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Opportunities or obstacles?

Understanding the challenges faced by migrant women entrepreneurs

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Abstract

Purpose – Applying theories of entrepreneurship, the paper aims to identify the factors – with theoretical explanations – that act as barriers to migrant women entrepreneurs (MWEs), particularly women from developing countries starting businesses in developed economies. The paper further seeks to explore which barriers also have the potential to act as enablers.

Design/methodology/approach – The relationship between immigration, ethnicity, gender and entrepreneurship has received little theoretical attention. Linking these discourses, the paper theoretically develops a framework of the possible barriers or enablers faced by MWEs.

Findings – The paper reinforces earlier research that MWEs are not a homogeneous group; the problems they face are multifaceted, and MWEs from developing countries are the most disadvantaged of entrepreneurs. It identifies multiple factors – human capital, culture, family, institutional factors, gender and social capital – as possible barriers for MWEs. Findings further indicate that among those barriers, culture, family, social capital and gender have the potential to play a dual role for MWEs, by acting either as a barrier or an enabler. Findings also highlight the overarching and predominant influence of culture – as explained by cultural theory – acting as a barrier for MWEs from developing countries.

Research limitations/implications – This is a theoretical paper. Empirical research is needed to test the framework and its different dimensions. Given the diversity of MWEs and the factors that shape their entrepreneurial endeavours, it is difficult to develop a single framework to encompass the complexity of the situation. Nevertheless, the proposed framework provides useful insights into the barriers or enablers that MWEs face, along with theoretical explanations and, thus, acts as a springboard for future research.

Practical implications – Given the increasing potential of MWEs, the paper provides implications for not only addressing the barriers but also viewing the barriers as ways to promote entrepreneurship among such minority groups. It further stresses a needs-based approach to customizing policies to benefit the diverse group of MWEs.

Originality/value – By providing a theory-based framework of the barriers or enablers faced by MWEs, along with policy implications, the paper contributes to a better understanding of the phenomenon of migrant women entrepreneurship.

Keywords Women, Entrepreneurship, Culture, Immigrants, Social groups

Paper type Research paper

Introduction

The level of migrant women's entrepreneurship, particularly in developed economies, is increasing (Baycan-Levent and Nijkamp, 2011; OECD, 2004). MWEs are growing in numbers and creating increased socio-economic potential, in terms of greater social inclusion, revenue and employment generation, and technological innovation (Ahmad, 2011) while also reducing inequality in society. However, women's entrepreneurship and business ownership is often ignored in comparison to that of men (Ahl, 2006). Dhaliwal et al. (2010, p. 8) have termed women entrepreneurs as "silent contributors" as they play a significant strategic role as entrepreneurs. Despite their increasing importance and numbers, MWEs remain "largely invisible and marginalised in mainstream entrepreneurship research" (OECD, 2004, p. 30; Collins and Low, 2010). This is because gender dimensions are often ignored in the literature on immigrant or ethnic entrepreneurship, while the immigrant or ethnic dimensions are generally ignored in the female entrepreneurship literature (Collins and Low, 2010). Moreover, MWEs from developing countries who have settled in developed economies and start their ventures are in an even more neglected group.

Existing research on MWEs remains focused on the areas of the labor market, resource disadvantages (Baycan-Levent and Nijkamp, 2011; Light and Rosenstein, 1995) and the impact of gender on migrant women's entrepreneurship (Baycan-Levent and Nijkamp, 2011; Heilbrunn, 2004). There have also been a few studies on

the problems faced by women entrepreneurs in developing countries (Mahmud, 2011; Tambunan, 2009; Roomi and Parrott, 2008). However, robust evidence of the problems faced by MWEs from developing countries starting their ventures in developed economies remains elusive. This is despite preliminary indications that their number is increasing in developed countries. They represent a growing proportion of the self-employed (OECD, 2004) as a strategy for survival, and to avoid poverty and discrimination in the mainstream labor market. Research indicates that women in developing countries are commonly marginalized in societies that are already overwhelmed by poverty, under-development and unstable security conditions (United Nations, 2006). This suggests that such women are likely to face additional problems or challenges compared to other migrant women when they start or run their own businesses in developed countries (Raijman and Semyonov, 1997). This can be attributed to their lack of experience, skills and education as a result of their socio-economic status and the socio-cultural expectations in developing countries (Kantor, 2002). In addition, they also face problems from their exposure to different social and institutional orientations and a very different regulatory environment and socio-economic context at home. This, therefore, validates the importance and the need to study MWEs, particularly those from developing countries.

Although there has been isolated research on identifying the barriers that MWEs in general face, there has been no consolidated effort to develop a framework that outlines all of the possible barriers, as well as their associated theoretical explanations, that impact on migrant women's entrepreneurship. Further, research on whether the barriers can also act as enablers remains severely under-researched. Moreover, the discourse on MWEs, particularly from developing countries as a group, has received little academic attention. This paper attempts to fill this void in the literature and attempts to provide a balanced and holistic view of the barriers or enablers faced by migrant women in their entrepreneurial journey.

