AN EFFECTIVE WAY TO ADDRESS PROBLEMS OF IMMIGRANT ENTREPRENEURS BY THE SWEDISH SUPPORT SYSTEM

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AN EFFECTIVE WAY TO ADDRESS PROBLEMS OF IMMIGRANT ENTREPRENEURS BY THE SWEDISH SUPPORT SYSTEM

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Abstract

The purpose of this research is to understand problems faced by immigrant entrepreneurs while establishing their business in Sweden and their interactions with the Swedish support system and how that support system engages with and support immigrant entrepreneurs. It is important for the state and society that immigrant entrepreneurs could integrate into the society and add their positive input for themselves and for society. This is a qualitative research study that entails an engaged scholarship method and data will be collected through semi structured interviews from immigrant entrepreneurs and representatives from organizations that support entrepreneurs on a local level in the town of Växjö, in the south of Sweden. The framework developed in the article include problems of immigrant entrepreneurs and developing suggestions to figure out these problems by improving support with effective practices of government actions, incubation, mentoring, coaching, collaborations and networking.

Keywords: Immigrant entrepreneurs, Swedish Support system, entrepreneurship, social and economical benefits.
1. Introduction

The phenomenon under investigation is that it is difficult for immigrant entrepreneurs to get support from the Swedish support system. This came into my observation when I was seeking information for starting my own business here. I observed that immigrant entrepreneurs often talk about being marginalized in host country. According to my experience, criticism is rising among immigrants that they are experiencing difficulties to a certain degree get support from the established business communities and networks in Sweden who are supporting entrepreneurial ventures.

Immigrant entrepreneurs have different characteristics and attitudes depending on their home countries. The motivation and ambitions thus differ between different immigrants. Immigrant entrepreneurs move to get better opportunities in other countries. There are also disadvantages of moving to the other countries where they find a different culture, language and new social systems. These challenges are not easy to handle. The policies of different countries are also different for immigrant entrepreneurs. The phenomenon of immigrant entrepreneurship is important to understand when countries develop effective policies for supporting immigrant entrepreneurs. (Aliaga-Isla & Rialp, 2013).

Public policy of a country shows the priorities, objectives and goals of the government and should be research evidence in order to responsive and effective. Academics, government and NGOs in collaboration can make a good base for policy making for immigrants entrepreneurs. (Shields, Preston, Richmond, Sorano, & Gasse-Gate, 2015) The importance of immigrant entrepreneurs has been increasing since they bring change which could be positive and productive in many ways. Immigrants have played a very important role in Europe while becoming significant actor in producing job opportunities. They are now an important part of the labor market. There are about 56 million immigrants living in different parts of Europe. The role of migrant entrepreneurship is thus considerable. This also means that the immigrants and their integration into the society are essential and necessary for the host countries. (Levent & Nijkamp, 2009). In Sweden, immigrant entrepreneurs usually have less income than immigrant employees. It is possible that income has lesser values in their eyes. It is also possible that they want to
enjoy having their own business which means taking their own decisions and having individual freedom in their workplace. There could be many reasons for them to do business in another country. Entrepreneurship could play a role of bridging between the immigrant and society. This places responsibility with the government and its policies. If Immigrant entrepreneurs are not integrated into society it means disengagement with society, which also affect the possibilities to start business ventures. (Hjerm, 2004)

In Vaxjo, there is political discussion about if and how the incubational support can be enhanced for immigrant entrepreneurs, for example by giving them the required space for working. This introductory chapter set off the main research categories which will lead to a more specific research question throughout the evolution of the thesis. The main research interest will evolve along the following sections: background, research problem discussion and empirical data collection. The main concern of the study is to investigate how the Swedish Support system can help immigrant entrepreneurs and which problems immigrant entrepreneurs face and could be supported with.

In other words, the article focus upon immigrant entrepreneurs having difficulty obtaining the right support from the facilitators they are looking for. This preliminary thought serves to enlighten the basic requirement of immigrant entrepreneurs which can be fulfilled in the current support system. Entrepreneurship could be one of the binding forces for people migrating from other countries and it can give multiple benefits not only to immigrants but also to the whole society and the country. Strengthening the immigrant entrepreneurs is actually strengthening the country.

1.1. Background

Being an international student, it is important to learn about the culture of the host country. During my university education in Sweden, interaction with local Swedish citizens and immigrants gave me unique experiences. I worked with a project called ‘Step Two’. This project was designed by an immigrant entrepreneur who planned to build up a business hotel in Växjö. The ambition was to help immigrant entrepreneurs to grow their business. The idea of Step Two was to
provide shared offices for immigrant entrepreneurs together with supporting services like book keeping, marketing, networking, coaching and mentoring. These services would be free of charge in the first two years. In my investigation, I together with another student worked to develop a plan to accelerate growth of the participating immigrant entrepreneurs. We made a proposal for Step Two on how immigrant entrepreneurs could be supported in two years so that they could grow and establish their businesses in Sweden. In this two year plan, we focused on providing an introduction of Swedish organizations, associations, unions, tax system and financial support system in first six months. During the next six months, we suggested to concentrate on counseling, mentoring, coaching and networking. We recommended collaborations and partnership should be focused in next year. During the project work, I figured out that there are some gaps in Swedish Support System for immigrant entrepreneurs regarding creating and establishing a business in Sweden. Sweden has a lot of supporting institutions but still immigrant entrepreneurs have problems and issues which they think are not addressed effectually. This research study triggered me to go deep into the field of entrepreneurship and look into the Swedish support system more in detail and the problems and issues face by immigrant entrepreneurs.

