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How refugee entrepreneurs thrive in European host countries: The interplay of individual, motivational and environmental factors

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A thesis submitted in partial fulfilment
of the requirements for the degree of
Doctor of Philosophy

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DECLARATION OF ORIGINALITY

I confirm that the work presented in this thesis is my own. Where information has been derived from other sources, this has been indicated by appropriate author citations.

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ABSTRACT

Refugees bring with them their skills, abilities, and, to a lesser extent, financial and social capital to host countries. Those who intend to transfer these means into their own businesses will encounter a series of obstacles. Being a refugee poses unique challenges for them in terms of legislation, ecosystem, economics, and public policy. Therefore, refugee entrepreneurs often require tailored support to navigate their enterprises and overcome challenges in their new environment. Given an empowering environment and appropriate individual characteristics, refugees have the potential to regain their self-sufficiency and benefit individuals, society, and the economy in host countries through entrepreneurship.

This research seeks to investigate how the interplay of individual and environmental factors affects refugee entrepreneurship in urban settings. It also examines the outcomes of refugee enterprises in terms of their economic and social impact on the entrepreneurs, refugee communities, their host country, and wider society. The analysis is based on semi-structured interviews with entrepreneurs and Refugee Entrepreneurship Program (REP) practitioners, documents provided by REPs, non-governmental organizations (NGOs), and governments, and field notes. The three countries selected for the study (the United Kingdom, Germany, and the Netherlands) have distinct migration patterns, entrepreneurship policies, and ecosystems, but they are all at the heart of Europe's refugee situation. Their geographic and economic similarities allowed for a comprehensive analysis.

Building on the mixed embeddedness (Kloosterman et al., 1999) and motivation theories, combines the individual, motivational, and environmental factors influencing refugee entrepreneurship in a new conceptual framework. It provides new insight into refugee-led innovation by offering a multicultural blend approach, as well as refugee entrepreneurs' motivations by introducing four new motivation models. Key findings include the role of local co-founders, access to finance and tailored support in refugees' entrepreneurial development.

Key words: refugee entrepreneurship, refugee, entrepreneurship, mixed embeddedness, entrepreneurial motivation, entrepreneurship support, entrepreneurship ecosystem, innovation, immigrant entrepreneurship

ABBREVIATIONS

CFE: Centre for Entrepreneurs, UK

CIS: Community Innovation Survey, carried out by Eurostat for the EU

EU: European Union

GRE: Global Refugee Entrepreneurship

MENA: the Middle East and North Africa

REN: Refugee Entrepreneurship Network

REP: Refugee Entrepreneurship Programme (*There are similar support programmes in all the three countries covered in this study. They are all considered under REPs.*)

RF: Refugees Forward Incubator

RIN: Refugee Investment Network

TERN: The Entrepreneurial Network

UN: United Nations

UNHCR: The United Nations High Commissioner for Refugees

VC: Venture Capital

1. INTRODUCTION

1.1. European Refugee Situation and the “Burden”

Immigration has been an important dynamic affecting the socio-economic conditions of countries globally. In 2015, the Syrian conflict led to a great refugee situation, identified as “The European Migration Crisis” or “The Mediterranean Migration Crisis” widely, causing the arrival of over one million migrants and refugees in Europe and substantial political debates between European countries and the neighbouring countries (UNHCR, 2015). This situation is called the “European Refugee Situation” throughout this study, as Archibugi et al. (2019) suggested that the situation is not a crisis about the number of refugees, but rather about the mismanagement of the migration influxes by the European states.

The unprecedented influx in 2015 was three to four times more than the influx in 2014 (UNHCR, 2015). In the last decade, the exodus of more than 6.7 million people from Syria alone, not to mention other conflict zones, has resulted in one of the largest humanitarian crises of all times, with significant consequences across many countries in the Middle East, Europe, and beyond. Most Syrians have fled to neighbouring countries —primarily Turkey, hosting 3.5 million Syrians, followed by Jordan (1.8 million Syrians) and Lebanon (1.5 million Syrians) (Eurostat, 2016). As a result of Germany’s open-door policy in 2015, over one million refugees have arrived in Germany in the past five years, by far the highest number in Europe (Trauner, 2016).

Many believe that hosting a great number of refugees is a heavy burden on host country economies and that refugees are a drain on services and competition for employment. In fact, the economic outcomes of refugee intake are manifold, and they depend on various dynamics. On an individual level, economic migrants can choose –with the constraints of host nations’ legislations– their destination to maximise employment outcomes, while refugees’ main aim is to survive and secure personal safety. Consequently, refugees usually end up not being able to plan and afford a living in the short term due to lack of capital and documents that they had to leave behind, difficulty in transferring job qualifications, language barriers, legal constraints, high entry criteria in legal jobs and illegal labour market with lower wages (Kaptaner, 2020). Also, the more they remain unemployed, the more they rely on social assistance, putting a strain on host countries’ social welfare systems.

However, it is also widely argued that refugees, with their keen perception of risk, conscientiousness, and desire for achievement and recognition of opportunities, are prone to be entrepreneurial, as recognised globally (UNCTAD, 2018). For instance, Syrian refugees have invested almost \$334 million into the Turkish economy from 2011 to 2017, with more than 15,000 Syrian-owned enterprises employing an average of 9.4 workers (Ucak et al., 2017). Many Syrian entrepreneurs in Turkey are planning to become serial entrepreneurs, as more than a third works on launching another business in Turkey (Karasapan, 2017). Even if the war ends, more than 75 per cent of Syrian business owners want to keep their businesses up and running in Turkey while also expanding into Syria (Karasapan, 2017). However, the entrepreneurship rate among Syrians in Turkey is still meagre at 1.2 per cent (Bayram, 2018). These insights show that refugees have the potential to make a positive economic impact on host countries through entrepreneurship, and such economic benefits can be retained even after they return to their country of origin. Yet, this potential remains unfulfilled due to legal and systematic barriers.

Despite bringing their skills, abilities, and (to some extent) financial and social capital to the host countries, various challenges await entrepreneurial refugees regarding legal frameworks, business culture, and market conditions. Furthermore, refugee entrepreneurs often require tailored support to navigate their businesses and overcome the challenges in the new environment. I argue that, given the suitable environment, refugees can not only survive the huge crisis they have been through, but also reclaim their self-sufficiency and contribute to the lives of others through engaging in entrepreneurial activity.

Besides the popularity of investigating the economic effects of immigrants and refugees on host countries –more often the costs, government expenditure, job market integration, etc.– in a broader sense, researching refugee entrepreneurship has attracted less attention. Although the phenomenon started to get more attractive for researchers in the meantime this work has begun, there is still not much in-depth research with original findings about the situatedness of refugee entrepreneurs in European context, where the future of a refugee generation lies. Therefore, I aim to investigate how refugee entrepreneurship is enabled within different urban settings in Europe, namely in the UK, Germany, and the Netherlands, and develop a better understanding on how to improve the circumstances in these countries.

The selected countries have different migration patterns, business cultures, and policies for the entrepreneurial activities of refugees, and they are all at the heart of the European

Refugee Situation. On the other hand, their similarities in geography and economic welfare make a meaningful comparative analysis possible. By comparing the circumstances of entrepreneurs in these countries, I hope to demonstrate how the outcomes of refugees' entrepreneurial activities depend on environmental factors, and which factors are more crucial for their entrepreneurial development. Exploring and understanding the dynamics of the refugee entrepreneurship ecosystem in these countries will shed light on the potential and needs of entrepreneurial refugees in Europe and beyond.

As wars and persecution have driven more people from their homes than at any time (Edwards, 2016), I believe that the society, authorities and academia must see the potential of these people to become economically self-reliant, to build innovative businesses, and to contribute to the economy and society of the host countries by becoming entrepreneurs. Hence, my research seeks to show how displaced people become a thread in the social and economic fabric of the hosting nations, especially through entrepreneurship.

1.2. Research Objectives and Questions

For an in-depth understanding and analysis of the phenomena, this thesis addresses three main research questions. The first one is:

RQ1: “What are the individual factors that enable refugees to become entrepreneurs? To what extent they can exploit these factors in European context?”

Seeking to answer this research question includes studying refugee entrepreneurs' demographics, education levels, previous experiences, social capital, financial capital, personality traits and motivations and the effects of these variables on their entrepreneurial journey.

The second research question is:

RQ2: “What affects refugee entrepreneurship in urban settings in Europe? To what extent does the current environment enable refugee entrepreneurship?”

Within the scope of this question, the opportunities and challenges for refugee entrepreneurs regarding environmental and institutional differences in the host countries (such as immigration policies, legal frameworks, business culture, market conditions, financial resources, available support schemes, etc.) are investigated.

The third research question is:

RQ3: “What are the economic and non-economic outcomes of refugee entrepreneurship, and what are the effects of these outcomes on the business

environment and wider society in the host countries as well as on a personal level for the entrepreneurs?”

This question aims to examine the outcomes of refugees' entrepreneurial activities in terms of how they create value and jobs, how they contribute to society and their own personal development and well-being, and how they engage in innovation contingent on (RQ2) the host country environment they are embedded into, and (RQ1) their personal background and characteristics. The responses to the first two research questions feed into the third, as this study attempts to explain refugees' entrepreneurial outcomes based on the inputs (i.e. personal and environmental factors).

As the research questions require more of an exploratory approach to gain profound insight into the experiences of refugee entrepreneurs, the study adopted a qualitative methodology for answering them. Selected qualitative methods are helpful to understand how refugee entrepreneurs join and to what extent they are welcome in the entrepreneurial ecosystems of host countries. Also, it is more feasible than aiming to have a representative sample by using quantitative methods, considering the difficulty of reaching out to the community of refugee entrepreneurs in different countries due to their vulnerable, private (closed), and reluctant nature.

In this sense, semi-structured interviews are conducted with refugee entrepreneurs, their business partners, and managers of support programmes (Refugee Entrepreneurship Programmes: REPs) in each country. Additionally, relevant documents of REPs (impact reports, marketing materials, blogs, etc.) and participant observation from REP events (pitch competitions, conferences, launching events, panels, etc.) are included in the analysis. Personal backgrounds and relationships of refugee entrepreneurs are examined as part of RQ1, and the environment of each country is assessed in terms of the variables defined as part of RQ2. Hence, this study will demonstrate how the host country environment is and can be enabling or hindering for refugee entrepreneurs to set up and grow their businesses, and how refugees can contribute to host country economies, business/entrepreneurship ecosystems, wider society, and their personal development by becoming entrepreneurs (RQ3).

1.3. Definitions of Key Terms

Before investigating the main theoretical frameworks and previous studies in refugee entrepreneurship literature, it is crucial to look at the definition of “refugee”,

“entrepreneur”, and “innovation”. Each of these terms has been a matter of debate and analysis in different contexts. This section examines such terms in order to establish relationships between them and clarify how they are used throughout the dissertation.

1.3.1. Immigrant, Forced Migrant, Refugee: Newcomer?

In the 1951 Convention, the United Nations (UN) has defined a refugee as someone who:

“... owing to well-founded fear of being persecuted for reason of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.” (The United Nations High Commissioner for Refugees [UNHCR], 2010, p.14)

UN definition is widely recognised regarding the status of refugees. As the focus of this definition is on the purpose of displacement, it does not specify the legal status of those who flee a country. Yet, legal status is also an important aspect to investigate how different legal affairs enable and disable the entrepreneurial activities of displaced persons in order to reach the aim of comparing the factors affecting them in different countries. All legal statuses that a refugee can get in Europe are introduced below.

Looking at the qualifications for international protection described in the Refugee Law and Policy statement of the European Union (EU) (2016), there are four legal statuses that a displaced person can be present in EU countries: asylum seeker, subsidiary protection, temporary protection, and refugee status. It is stated in this document that applicants can be granted *Refugee Status* if they have been subjected, or may be subjected, to persecution or harm related to their race, religion, nationality, or membership in a particular social group. Refugee status generally comes with a residence permit valid for three years (five years in the UK, permanent residence right in Sweden), which can be renewed. Those seekers of international protection that do not comply with the criteria to obtain refugee status can be granted *Subsidiary Protection Status* for at least one year, provided they face a “real risk of suffering serious harm” if they return to their country of origin. *Subsidiary Protection Status* offers similar rights to refugee status, but this may differ from country to country.

Another legal status in the EU that can be granted is the *Temporary Protection Status* in the case of the arrival of a significant population of displaced persons who are not able to return to their countries of origin due to armed conflict or endemic violence, or have been the victims of, “systematic or generalised violations of their human rights”. Displaced persons can stay in the EU for one year under temporary protection. *Temporary Protection Status* is quite similar to *Subsidiary Protection Status*. However, it can only be extended to a maximum of an additional year, while *Subsidiary Protection Status* can usually be renewed for up to three years (European Union [EU], 2016).

The process to obtain legal status for a displaced person usually starts with an asylum application, except for persons accepted to the countries before they arrive in the country, e.g., through Vulnerable Persons Resettlement Scheme (VPRS) (UK Home Office, 2017). An asylum seeker is a person whose application for protection has not been processed yet (UNHCR, 2014). National systems and authorities manage the process in order to determine the eligibility of asylum seekers for international protection. Thus, the processing times and conditions differ significantly between countries, from a few months to several years. The number of asylum applications peaked in 2015 as 1.32 Million people have applied in the EU. Moreover, 1.2 million people applied for asylum in the EU only in 2016. 366 thousand asylum seekers are granted refugee status, as 258 thousand are given subsidiary protection (Eurostat, 2016).

Over two-thirds of all refugees worldwide live in the cities, and they are called *urban refugees* (UNHCR, 2015). Usually, more refugees are residing in the capital cities. For instance, the number of refugees in Berlin has twice as many refugees per square kilometre (61,84) as Hamburg that hosts the second greatest proportion of refugees (36,57) in Germany (Katz et al., 2016). Urban refugees are the main focus of this research, as cities provide a better ground to answer the research questions by offering more education and skills development opportunities, accommodating many ethnic communities accessible to researchers, being innovation hubs, and being centres for entrepreneurial ecosystems. Also, refugee entrepreneurs who reside in big cities appear to have good English skills and to be open to communication.

In the Netherlands and Germany, the term “newcomer” is widely used instead of refugee. In Germany, it is more commonly recognised by pro-refugee organisations and communities. However, it is not limited to such networks in the Netherlands where even municipalities refer to refugees as newcomers. It is remarkable to observe debates around

the term “refugee” and how the society developed a new vocabulary in an attempt to come up with a more positive and inclusive term.

It is worth mentioning that some countries tailored special statuses and processes for different migration routes, e.g., family-based or skill-based, which might be exploited by displaced people who fit the criteria. For instance, a high skilled person who lives in a country where conflicts force them to flee the country might seek skill-based or economic migration pathways if available to them. Decision times for different types of applications may vary. In this sense, Scheel and Squire (2014) pointed out that it is not possible to distinguish forced migration from voluntary migration; and economic determinants from political determinants of mobility as contemporary scholarship in the field has reached a consensus on. As Fiddian-Qasmiyeh et al. (2014) argued, the reality of displacement is multidimensional. Hence, restricted definitions of “being a refugee” are elusive.

Considering the aim and the target sample of this thesis, anyone who faces the challenges of not being able to bring financial and social capital to the destination country and who arrived and stayed in the country with different visas but cannot go back to their home country due to fear of prosecution are included in the research. Therefore, this study used the term “refugee” for its participants, which consist of (i) displaced persons who have legal status, (ii) asylum seekers in the country of asylum, and (iii) people who cannot go back to their country due to valid fear of persecution, regardless of their legal status. The validity of the fear might be debatable for different countries. However, as the sample only consists of Syrian entrepreneurs in that category (iii), it is indisputable that the fear is valid. By following this approach, the study includes all statuses that a refugee can reside in Europe.

1.3.2. A Rocky Road: Refugee Entrepreneurship

Until the 1950s, the majority of entrepreneurship definitions and references had come from economists. For instance, Joseph Alois Schumpeter (1934) always discussed entrepreneurship along with its impact on economic development. Various definitions have emerged in the literature since then. Some examples can be underlined as follows.

“Entrepreneurship... consists in doing things that are not generally done in the ordinary course of business routine; it is essentially a phenomenon that comes under the wider aspect of leadership.” (Schumpeter, 1951). This definition highlights the pioneering dimension of the phenomenon. Cole (1959) defined entrepreneurship as a process which “constitutes a bridge between society as a whole, especially the non-economic aspects of that society, and

the profit-oriented institutions established to take advantage of its economic endowments and to satisfy, as best they can, its economic desires.” It is remarkable that Cole (1959) highlighted the contribution of entrepreneurship to social cohesion, in addition to economic development.

Kuratko (2016) pointed out the requirements of “an application of energy and passion toward the creation and implementation of innovative ideas and creative solutions” and “the fundamental skill of building a solid business plan and the vision to recognize opportunity where others see chaos, contradiction and confusion” to become an entrepreneur. Furthermore, Shapero (1975) suggested that we cannot discuss entrepreneurship without taking into account three primary behaviours: (i) taking initiative, (ii) repeatedly organizing socio-economic mechanisms for translating resources and circumstances into practical account, and (iii) the acceptance of risk of failure. Similarly, Ronstadt (1984) had argued that entrepreneurship is a dynamic process of creating incremental wealth through the allocation of necessary resources and skills by individuals who “assume the major risks in terms of equity, time, and/or career commitment of providing value for some product or service.”

A refugee evidently has to overcome more obstacles than taking financial risks; they usually face more legal, social, and economic barriers than the local community members in a country. Pawle (2018) also stated that refugees face unique cultural, financial, and legal barriers in the host countries. Their common virtues are courage, resilience, and perseverance –which are among key entrepreneurship traits. For some refugees, determination through the asylum process and during their times at refugee camp improves and strengthens their entrepreneurial capabilities and leads them to self-employment if the business environment, entrepreneurship ecosystem, and relevant institutions allow them.

In the 1951 Convention of UN, articles 17 - 19 protected the right to work, including self-employment, for “lawfully staying” refugees (i.e. granted status and are holding temporary or permanent residence permits) and asylum seekers. This right is defined to be on the same conditions which apply to the most favoured foreign nationals in the same circumstances in the country of asylum (UNHCR, 2019a). However, these rights are not protected in all countries, especially for asylum seekers. According to the Refugee Law and Policy of EU (2016), being granted a refugee status, one gets the right to be employed or self-employed (i.e. work, become an entrepreneur), and conditions may change according to the member states as:

“Member States must authorize refugees and those with subsidiary protection status access to be employed or self-employed, subject to rules generally applicable to the profession and to public service, immediately after they are granted refugee status. Refugees must be paid in accordance with the applicable laws on remuneration and have access to social security systems relating to employed or self-employed activities and other conditions of employment.”

This means refugees typically have permission to work in an EU country for three years – valid for the duration of their residence permit– which is extendable (European Migration Network [EMN], 2016; Konle-Seidl & Bolits, 2016). In the UK, refugees are provided with an unrestricted work permit for five years (The Refugee Council, 2014). Asylum seekers usually do not get work permits in the EU countries immediately, and they are left in limbo for up to a period that might take several years until they are granted a legal refugee status or another form of leave. However, they are typically given a restricted work permit after three to 12 months from their asylum application submission, depending on the country and conditions (EMN, 2019). For example, asylum seekers can obtain the right to work in Sweden just by providing their identity papers (Swedish Migration Agency, 2018), while they are allowed to work only at particular jobs on the shortage occupation list after 12 months from filing their asylum application in the UK (EMN, 2019). In the UK, if you have been holding another form of leave that allows you to work, and you applied for asylum while the previous leave is still valid, you must be allowed to continue to work. Yet, in practice, this is not the case for the majority of asylum seekers, as the UK Government also admits (UK Home Office, 2014).

Refugees need to have the right to work in host countries to sustain their lives, obtain self-reliance and become an integral part of society. The obstacles like the lengthy asylum application processes, bureaucratic issues, lack of access to information, unrecognized skills/education, and language barriers may deprive or deter them from doing so. Another interesting aspect about this issue is that some refugees decide to become entrepreneurs as they cannot find opportunities in the labour market due to such obstacles. In contrast, others want to become self-employed because of their previous entrepreneurship experience or aspirations.

1.3.3. *Refugee Innovation*

Implementation of new ideas in order to make improvements to existing processes, products, or systems, as well as to create new solutions to problems, have led to the

development of societies throughout history. According to Schumpeter, “carrying out innovations is the only function which is fundamental in history” (Schumpeter, 1939). In this context, innovation has always been part of human life, as in having ideas, implementing them, and developing new methods, practices or improving existing ways of doing things (Godin, 2008). There have been several theories, models, and frameworks that explain innovation in the literature. Looking at the different components that make up the innovation term, attempts have been made to come up with a unified definition that could bring clarity and a single purpose around the term (Taylor, 2017). Still, such an approach would be limiting the richness of debates and studies about innovation.

Although innovation has been defined in numerous ways, for this research, it is found appropriate to adopt the definition of Community Innovation Survey (CIS) conducted by Eurostat and covering EU member countries, which is “the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations.” (OECD, 2005). This definition encompasses any improvements about the business, including incremental changes in the processes around it. Another definition of innovation that follows and explains CIS’s approach is “the creation and implementation of new processes, products, services and methods of delivery which result in significant improvements in outcomes, efficiency, effectiveness or quality” from Mulgan and Albury (2003). These definitions can help understand what I mean while discussing the innovativeness of an enterprise in the sample throughout this thesis. Defining innovation in the context of refugee entrepreneurship is important because it means *newcomers* adding new elements to business practices, engaging in creative problem solving, adopting new methods and processes that can inspire others, and thus, contributing to the entrepreneurship ecosystem in the host country and beyond.

In addition to the CIS definition, it is reasonable to look at several other definitions to elaborate on the concept of innovation. Complementary to the CIS definition, the purpose and outcomes of innovation have been highlighted in different definitions. For instance, “...in order to advance, compete and differentiate themselves successfully in their marketplace” points at the purpose of innovation (Baregheh et al., 2009, p. 1334). Whereas, “...turns an idea into value for the customer and results in sustainable profit for the enterprise” (Carlson & Wilmot, 2006, p. 4), “...that deliver new customer value in the marketplace” (Keathley et al., 2013) and “creating user and provider value” (Kumar, 2012,

p. 1) are expressions that emphasise the outcomes of innovation. Another definition that focuses on the practical application of ideas suggests that “Innovation is the process by which new ideas turn into practical value in the world” (NESTA, 2012). These dimensions of innovation are taken into account and discussed while examining how refugee entrepreneurs who participated in this research innovate while creating solutions.

Furthermore, in the Refugee Innovations research by Betts, Bloom, and Weaver (2015), innovation is defined as the introduction of “new solutions to existing problems” by organisations or individuals, and consequently, the creation of change through these solutions. These solutions are not necessarily technological or progressive, yet they can involve “creative problem-solving, adapting products and processes to address challenges and create opportunities.” Along with the CIS definition of innovation, Betts et al.’s (2015) definition is also recalled during the research.

Refugees may engage in innovation in different contexts in order to make their way out of a crisis, to adapt to a new environment, to improve their lives, to create jobs for others, or to make better use of the resources, networks, and markets that they can access. This process does not occur in isolation. It is affected by social connections, the wider environment, and regulations regarding how they create barriers and opportunities for people where they live and work. At this moment, refugees' access to resources, the labour market, and social networks have a significant role in how they engage in the innovation process. These factors are examined and assessed through this study.

Finally, a key term for this study is the Refugee Entrepreneurship Programme (REP). A REP is an initiative that provides refugee entrepreneurs with tailored support which helps them to overcome their unique challenges about cultural, legal, and financial barriers (Pawle, 2018). The private sector companies and individual donors usually sponsor them, whereas governments also provide grants and loans for such organisations in different countries. The characteristics of REPs and their impact on refugee entrepreneurs are examined as part of the study. All in all, the effects of relevant legal, economic, and social circumstances in host countries on refugee entrepreneurship are critically analysed.

1.4. Organisation of the Thesis

The dissertation begins with a discussion on key definitions and terms about refugees, entrepreneurship, and innovation, followed by a discussion on the literature on immigrant and refugee entrepreneurship. Then, I introduced the research frame and methodology in

the third chapter. This chapter contains detailed explanations of my positionality as a researcher, the sample, variables, data collection, and analysis, as well as theory development based on the literature and the results of this study.

Then, four empirical chapters look at the individual dimension (personal backgrounds and relational embeddedness), motivational dimension, and environmental dimension (socio-economic and institutional embeddedness) of the factors affecting refugee entrepreneurship, and finally, the development and outcomes of refugee enterprises in the selected countries. The analysis is based on the data collected from the interviews with entrepreneurs and REP executives, analysis of documents provided by REPs, and field notes from various events that I attended and volunteered at. First, I examined what refugee entrepreneurs bring to the host countries in terms of skills, abilities, traits, expertise as well as social and financial capital. With this in mind, I identified and explained different motivation patterns that contribute to motivational theories on refugee entrepreneurship. I then comparatively evaluated how enabling the economic, institutional, and social environment in the selected host countries are for refugee entrepreneurs. I collated all examined factors in a new theoretical framework, Pyramid of Refugee Entrepreneurship, which allows us to assess different settings (i.e. countries, cities) and cases (i.e. individuals, startups) in the context of refugee entrepreneurship.

One of the most significant contributions of this thesis is the critical analysis of the entrepreneurial support opportunities that refugee entrepreneurs managed to access (i.e. institutional support from governments and public-sector organisations; and support affiliated with private sector and NGOs, namely incubators and REPs). This dimension of the study forms a critical contribution to the mixed embeddedness literature on refugee entrepreneurship. Finally, I discussed the outcomes of refugee enterprises in the context of how they influence the entrepreneurs themselves, refugee communities, their host country, and the wider society in terms of economic and social impact.

I concluded the thesis with a set of recommendations on how governments, the business world, industries, public and private sectors, NGOs, and REPs could play a more effective and enabling role in supporting refugees throughout their entrepreneurial journey. All in all, this study argues that refugees can become economically self-reliant, build innovative businesses, and contribute to the economy and society of host countries by becoming entrepreneurs, depending on the suitability of host country environment.

2. THE CONTEXT OF IMMIGRANT AND REFUGEE ENTREPRENEURSHIP

2.1. Theoretical Frameworks on Immigrant Entrepreneurship

This chapter is organised around the main themes identified in the literature of immigrant and refugee entrepreneurship, aiming to introduce the context. Previous studies focusing particularly on refugee entrepreneurship have also discussed and tested theoretical frameworks of immigrant entrepreneurship, as there is no established theoretical framework exclusively for refugee entrepreneurship. This literature review critically examines different frameworks that are tested in various regions and contexts, ethnic groups, generations, and sectors, and using which methodologies. Consequently, the decisions about research design will be explained.

The number of up-to-date studies explicitly focusing on refugee entrepreneurship is limited in the literature. Refugee entrepreneurship is usually discussed in the broader context of ethnic entrepreneurship, immigrant entrepreneurship, and transnational entrepreneurship studies (Levie, 2007; Sepulveda et al., 2011; Jones et al., 2014). Most of these studies are neither giving a comprehensive insight into refugee entrepreneurship nor recent enough to include *the European Refugee Situation*. They do not take recent significant migration flows, such as Syria's case, into consideration. They are mostly not looking at refugee entrepreneurship separately, which has many distinctive characteristics and conditions to be explored. Yet, it is crucial to examine the immigrant entrepreneurship literature for this review, as it forms the foundations of theoretical frameworks used by studies focusing specifically on refugee entrepreneurship.

Several theoretical approaches illuminate the factors affecting the entrepreneurial activities of immigrants and refugees. For instance, Wauters and Lambrecht (2006) used a combination of five motivational models, which are explained in the next section. Additionally, we can list some multi-level approaches as the interactive model (Aldrich & Waldinger, 1990), the enhanced interactive model (Volery, 2007), and the mixed embeddedness approach (Kloosterman et al., 1999).

2.1.1. Motivation Theories

For identifying the motivations to become an entrepreneur, a distinction can be made between five motivation models (as cited in Wauters & Lambrecht, 2006), which have been recognised for ethnic/immigrant entrepreneurship analysis in the literature (Bovenkerk, 1983; Ward & Jenkins, 1984):

- The cultural model: It considers those who immigrate for the specific goal of starting their business in the destination country. Typically, refugees are not considered under this, as they had to flee the country of origin.
- The economic chances model: This theory explains the ethnic infrastructure, describing ethnic entrepreneurs who serve the demands and needs of their co-ethnic community by selling specialised goods to them.
- The reaction model: As immigrants encounter barriers to access the labour market, they choose another path to survive, and they set up their own business (Borjas, 1986; Gold, 1988). This model is also called the theory of a reaction on unemployment and discrimination. The main condition for this model is that the immigrant has to have considered entrepreneurship as a credible and feasible career alternative.
- The entrepreneur model: According to this model, some immigrants, just like locals, want to become entrepreneurs for the sake of the advantages of self-employment, e.g., self-realisation, being your own boss, etc.
- The integration model: This theory states that immigrants, especially refugees, aim to use entrepreneurship as an instrument to fulfil their desire to integrate into the host country.

The integration model is added by Wauters and Lambrecht (2006) to the four established motivation models, based on the empirical findings explicitly observed for refugee entrepreneurs through their quantitative research based on a survey conducted with 232 asylum seekers and refugee entrepreneurs in Belgium. As there is not any other study looking specifically at this aspect of the topic to date, this research and its theoretical underpinnings are frequently cited in the literature.

2.1.2. Interaction Theories

Aldrich and Waldinger (1990) have developed the interaction model of immigrant entrepreneurship, suggesting that the formation of ethnic businesses depends on the interplay of three groups of factors, namely group characteristics, the opportunity structure, and ethnic strategies (See Figure 2.1). Aldrich and Waldinger (1990) described the group characteristics, also known as ethnic resources, as the human and social capital of entrepreneurs, such as migration history, academic background, and their socioeconomic situation in the host country. These characteristics, except the migration characteristics, are

quite similar to the traits that are recognised as essential for business establishment and business success in the mainstream entrepreneurship literature. Secondly, the opportunity structure is about the conditions of the market available for immigrant entrepreneurs, as well as property purchasing opportunities. Finally, ethnic strategies refer to how immigrants overcome the difficulties they face in the opportunity structure, using their ethnic resources. These strategies arise from financial support from co-ethnic community members, family or friends, employment of family members, the information shared in ethnic group meetings, etc.