This paper is structured as follows: first, existing research in the field of MWEs is examined emphasizing the role of different entrepreneurship theories. Second, drawing on existing literature and applying theories of entrepreneurship, the paper identifies possible barriers and explores whether these barriers can also act as enablers. Next, based on the discussion, the paper presents a theory-based framework that outlines the possible barriers or enablers that MWEs face. The paper concludes with a discussion of the policy implications of this research along with suggested avenues for future research.

Migrant women's entrepreneurship: a theoretical overview

Research suggests that MWEs have higher rates of labor force participation than other women (Baycan-Levent and Nijkamp, 2011; Raijman and Semyonov, 1997; Boyd, 1984). The higher rate of participation of migrant women in the labor force compared to other women can be explained by their entrepreneurial orientation which encourages them "to sense opportunities and take risks in the face of uncertainty to open new markets, design and develop new and improved products and processes" (Thompson and Randall, 2001, p. 290). In fact, the term entrepreneurship has been defined as the combining of novel ways to create something of value in a new way; and entrepreneurial orientation has been viewed to include the basic dimensions of risk-taking, innovativeness and pro-activeness (Nummela et al., 2004). Other factors have also been recognized as driving forces of entrepreneurship, and can be explained by a number of theories, namely, motivational, achievement, disadvantage and cultural theory. For example, factors such as the desire for independence, autonomy, self-achievement, and self-recognition (Ensign and Robinson, 2011) pull individuals towards entrepreneurship and can be explained by motivational and achievement theories. Economic necessity, social exclusion, lack of education and skills, high levels of unemployment, and language barriers, meanwhile, push an increasing number of immigrants towards entrepreneurship and form the main tenet of the disadvantage theory.

The disadvantage theory views entrepreneurship not "as a sign of success but simply as an alternative to unemployment" (Volery, 2007, p. 33). The theory asserts that immigrants and minorities often start businesses as an economic survival strategy, because of their inability to access the mainstream labor market. This can be explained by their lack of language skills, experience and inadequate education and knowledge of the local culture (Baycan-Levent, 2010; Volery, 2007; Light and Rosenstein, 1995).

Research on migrant women's entrepreneurship is growing, indicating several interesting trends. First, women are less likely to become entrepreneurs than their male counterparts due to socio-cultural norms, migration patterns and occupational segregation (Barrett, 2006). Second, women entrepreneurs' ventures are small (González and Husted, 2011; Fleck et al., 2011) and characterized by low growth with low levels of funding (González and Husted, 2011). Third, MWEs are not a homogenous group (Collins and Low, 2010; OECD, 2004). They are a diverse group differing in ethnicity, age, skills, experience, financial and educational resources, and language abilities, all of which have important implications for their entrepreneurial orientation as well as their success. Fourth, the socio-economic disadvantages experienced by women are likely to differ according to their country of origin, giving rise to the notion of "triple disadvantage" (Raijman and Semyonov, 1997; Boyd,

1984; Sullivan, 1984), particularly for MWEs from developing economies. These women constitute one of the most disadvantaged groups as they are not used to the way labor markets function or the institutional framework in developed economies. Finally, research also suggests that there has been a critical change in the “ethnic female profile” of MWEs as a result of changes in the understanding of the role of women in the family over the years. Changes include a shift in the self-employment experience of migrant women, from that of a “family strategy” towards an “independency strategy”, with women venturing into self-employment because of their desire for “independence” and “autonomy” (Baycan-Levent, 2010). In addition, women are also changing their roles from unpaid workers to co-decision makers in their husbands’ businesses and, in some cases, are even moving away from their care-giving responsibilities and setting up businesses outside the home (Baycan-Levent, 2010). However, this trend applies mostly to educated MWEs from developed economies.

The phenomenon of migrant women’s entrepreneurship is shaped by the dual effects of “ethnicity/migrant” and “gender”, with the behaviors and attitudes of the entrepreneurs being influenced by their ethnic as well as their gender-related characteristics (Baycan-Levent et al., 2003). The dual effects of gender and ethnicity create barriers rather than opportunities for women. However, more recently, some research indicates that MWEs are using their gender, ethnic and cultural characteristics to their advantage and in becoming successful entrepreneurs. For example, MWEs are using their linguistic skills, cultural characteristics, knowledge and ethnic contacts (Dhaliwal and Kangis, 2006), as well as capitalizing on their identity and gender-related experiences (Leung, 2011). Nevertheless, growing evidence asserts that MWEs are the victims of “double disadvantage” (Dhaliwal et al., 2010; Smith and Tienda, 1988; Raijman and Semyonov, 1997) and, in some cases, even “triple disadvantage” (Raijman and Semyonov, 1997). While the term “double disadvantage” refers to the problems faced by women, first as immigrants and second as women, “triple disadvantage” adds a third dimension with respect to immigrants from developing countries (Raijman and Semyonov, 1997). The notion of “triple disadvantage” is also consistent with the arguments put forward by a number of scholars (Boyd, 1984; Sullivan, 1984) that the socio-economic disadvantages of immigrant women are likely to differ according to their country of origin. MWEs from developing economies are reported to be the most disadvantaged group (Raijman and Semyonov, 1997) among entrepreneurs, as they are more likely to find adapting to the labor markets and institutional framework of developed economies challenging. Research suggests that, when doing businesses in the host country, the main challenges come from immigrant entrepreneurs’ strongly differentiated social, institutional and cultural orientations, and their exposure to a very different regulatory environment and socio-economic context than their home (Azmat, 2010; Drori et al., 2006;). While these challenges are faced by all immigrant entrepreneurs, they are likely to be greater for recent migrant entrepreneurs coming from the less-developed countries of South Asia[1] and Africa, and are even greater for MWEs.

