and you need to know the language. That is very important because all the Swedish business and official communication is in Swedish. Whenever you talk to government organizations or tax organization the communication is in Swedish. That’s why the language and the system knowledge are crucial for the immigrant’s entrepreneurs. From my perspective, and I’m myself immigrant entrepreneur, the key requirement for somebody who is new in the system is to know the system” (Naimul Abd, project leader, 2018-04-30).

What is more, according to the leading person of the project the bureaucracy and the understanding of the requirements are also crucial challenges for the immigrants’ entrepreneurs. Sweden has also very high requirements when it comes to documenting the business and the financial records of the business. The knowledge of the technical documents and the financial documentation is of a significant importance. The combination of the lack of language skills and the requirements of the system and the laws and regulations gives unique difficulties for business development in Sweden. “My advice to foreign entrepreneurs that comes to Step Two is to focus on the language as a first priority. When I came to Sweden I completely devoted to the language in the first 6-8 months. If you cross that bridge the road to some destination is much easier.
Otherwise, spreading the language learning over 10 years is going to slow you down” – Naimul Abd (project leader, 2018-04-30).

Step Two facilitates the start-ups by providing a place and advisory services. Advisory services mean that the business plan is discussed together with the entrepreneurs and if there is a need of an expert in some area Step two provides contact with persons from other organizations in the Ecosystem. For example, if the business is export, then Step two tries to find a person or organization that can help. For example, Business Sweden is helping with export and internationalization. One of the main activities of Step Two is to organize mutual workshops with Almi for funding, or to connect with people from the financial industry. “We have some entrepreneurs that were referred to us by Almi, several that were recommended by Växjö Kommun, and also few from entrepreneurial organization called Macken” explains naim Abd (project leader, 2018-04-30), stressing the importance of mutual connection with the other elements in the entrepreneurial ecosystem in Växjö.

“Something that I have noticed in the past few years is that the entrepreneurs sit on a comfort bubble, so they don’t make initiative. Maybe the market out there is too difficult and competitive, closed for them to enter. But when you enter a new system the chances of doing anything there is linked to their own initiatives and activities” (Naimul Abd, 2018-04-30). This is the reason why the focus in the last year has been put on how to improve digital marketing capability of the entrepreneurs that are members in Step two. “For Sweden, as a small and developed country, it is very important the competences to be visible. The best way to reach out the businesses it is very important to be connected on the social media and to have strong digital strategies” (Naimul Abd, project leader, 2018-04-30).

The other aspect that Step two is very active with is strengthening of the network capacity of the entrepreneurs. “Imagine, to arrive to a new place and to lock yourself up in a room…. How will anybody find that you have arrived there?” says (Naimul Abd, project leader, 2018-04-30). In the last year, 50 events have been organized by Step Two, and currently Step two continues to engage its members - entrepreneurs to meet and communicate. “So, one of the things that I’ve started is to push the foreign entrepreneurs to go to events that are not organized by Step two. Step two has limited
capacity for organization of events and it cannot conduct unlimited numbers of events” (Naimul Abd, project leader, 2018-04-30).

What is more, according to the project leader, since the capacity of Step Two is limited, it is not enough for the foreign entrepreneurs to meet only with each other, but they also have to meet Swedish entrepreneurs. This is the reason why the mingle happenings are important. “Networking is a key area and there are several initiatives done by the Ecosystem for connecting the entrepreneurs. I think the ecosystem can still be improved, as these initiatives are not primarily structured... they are structure as entrepreneurship supportive initiatives but not with focus to foreign entrepreneurship” (Naimul Abd, project leader, 2018-04-30).

One of the problems is that the foreign – born entrepreneurs are closed to these events. According Naimul Abd, it is only very small minority, which is comfortable to attending these events. Government has some push strategy for attendance, for example when someone is on a work support program with one of the state authority maybe this program pushes the upcoming entrepreneurs. In many cases the upcoming entrepreneurs who have not started the business will be required to attend these events as part of the development program. This is the mandatory.

The target of Step Two is to deal with 30 entrepreneurs in three years, and now the goal is achieved. Currently Step Two has 35-36 startups as members. But according to Naimul Abd “it is nothing, the scope, the potential and the need are much higher than this”. Finally, as the project leader concluded: “The scale of the initiative has to be changed. Step Two is a great initiative but it is not enough. It needs probably 10-20 times bigger than this to make changes. Also, it is important the initiative to have 2 very important aspects: to bring language and business understanding to immigrants and the events that are created need to be structured and communicated in a way to reach the foreign entrepreneurs and to ensure that the entrepreneurs are not afraid to come and feel welcome” (Naimul Abd, project leader, 2018-04-30).
4.1.2 Bravo Entrepreneurial Hub (Företagsfabriken)

“Our business is not specific to sort a group, our target is entrepreneurship development” - Bravo Hub 2018-05-02, Växjö

Bravo Entrepreneurial Hub (Företagsfabriken) is a publicly funded organization focusing on businesses that are at early stages of their development.

The main objective of Bravo organization is to create a community, a meeting point for entrepreneurs of various disciplines, and to build teams. The organization is welcomed for entrepreneurs of various types as well, as Project Manager (2018-05-02) puts it: “If you are just an entrepreneur in your heart but don’t have a company, or maybe you have started up a company... because our main focus on activities is to bring various types of entrepreneurs together and to build teams”. Entrepreneurs willing to join the organization should have a purpose or a question that they would like to solve.

There are four target groups for Bravo organization. Firstly, networkers, as they are described: “…who want to network. That’s very early, that’s 99% chance that you don’t have your company yet” (Project Manager, 2018-05-02). Secondly, Linnaeus University (students, lecturers, scientists). Thirdly, sole entrepreneurs who have started their own company. Fourthly, companies applied for the Incubator but have not fulfilled all the requirements yet to be accepted in.

The focus of the Bravo Hub in terms of business development in the region’s entrepreneurial ecosystem includes several aspects. Firstly, it is to team up. Secondly, help to find ways to finance the business. In addition, to learn more about sales, and as the Project Manager (2018-05-02) says, “If you want money, your company needs to do sales”. Furthermore, it is the business model.

The main difference between the Bravo Hub and Företagsfabriken (that comes after Bravo Hub given the stages of a business development) consists in the extent of the engagement. As the Project Manager describes: “If you’re in Bravo Hub it could be - “yeah, I want to do something, but I don’t know when and where, and how far I want to take it” ... but in the incubator you’re doing your best, you commit 100% of your time
and you have the possibilities to have a turnover of at least 30 million Swedish Kronas a year five years after we start this program. So, these are two different levels of engagement”.

The main target of the organization is entrepreneurship no matter what individual’s background is. For this reason, Bravo does not apply any special approach either for immigrants or native-born Swedish. However, no specific strategy regarding attraction of immigrants is applied - “Our business is not specific to sort a group, our target is entrepreneurship development” (Bravo, Project manager, 2018-05-02).

Recently, the member structure of the organization can be presented in the following way. Most of the immigrants are represented by LNU students (45%) interested in developing their own business or those who belong to the “networker” target group, and non-native Swedish account for 30-35% of the total quantity of all members. As far as gender structure is concerned, proportion of male-female members is 50 – 50. As for the age, the organization does not set any limits, and according to the latest data age varies up to early fifties.

In order to reach their target clients, a wide marketing strategy is used. As the Project Manager (2018-05-02) states, “We start by a wide strategy for marketing, but then it gets very personal when you’re actually at Bravo Hub”. So, the Hub aims at attracting its target clients, but then it comes on individual level figuring out how the community can help an entrepreneur, and how an entrepreneur can help the community. Due to the fact that the Hub’s market is international, English language was chosen to be the main one for communication and conducting events.

Bravo organizes various workshops, bootcamps or lectures basing on the community members’ needs and interests (accounting, insurance, etc.). “I want to get new customers. How do I address them? Hm... Then I bring a salesperson, somebody that is fluent in the language of sales. And the person is in front of you, and you have a workshop or an event or a lecture with them. And of course, the value of getting together... The context of the community of people meeting up, help each other is much more than one-to-one” (Project manager, 2018-05-02).
Participation in *Bravo* organization can bring several vital benefits for entrepreneurs. Firstly, it provides a possibility to contact with peers who speak the same entrepreneurial language. This consequently leads to a better outcome. Moreover, participation may be regarded as business accelerator enabling to provide a faster process of the business development – “It is a quality process, and also a speedy process” (Project manager, 2018-05-02).

*Bravo Hub* has several crucial connections. Firstly, *Bravo* cooperates closely with other publicly funded organisations in order to cover entrepreneurs from early to late stages and provide sufficient help at a particular stage of a business development. In addition, *Bravo* has numerous partners represented by private companies providing services for the entrepreneurs-members of the Hub and helping to solve their problems (e.g., insurance).

### 4.1.3 Nyföretag Centrum (NFC)

“If you want to run a company in Sweden you have to know the language” - Markus, Nyföretag Centrum (NFC) 2018-05-02, Växjö

Nyföretag Centrum (NFC) is a private foundation and the key factor that supports it is the privet business sector. NFC becomes part of the entrepreneurial process in the earliest stage of the business establishment, when the idea is still in a process of development. “*NFC is not striving to attract the most innovative business but to be recognized from the vulnerable entrepreneurs that need support to create a business for a life existence.”* As Markus (Developer in NFC) stresses: “We deal more with the budget, economy and marketing and to get the business rolling, so how it started. We are not so creative in that way. Creative staffs go more to Videum and Förtegfabriken” Markus (2018-05-04).
In three years period, roughly 200 jobs have been created which number is aligned with the data from Bolagverket. As Markus emphasized, the possibility the startup to survive if the entrepreneurs use the support of NFC is 14% (82% survival in comparison to 68%) more than compared to the entrepreneurs that have not approach NFC. Another indicator is that the start-ups that have communicated NFC have greater level of profit or better results. Thirdly, approximately 4.000.000 SEK in taxes is the contribution in the municipality budget. Finally, the benefit for the social system needs also to be taken into account, meaning that by creation of the jobs the entrepreneur is not using the resources of the social system.

The great success of NFC is achieved by the support of three people engaged in providing consultancy to the entrepreneurs by work approximately 700 hours annually each of them. “three people that split one full-time job create 200 jobs and give back 4.000.000sek to the municipality on an annual level.”

“NFC helps people to get started, to do the math, to do the homework, if there are enough customers, is it enough marginal, could they make profit out of this?” – Markus (2018-05-04). The three consultants that are part time employed there help with their knowledge and experience to help people to get as good idea as possible. Markus (2018-05-04) says “It is very rare people to come here and to juggle the idea - they need help to start the company, what administration to go through, tax policy, how does it work, how does the company suppose to work...”

The aim of NFC is to support the entrepreneurs who think about to start a business through the entrepreneurial process. It is typically the new entrepreneurs to come one to three times to get help and support. The success of NFC is measured by comparing NFC’s data to the register of Bolagsverket (the government organization) and this is done nationally not locally. It is measured how many people come how many starts come from these, and how many of those survived in three years period. The profit is also taken into account, but the number of started and the number of survived start-ups is the main indicator.

The statistics of NFC shows that 14-15% from the total number of startups in Växjö have been through the process of getting support from NFC. “Our target group is those
who start for the first time, the really small ones and they want some support and contacts and network. The resources that can be provided from the partners in Växjö can be money, people, networks and mentors” emphasizes Markus.

Home page, Facebook, brochures are used as tools to approach the entrepreneurs in Swedish and the statistics shows that the proportion between the women and men entrepreneurs is almost equal 50-50%, while 1/3 of the total number are immigrants. However, even though a huge number (1/3 of the total number) are immigrants, still the information is not given in Swedish. Markus’s explanation with regards to this problem is that “If you want to run a company in Sweden you have to know the language”.

“We want to start companies that can survive, I’m not the one who fills in the forms, I’m not the one who apply the registration for the entrepreneurs. My role is to help you understand it, to find answers, NFC does not help with the language, we don’t translate, we are here for the business and not for language. I’m helping with the business idea. I’m helping in every aspect of Marketing, Sales and Economics. Also, to interpret the laws and regulations helps them understand what they are doing and consequences” - Markus (2018-05-04).

Markus argues that the Swedish language should be the first thing to think about, because as he said “When I’m done with the advising they suppose to go and find the path by themselves. My role is to make them ready to run their own business. If they are not ready they miss or they have lack of energy and driving force, maybe it is better not to start a company”.

The banks are the key partners of NFC but also to the entrepreneurs. If an entrepreneur wants a loan a business plan is required and the banks want some other to have a look and to approve your business plan- the banks usually guide the entrepreneurs to NFC. And on the opposite side, we guide the entrepreneurs to the banks. Banks feel more secure when the business plan is supported by NFC. My role is to make them ready to apply for loan.” Markus (2018-05-04).

Since every third person that comes here is an immigrant, as Markus argued they usually come to understand the tax and moms, how does it work, the proportion and the
purpose of the money paid in taxes, for example how much money goes to roads, pension, education. On of the biggest problems, especially for the immigrants is to understand the tax system. The key components and NFC’s key activities are to have as much time as possible for single meeting. “You can give help through video and skype conversation but something is happening in the personal meetings … every story is different .. what is your company, what are your goals what drives you?... what are the customers how you plan to market these people, how did you come up with the idea? Why is this a good idea to start with? These questions are important but also sensitive and the people need personal advice. Here, on these points we contribute and support the entrepreneurs” Markus (2018-05-04).

4.1.4 ALMI

“They (the immigrants) do not want to be part of society and it is hard to do that. It is hard to change the mind-set of the people. They need to be more open minded” - Dea Lundqvist, Advisor of Startups in ALMI 2018-05-09, Växjö

Almi is a national organization with the main office in Stockholm and it has 16 regional subsidiaries, one of which is Almi Kronoberg. In Almi Kronoberg has 14 employees and the decision making is 51 percent from the main office and 49 percent from the regional office (Louise Oscarson, 2018-05-10).

The main goal and mission is to create opportunities and help companies in various stages of establishment to develop themselves by providing services as advisory, loans, different programs as well as seminars in how to learn to sell, to market and GDP area. In the words of L. Oscarson “We do not only provide loans, but we also provide consultations, which I can be said that we are a complementary to the banks” (Louise Oscarson,2018-05-10). Almi offers support for both innovative plans and for start-ups.

The Innovation Plan offers support money to start an innovative idea and as well to the private citizens who have an idea, an innovation plan and wants to sell it to the
entrepreneurs, since Louise Oscarson, who is Almi advisor for innovation plan, argues that “You do not have to be an entrepreneur to have an idea”. Therefore, she addressed this as a unique characteristic for Almi, in comparison with other organizations.

From the other side Dea Lundqvist, who is advisory for start-ups claims that “You do not have to be super smart to have an idea, you just need to have the skills for the specific business that you want to open and the skills to survive the labour market”

Regarding to the contribution to the Ecosystem, the representatives of Almi claimed that Almi is the biggest organisation in the entrepreneurial ecosystem in Kronoberg and has close collaborations with other organisations such as Företagscentrum, LNU, Videum Science Park, Nynäshamn Science Park, and Step Two growth. A monthly meeting occurs within these organisation, in order to discuss how they can help each other and share knowledge with each other. Close collaboration with banks, is also a part of Almi’s contribution to the ecosystem. In case their customers need a bank loan and they perceive that they should have it, they might address them to the bank for further help.

When asked about the main benefits that entrepreneurs gain from Almi, Louise Oscarson expressed that besides everything mentioned above, the help the entrepreneurs to develop themselves - “A misconception about Almi is that we work only with start-ups, however we work with all stages of establishment of a company, such as business growth if a company wants to expand, providing programs as Program Tillväxt”.

Another important collaboration is with Enterprise Europe Network, which has branches in Sweden, specifically in Kronoberg, Blekinge and Kalmar län and branches international in China, USA and India. The main idea behind this collaboration is to help companies to expand internationally, to enter a new market.