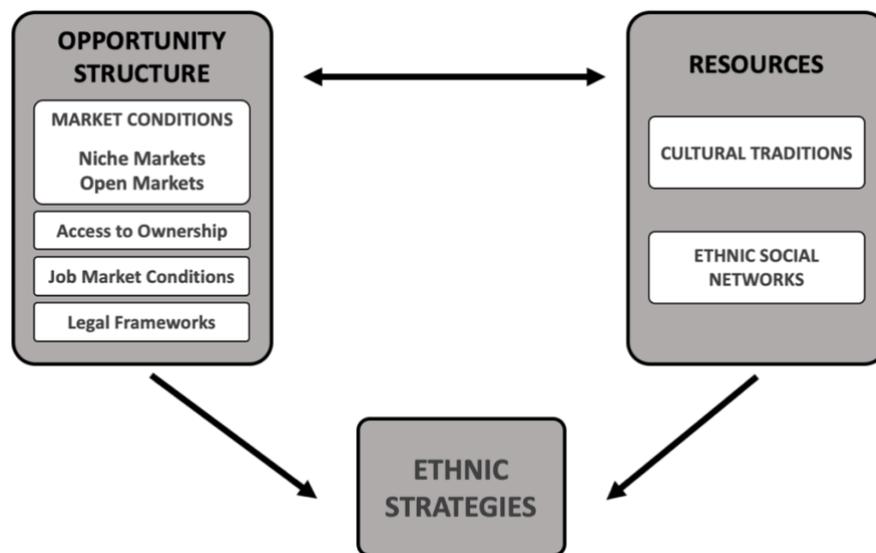


Figure 2.1 Interaction model of immigrant entrepreneurship (Aldrich & Waldinger, 1990)

Another framework for immigrant entrepreneurship is the enhanced interactive model, proposed by Volery (2007), by combining the interaction and mixed embeddedness theories (See Figure 2.2). However, it does not seem to add much to other models, except defining some aspects separately in breakdowns, which have already been considered under the factors described in both models. For instance, *metropolitan characteristics* could be assessed as part of the “demand side” of the opportunity structure, as further discussed below in the mixed embeddedness section of this chapter. Actually, Volery (2007) also accepts that it would be challenging to use the enhanced interactive model as a guideline for empirical analysis.

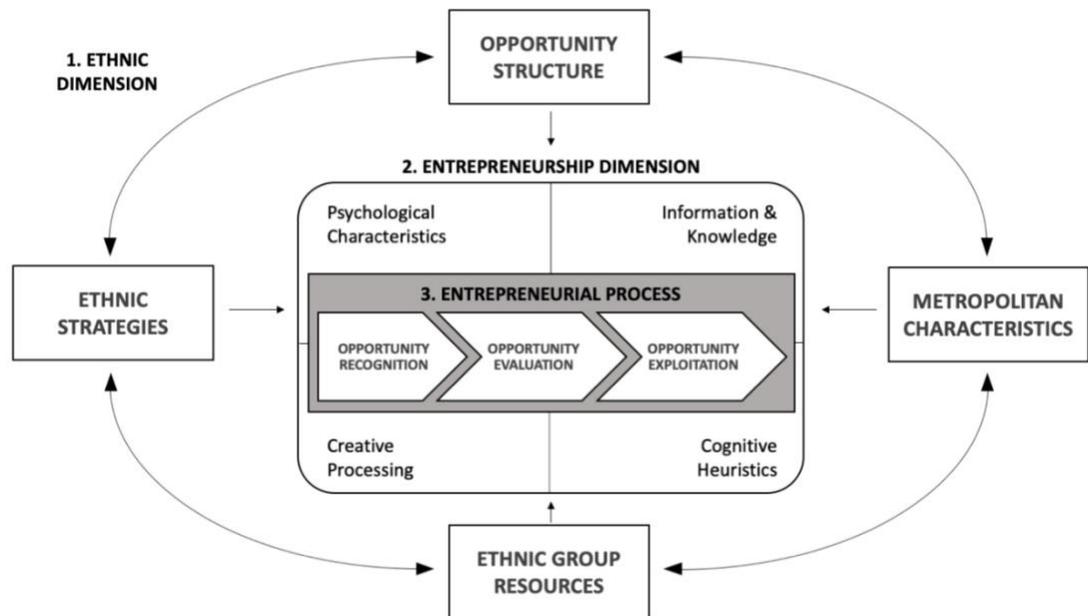


Figure 2.2 Enhanced interactive model of immigrant entrepreneurship (Volery, 2007)

2.1.3. *Mixed Embeddedness Theory*

A widely used approach both in immigrant and refugee entrepreneurship literature, called mixed embeddedness theory, argues that immigrant entrepreneurship depends on the factors shaping the relationship of social, economic, and political environmental factors as well as individual characteristics of immigrants (Kloosterman et al., 1999). The mixed embeddedness framework explains both the supply and demand sides of immigrant entrepreneurship. Empirically, these aspects are assessed to see which ones affect entrepreneurs more prominently; how, why, and under which circumstances.

The framework suggests that the business activities of immigrant entrepreneurs are influenced by their embeddedness in the socio-economic and politico-institutional environment of the host country, as well as their embeddedness in immigrant social networks (Kloosterman et al., 1999). So, it emphasises the macro-structures as a crucial aspect that form the opportunities available to immigrant entrepreneurs. In this sense, the variables positioned on the demand side of the opportunity structure are namely openness of host countries, their welfare model, institutions, legal systems, technological/economic development, access to the labour market, investment, and other opportunities available in the market, sector, and region.

Kloosterman and Rath (2001) stated that social capital, human capital, and economic capital constitute the supply side of the model. These include the bonds within a co-ethnic community, established relationships with external networks, cultural characteristics,

personality traits, skills, education, and access to financial resources. Hingley and Lindgreen (2010) mentioned that mixed embeddedness theory shows the importance of integration for the business success of immigrant entrepreneurs by highlighting that social, human, and economic capital determine their capacity to benefit from opportunity structures in host countries.

As the mixed embeddedness is the most established theoretical framework in the literature, we might want to look at some empirical studies to gain more insight into its use. Cain and Spoonley (2013) investigated the subject by including different immigrant groups who settled in New Zealand. They tested the mixed embeddedness framework on five communities: entrepreneurs from China, Korea, India, South Africa, and the United Kingdom. Having adopted a mixed methodology, they conducted qualitative interviews about the participants' experiences of settling in and setting up a business. They also derived demographic information from these interviews for statistical analysis. It is found that Chinese and Korean entrepreneurs rely on co-ethnic networks for suppliers, labour, capital, assistance, and for their target customers. South African, British, and Indian entrepreneurs rely less on co-ethnic networks due to their language proficiency and familiarity with the business practices in New Zealand (Cain & Spoonley, 2013). Instead, they had to invest more in understanding structural elements of the business environment, regulations, and political frameworks.

Kloosterman et al. (2016) conducted a study based on interviews with 84 Ghanaian entrepreneurs in the Netherlands. They looked at the entrepreneurial performances of Ghanaian immigrants embedded in ethnically homogenous social networks. It is considered an obstacle that limits their ability to form a heterogeneous social capital. The location and demographics of the community were acquired from immigrant associations. Based on the mixed embeddedness model, Ghanaians were expected to have different entrepreneurship patterns than their previous generation, who immigrated to the Netherlands as guest workers in the 20th century. This assumption was based on the fact that they have higher levels of human capital and that the urban economy has transformed gradually.

The data from Kloosterman et al.'s (2016) qualitative study only partially supported the hypotheses. It is found that a significant number of Ghanaian entrepreneurs are still positioned at the lower levels of the opportunity structure. This result shows us that a more in-depth investigation is needed to understand their experiences and the reasons behind their performance levels. In this context, one must not limit their perspective with

frameworks as other motives and explanations might exist due to the unpredictable nature of immigrant and refugee entrepreneurship subjects. As a contribution to the mixed embeddedness framework, Villares-Varela et al.'s research (2016) highlighted new areas that could strengthen the model, such as (i) the role of regulation, (2) the incorporation of racist exclusion, and (3) gendered structures of migration and labour market processes, (4) ghettoisation of markets and (5) more importance on historical context.

Immigrant and refugee entrepreneurs utilize, exchange, and create opportunities to establish their businesses. These opportunities vary by the environment; they are dependent on the broader socio-economic context. Thus, the experiences of immigrant and refugee entrepreneurs should be understood within the opportunity structures they are embedded in. Besides, there should be more in-depth studies that illuminate the complex interplay between business opportunities, individual actors, and social networks for refugee entrepreneurs. Mixed embeddedness concept and motivational theories seem to fit well with the aims of such research. However, researchers must look beyond the frameworks due to the ever-changing nature of entrepreneurship and refugee situations.

2.2. A Synopsis of Studies Examining the Barriers to Become an Entrepreneur

Even though many common characteristics between immigrants and refugees may exist, critical factors make refugee entrepreneurs different. As Wauters and Lambrecht (2006) and Valarini (2015) mentioned, the main differences between the entrepreneurship of refugees and immigrants can be identified by studying social and financial barriers. First of all, refugees usually do not have the opportunity to plan their settlements. So, they might not be able to bring financial means, physical equipment/machines related to their profession, or official documents and diplomas. Moreover, they usually cannot make a region/city selection that could allow them to join the co-ethnic community and other social networks or reach a specific market. Consequently, it is observed that they lack financial resources, social and human capital, and time to plan their start-up process. Moreover, their traumatic experiences as they witness war, hunger, conflict, or other hardships in their country or during their journey may result in psychological problems that can influence their ability to find a job or become self-reliant.

As Valarini (2015) addressed, in addition to the limitation of what refugees can bring with them or utilize in the host countries, their access to formal sector resources is also limited. Based on the experiences gained across their urban operations, UNHCR (2011) also stresses that refugees usually do not have access to mainstream financial services. So, they

suggest that utilizing refugees' financial capital by providing micro-finance, credit, and loans is of high importance for them to become self-reliant. Moreover, Jacobsen (2005) highlights the scarcity of formal employment opportunities for refugees in host countries as a reason for them to become entrepreneurs.

Time constraint is also restricting the activities of refugees in host countries. Although refugee status grants employment and self-employment permits along with residence permits for refugees, it is limited to three to five years, depending on the country. It is extendable for some cases, but it remains uncertain until the initial permit expires. Sepulveda et al. (2011) identified that the time constraint and uncertainty of the future weaken refugees' will and commitment to their enterprise and prevent them from making further investments. It can be concluded that it prevents them from applying for certain programmes, loans, education, and other occasions that require a commitment for a longer time than their anticipated duration of stay in the country.

Another issue affecting refugee entrepreneurship is the lack of access to information. For instance, Refugee Rights Europe (2017) has done quantitative research based on 390 surveys conducted with refugees in emergency shelters and community housing centres. The results show that 54.7% of the respondents stated that they do not have access to advise about their rights and opportunities to change their situation. Refugees may end up remaining unemployed or engaging in informal economic activities due to insufficient information in different matters (Refugee Council, 2011), such as the communication struggles due to language barriers, inadequate knowledge about their rights, benefits, and support available, unfamiliarity with the way bureaucracy and job markets operate, delays in paperwork about their legal status, limited recognition of skills and qualifications which they have gained back in their home country.

A recent study focusing on refugee women entrepreneurs in Australia (Kooy, 2016) revealed that refugees face barriers regarding language, gender, family, culture, and employer attitudes and practices, which block their entry into the workforce. Kooy investigated the topic based on secondary quantitative data from 2015 surveys and evaluation of the "Stepping Stones to Small Business" programme, which provides business training and mentoring for refugee women since 2011. The sample is not described in detail, but Kooy states that 128 women have participated in the programme.

However, it is stated that some pull factors are also effective, such as the attraction of financial security and independence or experience in entrepreneurship in their home

country. Despite the lack of financial resources and obstacles due to family reasons, refugee women participants have entrepreneurship traits such as the desire for independence and autonomy (Kooy, 2016). Kooy (2016) also mentioned that recent data from the Australian Bureau of Statistics indicate that, in comparison to other immigrants, a higher proportion of refugees' income derives from self-employment, and it increases sharply after five years of residence. This is an excellent indicator of how restrictive the time constraint of work permits is for refugees in the first years after they arrive in the host country.

Moreover, De la Chaux and Haugh (2015) researched refugee entrepreneurship in camps. They identified institutional barriers (lack of functioning market, inefficient legal systems, and insufficient infrastructure) and organisational barriers (access to resources, access to finance, and lack of market information) to entrepreneurship in refugee camps. De la Chaux and Haugh (2015) suggest establishing refugee camp innovation hubs and innovation centres. Their claims and suggestions are not based on empirical findings but previous studies. In this context, it can be suggested that refugees who live outside the camps should be also specifically and separately addressed. As aforementioned, 60% of the refugees live in urban settings, and the unique barriers they face should be explored further.

Although these studies give us an idea on the factors that may affect immigrant and refugee entrepreneurship, they do not assess these factors systematically considering the interplay of individual and environmental factors and the degree of importance of different factors. Failing to take into account the complex interrelation of different factors and overlooking the effect of some factors while investigating others may lead to driving wrong correlations and conclusions. Therefore, the following sections discuss the factors affecting immigrant and refugee entrepreneurship identified by various scholarly papers. By incorporating all relevant factors identified, the literature review is used to deduce variables for this study. In addition, some factors which were not explored by previous studies are also included in the analysis, as they emerged during the data collection.

2.3. Individual Factors Affecting Immigrant and Refugee Entrepreneurship

2.3.1. *Entrepreneurial Traits*

Individual characteristics that make up an entrepreneurial person are discussed in the literature as cognitive factors that include risk-taking propensity and opportunity seizing; and personality factors such as motivation, confidence, flexibility, conscientiousness, internal locus of control, and desire for success (Kupferberg, 2003; Petrakis, 2005). There are a few studies that specifically focus on entrepreneurial traits of refugee entrepreneurs.

For instance, Fong et al. (2007) interviewed 25 refugee entrepreneurs in different countries and identified multiple characteristics and attitudes that show a strong entrepreneurial spirit in half of the participants. The most prominent characteristics stood out as the commitment to hard work and willingness to take on challenges. Due to the slow and demanding process of starting up a business, patience, perseverance, reliability, and resilience are also identified as necessary characteristics.

In their study, Wauters and Lambrecht (2006) highlighted that refugees might have distinctive entrepreneurial characteristics from locals and other immigrants. Yet, they did not put forward any findings or suggestions on which characteristics those could be. Similarly, different studies discussed in this paper have provided insight into the entrepreneurial motives and behaviours of refugee entrepreneurs that distinguish them from other entrepreneurs, whereas the personality and cognitive factors that constitute entrepreneurial traits have not been discussed in any.

It is argued by Freiling et al. (2019) that apart from classical entrepreneurship characteristics, such as risk-taking propensity or desire for achievement, different factors are effective in refugee entrepreneurs' reasons for seeking success. What they found in their fieldwork shows that social connections and networks are more critical than personal characteristics in helping refugees grow their businesses. This is due to the weak economic institutions, lack of tailored support for refugee enterprises, where cooperation and solidarity culture prevails, and utilising social networks is necessary to establish one's business. However, we can argue that exploiting the social networks also needs personal skills; hence, it can be counted among entrepreneurial characteristics as part of the confidence and opportunity-seizing behaviour.

Although Freiling et al. (2019) does not argue these characteristics have improved during the refugee journey, very closely, it shows evidence on how refugee entrepreneurs are distinct from other entrepreneurs in terms of the following traits:

- Resilience about social and cultural issues in addition to business-related matters;
- High level of risk-taking propensity, although being a success factor among other entrepreneurs, is more prominent for refugee entrepreneurs given most of them have risked their lives and livelihoods in search of asylum and safety and have “nothing to lose”;
- More necessity driven motives than opportunity-seizing entrepreneurial behaviour;

- An aggressive ambition at times, due to the motivation that “no matter what, doing something is better than doing nothing”;
- Regarding everything as a potential resource for leveraging their business, while believing in starting up with humble means and bootstrapping; and
- Dependence on social capital for starting up their businesses, both through strong and weak ties (Bizri, 2017).

Nevertheless, such induction of characteristics does not explain how and why these characteristics have developed in the first place. Were they always part of the entrepreneur’s personality, or did they occur and improve because of their asylum experience? Also, the sample of Freiling et al. (2019) consists of case studies of refugees mostly from African and South Asian countries, with a few participants from Middle Eastern countries. They reside in Australia, France, Germany, Ireland, Pakistan, Israel, Jordan, and Oman. Considering only two out of eight countries are in Europe, also the different nationality composition, this study may not reflect the experiences and attitudes of refugees of European Refugee Situation. In conclusion, the entrepreneurial traits of refugees and how they altered during their refugee experience should be studied further.

Moreover, it can be argued that certain entrepreneurial traits weigh more than the external factors affecting refugee entrepreneurship, as individuals with more of particular traits may become more successful despite the barriers and obstacles against their entrepreneurial activities and progress (i.e. despite being in a less advantageous country or situation for refugee entrepreneurs). Such comparative analyses would help to evaluate the importance of entrepreneurial traits more effectively.

2.3.2. *Entrepreneurial Motivations*

To explore the motivations of refugees to become entrepreneurs, Wauters and Lambrecht (2006) conducted a study by testing five theories on them in Belgium. Wauters and Lambrecht found that the primary motivation of refugee entrepreneurs was to integrate into the host society in a faster and more effective way (the integration model). The amount of those who were motivated by being their own boss was also significantly high (the entrepreneur model). Those who decided to become self-employed as they could not find opportunities in the labour market (the reaction model) were relatively less.

Despite the valuable insight into the issue, Wauters and Lambrecht’s (2006) research is purely based on quantitative data. The reasons behind the motivations would be better

explained and understood through a qualitative study. Moreover, this study does not describe the scene well in Europe, as it only focuses on Belgium using data prior to the European Refugee Situation. After the great migrant influx in recent years, refugee entrepreneurship patterns must have changed remarkably, and contemporary studies should further explain them.

Valarini (2015) conducted an interesting study about the experiences of Syrian refugees in establishing businesses in Istanbul. It is a qualitative study based on interviews conducted with 62 informants, of which 59 were Syrians. Unlike other studies in the field, 26 informants were selected from non-entrepreneur Syrians, which allowed the author to make a comparison. Previous entrepreneurship experience is found as the main motivator of Syrian refugees to open up a business. There were also a few entrepreneurs who decided to become self-employed as they could not find opportunities in the local labour market in Turkey. Valarini (2015) did not investigate if any of the refugee entrepreneur participants engage in innovation, as their study focuses on the process of establishing a business. It seems that only two high skilled/technology entrepreneurs were included in the research. Besides, the dynamics of their companies are not discussed.

Mehtap, Al-Shakhanbeh, and Hattar (2015) profiled 34 Syrian refugee entrepreneurs by looking at the difficulties they face to establish and maintain their companies in Jordan. More than half of the respondents had a bachelor's degree and had start-up experience in Syria. The majority of their businesses operate in the clothing or food industry, and all their employees are Syrian. A crucial and distinctive finding from this study is that 76 per cent of the participating Syrian entrepreneurs reported being harassed by the locals or authorities. It is claimed that local business owners show unfriendly behaviours to refugee entrepreneurs, thinking that they take their customer base and cause price cuttings. In this context, Jones et al. (2014) offered to add racism as a variable on the demand side of the opportunity structure in the mixed embeddedness framework. Recent studies confirm that the adverse effects of racism lead refugees to get into self-employment to escape poverty and discrimination.

In a broader sense, Baycan-Levent and Nijkamp (2009) have investigated the characteristics of immigrant entrepreneurship based on findings from previous studies. Their qualitative evaluation addresses the experiences of migrant entrepreneurs by testing a mixed embeddedness approach in eight European countries: Denmark, Germany, Greece, Italy, the Netherlands, Portugal, Sweden, and the UK. They claimed that European migrant

entrepreneurship is mainly based on push factors such as low positions in the labour market and low participation rates. Additionally, Kooy (2016) found that push factors mainly entice refugee women in entrepreneurship. Even though it is risky for these women to engage in entrepreneurship, they are motivated by the necessity to sustain their livelihood rather than opportunity and ambition.

Additionally, CFE (2018) suggested that refugees consider entrepreneurship as a viable alternative to finding employment. The results of GRE Survey 2019 (Centre for Entrepreneurs, 2019) support this argument as the primary motivation to start a business for 40 per cent of this survey's respondents is having always wanted to be self-employed or run their own business. It is followed by the belief that being self-employed can lead to tremendous success (32%) and, thirdly, previous entrepreneurship experience (28%).

An interesting study by Sepulveda et al. (2011), focusing on the case of London, observed the emergence of new forms and geographies of enterprise by looking at six new arrival communities. Although this study mentioned that the refugee entrepreneurs contribute to the growth of migrant entrepreneurship in London, it did not distinguish between refugees and immigrants in the analysis. It is highlighted that the lack of accurate official statistics about London, particularly focusing on the enterprise activity of immigrant communities, was an obstacle for this study. Hence, they combined secondary data from previous studies with the primary data from interviews and observations. Accordingly, they identified the growth of a more diverse mix of ethnic groups in London. They also determined that push factors facilitate the majority of this population's decision to become an entrepreneur. It indicates that they are mostly necessity entrepreneurs and are mostly present in the local, co-ethnic markets. It is concluded that institutional structures need to be further developed for them to enter wider markets.

2.3.3. *Social Capital*

Light et al. (1990) conducted a study that focuses on the relationship between migration networks and immigrant entrepreneurship. Migration network theory explains how the cumulative causation of migration establishes migration networks due to reduced social, economic, and emotional costs of migration. Besides other uses of migrant networks, they function as entrepreneurial resources that immigrants use in order to enhance the economic opportunities they find in the host country economies. It is claimed that migration networks provide financial information to new and would-be immigrant entrepreneurs, as well as providing help and assistance in many ways (Light et al., 1990). Also, it is identified that

immigrant entrepreneurs, as well as non-immigrant entrepreneurs, find low-cost ethnic labour in these networks.

A study by Yoo (2000) investigates how resource mobilization is facilitated for immigrants to utilize an entrepreneurial ecosystem (as a social network) in Korean immigrants who opened up their businesses in the Atlanta Metropolitan Area. The analysis is based on interviews with 159 Korean entrepreneurs consisting of earlier and later immigrants. In contrast with the common view that immigrant businesses are enhanced using the resources provided by family networks, family-connected immigrant entrepreneurs did not appear to have more advantage over non-family-connected immigrants in terms of the promptness of establishing their businesses. Yoo (2000) argues that ethnic resources such as unpaid family labour, bootstrapping, and rotating credit associations do not play a major role in immigrant entrepreneurs' start up process. He suggests that ethnic resources can provide immigrant entrepreneurs with a significant competitive advantage only over other minority groups who do not utilize such resources.

Another study by Bizri (2017) examined a refugee entrepreneur's social and financial capital. In contrast with Yoo's findings about immigrant entrepreneurs, Bizri argued that support from family networks and bootstrapping are essential for refugee entrepreneurs to finance their startups. This contrast may be due to the distinction of characteristics between economic immigrants and refugees. By doing a single case analysis, Bizri observed and interviewed a Syrian refugee entrepreneur in Jordan, as well as his employees and family members, regarding the business establishment and operation processes of his restaurant. This study gives an example of how refugee entrepreneurs use social capital to make the best out of opportunities they find in their host country.

Five characteristics of refugee entrepreneurship (one-way-ahead attitude: business as a lifeboat, collective bootstrapping, network structure, pseudo-family business, opportunity-seizing proliferation) are identified under three dimensions of social capital (cognitive, structural, relational) through the analysis. One more point to highlight here is, as Bizri (2017) also mentioned, Syrians and Jordanians both speak Arabic, which affects establishing and maintaining a business. These studies give valuable insight into the role of social capital in establishing and sustaining immigrant- and refugee-owned businesses. Yet, the social capital aspect, as well as the opportunity structures for refugees, should be further investigated in countries with different social, economic, and cultural characteristics.

2.3.4. *Financial Capital*

Although studies about entrepreneurs' access to finance in host countries will be discussed in the next section under environmental factors, we can talk about financial capital as an individual factor. In this regard, the main subject is the financial resources that entrepreneurial refugees bring with them and utilise in their destination countries, such as savings, salaries from previous jobs, family inheritance. There has been little research on this topic, and existing studies emphasise a lack of financial capital while failing to shed light on the types of financial resources refugee entrepreneurs can bring to host countries and exploit.

For instance, Valarini (2015) highlighted that securing start-up capital is a more prominent struggle for refugee entrepreneurs who could not bring their savings to the country, who could not have a steady income due to the restrictions in the job market against their legal status, or those who had to use up their savings to be able to settle in their destination country. Although Valarini mentioned environmental factors such as legal restrictions and market conditions in host countries, not being able to bring savings to the country and having to use savings for settlement purposes are related to financial capital as an individual factor affecting refugees' entrepreneurial journey.

Sandberg et al.'s study (2019) also shows evidence on refugee entrepreneurs' lack of financial capital. Nonetheless, it is based on only four case studies in Sweden, and two of the studied entrepreneurs relied on family or suppliers in their country of origin to fund their businesses. Although Sandberg et al.'s research highlights the relevance of financial capital as an individual element in refugee entrepreneurship, the insights given on the subject are limited, and no other research exists to explain the unique issues related to refugee entrepreneurs' financial capital.

2.3.5. *Previous Experience*

Furthermore, another critical aspect absent from the research on refugees' economic activity is demonstrating how refugee entrepreneurs can transfer their skills and experience to the host country. An interesting study by Refugee Rights Europe (2017) compared refugees' occupation in their country of origin and their expected employment positions in Germany (See Figure 2.3). It is interesting to see how close the percentage of those who owned a business in the country of origin (12.8 per cent) and those who expect to own a business in Europe are (13.7 per cent). It might be related to the entrepreneurial traits,

–especially confidence and risk-taking propensity– they gained through their previous entrepreneurship experience.

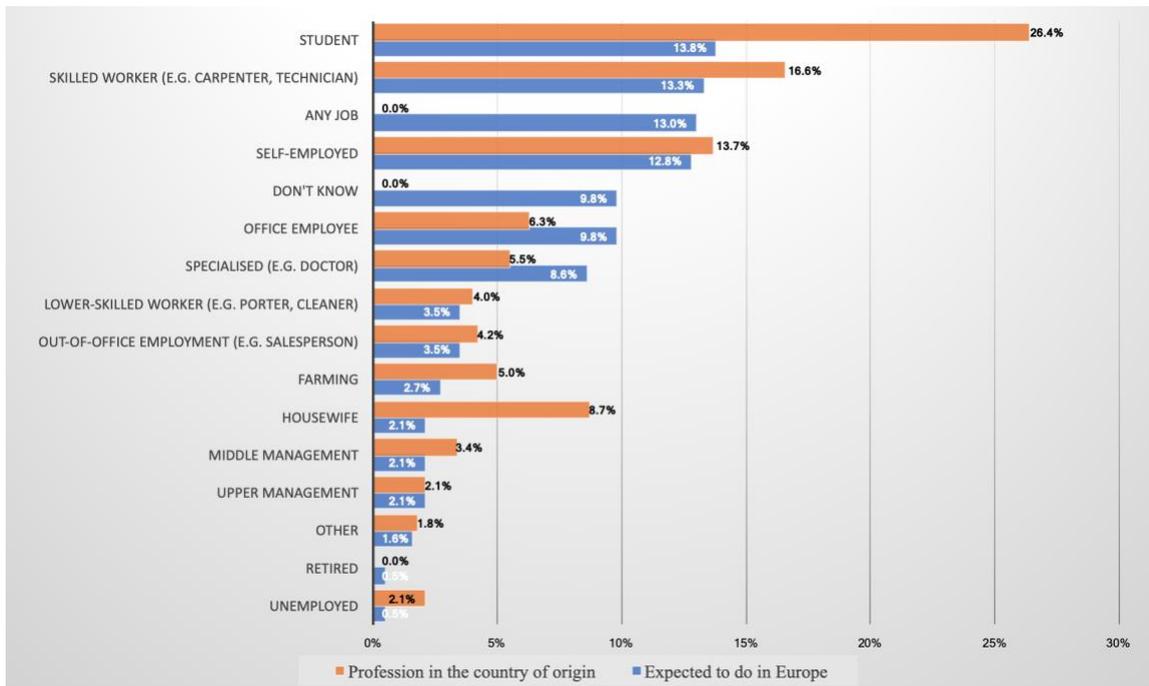


Figure 2.3 Expected Employment of Refugees in Germany (Refugee Rights Europe, 2017)

In this context, Tienda and Rajman (2004) identified the prior self-employment experience of immigrants as a significant determinant for entrepreneurship intentions in destination countries. Moreover, Wauters and Lambrecht (2006) identified that male refugees who have prior experience in entrepreneurship are likely to become entrepreneurs. While previous studies have examined the potential of refugee entrepreneurs in terms of utilizing the financial capital they brought to the country and transferring their skills and experience, comparing their qualifications and past experiences and the types of companies they start would add a stimulating perspective to the literature.

2.4. Environmental Factors Affecting Immigrant and Refugee Entrepreneurs

2.4.1. Access to Finance

Economic inclusion of refugees in host countries is vital for their integration, resilience, and self-reliance. It is a key component to achieve protection and to improve their livelihoods. Economic inclusion includes access to labour markets, finance, entrepreneurship, and economic opportunities for all, including vulnerable and underserved groups and non-citizens (UNHCR, 2019a). It empowers them to sustain their lives in a safe and dignified manner, overcoming aid-dependency and harmful coping mechanisms,

contributes to their host economies, and prepares refugees for their future whether they integrate into their country of asylum, return home, or resettle in a third country.

Refugees' economic inclusion through self-employment is enabled or restricted by several issues. It depends on support services in a wide range, such as education, coaching, job placement services, training, and finance. There should be an enabling environment shaped by rules and regulations protecting rights and security. For developing strategies to design interventions enhancing refugees' economic inclusion, the key is to understand the market system and the challenges refugees may face. Therefore, one of the most crucial aspects to comprehend is barriers against their access to finance. Accordingly, this section discusses how the current academic literature addressed unique challenges of refugee entrepreneurs in terms of access to financial capital compared to immigrant and local entrepreneurs since the financial means that refugees can bring into or have access in the destination countries are often much more limited than economic immigrants and locals.

Refugees have limited access to formal financial resources: banking products like loans, credits, and even business accounts in most cases (Lyon et al., 2007). There are different legal and structural obstacles depending on the regulations in host countries which limit refugees' ability to increase or utilize their financial capital. Ram and Jones (1998) pointed out that such barriers are due to the stereotypical view of immigrants, or more specifically refugees, as not being credible enough to be considered as promising entrepreneurs by financial creditors.

A recent quantitative study conducted with 400 participants, which looks at refugee camp entrepreneurship in Turkey (Kachkar, 2019), found that 76 per cent of refugee entrepreneurs encounter a lack of access to finance. 60 per cent considers uncertainty as a major challenge, while 40 per cent struggles with legal restrictions. Although the dynamics of the camps and urban settings are quite different, Kachkar's research gives an insight into how urban refugees might also be struggling with these problems. There is still not any empirical research addressing urban refugees' access to financial resources for starting up their businesses.