A number of studies have concluded that migrant entrepreneurs face a number of challenges regardless of their gender (Baycan-Levent and Nijkamp, 2011; Collins, 2008). Gender-neutral challenges include factors such as access to capital and restrictive government regulations as well as lack of local knowledge, culture and language (Dhaliwal et al., 2010; Liversage, 2009; Collins, 2008; Volery, 2007; Kantor, 2002; Raijman and Semyonov, 1997). However, in addition to gender-neutral challenges, there are some gender-specific challenges (Roomi and Parrott, 2008), confirming the thesis of “double disadvantage” which refers to the problems faced by women, first as immigrants and second, as women (Smith-Hunter and Boyd, 2004; DeCarlo and Lyons, 1979). In line with the theory of double disadvantage, research indicates that immigrant women face more hardships in the labor market compared to immigrant men (Dhaliwal and Kangis, 2006; Boyd, 1984; Raijman and Semyonov, 1997), as discussed later.

According to cultural theory, cultural characteristics like religious beliefs, family ties, savings, thrift, work ethics, and compliance with social values, serve as ethnic resources which partially explain the orientation of immigrants towards entrepreneurship (Masurel et al., 2004; Volery, 2007). The literature on immigrant entrepreneurship places emphasis on the importance of ethnic resources for the establishment of ethnic businesses (Drori et al., 2006; Watts et al., 2007). Past research suggests that cultural characteristics can act as either enablers or obstacles for MWEs. For example, on the one hand, cultural characteristics like thrift, hard work and reliance on family labor can facilitate entrepreneurship (Dhaliwal et al., 2010; Kupferberg, 2003), while on the other hand, cultural norms, expectations, and religious beliefs can act as obstacles (Roomi, 2012; Liversage, 2009; Roomi and Parrott, 2008).

Although cultural theory is widely researched, a broader explanation of cultural differences, such as deeply rooted values, religious beliefs, norms, and traditions across countries and their influence on entrepreneurship, particularly migrant women’s entrepreneurship, remain neglected. The cultural factors such

as the deeply held values, beliefs, norms and practices are important to investigate as they, in most cases, form the underlying reasons for the thesis of double and triple disadvantage theories of entrepreneurship. The theory of mixed embeddedness focuses on the embeddedness of entrepreneurs in the socio-economic and political-institutional environment of the country of settlement, and how these forces shape the opportunities of the entrepreneurs (Dana, 2007). The key strength of mixed embeddedness is its comprehensive perspective that “aims to locate ethnic minority businesses in the wider structures in which they are embedded” (Ram and Smallbone, 2001, p. 11). Drawing upon the mixed embeddedness theory, Ram and Smallbone (2001) discuss the influence of a number of other factors in addition to market, state policies and spatial settings, on ethnic immigrant businesses, as proposed by Kloosterman et al. (1999). These factors include sector, locality, labor market and institutional support.

Migrant women entrepreneurs: exploring the barriers

In view of the above discussion on entrepreneurship theories, this section draws on the wider contemporary literature to identify the possible barriers faced by MWEs. While discussing the barriers, an attempt is made to link the barriers with their theoretical explanations, and also to explore whether any of the barriers have the potential to also act as “enablers”.

Human capital

Previous research indicates that human capital, namely, the skills and knowledge which an entrepreneur acquires during his/her life through, for example, schooling, work experience, and training, is an important resource that immigrants draw on to start their ventures in their host country (Collins and Low, 2010; Dhaliwal et al., 2010; Rosenbusch et al., 2009). According to human capital theory, individuals with more or higher quality human capital achieve higher performance in executing relevant tasks (Becker, 1964). This suggests that, depending on their levels of human capital, individuals differ in their ability to discover and exploit opportunities (OECD, 2004). Based on the findings of an empirical study conducted in Mexico investigating how gender affects the number and innovativeness of business opportunities identified by future entrepreneurs, Gonzalez and Husted (2011) have demonstrated that poorer outcomes found in entrepreneurial activity by women compared to men are not due to gender differences per se, but are likely to be a result of lower levels of prior knowledge of customer problems, entrepreneurial experience, or to less varied industry experience (Gonzalez and Husted, 2011).