As far as immigrant entrepreneurs are concerned, Dea Lundqvist addressed the fact that in her program of advisory startups, there are mostly immigrant in the program than Swedish persons. The mission of the program is to help the immigrants to develop their business ideas, by creating different programs for special skilled. They help as well with the business plan if they struggle with the language. “We help them to write the business plan, but the idea must be theirs, since we are only an advisory system” (Dea Lundqvist, Almi, 2018-05-10). D. Lundqvist pointed out the importance that the
immigrant should develop an individual thinking, by finding a lot of information before they decide to open their own company. “There is so much information for free today to get help with” (Dea Lundqvist, Almi, 2018-05-10)

However, she acknowledged that the biggest problem the immigrant entrepreneurs have is the language. “... the problem with immigrants is that they do not know the language, they do not know how to find the information and where... Since they do not know the language they cannot understand and evaluate the information.” (Dea Lundqvist, Almi, 2018-05-10). Another importance she stated with the language is the need to meet and interact with the customer, to learn the system. Almi had employed an Arabic speaking employee so he could help to translate the Arabic speaking entrepreneurs, since they are the biggest group of immigrant entrepreneurs. Moreover, they were planning to create a two-year project like a business school and orientation courses in Arabic language, plus special program for women. When asked about the consideration to put the information and/or programs in English language to help the other immigrant entrepreneur groups, she argued that “English is not a solution, since the level of English also has to be high, especially business English...and we cannot hire every person for every language existing here” (Dea Lundqvist, Almi, 2018-05-10). Another big problem she says the immigrants have is the cultural difference. “They do not want to be part of society and it is hard to do that. It is hard to change the mindset of the people. They need to be more open minded”. (Dea Lundqvist, Almi, 2018-05-10)

She suggested that an immigrant should first thing should learn a language and start to find out information, be curious, to be willing to listen to others and most importantly to listen to critics, in order to succeed.

The marketing strategy to approach to this target group is to through networks (other organizations from ecosystem) and social media, which they claimed they were “not so good” at this part.
4.1.5 Videum Science Park

“I would gladly see more immigrants coming here... It is a potential.”
Stefan Uppman, Business Development Manager
2018-05-02, Växjö

Videum AB is owned by the municipality of Växjö and represents one of the 75 sciences parks including incubators cooperating around Sweden. The organization operates as a science park following its such main goal as the transfer of knowledge from the University to the companies for their faster and safer growth. Growth of companies means employing more people what consequently leads to more tax money coming to the government. Moreover, Videum AB owns most of the properties in the area, and provides work spaces for 80 companies located in the building on campus.

Moreover, Videum AB owns Företagsfabriken - a business incubator. Stefan Uppman (2018-04-30), Business Development Manager at Videum AB explains: “We are the face of Företagsfabriken. When companies have made exit from Företagsfabriken, we want them to go to the Science Park to develop further in the process”.

The benefits for entrepreneurs provided by Videum Science Park are evident. First of all, the organization provides work spaces for companies including various services and activities, “We have to go for a market price... otherwise it would turn the competition in a completely wrong way” (Stefan Uppman, 2018-04-30). In addition, entrepreneurs may get help for development of their early-stage companies (e.g., those that has just made an exit from the incubator) by obtaining work spaces at a lower fee.

Moreover, Videum organizes various activities aimed at providing help and opportunities for entrepreneurs. One of the events is research lunch - Forskarlunch - held together with university. Mr. Uppman (2018-04-30) describes the event: “We invite researchers, professors, teachers, they have interest to present during the lunch and at the same time we invite trading industry. The main aim is to develop business for the future, I mean transformation of knowledge from the University to the companies”.

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Another core activity is called *Nutcracker* during which companies have a possibility to solve their problems by providing cases and involving students in the problem-solving process. This event helps both companies and students think outside the box what consequently brings new input to solving issues. Stefan Uppman (2018-04-30) reflects on the event “*Fantastic! It is a win-win situation. Because first of all, the students get to know the companies a little bit better. They can make fantastic contacts for the future... the companies - they get input to the questions... we don’t solve the world’s problems in two hours, but we try to think inside the box and outside the box, how to react on different situations...*”.

Another new activity organized by Videum is called “*Knowledge and Competence*” – this activity aims at building connection between research and trade industry. The event is described by Mr. Uppman (2018-04-30) in the following way: “*...we invite doctoral students to present their research to the trading industry. Looks very promising. It’s a session of two hours. A little bit similar to Forskarlunch but here you have got ideas, research in the very early stage and we want them to connect to the trading industry and see if they can develop some sort of relation – is it business relation or is it some future collaboration*”.

*Videum AB* is a well-established organization in the region and has a large network, thus it does not address to any specific marketing strategy arising awareness about their activities. “*We invite them [companies]. We have a large network here in Växjö since many years. I think I have around two or three thousand people in my network I communicate for in this region*” (Stefan Uppman, 2018-04-30). Furthermore, some entrepreneurs may just come with their business idea and discuss. “*If it’s an early stage, maybe I’ll say this is something for the incubator... as I know not all business ideas are made for the incubator. Maybe it’s a very good business idea for money, but it’s not a scalable business idea, it has no innovative points in the business idea, maybe they should set up a business somewhere else or maybe in the science park*” (Stefan Uppman, 2018-04-30).

In addition, there is no special project concerning attraction of more women or immigrants into the system that is going on. “*Doesn’t matter if it is an immigrant... if*
they got the right business idea, they will be interesting for us” (Stefan Uppman, 2018-04-30).

As far as member structure is concerned, Videum AB highlights the lack of women. As Stefan Uppman (2018-04-30) states, “There are very few women starting up companies, unfortunately. We wish there was another equilibrium between men and women in the science park, but most of the companies is owned by men, it’s an old question... We are trying to set up networking with different organizations that are setting up event with women, but it’s difficult. I wish I had a solution to the problem... It needs to be balanced”.

4.1.6 Drivhuset

“I see a gap there, it is not so clear, we have basic information in starting a business in Sweden, still it is beneath the need, more information is needed.”

Isabell Ternemo, Business Developer
2018-05-02, Växjö

Drivhuset is a guidance assistance and business development courses for students who would like to open their business in Sweden. It is founded by Linnaeus University, which are the big sponsors, however they are funded as well by the European Union. Drivhuset is based in Växjö and in 12 different places in Sweden nearby universities.

“The goal of the company is that many successful students to start their companies and to make them to feel secure and self-empowered to start the journey, by guiding them as much as we can”. (Isabel Terno, Business Developer, 2018-05-02)

When asked about the contribution in the ecosystem, Isabell Terno explained that it is planned and financed LOOPA Course in 6 steps: 1. For women; 2. International students; 3. Sustainable companies; 4. Social innovation camp which is a collaboration with Coompanion, which is going to provide three semesters, gathering companies in the region so they can provide cases with social challenges and students can participate to find out solution into the society and implement them.
Regarding special programs for international students, I. Terno stated, - “I see a gap there, it is not so clear, we have basic information in starting a business in Sweden, still it is beneath the need, more information is needed.” Although there is an increasing amount of interest from international students to open the business here in Sweden. Furthermore, she argued that “We do not value the person but we value the idea”.

According to Drivhuset, the main challenge faced by the international student entrepreneurs is how long they are studying here. If it is a short of time, it is hard to establish a business and if you want to stay in Sweden after the studies to have your own business, you need to work a lot and be able to maintain yourself. “There are quite some challenges even though it is possible” (Isabel Terno, Business Developer, 2018-05-02)

As far as marketing strategy is concerned, there is no special marketing strategy outside the university, however within the university it easy for them to approach to the student since they are present everywhere through the Linnaeus University.

4.1.7 Talk innovation

“The entrepreneurial ecosystem in Växjö..., ...it needs change” - Pooya Yousefi, Founder of Talk Innovation 2018-04-30, Växjö

Talk Innovation is a private organization founded late January 2018. by Pooya Yousefi, who thought to open this organisation “…to give an opportunity to those who do not have it”, based on the struggles he faced himself as an entrepreneur when he started his own company. The organisation is funded by private investors and companies. The main aim of Talk Innovation is to have a place meeting where entrepreneurs get together to discuss ideas and develop, because in the words of P. Yousefi “…together we grow faster” (Founder of Talk Innovation, 2018-04-30). Although it is a young organisation, it immediately got a huge attention by the media, by being present in local
newspaper, the politicians and the locals since it became a fast-growing community and more and more people were interested in.

The uniqueness of this organization according to the founder, is that the process of creating and launching a product is much faster and there are not so many bureaucracies than the other public funded organizations. Moreover, an important aspect is the creation of the bond with the community member “If we create a bond with the members of the community, everything goes smoother and faster” (Founder of Talk Innovation, 2018-04-30).

Providing space, is one of the activities that the entrepreneurs get help with by being part of the organization. “My idea was to create something that will help entrepreneurs who does not have the money. Therefore, renting a space for a minimum price, still is a lot for an entrepreneur” (Founder of Talk Innovation, 2018-04-30). In providing a space it not only helps financially, but as well as to “look” professional, by having an office when you will have meeting with your customers. Besides that, Talk Innovation helps by providing networks, provisions that the entrepreneurs need in their entrepreneurial way, such as developers, designers, marketers. As well as, they help with business language barriers, such as helping them by translating emails and information that is in Swedish from the institutions office. “What I want, is to make it easier for the people to connect with each other, make it easier for people to work on start-ups. Everyone who is member of Talk Innovation can use the office as its own office.” (Founder of Talk Innovation, 2018-04-30).

When asked about the subgroups in the organization, such as immigrants P. Yousefi stated that the language is the biggest problem for the entrepreneurs, even though you might have a great idea, but if you do not have the language the institutions do not take you seriously. He continued by giving an example of a foreign-born entrepreneur, whom his idea was refused in other institutions but got help in Talk Innovation and have the product already launched in the market. “Currently, 67 people are part of the community from 28 different countries, which has created around 20 ideas and startups.” (Founder of Talk Innovation, 2018-04-30). The diversity of different nationalities and a 50/50 with man and women, it is something that the founder of Talk Innovation is proud of.
Regarding the existing entrepreneurial ecosystem in Växjö, P. Yousefi believes that it does not work and it needs to change, by arguing that all the startups created here have moved to the big cities like Gothenburg, Stockholm and Malmo. By “change”, it is suggested that they need to bring people together, “mingle together Swedish entrepreneurs with foreign entrepreneurs”.

P. Yousefi decided to stay in Växjö, claiming that he does not like to give up and that he truly believes that there is potential in Växjö and that he will try to change things. That is why he decided to open Talk Innovation. In the future plans, the intention of this organization is to mostly work with private organization since they believe that the public funded organization slow down the process. “Too much of talking and no action” (Founder of Talk Innovation, 2018-04-30). This what Pooya Yousefi believes he can change. Therefore, beside Talk Innovation, he is planning to create two more projects called “Ladies Entrepreneurship”, focusing in female entrepreneurs.

When asked about their marketing strategy to approach to entrepreneurs (foreign born, native) and other individuals, Talk Innovation uses mostly social media. Moreover, they participate in the network events, as well and use their own network. Another way of approaching people is also through other organization such as Växjö Municipality, ALMI.
4.2 Narratives of Immigrant Entrepreneurs

The section 4.2 is consisted of the narratives for the immigrant entrepreneurs written based on the empirical data collected.

4.2.1 Entrepreneur A (Hasib Faizi)

“It doesn’t matter where in the world you will travel, it’s the same rules. People want to help you. But you cannot help someone when you don’t know about them”

Hasib Faizi, 2018-05-04, Växjö

Hasib’s passion for entrepreneurship appeared already in high school when he tried to implement his projects. Then, after gaining work experience from various companies, he went to India to work and to introduce Swedish business culture into the workflow of the company he was working for. Afterwards, he moved back to Sweden to set up his own company. Now, on a par with working on various projects for companies, he develops his company called Localto.

In his perspective, there are several challenges when being a new entrepreneur to a country. First of all, it is language. As Mt. Faizi (2018-05-04) explains: “If you want to do a business, you have to understand the culture of it. Business cultures are very different from India to Sweden. And that is the first stage. And language. A lot of entrepreneurs here with foreign backgrounds have the lack of the language. And that makes uncomfortable zone for other business owners because they are not ready to take risks”. The courses provided for immigrants are insufficient in terms of the business terminology that will be used in the future entrepreneurial activities. Moreover, it is of high importance and difficulty to let people know about your product.

Furthermore, there are too many rules in Sweden what makes it complicated for a new entrepreneur to get to know the system and set up a business. Sometimes there is too much information offered that it is simply hard for an entrepreneur to comprehend everything. As Hasib Faizi (2018-05-04) states, “It’s too much information for them so they still don’t understand that. And that’s the issue, they get tired because of a lot of
rules and regulations, so they don’t continue... First of all, you have a language problem. Second thing, it’s too many rules. But unfortunately, you either have to accept it and understand the rules or have to back out”.

And undoubtedly financial side of an entrepreneurial process is considered as a challenge as well.

As for the support gained from the entrepreneurial ecosystem’s elements, Hasib Faizi was eligible for a discount on a work space and facilities in Videum AB - “They gave me a very good facility... It was affordable. I had a special contract, so that helped me a lot. I got some kind of a discount for six months” (Hasib Faizi, 2018-05-04). In addition, he obtained a loan from Almi in order to support his business. As Hasib (2018-05-04) says: “I presented my business plan to them, they allowed for a loan because they have their standards when they can allow you a loan”.

The entrepreneur also addressed to other supportive organisations, however the help that they offer is mostly dedicated to development of businesses that are at early stages. “I’ve been to some meeting there [in Step Two] but still again they help there for beginners... Nyföretagarcentrum... I was there, and I had just a question. I said, “I have registered my company, I know this, this, this and this helps are available for me, and this, this, this, so what else can you provide to me?” They were like “You know the basics, so you have passed on”. They help entrepreneurs at step one” (Hasib Faizi, 2018-05-04).

From Mr. Faizi’s perspective, there are certain aspects that need to be improved in order to create a more favorable environment for development of immigrant entrepreneurship in Sweden. First of all, the support offered by various organizations lasts for not long time and it is sometimes insufficient in terms of timing. Hasib (2018-05-04) explains: “There are entrepreneurs who come here and due to lack of capacity of a lot of rules, they give up. Some of them do it just because they have no other choice. And they need more help. Especially they have problems, they have been here for very-very short time, so they have to able to take them hand with hand all the way for years, not for months”.
Moreover, as far as language courses are concerned, Mr. Faizi suggests that a special strategy should be applied, i.e. offering language courses focusing on entrepreneurship purposes and considering native language and backgrounds of the participants. The entrepreneur highlights the importance of providing more information on entrepreneurship in general. In his opinion, many people may go for entrepreneurship simply due to the lack of alternatives because individuals may not have either a job or relevant education. As Hasib (2018-05-04) reflects on the situation, “Most people when they come they can’t find a proper job. They don’t want to study. So, what is left? Entrepreneur... If you a three-month course and it is in their language, and the person who is giving information is an entrepreneur or a teacher and can speak their language, so everything will be fluent. So, they will get the view of how exactly the system works. So, they can decide either continue. You have a clear picture, either I have to change business, or I should go for studies, or I should go for a job. They don’t have a clear view of what is entrepreneurship in Sweden. So, for me, if they get three months with their own language, about entrepreneurship in Sweden, how it works, with all the regulations, I believe that it will be easier for them”.

Basing on personal experience, Mr. Faizi (2018-05-04) highlights a key success factor – networking: “Especially for us [foreigners], networking is even extra important. Because they [the Swedish] don’t know us”. For this reason, it is of critical importance to attend as many various events as you can to make yourself visible for the public - “I search for every single event nearby Kronoberg... Even if I don’t need it, I know that I’m aware how it works. I just attend just because of that network” (Hasib Faizi, 2018-05-04).

Moreover, helping people without on a free-payment basis can also affect positively on your image. It will make your potential clients and customers feel more secure with you, and when they have any problem they might address to you providing with an opportunity. As Hasib (2018-05-04) explains, “Maybe help people with your product without payment... and according to my experience I give the solutions. One hour I gave to someone, but tomorrow maybe that person will meet someone else who has a problem with their product and this way people can be like “aha, this person can help with this”, and tomorrow if I take payment for it they will be ready to pay. So, it’s like
making a customer comfortable”. In addition, Mr. Faizi (2018-05-04) adds: “They have to feel comfortable. And it’s the time you have to give. So, the first step is they have to understand you. And for that you have to speak fluently Swedish. And then second, they have to feel comfortable with you. Because anyone can sell any product, they can do it, but they have to feel comfortable with this person they can trust”.