1.2. Delimitations

I acknowledged the fact that when Immigrant entrepreneurs interact with the Swedish support system, sometimes it could beneficial for them and some times they are unable to get the right support. I concentrate on when they do not get the support needed from the facilitators or support system.

1.3. Research Questions and Purpose Statement

What are the main problems of immigrant entrepreneurs while establishing their business ventures in Sweden and how could these problems be addressed by the Swedish support system? How could the Swedish support system be more productive and effective for immigrant entrepreneurs? The study in this article will explain what kind of problems are being faced by immigrant entrepreneurs and how these issues could be solved more effectively by the Swedish support system. The research in this article can also give suggestions to the Swedish support
system on how they could address the problems of immigrant entrepreneurs in a more effective way.

1.4. Outline

This article is structured in five sections. The first part is all about the introduction which includes the background, previous project work, purpose statement and research questions. Secondly, literature review will explain the theoretical part of this article. The third part is about the methodology which will explain research method, strategy and type of research, sampling, interview guide and semi-structured interview. Fourthly, empirical findings are reported as received in interviews. The fifth part of this article is discussion and then conclusion.

2. Literature Review

To get more into the concept and goals of the study, it is important to read related articles describing the situation of immigrant entrepreneurs and the structure of the Swedish support system. Other factors which can add value to the support system like networking, mentoring, coaching and collaborations is also part of the literature review presented in this section of the article.

2.1. Government Actions

There could be many forms of actions by the government which could help entrepreneurs and small businesses. It is discussed in detail by dividing them in three main categories as mentioned in figure-1 below (Bennet, Carter, & Jones-Evans, 2012, pp. 58,59).

<table>
<thead>
<tr>
<th>Aims</th>
<th>Methods</th>
<th>Targeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Cost Reduction</td>
<td>• Finance</td>
<td>• Stages of business development</td>
</tr>
<tr>
<td>-the use of grants, subsidies, reduced rate loans</td>
<td>-grants and subsidies; cost effects of tax and compliance</td>
<td>-idea formation</td>
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</tr>
</tbody>
</table>
- Risk Reduction - the use of macroeconomic policies (e.g., tax, interest rates and other instruments) to stabilize the economy and reduce the oscillations and uncertainties.
- Increase the flow of information

- Providing information
- Providing specialist advice
- Helping with training and development

- development and expansion
- Types of businesses
  - by firm size
  - exporters/non-exporters
  - by sector
  - by location (e.g., rural, inner-city, community-based, ethnic minority)
- Factor inputs and recourses
  - capital
  - land and premises
  - personnel and skills
  - innovation/technology transfer
- General business climate
  - culture of entrepreneurship and workplace ethics
  - regulatory environment
  - macroeconomic environment

**Figure - 1 (Bennet, Carter, & Jones-Evans, 2012, pp. 58,59)**

The national policy can support entrepreneurs / small businesses through better regulations, financial assistance, supporting exporting and importing activities, promoting research and innovation, education and training, information and advice. (Bennet, Carter, & Jones-Evans, 2012, pp. 58,59). Incubation is one established way to support entrepreneurs towards the aims presented above. In the next section, this discussed more in detail.
2.2. Incubation

The concept of business incubation comes from the US. It is spread to England and Continental Europe where it took different forms. Worldwide, there are over 3500 incubators and throughout Europe over a thousand. In general the incubation process contains several services like: help with business basics; networking activities; marketing assistance; help with accounting or financial management; access to bank loans, loan funds; help with presentation skills; links to strategic partners; business training programs; management team identification etc. (Akçomak, 2009, p. 1-3). The incubators provide shared office space with different facilities. The services vary in business incubators. Most commonly services could be temporary employees, office equipments including photo copier, printing machines, personal computer, conference room, receptionist and so forth. In incubators, different managerial services also are provided. When a firm is selected by an incubator, they can utilize all the resources in the incubator for a certain period of time. The period of tenancy can be varied according to the situation. (N. Allen & Mc Cluskey, 1990). The incubation process can be divided into three main components. The first component is selection. In this part, the entrepreneur is selected on behalf of their potential, business idea, and experience level according to the standards of the incubator. Secondly, business support is provided to the candidate by managerial assistance, entrepreneurial training, general business matters like accounting, legal matters, advertising, and financial assistance. Thirdly, mediation includes networking and connecting the entrepreneur with the external actors like potential customers, partners, employees, university researchers and financiers. (Bergek & Norman, 2008).

The below figure explains the main three component of incubation.

![Incubator Model Components](image-url)

*Figure-2 Incubator model components (Bergek & Norman, 2008, p. 23)*
The goal of incubators is finding, selecting and promoting entrepreneurial initiatives and provides ongoing support. This means that they not only encourage potential entrepreneurs to start businesses, but especially the success of start-ups can be improved. Below, mediation in figure -2 is discussed more in detail.