Research suggests that women in developing countries are likely to have less human capital (education, training and experience) compared to men due to culturally specific influences (Kantor, 2002). The lack of “human capital” of marketable skills or qualifications (Alcorso, 1989), therefore, disadvantages migrant women starting ventures in developed economies. In addition, research also indicates that, in most cases, even if immigrant entrepreneurs have high levels of human capital, it is devalued relative to non-migrants, as their qualifications have been obtained in another country (Collins and Low, 2010; Liversage, 2009; Rubin et al., 2008). This finding mostly applies in the case of qualifications obtained from developing rather than developed countries. Collins and Low (2010), in their study on Asian MWEs based in Sydney, found that women entrepreneurs from developing countries, contrary to popular belief, were educated and had significantly higher human capital than average Australian women. However, as the majority had overseas educational experiences from developing countries, they faced greater problems in terms of the recognition of overseas obtained qualifications and skills than other immigrants in Australia. This confirms the notion of triple disadvantage, that MWEs from developing countries face greater problems compared to their counterparts from developed countries.

The lack of prior employment and managerial experience faced by many women (Hisrich and Brush, 1994) may result in their differing market entry choices, and can be explained largely by the theory of double disadvantage. The barriers or disadvantages apply more to migrant women coming from developing countries, as they have fewer opportunities for gaining education, business skills and even entry to the labor market in their home country, because of gender-specific cultural values that act as constraints (Kantor, 2002). For example, the custom and tradition of patrilocal residence upon marriage, which is common in many parts of South Asia, mean parents “invest less in daughters’ human capital as they will not directly gain from it” (Kantor, 2002, p. 139). Mahmud (2011) also draws our attention to the fact that MWEs from developing countries lack financial histories of borrowing and repaying loans, as well as experience of running businesses (Mahmud, 2011). A combination of factors in developing countries, such as poverty, low levels of formal education and the low social status of women, create special challenges for women entrepreneurs (OECD, 2004), thus explaining the thesis of double and triple disadvantage.

Culture

Watts et al. (2007) argue that traditions, beliefs, values and norms developed in home country cultural settings form the basis of cultural capital, and are important, as they explain the differences in values, insights and tastes experienced by immigrants in the host country. Research suggests that culture can act as either an enabler or a barrier, depending on how it is perceived and utilized by entrepreneurs. Culturally determined features, such as dedication to work, membership of a strong social network, acceptance of risk, compliance with social value patterns, solidarity and loyalty, and orientation towards self-employment can all be linked to culture and also help explain the variations in entrepreneurship among different ethnic groups. In addition, the concept of cultural traits like thrift, hard work and reliance on family labor, in some cases acting as enablers rather than obstacles, is supported by a number of scholars (Liversage, 2009; Dhaliwal and Kangis, 2006; Kupferberg, 2003).

Research further indicates that ethnic minority businesses are trying to gain an edge over their competitors by capitalizing on cultural characteristics such as their linguistic skills, cultural knowledge and ethnic contacts (Dhaliwal and Kangis, 2006; Kupferberg, 2003).

In contrast, some authors argue that racial, linguistic, religious and cultural differences often act as an artificial wall that immigrants need to breach before they can enter the mainstream labor market (Ensign and Robinson, 2011; Roomi, 2012). There is also growing evidence about cultural norms and beliefs acting as constraints for women entrepreneurs in developing countries (Tambunan, 2009; Roomi and Parrott, 2008; Kantor, 2002). Women are subject to religious restrictions, cultural norms and practices which add to their limitations (Roomi, 2012; Roomi and Parrott, 2008). The restrictions and gender bias are deeply embedded in society and act as barriers limiting women's mobility, freedom, autonomy and career opportunities, and thus contribute towards structural inequalities within society. For example, in both Muslim and Hindu societies in the developing countries of South Asia, women are generally not encouraged by their families and community to work alongside their male counterparts, which limits their mobility, knowledge, and access to market and information (Roomi, 2012; Kantor, 2002). In most cases, the norms are created by the male-dominated society, using religion as a tool to promote males' self-interest. For instance, although the Quran (The Holy Book for Muslims) does not prevent women from working outside the home (Roomi and Parrott, 2008), the seclusion of women is the norm and is deeply embedded in most Muslim societies. Further, in the context of developing countries, Mahmud (2011) highlights the structural inequalities that women experience as both society and family are male-dominated and are not supportive of women going outside the home or moving about freely. This is further confirmed by Ahmad (2011) who contends that women in Islamic society are not welcomed in public as they are supposed to stay at home or in the private domain, thus limiting their social, political and economic opportunities.