Lyon et al. (2007) interviewed 40 refugee businesses in London and found that finding start-up capital is the biggest challenge for refugee entrepreneurs. Although it is an outdated study consisting of a different refugee nationality composition than today, with 63 per cent of its sample from Africa, it is remarkable that 38 per cent identified start-up capital as their primary constraint to start up their businesses, while 21 per cent identified it as the second

constraint. Lyon et al. (2007) concluded that most refugees could not apply for long-term loans, credit cards, overdraft facilities, and even a personal bank account since they do not have the necessary references or history with the banks in the host country. Additionally, considering many refugees arrive in host countries without any identity papers, those who operate their businesses in the informal economy find it harder to develop a track record with banks. Commonly, refugee entrepreneurs decide to exclude themselves from the business support schemes and banking system after several unsuccessful and discriminatory experiences with the officers.

Wauters and Lambrecht (2006) also argued that refugees face difficulties due to their lack of access to finance in Belgium. All studies that were accessed as part of this literature review either date back to several years before European Refugee Situation or focus only on refugees in camps. The only up-to-date study on urban refugees in this context is Sandberg et al.'s study (2019), and it was referred to in several academic studies. However, the study only consists of four cases in Sweden, and only one entrepreneur explicitly stated that it was difficult to access finance. Two entrepreneurs even managed to get loans from Swedish banks. As Sweden is one of the countries with the greatest flexibility and opportunities for newcomers, this study does not provide insight into the general scene in Europe or other countries. Hence, there is still a gap in the literature on refugee entrepreneurs' access to finance, with the existing literature not providing enough evidence nor an in-depth understanding of the phenomenon.

2.4.2. Sector and Market Characteristics

Looking at refugee enterprises in Belgium, Wauters and Lambrecht (2006) found that they are concentrated in trade, industrial, and handicrafts sectors. They are under-represented in liberal profession sectors, and they earn less than other entrepreneurs. No other studies about refugee enterprises could be found about the sector characteristics of refugee enterprises. So, the sectors that they are active in and their experiences, dominance, performance, etc. in those sectors remain unclear. However, there are several studies in the broader context of immigrant entrepreneurs, and they are reviewed in this section to gain insight from.

In the *Market Conditions* section of *Ethnic Entrepreneurs* book by Waldinger et al. (1990), it is mentioned that immigrant entrepreneurs initially reach out to the immigrant community as their target market. Immigrant entrepreneurs can best serve the needs and preferences of the immigrant community since they share and know these needs closely as a member of

that community. In terms of the products and services provided by immigrant businesses, Waldinger et al. (1990) claim that they prefer cultural/ethnic consumer products –clothes, jewellery, books, recordings, newspapers- which find a market in the immigrant community easily, as such products have a direct connection with the countries of origin as well as the tastes, likes, and preferences of the immigrants. Yet, there are obstacles to expanding one's business in the ethnic market, such as the limited number of suppliers and insufficient buying power of the average immigrant population.

Sepulveda et al. (2011) found that immigrants mostly started their enterprises in highly competitive sectors with low barriers to entry, such as restaurant and catering (35%), retail (30%), and other service sectors (35%) in London. Similarly, Waldinger et al. (1990) stated that it is unlikely for immigrants to start up new companies in industries with a certain level of entry barriers and extensive scale economies. However, they argued that immigrant businesses could arise in the niches of the open market where mass production or distribution techniques do not predominate. Examples of such niches are given from underserved or abandoned markets with low economies of scale and low levels of specialisation, such as the taxi industry and food retailing industry (Waldinger et al., 1990).

Additionally, an unpredictable or fluctuating portion of demand in small-scale sectors (e.g. specialized in particular products in the clothing industry) can be met by immigrant entrepreneurs. Waldinger et al. (1990) found that the demand for exotic goods among the native population creates a niche for immigrant entrepreneurs where they can have a competitive advantage by providing authentic ethnic products at relatively lower prices through their transnational connections. However, different customer segmentation is needed, providing exclusive services, higher quality products, luxury packaging, etc. which may be more challenging and costly for new entrants like refugee entrepreneurs.

Baycan-Levent and Nijkamp's (2009) study demonstrated that immigrant entrepreneurs are commonly active in informal and labor-intensive sectors, the underground economy as well as small traditional companies in Southern European countries. This might apply to refugee entrepreneurs as well, considering legal and structural barriers against their presence in legal sectors. It is also found that immigrant employment is spreading to the service sector, education and health. In all eight European countries examined, over 60 per cent of immigrants work in the service sector, while the figure is over 75 per cent in the UK, Sweden, and Norway (Baycan-Levent & Nijkamp, 2009). This trend may have affected the

sectors and motivational patterns of immigrant entrepreneurs in Europe. However, recent studies lack investigating the motivational dimension of the topic.

Moreover, Hermes and Leicht (2010), conducted a research on self-employment of immigrants and locals that includes several European countries, based on the European Labour Force Survey from 2005. They found that immigrants are more often self-employed compared to locals in most northern and central European countries. In contrast, the self-employment rates of locals are higher than those of immigrants in the southern states. Additionally, self-employment rates of the immigrants from non-EU countries are lower than of EU immigrants in almost all European countries, despite having different compositions of ethnic communities as social capital, which could lead to a potential to serve niche markets. Although these results are interesting, their reasons are not illuminated. Also, as Hermes and Leicht's study is from 2010, it does not involve the recent migration waves, such as the European Refugee Situation. There is evidently a need for more empirical research, especially adopting qualitative methods to understand the dynamics in this field.

Finally, an important point highlighted by Hermes and Leicht (2010) is that little is known about how immigrants and refugees participated in and affected by the development of information technologies, remote working opportunities, and sharing economy, as these factors are claimed to support the rise of entrepreneurship over recent years. Specifically, new applications that eliminate various obstacles such as e-citizenship, digital currencies, blockchain, and better opportunities for remote working enabled by technology could have also caused new patterns in refugee entrepreneurship (e.g. removing or changing barriers, increasing access to resources they need, increasing competition) and these aspects are very stimulating to explore. In summary, it should be further investigated how the sector and market characteristics shaped by new trends and technologies and country-specific factors affect refugee enterprises.

2.4.3. *Entrepreneurship Support Schemes*

As the research design of this study includes investigating how available support schemes in selected host countries enable refugee entrepreneurship, it is necessary to look at relevant literature in this review by examining the studies about the effects of entrepreneurship support on local, immigrant, and refugee entrepreneurs. In that sense, entrepreneurship support could be conventional entrepreneurship programmes designed for locals, Refugee Entrepreneurship Programmes tailored for refugees' needs and assets, entrepreneurship

competitions, grants, support schemes from government or NGOs, and personal contacts from the local/native community.

The structures of Refugee Entrepreneurship Programmes (REPs) and how their services vary in different countries are explained in Section 6.4.4. Support by Refugee Entrepreneurship Programmes. Especially pre-incubator programmes for refugees are reflected in the literature as civil society initiatives that either focus on initial stages of entrepreneurship, mainly to develop an entrepreneurial mindset, or they focus on the start-up stage and give practical business support (De Lange et al., 2020). They usually provide a few months of training, coaching, networking sessions, and sometimes a shared office for the participant entrepreneurs. As De Lange et al. (2020) pointed out, a certain level of business skills, knowledge, and language is required to attend these programmes; however, none of them specialize in supporting highly skilled refugees. How REPs select their participants, and the motivation of REPs are not studied by any research in the literature yet.

Centre for Entrepreneurs' (CFE) Global Refugee Entrepreneurship Survey (GRE Survey 2019), which focuses on refugee entrepreneurs who are part of REPs, has 25 entrepreneurs in their sample. Considering that it is a quantitative study, the sample is quite limited, and it shows the difficulty of recruiting refugee entrepreneurs for such research, although CFE has a great outreach, including REPs worldwide. Their research suggests that the number of REPs established each year correlates with the rising number of refugees. Yet, it cannot be concluded that the number, capacity, and services of these programmes are sufficient for enabling refugees who would like to start up their businesses.

According to Harima et al. (2019), there are five functional domains on existing REPs or, as they defined, Refugee Business Incubators, as seen in *Figure 2.4*. They assessed the incubators based on the feedback of refugee participants and the outcomes of the support they provided. These functional domains are:

- (1) providing systematized knowledge on entrepreneurship;
- (2) relieving anxiety about institutional differences through tailored assistance;
- (3) guiding and encouraging participants through the process at the programme;
- (4) helping them understand and access social capital in the host country; and
- (5) delivering soft support regarding personal issues.

Contemporary research should take Harima et al.'s (2019) identification of the functional domains of REPs a step further. It should be scrutinised if the REPs are helpful for refugees to establish self-sustaining businesses in the long term. There is not any research questioning the precision of REPs to date, as in how targeted and effective their services are.

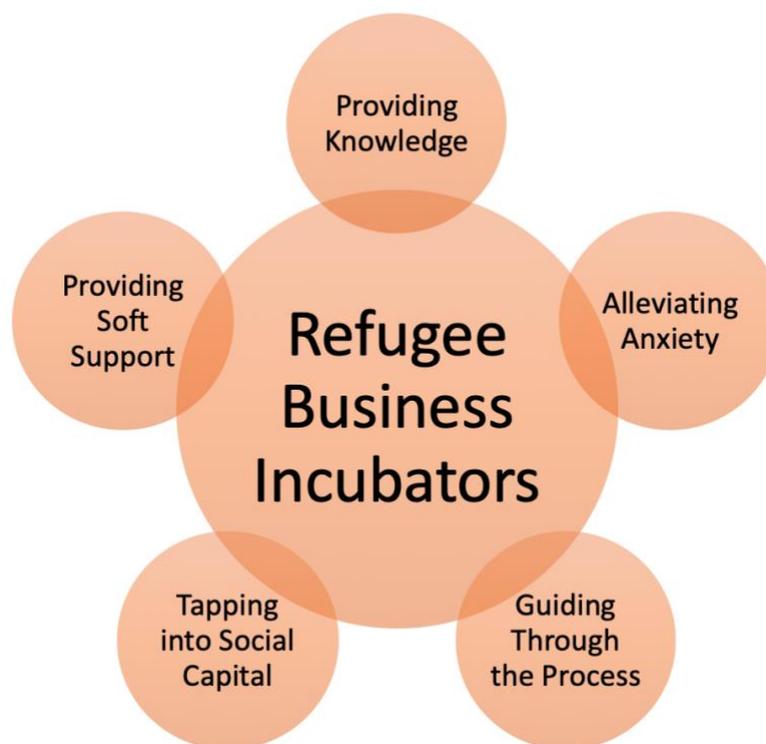


Figure 2.4 Five functional domains of refugee business incubators (Harima et al., 2019)

It is also crucial to touch upon the funding of REPs. REPs are mostly non-profit organisations backed by the private sector (corporate) companies or funded by government or global NGO grants. The global average of REPs' income breakdown shows that 58 per cent of REPs' revenue comes from grants and donations, followed by 30 per cent from delivery contracts with government organisations or others, 5 per cent from their commercial services/products that they offer other clients (not refugees), and 4 per cent from participation fees of a refugee entrepreneurship programme which typically offers free services (Centre for Entrepreneurs, 2019) (See Figure 2.5). Since the amount of funding they receive from the government or other bodies may vary and probably decrease over the years, relying on external financing is quite risky for their sustainability. A REP called Catalysr in Australia may set an example as it takes three per cent equity from the top 20 start-ups selected for their accelerator programme. At the end of the programme, Catalysr provides 10,000 Dollars (USD) pre-seed investment for the top two start-ups that

completed the programme. It takes an additional two per cent equity from them (Centre for Entrepreneurs, 2019).

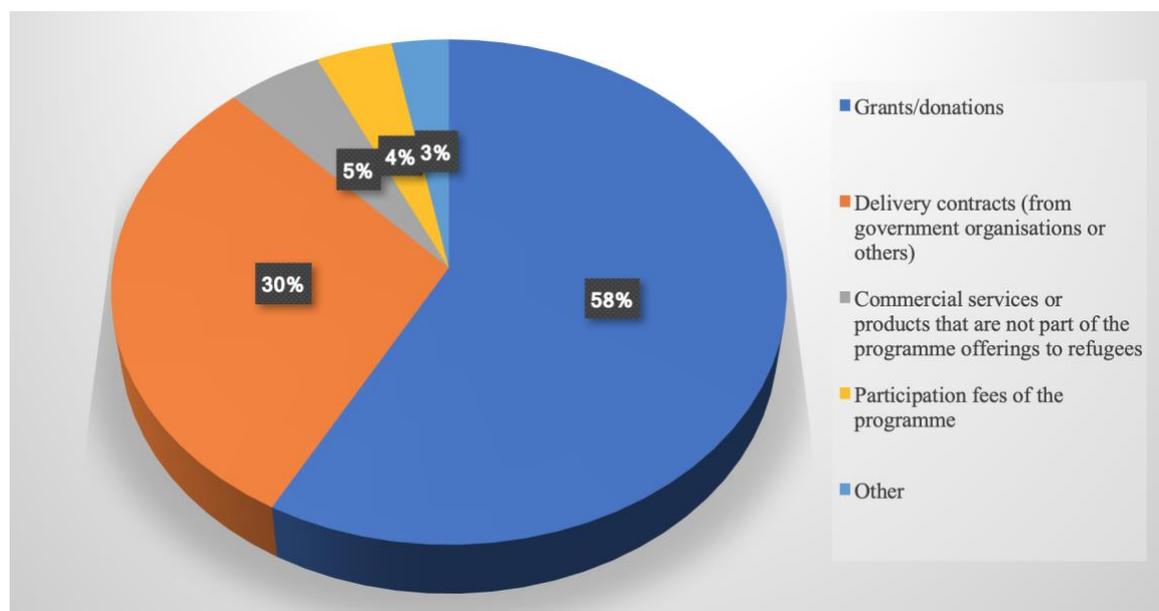


Figure 2.5 Breakdown of revenue of refugee entrepreneurship programmes –global average (CFE, 2019)

Furthermore, Alley (2020) argued that it is more challenging for REPs than conventional incubator and accelerator programmes to find potential income streams. That is because they cannot charge most of the refugees for participating in their programmes. Most of the programmes are not taking equity in the start-ups launched by the participants, probably due to the unlikelihood of getting returns in the short and medium term. Also, they do not offer investment opportunities that could allow them to utilize access fees from investors as an income stream. Instead, REPs mostly rely on grants and donations from various foundations, aid organisations, government schemes, and in-kind contributions (e.g., free consulting for the programme development, training, and mentorship for the participants, volunteer hours) from corporate supporters. Considering the unrelenting global refugee situation, programme managers should make long-term plans to ensure that they can provide free services in a sustainable way for those entrepreneurs in need. More studies about the effectiveness of REPs’ current funding methods and alternative solutions, if any, tried by new REP models should be conducted.

2.5. Outcomes of Immigrant and Refugee Entrepreneurship

2.5.1. *Personal Impact of Entrepreneurship on Immigrants and Refugees*

Entrepreneurship benefits individuals, societies, and countries by providing a means to improve personal economic conditions, country economies, social harmony, the socioeconomic situation of families, individuals' psychological well-being, and personal and professional skills. Therefore, it is critical to investigate the outcomes of refugee enterprises in relation to the effects of individual and environmental factors affecting refugee entrepreneurs. To begin with the personal impact of entrepreneurship, Kachkar (2019) found that 60 per cent of refugee participants (n=400) had gained pride as a result of participating in entrepreneurial activities. 47 per cent felt self-sufficient, and 33 per cent stated they felt healthier. In addition to these remarkable figures, a refugee entrepreneur who participated in Shepherd et al.'s qualitative study (2020) stated that she gained a purpose in life by working on her enterprise. Filling one's time with productive and meaningful work has moral benefits and material benefits, resulting in improvements in refugee entrepreneurs' psychological and physical well-being.

Moreover, Shepherd et al.'s (2020) findings indicate that refugee entrepreneurs who work outside the camps develop a sense of belonging to the host country. Their identity overlaps between that of the country of origin and the host country. In contrast, refugee entrepreneurs who live and work in the camps are more likely to keep feeling a sense of belonging to their country of origin and rarely to the host country (Shepherd et al., 2020). They mainly express both countries' individual and collective identities, reflecting multiple sources of belonging. We can argue that these sorts of identity-management challenges may affect one's psychological well-being if they feel unaccepted or socially excluded by the members of society they developed a sense of belonging to.

Shepherd et al. (2020) also highlighted that refugee entrepreneurs have an optimistic attitude toward business. Yet, they are also precautionary due to their past disappointing and risky experiences as refugees, hence usually reflecting a decent level of realism along with their optimism. It can be concluded that they approach problems as positive challenges, draw optimistic lessons from their work experiences, and try to overcome barriers with a positive attitude.

Finally, The International Labor Organization [ILO] (2014) emphasised that the successful integration of refugees into the labour market would offer them not only a stable income but also hope, confidence, dignity, independence, security, and a stake in rebuilding their communities. There is a need for more recent research to understand better the feelings

refugees develop through their entrepreneurial journey, such as confidence, feeling valuable, sense of achievement, and belonging.

Apart from the psychological well-being and the feelings discussed above, having the necessary language, business, networking skills, and adaptability to the new country and business environment are among the main challenges of refugees to become successful entrepreneurs (Fong et al. 2007). Some must develop these skills in the host country, whereas some already had them depending on their previous experiences in their countries of origin. For the latter, transferring those skills to a new environment may be difficult due to the discriminatory situations in the new host country environment. Although Fong et al. (2007) argued that refugee entrepreneurs are proactive, creative, and resourceful solution finders with solid leadership and innovation skills that help to overcome barriers, they did not investigate if and how refugee entrepreneurs have developed, altered, or weakened these skills due to their asylum-seeking and refugee experience. Furthermore, they did not show evidence for the identified characteristics, and thus their argument remains theoretical. Additionally, an immigrant entrepreneur reported that he worked in a convenience store to learn how to trade and attend management training before he starts up his convenience store (Fong et al., 2007). It is compelling to see how immigrants use other experiences or employment opportunities for growth as an entrepreneur, mainly through acquiring new skills and expanding their social network.

Finally, Shepherd et al. (2020) highlighted that refugees have a do-it-yourself approach toward problem-solving, skills of self-teaching and improvement to solve their issues, a foreseeing approach for reducing external risks, and an innovative approach for developing new methods or solutions as entrepreneurs. Nevertheless, none of the reviewed studies have touched upon how refugee entrepreneurs might have developed such skills due to their refugee journey experience, or if entrepreneurial refugees have always had these characteristics, and that is why they managed to become entrepreneurs in host countries. This aspect of the phenomena should be illuminated by new research. On top of that, communication and negotiation skills, financial planning and accounting skills, and sector-specific professional skills of refugee entrepreneurs need to be discovered as well.

2.5.2. *Economic Impact of Immigrant and Refugee Entrepreneurship*

To understand how the economic effects of refugee entrepreneurship are studied and perceived in the literature, I looked at some studies from both immigrant and refugee

literature. Rodriguez-Pose and Von Berlepsch's study (2015) focuses on ten migrant nationalities, five of them are from the first wave of European migration (1880) in the United States, and five are from the second wave (1910). They used official US statistics and made an analysis based on historical data. Interestingly, they used the religion data (e.g. Baptists were among the early settlers from Europe) to identify the immigrant population. According to this research, some factors that shape economic development are income per capita, the unemployment rate, female labour participation, and employment in different sectors. Rodriguez-Pose and Von Berlepsch (2015) found that where migrants settled and current development levels are strongly and positively correlated. Also, they revealed that coming from a country with similar institutions, described as having more similarities in culture and economic trajectories, is not necessarily a good indicator for current levels of economic development where they settled in.

Saxenian (2002) claims that more than a quarter of high-skilled workers in Silicon Valley are immigrants. She also asserts that immigrant entrepreneurs have a direct positive effect on economic development, as they create jobs and wealth, as well as an indirect impact, as they bring linguistic and cultural know-how that facilitate trade and investment with their home countries. Accordingly, it seems the most successful immigrant entrepreneurs in Silicon Valley utilise their ethnic resources while adapting to mainstream technology and business networks.

A study on the economic impacts of refugees on host country economies has observed the settlements around three Congolese refugee camps in Rwanda (Taylor et al., 2016). It used econometric analysis to form the models of households, giving details about their income, economic transactions, and expenditure patterns. Then, these models are combined into localised General Equilibrium models, which were used to simulate the local economy-wide impacts. In conclusion, it is claimed that real annual income in the local economy and the trade between the local economy and the rest of Rwanda increase by an additional adult refugee receiving cash aid. This study forms a great example by showing that refugees can contribute to host country economies significantly more than the aid they receive. However, the research focuses on the turnover rate of aid provided; hence, it lacks showing the economic impact of refugee entrepreneurs on the host country.

Looking at the economic impact of refugees in Turkey, Erdogan's (2014) report found that the top three provinces in Turkey, which realised the most significant decline in unemployment synchronously with the increase of capacity, are among the provinces that

received the highest concentration of refugees. The report implies that this outcome was due to the economic development brought by Syrian refugees, based on data provided by the Turkish Statistics Institute. Furthermore, it states that a significant level of foreign capital has been secured since many Syrian entrepreneurs have moved their capital to Turkey after the conflict (Erdogan, 2014).

Freiling et al. (2019) suggests that refugees contribute to the host country economies through building productive capacity and enriching the labour markets. The Office of Refugee Resettlement in the USA reported that they had provided business training and counselling to 3,000 refugee entrepreneur candidates, resulting in \$5 million worth of business loans and creating 1,090 jobs, contrary to the opinion that immigrants or refugees take locals' jobs (Ott, 2013). Additionally, Ucak et al. (2017) found that Syrian businesses in Turkey employ an average of 9.4 workers.

Centre for Entrepreneurs (2018) stated that refugee entrepreneurs have a tendency to hire other refugees as they strongly empathise with them, having suffered from similar financial and social struggles and faced barriers to employment. In line with that, Alley (2020) pointed out that 4,638 jobs were created in Rwanda and 590 in Kenya by a total of 5,000 refugee-owned enterprises supported by the African Entrepreneur Collective, which makes up approximately one additional job per business. It is interesting to see that local members of the host community filled two-thirds of these jobs in urban settings, whereas half of the jobs in camp settings were created for locals and a half for refugees. There is not any analysis found about refugee entrepreneurs' economic impact, demonstrating the breakdown of low-skill and high-skill job creation in the labour market by them. Country analyses with such breakdown and other statistics about refugee entrepreneurs' effect on labour markets would be very insightful.

Looking at how refugee entrepreneurs improved themselves and their businesses economically, Kachkar (2019) found that 47 per cent of refugee entrepreneurs are self-reliant, and 38 per cent no longer needs to borrow money. These findings are based on the analysis of a quantitative study conducted with 400 participants. Demonstrating another dimension of personal economic impacts of entrepreneurship, African Entrepreneur Collective's refugee entrepreneurs increased their revenue by 107 per cent on average in 2019, adding up to the combined revenue growth by \$14 million in a year (Alley, 2020). Although these studies are insightful, there is an undeniable gap in the economics literature about how refugee entrepreneurs develop their financial capital, how they make a profit,

find investment, and leverage their businesses in the long term. Also, there is a need for up-to-date studies that explain the economic contributions of refugee entrepreneurs to host countries, especially in Europe.

On the other hand, some scholars criticised that the attention is usually on the contributions of immigrants to economic development and growth and that there should be more debates around how they contribute to diversity, social processes, and the social incorporation of new communities in the host countries (Jones et al., 2019). Jones et al. (2019) argue that immigrant entrepreneurs, even on the lower echelons of the opportunity structure, create jobs for others and serve community needs while supporting the social cohesion of newcomers and local/native societies, despite the scarcity of resources available to them. Accordingly, this study also widely discusses the social impact of immigrant and refugee entrepreneurship in Section 2.5.3 to understand how the subject is covered in the literature.

2.5.3. *Social Impact of Immigrant and Refugee Entrepreneurship*

Immigrant and refugee entrepreneurship do not only have economic effects but also social effects on the host communities as well as the entrepreneurs themselves. Kloosterman and Van Der Leun (1999) argued that fostering immigrant entrepreneurship help reducing social and ethnic divisions within cities and fighting social exclusion. Hence, new urban planning projects and policies should close the gap between living and working for immigrants at the neighbourhood level, reversing the current trend (Burgers & Kloosterman, 1996). In accordance with that, as Kachkar (2019) found, 55 per cent of refugee entrepreneurs who received basic loans for launching their businesses stated that their social status has improved. More affordable properties for businesses should be created or restored for accommodating immigrant entrepreneurs in neighbourhoods, aiming to tackle social division. Consequently, small enterprise owners can have physical places in the neighbourhood where they are closer to the support of their social networks. This support is bilateral, considering immigrant entrepreneurs broaden the local market and help to liven up neighbourhoods to become a seedbed for other businesses (Kloosterman & Van Der Leun, 1999).

Interestingly, Waldinger et al.'s (1990) model suggests that immigrant entrepreneurs usually become assimilated into the host country community while targeting to meet public preferences and needs at large, eventually changing their products and production processes. This is a controversial argument, as Rogoff and Heck (2003) defined the change in products and processes of immigrant enterprises as a form of innovation, contributing to

globalisation. Focusing more on the social side of such alterations, Engelen (2001) asserts that they result in a critical loss of ethnic identity since these adaptations did not take place because of the acceptance of what immigrant entrepreneurs bring into the mainstream market, but because of the immigrant entrepreneurs' acceptance of complying with the mainstream to survive and prosper in the market. As opposed to Rogoff and Heck's (2003) argument, this view downplays the significance of immigrant entrepreneurs' contributions to the business ecosystem. It only views their relationship as a means of assimilation instead of an exchange. It would be oversimplifying to generalise such outcomes as assimilation, considering how new products and processes introduced by immigrant entrepreneurs can affect the mainstream business ecosystem to revolutionise customer preferences.

Apart from the studies discussed above, no research about the social effects of immigrant and refugee entrepreneurship is found in the literature. Even the studies mentioned above are only about immigrant entrepreneurs in general and thus not giving any insight into the phenomena in the refugee entrepreneurship context, except for Kachkar's research (2019) which only gives a glimpse into the social status aspect of the phenomena. Therefore, it is essential to have up-to-date research on the effects of refugee entrepreneurship on diversity, co-existence, social integration and acceptance, the openness of the society, and multiculturalism.

2.5.4. *Innovation by Immigrant and Refugee Entrepreneurs*

There are many reports, academic research, and media articles highlighting the potential of refugees to contribute to the host societies in the long run. The great numbers of refugees will indeed have statistically significant effects in many ways. However, they also have the potential to have significant impacts individually, as they bring their talents, skills, and ambitions with them. In this context, there is little research on refugees –especially high-skilled ones and how they create value in the host country through engaging in innovation. Shilling's study (1983) brings light to the impact of refugees on innovation from multiple perspectives through a historical example. It explains how Calvinists, who were driven out of the Netherlands in the 16th century and settled in many parts of Central and Western Europe, had a crucial role in the economic and social modernization of their destination countries. From skilled artisans to prominent business people, Calvinists are found to be transferring economic innovations, new techniques of production, distribution, and finance, as well as different methods of labour organization. As an earlier study compared to other examples in the field, it is a very stimulating one in terms of how Shilling's (1983)

definition of innovation included the effects of refugees on transforming economic and social life in their host societies.

Rogoff and Heck's fire analogy about entrepreneurial innovation is quite stimulating (2003). They suggested that entrepreneurial innovation clears the way for innovation while deconstructing existing norms. In line with that, the role of immigrant entrepreneurship in disseminating new products and innovations to the world is undeniable. Although immigrant entrepreneurs mostly start up their businesses with the intention of serving their co-ethnic community as customers, especially meeting their culture-specific needs, their products and services eventually reach mainstream customers and even become staples in the marketplace in their destination countries. In this sense, immigrant-led businesses facilitate the distribution of innovations through new products, methods, business processes, and ideas globally, contributing to globalisation.

Mueller (2013) conducted a study about low-skilled immigrant entrepreneurs in knowledge-intensive industries compared to native entrepreneurs. The study focuses on entrepreneurs who migrated from the south and southeast Europe to Germany for filling labour shortages in the 1970s. Information on the companies is obtained from the Centre for European Economic Research (ZEW), based on quantitative data from CreditReform, Germany's largest credit rating agency. It is found that the survival probability of the companies of immigrant entrepreneurs is significantly shorter than their native counterparts. Regarding the startup characteristics, it is identified that enterprises of immigrants have a tendency to be smaller, have higher exit rates, and have younger owners compared to companies of native entrepreneurs. Mueller claims that, when they controlled for the size and other company characteristics, there is no significant difference between the patenting activity (filing a patent, the size of the patent application stock, etc.) of immigrant and native enterprises.

In essence, Mueller's (2013) study is unique in looking at the patent applications of immigrant enterprises and whether VCs or corporate investors finance them. An industry-related highlight of the study is that only a limited level of difference is observed between immigrant and native companies, except the start-up stage, in knowledge-intensive industries. Therefore, it might be the case that some industries allow immigrants and refugees to catch a standard if they can overcome the entry barriers. These industries and their characteristics should be identified by further research.

As this doctoral research covers how refugees engage in innovation, the report about refugee innovations by Betts et al. (2015) is also worth mentioning in this context. It remarkably showcases how refugees engage in bottom-up innovation in the humanitarian systems in five countries, focusing on refugee camps in Uganda, Jordan, and Kenya; and looking at urban settings in South Africa and the United States. As mentioned before, it includes any new solutions found by refugees in different roles and contexts in its definition of innovation. Betts et al. (2015) argue that in a country where refugees have the right to work, they show significantly innovative and entrepreneurial behaviour both in urban and rural settings, using and adapting technology. It is observed that refugee innovation positively affects exchanging public goods across the refugee and indigenous groups. Even though Betts et al.'s study addresses the significance of self-reliance to some extent, it does not focus on refugee entrepreneurship. The mentioned cases are mostly about innovating the humanitarian system by refugees, leaving the questions about the innovative contributions of refugee enterprises unanswered.

In this context, Riddle et al. (2010) conducted a research on a special incubator for transnational diaspora entrepreneurs in the Netherlands. They interviewed and observed the immigrant entrepreneurs who are participants of the incubation programme and non-participant diaspora entrepreneurs in the community. They also interviewed the management of the incubator, their funding providers, migrant community leaders, etc. Overall, the study explains how the incubator model works and how the organisers customised their goals and services for their stakeholders. By including different perspectives in this study, they revealed how such exclusive incubators for immigrant entrepreneurs in emerging markets have a significant role in helping them to overcome institutional challenges regarding human capital, financial capital, and social capital. Such support and training programmes also help entrepreneurs have more innovative business models, products, and services. In this context, there is a need for more recent studies on how these organisations foster innovation, as there are similar organisations that provide entrepreneurship support in Europe, established explicitly for refugee beneficiaries.

2.6. Intergenerational Differences

Soydas and Aleti (2015) studied the entrepreneurial motivations of the first- and second-generation Turkish entrepreneurs in Melbourne, Australia. Their study revealed that pull factors affect the decision of both first- and second-generation Turkish immigrants to

become entrepreneurs. The second generation is mainly motivated by pull factors such as status, ambition, and opportunity perception. In contrast with the mainstream view in literature, Soydas and Aleti (2015) suggested that the first generation is also motivated by pull factors. However, generations' approach to the business establishment is still different, as the first generation is pulled by extrinsic motivators such as financial reasons. In contrast, the second generation is drawn by intrinsic motivators like recognition, self-fulfilment, and autonomy. Additionally, Sepulveda et al. (2011) revealed that the second-generation immigrant entrepreneurs are involved in more diverse business activities in the UK.