2.3. Mentoring and Coaching

Mediation in the form of mentoring and coaching is vital and common service which is promoted by actors supporting entrepreneurs as shown in figure 2 above. Mentoring could provide a turning point for immigrant entrepreneurs. The idea is that when the entrepreneurs are advised by more experienced and informed mentors, they can achieve their goals more efficiently and productively. To support entrepreneurs in business, mentoring and coaching is considered a very effective tool. Levinson (1978, ), defines the mentor and states, “a mentor is normally a person much older; more experienced and mature professor, councilor or godfather”

Kram (1985) talks about two main categories which are adapted by the mentor which are career support and psychosocial support. A mentor not only tries to build personal growth but career growth as well. The functions of mentors include career and psychosocial support to prepare nascent entrepreneurs by coaching, counseling, giving them visions, giving them up to date information, sponsorship and providing help in day to day tasks. There are some basic difference in mentoring and coaching which we have to consider here. It is not mentioned in the article but I think we have to consider it when applying this to immigrant entrepreneurs. The basic difference is that Coaching is performance driven. The purpose of coaching is to improve the individual’s performance on the job. This involves either enhancing current skills or acquiring new skills. Once the entrepreneur successfully acquires the skills, the coach is no longer needed. While mentoring, on other hand it is development driven. Its purpose is to develop the individual not only for the current job, but also for the future. Kram (1985) described a model and give examples of mentoring functions. These examples give a deep understanding of the mentoring functions. Below, Figure-3 will explain examples of mentoring functions.
2.4. Networking

The most relevant part in establishing and developing a business is networking. As personal networking is the basic source to reach the success of an entrepreneurial venture. It can be achieved by the consistent interaction with external actors. Human resources are beneficial in entrepreneurial venture as well as in personal life. It is a form of social capital which is important in order to gain economic capital. Networking can be achieved through the positive attitude and behavior, coupled with the integrity of the individual person. (Johannisson, 2000). A network can help to minimize the gap between Swedish entrepreneurs and immigrant entrepreneurs.

The incubated entrepreneurs showed readiness not only to seek but to share knowledge in order to improve career development. Connections with agents, vendors, government officials, manufacturers, producers, transporters, bankers etc create the network. The basic idea is that all actors who are involved in business needs each other and can facilitate for each other by good cooperation. The
stronger the network, better the possibility to grow your business. According to this logic, every entrepreneur should try to have more contacts to achieve their objectives. In this way, the network of incubators also add value to entrepreneurs. Incubated network that are deeply rooted with the community strengthens the entrepreneurs to get integrated in society. (Regis, Falk, & R. Calado Dias, 2007)

Networking is beneficial for autonomous as well community entrepreneurs. It is important to achieve both economic and societal benefits through networking. Community entrepreneurs are different from autonomous entrepreneur, but the main characteristics are similar in many ways. The community entrepreneur work for the development of the community and the autonomous entrepreneur see the community as way to achieve his personal goals. The entrepreneurship with in both types of entrepreneurships is about organizing projects for businesses as well as society. (Johannisson, Nilsson, 1989)

For an entrepreneur, networking is a key activity that is critical to the personal growth and business development. Small business is all about networking, building relationships and taking action. It is good to have a network of friends and associates to draw energy from and to keep the motivation going. By surrounding yourself with people who share a similar drive and ambition, you are more likely to move forward as a group. Through networking, entrepreneurs can create shared knowledge and thus, more opportunities. This is an important attribute as a business owner, because your business growth is dependent on talking to people and making connections. (Sarasvathy, 2001)

2.5. Collaborations

The role of government and universities is very important for the all entrepreneurs. Entrepreneurial support would remain incomplete without fostering collaboration. Especially immigrant entrepreneurs can be supported through collaborations while establishing their business. Large companies can afford the budget for Research and Development but often not small businesses. From 1970 onward USA and some European countries started supporting small business. Jung and Andrew (2014) discuss Research & Development collaborations between small and medium sized enterprises and University research institutes. According to this article “one in every five SMEs did not develop any forms of R&D
collaboration, while about a third of SMEs established some forms of R&D collaboration with other firms”. According to the author, it is more likely that SMEs develop collaborations than large companies because they lack the resources and capability to work with R & D on their own. Collaborations would be an effective way for entrepreneurs to develop their ventures. Objectives of such Collaborations for SMEs and entrepreneurs could be Research & development, Innovations, Human resource training/programs, Domestic market opportunities, Global market, opportunities and Business management services.

Handoko et.al. (2014) highlights the importance of governments in advancing technology development in small and medium sized enterprises. According to the author, it is important to develop policies where entrepreneurs and SMEs could get more opportunities to collaborate with research institutes and other government resources.

2.6. Conclusive Conceptual Model

In this section a conclusive conceptual model is presented, which shows how all the concepts linked to the main concept. The main concept is that the government can paly a basic role to support and promote immigrant entrepreneurs by making policies, financing and creating supporting system for immigrant entrepreneurs. Moreover, incubation, networking, collaboration, mentoring and coaching are the key components to support immigrant entrepreneurs. In this article, the main problems of the immigrant entrepreneurs are investigated together with the importance of incubators, mentoring and coaching, networking and collaboration. Based upon the literature review, it is concluded that mentoring and coaching, networking and collaborations are basic components of support system that can play a significant role for the development of immigrant entrepreneurs. The reason for this is that those concepts make up the mediating aspects of support, and immigrant entrepreneurs need mediation in order to get into business life in a new culture. Different concepts has been searched to make a concept that these factors are important to support immigrant entrepreneurs for establishing their business ventures in Sweden. Below, Figure-4 will explain Conceptual Conceptual model.
Figure 4: Conclusive Conceptual Model