Chasing potential clients is a wrong strategy as people might feel uncomfortable. Mr. Faizi explains: “I’m not chasing someone exact, I’m just creating my visibility through different meetings. I’m trying to connect myself. There are a lot of different communities around, so what I do is I follow my own agenda... I attended almost every meeting that happened in Växjö. Some people I met twice, hundred times... Because you never know where you can find the right person. So, you have to be aware and you don’t have to chase people to sell product. You just wait for an opportunity. Because when you meet new people, they always ask you what you do. And when you meet them again and again they feel comfortable... But if you chase people, you will be ignored... It’s like a headache” (2018-05-04).

4.2.2 Entrepreneur B (Ameet Khalsa)

“One person cannot change the things, everybody has to come together and have that energy and force to change things”

Ameet Khalsa, 2018-05-07, Växjö

Ameet Khalsa originally comes from India, however he grew up in England. He has moved to Sweden 9 months ago in order to get his Master’s degree in Innovation supported by the scholarship, and it is here when he decided to establish his own business. Mr. Khalsa registered his company called Indeslab in November 2017, and his business focuses on digital services representing a full-solution company.

On the way of the business development, Ameet faced various challenges. First of all, it is language. Although the entrepreneur has basic knowledge of the Swedish language, it is insufficient for running a business, communicating with official institutions and
attracting customers. “It is incredibly hard to get a customer because we don’t speak the language. That’s the big problem here. So, language is a big barrier for a foreign entrepreneur”, says Ameet (2018-05-07). Secondly, Mr. Khalsa is struggling with obtaining a bank account. Even though his company is already registered, he has a bank ID and permanent residence, any bank still does not allow a bank account considering the entrepreneur’s nationality and lack of credit history within Sweden. Moreover, Ameet highlights high bureaucracy and strict regulations for visa extension. “In Sweden there is a law: if you don’t have an AB [Aktiebolag], you cannot extend your permit. So, for Aktiebolag you need 50 thousand as a capital plus you need 2 thousand cash in your bank account before they even consider your application, they don’t want to know you... It’s a hurdle.” states Ameet (2018-05-07).

In the entrepreneur’s opinion, Almi is a bureaucratic system that is not approachable. Requesting a large number of various documents, entrepreneurs may get confused and lose their time what leads to slowing down entrepreneurial processes and consequently stops innovation development. “Entrepreneurs are scared of bureaucracy because they think it’s stops their innovation, stops their thinking”, says Ameet (2018-05-07).

For a successful establishment of business in the region, Mr. Khalsa emphasises the importance of building trust. For this reason, it would be a weighty contribution to have a Swedish person in the team - “That’s a strategy actually. If you have a Swede inside your system, then they will trust your more” (Ameet Khalsa, 2018-05-07). Moreover, the entrepreneur highlights “if you have no money and no connections, there will be no development of your business and our biggest struggle is this” (Ameet Khalsa, 2018-05-07).

In order to develop the business idea, Ameet addressed to Drivhuset for help and consultancy. The entrepreneur found information on the organization online, and the website with the information were sufficient. “Drivhuset... they are very good. They are very helpful. They work very professionally. They have sessions, they guide you how to do, how to navigate into the system. And that’s the reason why I was successful to register my company. But they can only do not much. They can’t go the bank and ask to get me an account. It’s not their job. Their job is to motivate people, inspire people, which they are doing pretty well” (Ameet Khalsa, 2018-05-07).
In addition, he highlights the simplicity of the company registration process: “The process of company registration is way easier than in any of the countries comparably if you go to America or Australia or UK, it’s difficult there, but in Sweden it’s very straightforward. So, registering a company was not a problem for me” (Ameet Khalsa, 2018-05-07).

As far as the general perception of the local entrepreneurial ecosystem is concerned, Ameet considers that Sweden is in the forefront and it has an excellent infrastructure, however it is not ideal and not much effective in Växjö and the ecosystem here is at its early stage of development.

After giving an idea to Ameet that Växjö might turn into another Silicon Valley, he had his own perspective on this issue. In his opinion, Silicon Valley unites liberal people free from any prejudice. There entrepreneurs and people in general are focused on creating new ideas and continuous business developing. In Växjö, according to Ameet’s opinion, the situation is different. “In Silicon Valley people are very liberal, so it doesn’t really matter if you are a foreigner, or yellow, or black, or white… But here there is a problem, you need to have specific things. But in there you just need ideas, create ideas which gonna work. Here is not like that. I kinda felt that sometimes… They don’t have the infrastructure. Silicon Valley has that kind of industries… but in Växjö they don’t have anything here, here is nothing going on. I feel bored sometimes as well” (Ameet Khalsa, 2018-05-07).

Furthermore, he continued by stating that “A cultural change is needed in order for foreign entrepreneurs to be accepted as entrepreneurs. Moreover, there is no proper business incubator or business accelerator in the region, what could positively affect business development”.

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4.2.3 Entrepreneur C (Sam Naflaki)

“...there is a gap between the sources and people who need these resources”

Sam Naflaki, 2018-05-10, Växjö

Sam Naflaki is a foreign-born entrepreneur, who originally comes from Iran. He was 44 when he moved to Sweden. In Iran he was a Lawyer by profession. His first contact with Sweden in 2003 was when he did a two-year master program in Lund University in the Department of Justice. After the completion of his studies S.Naflaki went back home where he worked as a lawyer for more than 10 years. The motive behind the decision to move to Sweden is the fact that his two brothers were living here. Thus, he decided to come back again as a student. “At the time I felt that I could not work in my profession since I needed the professional language in Swedish” (Sam Naflaki, 2018-05-10). Therefore, in between studies S. Naflaki decided to open his business with his brother, as a shareholder, by buying franchisee of Subway. Currently, they have four branches of Subway. The first step taken, was a meeting with ALMI to get consultation and afterwards took a bank loan. The bank loan was approved. “When I came back from my country I had some money saved aside with me... I think without that money, it would not be possible to take a loan or be taken serious by the bank” (Sam Naflaki, 2018-05-10). The business was established in 2013. Initially the first two years was really successful, - the entrepreneur state, but after that the number of customers started to decline. Therefore, from a manager he became an employee in his own franchisee.

The main challenge according to S. Naflaki was the language. “Swedish is a must here, if you want to succeed, you need to have good relation and good communication with them to negotiate... It is not easy. This brings difficulties in hiring employees as well if you cannot speak the language” (Sam Naflaki, 2018-05-10). S. Naflaki had a permanent residence and as a private person you can get a bank account and have almost the same privileges as a Swede, however it is not the same thing for business. “For business, especially for foreign individual to establish a business, to take care of the personal provisions, their salaries, insurance, taxes that you as an entrepreneur
“have to think about and pay for it is very-very hard” (Sam Naflaki, 2018-05-10). He continued to argue that it is very difficult to have balance from profit and expenses.

” It is a very good system, it works very well, but for the entrepreneurs who come from other countries, especially from out of Europe that are not familiar with these regulations it is a real struggle” (Sam Naflaki, 2018-05-10)

Which brings another important aspect considered as a challenge by the entrepreneur, is the cultural difference.

When asked about how he overcame these challenges and how the entrepreneurial ecosystem in Växjö helped in a way, the entrepreneur stated that there is a very good system and information, but first you need to learn the language to understand it. “If you ask for help, you can have a meeting with them, you can have a large amount of information in their website. I found them very helpful, but the language is still a barrier”. (Sam Naflaki, 2018-05-10)

Besides being shareholder in Subway, XXX established a personal business in Växjö, with an office in Videum Science Park, called RAYA. Raya company it is a limited consultancy company, where Ms. Naflaki work as a lawyer and consultant. The idea to open this business and especially locate it in Videum Science Park, was the fact that at Linnaeus University more and more students were coming outside European countries and they have problems with the regulation due to the lack of information. His target customer are not only international students, bus as well as immigrant or refugees living in Sweden. Sam Naflaki used the experience from his own country with the experience and knowledge provided for the Swedish system, to help especially the foreigners. “It is fun for me to work in my profession, and I can really help people.” (Sam Naflaki, 2018-05-10) He stated as an advantage the lower price provided to customers, in comparison with Swedish lawyers. However, he stated that doing business in Sweden is not easy, claiming that in order to succeed you must have an idea that work perfect, otherwise you could not have the benefits to run a business. He argues that the labour regulation is really harsh, which is very good, but he feels that there are no privileges regarded the entrepreneurs who decide to open the business.
When asked if he did receive any help from Videum Science Park, stated “No, I cannot really say that. I just got the office which I pay full price of” (Sam Naflaki, 2018-05-10). However, the entrepreneur sees no difference in the regulation system and the support system for a Swedish Entrepreneur from a foreign-born entrepreneur. Although the entrepreneur states it is arguable if this is a good thing or no. “The way it begins is very-very correct, but I do not know... I would say it is based on the politics the state wants to follow. If they want more immigrant to be interacted in entrepreneurship, they should invest a little more on the people (immigrants) who have bright idea, rather than being so strict in the regulations” (Sam Naflaki, 2018-05-10).

However, even though the entrepreneur notices no difference in the support the entrepreneurs get, still he claims, “I believe that the Swedish people have more benefits, which I considers completely as very natural, not only in Sweden but all over the world.” Furthermore, he believes that in Sweden the system tries to help much more than the other countries.

Sam Naflaki concludes his interview by saying that Sweden is a very open country, the doors are open for the people who have ideas, who wants to work. “There are many sources, there are many informations, things that you can use, but there is something that does not work very well... There is a gap between the sources and people who need these resources”.
4.2.4 Entrepreneur C (Chrislan Maneng)

“I think that there are different organizations that are there to help you, but they have a low pulse in doing it…” - Chrislan Maneng, 2018-05-02, Växjö

Chrislan Maneng is American Canadian entrepreneur who has found and runs the company Elite Entertainment in Sweden. The focus of the company is on recruitment of talents and influencers and to connect them with celebrities, having the marketing as a main filed for action on the market.

Elite entertainment aims to understand what are the different marketing efforts of the companies and to perform consultancy and PR activities on their behalf. After the great success of Elite Entertainment on the American market, Chrislan made a decision to enter the Swedish market in 2015. “We had an impression that Swedish market is a virgin market where only the traditional marketing is applied. We saw it as a market, which needs refreshment… “

“We were on a conference in Stockholm where we met a friend who told us for Växjö as a city with a huge potential for innovation and development, talking also about the very interesting complex Videum Park. I saw it as a great opportunity since the first clients should be the businesses and entrepreneurs that are located there”. Företagfabriken and Videum Park were fairly attractive to Chrislan and the decision to establish the company in Växjö came with the idea of using the opportunities offered by them. “I felt in love with that, simply I felt in love. It was smart, interesting and it had international community”

And not only by them, but also to use the opportunities from all organizations that are leading the entrepreneurs through the whole entrepreneurial process, through all the stages of your growth. “For you to open a company here looks very easy, they open their hand saying come…” Still, beside the advantages provided by the institutions, as Chrislan experienced, the practice showed that to find relevant, experienced and skilled people is a huge challenge for a company that aims to innovations and implementation
of different approaches that are new on the market. “Actually, the to find people to run the company was one of the biggest difficulties in the start stage of the company. I was offered only people who not possess the qualifications and expertise. We do different kind of marketing and we have specific requirements”. Chrislan stresses that this is a common problem of a newcomer foreign entrepreneur and the struggles to find the competence is strong.

Other challenge that Chrislan faced was the barrier of the language, since every document is written in Swedish: “when a foreign entrepreneur comes it is difficult to deal with the taxes and tax reporting or other administrative requirements. It is a problem when the tax office sends you a letter with all terminology that you don’t know, and this is a huge problem.”

“Everyone in my company at that time was American, that is how I solved my problem I brought people from America, so we could understand each other, but still the problem was that none of us really understood how the Swedish system works” – Chrislan Maneng.

To solve the problem of the difficulties with understanding of the Swedish system and tax system, Chrislan signed a contract with a Swedish account company to carry out the administrative processes. The problem was that if the company does not have a bank account than nothing can function: “Your application is on hold and you have to go and negotiate with the bank for opening an account. This is needed to process your company and to start your activities. On the other hand, your company is in a process of activation, but the bank needs some prove that the activities that going to be performed should be profitable. The organization number is needed which you can get if you have account. It is a magic circle, and it is difficult” – Chrislan (2018-05-10)

Another problem for Chrislan is the personal understanding of the Swedish culture and the differences in behaviour and needs with his country of origin. “Here I don’t need too much of pressure, I don’t need to get high education because I know that even if I don’t get a job, the system will take care about me. In America the story is opposite. Here it is difficult to create things with the people, they are not under pressure and they don’t have to do something to survive.” Chrislan and his employees were put under the
pressure to cope with the other types of behaviour, they were forced to perceive and accept the attitudes of the Swedish society and to slowly change their action into a model that is accepted by the Swedish people and the business community.

In the facing all these difficulties the most important according to Chrislan are the contacts that can help you to overcome the challenges: “You need contacts to make the things happen. It is easier to be in the circle and to be able to create the base for the customer from this circle. It is easy when you have your family here but when you are on your own, then you feel like you giving to the system more then you get back.”

As above explained by Chrislan, the contacts and the possibilities to meet other business and other entrepreneurs are crucial. According him, sound relationship with different organization in the system should be beneficial for the company. To have all these organizations behind means to create legitimacy by the help of their name, the support is not visible, but it provides more intangible support, which is also important to break the Swedish wall on the markets. Furthermore, explains Chrislan: “But I got their support because we did something for the community, I was doing something for free and my company was spending money, that’s why I had Almi, Coompanion, Växjö kommun behind us as partners. What we want from them is to have their back and to use their names, their contacts... This also gives opportunity to them to explore who you are and how they can use you. They will never do really something for you. It is only words but not action”.

When the Swedish company has financial problem it uses the branch in New York for financial support, since “You know the Swedish market is not easy, the difficulties are a lot ... the taxes for example are a huge, big problem”, says Chrislan. For the reason of the financial difficulties and the need of financial support, Chrislan got investment loan at the very beginning of the start-up and somehow the government became our partner...

From the perspective of today, when the company is still performing on the Swedish market besides the all obstacles experienced, the conclusion of Chrislan is that the financial support that can be gained from the system is from one side needed, but the other aspect is that then it makes the company and the management not free in their
action, performance and decisions. *He is saying* “*I think if I have to choose if I take the loan now, from this perspective, I’m not going to choose it.*”

After several years in Sweden, Chrislan is becoming part of the ecosystem by entering the board of Step two, as well as other projects and initiatives. His opinion, from the insight perspective is that the entrepreneurial ecosystem runs many activities and initiations, and the organizations try to help. However, at the final Chrislan concludes: “*I think that there are different organizations that are there to help you but there is a low pulse in doing it... Now, when I’m in the system, we organize and attend meetings, we talk and discuss... but the system simply does not work, more action is needed...*”.
5 INTERPRETATION OF THE EMPIRICAL DATA, ANALYSIS AND DISCUSSION

The aim of the thesis is to give answer to the question: “How the entrepreneurial ecosystem can facilitate the immigrant entrepreneurship?” as a main research question. The answer of the RQ1 will be developed based on the answers of RQ1.1 and RQ1.2 in which confrontation of the perception of the individuals who are part of the organizations in the entrepreneurship ecosystem and the immigrant entrepreneurs is done.

The words of the interviewed persons from empirical data have been used in writing the narratives. Their words and language have been read and re-read and based on their meaning they were categorized in categories and themes with regards to the challenges of the immigrants, as well as for the perception of the immigrants and managers of the organizations about the benefits that can be gained from the entrepreneurial ecosystem (Section 5.1 and 5.2). For purpose of the coding and matching the structure of Domains of the Entrepreneurship Ecosystem (Isenberg, 2011; Figure 9) is used. The Domains used are: Policy, Finance, Culture, Supports, Human Capital and Markets.

Finally, based on the words, codes and created themes, discussion for answering the research questions § developed in Section 5.3.