Experiencing a new culture is challenging for both migrant men and women as it leads to acculturative stress, culture shock, homesickness, confusion about expectations in the host country, loss of support, discrimination and language barriers, all of which are explained by cultural theory. However, even in their home countries, as "women entrepreneurs do not enjoy the same opportunities as men due to a number of deep-rooted discriminatory socio-cultural values and traditions" (Roomi and Parrott, 2008, p. 59), the challenges are compounded for MWEs from developing countries who decide to start their own business and become self-employed.

Family

The traditional role of women as homemakers and the accompanying notions of sacrifice and duty to family, have long been associated with women in both developed and developing countries. The impact of ongoing feminist movements, reforms and pressures for a more egalitarian society has resulted in changes towards the empowerment of women in developed countries. The developing countries have also experienced significant legal, attitudinal, and axiological changes affecting women's status, roles and development in society (Dhawan, 2005). Yet, in a globalized context, many challenges still exist with regard to the concept of gender equality. Consequently, despite the changes, women in both developed and developing countries are still responsible for child-care and home management, and these responsibilities often lead to work and family conflict (Das, 2001). This situation is more applicable to migrant women coming from developing countries where societies are patriarchal and sexist.

Although most of the research on the topic considers "gender roles as constraints rather than enablers of women's entrepreneurship" (Leung, 2011, pp. 254-255), Leung (2011) offers an interesting perspective that women's normative gender roles have the potential to enable women to draw from the values and knowledge associated with those roles and become involved in innovative business ventures (Leung, 2011, p. 255).

Citing two cases of working mothers in Japan, Leung (2011) demonstrates how these women entrepreneurs were successful and gained recognition by creating ventures that drew on their experiences and identity as “mothers”. In addition, research also indicates that family is not necessarily a hindrance for all MWEs. For example, Dhaliwal et al. (2010) through their study of South Asian women entrepreneurs based in the UK found that family as an institution not only supported the start-up of their businesses but also provided them with monetary and other forms of support to enable them to take the risk and, thus, played an important role in the success and growth of their businesses. Family also played a crucial role in stopping the entrepreneurs from being held back due to lack of academic qualifications and training, and also served as mentors to them (Dhaliwal et al., 2010).

However, in some of the developing countries in South Asia and Africa, and in the Middle Eastern region, the notion that women have a subordinate position is so deeply embedded in culture and society that, in many cases, the women themselves do not realize that they are equal to men. In this context, changes in the concept of the role of women from homemaker to bread-winner are not easily accepted by the family or even by the community. This expectation of women’s family responsibilities – underpinned by cultural norms – acts as a major barrier for migrant women entrepreneurs to venture into their own business. In some cases, even if women overcome the attitudinal barriers in their family and community they are still responsible for child-care and home management, which leads to work and family conflict.

Research indicates that tension between personal life and career is a major problem for women. Past research shows that women entrepreneurs’ partners were generally not very supportive of their wives’ involvement in business, and expected them to be engaged in household duties, regardless of the demands of their business (Das, 2001; Goffee and Scase, 1985). Kantor (2002) also confirms the sexual division of labor in homes to be common in South Asian countries, where women were found to work a double day (at home and at work), unlike their partners who focused on their work and contributed very little to the running of the household. More recently, Collins and Low (2010) also found that the majority of the Asian female immigrants in their study, whether married and living with spouses or unmarried, were responsible for looking after the family in terms of the household chores such as cooking and house cleaning, while at the same time attending to their businesses. This scenario mainly applies to MWEs from developing countries for a number of reasons, and can be further explained by the thesis of triple disadvantage. First, they lack human capital compared to their counterparts from developed countries, which makes them dependent on their partners and, second, due to socio-cultural expectations, they find it difficult to move away from a family strategy to an independence strategy, unlike their counterparts from developed countries.

Institutional factors

Mixed embeddedness theory suggests that the structures of the home country economy and legal-institutional factors greatly influence the creation and existence of immigrant businesses (Volery, 2007). According to Volery (2007, p. 35), the concept of mixed embeddedness “recognizes that the structures of a local economy and legal-institutional factors exert a strong influence on the creation and existence of the small business economy in general”. The concept of mixed embeddedness incorporates the nature of linkages between migrant entrepreneurs and the economic and institutional context of the host society (Kloosterman et al., 1999). It can be argued, therefore, that the concept of mixed embeddedness is closely related to the institutional environment of a country, as “firms are embedded in a broad set of political and economic institutions that affect their behaviour” (Campbell, 2007, p. 948).

The thesis of triple disadvantage can be explained to a large extent by mixed embeddedness theory. Immigrant entrepreneurs from developing countries face significant contextual variations when setting up businesses in developed economies. This is due to their previous exposure and operations in a social and institutional environment in home countries where the regulatory frameworks and the formal legal institutions are not strong enough. There is lower and limited compliance with voluntary standards, codes of conduct and enforcement of regulations (Azmat and Zutshi, 2012) and, as a result, they depend largely on informal practices. These entrepreneurs, therefore, face problems starting a business and adapting to the social and institutional environments of the host country, which require strict adherence to law, regulations and enforcement. These problems are even greater for MWEs because of their dependence on men, their lack of mobility, experience, human capital and family support, as discussed earlier. This is also confirmed by Dhaliwal and Kangis (2006) who report that Asian women, in particular, face cultural and family barriers and do not have the same access to finance as men.