- Government Actions
  - Aims
  - Methods
    - Incubation
    - Mediation
      - Mentoring
      - Coaching
      - Collaboration
      - Networking
  - Targeting

Immigrant Entrepreneurs
3. Methodology

The prior chapter outlined the theoretical map that intends to show the way of data collection and research attempt in this article. The structure is made-up to help out in the emergence of tentative hypothesis about the phenomenon in hand on how immigrant entrepreneurs could be supported through incubation and other institutions of the state. Furthermore, the framework will assist in data collection from immigrant entrepreneurs and supporting actors. As mentioned before, the research question is about what are the main problems of immigrant entrepreneurs while establishing their business ventures and how these issues could be addressed by the Swedish support system. This chapter explains the chosen methods (tools), methodology, design and overall research philosophy that are utilized in this study.

3.1 Research Strategy and Method

The study is based upon qualitative research. Qualitative research seeks to build a narrative about the issue under discussion and aims at understanding the reasons why something are the way it is. It is more anthropological, whereas quantitative research is more scientific (Denscombe, 2010). The Research approach chosen is inspired by engaged scholarship (Ven de Ven, 2008) and action research. This means that my personal experience and the practical project work within the project step two (as described in background pp. 2-3) has been important ways to formulate the research question and purpose of the investigation. Engaged scholarship is about creatively acting in organizations to solve practical problems. It is a continual process where managers or researchers involve other members of an organization to sort out a problem in collaboration and try to improve the system. Doing investigations in groups implies communication and using practical knowledge to promote development and change. With more interaction and collaborations, the more communication and understanding developed and desired result can be achieved. Action research is about making plans, acting on it, observing the affect and has reflections which give you insight towards reorganisation. (Bradbury, 2008). Therefore, it is essential that scholars do not work alone, they should work with other’s narratives while performing research. We can encounter the different perspectives by engaging other actors in the
research process. (Van de Ven 2007). In order to figure out how immigrant entrepreneurs can be supported in the right way, a good start is to get to know the target group. Therefore, several meeting with immigrant entrepreneurs was arranged in order to get to know their personal stories and their experiences. In order to get insights that how the support system works in Växjö for immigrant entrepreneurs, interviews and meetings were arranged with supporting actors. I interviewed representatives from Fortogasfabriken, Macken, Drivhuset, the project Step Two , Almi and Växjö Municipality.

3.2 Selected Sample

Semi-structured interviews were conducted with two samples from the general populations. The population includes the two principal active parties involved in this phenomenon. The first sample of population includes immigrant entrepreneurs in Växjö. The second sample of population is the Swedish support system. I chose to do interviews with the organizations that are working in Växjö to support immigrant entrepreneurs and are more directly working with nascent immigrant entrepreneurs. I came to know about these organizations in our entrepreneurship program. There are however other supporting cooperatives, unions and associations working in Växjö for entrepreneurial support. I interviewed ten Immigrant entrepreneurs, one Swedish entrepreneur and all institutions as mentioned before.

3.3 Semi-Structured Interview Research Method

There are numerous of methods to use for data collection, out of which, semi-structured interview will be adopted in this study. The reason is that this open-ended technique gives the respondent more space to add any elaborated ideas or views expressed throughout the interview. (Bryman & Bell, 2011). The choice of the method is inevitably influenced by the research design and strategy which is decided to be qualitative.

An interview is a conversation between a questioner (interviewer) and the respondent (interviewee). Or in other words, it is a conversation between two or more people where questions are asked by the interviewer to elicit facts or statements from the interviewee. These interviews gave me insight details and
useful information about the interviewee. I conducted interviews with immigrant entrepreneurs and representatives of support system at their offices. I also recorded the conversation with the interviewees with their consent. The duration of interviews was about one hour, sometimes more with the permission of interviewee.

Preparation of questions has been formulated in a way that they could feel liberty to answer the questions. It is difficult to interact with immigrants because of cultural and language issues that is why, I decided to start the interview with a casual chat and then followed by asking formal questions. It was important here to discuss the details in order to understand the whole scenario of the interviewee, for example the conditions of immigrant entrepreneurs who migrate from their home country and enter into a new culture and society which is altogether different from their own societal values and religious beliefs. The focus of the interviews was the problems and issues of immigrant entrepreneurs and their interaction with Swedish support system. The interviews with representatives of supporting actors gave insight of Swedish support system.

3.4. Interview Guide

The interviews are designed differently for interviewees. The questions have been designed in two categories. There is one design which is for immigrant entrepreneurs and the second design is for institutions like Incubators, Almi and Växjö Municipality. There are ten immigrant entrepreneurs, one Swedish entrepreneur and eight officials belong to Swedish support system like incubators, Almi and Växjö Municipality. The original names are kept anonymous.