Another study investigating intergenerational differences between immigrant entrepreneurs looks at five major non-Western groups of immigrants in the Netherlands (Beckers & Blumberg, 2011). This study also includes natives and contrasts their characteristics of entrepreneurship with immigrants. Beckers and Blumberg (2011) used different statistical datasets involving demographics of entrepreneurs, as well as the characteristics and quantitative financial data of their companies for the research. In their analysis, they tested the mixed embeddedness framework, mainly aiming to show how the sectors they operate in changed between generations. They argued that second-generation migrants are more likely to do business in the less traditional sectors. Beckers and Blumberg (2011) expected to see a variation in business development and improved business performance for the second generation. However, they found no clear evidence.

Beckers and Blumberg (2011) also found that the average education level has increased in the second generation. Considering their higher proficiency in the Dutch language, the second-generation entrepreneurs have an advantage over the first generation regarding access to mainstream markets. Yet, even the second-generation immigrants who are better educated than the Dutch have stayed behind in the labour market prospects (Beckers & Blumberg, 2011). As this study relies only on statistical data, the reasons and implications of these findings remain unclear, and those should be investigated for a better understanding.

Another research (Clark & Drinkwater, 2000) suggests that self-employment becomes less attractive compared to salaried employment for more highly educated groups of migrants. It might explain why Beckers and Blumberg's (2011) study did not find the second generation more successful in entrepreneurship, despite their host country compliant skills and higher levels of human and social capital.

Rusinovic (2008) conducted a qualitative study investigating intergenerational differences among immigrant entrepreneurs in the Netherlands. She interviewed 252 entrepreneurs, 115 of them were the second generation. Her analysis shows that being embedded in transnational networks became less important for the second generation than the first generation (Rusinovic, 2008). It is highlighted that some second-generation entrepreneurs do not even speak the language of their country of origin well enough to work transnationally. The study also implies that transnational capital is not a requirement for every immigrant entrepreneur; it is essential to do business with their country of origin.

In terms of intergenerational comparison, there is not any research founded in the refugee entrepreneurship literature. With that in mind, participants from different refugee generations could be investigated to explore different patterns in their experiences. However, it would be a major challenge to recruit such a sample since the second generations of refugee communities do not identify themselves as “refugees”. From an institutional perspective, they usually get citizenship status just as second-generation immigrants and do not have specific needs that could be targeted by tailored entrepreneurship support programmes or government schemes. Future studies might explore if there are any social or structural barriers specific to their case.

2.7. Unanswered issues by the state-of-the-art literature review

This chapter provided insight into different perspectives, interesting research design examples, findings, as well as gaps in the immigrant and refugee entrepreneurship literature. Above all, it is vital to have up-to-date entrepreneurship research covering the recent migration waves in Europe, especially after the Syrian conflict, encompassing different aspects mentioned in the literature review. Refugee entrepreneurs are evidently different from immigrant and native entrepreneurs in the sense that they are mostly unable to bring their financial capital, official papers (e.g. diplomas, registration documents, property documents, etc.) that they might need in the business setting. They typically lack social capital since they usually claim asylum individually and lose connections with the networks that they have been part of in their country of origin.

Looking at the research papers available in this field, we can see that relevant studies usually focused on the economic conditions of refugees in host countries, what refugees imply –usually, in terms of what they cost– for a host country in financial means, and the motivations of refugees to become entrepreneurs. Although there are some research

examining individual or environmental factors affecting refugee entrepreneurs, no research systematically showcases the interplay of the factors, especially by incorporating different perspectives (e.g. perspectives of the refugee entrepreneurs, refugees' business partners, local businesspeople, practitioners from entrepreneurship support networks, investors, and government officers). How different parties see, perceive, and express refugees' embeddedness in host countries, how they play a role in their entrepreneurial development, and how refugees innovate through setting up their businesses are mainly unanswered questions.

Company characteristics and different dimensions of outcomes of refugee enterprises (e.g. social impact, individual impact) also remain unidentified in the literature. In the assessments of entrepreneurs, we usually see numbers about businesses. Yet, especially in the academic literature, we need to see more critical insights about the process; as in how entrepreneurs struggle, power through various challenges, or find opportunities and relevant support until they succeed. Studies covering economic, social and individual outcomes of refugee entrepreneurship are also lacking. Developing a better understanding on different dimensions of entrepreneurial outcomes is critical for redefining "success" for not only refugee entrepreneurs but also for other unconventional entrepreneurs.

There is also a gap in the literature about how specifically urban refugees face barriers in their journey to thrive as entrepreneurs in Europe, as well as how high skilled ones engage in entrepreneurship and innovation in host countries. The differences and similarities of European countries, and the advantages and disadvantages of their urban settings also must be analysed considering the European Refugee Situation. Finally, the impacts of REPs and government support, as well as the role of having a local co-founder, are the issues that in-depth research should explore. In the following empirical chapters, this research will address these aspects by exploratively and comparatively analysing the unique experiences of refugee entrepreneurs in urban settings of the UK, Netherlands, and Germany.

3. RESEARCH FRAMEWORK AND METHODOLOGY

3.1. Introduction

This chapter addresses the aim of this research, my standpoint, research questions, the methods I used for answering these questions, data collection along with the reasons behind the selection of countries for the fieldwork, and finally, technicalities of the data analysis.

3.2. Research Strategy and Positionality of the Researcher

As Finlay (1998) described, scrutinizing one's own assumptions is an integral part of reflexivity in research. In this regard, I will explain my positionality as the researcher and how I reflected this standpoint on my research before getting into the details of the research questions, methods, concepts, and the sample. Understanding reflexivity is critical for this research since this approach accepts the researcher as a part of the research. Instead of looking at academic research as an entity that is not influenced or affected by the researcher's identity and worldview, reflexivity includes highlighting the role of the researcher in the study.

As the researcher of this doctoral study, I aim to discuss my experience and stance on various issues about the subject matter in this section. Accordingly, I will clarify my positionality as "Positionality is determined by where one stands in relation to 'the other'" (Merriam et al., 2001). According to Banks' (1998) conceptualisation of insider/outsiderness positionality (See Figure 3.1), which is based on the intellectual, cultural, and social distance of the researcher to the studied community, I position myself between indigenous-insider and external-insider. As opposed to what Banks (1998) suggested, I argue that this position is closer to the subject than the "indigenous-outsider", who are of the same nationality but socialised outside the community, considering the fact that two sides do not feel close only through having the same race but also through sharing the same religion, beliefs, class, values, culture and even profession.

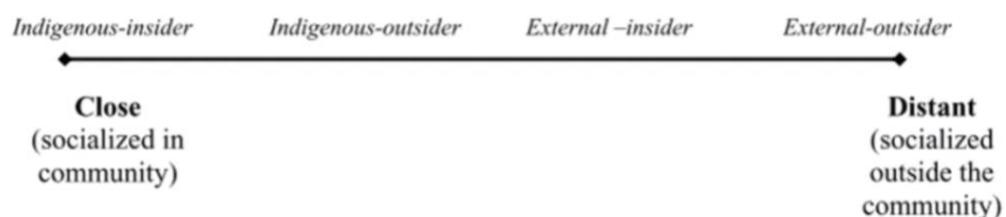


Figure 3.1. Conceptualization of insider/outsiderness positionality on a continuum based on intellectual, cultural, and social distance to indigenous community (Banks, 1998)

My identity as a Turkish Muslim middle-class female researcher in her mid-20s brings me close to the current refugee profile in Europe, considering the social and political contexts we are embedded in. Starting with how the participants view me, the way I felt they found me familiar mostly gave me confidence and helped me to ask my questions openly. Often I heard such statements from them: “My sister is also a hijabi (wears a headscarf and dresses modestly as a practicing Muslim)”, “I am a Muslim too”, or “My best friend lives in Turkey now, we are sister and brothers as two nations.” Inevitably, how they view me leads to some assumptions. Before I made any introductions, most of them have assumed that I am supporting the refugee cause, believing in refugee talent and the need for more opportunities. Some could have still focused more on “the researcher” part of my identity, an interviewer to be convinced or to prove themselves to. Thus, they might have overstated some experiences to sound more convincing while highlighting their success to be perceived in good condition and worthy of attention, investment, etc. or they might have emphasised their struggles to show how they are being mistreated.

Two other dimensions of my identity which bring me closer to the refugee community and especially refugee entrepreneurs are my social entrepreneurship experience with refugees and my grandfather’s experience as an internally displaced person. These aspects of my identity help me better understand the experiences of refugee entrepreneurs but also influences and potentially biases my view of refugee entrepreneurship as a phenomenon. To elaborate more on these aspects, firstly, I volunteered at several NGOs in Turkey and the UK, which provide shelter and humanitarian assistance for refugees. Frankly, the conventional humanitarian organisations were only creating more and more co-dependent individuals to humanitarian assistance. As a former engineer and a student in entrepreneurship and innovation studies, I researched innovative solutions for the cause and found out about organisations that train entrepreneurial refugees, try to find investment and other kinds of support for them to become a self-sufficient and integral part of the host countries.

In light of those experiences, I have dreamed about setting up a Refugee Entrepreneurship Programme but could not afford it. However, with the sponsorship of a corporate company, I have co-founded a social enterprise in the education technologies sector called SchoolX with a multinational team including Syrian refugees. The aim was to compensate refugee youth’s missed years of schooling and provide educational support for improving their employability skills with the help of local teachers and students. This experience helped

me to understand the economic, social, and psychological challenges of many urban refugees, including discrimination, lack of access to public services, jobs, and educational opportunities, as well as to see their aspirations, efforts, hopes, frustrations, and even biases about the host countries.

Secondly, one of the things that motivate me the most for exploring the stories of displaced people is the story of my grandparents, who were internally displaced. As my grandparents were from an ethnic minority (Kurdish) in Turkey, they were forced to leave their home due to nation-state policies in the 1930s. After a difficult journey, they settled in a city where they know nothing about and know basically anybody. They didn't even speak Turkish, as the local language spoken in their village and city was Kurdish. Years passed by—not as easy as it sounds, and my grandfather achieved to establish a printing house for his local newspaper in a small town. My mother was the first girl in that town to study at university, thanks to my grandfather's support and my mother's ambition. My grandfather's newspaper, the same age as my mother, is still being published there and has been the source of income to our family members through generations. Since they brought new pressing technologies to the town, I strongly believe that they deserve to be called innovative entrepreneurs there.

I grew up listening to my grandfather's stories, only to realise how history repeats itself. As we have witnessed millions of refugees sought shelter in our country, they had to go through the same challenges even though it has been almost a century since similar tragedies have happened to other communities in the same region. Unfortunately, this one created a new "other" in Turkey, replacing Kurdish as the ultimate other. Living in the UK and Europe for several years, I believe "the refugees" are in a similar position, taking the immigrants' place of being the most discriminated against and the least privileged.

These experiences together form my positionality, or standpoint as described by Harding (1992), determining how I am located socially and politically with respect to refugee entrepreneurs and giving me the perspective to identify and interpret different behavioural patterns that mostly cannot be recognised by those absorbed in the dominant culture of the West. Therefore, my worldview shaped the scope of this study as I wanted to understand more about refugee entrepreneurship and their embeddedness in the opportunity structures, how they find support and exploit opportunities to grow their business and engage in innovation. My passion, therefore bias, about the subject and familiarity with the community contribute to the research by helping me to dig deeper into and have a better

grasp of their challenges as well as their motivations. Hence, I tried to include my interpretations through empirical reflections based on the interviews, documents, and participant observations analysed as part of this research.

My identity also helped language-wise. The participants sometimes use Arabic words either because I told them I speak Arabic at an intermediate level or knowing that these are common words in Arabic and Turkish. When I noticed that some interviewees are not comfortable with their English and that they are trying to express more than what their vocabulary allows, I told them I would understand if they preferred using some Arabic words to highlight important points. It gave them the comfort to switch between languages when they feel like doing it. But the conversations we had during the interviews were 95 per cent in English.

Notably, how I positioned myself in this research was clearly explained to the participants either in the emails and messages I have sent them before the interviews or while having a casual conversation right before I start recording the meeting and asking my questions. To create a more honest and open atmosphere during the interviews, I shared my opinions, experience, hope, passion, enthusiasm, and frustrations about the refugee cause; other relevant issues in the social, political, and economic contexts; and our shared cultural elements, as we are from Middle Eastern and Muslim-majority countries. The latter was not the case in the interviews I had with Russian and Zimbabwean participants. When I shared my thoughts and feelings, the participants opened up, knowing they will not be judged, misunderstood, or alienated because of their opinions, experiences, etc.

As Jock Collins of the University of Technology Sydney said, at the Refugee Entrepreneurship Network Summit 2020, you need to build trust to get refugees to accept participating in your research. Collins also pointed out that it is why a randomised sample does not work and that researching the non-economic factors and impact of refugee entrepreneurship is of greater importance. In this context, it was difficult to onboard participants as they were hesitant to share details of their personal journey, which involves different vulnerabilities and struggles. Therefore, explaining my positionality in the first place has been very helpful to gain their trust and motivate them to participate in the research. I also emphasised my motivation to oppose the dominant discourse of refugees as a burden, to get their voices heard, and to help designing better opportunities for them. Finally, when I mention that this research will demonstrate not only the economic effects

but also the social and personal impacts of refugee entrepreneurship, it encouraged the participants to share more details about their experiences.

Insider researchers appear to have privileged access to the world of the group they are studying, in comparison to outsider researchers who may have less information about how to attain “membership” or did not have personal contacts within the group (Merriam et al., 2001). It is worth mentioning that some entrepreneurs agreed to participate in my study after reading about my identity —accepting me as a member or ally of their social group, even before meeting me in person or being introduced to me by someone they know in person. Moreover, Harb et al. (2019) asserted that business owners perceived the female researcher in their team as less threatening, and the female researcher was able to get more positive answers than male researchers when she asked business owners to participate in their research. It might be the case for refugee entrepreneurs in Lebanon where Harb et al.’s fieldwork (2019) has taken place. Nevertheless, I felt being a female researcher did not make much difference in Europe, considering a male researcher who speaks Arabic as his native language was able to recruit a similar number of refugee entrepreneurs for another research easily. Hence, having the same language and ethnicity might be more effective in building stronger membership ties.

At a summit in which I participated as an observant; Collins also criticised mainstream entrepreneurship studies for being blown by the false idea of the “very successful”. He added, *“it is not necessarily about becoming a unicorn or becoming a millionaire.”* Agreeing with Collins, instead of just telling the stories of “successful refugees” or “pitiful refugees”, I designed this research to examine and understand the factors enabling and disabling refugees to make a living, to gain self-sufficiency, to engage in innovation, to integrate into the host country and to achieve personal growth through entrepreneurship.

Above all, my goal is to help to create a more tolerant perception about refugees and building an inclusive and collaborative international business community. Hopefully, this research will offer an insight into how refugees are not only a part of the problem; they are solving problems, creating jobs, engaging in innovation and economic development through entrepreneurship depending on the host country circumstances, even though they have to face different challenges than mainstream entrepreneurs.

As this research seeks to interpret and illuminate the actions and subjective experiences of research participants, adopting a qualitative methodology is the right choice for addressing the research questions. Being immersed in the culture and situations of refugee

entrepreneurs, I aim to generate themes and frameworks reflecting a realistic view of their experiences and host country environments. More details are provided under the sections 3.4. Data Collection, 3.5. Data Analysis and Theory Development, and 3.6. Concepts and Variables.

3.3. Research Design and Methods

3.3.1. *Research Questions*

In order to examine the individual and environmental factors enabling refugee entrepreneurship, and the outcomes of refugees' entrepreneurial activities and comparing how these factors vary in the selected host countries (The Netherlands, Germany, and the UK), this study addresses three research questions:

- I. What are the individual factors that enable refugees to become entrepreneurs? To what extent they can exploit these factors in European context?
- II. What affects refugee entrepreneurship in urban settings in Europe? To what extent does the current environment enable refugee entrepreneurship?
- III. What are the economic and non-economic outcomes of refugee entrepreneurship, and what are the effects of these outcomes on the business environment and wider society in the host countries as well as on a personal level for the entrepreneurs?

The research questions are very comprehensive and interrelated as the combination of individual and environmental factors affecting refugee entrepreneurs feed into the outcomes of their enterprises. Refugees face particular challenges in their journey to become entrepreneurs, unique to their circumstances of being a refugee, different than the challenges of local entrepreneurs and immigrant entrepreneurs. The assets that pave refugees' way to become entrepreneurs, which they have brought to the host country, are investigated along with what the host country environment offers them throughout this journey. Different migration patterns, business cultures, and policies for refugees' entrepreneurial activity distinguish the selected countries. However, their geographic and economic similarities allow for meaningful comparative analysis. By comparing the situation in three countries, the second research question will shed light on the potential and needs of entrepreneurial refugees in Europe and beyond. Legal frameworks, business culture, inclusivity of the entrepreneurial ecosystems, funding and investment opportunities for refugee-owned enterprises, as well as the availability and effectiveness of the support schemes provided by public and private sectors (i.e. Refugee Entrepreneurship

Programmes: REPs) are critical aspects to examine in order to answer the second research question.

The third question focuses on how refugee entrepreneurs create economic and non-economic value for themselves, for the host country, and for the sector and the market they participate in. Refugees' and REP managers' perceptions about how refugee entrepreneurs make contributions in these aspects, as well as data regarding company characteristics and performance, will be compared between entrepreneurs that have different characteristics and are settled in different countries. How they innovate products, services, and processes to tailor their business for the customers and how they fail or succeed in this will also be discussed under this question.

Data from the interviews regarding the third question includes how refugees and other participants (REP managers and investors) think refugees' entrepreneurial experience affects their personal development, well-being, and their contributions to the host country economy, business environment, and wider society. How participants perceive the phenomena and how they express their perceptions are essential to have a deeper understanding of their experiences in this sense. As this study does not aim to draw representative conclusions, general company information of refugee-owned enterprises (i.e. sector, number of employees, amount of investment received. See Appendix B) gives an insight into the potential of such businesses through supporting the interview data, which is the backbone of this study.

As seen in the literature, there is also a lack of comprehensive data and official representative statistics about refugee entrepreneurs in the field. Nevertheless, the struggles, ambitions, and empowerment of refugees, as well as the forms of discrimination they faced, cannot be understood and explained through a purely quantitative study using surveys and statistical analysis. It requires an explorative research design and qualitative methods for data collection to gain an in-depth understanding of their experiences. Therefore, a qualitative approach is adopted to answer the research questions. Secondary data about demographics of refugees, economic aspects of the subject, impact of REPs, and the entrepreneurship and innovation scene in the host countries, are also used in relevant contexts to back the assumptions and interpretations derived from the interviews.

Adopting a qualitative approach, the first question seeks to answer the following sub-questions: *How are the demographic profile of refugee entrepreneurs? Do they have distinctive entrepreneurial traits? What educational background do they have? What*

previous experiences do they have that are relevant to entrepreneurship? How do refugees utilize their social and financial capital for establishing a business? Do they depend on co-ethnic networks or native/local networks? What are the motivations of refugees to become entrepreneurs?

The second research question tackles the following sub-questions: *To what extent do the entrepreneurial ecosystems in host countries encourage and support the entrepreneurial activities of refugees? How do refugees perceive this support? How do the legal structures affect the establishment and development of a refugee-owned enterprise in urban settings? How the institutional and environmental differences (such as business culture, legal frameworks) in host countries affect refugee entrepreneurship? Which sectors are refugee entrepreneurs active in, and why?*

The sub-questions addressed under the third research question are: *What are the company characteristics (i.e. sector, number of employees, amount of investment received) of refugee enterprises in the sample? How is the success of refugee enterprises measured and perceived (from the entrepreneurs' perspective, from REP organisers/managers' perspective)? How does entrepreneurship affect refugees' own economic conditions? How does refugee entrepreneurship contribute to the economy and the society (natives/locals, immigrants, refugees, co-ethnic community in the host country and back in their home country)? How does refugee entrepreneurs engage in innovation? How does refugee entrepreneurship contribute to refugee lives, business environment, and entrepreneurship ecosystem in the host country and the wider society? How are refugee entrepreneurs' contributions different from native entrepreneurs? How does becoming an entrepreneur and succeeding in their business empower refugee entrepreneurs in their personal development and well-being?* Semi-structured interviews, document analysis, and participant observation are the key data collection methods in this study. See Appendix A for the interview questions addressing all aspects mentioned in the research questions. The following sections further explain the details about the da.

3.3.2. Sampling of the respondents

Data collection is based on (1) semi-structured interviews with refugee entrepreneurs, their business partners/colleagues, and Refugee Entrepreneurship Programme (REP) managers; (2) documents provided by REPs, governments, relevant NGOs, and academics; and (3) participant observation at various events refugee entrepreneurs participate in, such as pitch competitions, networking events, launch events of REPs, conferences, and meet-ups.

Refugees who have set up their businesses and who are setting up their businesses are interviewed. Half of the sample of entrepreneurs is from within the REPs (participants of the programmes), and half is from outside the REPs (those who did not participate in the programmes). As stated before, the fieldwork is done in three countries: the United Kingdom, the Netherlands, and Germany. Nine refugee entrepreneurs in the UK, nine refugee entrepreneurs in the Netherlands, seven refugee entrepreneurs in Germany, and one REP manager in each country are interviewed. Since this is a comparative study, the differences in selected countries' legal processes, openness of the entrepreneurship ecosystem, integration policies, and also the social dynamics for refugees (e.g. discrimination, business culture etc.) are assessed. The comparative assessment is demonstrated by using the new theoretical framework developed based on the findings of this study.

Additionally, REP managers who are knowledgeable about refugee employment and self-employment procedures in each country, as well as the structure and dynamics of entrepreneurship support schemes, were also interviewed as part of the research. In total, 28 interviews were conducted. An interview took an hour on average, some reaching two hours. 19 documents were analysed, consisting of reports and informative documents provided by REPs, think tanks, and governments. Findings from the documents and field notes are mixed and absorbed in the analysis and discussion on interviews throughout the manuscript, providing further insight, evidence, and sometimes conflicting statements whose accuracy, motivation, and discourse are scrutinized. Further details about the documents and participant observations are explained in Section 3.4. Data Collection.

Relevant organizations, groups on social media platforms, entrepreneur networks, refugee organizations, training institutes for refugees, and social enterprises that serve or collaborate with refugees were contacted for recruiting participants and finding relevant documents for the research. These networks are listed in Section 3.4.4. Selected Countries for Fieldwork.

3.4. Data Collection

3.4.1. Interviews

To recruit interviewees, I contacted relevant organisations, groups on social media platforms, entrepreneur networks, refugee organizations, training institutes for refugees, and social enterprises that serve refugee needs or collaborate with refugees. I reached most

of them out through my contacts and by attending relevant events. They have been helpful by connecting me with refugee entrepreneurs, by sharing the advertisement material of the research with their network, or by accepting to be interviewed themselves. Interviewing REP managers has been very useful for triangulating the information and analyses derived from the interviews of refugee entrepreneurs, especially of those who are REP participants. Although some organizations (e.g. TERN, Refugees Forward, SINGA Berlin, Jusoor, Startups Without Borders) have been helpful to reach out to people and I have been closely following the activities of all relevant organisations and networks in the field; it is not realistic to expect a large sample, as I see that they do not always identify themselves as “refugee entrepreneurs”, but many of them identify with their nationalities only (e.g., being a Syrian entrepreneur). Also, in many cases, it is seen that they are too busy or reluctant to participate in a research, worrying that their identity might be revealed even though I ensured the anonymity of the interviews at the first contact point. So, the aim is to get a well-rounded view of the refugee-owned enterprises through interviews and to gain further insight from the field by participant observation and document analysis.

The fieldwork has begun by opportunity sampling through reaching out to my related personal contacts and online networks. Then, I shared the research advertisement in business networks and expat groups of different nationalities in the target cities of host countries. I contacted relevant social media groups, co-working groups, and personal contacts in organizations that have activities for refugee entrepreneurs in each country. Adopting snowball sampling, I requested the initial participants to recommend and introduce me to other refugee entrepreneurs for having interviews. It has helped me reach out to more participants in the UK, Netherlands, and Germany. I mostly conducted the interviews in face-to-face meetings and rarely via online sessions (i.e. using Skype, WhatsApp, Zoom, Google Hangouts, or teleconferencing).

3.4.2. Documents

In addition to the interviews, it is of this research’s interest to analyse documents about refugee entrepreneurs such as reports from Refugee Entrepreneurship Programmes (e.g. impact reports, marketing materials, announcements, informative texts about their services and portfolio, etc.), best practice documents, discussion minutes on events refugee entrepreneurs and REPs participate in, think tank reports, press releases, and policy documents. Document analysis especially helped triangulating the interview data answering RQ2 and RQ3. Most significantly, data from the documents enriched the

discussion on entrepreneurship support, mainly on REPs. 19 documents are analysed in total, adding up to 60,281 words. 372 codes were derived from them, categorised into new themes, or matched with the ones from the interviews. In the data analysis chapter, I listed the types, sources, year of creation, and themes of the documents.

I critically analysed the discourse in the documents in the sense of how the purpose and the importance of “refugee entrepreneurship” as well as enabling and supporting refugee entrepreneurship are delivered to the audience. I examined how the discourse changes for different audiences, how the impact of refugee entrepreneurship is perceived and expressed by the individuals and organisations that support and promote refugees’ entrepreneurial activities. It helped me get a deeper understanding of the phenomena: the motivations, goals, purposes, challenges, failures, and success of refugees in becoming entrepreneurs, and the role of others in supporting or limiting their progress in the entrepreneurial journey.

3.4.3. *Participant Observation*

The final method used as part of this research is participant observation, which I have done at the events which refugee entrepreneurs, REP representatives, and other practitioners participated in. I took field notes at entrepreneurship events such as pitch competitions, workshops, launch events of REPs, networking events such as conferences. Members of the local and refugee community in the host country (business people, social workers, entrepreneurs, investors, etc.) get together for networking, finding collaboration opportunities, discussing the problems and needs, increasing their knowledge in the topic area of the event, or competing with each other.

I have been joining such events to learn more about what is going on in the field, as well as to team up with refugee entrepreneurs to help them with their pitches, communicating with investors, to connect them with relevant business people or organisations according to their need. As I studied in the business school and had experiences in several entrepreneurship projects, they see that I have the knowledge to help them, and they usually stayed in touch after the events. Through participant observation, I learned more about their experiences, motivations, and struggles in a more natural way, beyond what they expressed in the interviews.

This research component involves my field notes, including any observations and reflections I had during the interviews and events. I reported and analysed participant observations based on my field notes from five events that I attended. These are three

refugee entrepreneurship summits, one pitch competition where I helped out a refugee start-up, and one programme launch event of a Refugee Entrepreneurship Programme. As mentioned in Section 3.3.2 Sampling of the Respondents, I incorporated the findings from the field notes into the discussion on interviews and documents analysed, providing further insight on the phenomena.

Most of the events that I attended were targeting refugees as participants. It is hard to identify refugee entrepreneurs in more general events since they usually do not disclose or highlight that they are refugees. It may not necessarily be for hiding their refugee identity because of shame or fear, but they might not be willing to put it forward to attract sympathy from others. This aspect of their entrepreneurship experience is also further investigated during the fieldwork.

Overall, by using interviews, document analysis, and participant observation, this research design allows triangulation of sources and methods to capture different dimensions of the refugee entrepreneurship phenomenon and to strengthen the standpoint of the research and its implications.

3.4.4. *Selected Countries for Fieldwork*

As wars and persecution forced more people to flee their countries more than any time in history, many countries are caught short of sustainable, long-term strategies in terms of their refugee system. Their public services for refugees are mainly composed of nothing more than emergency humanitarian assistance and shelter. The camp system is not able to offer refugees opportunities to sustain and improve their lives. Considering the average length of refugees to stay in a host country is over ten years (Devictor & Do, 2016), the lack of long-term solutions for their self-sufficiency and integration results in an inactive community, dependent on humanitarian aid and distant from productive activities.

Refugees have the potential to become an integral part of the economy and the society in host countries, to become self-reliant, and to create jobs for others through entrepreneurship. However, they need tailored support to join the banking system, relevant business programs, ecosystems, mentorship schemes, and investment networks. Given a chance, immigrant entrepreneurs have established one in every seven businesses in the UK and nearly half of all companies in Germany (Ormiston, 2017). Refugees are among those. Yet, there is a gap in the entrepreneurship literature about refugee entrepreneurs and the

factors affecting their business activities in urban settings in Europe, where the immigrant and refugee population has been increasing due to recent economic and political conflicts. Therefore, for the fieldwork of this explorative and comparative study, urban settings (i.e. capital cities, industrial cities) are selected in three European countries; the United Kingdom, the Netherlands, and Germany. This selection is made according to the countries' migration patterns, numbers of refugees and asylum applications, entrepreneurial ecosystems, as well as their policies and approaches for entrepreneurial activities of refugees. Geographic and economic similarities of these countries allow for significant comparison. By comparing the situations of entrepreneurs in these countries, I intend to show how environmental factors affect refugee entrepreneurship and which aspects are more important for their entrepreneurial growth. Exploring and comprehending the dynamics related to refugee entrepreneurship in these countries will help identifying the pain points, improvement areas, and economic and social potential of empowering entrepreneurial refugees. I briefly reviewed each country below in terms of the reasons behind their selection and the refugee organizations that I contacted in the country. I further discussed empirical insights about each country in the relevant sections of the data analysis, and I assessed the countries using the theoretical framework developed as part of this study. The explanations in this section are mostly based on recent statistics and studies about refugees and European Refugee Situation. As 2015 was the year that Europe received the highest number of asylum applications in history (1.32 million) according to EU Asylum Statistics, there are many studies and analyses done with 2015 data. It is crucial to gain insight into these analyses since the consequences of the 2015 influx will be very much seen in the long term.

3.4.4.1. *Germany, home to the most European immigrants and refugees*

Germany hosts the highest number of immigrants and refugees (i.e. registered asylum seekers) in Europe (Eurostat, 2018a). Most recent statistics show that 1,35 million refugees have been registered in Germany since the open-door policy has been announced in 2015 (German Interior Ministry, 2018). However, there are debates on whether this decision was right due to some controversial incidents about refugees, such as several terrorist attacks, sexual harassment cases, and the news revealing that the migration office does not properly review 99% of asylum applications (RT International, 2018). As the tension rose, Germany's Chancellor Angela Merkel announced that they would limit the refugee intake to 200,000 a year (Guardian, 2017). Therefore, there is an interesting ground for research

to explore how having a large refugee community (e.g. supporting each other, establishing a marketplace, serving the needs of refugees or a particular ethnic community) but being faced with negative reactions simultaneously influences the business prospects, opportunities, challenges, and performance of refugee entrepreneurs.