Gender

The problems of women are not just limited to developing countries; they are a global phenomenon, but are more pronounced in developing countries. Women worldwide face a “glass ceiling” to varying degrees in

organizations (Heilbrunn, 2004) in both developed and developing countries. Consequently, women are increasingly turning to entrepreneurship as a way of coping with the “glass ceiling” that seems to prevent them from reaching top managerial levels in organizations (Das, 2001). Despite the ongoing reforms in developing countries, women remain far behind men in “enjoying freedom and other basic human rights, let alone participating with men on an equal footing in economic activities” (Tambunan, 2009, p. 13). The literature on migrant entrepreneurs contends that migrants face certain disadvantages such as lack of experience, local knowledge, language fluency, capital and access to information, which restrict their employment opportunities in the mainstream labor market (Dhaliwal et al., 2010; Liversage, 2009). These disadvantages mean they accept jobs of lower status and low pay (Liversage, 2009), thus suffering occupational costs which are greater for women than for men (Rajiman and Semyonov, 1997). The problems faced by MWEs on the basis of their gender are best explained by the double disadvantage thesis articulated by Boyd (1984, pp. 1092-1093):

[. . .] sex adds another dimension to the stratification of immigrants within the workplace and within the larger society. In addition to the status of being a migrant, immigrant women experience additional difficulties in the labor force as women [. . .] Overall, the position of immigrant women in the labor force can be understood as reflecting the combined impact of sex and birthplace or the “double negative” effect.

Carter and Shaw (2006) further report that in addition to gender-related barriers, women face more economic, structural and cultural barriers imposed by society and work. Referring to women entrepreneurs in the Middle Eastern and North African regions, Ahmad (2011, p. 129) discusses the different problems faced by these entrepreneurs, which include:

[. . .] gender biases, family responsibilities, political instability, poor infrastructure, high-production costs, poor access to market information, limited access to technology and finances, poor linkages with support services and a generally unfavourable business environment.

Some of these problems such as family obligations and gender biases are a result of prevailing cultural norms and beliefs, as discussed earlier. Similarly, research further suggests that immigrant women face additional disadvantages in the labor market, when compared with men (Liversage, 2009). This can result from several factors such as the limited employment opportunities available to women (Sullivan, 1984; Roomi and Parrott, 2008), greater difficulties in acquiring venture capital, lack of financial resources and skills (Aldrich, 1989) and fewer informal support systems and networks (Dhaliwal et al., 2010; DeWine and Casbolt, 1983). These gender-specific challenges in most cases cause women, regardless of their ethnicity and origin, to venture into women-specific industries such as child-care, retailing, manufacturing and teaching, which limits their career opportunities.

In addition, research also indicates that constraints associated with commitment to traditional family roles and responsibilities are especially pronounced among immigrant women. DeCarlo and Lyons (1979), through their empirical study, comparatively analysed white and minority business women entrepreneurs and found that minority women entrepreneurs tended to be more disadvantaged than their white peers. Similarly, an empirical study by Inman (1999) comparing minority and white women owning service-oriented businesses, showed that minority women were more likely to be motivated by their limited options in the main stream labor market, and faced greater problems in acquiring financial and other resources for their businesses than their white counterparts. Research also confirms that Arab women in Israel suffer from double disadvantage, first as women and, second, as members of a national minority (Heilbrunn and Abu-asbah, 2011).

Although gender creates challenges, recent research suggests that it can also act as an enabler of women’s entrepreneurship (Leung, 2011). As discussed earlier, MWEs can utilize and leverage their gender roles, the value and knowledge associated with these roles and gender characteristics to their advantage to facilitate their entrepreneurship endeavours (Leung, 2011).

Social capital

Research suggests that due to socio-cultural barriers and lack of mobility, MWEs develop poor social networks compared to their male counterparts (Dhaliwal et al., 2010) which can be explained by cultural theory as well as the thesis of double and triple disadvantage. Research further indicates that women entrepreneurs, both migrant and non-migrant, are more likely to use informal rather than formal business networks (Heilbrunn and Abu-asbah, 2011; Collins and Low, 2010). The use of social capital can either act as a barrier or an enabler for MWEs. The reliance on informal networks prevents MWEs from having meaningful exchanges within business

networks, thus limiting their opportunities to gain access to finance and other resources for the development and growth of businesses (Roomi, 2012). On the contrary, it is also argued that building and using social capital in an appropriate way has the potential to facilitate women’s entrepreneurial activity by identifying potential opportunities and niche markets, attracting clients, customers, suppliers, investors and reducing transaction costs (Roomi, 2012; Ensign and Robinson, 2011).