The questions asked in the interviews are as written below.

a) Questions for Immigrant Entrepreneurs

<table>
<thead>
<tr>
<th>General Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Name</td>
</tr>
<tr>
<td>• Age</td>
</tr>
<tr>
<td>• Sex</td>
</tr>
<tr>
<td>• Language</td>
</tr>
</tbody>
</table>
• Education
• Gender
• Nationality
• Company / Organization Name and complete contact information
• Nature of business / Services
• Time period lived in Sweden
• Family members
• Time period spent in self-employment in home country and in Sweden
• Reason for becoming Entrepreneur

Business Information

• What was the reason to leave your home country?
• What have you done before you came to Sweden (Job / self employed)?
• Why did you decide to become an entrepreneur in Sweden?
• What type of business you are running?
• How was your experience during startup?
• What have been the biggest problems for you during the time of self-employment?
• How many employees do you have at the moment?
• How is the business going?
• Do you have any problems regarding your business?
• Do you have any problems regarding support system?
• Do you want to grow your business?
• What kind of support you are looking for to grow your business?
• Do you regret your decision to come in Sweden?
• Did you get any support from Local Municipality?
• Did you join any incubator?
• Did you get any support from Almi?
• Have you got any type of loan, if so, how was that experience with the bank?
• How was your overall experience of establishing business in Sweden?
b) Questions for Support System

- What are the services offered to immigrant entrepreneurs?
- What are the key factors which support immigrant entrepreneurs?
- What are the common problems of immigrant entrepreneurs?
- Is incubational support important for them?
- How much mentoring and coaching is important for them?
- How much counseling is important for them?
- How was your overall personal experience dealing with them?
- How much networking is important for establishing new business and for growth?
- Did you observe a gap between Immigrant entrepreneur network and Swedish entrepreneur network?
- Why do you print mostly the required information in Swedish?
- Why mostly training and courses is in Swedish Language?
- How much collaborations are important for them?
- How a gap of networking between Swedish entrepreneurs and immigrant entrepreneurs could be reduced through entrepreneurship?
- What type of qualities should an entrepreneur have in your views?

4. Empirical Report

The research has been done through semi structured interviews. As defined before that this paper contains two main areas of interest, immigrant entrepreneurs and Swedish support system which in this article consist of Almi, Växjö Municipality. and incubators like Företagsfabriken, Macken and Drivhuest.

4.1. Findings of Immigrant Entrepreneurs

These findings about the immigrant entrepreneurs will explain the core problems while establishing business and interacting with Swedish support system.
<table>
<thead>
<tr>
<th>Interviewee (pseudonym)</th>
<th>Business Description</th>
<th>Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryam</td>
<td>Catering and Food</td>
<td>Language barrier, lack of understanding with the Swedish culture, Problem while recruiting appropriate employee, little Management skills, little interaction with Swedish Community, little understanding with Swedish Support System, little skills in book keeping, Marketing, advertisement and computer.</td>
</tr>
<tr>
<td>Julia</td>
<td>Import and Sales Fruit</td>
<td>Little help from public support system, High Taxes, faced Discrimination, lengthy procedures of support system</td>
</tr>
<tr>
<td>Jesper</td>
<td>Travel Agency</td>
<td>High salaries of employees, little interaction with Swedish network, Problems while recruiting appropriate employees, little interaction with public support system, high taxation</td>
</tr>
<tr>
<td>Emma</td>
<td>Import</td>
<td>Language barrier, Tough to understand new Culture, Different education system, little interaction with Swedish Network</td>
</tr>
<tr>
<td>Rebecca</td>
<td>Pets with care</td>
<td>Language barrier, Almi seminars and courses in Swedish language, High taxation, High salaries, higher marketing and advertisement expenses</td>
</tr>
<tr>
<td>Krissy</td>
<td>Cleaning Company</td>
<td>Little interaction and help from supporting actors, High interest rate of financial loans, high taxation, low availability of employees</td>
</tr>
<tr>
<td>Name</td>
<td>Activity</td>
<td>Challenges</td>
</tr>
<tr>
<td>---------</td>
<td>---------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Robert</td>
<td>Webpage development</td>
<td>Little interaction with public support system, high taxes, high marketing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>and advertisement expenses, high salaries, lengthy procedure of support</td>
</tr>
<tr>
<td></td>
<td></td>
<td>system</td>
</tr>
<tr>
<td>Mala</td>
<td>Lebanese Restaurant</td>
<td>Language Barrier, little interaction with supporting actors, different</td>
</tr>
<tr>
<td></td>
<td></td>
<td>education system, little computer skills, little knowledge of management,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>high interest rate of Almi Financial loan</td>
</tr>
<tr>
<td>Raheel</td>
<td>Import of Floor Tiles</td>
<td>A good interaction with Macken but little with other supporting actors,</td>
</tr>
<tr>
<td></td>
<td>accessories</td>
<td>expensive Marketing and advertisement, high taxation, little book keeping</td>
</tr>
<tr>
<td></td>
<td></td>
<td>skills, little interaction with Swedish Network</td>
</tr>
<tr>
<td>Philip</td>
<td>Old citizen care</td>
<td>Little interaction with public support system, lack of resources to train</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Employees, high taxation, little management skills, high marketing and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>advertisement expenses, lengthy procedures of support system</td>
</tr>
<tr>
<td>Farial</td>
<td>Restaurant</td>
<td>Little management and computer skills, high salaries of employees,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>complicated documentation of support system, high maintenance expenses,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>interest rate of financial loan is high</td>
</tr>
</tbody>
</table>
4.2. Findings of Swedish Support System

These findings about the Swedish support system will explain the core services offered to entrepreneurs and description of the support actors.