Being the largest economy in Europe and the fourth largest in the world (IMF, 2018), Germany is a stimulating case, also because it accepted the greatest number of refugees in Europe. In the 1960s, Germany had also received *Gastarbeiter* (Guest Workers), mostly Turkish people, as part of their labour force and foreigners' policy. Germany's approach and policies for refugees are similar to how they have approached *Gastarbeiter* (Daimler, 2016). Although asylum seekers can apply for jobs in Germany within three months upon their arrival, they may only be considered for the position if there is not any German or European Union citizen running for it (German Federal Office for Migration and Refugees, 2015).

Initiated by 36 large German companies (e.g. Adidas, ThyssenKrupp, Siemens) in 2015, *Wir-Zusammen* (We-Together) network gives that impression as it consists of 220+ companies that provide training, apprenticeship, internship, and mentorship opportunities for refugees by locals in the industry. A similar model is not available in other European countries. As mentioned frequently in the statements of their founding companies, the aim of *Wir-Zusammen* is mainly labour market integration. However, as they also provide mentorship, it helps refugees to gain skills, confidence, and social network that may enable them to become entrepreneurs. Through this study, it is investigated if being involved in such trainings affect refugees' decision to become entrepreneurs and performance of their enterprises.

It is crucial to examine the effects of time constraints on employment and self-employment permits for refugees in Germany (Residence Act, 2013), which is three years, and the available opportunities and support schemes for refugee entrepreneurs. As this research aims to find out how refugees become entrepreneurs in urban settings and how their entrepreneurial activities are enabled in the new environment, Berlin is chosen for the fieldwork in Germany. Being the capital city, and the centre of entrepreneurial ecosystem of the country, Berlin has the potential to provide rich and insightful data on refugee entrepreneurship.

There are many refugee networks in Germany for high-skilled refugees, engineers, and entrepreneurs. Namely, there are active Facebook and LinkedIn groups that were also

contacted by other researchers (Smith, 2016) such as “Syrian Refugees in Germany”, “Die Syrische Startups (Syrian Startups)”. “Syrian Business Network”, “Syrische Ingenieure in Deutschland”. An interesting case to examine is Refugee Open Ware (ROW) in Berlin. As ROW organizes education and integration programmes for refugees, it also has refugee-owned ventures affiliated with it. These ventures are supported by trainings, funds and technology labs at ROW’s hardware incubator and social innovation hub to commercialize their products. Some ROW ventures actually provide solutions for refugees, by refugees; such as 3D prosthetic limbs, innovative search and rescue technologies, and eco-location devices for the blind.

Another remarkable organisation is SINGA Business Lab, which serves as an incubator for refugee enterprises. It is claimed that, unlike many Refugee Entrepreneurship Programmes, which have many traditional-sector businesses or livelihood businesses, SINGA has a large number of tech-enabled, innovative refugee enterprises in their portfolio (Centre for Entrepreneurs, 2018). SINGA connects refugees to potential investors and business partners. One of their enterprises have raised €50,000 and in the process of securing Venture Capital investment. Similarly, Migration Hub is a well-developed organisation that provides an incubation program for refugee entrepreneurs in Berlin. Such organisations helped me conduct the fieldwork in Berlin. Notably, SINGA Berlin allowed me to interview one of their managers.

3.4.4.2. United Kingdom, the leading hub for entrepreneurship organisations

United Kingdom (UK), as the second-largest economy in Europe (IMF, 2018), has the second-highest number of immigrants (589 thousand) in Europe after Germany (1,029.9 thousand) (Eurostat, 2016). However, the number of asylum seeker applications and granted refugee statuses per local population are far below the average of European Union (EU) countries. In 2015, EU countries received the highest number of asylum applications (1,32 Million) due to the *European Refugee Situation*. While the EU average was 260 applications, the UK had 60 applications per 100,000 local population (Eurostat, 2015). Compared to its regional neighbours (Sweden, Norway, Denmark, France, Italy and Germany), the UK has resettled fewer refugees per capita. UK government declared a resettlement target of accepting 20,000 Syrians by 2020, which has never been actualised. Thus, it is fascinating to observe refugee entrepreneurship among the UK’s population, whose business culture is seemingly welcoming migrants and providing exemplary opportunities for them. As 2016 EU Membership Referendum results implied that the UK

would leave EU, also known as “Brexit”, it is widely accepted that “the Leave campaign” was mainly fuelled by the worries about immigration policy (Hobolt, 2016). In this context, this research also aims to find out if there are social, institutional and economic barriers that cause discrimination and isolation, preventing refugee integration to the entrepreneurial ecosystem in the UK.

Even though the UK does not host many refugees, it is interesting to see that many social entrepreneurship organisations, community networks, and refugee-related innovative organisations have their headquarters in London. This is apparently because London is a great hub for entrepreneurship, being home to many start-ups, innovation centres, co-working spaces, investors, incubators, accelerators focusing on different sectors and topics. So, there are also specific projects, gatherings, seminars, training, accelerator programmes etc. for those who want to start up their business about social matters or work at such ventures. For instance, Techfugees is founded in London and expanded to other countries worldwide. Techfugees is a network of tech-savvy people passionate about finding innovative solutions for and with refugees (Techfugees, 2015). They organise meetings, brainstorming sessions, fellowships, hackathons and summits. Such events have led people to collaborate and even find founding team members from refugee communities for their start-ups. Furthermore, the Centre for Entrepreneurs (CFE) in London make great efforts in connecting the organisations which support refugee entrepreneurship worldwide, as well as creating awareness and public discourse around the topic. CFE has been organising the only global summit on refugee entrepreneurship annually for three years, namely Global Refugee Entrepreneurship (GRE) Summit in 2018 and 2019, rebranded as Refugee Entrepreneurship Network Summit in 2020. These gatherings place London at the heart of refugee-entrepreneurship support discussions and collaborations.

The UK part of the fieldwork only focuses on London to examine if they can find a space for themselves, an enabling environment in the diverse and dynamic entrepreneurial ecosystem of the metropolis. In fact, London does not host as many refugees as other European capitals included in this study. There are no official statistics, yet, it is claimed that London hosts less than one refugees per 10,000 population, and it means less than 1,000 refugees are residing in the city (Easton & Butcher, 2018). It is worth noting that Northern England has taken twice as many refugees as the South (UK Home Office, 2018). Compared with the two wealthiest regions (London and the South East), two of the poorest

regions (Yorkshire and the North East) have taken three times as many refugees per local population (UK Home Office, 2018).

As the social environment and the main economic activities change from region to region, the experiences of refugee entrepreneurs in different regions will be presumably different. Therefore, the findings of this research are not generalisable for the UK. Yet, the research gives an in-depth insight into the entrepreneurial ecosystem in London and its inclusivity, openness/accessibility, opportunities and challenges for refugees. Organisations like *MigrantsOrganize*, *Citizens UK* and *City of Sanctuary*, which connect mentors and befrienders from the local British community with refugees across the UK, have been essential contact points for this research for reaching out to refugee entrepreneurs.

The refugee status in the UK comes with five years of work permit that allows refugees to be employed and self-employed, while it is only granted for three years in most European Union countries. However, refugees in the UK face the most extended waiting times to get their work permit compared to other countries in Europe (Kingsley, 2016). So, it can be concluded that relatively fewer refugees than other European countries become eligible to apply for and join Refugee Entrepreneurship Programmes under these circumstances. In that sense, the wider impact of entrepreneurial support and training activities may be better observed in the long term for the host country and refugees, when there will be more demand for REPs from refugees with work permit and the need for more REPs accordingly.

To give an example for the REPs in London, The Entrepreneurial Refugee Network (TERN) is “a social enterprise that supports and empowers refugees in the UK to realise their potential, fulfil their aspirations and develop their own businesses” (2016). TERN gives early-stage business training to refugees via its pre-incubator and incubator programmes. They also provide on-demand business support and coaching for later-stage entrepreneurs. They assisted 10 refugee businesses in 2017, 30 more in 2018. Also, it is observed that TERN has been leading most of the discussions at GRE Summit 2018, 2019 and Refugee Entrepreneurship Network (REN) Summit in 2020, which is an excellent indicator of their pioneering activities in the field. I interviewed some entrepreneurs from their portfolio and management team to investigate the effect of such networks on refugee-owned businesses.

3.4.4.3. *The Netherlands, a trendsetter for immigration*

The Netherlands have the highest percentage of immigrant population among three selected countries for this research. Its immigrant population is 3.9 million, which constitutes 23.1 per cent of the total population. Whilst 12.8 per cent of Germany population are immigrants (10.9 million) and 14.3 per cent of the UK are immigrants (9.4 million). Additionally, the Netherlands received 43,035 asylum applications in 2015, the 7th highest number of applications to a country in Europe. Besides these high figures, asylum seekers can get work permits which allow them to get a part-time job as soon as they arrived in the Netherlands (Dutch Council for Refugees, 2018), which is not the case in the UK and Germany. In practice, it is observed that the processing time for an asylum application takes a few months on average. In many other European countries, the asylum application process, which may take many years, is paralysing most of the applicants, keeping them dependant on financial aid and isolating them from the local community.

When it comes to supporting refugee entrepreneurship, I observed three REPs in Amsterdam and one in Rotterdam, while there is only one REP in London and two REPs in Berlin (at the point of time when the fieldwork of this research began in 2018). The business language is mainly English, which provides an advantage for many refugees to start their entrepreneurial activities faster upon their arrival. The Netherlands appears to provide good opportunities for conflict-affected communities to find ways to help themselves instead of staying in limbo for uncertain times.

The Netherlands is well-known for its vibrant entrepreneurship ecosystem, start-up grants, low-interest loans, wealthy angel investors and successful local venture capitalists (Stam, 2014). It has an established focus on maximising diversity, equality, inclusiveness and mutual benefit. Furthermore, municipalities in the country can provide financial support for setting up a business for residents who receive social benefits, including refugees. Those who receive a grant are required to prepare a business plan within a year, during which they are not obliged to find and accept a waged job. Refugee grant holders may have to attend preparatory training for entrepreneurship provided by the municipality or third parties like REPs. The scheme requires the aspiring entrepreneurs to become self-sufficient and thus independent of social benefits (De Lange et al., 2020). It shows that the government considers entrepreneurship as a potentially more effective pathway for some people and that they do not follow the dominant waged-labour approach. Considering the described environment and the high fraction of recent refugee intake, it is stimulating to look at how refugee entrepreneurs are embedded in the Netherlands within the typical economic

activities, entrepreneurship culture and innovative environment of the country. Thus, Netherlands is an attractive country to explore for this research.

In addition to its significant refugee population and inclusive business mentality, another reason to choose the Netherlands for this research is its highly innovative atmosphere. According to Global Innovation Index (INSEAD, 2017), Netherlands is the world's second most innovative country. The UK ranks fourth, and Germany is the ninth globally (the seventh in Europe). Moreover, according to the international investment firm Atomico's analysis on Europe's Tech industry scene, Netherlands is the 4th most attractive destination for all international movers into the European tech ecosystem, while the UK is the top destination and Germany is the second most attractive destination (Atomico, 2018). Therefore, this research will investigate if refugees can participate in this innovative entrepreneurial ecosystem, and if so, how they are enabled to do so in the Netherlands.

As is the case for the UK and Germany, the fieldwork in the Netherlands could focus only on the capital of the country, which is Amsterdam. However, many governmental institutions of the Netherlands have been situated in The Hague. Moreover, The Hague ranks as the fourth fastest-growing tech hubs in Europe, while London and Berlin are not in the top ten cities (Atomico, 2018). Considering that it is a relatively small country in Europe and that its large cities are quite interlinked in terms of their industrial economic activities and business ecosystems, I decided that the scope will be slightly more extended in the Netherlands and that I will include Amsterdam, The Hague and Rotterdam in the fieldwork so that I can find participants more easily.

As discussed further in Section 4.1. Demographics, self-employment rates of the selected countries and the European Union average are lower than of Syria (World Bank, 2020). Examining all available World Bank data 1991-2020, this has always been the case for the last 30 years. As there is no statistical data where we can see the self-employment rate of "refugees" in those countries, it is reasonable to reflect on the rate of Syria, where the majority of the refugee population in the selected countries have come from. Worthnoting, as Syria's self-employment rate decreased, the EU average has increased. It may be showing the effects of immigration from Middle Eastern countries to Europe, bringing in an entrepreneurial flair. In 2020, the self-employment rate in Syria (Syrian Arab Republic) was 37.0 per cent, 28.8 per cent in the Middle East and North Africa (average), 15.1 per cent in the EU (average), 15 per cent in the United Kingdom, and 16.5 per cent in the Netherlands, while the rate in Germany is meagre at 9.8 per cent (World Bank, 2020).

Below graph (Figure 3.2) shows how the rates have changed in the last 30 years for the selected countries of this study, Syria, the Middle East and North Africa average and the EU average. Furthermore, lower levels of “entrepreneurial intentions” are observed in Germany and Netherlands (Global Entrepreneurship Monitor, 2017). More information about entrepreneurship and refugees in three selected countries are summarised in Table 3.1.

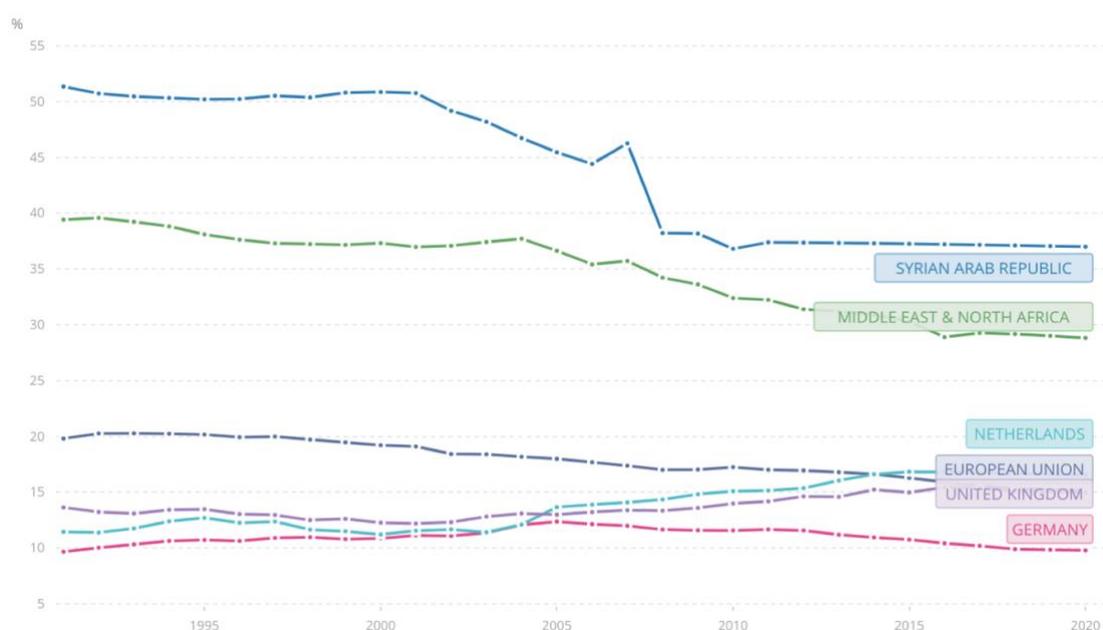


Figure 3.2 Self-employed, total (% of total employment) (modelled ILO estimate) - Syrian Arab Republic, Middle East and North Africa, European Union, Germany, Netherlands, United Kingdom (World Bank, 2020)

	United Kingdom	Netherlands	Germany
Immigrant Population	9.4 million [14.3%]	3.9 million [23.1%]	10.9 million [12.8%]
Refugee Population	121,837 [0.25%]	N/A ¹	1.4 million [1.7%]
Innovativeness (Global Innovation Index)	Score: 60.13 Rank: 4th	Score: 63.32 Rank: 2nd	Score: 58.03 Rank: 9th
Cost of business start-up procedures (% of GNI per capita)	0.1%	4.0%	6.5%

¹ All immigrants in Netherlands are counted as ‘newcomers’. No up-to-date statistics are available for the total number of refugees. UNHCR’s 2017 data claims there were 102,000 refugees in the Netherlands, constituting 0.6% of the population.

<i>Time required to start a business</i>	5 days	4 days	8 days
<i>Number of start-up procedures to register a business</i>	4	4	9
<i>Ease of doing business (World rank)</i>	8th	42th	22nd
<i>Work permits for refugees/asylum seekers</i>	Granted once refugee status is granted	Asylum seekers can work part time	Granted once refugee status is granted
<i>Population of the capital city</i>	8.7 million (London)	1.1 million (Amsterdam)	3.5 million (Berlin)
<i>Number of Refugee Entrepreneurship Programmes (REPs) in the capital city</i>	1 programme in London	3 programmes in Amsterdam	2 programmes in Berlin
<i>Capacity (per year/intake) of REPs found in the city</i>	30 entrepreneurs (annual)	15 entrepreneurs (per 4 months)	6 entrepreneurs (annual, first year)

Table 3.1 Demography and refugee entrepreneurship scene in the selected countries²

As seen in Table 3.1, similar dimensions of the selected countries will allow us to focus on the effects of different aspects concerning refugee entrepreneurs and to get a broader understanding of the scene for refugee entrepreneurship in urban settings in Europe.

Finally, it is noteworthy that Techfugees have branches in the capital cities of each selected country: London (HQ), Berlin and Amsterdam. Startups Without Borders (SWB) has also been actively sharing activities and examples of refugee entrepreneurs in all three cities. SWB blog and Facebook group has built a worldwide network for refugee and migrant entrepreneurs. They share stories of “entrepreneurs on the move” via videos, blog posts and pictures. They have presented many innovative entrepreneur stories across Europe (e.g. a Syrian refugee entrepreneur in Germany who built a smartphone application that allows communicating without internet or mobile network). This network has been beneficial for me to reach out to refugee entrepreneurs who are not part of any refugee entrepreneurship programmes or other refugee-related organisations in the selected countries. In conclusion, the three countries analysed above are selected for this comparative research to gain a

² Sources: UNHCR, The Office for National Statistics & EuroStat, 2018b. INSEAD, 2018. World Bank, 2020.

broader understanding of refugee entrepreneurship characteristics and available support in Europe.

3.4.5. *Ethical Considerations*

The research has received the necessary Ethics approvals from Birkbeck College, University of London. The participants are clearly informed about the aims and structure of the research to avoid misunderstandings and doubts. Yet, staying anonymous may be critical for refugees who participate in the research, as they left their countries due to conflict. They may fear being watched and persecuted by the members of the community opposing their political views, social group or ethnicity. There are even some people who change their names or use nicknames in their daily lives in host countries. So, I ensured the option of staying anonymous at the beginning of the interviews and information requests by declaring that their names, company names and other personal details will be anonymised and will not be publicised or shared with any third parties.

The participants could become emotional or feel uncomfortable talking about their experiences back in their home country, their journey or their struggles in the host country. Therefore, I assured the participants at the beginning of the interviews that they can stop the interview whenever they want, skip any questions that evoke bad memories, or feel uneasy about answering. Only two entrepreneurs wanted some parts of their interview to stay unpublished. They clearly stated that they would prefer those parts not to be used in the analysis, despite remaining anonymous, as some information they shared might reveal their identity. I did not include such answers in the transcription and the analysis.

3.5. Data Analysis and Theory Development

I transcribed the interviews using MS Office Word and a basic multimedia player. I coded all the interviews and documents for thematic analysis using NVivo and MS Office Excel tools. As I was in the process of data collection and analysis, I kept questions and the emerging codes very open in an attempt to avoid building the whole study on concrete assumptions and associations based on existing theoretical frameworks.

There were three stages of the analysis: (1) open coding to generate first categories (concepts) related to refugees' entrepreneurial journey, opportunities and barriers in the host countries, and REPs' support and impact; (2) axial coding to relate first categories with each other for generating second categories (sub-categories or themes) from them; and (3) selecting and interlinking themes from second categories to form core categories of the

proposed theoretical framework. The coding process and the categorisation of the concepts organically paved the way to the final decision on how the analysis will be structured and framed. Yet, as Birks and Mills (2015) put forward: *“Theoretical codes can be drawn from existing theories to assist in theoretical integration while adding explanatory power to the final product of a grounded theory study by situating it in relation to a theoretical body of knowledge”*, I used well-established theories in the development process. Mixed embeddedness theory (Kloosterman et al., 1999), the interaction model of Aldrich and Waldinger (1990) and the motivation theories that were suggested by Wauters and Lambrecht (2006) have underpinned the questions I directed to the participants. As I explained the relevant constructs/variables from the literature I used in Section 3.6. Concepts and Variables, my literature analysis has an influence on the questions I prepared, hence, the emerging concepts from the data analysis. The theoretical and empirical studies influencing this research were discussed in Chapter 2, The Context of Immigrant and Refugee Entrepreneurship, in detail.

I started by coding words and phrases that sounded important in terms of the participants’ experiences, challenges, ambitions and achievements as refugee entrepreneurs or as practitioners from REPs. I searched for synonyms of commonly used words and phrases to remove duplicates and also avoid missing any codes I might have overlooked due to different wording choice of the participants or documents (e.g. Expressions that are searched and included in the “personal development” concept were “confidence, personal development, personal growth, feeling, trust, self-esteem, believe, encourage, courage”). As I re-read the transcripts, the codes, and the selected quotes, I started merging interchangeable words and phrases into the same codes, generating the first categories (concepts). Since the codes and categories from the first few interviews shaped a preliminary analysis, I iterated the data collection process (Strauss and Corbin, 1990) and modified my questions to have more targeted, brief, but open-ended ones for the subsequent semi-structured interviews. These modifications helped me to focus on the themes that appeared to be necessary, but also to avoid directing the interviewees too much that they will give expected and less original answers.

For instance, the first interviewees repeatedly mentioned the concept of “giving back to society” as an essential value and goal of their entrepreneurial activities. Some were not sharing detailed information in that sense when I asked how they think they contribute to the economy and society through entrepreneurship or if their business is a social enterprise.

After realising that, I started to ask more explicitly about giving back to society in the interviews. I went through the codes four times to aggregate similar codes into categories and weed out the unnecessary, less insightful ones. Specifically, I had 96 concepts in the beginning and sorted them out into first-order code categories. After looking for connections between the first codes, I formed second categories (sub-categories), which are more abstract clusters of codes. For instance, first codes on bureaucratic obstacles mentioning “not able to take credits”, “cannot apply for loans due to the short length of residence permit”, “opening a bank account is not possible”, etc. are related to the second codes of “Legal Frameworks” and “Access to Finance”.

At the end of the process, 22 second categories were formed, four of them are separately used for the analysis of the outcomes of refugee enterprises, and the remaining 18 categories were then placed into three key themes encompassing all the dimensions that affect refugee entrepreneurship. For example, I organised the second themes of “Market Conditions”, “Social Environment”, and “Entrepreneurship Support” into the key theme of “Environmental Factors”. The key themes have shaped the proposed theoretical framework, “Pyramid of Refugee Entrepreneurship” (See Figure 3.3-3.4 and 5.1), which brings together the constructs that emerged from the data (Strauss & Corbin, 1990).

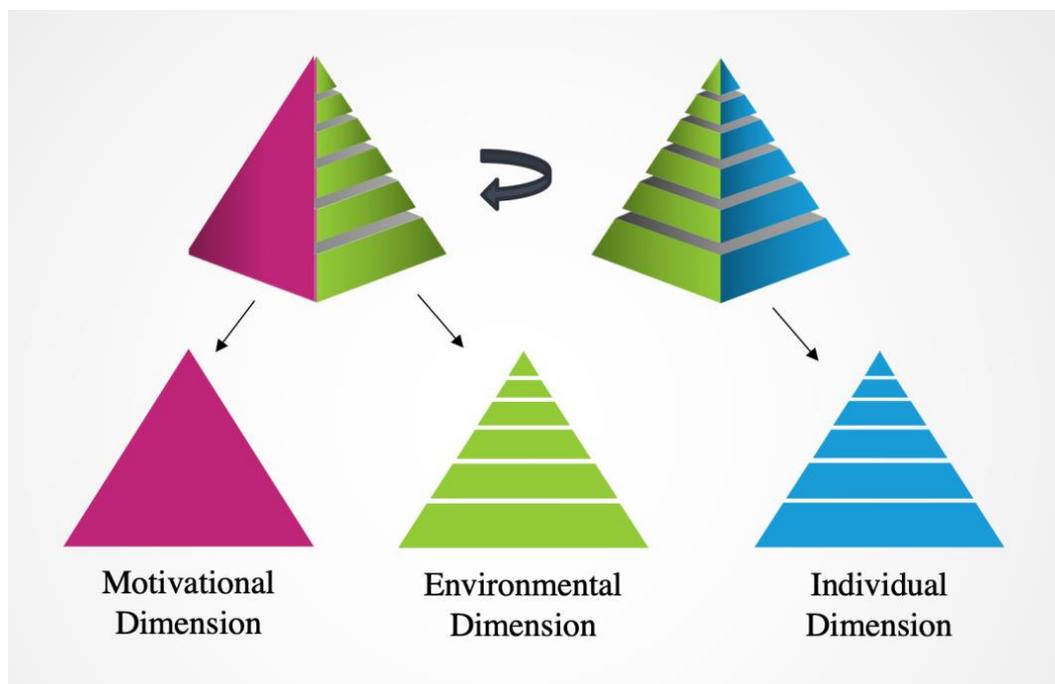


Figure 3.3 “Pyramid of Refugee Entrepreneurship”: The proposed theoretical framework (my own elaboration)

The constructs are sorted in descending order of significance for refugee entrepreneurs, from the bottom to the top of the pyramid. The pyramid is composed of three dimensions: individual, environmental, and motivational. I actually examined entrepreneurial motivations under the first research question (individual factors). However, my data analysis revealed that refugee entrepreneurs' motivations are influenced by both individual and environmental factors. Hence, the motivational dimension is a key theme of the theoretical framework I propose (See Figure 3.3 and 5.1). The six motivational models, four of which are unique to this research, are not hierarchically interrelated in terms of their importance or role, unlike individual and environmental dimensions of the framework. A refugee's motives to become an entrepreneur may fit into one or more motivational models.

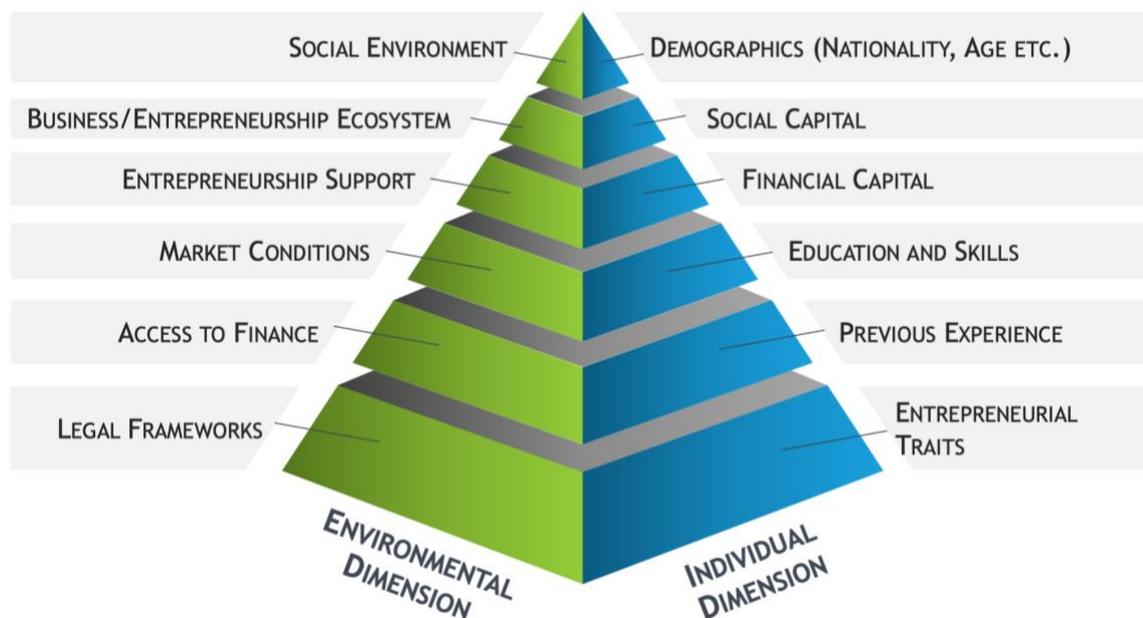


Figure 3.4 Zoom-in on the environmental and individual dimensions of the “Pyramid of Refugee Entrepreneurship” framework

Unlike Aldrich and Waldinger (1990), who saw group characteristics as a primary element driving immigrant entrepreneurship, I suggest that refugees primarily rely on individual factors, environmental factors, and entrepreneurial motivations that vary according to individual and environmental circumstances. The pyramid of refugee entrepreneurship, the theoretical framework I propose, explains the interplay of these three dimensions affecting refugee entrepreneurship and captures a holistic view of the phenomenon.

Furthermore, I disagree that the entrepreneurship of refugees depends on their embeddedness in immigrant social networks, whereas Kloosterman et al. (1999) suggested the opposite for immigrant entrepreneurs. Since refugees lack the means and trust –due to the conflicts and threats related to their countries of origin– to support each other, they rely

on their personal connections and social capital within the international and local communities of the host country, rather than on co-ethnic networks. In essence, the individual dimension gets priority over group/ethnic characteristics and resources for refugees. In addition to these distinctions, based on my literature review, I investigated other aspects that distinguish refugees from economic immigrants in the entrepreneurship context (See Table 3.3).