5.1 RQ1.1 Challenges of Immigrant Entrepreneurs

The answer of RQ1.1 is developed based on the literature review done for the challenges of the immigrant entrepreneurs. The challenges from the literature review are summarized (See Table 8) and then by analysis of the words of the immigrants entrepreneurs are used as a category in one of the six domains of entrepreneurship ecosystem (Figure 9). Each domain: policy, finance, culture, supports, human capital and markets presents a theme in the process of coding and matching of the empirical data.
5.1.1 Entrepreneurial Perception on Policy

Coding and matching to the themes Policy, as a part of the Domains of Entrepreneurship Ecosystem presented by Isenberg (2011) covers government and leadership. In government is included institutions, financial support, regulatory framework, research institutions, venture-friendly legislation. Moreover, in terms of leadership is included unequivocal support, social legitimacy, open door for advocate and entrepreneurship strategy. Keeping in mind these factors addressed by Isenberg (2011), it was able to identify the challenges of the entrepreneurs interviewed, by categorizing them in need for venture friendly legislation, need for financial support, need for cooperation with institutions and need for legitimacy creation, which are associated to the creation of the theme finance (See Table 10).
Table 10 Interpretation of the Entrepreneurial Perception on Policy

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>“In Sweden there is a law: if you don’t have an AB [Aktiebolag], you cannot extend your permit. So, for Aktiebolag you need 50 thousand as a capital plus you need 2 thousand cash in your bank account before they even consider your application, they don’t want to know you… It’s a hurdle.” Ameet Khalsa (2018-05-07).</td>
<td>• need for venture friendly legislation</td>
<td>• Policy</td>
</tr>
<tr>
<td>“Bank still does not allow to open a bank account considering the entrepreneur’s nationality and lack of credit history within Sweden” Ameet Khalsa (2018-05-07).</td>
<td></td>
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</tr>
<tr>
<td>“Entrepreneurs are scared of bureaucracy because they think it’s stops their innovation, stops their thinking”, Ameet Khalsa (2018-05-07).</td>
<td></td>
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<tr>
<td>“That’s a strategy actually. If you have a Sweed inside your system, then they will trust your more” Ameet Khalsa (2018-05-07)</td>
<td></td>
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<tr>
<td>“… I would say it is based on the politics the state wants to follow. If they want more immigrant to be interacted in entrepreneurship, they should invest a little more on the people (immigrants) who have bright idea, rather than being so strict in the regulations” Sam Naflaki, (2018-05-10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Your application is on hold and you have to go and negotiate with the bank for opening an account. This is need to process your company and to start your activities. On the other hand, your company is in a process of activation, but the bank needs some prove that the activities that gonna be performed should be profitable. The organization number is needed which you can get if you have account. It is a magic circle, and it is difficult.” Chrislan Maneng (2018-05-10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“I need partners. What we want from them is to have their back and to use their names, their contacts… This also give opportunity to them to explore who you are and how they can use you” - Chrislan Maneng (2018-05-10)</td>
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</tbody>
</table>

The growing importance of immigrant entrepreneurship has led governments to create special immigrant policies, in order to attract more foreign-born entrepreneurs (Fairlie and Lofstrom, 2015). However, looking into the entrepreneurs’ perspective by the interviews that have been conducted, it can be noticed that policy is one of the main challenges they face when opening a business in Sweden. The first and foremost step when opening a business is the creation of a bank account, which our entrepreneurs, faced a huge challenge in doing so.
"Bank still does not allow to open bank account considering the entrepreneur’s nationality and lack of credit history within Sweden” Ameet Khalsa (2018-05-07)

Strong regulations are required to open a bank account, which it slows the process of the entrepreneurs and makes it more difficult for them. In the following quote Chrislan Maneng (2018-05-10) explains in detail the “circle” of how opening a bank account work for an immigrant entrepreneur:

“Your application is on hold and you have to go and negotiate with the bank for opening an account. This is need to process your company and to start your activities. On the other hand, your company is in a process of activation, but the bank needs some prove that the activities that is going be performed should be profitable. The organization number is needed which you can get if you don’t have account. It is a magic circle, and it is difficult.”

In other words, the entrepreneur points out the strict regulation in the banking institutions and contradictory demands required to open a bank account. On one hand a bank account is needed to open business and start making profit, thus getting an organization number. Still, on the other hand one cannot get an organizational number if a bank account is not opened.

Similar problem with the regulation and law had our other entrepreneurs Ameet Khalsa (2018-05-07), who is an international student at Linnaeus University, who does not have the permanent residence permit here in Sweden (see narrative 4.9):

“In Sweden there is a law: if you don’t have an AB [Aktiebolag], you cannot extend your permit. So, for Aktiebolag you need 50 thousand as a capital plus you need 2 thousand cash in your bank account before they even consider your application, they do not want to know you... It's a hurdle.”

These statements prove that even though the developed countries, in this case Sweden, want to attract immigrant entrepreneurs, these harsh regulation does not make it easy for them. As Barakji and Kalssli (2017) claim that to deal with bureaucracy is a serious
challenge for immigrant entrepreneurs, therefore they need more venture friendly legislation, in order to succeed.

“Entrepreneurs are scared of bureaucracy because they think it’s stops their innovation, stops their thinking”, says Ameet Khalsa (2018-05-07).

One way they think can facilitate these bureaucracies, is to partner with a Swedish person. They state:

“\textit{I need partners. What we want from them is to have their back and to use their names, their contacts... This also give opportunity to them to explore who you are and how they can use you}” - Chrislan Maneng (2018-05-10)

“This is a strategy actually. If you have a Swede inside your system, then they will trust you more” Ameet Khalsa (2018-05-07)

This strategy is in close relation to the entrepreneurship strategy described in the policy section of the domain of entrepreneurship ecosystem by Feld (2012) and Roundy (2017) in terms of leadership strategy. The entrepreneurs in our empirical data believe that the usage of this strategy helps them overcome the challenges of bureaucracy existing in Sweden.

Sam Naflaki (2018-05-10) argues that the choice of policymakers it depends on the politics that the country wants to follow toward immigrant entrepreneurs:

“\textit{... I would say it is based on the politics the state wants to follow. If they want more immigrant to be interacted in entrepreneurship, they should invest a little more on the people (immigrants) who have bright idea, rather than being so strict in the regulations}”
5.1.2 Entrepreneurial Perception on Finance

Finance as a part of the Domains of Entrepreneurship Ecosystem presented by Isenberg (2011) covers help in financial capitals, such as providing micro-loans, angel investors, friends family, zero-stage venture capital, venture capital funds, private equity, debt and public capital markets. Therefore, when confronting the need and the challenges of the entrepreneurs interviewed, it was able to identify and categorize as a challenge, the need for funds and the need for cooperation with the banks, which associates to the theme of Finance (Table 11).

Table 11 Interpretation of the Entrepreneurial Perception on Finance

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>“If you have no money and no connections, there will be no development of your business, and our biggest struggle is this.” Ameet Khalsa (2018-05-07)</td>
<td>• Need for funds</td>
<td>• Finance</td>
</tr>
<tr>
<td>“When I came back from my country I had some money saved aside with me... I think without that money, it would not be possible to take a loan or be taken serious by the bank” Sam Naflaki (2018-05-10)</td>
<td>• Need for cooperation with banks</td>
<td></td>
</tr>
<tr>
<td>“The Swedish company is having a little problem and we use the branch in New York for support. You know the Swedish market is not easy, the difficulties are a lot ... the taxes are a huge big problem.” Chrislan Maneng (2018-05-10)</td>
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</tbody>
</table>

Financial capital plays a crucial role in creating a new business. Therefore, one of the obstacles the immigrant entrepreneurs face in our empirical material, is the lack of access to the financial capital, to get funded as stated by the entrepreneur:

“If you have no money and no connections, there will be no development of your business, and our biggest struggle is this.” Ameet Khalsa (2018-05-07).

The problem was acknowledged by almost all the entrepreneurs interviewed, such as Chrislan Treasure, the entrepreneur had to use the resources from his main office in New York to finance its branch in Sweden, because of the lack of finance and high costs.
“The Swedish company is having a little problem and we use the branch in New York for support. You know the Swedish market is not easy, the difficulties are a lot … the taxes are a huge big problem.” - Chrislan Maneng (2018-05-10)

These issues come in close connection to what Fairlie & Lofstorm (2015) claims, that the biggest barrier to start a business is the lack of financial capital. Moreover, in the literature it is stated that this lack of finance is caused by the low level of integration and trust issue the financial institutions (banks, investors, etc.) have toward the immigrant entrepreneurs. This issue is brought to point by Sam Naflak, claiming:

“When I came back from my country I had some money saved aside with me... I think without that money, it would not be possible to take a loan or be taken serious by the bank” Sam Naflaki, (2018-05-10)

Therefore, in the literature by Barakji & Kaissli (2017) it is shown that the immigrant entrepreneurs usually finance themselves through the funds provided by them or by family members and friends, since the banks are not open for collaboration, especially in the early stage of their business.

5.1.3 Entrepreneurial Perception on Culture

Culture as a part of the Domains of Entrepreneurship Ecosystem presented by Isenberg (2011), cover two fields of culture, success stories and social norms. By success stories the author argues by showing visible successes, wealth generations for founders. From the other side societal norms include tolerance of risk, mistakes, failure, innovation, creativity, social status of entrepreneurs, wealth creation and ambition. Thus, when confronting the empirical data of the entrepreneurs it was noticed as a challenge and categorized as trust issue, discrimination, different social norms and ignorance, which are closely associated with the theme of Culture (Table 12).
The high entrepreneurial spirit of immigrant entrepreneurs is recognized by the literature (Fairle and Lofstorm, 2015), however moving to a new country and start new business is not easy. One of the struggles faced is the cultural difference, as mentioned by Mr. Faizi (see narrative 4.8):

“Business cultures are very different from India to Sweden. They have to feel comfortable. Because anyone can sell any product, they can do it, but they have to feel comfortable with this person they can trust” - Hasib Faizi (2018-05-04)

This quotation used by the empirical material goes in close alliance with the ignorance that the society has for the foreign-born entrepreneurs, since they are not aware of their social norms. Stein P (2000) claims that ignorance may bring communication related problems and the consequences can lead to bad business results for both parties. From the other side, many authors argue in the literature that creation of trust is crucial element of the immigrant entrepreneurship (Grannovetter, 1985; Deaux, 2006; Giorgas,
Therefore, some of the entrepreneurs feel that you need to collaborate with Swedish person in order to gain the trust:

“That’s a strategy actually. If you have a Swede inside your system, then they will trust your more” Ameet Khalsa (2018-05-07)

Another entrepreneur goes furthermore, by stating:

"I believe that the Swedish people have more benefits, which I consider completely as very natural, not only in Sweden but all over the world."

-Sam Naflaki

Trust issue arises by the discrimination factor according to the literature, which addressed the discrimination factor as an obstacle for entrepreneurs which gets a preference on the native-born population (Hjerm, 2004; Musterd et al. 2008; Rath and Swaggerman, 2016; Mitchell, 2016; Hedberg, 2009). However, even though the entrepreneur recognises difference obtained to the immigrant and Swedish entrepreneur, he still considers this as something natural that happens all around the world.

Moreover, some entrepreneurs connected the cultural difference in the way of difficulties to arise entrepreneurship with Swedes, since the entrepreneur Chrislan, believes that the existing system here does not motivate the population to open their own business, by claiming:

“Here I don’t need too much of pressure, I don’t need to get high education because I know that even if I don’t get a job, the system will take care about me. In America the story is opposite. Here it is difficult to create things with the people, they are not under pressure and they don’t have to do something to survive.” – Chrislan Maneng (2018-05-10)

Thus, this challenge drives the entrepreneurs to cooperate within their ethnic group, causing an issue with the integration into the society and into the Swedish culture as written by Hjerm M. (2004), who is sceptical regarding the integration to the society through entrepreneurship.
Therefore, according to the entrepreneurs interviewed in this research study, a cultural change is needed in order to develop the immigrant entrepreneurship in Sweden.

“But here there is a problem... A cultural change is needed in order for foreign entrepreneurs to be accepted as entrepreneurs.” – Ameet Khalsa 2018-05-07

5.1.4 Entrepreneurial Perception on Support

Taking into consideration the importance of possessing knowledge in the field of the regulations and laws, the entrepreneurial ecosystem (Isenberg, 2011) suggests separate domain that covers the Support professions and Infrastructure where the identified issues are presented in form of a support that the ecosystem can give. Therefore, the categorization is done by confronting the need of entrepreneurs for advices and knowledge for the system requirements and the need for more affordable rent for office with the support given through legal advice, technical experts in support professions and telecommunications, incubators, zones, energy in infrastructure. Thus, with regards to the identified challenges, the domain Supports includes the Lack for System Knowledge, Need for Legal Regulation Advisory, Need for Guidance Assistance, Need for affordable (not expensive) working space as challenges presented in the categories, which after are associated to the Support as a theme (Table 13).
Table 13 Interpretation of the Entrepreneurial Perception on Support

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
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</thead>
<tbody>
<tr>
<td>• “It’s too much information for entrepreneurs so they still don’t understand that. And that’s the issue, they get tired because of a lot of rules and regulations, so they don’t continue…” - Hasib Faizi (2018-05-04)</td>
<td>• Lack for System Knowledge</td>
<td>• Supports</td>
</tr>
<tr>
<td>• “There is no proper business incubator or business accelerator in the region, what could positively affect business development.” - Ameet Khalsa (2018-05-07)</td>
<td>• Need for Legal Regulation Advisory</td>
<td></td>
</tr>
<tr>
<td>• “It is a very good system, it works very well, but for the entrepreneurs who come from other countries, especially from out of Europe that are not familiar with these regulations it is a real struggle” - Sam Naflaki (2018-05-10)</td>
<td>• Need for Guidance Assistance</td>
<td></td>
</tr>
<tr>
<td>• “But still the problem was that non of us really understood how the Swedish system works” - Chrislan Maneng (2018-05-10)</td>
<td>• Need for affordable (not expensive) working space</td>
<td></td>
</tr>
<tr>
<td>• “I needed a Swedish account company to carry out the administrative processes which we could not understand” - Maneng Chrislan (2018-05-10)</td>
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<tr>
<td>• “I think that there are different organizations that are there to help you but there are a low pulse in doing it… Now, when I’m in the system, we organize and attend meetings, we talk and discuss… but the system simply does not work, more action is needed…” - Chrislan Maneng (2018-05-10)</td>
<td></td>
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</tr>
<tr>
<td>• “To pay for a office is extremely expensive, especially in the establishment phase “Chrislan Maan (2018-05-10)</td>
<td></td>
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<tr>
<td>• “I had office in Videum but it was expensive and I had to break the rental contract” - Hasib Faizi (2018-05-04)</td>
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</tbody>
</table>
Based on the words of the entrepreneurs, the knowledge for the system requirements is not only important for doing entrepreneurial activities, but it is the first filter that the new companies have to go through. Pinkowski (2009) stress the importance of the awareness for the system different requirements in order the immigrant entrepreneurs to stay on the entrepreneurial path. From one side, Naflaki (2018-05-10) stresses that the Swedish system has strong rules that work in some kind of perfection, but on the other side he mentions the difficulties these rules to be accepted and understand by the immigrant entrepreneurs.

"It is a very good system, it works very well, but for the entrepreneurs who come from other countries, especially from out of Europe that are not familiar with these regulations it is a real struggle” - Sam Naflaki (2018-05-10)

Agreeing on the statement of Naflaki (2018-05-10), in the story of Chrislan the challenges faced with regards to the Swedish system understanding and requirements, the entrepreneur describes the problems of not to know how to deal especially with the taxes, but also other administrative processes. In the narrative it is explained that instead to continue to utilize the accountants that were already employed, Chrislan was forced to search for a Swedish company that will do the bureaucracy work and the tax policy. Because, even though the efforts to understand were huge,

“...still the problem was that none of us really understood how the Swedish system works” Chrislan Maneng (2018-05-10).

The risk for the entrepreneurs that comes alone with the challenges of the need of knowledge with regards to the system, laws and bureaucracy, as claimed by Faizi (2018-05-04), is that

"It’s too much information for entrepreneurs so they still don’t understand that. And that’s the issue, they get tired because of a lot of rules and regulations, so they don’t continue…” –Hasib Faizi (2018-05-04)

The statements of the entrepreneurs, and their side of the truth is in compliance to the discussion in the literature that the system and the system understanding is crucial to
stay in the circle or to quickly leave the idea to become self-employed (Barakji and Kalssli, 2017; Hjerm, 2004).

The interview entrepreneurs agree that the knowledge for the system (Barakji and Kalssli, 2017; Hjerm, 2004) and the awareness for the differences and the different requirements from their country of origin is connected to the need for assistance and advice how the system to be understood. The interviewed entrepreneurs confirmed that, even though some connections to different organizations have been done in order to ask for help, it is still a gap between what is available and what they use. According to CEEDR (2000), this challenge is important for establishment and growth of a business.