In summary, it can be concluded that compared to men migrant women entrepreneurs are likely to have poor social networks. Further, they mostly use informal networks – family, friends, ethnic and kinship ties – to support and develop their business rather than formal business networks. Although the use of informal networks is extremely important for these entrepreneurs, it prevents them from entering the mainstream market and from being socially included in mainstream society. The reliance on informal networks by migrant women entrepreneurs can mainly be explained by a number of factors which include culturally rooted constraints, gender seclusion, family commitments and lack of human capital, all of which limit their access to and participation in formal business networks.

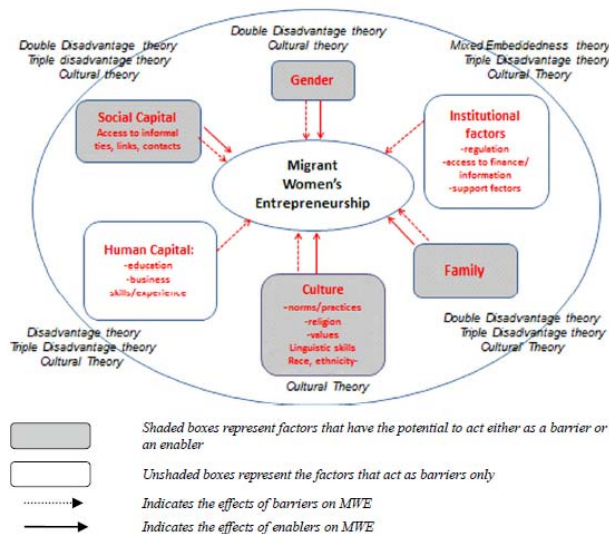
Discussion

This paper has explored possible barriers (and their potential to act as enabling factors) for MWEs, particularly those from developing countries starting businesses in developed economies. Relevant theoretical explanations have also been provided. The following section presents a theoretical framework that outlines the possible barriers or enablers faced by MWEs in their entrepreneurship endeavours.

The framework in Figure 1 outlines a number of possible barriers – human capital, culture, family, institutional factors, gender and social capital – explained by different theories, that challenge migrant women entrepreneurs. The framework also indicates the barriers that have the potential to carry out a dual role – working either as a barrier or an enabler (Figure 1).

Although research suggests that gender, culture, family, and social capital act as barriers for MWEs, more recent research indicates that women entrepreneurs are using these barriers to their advantage. Hence, these barriers also have the potential to act as enablers to facilitate entrepreneurship depending on how they are perceived and utilized by the entrepreneurs. For example, although past research has repeatedly confirmed that family obligations act as barriers for MWEs (Collins and Low, 2010; Liversage, 2009; Das, 2001), in their empirical study of South Asian women entrepreneurs in the UK, Dhaliwal et al. (2010) report that family played a crucial role in supporting women entrepreneurs starting up an entrepreneurial enterprise by helping them with finance and moral support. Similarly, Leung (2011) based on an empirical study on Japanese women entrepreneurs, reports how gender role identity has been a core element driving female entrepreneurship. The strong identification of the women with their family roles, in particular their role as mothers, has driven Japanese women into the entrepreneurial process. Moreover, their strong gender role identity is also “reflected in the identity of the ventures, the products and services provided by these ventures, and their organizational structure and practices” (Leung, 2011, p. 254).

Figure 1. A framework showing the possible barriers or enablers faced by migrant women entrepreneurs



In a similar way, culture can also play the dual role of enabler and barrier for MWEs. Cultural characteristics like hard labor, thrift, and reliance on family labor have supported MWEs when starting their ventures (Dhaliwal and Kangis, 2006; Kupferberg, 2003) but, at the same time, they can also create barriers through socio-cultural norms, religious beliefs and racial factors (Roomi, 2012; Ensign and Robinson, 2011). Likewise, social capital, if poorly developed, prevents MWEs from participating in exchanges within business networks, thus limiting their opportunities to access finance and other resources (Roomi, 2012). However, if developed appropriately, social capital helps and supports MWEs to start their business, to identify potential opportunities and niche markets, and reduces transaction costs (Ensign and Robinson, 2011).

The findings of this paper reinforce earlier studies that migrant women entrepreneurs are not a homogenous group (Collins and Low, 2010; OECD, 2004). They differ across a number of dimensions such as age, education, ethnicity, experience, skills, and so on. For example, contrary to common belief, some women entrepreneurs from developing countries are well-educated, have skills and experience, and a removing away from a family strategy to one of independence as they venture into their businesses.

As migrant women entrepreneurs from developing countries are a heterogeneous group, they face different and multi-faceted problems; first as women, second as migrants, and third as women from developing countries, thus confirming the theses of double and triple disadvantage. The notions of “double” and “triple” disadvantage are important to an understanding of migrant women’s entrepreneurship, as they explain the many barriers faced by the entrepreneurs, as well as the reasons for their entrepreneurial activity lagging behind that of their male counterparts. As discussed above, although the barriers MWEs face can be explained by several entrepreneurship theories, namely, disadvantage, mixed embeddedness, double and triple disadvantage, the findings highlight the dominating and overarching role of underlying cultural factors such as beliefs, norms and traditions, as explained by cultural theory. As shown in Figure 1, all the barriers faced by MWEs from developing countries can be explained by underlying cultural beliefs, norms and practices.