<table>
<thead>
<tr>
<th>Interviewee (pseudonym)</th>
<th>Category</th>
<th>Organisation</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aaron</td>
<td>Manager</td>
<td>Almi, Advisory services, loans and venture capital</td>
<td>Business credits, Counselling, Mentoring, Well connected network of Almi, European Enterprise network, courses offer, seminar offer, networking, company formation, orientation of tax system, venture capital, counseling for established companies, Business purchase, export financing, innovation and product development</td>
</tr>
<tr>
<td>Jamie</td>
<td>Advisor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paula</td>
<td>Mentor</td>
<td>Macken, social incubator</td>
<td>Support to start up entrepreneurs, training and courses, language courses, financial help, networking, mentoring and coaching</td>
</tr>
<tr>
<td>Emma</td>
<td>Manager</td>
<td>Drivhuset, Incubator, mostly connected with students</td>
<td>Support for students to develop business idea, organizing group meetings, support for registering companies, orientation of tax system, networking, suggestions and guidance throughout consultancy</td>
</tr>
<tr>
<td>Camilla</td>
<td>Senior Manager</td>
<td>Företagsfabriken Business Incubator</td>
<td>support for entrepreneurs, presentation skills program, development programs, mentoring and coaching, counseling, well equipped for entrepreneurs, furnished office for</td>
</tr>
</tbody>
</table>
Lisa
Business Development Manager
Företagsfabriken Business Incubator

entreprenuers, collaborated with Almi, collaborated with Government departments, Global network, local networking, weekly and monthly activities, training and development, two years support for entrepreneurs with the office.

Christoffer
Business Support Manager
Business Department, Växjö Municipality.

Social benefits, start up discussion, general guidance, registrations, contracts, Support to entrepreneurs trying to develop or expand, entrepreneurs established in any other region and want to establish in Växjö, Networking, Global vision, training and courses

Training and development programs, community development, community participation

Maria
Manager

5. Discussion

a) Language, culture, education

It is found during interviews that there are some basic problems like language, culture and education for immigrant entrepreneurs. It is observed that they think learning another language is very difficult and time consuming. Even if they learn basic level, they can not understand the official words. I met an immigrant entrepreneur William and showed him an official letter. He could not understand it. Though, he has being living in Sweden for last sixteen years.

Without an understanding of the language, it is very difficult to get established in an other country. It is found that communicational and some systematic changes can make the over all support system more effective. There are many reasons for
this communication blockade. The basic reason for not understanding the Swedish support system is due to the lack of understanding with Swedish language. Moreover, mostly the provided information from Sweden is in Swedish language. For example, the drivhuset information is in Swedish language. It is found during interview that now they are planning to convert it in English language also. Mostly, the training and courses in other support organizations is also in Swedish language. In other countries which are welcoming immigrants like Australia and Canada, immigrants feel more comfortable because of the English language. Therefore, according to the findings, the electronic and printed media should also use English language. The purpose of using English language is to attract and facilitate immigrants until they have learnt Swedish language. Though, mostly immigrants speak English language but this is not sufficient for them here. It is important to learn official language (i.e., Swedish) to deal with all official documents. Immigrants should learn Swedish language because there are multiple benefits of learning the local language. It facilitates integration into the society, local communities, understanding with culture and local knowledge. Social capital cannot be enhanced without an understanding of language and culture. Without increasing their social capital, entrepreneur cannot reach to the level of enjoying a good network. (Johannisson and Nilsson, 1989)

It is also found that education system of the host country is different from their home countries. When they arrive here they get stuck in doing activities which they could have done with the support of their education. They are unable to continue their old professions. There is Swedish for Immigrant (SFI) program which is functioning well. According to immigrant entrepreneurs, it is difficult to attend SFI while working. In my views, mediation can play an effective role here. A mentor can introduce them to the Swedish network to develop social connections. Interaction with Swedish people would enable them to learn language nad culture as well. In that way, immigrants would get business support more informally and inspirationally. Macken is an example of providing support to immigrants. They help and provide training for management, business planning, counseling and also work with language. It is very good example of social incubator which could be benchmark for other municipalities. They help immigrants to start new business in Vaxjo.
Cultural differences also hinder while settling down in another country. It is found very common that mostly immigrants do not allow women to work. They do not understand the value of woman’s work in advanced societies of democratic and social welfare states. The state could communicate and educate them for the importance of understanding the culture and woman’s participation in a working society. It is found from one of the respondent who tried to live life according to the Swedish culture which made him and his family eventually much better off than before.

**b) Learn and adapt to new professions**

Everyone has a different background and experiences regarding their professions. One of the respondent said in an interview that he was a police officer in his home country but he is selling floor tiles here. It is not easy to change profession and starting altogether different activities in a different country. The support system could help them to adapt to a new profession which could be similar to their old professions. Immigrants themselves also have to work hard to live according to the society standards. It is also their duty to learn the language and system which would help them to integrate into the society.