5.1.5 **Entrepreneurial Perception on Human Capital**

Human Capital as a part of the Domains of Entrepreneurship Ecosystem presented by Isenberg (2011), covers the help with labour, by providing skilled entrepreneurs, as well as later generations. Moreover, human capital includes the help with educational institutions, like general degrees and specific entrepreneurship training. Therefore, considering the empirical data provided by entrepreneurs it was recognisable the challenges in categories as: insufficiency in language, lack management and marketing skills, lack of human resources, lack of knowledge, which is closely associated with the theme of Human Capital (Table 14).
Table 14 Interpretation of the Entrepreneurial Perception on Human Capital

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**Interview Excerpt**

• “The courses provided for immigrants are insufficient in terms of the business terminology” - Faizi Hazib (2018-05-04)

• “It is incredibly hard to get a customer because we don’t speak the language. That’s the big problem here. So, language is a big barrier for a foreign entrepreneur” - Ameet Khalsa (2018-05-07)

• “Swedish is a must here, if you want to succeed, you need to have good relation and good communication with them to negotiate... It is not easy, it also brings difficulties in hiring employees who are relevant. My employees were also immigrants, and my business is focusing on consultancy for immigrants” - Sam Naflaki, (2018-05-10).

• “It is a problem when the tax office sends you a letter with all terminology that you don’t know, and this is a huge problem.” - Chrislan Maneng (2018-05-10)

• “Actually, the to find people to run the company was one of the biggest difficulties in the start stage of the company. I was offered only people who not posses the qualifications and expertise. We do different kind of marketing and we have specific requirements” - Chrislan Maneng (2018-05-10)

• “Everyone in my company at that time was American, that is how I solved my problem I brought people from America so we could understand eachother.” - Chrislan Maneng (2018-05-10)

---

**Categories**

• Insufficiency in Language

• Lack management and marketing skills

• Lack of human resources

• Lack Knowledge

**Themes**

• Human Capital

Not only stated by the literature (Shala, Kidane and Ong, 2009; Gomez et al., 2015; Mitchell, 2016; Fawcett and Gardner, 1994), but also confirmed in each of the narratives (Naflaki, Chrislan, Ameet, Faizi), the foreign language, or the language of the host country, is definitely recognized as one of the main obstacles in establishment of business by immigrant entrepreneurs. Especially in Swedish context, the issue of the language, even though categorized as a challenge in the theme of human capital, is having effect to all other domains and is a main cause of the challenges categorized in culture, markets or finance. Naflaki, (2018-05-10) is stressing the issue of the language as a main cause why his business is segregated and focused on the immigrants:
“Swedish is a must here, if you want to succeed, you need to have good relation and good communication with them to negotiate... It is not easy. it also brings difficulties in hiring employees who are relevant. My employees were also immigrants, and my business is focusing on consultancy for immigrants”.

The words of Naflaki are not showing the lack of the language as one perspective problem, but his expression is showing complexity of cultural issues especially in context of acceptance by the host population and mutual understanding with them. The other effect is the impact of the level of language to the capability to entrance on the market (Fawcett and Gardner, 1994) and the strategy of the immigrant entrepreneurship to enter the market of the ethnicity (Menzeis, Brenner and Filion, 2003) where they feel comfortable to communicate and negotiate their business and products, since as Ameet (2018-05-07) stated:

“It is incredibly hard to get a customer because we don’t speak the language. That’s the big problem here. So, language is a big barrier for a foreign entrepreneur”

The focus to the specific ethnic community is coming as a consequence of the difficulties to understand the meaning of the rules and norms, but also to find a support by the others who share the same feeling. According to Chrislan’s stories, the most difficult challenges was to understand the requirements of the system – taxes and to communicate the problems with people who can understand the situation (See narrative of Chrislan). But in the case of Chrislan, he was not only facing the challenge of the language and the difficulties to understand, but also to recruit people who have the expertise in the specific non-traditional marketing field and same time can understand the language. He said:

“Everyone in my company at that time was American, that is how I solved my problem I brought people from America so we could understand with each other.” Chrislan (2018-05-10),

by this again confirming the statement of the literature that the immigrants entrepreneurs face the problem of lack of expertise, human resources and management
and marketing skills (Shala, Kidane and Ong, 2009; Gomez et al., 2015; Mitchell, 2016) and are inclined to create communities in their communities by grouping with employees, suppliers and customers from their ethnic group (Barakji, & Kalssli, 2017, (Shala, Kidane and Ong, 2009), taking the risk to get involved deep in a segregation as a social phenomenon in divided societies (Hjerm, 2004; Najib, 1999).

5.1.6 Entrepreneurial Perception on Markets
Markets as a part of the Domains of Entrepreneurship Ecosystem presented by Isenberg (2011), covers the help in networks, by providing entrepreneurs network, diaspora network and multinational corporations. Moreover, it provides help in getting early customers, including early adopters for proof-of-concept, expertise in productizing, reference customers, first reviews and distributions. Confronting with the empirical data it was able to categorize the challenges the entrepreneurs faced in; difficulties in market entrance, grouping customers, suppliers and employees within the same ethnic community, need for connections and need for customers which is closely associated with the theme of Markets (Table 15).
The need for connections and support is presented by the literature as a challenge of the immigrant entrepreneurs of a high importance (Levin & Weström, 2001; Hjerm, 2004, Najib, 1999). In alignment to the statement of Faizi Hasib (2018-05-04) that “A lot of entrepreneurs here with foreign backgrounds have the lack of the language. And that makes uncomfortable zone for other business owners because they are not ready to take risks and cooperate”, Levin & Weström (2001) argue that the insufficiency of the language as a challenge categorized in the theme Human capital, is one of the main reason why the immigrant entrepreneurs facing huge issues in entering the market and obtaining customers (Fawcett and Gardner, 1994). In the other hand, as confirmed by the interviewed entrepreneurs, the need to enter the market and the need to “establish the business there where the concentration of your future customer is” (Chrislan Maneng, 2018-05-10) is again confirming the literature where the authors (Hjerm, 2004, Najib, 1999) claim that even though running a small business is a strategy to
integrate to the society, still it can lead to concentration of customers within the same ethnic community (Barakji and Kalssli 2017).

In other words, this issue analysed through the narrative of the entrepreneur Sam Naflaki, is presented through the entrepreneurial story where Naflaki focusses the business on the immigrants as his main target group by providing ethnic products (Aaltonen and Akola, 2014), consultancy on the law when immigrants facing issues. What is more, the concentration of the customers and suppliers within the community leads to deeper segregation of the immigrant entrepreneurs in the society (Menzies, Brenner and Filion, 2003) and thus is challenge recognized by the literature and by the empirical investigation in the studies.

What is more, in the context of the theme Markets, the need of networks recognized in the categories in the interpretation of the empirical data is also a huge issue for the entrepreneurs, confirmed by the both sides – the theory and the practice. The theory is discussing the networks as a main tool for resource collection (Coleman, 1988; Aldrich and Zimer, 1986). One of the main challenges of the immigrant entrepreneurs, argued by Enow (2010) is the embeddedness in the society, taking into consideration the lack of contacts and connections they are facing with. Taking into consideration the story of Chrislan Maneng, in his words: “It is easy when you have your family and friends here but when you are on your own, then you feel like you giving to the system more then you get back”, he is clearly discussing the perspective of the challenge to feel alone and to face the problem of lack of contacts. Ameet Khalsa (2018-05-07), facing the problem of lack of connection and understanding the need of connections says: “If you have no connections, there will be no development of your business, and our biggest struggle is this". With respect to the discussion of Robteutscher (2007) and Newtone (1999) and taking into consideration that attending different events and creating connections is crucial for customers obtaining and for maintaining the business, the vertical and horizontal networks are required for success of the immigrant entrepreneurs. In connection to the statement of Robteutscher (2007) and Newtone (1999), that the customer should be gained from the circle, Chrislan Maneng (2018-05-10) stress that: “It is easier to be in the circle and to be able to create the base for the customer from this circle".
5.1.7 Entrepreneurial Perception on Challenges presented through the Domains of Entrepreneurial Ecosystem

Based on the analysis of the empirical data the perceptions for the challenges of the immigrant entrepreneurs have been discussed to the literature review and then categorized in six domains using the basic structure of the Domains of the Entrepreneurship Ecosystem developed by Isenberg (2011). The challenges are presented in Figure 10.

Figure 10 Challenges of the immigrant entrepreneurs categorized under the framework of the Domains of the Entrepreneurship Ecosystem

Source: own development based on Isenberg (2011).
5.2 RQ1.2 Support Given by Entrepreneurial Ecosystem

The answer of RQ1.2 is developed based on the literature review done for the support that the Entrepreneurship Ecosystem provides for the immigrant entrepreneurs. The words of the organizations’ representative are used to categorize the support that is given in one of the six domains of entrepreneurship ecosystem (Figure 9). Each domain: policy, finance, culture, supports, human capital and markets presents a theme in the process of coding and matching of the empirical data.

5.2.1 Ecosystem Perception on Policy

Table 16 Interpretation of the Ecosystem Perception on Policy

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• “For some companies that are at their early stage, for instance if you take the companies that have just made an exit from the Incubator, we help them a little bit in the beginning with subventions of the rental fees.” Stefan Uppman, Videum AB (2018-05-02)</td>
<td>• Financial Support</td>
<td>• Policy</td>
</tr>
<tr>
<td>• “We invite researchers, professors, teachers, they have interest to present during the lunch and at the same time we invite trading industry. The main aim is to develop business for the future, I mean transformation of knowledge from the University to the companies.” Stefan Uppman, Videum AB (2018-05-02)</td>
<td>• Cooperation with Research Institutions</td>
<td></td>
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</table>

Since Videum AB is supported by the local government and their supportive contribution is represented in the form of subventions, as Stefan Uppman (Videum AB, 2018-05-02) says,

“...we help them a little bit in the beginning with subventions of the rental fees”,

the empirical outcome concerning the above mentioned financial support can be referred to the Policy element of the local entrepreneurial ecosystem.

Subventions and other types of incentives are important for newly-born businesses since they cannot operate with the same efficiency and speed of development like well-established companies due to their novelty to the market, lack of the relevant expertise
and experience (Isenberg, 2011). Thus, certain facilitations may accelerate the assimilation of the new business with the local market.

Furthermore, as the domains of the entrepreneurial ecosystem incorporate various institutions including research ones, maintaining relationships and cooperation with the latter can have a positive impact on business development, and development of the ecosystem in general, as Isenberg (2011) revealed it. The local entrepreneurial ecosystem includes the mentioned element as will by “transformation of knowledge from the University to the companies”, as Stefan Uppman from Videum Science Park claims (2018-05-02). This means, entrepreneurs have a possibility to cooperate with researchers and other scholars for a faster business development.

With regards to the theoretical framework provided earlier (Suresh and Ramraj, 2012), governmental support of entrepreneurship comes from policies and incentives systems, and in the case studied in recent thesis the key players in this context is Videum AB.

### 5.2.2 Ecosystem Perception on Finance

#### Table 17 Interpretation of the Ecosystem Perception on Finance

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
</tr>
</thead>
<tbody>
<tr>
<td>• “And the banks want some other to have a look and to approve your business plan - the banks usually guide the entrepreneurs to NFC. And on the opposite side, we guide the entrepreneurs to the banks. Banks feel more secure when the business plan is supported by NFC” Markus Yngvesson, NFC (2018-05-02)</td>
<td>• Funds</td>
<td>• Finance</td>
</tr>
<tr>
<td>• “My idea was to create Talk Innovation something that will help entrepreneurs who does not have the money to develop their business idea” Pooya Yousefi, Talk Innovation (2018-04-30)</td>
<td>• Cooperation with banks</td>
<td></td>
</tr>
<tr>
<td>• “We do not only provide loans, but we also provide consultations, which I can be said that we are a complementary to the banks” Louise Oscarson, Almi (2018-05-09)</td>
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</tbody>
</table>

Financial support is the key element of a business establishment and its further development. As the literature states, financial institutions providing the corresponding services are of high importance for the entrepreneurial ecosystem (Case and Harris, 2012; Spigel, 2017). According to the empirical findings, the local entrepreneurial
ecosystem has relevant institutions providing the needed products (e.g., funding) and complementary services (e.g., consultations and referencing to banks).

Funding and financial means are the key parts in the mechanism of any business development. Entrepreneurs might not have their own savings to sustain creation of their company, thus they are forced to address external actors for support. For this reason, there are various organisations able to provide the needed support within the framework of the entrepreneurial ecosystem, and one of such elements is represented by Almi, as Louise Oscarson, Advisor at the organization, states (2018-05-09):

“We do not only provide loans...”.

She also mentions,

“...we are a complementary to the banks”,

what means that financial institutions on the local market are in close cooperation with each other.

However, in order to obtain any kind of financial capital from an official institution, an entrepreneur is supposed to possess a strong business plan proving his future ability to repay the loan and granting sustainable operation of his business. Given the fact that immigrant entrepreneurs are unfamiliar with the local system and a presentation of their business idea might not correspond with the requirements of a financial institution, it may be of high difficulty to be granted a loan. For this reason, the support from the third party aimed at developing a strategy for a successful fulfilment of the requirements would have a positive impact on the financial institution’s decision on giving an entrepreneur a loan. The entrepreneurial ecosystem in Växjö provides entrepreneurs with this kind of support in accordance with the statement made by the representative of Nyföretagarcentrum – Markus Yngvesson (2018-05-02),

“Banks feel more secure when the business plan is supported by NFC”.

In this context, as Suresh and Ramraj (2012) discussed within the Support Systems Framework, the key players in provision of financial support are banks in the face of Nordea, Swedbank, etc. that are presented on the market, and such supportive
organisations as Almi. Moreover, an indirect connection to the financial support source has the organization called Nyföretagarcentrum by being an intermediate advisory player between an entrepreneur and a financial institution. Furthermore, Talk Innovation as a financial element of the entrepreneurial framework provides entrepreneurs without strong financial standing with possibilities to develop their ideas with no considerable costs.

5.2.3 Ecosystems Perception on Culture

Table 18 Interpretation of the Ecosystem Perception on Culture

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
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<tbody>
<tr>
<td>• “One of the things that I’ve started is to push the foreign entrepreneurs to go to events that are not organized by Step Two” Naimul Abd, Step Two (2018-04-30)</td>
<td>• Embracing experimentation and drive</td>
<td>• Culture</td>
</tr>
<tr>
<td>• “NFC is not striving to attract the most innovative business but to be recognized from the vulnerable entrepreneurs that need support to create a business for a life existence” Markus Yngvesson, NFC (2018-05-02)</td>
<td>• Equal access to opportunities</td>
<td></td>
</tr>
<tr>
<td>• “Currently, 67 people are part of the community from 28 different countries, which has created around 20 ideas and start-ups” Pooya Yousefi, Talk Innovation (2018-04-30)</td>
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</tbody>
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As it was discussed by Roundy (2017) and Isenberg (2011), a favourable environment in terms of perception of entrepreneurship is needed in order to encourage individuals to embrace risks. An entrepreneurship friendly attitude may attract more individuals to the business sphere what consequently will have a positive impact on the economy and society, as it was previously discussed in the background and theoretical framework.

Moreover, as it was revealed throughout the process of gathering the empirical data, success stories that form the part of the Culture domain also take place in support coming from the entrepreneurial ecosystem. Often prolific local entrepreneurs are invited to the events organized by the ecosystem’s organisations to share their experience. For example, Step Two is active in providing this possibility. As it was discussed by Feld, B. (2012) and Roundy, P. T. (2017), interaction with successful
entrepreneurs may encourage those who are new to business what will lead to a positive outcome in the form of a faster development of their companies and assimilation with the local business culture.

An important step for an entrepreneur towards assimilating with the local business culture is to attend as much various event as possible since the public involved in there differs offering numerous opportunities and visions on the local entrepreneurial environment. For this purpose, organisations of the entrepreneurial ecosystem strive to encourage new entrepreneurs to be more active in attending various events, as Naimul Abd from Step Two (2018-04-30) states,

“One of the things that I’ve started is to push the foreign entrepreneurs to go to events that are not organized by Step Two”.

Moreover, potential immigrant entrepreneurs may fear severe competition from ground-breaking and innovation companies, however in alignment with the statement made by Markus Yngvesson from Nyföretagarcentrum (2018-05-02), the organization is aiming at the following aspect -

“NFC is not striving to attract the most innovative business but to be recognized from the vulnerable entrepreneurs that need support to create a business for a life existence”,

meaning that every business idea is welcomed.