Similarities of Refugee Entrepreneurs to Immigrant Entrepreneurs	Differences of Refugee Entrepreneurs from Immigrant Entrepreneurs
<p>Immigrants: Prior self-employment experience as a significant determinant for entrepreneurship intentions in destination countries (Tienda & Rajjman, 2014)</p> <p>Refugees: Previous experience has critical role in their entrepreneurship motives (Valarini, 2015)</p>	<p>Inability to select a destination city/country for targeting a specific market (Valarini, 2015)</p> <p>Inability to bring official documents like birth certificates, diplomas etc. (Valarini, 2015)</p>
<p>Immigrants: Push factors like job market conditions effective in entrepreneurial intent (Baycan-Levent and Nijkamp, 2009; Sepulveda et al., 2011)</p> <p>Refugees: More necessity driven motives for entrepreneurship (Freiling et al., 2019)</p>	<p>Limitation/inability to bring financial capital to the host country (Valarini, 2015)</p> <p>Inability to select a destination based on the existence of their co-ethnic community or other social capital (Valarini, 2015)</p> <p>Importance of support from family networks for refugee entrepreneurs (Bizri, 2017) instead of relationship with migration/co-ethnic networks that are vital for immigrants (Aldrich and Waldinger, 1990; Light et al., 1990)</p>
<p>Immigrants: Facing barriers to access finance (Ram & Jones, 1998)</p> <p>Refugees: Limited access to formal financial resources (Wauters & Lambrecht, 2006; Lyon et al., 2007)</p>	<p>Importance of tailored entrepreneurship support for refugees (Harima et al., 2019)</p> <p>Time constraints and uncertainty of future for refugees regarding environmental factors (Sepulveda et al., 2011; Kooy, 2016)</p>
<p>Immigrants: Language barriers (Lee, 1992)</p> <p>Refugees: Language barriers in interacting with social networks, customers, etc. (Kooy, 2016)</p>	<p>Common entrepreneurial traits of refugees: High risk-taking propensity (Freiling et al., 2019) Creativity, problem solving and leadership (Fong et al., 2007; Shepherd et al., 2020)</p>

Table 3.3 Comparison of Refugee Entrepreneurs and Immigrant Entrepreneurs based on the literature

Also, based on my empirical findings, I argue that the conditions and the level of importance of certain aspects differ for refugees and immigrants. For instance, “Legal

Frameworks” construct is specific to refugees’ conditions, since there are different regulations and barriers regarding their settlement and start-up processes, while it is not the case for economic immigrants in Europe. “Entrepreneurship Support” is also not something that stands out for immigrants. They can compensate it by exploiting other individual and environmental characteristics. Hence, it is not necessary to separate it from the “Entrepreneurship Ecosystem” construct in their case. However, tailored entrepreneurship support is crucial for refugees and its absence poses additional barriers for them. In this sense, "Financial Capital" would be in a different position of the framework for immigrant entrepreneurs, as they cannot justify the need for tailored support, including special grants and loans, because they can move their financial resources to the destination country. Section 3.6. Concepts and Variables discusses in detail the different patterns and themes that emerged from the fieldwork.

In the context of Environmental Dimension, I investigated if the patterns and the conditions of constructs change in different countries (e.g. legal processes are simpler in the Netherlands, more complicated in Germany) or for entrepreneurs with varying characteristics in the sample. The order of the constructs is the same in all three countries, but the conditions change for each country (See Figure 6.2). I assessed each country using the framework and discussed their similarities and differences in the relevant empirical chapter (See Section 6.7. Country Comparison).

I interpreted the patterns and themes according to my positionality as the researcher, reflecting on how I perceived the significance of and relations between the codes. I also discussed this new framework in comparison to the existing frameworks with three of the participants. They found the proposed framework relevant and mentioned that they think it captured the overlooked aspects of the phenomena, covering the targeted scope as I had initially informed them. These comments increased my confidence in the analysis, given that the participants have extensive knowledge and experience, being situated on the ground.

The outcomes of refugee enterprises are categorised into four themes based on the interview data on refugee entrepreneurship’s impact on the entrepreneurs themselves, the host country, and the wider society in terms of (i) economic outcomes, (ii) innovation outcomes, (iii) social outcomes and (iv) personal outcomes. What the fieldwork tells us in this context is that only assessing the factors affecting refugee entrepreneurship is not sufficient for understanding the phenomena. It is crucial to look at the breakdown of

outcomes instead of simplifying the phenomena into an equation of “individual + environment = success”. Outcomes of refugee entrepreneurship have many dimensions, and it comes down to how “success” and “impact” terms are defined from a scholarly perspective in refugee entrepreneurship context. In this sense, the study showcases that the impact of entrepreneurship is beyond economic outcomes and the outcomes depend on the interrelation of factors placed in three dimensions. By examining various outcomes, we gained further empirical knowledge, enhancing our understanding of refugee entrepreneurship by illuminating the complex social system as it is.

Additionally, the themes that emerged from the documents matched with the ones from the interviews. They contributed largely to the research by providing more insight into the services and impact of support schemes sponsored by the private sector (i.e. REPs) and the governments. Documents, along with the participant observations, allowed me to triangulate the data and strengthen the validity of this research using different resources (Mathison, 1988). Triangulation allows qualitative researchers to obtain conclusive results (Mathison, 1988) and map out and explain complex and rich human behaviour by taking different positionalities into account. All data used in the study are provided by REP managers, other programme staff, host country governments, refugees who are solo entrepreneurs, refugee entrepreneurs with refugee or local co-founders, refugee entrepreneurs who are REP participants, and not REP participants. Including the perspectives of individuals with different roles and effects on the phenomena helped to conceptualise the findings accurately.

3.6. Concepts and Variables

The main argument of this research is that the establishment and success of refugee enterprises, and their contributions to the economy, innovation, society, and individuals, are influenced by the host country’s institutional structures, business culture, entrepreneurial ecosystem, as well as the individual characteristics and entrepreneurial motivations of refugees. Interrelation of these concepts and their order of importance are examined, not only by looking at the advantages but also considering the limitations they may represent.

As explained in Section 3.3.1. Research Questions, examining what enables refugee entrepreneurship constitutes the core of this study. Although the term “enable” has a negative connotation in some texts, indicating that one side remains passive while the other (enabler) patronises that side, it is used in this research interchangeably with “empower”.

As some factors which help refugees to set up their businesses have vital roles in overcoming the barriers to their engagement in entrepreneurship, defining those as “enabling factors” reflects their importance more precisely than the term “empower”, from my point of view. Therefore, it is worth describing what it means to enable entrepreneurs from my perspective as the researcher. Giving refugee entrepreneurs the tools, which other entrepreneurs can access while they cannot access due to their circumstances (i.e. legal/structural authorisation and the opportunity to think, create and produce), is to enable them. It is a key to unlock boundless potential. It is the only way to let independent thinkers and doers flourish, to give them a push to access the opportunities that they can exploit for the future of themselves, their surroundings, and wider society in the host countries and beyond.

As understood during the pilot stage of the fieldwork, support schemes (i.e. Refugee Entrepreneurship Programmes) are backed mainly by private sector companies, and their executives are one of the most critical components of the business environment for many refugee entrepreneurs in Europe. Therefore, the sample consists of entrepreneurs who are participants and non-participants of Refugee Entrepreneurship Programmes (REPs). REPs, which provide incubation and entrepreneurial training, are investigated in terms of the characteristics of their services, aims, entrepreneur portfolio, funding, human resources, investor profile, and their impact on personal, business/economic, and social level for refugees and the local community in the host countries.

The primary data of this study is mainly based on the subjective experiences of the participants and the researcher, and these are analysed using the grounded theory method. My expectations from the documents and the interview data, hence the questions I asked during the interviews (See Appendix A), are primarily drawn on mixed embeddedness theory and motivation theories, which are widely discussed in the literature review. As Hyde (2000) argued, adopting deductive techniques can be a critical step toward ensuring the credibility of qualitative research findings. However, I also used an inductive approach as I conceptualised the emerging patterns and themes by looking beyond the assumptions and frameworks of established theories on the topic, mainly immigrant entrepreneurship and ethnic minority entrepreneurship.

Given that this is a qualitative study, and given the social complexity involved, we would not look for direct cause and effect between variables, even though the principle of correlation exists. Therefore, I intend to explain the relationships and dependencies of the

constructs/variables. Primarily, I seek to understand the relationship between the outcomes of refugee entrepreneurship and individual and environmental factors.

In this regard, the constructs I deduced from the literature, in the broader theme of individual factors, are entrepreneurial traits, entrepreneurial motivations, social capital, and financial capital. Additionally, the individual factors that emerged from my data analysis are education and skills of entrepreneurial refugees in urban settings. “Year of migration” under Demographics and “Central relationship (co-foundership)” under Social Capital also emerged as new variables under existing constructs. Financial capital has been too superficially discussed in the previous studies, therefore, I attempted to gain more in-depth understanding about it in the context of refugee entrepreneurship. Entrepreneurial motivations are given a separate place in the proposed theoretical framework as the fieldwork showed that they have a fundamental role on refugees’ entrepreneurial activities, and they are influenced by environmental factors.

Furthermore, the constructs I used for explaining the environmental factors are: refugee entrepreneurs’ access to finance, market conditions, and available entrepreneurship support schemes in the host country. In addition, Legal frameworks (broken down to “asylum process” and “business-related processes”), entrepreneurship ecosystem and social environment are the environmental factors emerged from my empirical findings. It is worth remarking that entrepreneurship support schemes (or REPs) have been only discussed as a general concept in a few previous scholarly papers, without empirical insight on tailored support programmes and refugees who participate in them.

Finally, the variables I looked at in terms of the outcomes of refugee entrepreneurship are personal impact, economic impact, social impact, and innovation. Although these impact categories were derived from the literature analysis, personal impact of entrepreneurship on refugees has not been researched before, as the studies discussed in the corresponding section of the literature review only discussed personal characteristics of refugee entrepreneurs instead of examining how their characteristics, skills or well-being may develop through entrepreneurship. Similarly, social impact of entrepreneurship has been only discussed in immigrant entrepreneurs’ context in the literature.

Overall, it was critical for my research to illuminate these angles, investigate the role of some factors that have not been researched in refugee entrepreneurs’ context and in selected countries, and explore new constructs that help getting a holistic view of refugee entrepreneurship in European context. In principle, being immersed in the culture and

situations of refugee entrepreneurs, my aim was to generate themes from my empirical findings and develop an enhanced theoretical framework reflecting a realistic view of refugee entrepreneurs' experiences (See Figure 3.3-3.4 and 5.1).

Not any explicit quantitative variables are tested throughout the research. As mentioned in Section 3.3.1 Research Questions, company characteristics such as the sector, amount of investment received, number of employees and co-founders, and descriptive data about the demographics of the entrepreneurs (gender, age, nationality, etc.) are used, when available, in support of the interpretations of the interview and document data. More details on the data analysis process are provided in Section 3.5. Data Analysis and Theory Development.

3.7. Summary of the Fieldwork

To briefly summarise the data collection, I have conducted 28 semi-structured interviews in London, Amsterdam, The Hague and Berlin. I interviewed 25 refugee entrepreneurs and three REP managers. I attended several events of The Entrepreneurial Refugee Network (TERN), observed refugee entrepreneurs there and talked to around 10 of them to get more insight. I received the WCWT Small Research Grant 2019 for the fieldwork of my thesis, and it allowed me to visit Amsterdam and Berlin to conduct interviews with 16 refugee entrepreneurs and two REP managers (from Refugees Forward Amsterdam and SINGA Berlin). Additionally, nine refugee entrepreneurs in London participated in the research along with a REP manager from The Entrepreneurial Refugee Network (TERN) and they are included in the analysis. *Table 3.4* below summarises the details of participants who have been contacted and interviewed in the selected countries. I gave each entrepreneur a nickname to help the reader remember the profile (See Appendix B for the nicknames and details of the participants). *Table 3.5* summarises the documents analysed for the study, their resources and types.

Country	Gender	Nationality	Sector	REP Participation
UK	Female	Yemeni	Food	Participant
UK	Female	Somalian	Hospitality - Cleaning Services	Participant
UK	Male	Zimbabwe	HR Services	Participant
UK	Male	Egyptian	Food & Trade	Participant
UK	Male	Uzbek	Food	Participant
UK	Male	Syrian	Food	Non-participant
UK	Male	Syrian	E-commerce	Non-participant
UK	Male	Bosnian	Food	Non-participant
UK	Male	Syrian	Digital - Hospitality	Non-participant
<i>UK</i>	<i>Male</i>	<i>British</i>	<i>Entrepreneurship Program</i>	<i>REP Manager</i>
NL	Male	Russian	Creative - Film/Photography	Participant
NL	Male	Syrian	Education	Participant
NL	Male	Syrian	Education	Participant
NL	Male	Syrian	Food - Catering	Participant
NL	Male	Syrian	Education - Business Consultancy	Non-participant
NL	Male	Syrian	Digital - Blockchain	Non-participant
NL	Male	Syrian	Digital - Transportation	Non-participant
NL	Male	Syrian	Food & Social Ent. (incubator)	Non-participant
NL	Male	Syrian	Publishing	Non-participant
<i>NL</i>	<i>Male</i>	<i>Dutch</i>	<i>Entrepreneurship Program</i>	<i>REP Manager</i>
Germany	Male	Syrian	Digital - Construction, Education	Participant
Germany	Male	Syrian	Food - Catering	Participant
Germany	Male	Syrian	Digital - Education	Participant
Germany	Male	Syrian	Digital - Education	Participant
Germany	Male	Syrian	Digital - Social Enterprise	Non-participant
Germany	Male	Syrian	DeepTech	Non-participant
Germany	Male	Syrian	Education	Non-participant
<i>Germany</i>	<i>Male</i>	<i>German</i>	<i>Entrepreneurship Program</i>	<i>REP Manager</i>

Table 3.4 Interviewees of the study (Refugee Entrepreneurs and REP Managers)

Although I found an adequate number of interviewees, it took more time and effort than I anticipated to schedule meetings with them as many of them stated that they are too busy, also working at a job to fund their enterprise, or responsible for housekeeping as a single parent.

Country	Year	Resource	Document Type	Word count	Number of Codes
UK	2018	REP	Best Practice Guide	407	12
UK	2018	REP	Workshop discussion minutes	2473	39
UK	2019	Academic	Report	258	4
NL	2018	REP	Impact Report	10250	33
NL	2019	REP	Impact Report	4200	21
NL	2019	REP	Feasibility study	2838	23
UK	2018	CFE	Report	9600	54
UK	2019	Government	Policy report	5107	10
UK	2018	REP	Marketing material	1850	16
UK	2018	CFE	Workshop discussion minutes	1602	16
UK	2018	CFE	Workshop discussion minutes	894	5
UK	2019	Government	Press Release	1202	18
UK	2018	CFE	Policy guide notes	5718	13
UK	2018	Researcher	Field note	2008	9
NL	2019	Researcher	Field note	595	4
UK	2018	CFE	Workshop discussion minutes	702	5
UK	2017	NGO	Report	7688	15
GR	2020	REP	Marketing material	1047	14
UK	2018	Researcher	Field note	1842	8
UK	2020	Researcher	Field note	1564	13
Total				61845	332

Table 3.5 Documents that are analysed as part of this study

Since the beginning of Autumn Semester 2018, I have been participating in relevant events, taking field notes, talking to REP managers, social workers in the field, as well as refugee entrepreneurs themselves. I have sought participant observation opportunities until the end of Autumn Semester 2020, which enriches the interview data. Additionally, I collected and analysed relevant documents from REPs and policymakers. I incorporated the document analysis and participant observation with the analyses of interviews in the following chapters.

During the fieldwork, I have observed that many participants mentioned Sweden as a great example of entrepreneurial support and the refugee integration process. The reason why I decided not to include Sweden as one of the countries examined in this dissertation is because of the language barriers and difficulty in accessing relevant networks in Sweden. However, I recommend future studies to look at the support schemes, legal structures and business ecosystem affecting refugee entrepreneurship in Sweden.

4. INDIVIDUAL DIMENSION: PERSONAL BACKGROUND AND RELATIONAL EMBEDDEDNESS OF REFUGEE ENTREPRENEURS

The empirical chapters of this study (Chapter 4-7) exhibit the analysis and interpretation of the data that was collected in London, Amsterdam, The Hague and Berlin. I combined all information into my fieldwork spreadsheets and updated them on the cloud during the analysis. The spreadsheets consist of (1) codes and themes emerged from the interviews with the entrepreneurs, (2) codes and themes emerged from the interviews with the programme managers, (3) codes and themes emerged from the documents, (4) fieldwork plans and schedule, (5) suggested data tables for future studies, and (6) iterations of the new theoretical framework.

Most of the findings reflect refugees' experiences and perspectives, based on the interviews conducted with them. Additionally, three individuals from the local community of each country have been interviewed (in the UK, Netherlands and Germany). Those are practitioners from three Refugee Entrepreneurship Programmes (REPs). I also included the perspectives of other local community members and further insight on REPs' approach in the study by analysing various documents on the topic. The documents provided an understanding of how refugees' entrepreneurial activities are perceived and supported in host countries and showcased the business/entrepreneurship ecosystem for refugee entrepreneurs. Including other parties' perspectives in the analysis added a complementary aspect to the refugees' perspective, thus, allowed the triangulation of data as discussed in the previous chapter in detail.

This chapter discusses the effects of gender, age, nationality, the year of arrival, language skills, vocational skills, previous experiences, financial capital, and social capital of refugees on their entrepreneurial activities in detail. Identifying the differences of refugee entrepreneurs' characteristics in various host countries have been very interesting and meaningful for the discussion and recommendations drawn from this study. This analysis on the individual factors mainly answers the first research question of the research. In the proposed framework, the Pyramid of Refugee Entrepreneurship, the constructs that are discussed in this context formed the "Individual Dimension".

Although this dimension is similar to the supply side in Kloosterman et al.'s mixed embeddedness framework (1999), the term "supply side" is omitted because the supply and demand discourse leads to the impression that refugee entrepreneurs already possess the "supply side" elements and thus do not require improvement. However, a significant

amount of refugee entrepreneurs investigated during this study have been struggling with a lack of financial capital and local social capital, for instance. They must improve these aspects for the benefit of their businesses, which may also be affected by the environmental factors in the host country. That is why the Pyramid of Refugee Entrepreneurship consists of three dimensions that are interlinked, instead of coming together in a cause-effect or process diagram.

In this context, Chapter 6 examines the Environmental Dimension of the framework, answering the second research question of the study. Differences and similarities of the selected countries in the context of refugee entrepreneurship are also discussed under that chapter. The selected nations have distinct migration patterns, business cultures, and legislation affecting refugee entrepreneurs. Their geographic and economic similarities allow for meaningful comparison. My objective is to demonstrate how environmental factors affect refugees' enterprises and which aspects are more significant for their entrepreneurial development. Studying the dynamics of the ecosystems in these countries will help unlocking the potential of refugee entrepreneurship across Europe.

In addition, I analysed the economic, social and individual impact of refugee entrepreneurship in Chapter 7, Entrepreneurial Development and Outcomes of Refugee Enterprises. Chapter 7 also discusses how refugee entrepreneurs innovate products, services and processes to tailor their business for the customers in host countries. The discussion on the impact of refugee entrepreneurship concludes the empirical chapters by highlighting the critical nature of the subject.

4.1. Demographics

Although “demographics” is important enough to be included as a separate component within the “individual dimension” of the proposed framework, the Pyramid of Refugee Entrepreneurship (See Figure 3.4), it is considered to be the least important component of the dimension. It is located at the top level of the dimension and its role is complementary to other constructs in the individual factors. Therefore, we can conclude that differences in terms of gender, age, nationality, and year of migration do not have as critical effects as other components on the entrepreneurial development of refugees. Gender is the most unique variable detected in the demographics category, with only two out of 25 interviewees being female. Despite the fact that the sample is predominately male, it is not possible to draw a conclusive claim, as the section on gender discusses in detail. Despite being the least important component, demographics is discussed first in the individual

dimension chapter in order to familiarize readers with the profile of refugee entrepreneurs in the sample.

4.1.1. Nationality

It is crucial to examine the distribution of different nationalities of entrepreneurs in the entrepreneurial ecosystem, causing the domination of an ethnicity, culture or business type for a better understanding of the underlying issues affecting entrepreneurs as well as the market and the ecosystem per se. In refugee entrepreneurs' case, it is particularly beneficial to look at the distribution of nationalities to understand the openness of the ecosystem and the country. Considering the European Refugee Situation 2015, it can be concluded that the majority of refugees that have recently arrived in Europe are from Middle Eastern and African countries. Consequently, the greatest number of refugees in Europe are the ones that fled Syria (UNHCR, 2018). It is observed in the field and expressed by refugees from different nationalities in the United Kingdom that it is relatively easier to get the refugee status for asylum seekers from Syria than those from other countries. Also, Syrians have been evidently more entrepreneurial than the populations of most of the European and Middle Eastern countries (World Bank, 2020). According to World Bank data, more than a third of Syrians (37.3%) were self-employed before the civil war started in 2011. It was more than double the European Union average of 17 per cent and 5 per cent higher than the Middle East & North Africa average (World Bank, 2020). Therefore, I expected to identify the domination of Syrian entrepreneurs, through the sample of this study, in the entrepreneurial ecosystems of the host countries in Europe.

Nationality\Host Country	UK	Netherlands	Germany	Total
Syrian	4	8	7	19
Yemeni	1	0	0	1
Somali	1	0	0	1
Russian	0	1	0	1
Bosnian	1	0	0	1
Uzbek	1	0	0	1
Zimbabwean	1	0	0	1
Total	9	9	7	25

Table 4.1 Distribution of the participants' nationalities in the host countries (Numbers)

Nationality\Host Country	UK	Netherlands	Germany
Syrian	44.4%	88.9%	100.0%
Yemeni	11.1%	0.0%	0.0%
Somali	11.1%	0.0%	0.0%

Russian	0.0%	11.1%	0.0%
Bosnian	11.1%	0.0%	0.0%
Uzbek	11.1%	0.0%	0.0%
Zimbabwean	11.1%	0.0%	0.0%
Total	100.0%	100.0%	100.0%

Table 4.2 Distribution of the participants' nationalities in the host countries (Percentage)

The distribution of nationalities in the sample can be seen in Table 4.1 and Table 4.2. Although the sample size is not generalisable, I generated these tables to give an idea for future studies. 44.4 per cent of refugee participants in the UK are from Syria, while the same statistics are 88.9 per cent for the Netherlands and 100 per cent for Germany. Interestingly, it is found that Syrian entrepreneurs do not dominate the Refugee Entrepreneurship Programme (REP) examined in London as part of this research, namely The Entrepreneurial Refugee Network (TERN). TERN is the most established and large REP in London and is commonly referred to in well-known events and reports about refugee entrepreneurship (Centre for Entrepreneurs [CFE], 2018; Bayram, 2018). REP participant refugee entrepreneurs interviewed in London were from Egypt, Yemen, Somalia, Uzbekistan and Zimbabwe. As observed in TERN's networking and launch events, there were also entrepreneurs from Syria who participated in their programme. Yet, they are not dominating the community. I reached out to as many entrepreneurs as possible from TERN, including Syrians. However, the ones who responded to the call for interviews were from other nationalities. Based on my experience, I argue that it cannot be concluded that Syrian entrepreneurs in this network are less active or less successful. It is still remarkable that I did not observe such diversity of nationalities at the REPs of the other two countries in the sample.

In the Netherlands, I interviewed a Russian entrepreneur, a Ghanaian entrepreneur and three Syrian entrepreneurs who were REP participant refugees. All four REP participant entrepreneurs interviewed in Germany were from Syria. Although I have followed the same approach in all three countries, it is interesting to observe a difference in the distribution of nationalities in the sample. According to my insights from the fieldwork in London, the reason behind this difference might be that (a) many Syrian entrepreneurs do not identify themselves as "refugee" entrepreneurs, (b) they do not have access to information about REPs, or (c) they may have thought that they do not need help and support from local refugee support networks, organisations, or programs like REPs. They may have relied on the social capital and financial capital they already have, or they obtained through their co-

ethnic network's resources in the host country or any business-related support from local organisations or individuals they met in the host country to meet their entrepreneurial needs.

In contrast with REP participant entrepreneurs, all refugee entrepreneurs outside REPs interviewed in London, Berlin, and Amsterdam are from Syria. As I found them through diverse networks such as "Startups Without Borders" and incubator programs that target any nationalities, and through snowball sampling with both REP participants and non-participants, it is especially interesting to see Syrian entrepreneurs are dominating. As mentioned above, this might mean that they do not even search for or think they need support from such programmes. It could also mean that they have other support mechanisms to rely on or have their own financial and social resources, which might be typical to Syrian refugee entrepreneurs as the largest refugee community in Europe. I further analysed these factors using the data collected from entrepreneur interviews and REP manager interviews. I discussed the relationship between entrepreneur's nationality and how they utilise financial/social capital mainly in the sections 4.5. Financial Capital and 4.6. Social Capital, while this section focuses on other aspects of refugee-owned enterprises that vary due to the entrepreneur's nationality.

As mentioned before, the nationality pattern is different in Germany, even though I followed the same approach in all three countries. All refugee entrepreneurs that I interviewed in Germany are Syrian, regardless of their participation in REPs. It might be related to Germany's open-door policy for Syrians after the Syrian conflict. It even led some REPs to determine their programme language as Arabic in the first place, which could have resulted in the exclusion of non-Arabic refugees. However, at the time I conducted this fieldwork, the investigated organisations were providing their programmes in English and German. Therefore, it is likely that the strong domination of Syrian entrepreneurs in the ecosystem is due to Germany's open-door policy.

This section only looks at the patterns which are related to the participants' nationalities. Some distinctive ones have emerged. For instance, a Somali participant and a Zimbabwean participant, who have been residing in the country longer than the participants who arrived in the UK after the European Refugee situation, said that they experience discrimination in their daily lives. In contrast, the entrepreneurs from other nationalities in London did not mention any such experience or feeling about discrimination despite the different questions I asked to probe and let them open up. Hence, it can be concluded that those who stay in

the country longer may start experiencing and observing different aspects of the country as their excitement and some optimistic assumptions fade out. I further analysed participant refugee entrepreneurs' experiences and perceptions about discrimination in Section 6.6. *Social Environment* through discussing the differences between countries in this aspect.

Some Syrian participants appear to have negative visions of the future for themselves. As Creative Publisher in Germany said, "*The world is interested in Syrian refugees now. They are tolerant, but they will lose this interest in five years. Fewer programmes, funds, support will be available...*". Seemingly, the support schemes and other opportunities in the entrepreneurship ecosystem, as well as the host country in general, are more accessible for Syrian refugees specifically. Most of them are also available for others, but they are more difficult for them to access. They have to face different barriers as they are in different social networks, and probably fewer are aware of such opportunities. However, it is also found that Syrian refugees perceive the relative openness as a temporary interest. It appears that local people have more tolerance and empathy for them, considering the vulnerability and oppression Syrian refugees have gone through are evident and widely covered in the media. In contrast, another Syrian participant said, "*It's difficult to find funding because I'm Syrian. They have trust issues with us...*", highlighting the bias against them because of their nationality. I discussed other dimensions of lack of trust towards refugees and the importance of building trust for refugees in several sections, such as 6.6. Social Environment, 6.2. Access to Finance, and 6.4. Entrepreneurship Support.

It is also highlighted that systematic aspects of discrimination towards some refugee entrepreneurs are related to the restrictions applied to specific nationalities. For instance, if banks make any transactions to/from Syria, they would be sanctioned by the United States. It limits Syrian entrepreneurs' access to their social capital and financial capital, which are still situated in their country of origin and could support their economic activities in the host country. This limitation is not due to a personal or social bias against refugees, but political and institutional regulations about Syria.

Another aspect is the difference in business culture and mentality. Some participants mentioned that they feel money is regarded as a more important matter in Europe, whereas "life" is considered more important in Syria. This can be interpreted as a difference between how people weigh their materialistic needs and humanitarian, social or spiritual needs. Other notions that are found to be different in Syria than the host countries are punctuality, respect, success, failure, taking a break, and saying "no". How these notions have changed

for them in the host countries are explained in Section 6.5. Business and Entrepreneurship Ecosystem. Additionally, some entrepreneurs complained that support organisations like REPs are not aware of cultural differences of the countries refugees have come from. How successful REPs are in developing their services considering the cultural differences and other factors is further discussed in Section 6.4.4. Support by Refugee Entrepreneurship Programmes.

Many Syrian participants and an Egyptian participant said that entrepreneurship is part of their culture, and fewer people from their countries are willing to work as employees compared to the populations they observe in European host countries, which is evident considering the World Bank data (2020). Also, many Syrian participants mentioned they had a family business back home, which helped them grow as entrepreneurs. More findings on the previous experiences of the refugee entrepreneurs can be found in Section 4.3. Previous Experience.

Finally, refugee entrepreneurs bring different practices, unique methods, etc. to the business environment of the host country, mainly about the business culture of their country of origin. This varies between nationalities. For example, Cool Foodie developed an innovative product and business model through blending concepts from Syria and the UK. And, Shipment Innovator uses personal cars to drop parcels from A to B, using an Uber-like tracking application. Letting a stranger transport one's packages might not be ordinarily acceptable in Western culture, but it is widespread in the MENA region. Combined with the Uber model, it seems to have worked for people from Western countries too. I more extensively discussed the innovative blend approach in Section 7.2.4. Innovation by Refugee Enterprises, including other factors such as ethnic resources affecting the innovation process for refugee entrepreneurs.

4.1.2. Gender

As seen in the data collection section, the majority of the research participants are male (23 out of 25). Female entrepreneurs were very difficult to reach for this research. As REPs do not share the contact details of their portfolio directly, one needs to find different ways for recruiting refugee entrepreneurs for the interviews. Although I could reach male entrepreneurs in the same network, it was almost impossible to contact females. Some male researchers (De Lange et al., 2020) claimed they managed to get male participants mostly because they are the same gender. However, I also could not recruit many women participants despite being a woman researcher. It might be that they do not want to be

visible in media, and they might feel more vulnerable than male participants in case I will not follow the ethical protocol agreed by the participant, such as privacy of personal information and anonymity of the participant. Or, it might be because immigrant women are less likely to become business owners (Villares-Varela et al., 2017), which is also typical for local entrepreneurship settings as women-owned companies have a low percentage in general (Freiling et al., 2019). Villares-Varela et al. (2017) also claimed that the enterprises of female immigrants are more likely to be under-funded, therefore, more challenging to become sustainable.

For a qualitative study conducted with 15 refugee entrepreneurs, Freiling et al. (2019) could also reach two female refugee entrepreneurs only. As women usually constitute a high percentage of refugees from a country, considering more men fight in the wars, and it is less dangerous for them to keep running their economic activities during wars, having a different gender pattern in refugee entrepreneurs could be expected. However, this was not the case on the ground. Although the German REP Manager (of SINGA Berlin) in the sample claimed that female entrepreneurs form 30-40 per cent of their total beneficiaries, and this rate increased to 70 per cent in their last cohort in 2019, there were only a few female refugee entrepreneurs that could be contacted in Germany for this research despite using snowballing sampling. Similar to the REP in Germany, TERN (selected REP in London) claims that, by the end of 2020, 45 per cent of their participants are female, and female refugees launched 20 per cent of the businesses in their portfolio.

Three female refugee entrepreneurs in London had confirmed their interest in participating in the research. All three were participants of TERN's programme. I had interviewed two of them and I was expecting to interview the last one later, as she could not be available due to her postgraduate studies and entrepreneurial activities. Yet, she stopped responding to my calls when I contacted her again in her available times that she mentioned. In the Netherlands, I had the chance to find and talk to only a woman entrepreneur who is a REP participant in Rotterdam. However, she also did not get back to me after that first conversation. Despite being in touch with REPs and local entrepreneurs in these countries, I could not find any other female refugee entrepreneurs in London, Amsterdam and Berlin since they did not respond to my calls for an interview.

The Dutch REP Founder (of Refugees Forward Incubator, RFI) mentioned that the reasons women refugees do not participate in their programmes is unclear to their team. Their REP promotes their activities in language centres and refugee organisations in the Netherlands

to recruit potential refugee entrepreneurs in their programmes. However, it is found that usually male refugees apply for the programmes. Considering that the majority of refugees are from the Middle Eastern countries in Europe, the reason behind the gender disproportion in terms of the number of male and female participants could be women’s inactivity in business due to their role in the Middle Eastern culture, leading them to (A) not be willing to engage in economic activities personally, (B) have lack of skills or qualifications to be able to become employed/self-employed, (C) internalise patriarchy, or (D) be limited by pressure and restrictions from the male family members.