There were 50% immigrant entrepreneurs that said in interviews that they get tired of learning new things. It is very difficult for them to go to a new culture and learn different things simultaneously. For instance, they have to learn, language, culture, tax system, human resource management, computer work, management and banking system etc. The support system could help and support them during the learning processes. Incubation can provide suitable services for immigrant entrepreneurs. They would have more interaction with mentors. A mentor can suggest them to select business according to their strength and past experiences. There could be more incubators in the town where all the services could be provided to them at one place. The project of Step Two (as discussed in background pp. 2-3) seems more applicable and effective in this case. Step Two could provide services like businesss support, mediation, mentoring and coaching etc to members and non members also. It would be convenient for immigrant entrepreneurs to work and learn together at one place. It would be a great support of the government if they build projects like Step Two to facilitate immigrant
entrepreneurs. It would save their time and they can utilize more time socially to develop connections with Swedish community.

c) Understanding with Swedish Support system

A majority of the respondents do not understand appropriately the support system. They do not know how and where they can get the right help. They might consider Almi as financial help and do not know other support functions of Almi. There were about 60% of the respondents who do not understand the functions of an incubator. The support system could have a more effective communication. Incubational support can fill the gap by providing them complete information about the supporting actors. Mentors could be the best source who can provide consultation to the members of the incubator and to the non members also. Maximum number of immigrants should be accommodated in incubators to get the monitoring services. Government should finance to build up project like Step Two and more business incubators to accommodate increasing number of immigrant entrepreneurs. The immigration department can brief about the support system in Sweden to all migrants. It will help migrants to understand where to get the right support. It can also be advertised in English language which is considered more spoken language internationally. The Swedish communities could also have a more welcoming behavior for the immigrants. In this way, they can be a vital source to give them more moral and intellectual support. Moreover, it is also found that 20% of respondents were not much motivated to participate in social community activities. If they do not try to integrate into the society, they create problems for themselves and the society as well. If they do not accommodate themselves in the society then the whole system of support would be useless. They should also have to work hard to understand the support system for success in their business venture.

d) Tax and social benefits

High taxation makes immigrant frightened and they feel anxiety when the pay high taxes. This is a common phenomenon among immigrant entrepreneurs which needs to be addressed by the supporting actors. The social welfare benefits are the return of taxes from the government back to the citizens of Sweden. There should be more public awareness events and programs to give them more information for
the benefits of paying taxes. The benefits of Swedish welfare system are not common in other countries. Immigrants feel about the taxes like a barrier to business growth. Mentoring functions can solve this issue. Mentor can describe the application of high taxes and social benefits to immigrants. The availability of mentors in incubators and in other supporting organizations should be confirmed. They could also be available for immigrants who are not part of the incubator. In this way, maximum number of immigrants can interact and seek their advice and consultation. The government needs to communicate the system of taxes and benefits of social welfare state extensively to the immigrant entrepreneurs. Govemnet can support entrepreneurs by reducing the taxes. They can give subsidies to some specific business or in general like reducing energy costs, labor costs, specify a free of cost location for manufacturing, logistics and warehousing businesses.

e) Collaborations for immigrant entrepreneurs

Immigrant entrepreneurs with small investments cannot spend much money for innovative and creative work. The resources of entrepreneurs are mostly limited. They cannot spend money for research and development for their product and services. Therefore, there should be collaborative effort from the government to solve their issues where they can have collaborations with academics, nonprofit organizations and multinational companies. The collaboration is very significant support for immigrant entrepreneurs. Jung and Andrew (2014) discussed about the importance of collaborations. According to him innovations, technological advancement research and development needs rich resources and entrepreneurs lack huge resources. Collaborations would be an effective way for entrepreneurs to develop their ventures. Objectives of such Collaborations for small business enterprises and entrepreneurs could be Research and development, Innovations, Human resource training, and to get domestic and global support. Research councils, universities and research institutes could be linked and working closely with entrepreneurial firms. R & D and innovation could be subsidized for entrepreneurs. The budgets of universities and research institutes could be increased to cater the demand of entrepreneurs. The support of R&D and innovation remained low in UK than other countries like USA, Korea and Germany. (Bennet, Carter, & Jones-Evans, 2012, p. 64). Government could spend more on
R & D and innovation to cater problems of entrepreneurs. Mentor can connect entrepreneur with the sponsors by introducing them with principals. He can arrange meetings of entrepreneurs with sponsors more informally which can create a bridge for entrepreneurs to reach their objectives. Collaborated effort of supporting actors through mentoring, coaching and networking can support them for their ventures.

f) Business Support and Networking

Findings revealed that 70% of the immigrant entrepreneurs are lacking skills in management, book keeping, computer work, marketing and advertisement. It is important for them to learn these skills to become competitive in their business. Incubators can arrange coaching for immigrant entrepreneurs. In this way, the business skills could be improved. Mentoring is the most effective part observed during the interviews. There were 30% of respondents who are making high profits today and they confirmed that it is all cause of good mentoring received by the support system. They got good mentors from support system which made their business much better. One of the respondents shared his financial figures during interview where he mentioned that within three years he is making good profits. Coaching, counseling and mentoring are very important components for the immigrant entrepreneurs. Karim 1985, discussed the mentoring functions which give career and psychosocial support to the entrepreneurs. Career support gives sponsorship, exposure and visibility, coaching, protection and challenging tasks. Psychosocial support discuss about the role model, acceptance and confirmation, counseling and friendship. The mentor provides challenging tasks, supported by technical training and feedback, enabling entrepreneurs to develop specific competences which can give them strength to figure out their entrepreneurial and daily life problems. The problems like management, accounts, computer, marketing and advertisement can be reduced by giving them a good coaching. Coaching can improve the skills of entrepreneurs. Mentoring functions can be provided to immigrants in a more friendly way with informal social interaction. Mentoring function are good source by which immigrants can understand more precisely the support system. Mentor is experienced and mature person who can give useful advice during counseling with immigrants. The maximum quantity of
immigrant entrepreneurs could be accommodate in incubators and alike organizations to earn the prosperity for every one.