In addition to that, organisations strive to create an atmosphere welcome for every individual, and as Pooya Yousefi (Talk Innovation, 2018-04-30) said,

“Currently, 67 people are part of the community from 28 different countries”,

meaning that all immigrant entrepreneurs have equal possibilities to use the resources of the organization and develop their business ideas.

The entrepreneurial ecosystem in Växjö, with regards to the theoretical aspects proposed by Suresh and Ramraj (2012), has the appropriate supportive elements
represented by such organisations as Drivhuset, Bravo Entrepreneurial Hub, Talk Innovation, Step Two, Nyföretagarcentrum.

5.2.4 Ecosystem Perception on Supports

Table 19 Interpretation of the Ecosystem Perception on Supports

For a presentable delivery of a business idea and its further sustainable development, a conclusive business plan is of critical importance (Isenberg, 2011). For immigrant entrepreneurs it might be difficult, as Dea Lundqvist (Almi, 2018-05-09) claims,

“...it is difficult for them to understand and write in Swedish”.

Thus, a relevant support from the ecosystem is needed. It is justified to say that Växjö entrepreneurial ecosystem has the corresponding source of such support what can be proved with the statements by representatives of such organisations as Almi,

“We help the immigrant entrepreneurs to write a proper business plan” (Dea Lundqvist, Almi, 2018-05-09),

and Step Two,
“...business plan is discussed together with the entrepreneurs” (Naimul Abd, Step Two, 2018-04-30).

However, it is not enough only to have a plan, but further assistance concerning venture development is crucial. Such business spheres as marketing, economy, laws, etc. are needed to be taken into deep consideration (Isenberg, 2011; Spigel, 2017). However, for new entrepreneurs, especially immigrant ones, it is complicated to pay due attention to these aspects, and some of the reasons for that can be lack of expertise or needed resources. Thus, entrepreneurs are in need of support coming from the entrepreneurial ecosystem concerning. In accordance with the statement done by Markus Yngvesson from Nyföretagarcentrum (2018-05-02),

“We deal more with the budget, economy and marketing and how to get the business rolling, so how it started”,

it is justified to say that the ecosystem’s organisations have in their competence activities aimed at solving the corresponding issue.

Furthermore, as it was revealed by Isenberg (2011) and Spigel (2017), apart from physical infrastructure, supportive services are important. Since immigrant entrepreneurs are new to a host country (in our case – Sweden), they are not familiar in detail with the local regulations of business activities what might have legal consequences. Thus, a precise interpretation of the legal affairs is of critical importance for entrepreneurs. Given this fact, legal advisory is present on the market and it is under the purview of certain organisations within the Växjö entrepreneurial ecosystem, e.g. Nyföretagarcentrum, as Markus Yngvesson (Nyföretagarcentrum, 2018-05-02) explains,

“I am helping... to interpret the laws and regulations”.

Another element having a positive effect on business development by attracting more partners and customers, in accordance with Neck, et.al. (2004), Isenberg (2010) and Roundy (2017), is infrastructure. Due to the fact that immigrant entrepreneurs face difficulties in finding an appropriate venue at an affordable price given the high level of expenses at early stages of their business development, an element in the entrepreneurial
ecosystem focusing on this aspect is significant. For this reason, certain organisations within the entrepreneurial ecosystem in Växjö provide entrepreneurs with work spaces for sustainable development of their businesses. As Naimul Abd (Step Two, 2018-04-30) states,

“Step two facilitates the start-ups by providing a place”,

provision of a work space is one of the ways to make a process of a business development simpler.

In connection to the theoretical framework proposed by Suresh and Ramraj (2012), to the Supports domain of the entrepreneurial ecosystem such organisations as NFC, Step Two, Bravo Hub, Almi, Talk Innovation, Videum and Drivhuset can be referred since they act as sources of market, network and social supports.

5.2.5 Ecosystem Perception on Human Capital

Table 20 Interpretation of the Ecosystem Perception on Human Capital

Interview Excerpt

- “We help entrepreneurs with provisions that the entrepreneurs need in their entrepreneurial way, such as developers, designers, marketers” Pooya Yousefi, Talk Innovation (2018-04-30)
- “Our goal is to transfer knowledge to the companies here what means that they will have a faster and safer growth” Stefan Uppman, Videum AB (2018-05-02)
- “We do activities on and off depending on various types of interests. For example, if we have a couple of entrepreneurs who have questions about bookkeeping, and then of course we arrange an event or workshop or bootcamps regarding this” Bravo Entrepreneurial Hub (2018-05-02)

Categories

- Skilled Labour
- Knowledge
- Specific training (workshops, etc.)
- Improving language skills
- Human Capital

No activity requiring thinking process and knowledge can take place without human capital. Incorporating expertise, skills and knowledge, human capital forms the bedrock for a business creation. However, further training is needed for its sustainable
development, as it was discussed by Coff, R. and Kryscynski, D. (2011) and Roundy, P.T. (2017), and supported by empirical data.

Entrepreneurship is a continuous process of learning and creating (Politis, 2005). For this reason, attending various events may have a significant impact on the entrepreneur’s capability of gaining relevant knowledge and extending their vision. In this context, numerous activities are organized by communities included in the entrepreneurial ecosystem in order to support entrepreneurs in terms of gaining knowledge and relevant skills, as it was claimed by representatives of Bravo Entrepreneurial Hub (2018-05-02),

“We do activities on and off depending on various types of interests…”,

and also by Stefan Uppman from Videum AB (2018-05-02),

“We do a lot of activities together with the companies... Our goal is to transfer knowledge to the companies”.

Moreover, various activities provided by the ecosystem, can have a positive contribution to the problem-solving process of entrepreneurs. For example, in accordance with the statement by Stefan Uppman, Videum Science Park undertakes an activity called Nutcracker aiming at addressing companies’ problems by involving both their representative and students from the University in the case study. He says (2018-05-02),

“It is a win-win situation... the companies - they get input to the questions...”.

Thus, participation in events may bring a perspective from an independent actor that differs with the company’s mindset, what consequently leads to a successful problem solution.

Nevertheless, often, for an entrepreneur on his own it is complicated to develop his business due to lack of the needed expertise of a completely different field. For this reason, an entrepreneur may address to the external forces represented by the supportive communities of the ecosystem in order to connect with potential assistants. Some organisations of the entrepreneurial ecosystem, e.g. Talk Innovation, may provide an
entrepreneur with the needed intellectual resources, as Pooya Yousefi (Talk Innovation, 2018-04-30) explains,

“We help entrepreneurs with provisions... such as developers, designers, marketers”.

Such support may remedy the deficiency of labor under direction of an entrepreneur, or his sole entrepreneurial activity.

Apart from everything mentioned above, knowledge of the local language facilitates every step in an entrepreneurial process in a host country (Shala, Kidane and Ong, 2009; Gomez et al., 2015; Mitchell, 2016; Fawcett and Gardner, 1994). As it was also proved by Naimul Abd from Step Two (2018-04-30),

“Whenver you talk to government organizations or tax organization the communication is in Swedish”,

the language issue may impose a considerable barrier on the way of a business development. Given this fact and the current market situation, as it was revealed in the empirical findings, Almi offers courses with the Arabic employee for the immigrants to learn and understand the local, i.e. Swedish, language faster and better since Dea Lundqvist from Almi (2018-05-09) states,

“English is not a solution, since their level of English is questionable, they cannot communicate, especially business English”

Thus, the entrepreneurial ecosystem’s element under the management of Almi provides Arabic speaking individuals with an opportunity to learn Swedish language. Moreover, as stated by ALMI immigrants may also apply a state-founded language course Sfi - Svenska för invandrare – what also contributes positively to enhancing the language knowledge of individuals.

Referring to Support Systems Framework introduced by Suresh and Ramraj (2012), Talk Innovation, Step Two, Bravo Hub, Videum AB and Almi act as key players while providing market and social support.
5.2.6 Ecosystem Perception on Markets

Table 21 Interpretation of the Ecosystem Perception on Markets

<table>
<thead>
<tr>
<th>Interview Excerpt</th>
<th>Categories</th>
<th>Themes</th>
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<tbody>
<tr>
<td>• “What I want, is to make it easier for the people to connect with each other, make it easier for people to work on start-ups” Pooya Yousefi, Talk Innovation (2018-04-30)</td>
<td>• Entrepreneur's Networks</td>
<td>• Markets</td>
</tr>
<tr>
<td>• “The main benefit for entrepreneurs at Bravo Hub is to come and contact with peers, other entrepreneurs, because together you speak the same language, and in that context and indoors discussions the main benefit is the outcome of that” Bravo Entrepreneurial Hub (2018-05-02)</td>
<td>• Early Customers</td>
<td></td>
</tr>
<tr>
<td>• “The focus in the last year has been put on how to improve digital marketing capability of the entrepreneurs that are members in Step two” Naimul Abd, Step Two (2018-04-30)</td>
<td>• Help with entering new markets</td>
<td></td>
</tr>
<tr>
<td>• “We work with all stages of establishment of a company, such as business growth if a company wants to expand” Louise Oscarson, Almi (2018-05-09)</td>
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</tbody>
</table>

According to the theoretical framework provided earlier, local market customers are needed for creation and sustainable development of a venture by distributing products and services provided by the business and getting the feedback (Spigel, 2010, 2011; Blank, 2013). For this reason, marketing is essential, and as the empirical data highlights, the ecosystem’s organisations have their focus on the correspondent issue. As it was proved by Naimul Abd from Step Two (2018-04-30), saying

“The focus in the last year has been put on how to improve digital marketing capability of the entrepreneurs...”

and also by Markus Yngvesson from Nyföretagarcentrum (2018-05-02), stating

“I’m helping with the business idea in every aspect – marketing, sales...”,

interaction with the market and its players by addressing marketing strategies is of high importance for entrepreneurs. Thus, by gaining such support entrepreneurs have a tool for upgrading the outcomes of their activities.
Furthermore, with regards to the literature, networks play an important role in business development. By organizing various events aiming at providing opportunities for entrepreneurs to mingle, business individuals have a possibility to create or extend their network for further opportunity search and taking advantage of it, since networks represent an indirect source of the needed resources for entrepreneurs, in accordance with the theory of Jessen and Greve (2002) and Spigel (2017). Project Manager of the organization called Talk Innovation – Pooya Yousefi – highlighted the fact that developing business ideas transforms into an easier process by interacting with other like-minded and driven entrepreneurs, since he stated (2018-04-30),

“What I want, is to make it easier for the people to connect with each other, make it easier for people to work on start-ups”.

The same fact was mentioned by representatives of Bravo Entrepreneurial Hub (2018-04-30) by saying,

“...together you speak the same language, and in that context and indoors discussions the main benefit is the outcome of that”.

Apart from importance of growing locally, entrepreneurs may be willing to expand significantly and enter new markets abroad. For this purpose, according to the empirical findings, Almi helps companies by addressing Enterprise Europe Network, what with regards to Isenberg (2011), represents a distribution channel.

Entrepreneurship supporting organisations represent the main source of support in terms of network (Suresh and Ramraj, 2012). Basing on the empirical data gathered, the key players in providing access to network platform for entrepreneurs are the following organisations: Step Two, Talk Innovation, Bravo Entrepreneurial Hub. Project Leaders are actively involved in establishing interrelationships between the members of the communities thus boosting their capacity to develop their business ideas. Moreover, Almi represents a source of market support, in alignment with Suresh and Ramraj (2012), by granting access to new promising foreign markets.
5.3 RQ1 How can the entrepreneurial ecosystem facilitate the immigrant entrepreneurship

The answer of \( RQ1 \) is developed based on the results gained by answering \( RQ1.1 \) and \( RQ1.2 \). A confrontation of the results from the both side - the challenges and the form of support that is given and can be used the challenges to be overcome, is done. The results are confronted through the six domains: policy, finance, culture, supports, human capital and markets by which the answer of the main question: “How the entrepreneurial ecosystem facilitate the immigrant entrepreneurship” is provided.

5.3.1 Policy

A well-developed entrepreneurial ecosystem in terms of policy will be in great help for the establishment of the immigrant entrepreneurs in Sweden, furthermore in the development of economy (Case and Harris, 2012; Roundy, 2017).

However, the entrepreneurs interviewed in this research study had numerous challenges in terms of policy. One of the biggest issues was the creation of the bank account and strict regulations, which claims in the need for venture friendly legislation, which is part of government policy (Isenberg, 2011). Moreover, included in the challenges it is the need for financial support and need for cooperation with institutions as explained above (see section 6.1.2). Bureaucracy in terms of business establishment harms the business by increasing the time consumption and the extra costs (Neck, et.al., 2004; Audretsch and Belitski, 2017; Roundy, 2017).

However, taking in perspective the empirical material of the organization presented in the thesis, it can be noticed that the entrepreneurial ecosystem in Kronoberg offers contribution in the financial support, by giving subventions for new ventures, as mentioned by (Hasib Faizi, 2018-05-04) for the organization Videum AB:

“They gave me a very good facility... It was affordable. I had a special contract, so that helped me a lot. I got some kind of a discount for six months”

Moreover, the entrepreneurs found it easy to register their business as explained by Ameet Khalsa, (2018-05-07)
The process of company registration is way easier than in any of the countries comparably if you go to America or Australia or UK, it is difficult there, but in Sweden it’s very straightforward. So, registering a company was not a problem for me.”

Another important service offered by the ecosystem is the cooperation with the institution as part of policy as explained by Isenberg (2011).

However, confronting two perspectives of the policies by the entrepreneurs and the organization, it is clearly noticed still there is no link that connects the services offered with the services received by the immigrant entrepreneurs.

5.3.2 Finance
The importance of financial support to establish a business is recognised by literature of both entrepreneurial ecosystem (Case & Harris, 2012; Spigel, 2017) and the immigrant entrepreneurship (Fairlie & Lofstorm, 2015; Barakji & Kalssli, 2017). This was confirmed by the empirical data gathered in this research study as well.

The interviewed entrepreneurs present some challenges that they face through the financial support, such as lack of funds and need for deeper cooperation with the banks, which is also supported by literature (Levin & Weström, 2001) claiming difference between foreign-born entrepreneur and native-born entrepreneurs, who have a higher change of getting funded. From the other side, it is the entrepreneurial ecosystem in Växjö which provide services to overcome these challenges by not only offering consultation (Bravo Hub, Step Two, Talk Innovation) but as well as micro loans from Almi. This was confirmed by the interviewed entrepreneur by stating:

“I presented my business plan to Almi, they allowed for a loan because they have their standards when they can allow you a loan” (Hasib Faizi, 2018-05-04)

NyFörtagarCentrum (NFC), is another organization which help indirectly the entrepreneurs to get a loan in the bank, as supported by the Suresh & Ramraj (2012), who argue that the banks are the key players for in providing finance. Since NFC is partly funded by private companies, including banks it will make them feel more secure if the business plan of the entrepreneur would come from them and the chances would be higher to get funded.
However, it is important to point out that even though these facilitations exist, some of the entrepreneurs interviewed which had gone through entrepreneurial ecosystem found this not so helpful for several reasons, such as bureaucracy, which is a part of “policy” in the domain of the entrepreneurship ecosystem and other one is lack of trust, which goes under the “culture” according to Isenberg (2011), interestingly affecting other domain such as finance.

Ameet Khalsa (2018-05-07), was one of the entrepreneurs who had been part of Almi through his entrepreneurial process, claimed Almi as bureaucratic system which is not approachable, due to the high demands it has. Trust issue is another factor that Sam Naflaki (2018-05-10) brought in life, by stating that if he would not have a certain amount of money aside, the bank would not even take him seriously.

5.3.3 Culture
Previous discussion based on the empirical findings highlights several influencing cultural challenges that immigrant entrepreneurs face (Hasib Faizi, 2018-05-04; Ameet Khalsa, 2018-05-07; Sam Naflaki, 2018-05-10; Chrislan Maneng, 2018-05-10) what was also discussed in the literature (Hjerm, 2004; Musterd et al. 2008; Rath and Swagerman, 2016; Mitchell, 2016; Hedberg, 2009). Firstly, entrepreneurs face trust issues, and the cause of it is perceived to come from discrimination. Immigrant entrepreneurs highlight the fact of being given less benefits in comparison to the locals. Also, the challenge complicates the process of creating strong partnerships and delivering the business idea to potential customers. Moreover, different social norms decelerate the process of assimilation with the locals with further slower understanding of the Swedish system. In addition, there may be misunderstandings in communication and its further negative consequences due to ignorance issues.