According to pre-civil war data (2011), the Syrian female self-employment rate (24 per cent) was much higher than the European Union average of 13 per cent (World Bank, 2020). As seen in Figure 4.1, the rate in Syria is still much higher than in Europe despite the sharp decline in 2011 when the war has started (from 24 per cent to 16.9 per cent). While, interestingly, the rate of male entrepreneurs has increased from 38.7 per cent to 40.5 per cent (World Bank, 2020). This might be because women-led businesses were under more threat in terms of security during the war. Hence, women entrepreneurs might have preferred to shut down their business and move into being employed under other companies, or shut down their business and rely on humanitarian support, or transfer the operations of their business to a male colleague or relative and still get paid in equity.

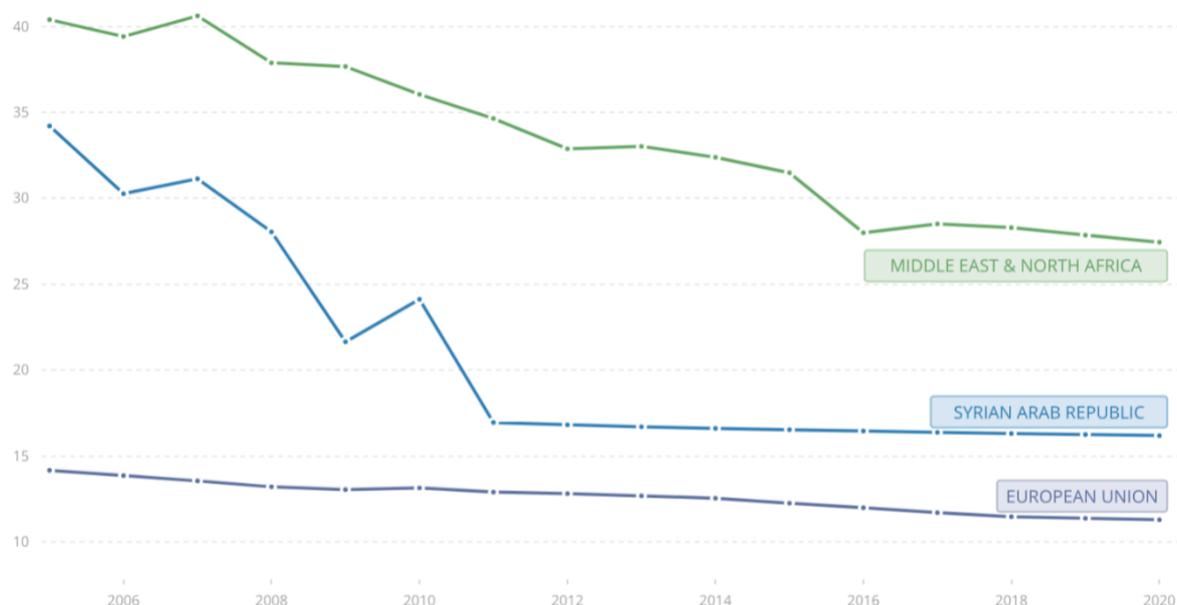


Figure 4.1 Self-employed, female (% of female employment) (modelled ILO estimate), Syrian Arab Republic, Middle East & North Africa, European Union (World Bank, 2020)

Assuming women refugees are less active in entrepreneurship due to the Middle Eastern culture would be a biased view, as the figure mentioned above shows that women are more likely to be self-employed in MENA. Therefore, we can refute the argument A, C, and D mentioned on the previous page. Argument B can still be valid considering their qualifications may not be accredited, or they may not have the necessary knowledge for starting up a business specifically in the host country. Or, it can be argued that refugee women are less visible in ethnic and informal business ecosystems in host countries due to security reasons or patriarchal relations.

Interestingly, one of the male participants in Germany said: *“Being a Middle Eastern male refugee is the hardest.”* It might still be a biased opinion considering women refugees are more vulnerable to sexual harassment, human smuggling and other kinds of abuse. However, as this participant claimed, local people are more willing to rent their properties for female refugees or host female refugees in a room of the house they also live in. Additionally, it is claimed to be easier for female refugees to access social welfare. Therefore, male refugees may be prone to challenges about housing and employment, hence, social integration. This factor should be further investigated by future studies which maintain a gender balance within their sample.

I had planned to further investigate these aspects through seeking empirical evidence during the fieldwork, as well as through reviewing women entrepreneurship literature. However, it was not possible to engage with a sufficient number of women entrepreneurs during the fieldwork to get more insight into their specific needs, challenges and achievements. Yet, it can be a good starting point to introduce some patterns from the interviews and participant observations in this section to fill the gap in the literature about refugee women and entrepreneurship.

As there are two female participants in the sample, it was stimulating to compare and contrast them in terms of their motivations, struggles, education, experience, skills, etc. Accordingly, I explored how these aspects are different from –or similar to– male participants of the research in order to understand which factors are affected by practices and perceptions about gender difference.

4.1.2.1. *Pair Analysis: Digital Housekeeper and Visionary Foodie*

The female entrepreneur pair examined in this section are Digital Housekeeper from Somalia and Visionary Foodie from Yemen. Both work in a full-time job and bootstrap

using their salary as financial capital for their enterprise. Digital Housekeeper does not hold a university degree; she graduated from college. Visionary Foodie has studied abroad as an undergraduate student, and she holds a master's degree in social entrepreneurship from an established UK institution. She then applied for asylum as the conflicts in Yemen have arisen while she was doing her master's. Digital Housekeeper sought refuge in the country with her parents when she was a child.

Digital Housekeeper is establishing an enterprise in the hospitality sector, and she is in the early stages of her business. Digital Housekeeper's business has an innovative edge since it works as a marketplace for housekeepers, caregivers, babysitters, etc. and matches them with corporate clients and individuals who sign up on the online platform. Digital Housekeeper assures a quality standard based on her experience in the sector, training for the workers and secure transaction via the platform. And, she only employs single mothers, refugee or immigrant and vulnerable women who have been unemployed for a long time.

Visionary Foodie is doing a food business that mainly introduces Yemeni cuisine to Londoners. She accepts bookings for her pop-up café only from a third-party online platform. It can be argued that her café is quite conventional in the way it works. However, her entrepreneurship education and artistic personality help her combine Yemeni cuisine with a Londoner edge. The pop up stands out with its creative branding and menu, leading Visionary Foodie to have a sustainable business.

Digital Housekeeper's business has a clear social aspect, as it supports single mothers, refugees, the unemployed and the vulnerable. Underprivileged women in the labour market are granted a chance to sustain their lives through Digital Housekeeper's business. This is an excellent example of a refugee not only setting up an enterprise for herself but also creates jobs for others. The social effects of Visionary Foodie's business are more indirect, but she believes she gives back to the society in her country of origin by introducing British society a new cuisine, spreading Yemeni culture and making it appreciated elsewhere. It also helps different communities bond with each other in the pop-up, as the concept is known for that and celebrates diversity within the society.

Both female entrepreneurs were REP participants, and they agreed that the programme did not help find financial capital or investors for their businesses. Both said REP helped improve their business skills, develop the business model, and testing their product and services in the market. Furthermore, they both think they built confidence through coaching and networking opportunities they had access to through the programme.

Digital Housekeeper trusts in her business idea and experience. Yet, she did not sound confident about sustaining her enterprise even after participating in the REP: *“My idea and business are great, but I need someone who can help me run it. I always have to have someone next to me. It is really hard for me to work on it by myself.”* She clearly feels and states the need for support in her business. Although it is natural to feel the need of a co-founder or employees, remaining passive about the problem and not being solution-oriented demonstrate a lack of essential entrepreneurship traits. On the other hand, Visionary Foodie is quite confident about what she does as an entrepreneur, sounds a lot more hopeful and excited about the future. Although both are quite busy in their lives, Visionary Foodie seems to handle the hustle calmly and more positively.

Digital Housekeeper is a single mom, and Visionary Foodie is single. Digital Housekeeper has to take care of her child, and that adds to her daily responsibilities. At the same time, Visionary Foodie stated that she manages to spend time planning, organising and making improvements about her business every evening after her shift is over at work. Digital Housekeeper said that she makes slow progress in establishing her business, and therefore she might need more support from a co-founder and REP trainers or mentors. Visionary Foodie said she thinks she is better off without a co-founder. She is comfortable running her business by utilising her skills, entrepreneurial traits and social capital, targeting to fill the gap she spotted in the market. In support of these points, her marketing campaign achieved to bring more customers to her business from her own social network than the network of REP (TERN) she is part of.

Although the time and effort they can put in –hence, the performance of their enterprises– may be different, it is particularly remarkable that both women entrepreneurs, who are the only female participants in the sample, are single. Two of the potential reasons behind the gender disproportion in the sample were identified earlier in this section as women’s invisibility (not inactivity) in entrepreneurship ecosystems due to security reasons or patriarchal relations. Hence, it can be concluded that both women are free of these barriers, at least, mostly free of the pressure of patriarchal relations as they both live alone and away from their families. They could be still afraid of being exposed to the media a lot due to security reasons. Still, having engaged with diverse communities and support networks in London and given their educational background and experiences, they seem to have shattered glass ceilings.

I shared more discussion about the differences and similarities of the female participants in relevant sections of the thesis. I did not identify any specific challenges for female refugee entrepreneurs through the interviews conducted in European countries as part of this research. However, during a workshop discussion where I participated as an observer, it was mentioned by a REP representative that the main barrier to the participation of women in their programmes was identified as childcare. Many aspiring female refugee entrepreneurs have kids, and they use to have a relative or babysitter to take care of their children while they work back in their country of origin. In the host countries, they usually do not have such close contacts they can count on, or they cannot afford a babysitter. Other issues pointed out during the discussion were difficulty in reaching female refugees through social media where most of the REP marketing activities happen, actual women participants' preference of not being visible on REPs' social media as a demotivating factor for potential women participants, and passiveness of female refugees to promise to attend the programmes regularly as they acknowledge their husband as the decision-maker.

As the coronavirus (Covid-19) pandemic has started in the final year of this doctoral study, its effects were widely discussed at Refugee Entrepreneurship Network (REN) Summit 2020 (named GRE Summit in the previous years), where I engaged in participant observation. Refugee Entrepreneurship Network Summit is the only event from 2020 that is included in the research. Looking at my participant observation notes from the summit, it was highlighted that the adopted methods of programme delivery during the pandemic have essentially helped female participants. As online channels are used for training and mentoring sessions, REPs have apparently become more inclusive for women. It can be argued that this is because women do not need to commute for attending the programmes in late hours, which was either unsafe in their perspective or too time-consuming considering they have to look after their kids and take care of housekeeping duties. Although face-to-face interaction is more productive and effective in such programmes, all REPs transferred their activities to online platforms. Accordingly, women refugees benefit from the programmes more efficiently due to the elimination of logistic obstacles.

4.1.3. Age

The average age of the sample is 35.7, and the average age of the refugee entrepreneur participants is 36.5. Three REP managers were interviewed; the ones in London and Amsterdam were 26 years old, and the one in Berlin was 37. Seven entrepreneurs in the sample are in the age range of 25-29, while there are nine entrepreneurs in the 30-39 range,

seven entrepreneurs in the 40-49 range, and two entrepreneurs above 50, as seen in Table 4.3. Out of six entrepreneurs who are above 45, a few with previous entrepreneurship experience could navigate themselves better as their language skills are sufficient for doing business in the host country. Otherwise, it is found that the entrepreneurs above 45 struggle more than the younger participants as they cannot compensate for the missing knowledge, skills, social capital and such assets as quick and easy as their younger counterparts. As it was also highlighted by a UK Home Office report (2019), older immigrants may have less motivation to integrate into the host countries as there are fewer opportunities for them in the ecosystem.

Age Range	Total (%)	Refugee Entrepreneurs (%)
25-29	9 (32%)	7 (28%)
30-39	10 (36%)	9 (36%)
40-49	7 (25%)	7 (28%)
50+	2 (7%)	2 (8%)
Total (%)	28 (100%)	25 (100%)

Table 4.3 Age distribution of the sample

Two participants above 55, Persistent Trader and Education Guru, were very experienced in their fields, and their biggest concern was to secure more funding for their businesses. They were not “trying” entrepreneurship as a career option or experimenting with novel ideas without solid grounds. Instead, they were building their businesses on their social capital and experience and navigating market conditions; yet, suffering from lack of access to finance and legal frameworks, which put up barriers against their entrepreneurial activities.

4.1.4. Year of Migration

Most of the refugee entrepreneurs interviewed have moved to the host countries within the last seven years, during the *European Refugee situation*. Only three of them in London settled in the country more than 15 years ago. They are from Somalia, Zimbabwe and Bosnia, and they all live in London. They still identify themselves as refugees, and they all stated that they hold a residence permit for refugees. This was how the Somali and Zimbabwean entrepreneurs were accepted to join a REP. Interestingly, both cases do not have well-developed enterprises. In contrast, Bosnian entrepreneur Pizza Maestro has established a very prosperous business which expanded into 15 branches. He successfully

sold the business to the UK's pizza giant, Pizza Express. He had started up his business in his early years in the country, unlike the two others in the early stages of their companies when the interviews took place.

Many entrepreneurs in the sample expressed that they feel they developed entrepreneurial traits (e.g. risk-taking propensity) or got more motivated due to the asylum experience. Additionally, many of them mentioned they improved existing skills or learned skills while waiting for the asylum decision. They do not have work permit during that period, and those skills helped them become an entrepreneur. Therefore, establishing a business after the asylum process without spending many years as employed or unemployed in the host country might have been more effective. Otherwise, they might eventually lose the excitement, motivation and willingness to take the risk of starting up their own business. Lack of up-to-date information about the market, sector, and entrepreneurship ecosystem may cause an entrepreneur candidate to step back if they have not been active in the ecosystem for years. It is reasonable to argue that chances of establishing a successful business get lower for refugee entrepreneurs as the year of arrival dates back in earlier years. However, other factors such as gaining expertise, having built the necessary financial and social capital in the country have positive effects on entrepreneurial success for conventional entrepreneurs. In that sense, Pizza Maestro shows us the importance of actively seeking entrepreneurship opportunities in the early years of refuge and building one's expertise and capital during the entrepreneurial journey.

Looking at the rest of the sample, in London, some of them have said that it has taken a few years for them to get the refugee status. They were left in limbo as they did not have work permits and depended on humanitarian aid from refugee organisations -not regular social benefits from the government are granted during that process- while they were still asylum-seekers. A few of them mentioned that they have become homeless and slept in the streets of London. Whereas in Amsterdam, they live in houses provided by the city council and the decision process for refugee status application only takes a few months. Participants in Amsterdam said that they knew it before they arrived in the country, which affected their choice of the destination country. And, seven out of nine participants in the Netherlands said they got the status in a few months.

The excessive number of asylum applications in the European Union and the United Kingdom during the European Refugee situation has led to lengthy waiting times in both asylum process and business-related processes, which caused additional challenges for

refugees. Such processing times were shorter before the crisis has begun (2014-2015), and they are now getting shorter again, as understood from the fieldwork. Therefore, the development of refugee enterprises is assuredly affected by the year of the arrival of the entrepreneur. Effects of bureaucratic structures about the asylum process and business-related processes on refugee entrepreneurs are also analysed in Section 6.1 Legal Frameworks.

4.2. Entrepreneurial Traits

This section elaborates on the role of entrepreneurial traits in refugee entrepreneurship. It widely discusses the unique aspects in terms of the effects of entrepreneurial traits refugees have prior to fleeing their countries and the traits they have developed during their refugee experience as the latter stood out as an interesting pattern in the interviews. These traits become more prominent or fade out due to the experiences, mainly the challenges refugees have gone through during their journey.

Entrepreneurial traits are on the first level of the individual dimension in the proposed theoretical framework, Pyramid of Refugee Entrepreneurship. From this section onwards, the individual factors are introduced in descending order of importance. Entrepreneurial traits have a core role in a refugee's entrepreneurial journey, since they would be unable to exploit other sources, characteristics and opportunities without these traits. However, without other individual and environmental factors, these personality traits will not be sufficient to help them thrive as entrepreneurs.

As it was discussed in the Nationality section of this dissertation (4.1.1), many refugee participants highlighted that entrepreneurship is part of their culture and personality. For example, Creative Published mentioned, *"I've never been an employee in a company in my life. In my first job, I became a co-founder, then I left the company and opened my own business."* According to the World Bank 2020 data, refugees' countries of origin have higher self-employment rates than European host countries examined in this study. Therefore, it is reasonable to argue that they have developed entrepreneurial traits due to their observations, experiences with family businesses, and the fact that they are likely to have adopted the culture and mentality of the country of origin. This is mainly related to the dominance of certain nationalities of refugee entrepreneurs, considering the countries where the most refugees have come from recently. If refugees were coming from countries with different patterns (i.e. less entrepreneurial culture and population), they might not have brought similar traits and talents to the host countries.

Bearing this in mind, it is worth examining the entrepreneurial traits of refugee entrepreneurs in this study, which were already part of their character before fleeing their countries. To be precise, over half of the sample (13 participants) demonstrated positive thinking. Some of them explicitly mentioned that the hardships are for anyone, anywhere; hence they do not feel disadvantaged. An example of this mindset is reflected in Education Guru's words as *"Life is always unfair anyway..."*, as well as E-commerce Genius' reflection, *"Opportunities and the market are great. If we focus on being unique, we can overcome [the challenges]."*, and Training Master's expressions:

"All entrepreneurs have challenges... Challenges are always there. The public sector is too slow as always, as it is in any country. But it is always worth it when you see the outcomes."

To elaborate more on the participants that showed positive thinking as an entrepreneurial trait, Fast Filmmaker said, *"Opportunities are everywhere. It depends on the person and his desire for networking... I don't feel any struggle. I have [refugee] status but I don't feel like a refugee..."*. Additionally, Event Wizard noted the following:

"Positivity is the most important thing. It is really hard, but I think I reached that stage. Some [refugee] friends don't like to go out; they are depressed etc. But, it (being displaced) is something we cannot change, so we need to move on and live! Positive mindset is important. Also, resilience... That's a mindset I have. I'm always positive. Maybe it is weird for someone for me who went through many struggles, huh?"

Nearly three-quarters of the sample (18 participants) clearly demonstrated high confidence and self-motivation. One's confidence gets influenced by experiences, and it is evident that some entrepreneurs' improved confidence levels are due to their previous professional experience. For instance, Event Wizard said, *"I know my sector, my market, people I should work with. I don't need much support in that sense."* and DeepTech Inventor emphasised that his reputation as a good engineer has been critical in gaining trust and becoming successful in the entrepreneurship ecosystem. Ambitious Chef also showed confidence in his words: *"I am happy with my situation as the owner of the first Uzbek street food business in London. And, I am successful!"*. Ten participants highlighted that their confidence has increased because of their refugee experience, including their integration period in host countries. For instance, how Sociable Caterer talked about his experience reflects the notion perfectly, as he said:

“During the first two years I worked with different organisations, they asked me to organise some events, refugees cook, and they go (locals) and sell it in the food market. That's where I found my partner. He is very good in the kitchen; I'm very good in marketing, planning, management and organisation.”

Fifteen participants (60 per cent of the sample) demonstrated good communication and social skills, which are essential for entrepreneurs to deliver strong pitches, engage in networking activities effectively and manage their founding teams and employees. Creative Publisher emphasised the importance of social skills as follows: *“Place is not important for me. People are important. I don't emotionally bond with places; I bond with people. And that's part of my business”*. His avoidance of bonding with places might be a reflection of the refugee journey.

It is worth sharing the definition of “internal locus of control” at this point, as 18 out of 25 participants (72 per cent) demonstrated a strong internal locus of control. Internal locus of control is about how much a person perceives the contingency of the outcomes of events – such as the rewards of a business– on their own behaviour, rather than external forces (Rotter, 1966). Additionally, over three-quarters of the sample (19 participants) showed high opportunity recognition competency. Also, we can argue that refugees’ risk-taking propensity and flexibility improve during their journey, as several participants have mentioned. Hence, these traits are discussed in this section, along with other traits which have been clearly affected by the refugee experience.

CFE’s report (2018) shows that high confidence and motivation, conscientious and internal locus of control, a keen perception of risk, and desire for achievement and recognition of opportunities are typical personality traits and cognitive traits among refugees. It is argued in the report that these characteristics help refugees to be open to take on challenges and to commit to hard work for long periods, as Fong et al. (2007) found that refugee entrepreneurs are willing to work for running their business smoothly and making a living, double the hours that the average entrepreneur is willing to work. If and how these traits have been developed due to their journey remain untapped questions in the field.

As it was addressed in Chapter 2, The Context of Immigrant and Refugee Entrepreneurship, there is a gap in the entrepreneurship literature regarding how refugees acquire new entrepreneurial traits or how their existing traits have changed in their journey. However, Bemak and Chung’s (2014) argument is quite relevant in this context, as they concluded that displaced people learn how to make use of untapped skills, resilience and drive for

adapting to new circumstances while going through crises. Consequently, this can lead them to have intensified entrepreneurial competence. Therefore, displaced people can gain back control of their lives through self-employment.

Considering some traits which are related to the personality of entrepreneurs, it is remarkable to see how they used these characteristics as a coping mechanism during and after the refugee journey and as a tool for exploiting entrepreneurship opportunities in some cases. Not being afraid to take risks, not having anything to lose, and having developed excellent communication, negotiation, and problem-solving skills are crucial to highlight based on the emerged patterns from the interviews of this study. For instance, regarding how their risk-taking propensity gets developed as refugees, Youthful Consultant explained the following:

“The situation affects our thinking, not thinking about what’s going to happen next, reaching the endpoint regardless of what is the price...”

Additionally, 16 participants (64 per cent of the sample) have demonstrated high-risk propensity during the interviews. All of them have improved this quality due to their experiences in the refugee journey, while seven of them specifically explained the reason behind this improvement. For instance, Sociable Caterer said, *“I don’t have anything to lose”*, as he told me he had to let go of his belongings, savings and leave everything behind, including many family members and friends, while fleeing his country. Shipment Innovator also mentioned that he does not have anything to lose; hence he is not afraid to fail in his attempts to start up an enterprise. He also mentioned that he does not want to spend his energy with negative people, and instead, he prefers to focus on taking control of his life and his business. As Go-to HR Guy also highlighted that he and other refugee entrepreneurs should focus on what they can do instead of just complaining and being angry about the situation; we can conclude that the refugee experience also leads refugees to be more persistent in their entrepreneurial endeavours.

Nine participants showed favourable storytelling skills that are critical for delivering compelling pitches, giving eye-catching interviews as well as having successful marketing and fundraising campaigns, which are essential qualities for enterprises. In this context, Crypto Nomad said, *“I’m good at storytelling, and I can pitch well. My next challenge is how I can combine technology and storytelling!”*. This is a very stimulating expression in its way to show how a refugee trusts himself and recognises opportunities as an entrepreneur. Furthermore, 14 out of 25 entrepreneurs indicated that they became more

flexible and adaptable due to the ambiguous nature of being a refugee, and it is reflected in their entrepreneurial activities. As the sample consists of entrepreneurs from different sectors, it is also worth highlighting that more than half of them (13 entrepreneurs) claimed that they have expertise in the fields they started up their business. In this sense, entrepreneurship saves them from being underemployed or letting their skills and expertise remain unused.

To name a few entrepreneurs who mentioned other entrepreneurial traits, DeepTech Inventor said his decisiveness, persuasiveness and creativity have improved through his refugee experience. Visionary Foodie revealed she became more adaptive and open to change. Trailblazer Caterer realised the importance of creating competitive products and services to stand out in the ecosystem. Finally, Event Wizard learned to take on the responsibility and own his decisions. All the characteristics discussed in this section, along with the environmental factors, lead refugees to adopt different motivations to become entrepreneurs. Entrepreneurs can have different motivations under the same circumstances depending on their personalities, traits and experiences. Therefore, motivations are included under the individual background component of the individual factors in the theoretical framework shaped in the light of this research.

4.3. Previous Experience

Alexandre et al. (2019) found that a relatively high number of aspiring Syrian entrepreneurs have been entrepreneurs in Syria and are willing to take the same career path in their destination country. In line with that, the second most important construct in the individual factors I found in my research is “previous experience”. Seven participants mentioned that they had had family businesses back in their home country, which they worked at even during their childhood. Six other participants said that they had their own company back home. Additionally, Cool Foodie’s native co-founder also had previous entrepreneurship experience. This means most of the founders of investigated businesses have been already trained about the basics of entrepreneurship. The evidence shows that it is practical to have people with complementary skills in the founding team. It is specifically helpful for refugees to gain their economic self-sufficiency faster and easier than trying to acquire necessary skills by themselves or finding a job in the host country.

Some characteristics and outcomes of refugees’ entrepreneurial activities may not be necessarily about their asylum journey or the host country circumstances they are in, but

due to their previous work experiences (e.g. leading them to establish family businesses or to operate in certain sectors). An interesting case in that sense is Persistent Trader from Egypt, who used to have over 250 employees working in his company. He mentioned that it was very difficult for him to accept that he left everything behind and became a refugee in a country he knows nothing about. As he has always been an entrepreneur, acknowledging he cannot work for someone else and has to establish his own business again in the host country, he noted, *"All my life I had people working for me, under me..."*. He believes he should create value by doing his own business; otherwise, he feels useless. These emotions and motivations reflect the characteristics of aspiring refugee entrepreneurs who have been entrepreneurs in their home country.

Previous experience also gives confidence to refugee entrepreneurs, and they explicitly state that they do not feel weak or shy since they have already gone through similar processes. For example, Persistent Trader indicated high self-esteem and self-reliance when he highlighted the following:

"I already know everything about import and export; I have been doing this for ages. I don't want to spend time in such training where they teach business... All my life I worked alone. I owned my company in Egypt for more than 15 years, and I did it on my own... If I can get a loan from ..., I will rent a place. Yes, I am not shy to do this, because I need money to have my business, just like I had it before. I know how to do it."

In addition to the previous entrepreneurship experience, refugees' previous work experiences are also noteworthy and might affect their entrepreneurial intent and performance. All entrepreneurs in the sample have previous work experience except for a Syrian entrepreneur in Germany who was a junior undergraduate student before fleeing Syria. Thanks to such experiences, individuals with enough knowledge about the market, business models, marketing, accounting and other relevant areas get the courage to start their own companies. It is worth looking at some examples from the sample to understand how previous work experience affect refugee entrepreneurs. Peacemaker Educator has worked as a graphic designer and used that experience to design language and integration training for immigrants and refugees in Germany. Event Wizard worked as a senior manager in the hospitality sector, then exploited his connections and industry know-how for creating his innovative digital event management tool. Digital Trainer has worked as an Android developer and used his development skills for building an education technologies

business. Moreover, Cool Foodie's local (British) co-founder has experience in advertising, in addition to her entrepreneurship experience. Hence, she created lively ads, catchy invitations and a creative menu for their restaurant.

Another interesting example is Education Guru, who has previously worked as a senior academic and was the head of the International Office at a prestigious university in Damascus, Syria. He has ten years of teaching experience and ten years of management experience in higher education institutions. He had also worked at an NGO as an academic director. Although he was a senior academician, his teaching and management experience led him to take the bold decision to pursue a new career trajectory and build an education technologies start-up in Germany, with customers from all around MENA and Europe. Additionally, Visionary Foodie, who has worked at an investment bank, believes that her experiences in recruitment, customer relationships and logistics have paved the way for her to build a sustainable and attractive business model.

Experiences gained in the host country specifically appear to boost refugees' capability and confidence to start up a business. As an illustration, the experience and network Digital Housekeeper has built while working as a caregiver for many years helped her create a platform where users can search for and hire housekeepers, babysitters and caregivers. Similarly, Ambitious Chef mentioned that working at a restaurant in the UK helped him improve his language and cooking skills, to the point that it inspired him to start a food business. He expressed his passion and interest as follows:

“So, I changed my life 180 degrees as a chef. I have a diploma in Information Technologies, but my hobby as a chef has turned into my profession... Then, I became a professional chef. I worked for four years as a head chef at the Central Asian Restaurant. For me, it was also interesting to introduce Uzbek cuisine in London... Because I had many years of experience as head chef, I thought of owning my business. As you grow up [gain experience, rise] step by step, you have to do something for your own. I decided to go for a street food business for Uzbek cuisine. It has not ever been done in London!”

On the other hand, some skills and experiences of refugees are not transferable in the host countries due to the lack of accreditation of qualifications and unrecognised experiences they gained from local sectors. Hence, lots of highly skilled or highly experienced refugees remain unemployed or underemployed in host countries. How the validity of refugees' previous work experience and accreditation of their qualifications are limited in the host

countries are further discussed under Section 6.1 Legal Frameworks, specifically in Section 6.1.2 Business-related Processes.

4.4. Education and Skills

Skills, educational background and abilities of immigrants affect the development and outcomes of their enterprises on many levels. These factors also affect host countries' education budget, including language courses and vocational training. For instance, immigrants have brought valuable skills and human capital to the UK, which resulted in a £6.8 billion worth of cost-saving in education (Kairos Europe, 2017). Additionally, the average education level of European immigrants in the UK is higher than the natives, as 65 per cent of immigrants from EU-15 countries had an undergraduate degree. In comparison, only 24 per cent of the UK citizens had the same. There is not any relevant statistics about refugees' educational background. In the context of refugee entrepreneurship, "Education and skills" is the third most important aspect of the individual dimension in the theoretical framework built based on the empirical findings of this study. Relevant previous experience is found slightly more important than education in terms of how it enables entrepreneurship.

The majority of the entrepreneur participants in the sample (22 out of 25 people) have completed higher education (holding a bachelor's degree) in their country of origin. Their qualification is seldom not relevant to their enterprise in terms of the sector and market they operate in or the products and services they provide their customers with. Yet, some of them have a background in business studies, either holding an undergraduate degree in business or management studies (four participants) or having studied a diploma program or received training in business-related subjects (two participants). Four participants in the sample are engineers, and they started up their enterprises in their engineering field. Furthermore, several other participants' education background complies with the skills they utilised in establishing their businesses, such as a graphic designer participant developing the user interface (UI) of his enterprise's application, a creative writer participant opening a bookshop, and a professor starting up an online education platform. This saves the countries significant costs in vocational training and higher education budget, considering refugees would benefit from scholarships and free education/training programs made available for them by the host country government or NGOs.