It is found during interview with a representative of Fortagasfabriken that the ratio of members is low there. They do not have any immigrant entrepreneur in their incubator. They need to expand the space and should give more space to the immigrant entrepreneurs. The ratio for immigrant entrepreneurs could be mandatory in the incubator. They could have compulsory presence of immigrant entrepreneurs in incubators. They could have at least 20% immigrant entrepreneurs in the incubator. In this way, the gap between immigrant and Swedish entrepreneurs would be decreased. It would help to make incubators more popular among immigrant entrepreneurs. The role of incubator in Swedish support system is very significant. Government could make it more accessible to immigrants. Mostly, the respondent did not hear the name of Fortagafabriken in Växjö which is very surprising. The incubator should be available to them so they could grow their business and also it will help them to integrate into the society. As mentioned in back ground section, I worked with the project Step Two. This project is designed by the immigrant entrepreneur who is settled and running successful business in Vaxjo for last 15 years. She knows the Swedish support system very well. The project Step Two is mainly focusing on immigrant entrepreneurs. This could be a success venture if supported by the government. Successful immigrant entrepreneurs can be a good mentors for nascent entrepreneurs. Government can create project like Step Two to support immigrant entrepreneurs.

During interviews with immigrant entrepreneurs, it is found that they have lack of interaction with Swedish community. It needs to be improved and more facilitation and work need to be done. There are 60% of the respondents explained that it is difficult for them to have access to Swedish network. They feel blockade while interacting with them. One of the respondents told in interview that he had very low sales of his products in the beginning. He managed the issue by hiring Swedish employee. Surprisingly, he got an increase in sales. It shows the gap between Swedish and immigrant community. It is very important to minimize the gap between Swedish and immigrant network. It will help to diminish that sort of behaviors which can create more problems in future.
Immigrant entrepreneurs could be provided by good network. It is very difficult for them to establish and grow their business. There were about 65% of immigrant who were lacking a good network. Their personal network do not exist in Sweden. They need to develop Swedish network to flourish their business. The incubational support can provide them a good network. The supporting actors can prioritize to entertain immigrants by providing with Swedish network. Mediation could be the good source where immigrant entrepreneur can explore network according to their needs and desires. Personal formal and informal relationship creates powerful network which is not helpful for business venture only, but also in individual personal life. It is the one of the most important factor which helps in business growth. The connection and interaction with external actors support a lot to grow businesses. (Johannisson, 2000).

6. Conclusion

Problems for immigrant entrepreneurs exist inspite of having Swedish support system. The main issues are language, culture, education, lack of understanding with Swedish support system, lack of managerial, accounts, computer skills, little interaction with Swedish community, high taxes, lengthy procedure of support system, high interest rates of business loans, little incubational support and high marketing and advertisement expenses. These problems can be solved by increasing incubational support and focusing more on business support, mentoring and coaching, networking and collaborations. The government policies and support can impact immensely to promote and accelearate the support system for immigrant entrepreneurs. The support system in Sweden is good but it is not properly communicating to immigrant entrepreneurs. It is found that there is communicational gap between supporting actors and immigrants. This gap can be decreased by creating more awareness events and programs for the entrepreneurs. The quantity of incubators could be increased to cater maximum number of immigrant entrepreneurs.

The electronic and print media information related to immigrant entrepreneurs could be translated in English language because it is more speaking language internationally. It would help them to understand the support system until they learn the Swedish language. It is also observed that organizations in national and
regional level are merely not collaborated with incubators. Research centers should also have collaborations with the supporting actors to provide research and development services for the entrepreneurs.

Findings revealed the problems of immigrant entrepreneurs in this study and mostly these are addressed by Swedish support system. The supporting actors are providing free language learning programs like SFI, tax courses, management courses, seminars and financial solutions. It is found that somehow the support is not being properly utilized by immigrant entrepreneurs. There is communication barrier which blocks the flow of information for immigrant entrepreneurs as discussed in the paper. The immigrant entrepreneurial problems can be solved by ensuring and executing key supporting components like business support, networking, mentoring and coaching and collaborations by the support system. There could be more training for mentors specially to deal with immigrant entrepreneur. Experienced and successful immigrant entrepreneurs could be hired and trained for this purpose. In this way, integration and active participation could be increased in society.

The support system could be more effective and productive if it is fully practiced by the immigrant entrepreneurs. Immigrants also need to participate actively to learn and adapt working culture of the host country. It should be priority matter for them otherwise it would be very difficult for them to integrate into the society. Immigrant entrepreneurs can become an active part of society if they are successful and productive otherwise all efforts would be useless. The responsibility should be understood and well perceived by the both actors which are immigrant entrepreneur and support system. In this way, immigrant entrepreneurs would get support and can establish their businesses in Sweden.

The government actions can have greater impact to ensure and practice these services in support system. Government can strengthen the support system by making more effective policies to use and implement incubational services for immigrant entrepreneurs. By ensuring space in support system for immigrant entrepreneurs could be the good option to give them effective business support. In this way, immigrant entrepreneurs can play an active role to establish and strengthen their businesses which would be beneficial for them and the society.
Government as a regulator, as economic agent, as strategic planner and promoter can evolve and implement a positive change.

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