In order to overcome the above-mentioned challenges, supportive organisations provide assistance in various ways. Firstly, communities’ leaders try to encourage the members to attend not only events of one organization, but also participate in events provided by other supportive organizations since it may help entrepreneurs with a faster integration into the business community and creation of their visibility (Naimul Abd, Step Two, 2018-04-30; see Narrative 4.1). Moreover, the challenge concerning the perception of being unaccepted by the society may be overcome by the fact that organizations do not
discriminate individuals, but they pay attention to their business ideas (see Narratives 4.1, 4.2 and 4.7). Thus, immigrant entrepreneurs have equal possibilities for business development.

Taking everything into consideration, business communities try to support immigrant entrepreneurs in overcoming cultural challenges by providing their services and encouraging them to be more open. However, entrepreneurs highlight the fact that the Swedish society has a conservative mindset that despite any attempts to build trust it is still a complicated process (Hasib Faizi, 2018-05-04; Ameet Khalsa, 2018-05-07; Sam Naflaki, 2018-05-10; Chrislan Maneng, 2018-05-10) and a cultural change is needed.

5.3.4 Supports

As identified earlier, the immigrant entrepreneurs, in this case Faizi Hasib, Chrislan Maaneng, Ameet Khalsa and Sam Naflaki, struggle mostly with the understanding of the different regulations applied in the Swedish society, especially connected to the requirements of the tax policies, and other administrative procedures needed for business establishment and growth. The literature discussed the issue of system knowledge and awareness for the different requirements as a challenge that has to be overcome in order to ensure success on the market (Barakji and Kalssli, 2017; Hjerm, 2004). What is more, another challenge identified by the interviewd immigrants is the high rent that they have to pay for their working space, especially in the early stages of their business. On the other hand, the interpreted empirical data of the organizations that are part of the ecosystem shows clearly that the organizations, including Step two, Almi, NFC, Bravo Hub, Videum, Drivhuset and Talk Innovation provide facilities that can be recognized as activities within the domain supports for the above-mentioned challenges.

Especially valuable for the entrepreneurs in the early stage of their business is the help provided by Step Two, NFC and Almi with regards to the creation of the business plan, since this document, as confirmed by the entrepreneurs Ammet Khalsa and Faizi Hasib (see section Narratives) and by Markus Yngvisson (NFC, 2018-05-02), is one of the requirements that the banks have in the process of bank account creation and financial capital acquisition. Besides this, NFC provides interpretation of the laws and
regulations, especially for the tax system in Sweden, even before the company is established. Moreover, as explained by Naimul Abd (Step two, 2018-04-30), the role of the Step two is to help immigrant entrepreneurs with their business plan. They give support to the entrepreneurs by helping them with the administration and translations of the requirements in language understandable for them, and also by providing some information in English on their website. Further, depends on the expertise that is needed, Step Two connect the entrepreneurs to the other organizations that can provide the required advice in some area – for example accounting (Naimul Abd, Step two, 2018-04-30).

With regards to the infrastructure as part of the supports (Isenberg, 2011) the provision of space where the entrepreneurs can work, and meet is also huge support. If the words of the entrepreneurs are taken into consideration, that the rent is very expensive and not affordable and, in some cases, (Faizi Hasib, 2018-05-04 and Chrislan Maneng, 2018-05-10) has to brake the contract for their office in the Videum Park, the support offered by Step two and Talk Innovation is to be considered. Moreover, within the offered space, or as Naimul Abd (Step two, 2018-04-30) and Pooya Yousefi (Talk Innovation, 2018-04-30) prefer to say – the business hotel, other facilities as Internet are also provided.

5.3.5 Human capital
As it was previously discussed in the empirical part (Hasib Faizi, 2018-05-04; Ameet Khalsa, 2018-05-07; Sam Naflaki, 2018-05-10; Chrislan Maneng, 2018-05-10) as well as in the theoretical framework (Shala, Kidane and Ong, 2009; Gomez et al., 2015; Mitchell, 2016; Fawcett and Gardner, 1994), the biggest immigrant entrepreneurs’ challenge in terms of human capital is language (Ameet Khalsa, 2018-05-07; Hasib Faizi, 2018-05-04; Naimul Abd, 2018-04-30; Dea Lundqvist, 2018-05-10). It hampers development of their business ideas and places obstacles in the way of communicating with the official institutions. Thus, in this context obtaining help is becoming a more complicated and often infeasible process.

Given the situation, immigrant entrepreneurs can get certain support from the organisations forming the part of the entrepreneurial ecosystem. For instance, Step Two provides its members with the help regarding translation of the documentation into
Swedish language (Naimul Abd, 2018-04-30). Moreover, Almi is involved in facilitating the process of language learning for immigrants coming from the Arabic speaking countries since they employ a respective individual for the purpose of connecting with the main immigrant group in Sweden (Dea Lundqvist, Almi, 2018-05-10). So, Arabic speaking individuals may get support by translating, communicating and understanding in easier way with an insufficient level of English language.

However, although the support is provided to certain extent (Naimul Abd, Step Two, 2018-04-30; Dea Lundqvist, Almi, 2018-05-09), immigrant entrepreneurs still consider the language as a constraint. The translation of documentation is still insufficient since the communication is to be done by an entrepreneur himself. Moreover, the language course with a native-language for foreigner teacher covers only the Arabic speaking part of the local population meaning that expats from other countries cannot obtain the same level of a deep provision of the language knowledge and consequently support in general.

As far as the issue in terms of seeking employees is concerned, in accordance with empirical findings and further interpretation, immigrant entrepreneurs face difficulties in finding suitable individuals for a particular job (Chrislan Maneng, 2018-05-10; Sam Naflaki, 2018-05-10). The reasons for that may be various, e.g. misunderstandings concerning the cultural and language differences, insufficient or irrelevant expertise, disproportion in the level of costs required for his work, etc.

For this purpose, immigrant entrepreneurs can address supportive organisations for the needed skilled labour. For example, Talk Innovation can solve the mentioned issue by introducing people with the relevant skills on a free basis (Pooya Yousefi, 2018-04-30), as the Project Manager asserts (Pooya Yousefi, 2018-04-30)

“We help entrepreneurs with provisions that the entrepreneurs need in their entrepreneurial way, such as developers, designers, marketers”.

5.3.6 Markets
With regards to the Markets as one of the domains of the entrepreneurial ecosystem (Isenberg, 2011), as presented in the literature review, networks of the entrepreneur play
crucial role in the business development. The embedded perspective of the entrepreneurs and their connections through the network (Enow, 2010) can be considered as a strong drawback for the immigrant entrepreneurs, since the results from the empirical data also showed that the lack of contacts is crucial for attracting customers, suppliers or rejoining employees. Thus, as argued by the entrepreneurs Faizi Hasib, Chrislan Maaneng, Ameet Khalsa and Sam Naflaki, the contacts and the strong network is needed for developing and maintaining business. For this reason, Robteutscher (2007) and Newtone (1999), argue that the attending events and mingle activities are important for the entrepreneurs to make their network stronger and to use it for the growth of their portfolio. Taking into consideration the words of the entrepreneurs “it is easy when you have your family and friends” (Chrislan Maaneng, 2018-05-10) and “no connections, there will be no development of your business” (Ameet Khalsa (2018-05-07) a network creation is a great challenge for the immigrants.

On the other hand, argued by the authors for the entrepreneurial ecosystem, networks should be created and used for opportunity search (Spigel, 2017; Greve, 2002). With regards to this issue, the interviewed person from Talk Innovation, Step two and Bravo hub, focus on bringing the entrepreneurs together with other entrepreneurs and business angels (Naimul Abd, Step Two, 2018-04-30), which help individual to be influenced and to use the others people example for motivation (Pooya Yousefi, 2018-04-30), for creation of partnerships with people who share same point of view (Bravo Hub, 2018-04-30) or for identification and attraction of customers (Naimul Abd, Step Two, 2018-04-30). Based on the empirical findings, seems that the entrepreneurs utilize the created network platforms the most, by attending different events trying to reach customers, partners and to promote their products.

Secondly, taking into consideration the challenge of the immigrant entrepreneurs to enter on the market, which is stressed by Faizi Hasib (2018-05-04) who seen the promotion of the product as difficult task, and moreover, as it is emphasized by Ameet Khalsa (2018-05-07) that diversified connections are needed for development of the business, Spigel (2010, 2011) and Blank (2013) argue that local market customers are needed for creation and sustainable development of a venture. In this matter, the organizations that are part of the ecosystem put efforts to “improve digital marketing
capability of the entrepreneurs…” (Naimul Abd, Step Two, 2018-04-30) and to help the entrepreneur with the marketing aspect of the business idea (Markus Yngvisson, NFC, 2018-05-02). Still, the empirical results do not show strong progress in usage of the benefits offered by the organizations. This can be analyzed through the examples of Sam Naflaki, who in some stage of their business development, if not in all acquired the customers or employees from their ethnic community, which limits the access to the open local market, as the circle is closing around the people with same ethnic origin. On the other hand, Chrislan Maneng (2018-05-10) recognizes the opportunity given by the organizations and positioned his business in Videum park in order to use the marketing opportunity to present his business to the other businesses situated in the same circle, seeing them as possible early customers.

Even though, a tool to expand internationally by granting access to new promising foreign markets is offered by Almi, none of the interviewed entrepreneurs showed interest or ambition for this opportunity.

5.3.7 Support for the Immigrants’ Challenges presented through the Entrepreneurship Ecosystem Domains

Based on the confrontation of each domain from the entrepreneurial ecosystem’s perspective to the respective domains of the immigrant entrepreneurs’ perspective an integrated model is created. The model is based on the structure of Isenberg’s Entrepreneurship Ecosystem Domains (2011). It illustrates the connections between the challenges and the needs of immigrant entrepreneurs and the support and benefits provided by the entrepreneurial ecosystem in Kronoberg Region. The model is presented in Figure 10.

Figure 10 Support for the Immigrants’ Challenges presented through the Entrepreneurship Ecosystem Domains (Isenberg, 2011)
Figure 10. Support for the Immigrants’ Challenges presented through the Entrepreneurship Ecosystem Domains (Isenberg, 2011)

- **Entrepreneur’s Challenges**
  - Need for venture friendly legislation
  - Need for financial support
  - Need for cooperation with Institutions
  - Need for legitimacy creation

- **Entrepreneur’s Challenges**
  - Difficulties in market entrance
  - Grouping customers, suppliers and employees within the same ethnic community
  - Need for connections
  - Need for customers

- **Entrepreneur’s Challenges**
  - Insufficiency in language
  - Lack of management and marketing skills
  - Lack of human resources
  - Lack of knowledge

- **Entrepreneur’s Challenges**
  - Need for funds
  - Need for a deeper cooperation with banks

- **Entrepreneur’s Challenges**
  - Trust issue
  - Discrimination
  - Different social norms
  - Ignorance

- **Entrepreneur’s Challenges**
  - Lack of system knowledge
  - Need for legal regulation advisory

- **Entrepreneur’s Challenges**
  - Need for guidance assistance
  - Need for affordable working space

- **Entrepreneur’s Challenges**
  - Infrastructure:
    - Workspaces – Vidsom AB, Talk Innovation, Step Two, Bravo Hub;
    - Support with business plan:
      - Derivhuset, Step Two, Nyföretagarcentrum, Almi;

- **Entrepreneur’s Challenges**
  - Legal regulation advisory:
    - Nyföretagarcentrum, Almi;
  - Guidance assistance:
    - Derivhuset, Step Two, Bravo Hub, Nyföretagarcentrum;

- **Entrepreneur’s Support**
  - Financial support:
    - Subventions of rental fees – provided by Vidsom AB;
    - Cooperation with Research Institution:
      - Cooperation of Vidsom AB with LNU.

- **Entrepreneur’s Support**
  - Financial capital:
    - Loans and funds – Almi;
  - Cooperation with Banks:
    - Almi, Nyföretagarcentrum.

- **Entrepreneur’s Support**
  - Embracing experimentation and drive:
    - Step Two, Talk Innovation, Bravo Hub, Derivhuset, Vidsom AB, Almi, Nyföretagarcentrum;
  - Equal access to opportunities:
    - Step Two, Talk Innovation, Bravo Hub, Derivhuset, Vidsom AB, Almi, Nyföretagarcentrum.

- **Entrepreneur’s Support**
  - Skilled labour:
    - Talk Innovation;
  - Knowledge:
    - Workshops/learning events – Step Two, Bravo Hub, Vidsom AB, Almi;
  - Language skills:
    - Almi, Step Two.
5.4 Critical Review on Entrepreneurial Ecosystem and Recommendations for Improvement

The answer of the main research question clearly shows that the benefits provided by the entrepreneurship ecosystem in Kronoberg region can have strong positive impact on the development of the immigrant entrepreneurs’ business (see section 5.2).

As stressed in the analysis, the immigrant entrepreneurs struggle with the lack of network building capacity and thus, to be part of the ecosystem is a smart approach to confront this challenge. It is strongly visible that the network building through organizations of events is one of the most beneficial and strongest side of the entrepreneurial ecosystem. What is more, support in form of micro loans is possible, and some of the interviewed entrepreneurs has used this facility. Moreover, providing working space free of charge, or with allowed discount for the rent expenses is also beneficial. In addition, the consultancy in different areas and the knowledge shared through different types of workshops and seminars are also valuable for those who face a lack of knowledge, especially when it matters the system requirements (see section 5.3).

Besides the fact that the entrepreneurial ecosystem can offer significant support in many areas that are weak spots for the immigrant entrepreneurs, still the general impression is that more focused strategy is needed to deal with the challenges of the immigrant entrepreneurs as a sub-group in the ecosystem. The project leader of Step Two Project, which main goal is to support the immigrant entrepreneurs in their battle to establish and grow their business in a foreign country points out that even though the motivation and efforts of Step two are strong, still the project has a limited capacity and needs to be expand in order to meet the real requirements on the market (Naimul Abd, Step Two, 2018-04-30).

Another problem that can be taken as output from the interviews performed on the side of the organizations is that most of the organizations do not perceive the immigrant entrepreneurs as a vulnerable sub-group, arguing that the business idea is the most
important and relevant to enter into the circle and to use its benefits (Bravo Hub, Viedum Park, Almi, Drivhuset). This fact is interesting to be considered and confront with the attitudes that are shared when a discussion for the woman entrepreneurs is developed. In this case, strategies are created to attract more women into the entrepreneurial activities (Videum Park). These contradictory attitudes for the subgroups of the entrepreneurial ecosystem that are considered as vulnerable and minority probably come as a result of the different perceptions connected to the cultural differences, but also as a result of the low level of awareness for the challenges faced by the immigrant entrepreneurs and for the great need of special treatment of this subgroup. In this context, by ignoring to recognize the necessity to act in an organized and integrated way in the field of immigrant entrepreneurship, the impression got by the players inside the system is that “there are different organizations that are there to help you but there are a low pulse in doing it... Now, when I’m in the system, we organize and attend meetings, we talk and discuss... but the system simply does not work, more action is needed...” (Chrislan Maneng, 2018-05-10).

For example, taking into consideration the human capital domain, the need for language improvement and what is really offer for solution of this problem presents one of the most difficult issues to be solved (section 5.1.5). Especially, this problem is important to be considered in details, since it affects all other domains and often it force the immigrants entrepreneurs to do business in the frame of their ethnic community or what is more it force them to leave the idea for self – employment. This issue can be observed from two sides of the coin, the negative effect on the level of the integration and their satisfaction for these people is great, but also it affects the balance in the society and makes the issue of segregation stronger. What is more, it affects the welfare system of the society.