This study offers several important contributions to the entrepreneurship literature. First, it adds to the evolving research on migrant women’s entrepreneurship by focusing on an under-researched yet important topic. Despite their growing numbers, MWEs as a group are relatively invisible and marginalized in the entrepreneurship literature (OECD, 2004; Collins and Low, 2010). There is a small but emerging body of literature on MWEs, their development and the main constraints in the context of developing countries (Roomi and Parrott, 2008; Mahmud, 2011; Tambunan, 2009). The literature, however, remains relatively silent on the problems/challenges faced by MWEs from developing countries who settle in developed countries and start their own businesses. This is despite indications that their numbers are increasing in developed nations (OECD, 2004), and that they are making an increasingly important contribution to the socio-economic development of their host country. This paper addresses the void in the literature and adds to the emerging literature on MWEs, particularly those from developing countries.

Second, the core theoretical contribution of this paper is to identify and theorize the barriers or enablers faced by this marginalized group of women. This paper is the first of its kind to provide a more balanced and holistic view of MWEs by focusing on both barriers and enablers. Although previous studies have focused on barriers, no study to date has explored whether the barriers also have the potential to act as enablers, nor has a framework been developed identifying the possible barriers or enablers with appropriate theoretical explanations. Finally, given the limited literature on MWEs, this paper makes a significant contribution to two different but important inter-related discourses on gender and migrant entrepreneurship.

Conclusion

The paper contributes to our understanding of the phenomenon of MWE in multiple ways. First, it develops a framework that provides insights into the different barriers faced by MWEs. Moreover, it is the first study of its kind to take a balanced view by exploring whether any of these barriers have a dual role, and can act as both enabler and barrier (Figure 1). Second, the framework also provides a theoretical explanation of the barriers or enablers, which not only helps in gaining a better understanding of the challenges that migrant women entrepreneurs face, but also serves as a guide to overcome these challenges by viewing them as enablers.

The paper, therefore, offers implications for policymakers, researchers and women entrepreneurs.

Understanding the problems, as explained by theory, is important for effective policy formulation and implementation to address barriers. As MWEs are a heterogeneous group differing in age, culture, religion, access to resources, education qualifications and experiences, a one-size-fits-all approach might not be effective for everyone. Policies, therefore, need to be customized to benefit this diverse group, warranting a needs-based approach. Based on needs, policies could be designed in relation to the development of MWE’s human capital and the provision of knowledge on access to credit, use of technology, local culture and institutional factors in the host country, through short training programs, language and orientation courses. In

addition, again, based on needs, “women only” facilities – training and educational programs – could be developed to cater for migrant women entrepreneurs, especially those who are restricted by their cultural norms and religious beliefs. Further, there is also a need to have affordable child-care and day care facilities that MWEs can access if needed. The findings of this paper confirm the position of unique cultural values, beliefs and traditions as the underlying reasons for all the barriers faced by MWEs. The challenge for government, therefore, is to create effective policies for MWEs while remaining sensitive and respectful to their culture and beliefs. Such policies are needed to facilitate their growth and to strengthen and create a socially inclusive society.

The paper also highlights implications for migrant women entrepreneurs. Rather than viewing the barriers as one-sided constraints, entrepreneurs can leverage their gender role identities, their culture, social capital and families as enablers to facilitate businesses that “represent a fit to their identity” (Leung, 2011, p. 254) as mothers, migrants, and entrepreneurs. This paper, therefore, suggests the concept of “fitting in” on the part of migrant women entrepreneurs to help them view the barriers as enablers.

There are limitations in the paper that could be addressed in future work. First, given the diversity of migrant women entrepreneurs and the various cultural, legal and institutional differences they face in a host country, it is difficult to identify all of the possible barriers or enablers in a single framework and to understand their complexity. Nevertheless, the paper, through its theoretical explanation, provides useful insights into the possible barriers or enablers for MWEs that, to date, have been under-researched, and lays the foundation for future research. Second, this is a theoretical paper, therefore, there is a need for empirical research to test this framework and its various dimensions. Research also needs to be carried out to explore whether other barriers, apart from those mentioned here, can also act as enablers. Despite the limitations, the paper provides insights into the barriers, along with their theoretical explanation, that MWEs face. In so doing, this research has reinforced the strategic significance of key barriers and their dual roles of acting either as barriers or enablers. This paper has also highlighted the overarching role of cultural factors and the significance of a needs-based approach for designing customised policies for MWEs. Finally, implications for policy planning and some suggestions for future research have been presented.

Note

1. The South Asian region is comprised of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

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