In connection to the language barrier, a valuable discussion is the level of visibility of the ecosystem for this sub-group. Since the information is placed mostly in Swedish language, the risk that the immigrant entrepreneurs who have valuable business ideas would stay out of the system is great.
Therefore, alternative ways to bring the information closer to the immigrant entrepreneurs would be highly appreciated. Moreover, different approach for learning of the language, besides the SFI courses that are available with long time waiting to get a place in the course, with more focus on the business language and the terminology used in the bureaucracy and administrative processes should also be considered. With regards to the need of improvements of the ecosystem, Naimul Abd (Step Two, 2018-04-30) suggests: “... it is important the initiative to have two very important aspects: to bring language and business understanding to immigrants and the events that are created need to be structured and communicated in a way to reach the foreign entrepreneurs and to ensure that the entrepreneurs are not afraid to come and feel welcome” (Naimul Abd, project leader, 2018-04-30). For this to happen, an integrated strategy aimed for the immigrant entrepreneurs that will include more practical performance and direct approach to entrepreneurs is recommended. Hasib Faizi concludes: “Especially they have problems, they have been here for very-very short time, so they have to able to take them hand with hand all the way for years, not for months” and suggest mentorship strategy for the new immigrant entrepreneurs. What is more, with regards to the solution for the language barrier it is suggested by the entrepreneurs to “get three months with their own language, about entrepreneurship in Sweden, how it works, with all the regulations, I believe that it will be easier for them” Hasib Faizi (2018-05-04).

Finally, taking into consideration the challenges categorized in the domain Culture, it seems to be more delicate, intangible and difficult to be recognized, proved and solved. Again, if the perceptions are confronted a discrepancy can be felt in different aspects of the problem understanding. The cultural difference between the immigrants and native-born is strong and from one side the perception is that “They do not want to be part of society and it is hard to do that. It is hard to change the mindset of the people. They need to be more open minded”. (Dea Lundqvist, Almi, 2018-05-10). Again, on the other side, the perception of the entrepreneurs is that the issue of trust is a real challenge to get into society because “they (the Swedish people) have to feel comfortable with this person they can trust” Hasib Faizi (2018-05-04) and what is more, “If you have a Swede inside your system, then they will trust your more” Ameet Khalsa (2018-05-07). The confrontation of these attitudes confirms the claim of Stein (2000) that ignorance
about the culture difference and different social values exists on the both sides, natives and the immigrants. The need to bring the differences together requires long-term strategies and involvement of the society from many aspects.

As a conclusion of above said, the link between the immigrant entrepreneurs and the entrepreneurial ecosystem is not clear and visible. Even though the conclusion of the research question is that many resources exist and are available, again, as concluded by Sam Naflaki “There are many sources, there is a large amount of information, things that you can use, but there is something that does not work very well... There is a gap between the sources and people who need these resources”.
6 CONCLUSION

The aim of the thesis is to give answer to the question RQ1 How can the entrepreneurial ecosystem facilitate the immigrant entrepreneurship? The answer of RQ1 is developed based on the results gained from answering the sub-questions: RQ1.1 How do immigrant entrepreneurs perceive the challenges within the entrepreneurial ecosystem? and RQ1.2: How do the organizations that are part of the ecosystem perceive the support that can be given to immigrant entrepreneurs?

RQ1.1 Conclusion

Based on the perception of the immigrant entrepreneurs, 20 challenges are identified as obstacle of huge importance for their business development. The challenges are categorized and discussed in the frame of six domains based on Isenberg’s model as follows: 1. The domain Policy includes the need for: venture friendly legislation, alternative forms of financial support, cooperation with institutions and legitimacy creation; 2. The domain Finance includes the need for funds and the great struggles to cooperate with banks, 3. The domain Culture consists of trust issues, discrimination, different social norms and ignorance for the culture differences. 4. Supports is presented through the need for system knowledge, legal regulation advisory, guidance assistance and affordable working space; 5. Human Capital domain is presented as a language barriers and lack of human resources/marketing skills and lack of knowledge; 6. Markets domain includes difficult market entrance, and need for connections and customers, as well as need to have open access to the market in order to avoid the grouping within the same ethnic community.

RQ1.2 Conclusion

Based on the perception of the representatives from organizations of the entrepreneurial ecosystem different types of support that can facilitate the entrepreneurial activities are given within the ecosystem. The support discussed in the frame of six domains based on Isenberg’s model can be categorized as follows: 1. The domain Policy includes alternative ways of financial support as subventions, and cooperation with different research institutions 2. The domain Finance includes provision of micro loans but also making the approach to banks easier 3. The domain Culture consists of possibility to equally access the opportunities (taking into consideration that the main criteria is the
business idea, not the person) and embracing the experimentation and drive. 4. Supports is presented through provision of consultancy in different areas as legal regulation, accounting, guidance assistance, business plan preparation, and also by offering free of charge or affordable working space. 5. Human Capital domain gives support by providing different types of knowledge through organizations of seminars and workshops; help with understanding and translation of the language, as well as skilled labour. 6. Markets domain gives support through building networks, connecting the entrepreneurs, provision of early customers and by providing access to new markets.

**RQ1 Conclusion**

Based on the confrontation of the words of entrepreneurs regarding the challenges they face and the words of the organizations about the support they provide, the link between the two sides is obvious, which gives answer to the question RQ1 *How can the entrepreneurial ecosystem facilitate the immigrant entrepreneurship.*

Especially valuable support is given by the entrepreneurial ecosystem in the domain of Markets, or more precise the network building capacity. Since the immigrants entrepreneurs struggle with the lack of contacts, the events organized by the organizations can be consider as significant resources to get connected. The network possessed by ecosystem can be also used for marketing of the activities done by the entrepreneurs which allows recruitment of early customers and connection to business partners needed for business growth, which also facilitate the immigrant entrepreneurs to get out of their closed ethnic communities.

Another significant support that can be gained by the ecosystem is in the domain of *Supports* and is presented as help in understanding the regulation, tax system the requirements for high quality business plan, which above all covers the difficulties of the entrepreneurs to satisfy the strong criteria of the system. Matching link between the challenges and the given support can also be found in the opportunity to use the working space provided by different organizations for free which is in correlation to the challenge of the immigrant entrepreneurs to pay high rent especially in the early stage of the business.
The most significant challenge in the domain Human Capital, confirmed by the perception of the immigrant entrepreneurs, but also by the perceptions of the representatives of the organizations is the language barrier. Insufficient level of knowledge of the local language constrains business development. It seems complex for immigrant entrepreneurs to interact with official establishments and comprehend all the technical and other business documentation that is mainly written in Swedish. What is more, the insufficiency in language force the immigrant entrepreneurs to close into their ethnic communities by using it as a source to provide human resources and customers. Some measures are provided to solve this problem as translators for some of the ethnic communities (Arabian), help with translation of documents and writing official mails and marketing activities on social media. What is more, the lack of knowledge that immigrants are faced with can be to some extent fulfil by attending workshop and seminars in certain areas.

As for the Policy domain, immigrant entrepreneurs highlight bureaucracy that decelerates the process of business establishment and its further development. Secondly, financial support is needed, for instance, in the form of discounts since the costs at early stages of business development are significantly high. Moreover, immigrants face challenges in obtaining a bank account due to lack of the local credit history. Thus, venture friendly legislation is needed. Entrepreneurial ecosystem provides support by offering subventions or discounts for the offices, and what is more, the names of the organizations are used for legitimacy creation, which facilitate the bureaucracy.

Under the Finance domain, entrepreneurs stress the need for funds and an easier way to obtain them since the resources that entrepreneurs possess at early stages of business development are insufficient. With regards to this issue micro loans are provided, but also the opportunity to communicate business angel is relevant.

Finally, the Culture domain incorporates the trust and different social and cultural norms that may cause difficulties in communication with the locals and consequently in business development. Moreover, immigrant entrepreneurs highlight discrimination as a factor preventing them from having the same benefits as the locals. On the other side,
the organizations claim that the access to opportunities is equal and moreover, they conduct activities for embracing experimentation and drive.

**Conclusion on the Critical Review on the Entrepreneurial Ecosystem**

As it can be seen from the results, the support that can be gained from the entrepreneurial ecosystem is significant and the amount of the available resources that have to reach the immigrant entrepreneurs is considerable. Still, based on the confrontation what is needed and what is provided, a need for improvement in several domains would be highly appreciated.

Firstly, the immigrant entrepreneurs have to be recognized as a specific vulnerable subgroup, which needs separate strategy to be approached and to make the information that different facilities exist visible. This requires changes of the perception of the entrepreneurial ecosystem with regards to the specific needs of immigrant entrepreneurs. Secondly, the language barrier is extremely strong, especially in the first few years, which requires alternative methods of learning the business language but also for presenting the information. Thirdly, significant improvement is needed in the Culture domain, since currently the trust issue between the immigrant entrepreneurs and the society in general is one of the top challenges that requires special treatment for minimizing the cultural differences.

7 **THEORETICAL AND PRACTICAL CONTRIBUTION OF THE THESIS**

As far as practical contribution of the thesis is concerned, the paper explicitly provides an insight into the challenges that are faced by immigrant entrepreneurs in Kronoberg region and support offered by the organizations that are the part of the local entrepreneurial ecosystem with their further confrontation.

Throughout the process of data collection, it was revealed that in perception of the organizations forming the part of the entrepreneurial ecosystem immigrants do not constitute a special sub-group of the society that needs a particular approach for their business development. For instance, official institutions pay due attention to business development within the female sub-group of the population by applying various
initiatives and strategies. However, there is no same attitude towards immigrant entrepreneurs willing to establish their businesses in Sweden, although the ratio of expats from other countries moved to the region is considerably high. Thus, the thesis contributes to raising awareness within the official establishments concerning the challenges that immigrant entrepreneurs’ face. Policy makers while devising local and regional strategies of economic and social development can take this issue into consideration.

In addition, the empirical data and further confrontation of perceptions expressed by both parties involved in the study, i.e. immigrant entrepreneurs and official organizations forming the part of the entrepreneurial ecosystem, show that there is a gap between the resources provided and the actual demand on particular services.

Moreover, it was also found out that immigrants may not know about all the possibilities that the entrepreneurial ecosystem offers as their support aimed at facilitation of business development. In order for immigrants to have a clear picture of the support coming from the ecosystem, an integrated model including combination of the possible challenges on the way of business development and approaches of organizations solving those issues was developed.

This thesis provides a reader with elaborated theoretical aspects of immigrant entrepreneurship as well of entrepreneurial ecosystem, which is recently a relevant topic in terms of regional economic development.

The study contributes to the literature concerning the categorization of the immigrant entrepreneurs’ challenges through the perspective of the Domains of the Entrepreneurship Ecosystem introduced by Isenberg (2011) who carried out major research in the corresponding field, presented in Figure 9. What is more, the final result produces confrontation between the challenges and what is provided by the ecosystem (Figure 10). In the opinion of the authors of the thesis, the benefit of this type of categorization is that it provides a visual presentation of the weaknesses of the immigrant entrepreneurs through the perspective of the six domains, which gives a
complete view on the both sides of the ecosystem, what is needed by immigrant entrepreneurs and what is provided by the official organizations.

8 REFLECTION UPON THE WORK

The focus of this thesis was to understand the impact that the ecosystem has to immigrant entrepreneurs, thus it was chosen to interview only foreign-born entrepreneurs who have been part of the ecosystem. Due to limitation of time this research was not able to obtain larger number of the interviews with more entrepreneurs. However, it would have brought more insight if immigrant entrepreneurs that have not been part of ecosystem would be part of the thesis, in order to understand the reason why and their approach to entrepreneurial ecosystem. Moreover, the sample of entrepreneurs was male, which may affect the generalization of the thesis in terms of gender.

9 PROPOSAL FOR FURTHER STUDY

Therefore, the recommendations for further research are several. Further research could explore more in details a wider range of entrepreneurs, such as immigrant entrepreneurs who have not been part of entrepreneurial ecosystem and a wider range of entrepreneurial ecosystem. Moreover, it would be in interest to examine how the ignorance in terms of culture differences from both sides effects the business development. Additionally, we strongly recommend a quantitative approach of the impact that entrepreneurial ecosystem in regards of immigrant entrepreneurs, or how each of the domains influences the profit and the growth.

10 SOCIAL RESPONSIBILITY

In the modern world, where globalization is taking over, deeper understanding of entrepreneurial ecosystem is of high interest. Immigrants are trying to integrate within new societies and the entrepreneurship is a great way towards completing this process.

This study contributes to the immigrants as subgroup of the Swedish society. When the immigrants come to Sweden, it gets difficult to integrate and understand the rules and laws of a host country. This research was aimed to help this sub-group with an illustration that can explain and make it easier to start a business in a new country and
by it to go fast through the process of integration. On the other side, this study is arising awareness of a group in the society that can be marginalized and pushed out of the system if specific strategies are not applied. The conducted investigation of the entrepreneurial ecosystem, how it can support the immigrant entrepreneurs and how the system can be improved in the process of facilitation of the entrepreneurial process, is increasing the social responsibility for this sub-group in the frame of the society, as well as in the frame of the entrepreneurial ecosystem.
References


Appendix

Appendix 1: Interview Guideline for Entrepreneurs

Title: Entrepreneurial Ecosystems’ Impact on Immigrant Entrepreneurship (the Case of Kronoberg Region)

To begin with, we are very grateful for your cooperation and help by participating in the interview. We are students of Entrepreneurship Master Program at Linnaeus University in Växjö. Recently, we are working on our Master Thesis on the topic Entrepreneurial Ecosystems’ Impact on Immigrant Entrepreneurship (the Case of Kronoberg Region). The research and all complementary actions are approved by our tutor, Frederic Bill, and the Department of Management and Organization.

The interview will last for approximately one hour, and if it is acceptable to you, we would like to record the interview and concurrently take notes. It will be done in order to avoid misunderstandings and distortion of the information, and to precisely analyse the data later on. If you want your and/or your venture’s name to be anonymous, it will be done, and the information will be used generally for further analysis and presentation. All the information gathered will be used solely for the objectives of the thesis, and no personal implications are involved.

After the interview, we will convert the information in the form of a narrative. If you prefer to check the presented information for its accuracy and veracity, the final document can be sent to you by e-mail. The outcome of the interview and ultimately the thesis will be possessed by the authors (i.e. us) and Linnaeus University, and it will not be available for third parties without your consent.

Our interview will be held in the form of an open discussion during which you would shortly describe how did you start your business, what were the main challenges faced, how did the entrepreneurial ecosystem help you and by what mean, etc.

If you have any questions, you are welcome to ask them.
Questions

1) How did you start your business?
2) What were the main challenges in establishing and growing business?
3) How did you overcome the challenges?
4) How did the entrepreneurial ecosystem help you to overcome those difficulties?
Appendix 2: Interview Guideline for Community Leads

**Title:** Entrepreneurial Ecosystems’ Impact on Immigrant Entrepreneurship (the Case of Kronoberg Region).

To begin with, we are very grateful for your cooperation and help by participating in the interview. We are students of Entrepreneurship Master Program at Linnaeus University in Växjö. Recently, we are working on our Master Thesis on the topic *Entrepreneurial Ecosystems’ Impact on Immigrant Entrepreneurship (the Case of Kronoberg Region).* The research and all complementary actions are approved by our tutor, Frederic Bill, and the Department of Management and Organization.

The interview will last for approximately one hour, and if it is acceptable to you, we would like to record the interview and concurrently take notes. It will be done in order to avoid misunderstandings and distortion of the information, and to precisely analyze the data later on. If you want your and/or your community’s name to be anonymous, it will be done, and the information will be used generally for further analysis and presentation. All the information gathered will be used solely for the objectives of the thesis, and no personal implications are involved.

After the interview, we will convert the information in the form of a narrative. If you prefer to check the presented information for its accuracy and veracity, the final document can be sent to you by email. The outcome of the interview and ultimately the thesis will be possessed by the authors (i.e. us) and Linnaeus University, and it will not be available for third parties without your consent.

Our interview will be held in the form of an open discussion during which you would shortly describe the main objectives of your community, what challenges are usually faced by entrepreneurs at early stages, how support for entrepreneurs is provided, how potential entrepreneurs may find information about you, what is your perception of the local entrepreneurial ecosystem, etc.

If you have any questions, you are welcome to ask them.
Questions

1) What are the primary goal and the main activities conducted by your organisation?

2) How does your organisation contribute to the development of the entrepreneurial ecosystem in Växjö and the development of start-up companies supported by the ecosystem?

3) What are the main benefits provided for the entrepreneurs?

4) What is the structure of entrepreneurs that participate in the activities, are there any sub-groups for example for women and immigrants? Do you have any developed strategies for approaching these sub-groups? Do you consider the need of this type of strategy as relevant?

5) How do you perceive the awareness of entrepreneurs for the support that is provided by your organisation? Is there any particular strategy to approach them?