Four participants are secondary school graduates. Two of those, Youthful Consultant and Versatile Developer, have started studying for an undergraduate degree in their home country, but they had to drop out due to the conflicts in the country. Youthful Consultant

has started studying business in the Netherlands after settling in the country and working for a couple of years. Versatile Developer has learned coding and graphic design at an organisation in Germany (REDI School) which targets explicitly immigrants who are interested in learning and improving their skills in technology and design. The former started up a business consultancy and training company, while the latter works at a German design company full time and has co-founded an IT services start-up with team members he found at REDI School. He is also teaching coding and design to newcomers at REDI School. Both are excellent examples showing how refugee entrepreneurs transfer newly-earned skills to their business, and not having an undergraduate degree does not prevent them from becoming self-employed. At the same time, it limits the opportunities for them to be employed by other companies, adding up to other barriers against their integration in the job market. This evidence shows that it is easier for refugees to transfer existing or newly acquired skills into economic activities through self-employment.

The Dutch REP manager stated that all participants in their programmes are highly educated. Additionally, the German REP manager participant stated that 90 per cent of the entrepreneurs of their programme in Berlin have a university degree. Four participants hold master's degrees: one is a Yemeni female entrepreneur in London, one is a Syrian male entrepreneur in London and two are Syrian male entrepreneurs in Berlin. Only one entrepreneur in the sample, Education Guru, holds a doctorate and his business is in the education technologies sector. As it might be argued that individuals with higher academic degrees are typically less likely to become entrepreneurs since they already proceeded in academia as a career path, it is meaningful to see that Education Guru's entrepreneurial intent stems from his management experience. I discussed more details about such factors affecting refugees' decision to choose entrepreneurship as a career path in sections 4.3. Previous Experience and 6.4. Entrepreneurship Support.

Looking at the language skills of the participants, they all speak English at an excellent level. I conducted all interviews in English, including the ones in the Netherlands and Germany. All participants were very comfortable talking in English, and their answers were rich in terms of content and usually vocabulary. Some participants who are from Arabic speaking countries even said they prefer the interview to be in English rather than Arabic. It is not because they forgot how to speak Arabic, but they did not want to have the interview in Arabic. As an Egyptian entrepreneur in London clearly stated, this could be related to their inclination to hide their identity and opinions. They might have thought that

keeping the conversation in English will make it harder for people or government in their country of origin to find out about them or to identify them, in case they still hesitate about the possibility of their interview data being publicised even though I assured their anonymity during and after the interviews. In addition to that, there is only one way to write a name in Arabic letters, yet, there are several ways to write it using the Latin alphabet (e.g. Aisha can be written as Aysha, Ayesha, Aicha, Ayse) upon individual's preference. It also adds another layer of protection to hide the identity of refugees who are from Arabic speaking countries. It might be a reason why they are comfortable with being interviewed in English.

Although I did not ask it to the interviewees as a direct question, five of them (two in the UK, two in the Netherlands and one in Germany) explicitly mentioned that they think it is a privilege to be able to speak a good level of English in the host country they live in. Most of them had learnt it earlier when they studied in their country of origin. So, they were already good at English before they arrive in the country, and they feel lucky about it. It was also highlighted by the participants that they see many refugees struggling to communicate in English in government institutions, citizens advisor bureaus etc. Those refugees usually ask for their help to understand the processes regarding paperwork, registration for public services and so forth. An interviewee in London mentioned that they see those with poor English skills usually cannot solve their problems by themselves or take advantage of their rights even if it is a very straightforward process. Accordingly, all participants said that they think English skills is critical to set up a business in their setting. Several entrepreneurs highlighted that the registration process for businesses is very straightforward if you have good English skills.

Another interesting point was to see that there is a skill mismatch for those who hold bachelor's degree and above. They mostly said it was difficult for them to find jobs that match their skills in the job market. They have indicated that they think they deserve better opportunities but most likely to remain underemployed or unemployed in the host country. Even if they accept to start in a lower position than they anticipated, they do not want to stay there in the long term, and this has been a motivation to start up their own business for some participants. For instance, Ambitious Chef, founder of an Uzbek street food company, has started working as a chef at an ethnic restaurant in London when he could not find a job in the Information Technologies sector. Back in his country, Ambitious Chef has studied Information Technologies and was passionate about software development. When

he was a chef in the restaurant, he started seeking self-employment opportunities as he was not satisfied with his job. He said he does not find it satisfactory to work under others' management and that he would like to create his own business and be his own boss in the long term. This mindset falls under "the entrepreneur model", as defined by motivation theories in the entrepreneurship context (Bovenkerk, 1983; Ward & Jenkins, 1984), which is claimed to be a typical motivation model for native entrepreneurs. Arguably, refugee entrepreneurs with high levels of education and skills adopt similar motivations to native entrepreneurs.

Although the sample of this research mainly consists of highly educated and highly skilled refugees, the same regulations and legal barriers apply to both unskilled and skilled refugee entrepreneurs (De Lange et al., 2020). Nevertheless, it can be assumed that highly skilled entrepreneurs have a higher level of bureaucratic literacy. Therefore, they can navigate their businesses better in the host country and comply with regulations more easily than their less-skilled counterparts. On the other hand, some legal barriers cannot be overcome by any refugee entrepreneurs even though they have figured out how the system works. More information about the effects of legal structures on refugee entrepreneurship can be found in section 6.1 Legal Frameworks.

4.5. Financial Capital

The scarcity and importance of financial resources for funding refugee businesses are evident worldwide. The financial means refugees can bring in host countries (individual factor) is limited as well as the financial support they may find in host countries (environmental factor) for funding their businesses. The ability to fund one's business depends both on individual and external factors. There are characteristic challenges in both sides for refugees. The main focus of this section is the individual side, looking at if and how refugees exploit their savings or salary from waged jobs as financial capital for their enterprise. As it is found to be a very limited resource for refugees, it is observed that they tend to compensate this aspect with other factors like external funding ("access to finance" in the framework) and "entrepreneurship support" (REPs). Therefore, individual "financial capital" has a less central and replaceable role for refugees than three other constructs below it in the proposed framework (Figure 3.4), despite still being a critical aspect for both the launch and growth phases. It is placed on the fourth level of the framework.

As it is discussed further in 5.2 *Access to Finance*, due to the barriers to accessing finance, which is specifically stricter for refugees, they usually have to find ways to save money to

fund their businesses. It is found very challenging by those who strive to become entrepreneurs while also trying to settle and make a living in a host country. As refugees typically have to flee their countries without making any plans or preparation beforehand, they cannot transfer their financial means to the destination country. Arguably, they can start saving up or raising funds for their startup capital after settling in the country and finding a job. Very few are able to start working directly as entrepreneurs by using grants or prizes they are awarded.

It can be concluded from the evidence that the abovementioned arguments are valid. In our sample, 18 entrepreneurs acknowledged that they used their salary and savings built up in the host country and bootstrapped by fuelling internal growth with revenue from the company. Six of them were still working full time at a waged job in addition to managing their enterprise by the time this research has taken place. One of them, DeepTech Inventor, reflected how refugee entrepreneurs are between a rock and a hard place by stating the following:

"It's a refugee state, where you are trying to prove anything to be more stable in this country. So, you can't leave the company you're working at and start up your own business."

Some REPs help refugees to find jobs as well, but it may not be the most effective way to save money for start-up funding, as refugees also had to make a living with their salary as typically they cannot continue to get benefits after they start working (depending on the amount of income). Being stuck with bootstrapping as the only option to fund a business is very restricting for refugee entrepreneurs, especially those who founded businesses with great innovation and economic potential that need external investment. Also, it is seen that three participants who work at waged jobs and as an entrepreneur were only able to find part-time employment in the host country. Therefore, their salary is not promising enough to accumulate personal savings that would allow them to self-fund their enterprises, and consequently quit that job after a while in order to work full time on their own business, which is something that all entrepreneurs who work part-time have stated as their goal.

Two participants in the sample can be identified as serial entrepreneurs since they each had established a company previously in the host country, and they have been working on their second companies using their previous enterprise's income as financial capital. One of these has started up food and trade businesses, and the other one has been active in the education and construction sectors. Only one participant, E-commerce Genius, was able to bring

financial capital built from his previous enterprise in another country. In this exceptional case, the entrepreneur lived in a third country, and since he could not go back to his country of origin (Syria), he sought asylum in the UK. He had time and other means to plan for moving to the UK, unlike other entrepreneurs in the sample. It can be argued that becoming a refugee is almost a choice for such cases, and they are in a more privileged and advantageous position than other refugees on many levels.

The evidence shows that lack of financial capital and inability to accumulate seed fund as rapidly as the nature of entrepreneurial ecosystems require put aspiring refugee entrepreneurs under challenging situations, and many startups with great potential might have been lost in this rocky road. Education Guru noted, “[*In Germany,*] *You have to show the money that can fund the business you want to set up and sustain your life for say [approximately] 15 months, and it changes depending on the situation. In some cases, you need to show the amount that is needed for even longer periods!*” His words remind us that regulations in the host countries do not make it easier for refugees either. Sections 6.1. Legal Frameworks and 6.2. Access to Finance further look at how the external factors, i.e. the environment, institutions and individuals in the host country empower or hinder refugees’ ability to fund their enterprises at different stages and circumstances.

4.6. Social Capital

4.6.1. *Peripheral Relationship*

Entrepreneurs’ dependency on their social networks for identifying business opportunities and mobilising resources is widely recognised (Stuart & Sorenson, 2005). It is highly likely that a refugee cannot transfer their financial and social capital into the host country setting without significant losses. It is claimed that they are more likely to rely on co-ethnic networks (Cain & Spoonley, 2013), and even that is only possible if they are fortunate enough to settle in a region where there are other people from their ethnic community. However, according to the findings of my study, refugees’ social capital appears to have a minor effect on their entrepreneurship compared to the other constructs in the Pyramid of Refugee Entrepreneurs framework, except for the demography aspect. It is still an important construct included in the framework separately, and co-founder relationships are found to be more critical than peripheral relationships as discussed in these two sections.

In contrast with what the literature suggests, almost none of the participants in this research acknowledged that they depend on their co-ethnic networks. Refugees’ local social capital

appears to benefit their businesses as customers and business partners. They utilise their local and international contacts, which they established either before moving to the host country or in the host country, as social capital. They highlighted that forming peripheral ties with local people has been helpful in terms of business know-how, financial resources, supplies, reputation, and other complementary business support. Eight out of 25 entrepreneurs stated that their suppliers, distributors, and customers are mainly from the local/native community. Ambitious Chef's street food business is a stimulating example in this sense:

“70 per cent of the customers have been local people since the beginning: employees in the offices, builders around the neighbourhood, etc. So, regular people who come here... It was good for us because as they tried it before, they know our food is delicious. Nowadays, after five months now, we have 80 per cent regular customers, 20 per cent tourists... We use big companies as suppliers. They are British companies.”

Furthermore, DeepTech Inventor highlighted that he tested his product with people from many different nationalities in Germany. And, Shipment Innovator mentioned that their shipping startup had reached 500 users in its first year. Its users were from Turkey, Netherlands, Iraq, Germany, Lebanon and Saudi Arabia. Finally, it is worth mentioning that when I asked Creative Publisher if his customers and business partners are most Syrian as himself, he enthusiastically said: *"No, no, no! [Our business has] Definitely more Dutch visitors, participants and collaborators than Syrians."*

According to Artistic Caterer, a Dutch store owner provided him a spot in his store to promote and sell his food, and it was a turning point in his life. Moreover, Versatile Developer mentioned that their crowdfunding campaign attracted many locals. He appreciated the donations and little investments made by local German citizens as it showed that they believe in him and his business. DeepTech Inventor also noted that some host society members supported his business by sharing posts about his enterprise and spreading the word about his invention and his story, which have led to significant media coverage. A female manager from Google Germany saw Education Guru while presenting in a pitch competition and connected him to another Google team that would like to support a startup like his. Later on, Google invested in his business. As Persistent Trader put:

“One person may open many doors if he/she is someone who has the experience, skills and network.”

Refugees indeed lose a significant proportion, if not all, of their social capital that they used to rely on while doing business back in their country of origin. Consequently, it can be said that they are willing to integrate and interact with the locals here not only at the social level but also at the business level. So, they seek opportunities to establish close links with the local community. Once they establish such connections, they want to emphasise them like proof of integration or success as they perceive. In accordance with our argument, a recent study (Harb et al., 2019) mentioned that Syrian refugee entrepreneurs in Lebanon point out how they partner with Lebanese suppliers, dismissing their connection with other Syrians. Harb et al. (2019) felt it might be an exaggerated highlight. In this context, we can argue that refugees want to show how they cooperate with local businesses in their supply chain, emphasising that their businesses complement local products and services instead of competing with them.

If aspiring refugee entrepreneurs are really keen on having a diverse social capital, they have to build their social network in the host country from scratch. I observed that they engage in volunteering activities in different NGOs, join refugee organisations in which they engage with local community members as part of social integration projects, language practice groups, etc., or participate in training and education programmes to build a social network. It is observed that volunteering work is highly encouraged for them by host country officials, NGOs and REPs. Volunteering work keeps refugees and asylum seekers busy and productive while contributing to their social capital until they get a status that allows them to get a work permit and find a job or until they create their own business. As an illustration, Sociable Caterer worked in an NGO which provides food for refugees, and that was where he found his co-founder, who is also a refugee, and set up their catering business.

Contrary to common findings in the literature, the evidence from this research shows that refugee entrepreneurs do not depend on co-ethnic networks in the context of urban settings in Europe. Earlier studies had suggested that their ability to become an entrepreneur depends on their access to the co-ethnic network and the size and power of such networks in the host country (Cain and Spoonley, 2013). Arguably, this is not the case for recent urban refugees who can access local networks relatively easily. All participants of this study said the social capital they utilised for their enterprise consists of people from different communities beyond their co-ethnic networks. Also, 13 entrepreneurs explicitly highlighted that they believe network building and collaborating with locals/natives are

crucial for their business.

As previous empirical studies are mostly outdated, technology and social networks were not that effectively used in their time, even a couple of years ago. Currently, there are a lot of relevant communities in the social media and NGO networks that are quite accessible and popular, such as expat groups, refugee networks, co-ethnic groups and general entrepreneur communities. These networks are helpful for refugee entrepreneurs to reach out to a broader community for their businesses and to build their social capital by including local community members, as well as immigrants and refugees from other nationalities.

It is reasonable to argue that local social capital helps refugee entrepreneurs in the start-up process. In that sense, Cool Foodie had socialised with locals in the Calais refugee camp in France, cooked for his neighbours in the camp as part of a social project and befriended the local volunteers who then became his co-founder and supporters in his food business. Cool Foodie organises a breakfast club/pop-up and has been benefitting from peripheral support a lot. For instance, he uses his co-founder's father's car for carrying tools and ingredients, collects the equipment he needs from other volunteers he had met in the camp. He admits that having a support network of local friends has helped ease the process, and he already had established links before settling in the UK. Creative Publisher also said that he had connections in the host country, Netherlands, before seeking asylum there, thanks to international authors and publishers. Currently, he is granted a place for his bookshop by the royal family of the Netherlands. Similarly, Sociable Caterer became the co-founder of a REP in addition to his catering business. As an insider, a programme participant, he has socialised with and gained the trust of German co-founders of the REP.

Many entrepreneurs said they target local community members as their customers. Under the third research question, how they tweak their business models (i.e. discussing innovation vs. assimilation) to make their products or services appealing to the local customers is also discussed using the interview data. Several participants also mentioned that they work with the local community and benefit from the local community in their supply chain and value chain. Many said they prefer building up their social capital primarily with people from the local community. In fact, some of them has reached a point where they avoid engaging with their co-ethnic network. Arguably, the reasons for their avoidance may be due to the need of proving themselves to the local community, as mentioned earlier, or due to fear of getting into trouble with some members of their co-ethnic society, considering they mostly fled their country because of national conflicts. As

an illustration, Persistent Trader noted: *"From my country, no. I don't have any Arabic friends here. Especially Egyptians, no. As I have problems in Egypt, I don't want any more trouble."*

On the other hand, based on my observations, it can also be concluded that there is a bond between refugee entrepreneurs in Europe (cross-country as well), not necessarily among people from the same ethnicity but who are refugees from different countries. They usually get to know each other through REPs and other networks that publicise their stories or organise events for them to socialise with other members of the entrepreneurial ecosystem in Europe. Support schemes tailored for refugees were not available in Europe until REPs have been recently developed in collaboration with the private sector, NGOs and governments. I also had observations and field notes on their discussions in the field. Despite being part of a refugee-only cohort in such programmes, refugee entrepreneurs find local/native advisors, mentors, customers and business partners through them.

Finally, it cannot be ignored that refugee entrepreneurs are capable of creating services and products which appeal to the refugee community since they understand the needs and interests of the community closely as they are a member of it themselves. Therefore, they can serve the refugee market, and there is potential in this niche. As observed at the GRE Summit 2018, social workers and refugee organisations also acknowledge this niche. A social worker noted during a discussion at the summit that:

"Refugees and immigrants are also the consumers. If you get a refugee to produce a product (e.g. Aleppo olive oil) or a service that the refugee community will use. It's getting the company that supports this enterprise tap into a new market through a product that is not commonly used by the host community."

Looking at the sample of this study, 56 per cent of the enterprises (14 companies) have an edge that serves the needs of refugees, but most of them are not exclusively serving them. Among those, four entrepreneurs exclusively serve the refugee market through their business, and these are Dedicated Constructor, Digital Trainer, Training Master, and Youthful Consultant. Dedicated Constructor rebuilds houses in the safe regions of Syria for those who were not involved in politics and thus can return to the country. Training Master provides vocational training for refugees and matches them with employers in the taxi business. Similarly, Youthful Consultant delivers business training and consulting for refugees who wish to be employed or self-employed in the Netherlands. Digital Trainer

provides refugees with integration seminars and training about the business culture of Germany.

Apart from these four entrepreneurs, Peacemaker Educator targets refugees with their integration and language training and has other immigrants as their beneficiaries. Trailblazer Caterer does catering for local/native and immigrant customers. He also serves aspiring refugee entrepreneurs' needs through providing entrepreneurship training and workspace, especially an industrial kitchen. Finally, Crypto Nomad's and Versatile Developer's startups remove crucial bureaucratic hassles for refugees and other types of immigrants. All the entrepreneurs in the sample who meet refugees' needs through their businesses are committed to doing it because they know the pain points and wish to solve the problems of this community. Therefore, it can be concluded that they are not motivated to serve the refugee market because that is the only market they can access, but because they want to support this community in particular.

4.6.2. *Central Relationship: Becoming co-founders*

Although a local co-founder is something a refugee entrepreneur can find in their host country and thus could be considered an environmental factor affecting them, I prefer to include this aspect under social capital because it is more of an individual factor and not directly and solely about the economic and institutional circumstances of their host country. It is critical that the country's business ecosystem be open and suitable for refugees to build central relationships through the contacts they make. However, it is up to the entrepreneurs' social skills and ability to identify compatible co-founders. This component is more vital than the business relationships discussed in the previous section. As the fieldwork revealed some fascinating co-founder relationships, these are discussed separately.

The importance of having a co-founder or an executive business partner from the local community for refugee entrepreneurs is one of the most interesting findings of this research. There are no studies found in the literature discussing this aspect of refugee entrepreneurship. Many refugee entrepreneurs said during the interviews that it would be very beneficial for them to have a local co-founder in their enterprise to navigate themselves in the new business environment, to build trust, and to bypass legal obstacles such as not being able to take loans. Cool Foodie, a Syrian male entrepreneur in London who did not participate in a Refugee Entrepreneurship Programme, has co-founded his business with a British woman. She brought in outstanding social capital for the business, used her personal resources for bootstrapping and native language and business skills for

making deals with third party businesses. One can clearly notice that Cool Foodie's business outperforms similar refugee businesses in the food sector.

In addition to Cool Foodie, two other entrepreneurs in the sample have local co-founders. These are namely Education Guru and Sociable Caterer. According to Education Guru, the local co-founder was helpful for marketing, customer recruitment, product tests and accessing financial resources. He also saved the company from a lot of hustle as he can travel almost anywhere, unlike Education Guru and their other refugee colleagues. Most importantly, he was helpful to build trust with German customers, investors, suppliers and other business partners. Education Guru explained the significance of having a local co-founder for a refugee entrepreneur:

“Even having his name in the company was helpful. All our travels to the gulf are done by him because I cannot travel to the gulf. So, he used his passport to travel there and establish all the relations we have now. We had great business opportunities in the Middle East... Without him, it'd be a much smaller business. We have to accept it. In Germany, a company opened by a Syrian guy is something and a company opened by a Syrian guy, and a big German name is something else.”

Finally, Sociable Caterer has joined the founding team of a REP in Germany with German co-founders. He has also founded a catering company in the food sector with a refugee co-founder. His experience and insight are invaluable for the REP's other co-founders as he is the only one in the team who can literally put himself in a refugee's shoes. In his case, he is the one who actually fills the co-founders' missing capabilities, leading their REPs to create more effective programmes for supporting refugee entrepreneurs. Sociable Caterer also tested the REP's services as an insider by becoming a beneficiary, trainee, and participant of the programme using his second enterprise. This example shows that the entrepreneurship support may also work the other way around in a local-refugee co-foundership.

According to Cool Foodie's co-founder, he already had established links in the host society and a strong support network of local friends that helped him in the starting up the process of his enterprise a lot. In addition to the co-founders' role in providing know-how and financial and social capital, which are in the heart of the business, peripheral relationships with other members of the British society were very beneficial too. Some peripheral relationships were also built in relation to the local co-founder. For instance, Cool Foodie used the co-founder's father's car for carrying food and materials, and he borrowed

equipment from the co-founder's cousin. Also, the co-founder's cousin curated and designed the dishes that are on the menu. As Cool Foodie and his co-founder utilised these resources and services for free, they had the chance to bootstrap without needing external investment.

Hence, we can conclude that central and peripheral relationships with the members of the local community help refugee entrepreneurs to overcome some financial, legal and social barriers. Local community members and refugees should be encouraged to cooperate and crowdsource their businesses together.

On the other hand, there are some cases like Persistent Trader who does not want a local co-founder. They either like being a solo entrepreneur or do not trust local individuals enough to become co-founders with them. Go-to HR Guy demonstrated his solo entrepreneur spirit by stating that if his business thrives, he would like to be on the front. Shipment Innovator and Creative Publisher mentioned that not a local co-founder but a local investor or business partner would help their business to flourish. Creative Publisher said he does not feel the need of a local co-founder, and he added:

“I'd rather not give authority to someone from the host country.”

Interestingly, Cool Foodie's British co-founder complained that she and her connections had to deal with most of the work since Cool Foodie was not capable of doing so due to individual and external factors. Her explanation sounded like she would prefer leaving the company if Cool Foodie gets to a point where he can manage all the work by himself. She thinks the British REP TERN can be helpful in this sense:

“I think TERN is not about developing businesses, but it's about developing people as entrepreneurs. So, he will be a good fit, and he'll grow out of it so that he can do all that by himself through learning the business, etc.”

All in all, having a local co-founder is found very effective for refugee entrepreneurs to access financial resources, increase their social capital, build trust and access customers and business partners within the host community and institutions. No one in the sample said that REPs were helpful to form such co-founderships. But those who have such co-founders and did not participate in REPs find the role of their co-founders very vital. It is an excellent gateway for building trust, accessing local customers, understanding the business culture more effectively and rapidly, accessing financial products, etc. Since co-founders share the loss and the profit of a business and that they are at the same level, I

argue that having a local/native co-founder is an enabling factor for refugee entrepreneurship. However, it was not explicitly reflected in relevant theoretical frameworks earlier. I included this element under social capital, in the individual dimension of the theoretical framework I developed. It will be useful for future research to assess refugee businesses with or without local co-founders in different contexts as well.

In conclusion, organising networking events that include refugees and other minorities and having mixed cohorts at REPs would be extremely beneficial in establishing links between locals and aspiring refugee entrepreneurs. Those who joined the workshops, training sessions and activities at REPs and other entrepreneurship support organisations can engage in networking to become co-founders, shareholders, investors, partners, etc. for each other's businesses. We can argue that, while tailored support schemes are very important, exclusive programmes and networks for refugee entrepreneurs may isolate them from the local entrepreneurship ecosystem and prevent them from forming organic partnerships within the community.

5. MOTIVATIONAL DIMENSION: THE DECISION OF A REFUGEE TO TAKE THE ENTREPRENEURIAL PLUNGE

As mentioned earlier, motivations were examined under the first research question, which focuses on the individual factors affecting refugee entrepreneurship. However, this research demonstrated that motivations of refugees to become an entrepreneur are contingent on the interplay of their previous experiences, educational background, skills, capital and environmental factors such as job market conditions (push factor), market conditions (pull factor), entrepreneurship support schemes etc. Therefore, the entrepreneurial motivations of refugees are intertwined with all factors affecting their entrepreneurship. Although it can be argued that other factors in the individual dimension may also be affected by the environmental factors, I focused on the aspects that mostly depend on their personal characteristics, backgrounds and what they can personally bring in the country under the individual dimension. Entrepreneurial motivation does not fit into that dimension, both as it is highly affected by environmental factors and as its relationship with other individual factors are on similar levels without fitting into the order of importance of the factors in the dimension. Hence, motivational dimension is added to the framework as a key theme separately (Figure 3.3). The identified motivation models are not on separate levels within the dimension as they are not interrelated; hence, they are randomly placed (Figure 5.1).

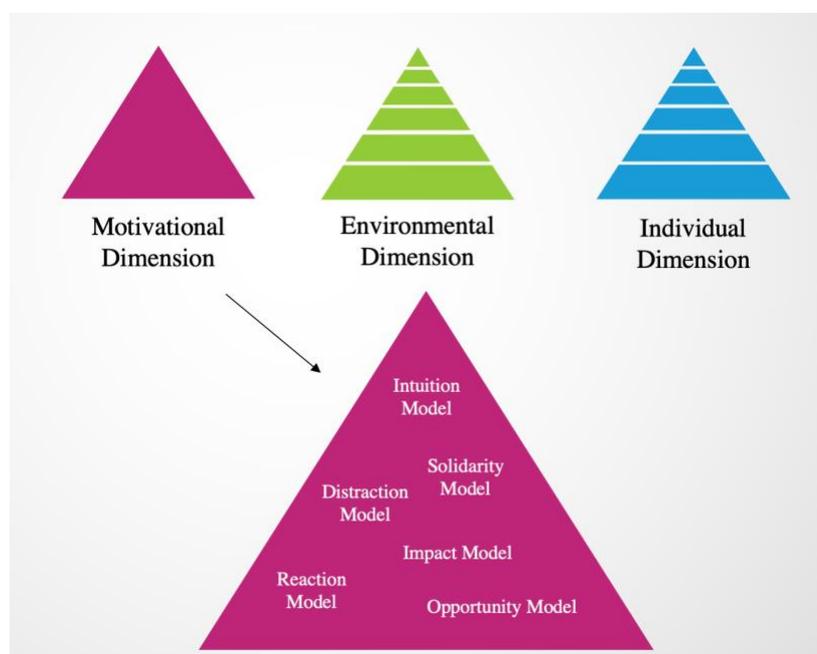


Figure 5.1 Zoom-in on the motivation dimension of the “Pyramid of Refugee Entrepreneurship” framework

Looking at how participants identify their entrepreneurial motivation is vital to understand what they expect from becoming an entrepreneur and which aspects of their embeddedness in the business context are critical in their decision-making process. Some participants highlighted that they felt they could create their own job, and even jobs for others in their situation, since they could not find employment in the market (i.e. necessity entrepreneurship). However, it is seen that all of the participants mentioned “giving back to the society”, and many of them said they think having an “impact-oriented business” is more important than making a profit, even if they are necessity entrepreneurs who try to become self-reliant through their enterprises.

It has been widely argued in the literature that refugees are usually necessity entrepreneurs and driven by the necessity of making a living instead of opportunity and ambition (Kooy, 2016; Freiling et al., 2019). I mostly have to disagree with this based on the findings from the fieldwork of this study. Most participants highlighted that they are not after high profits, but they are highly motivated to give back to (i) their ethnic community and refugees in the host country, (ii) their community which is still back in their country of origin, or (iii) the society of the host country since it has been very helpful for them during their asylum and integration processes. These motivations are rather about the ambition of contributing to the society and opportunity seizing for creating impact than necessity per se. Some defined themselves explicitly as social entrepreneurs, while some decided to become an entrepreneur because they seek self-realisation, or they want to serve other refugees using their talent and skills. These motivational patterns are discussed along with others in the upcoming parts of this section.

Based on the interviews, the motivations of refugee entrepreneurs are categorised into five groups. The first is called “the reaction model”, as it incorporates those who are pushed into entrepreneurship due to job market conditions and attempting to make a living through their enterprise. The second category is impact-oriented entrepreneurs, referring to those who are highly motivated to give back to the community and create value through entrepreneurial activities. The third category is “the solidarity model”, indicating those who have targeted the refugee market for serving the needs of a community whom they identified with. The fourth category consists of intuition-oriented entrepreneurs who aim for self-realisation. The fifth category is “the opportunity model”, which explains how some refugees are motivated by support programmes and their opportunities as pull factors. Finally, the sixth category is “the distraction model”, involving refugees who see

entrepreneurship as an escape from their traumatic memories and idleness. Some refugees are in the intersections of some models, and it is not easy to choose one model as their primary motivation. Hence, I considered them under multiple models.

A participant from a refugee organisation at a conference about refugee entrepreneurship raised a crucial point by saying that too many refugees want to start a coffee shop or pizzeria, even though they are often highly educated. Hence, it is of great importance to ask them if entrepreneurship in these business areas is what they really want. The participant argued that refugees often have a more ambitious idea which they do not dare to pursue and that stereotypical conceptions of “refugee businesses” constrain their motivations and efforts. The fieldwork of this dissertation has started by taking this argument into consideration. However, it is found that there are lots of refugees who pursued their dream job by becoming the founder of their ideal business in their desired sector, using their expertise or talent, or making the impact that fulfils their aspirations.

5.1. The Reaction Model

As it was also discussed in Section 4.4. Education and Skills, lack of decent opportunities in the job market pushes some refugees to seek entrepreneurship opportunities. This section examines the scope of the problem about job market integration of refugees, the unemployment and underemployment figures of refugees in the selected countries, different reasons behind the problem, and how it leads refugees to become entrepreneurs.

First of all, many host country governments claim that they prioritise employment option for refugees. Yet, high levels of unemployment are also widely discussed around refugee economies in the literature. It is found that only 40 per cent of refugees manage to find employment, while half of those stated that it is extremely difficult to find a job that matches their skill level in the UK (CFE, 2018). According to the latest research conducted for the UK government on the integration of refugees, as relevant statistical data is not regularly collected, the rate of refugees who found employment in two years after they received a legal immigration status (49 per cent) is almost half of the local UK citizens’ average (80 per cent) (Cebulla et al., 2010). Similar to CFE’s finding in 2018, half of those refugees with jobs mentioned that they feel they are underemployed. Ormiston (2017) defined the omnipresence of unemployment and underemployment of refugees using the term “brain waste”, as their talent and capabilities are wasted, and their potential remains unfulfilled when they are not able to find jobs that match their skills and educational background. It significantly impacts refugees and the economy negatively.

From the economic perspective, locals and economic migrants are better off compared to refugees. For instance, Kone et al. (2019) found that refugees are 19 per cent less likely to be employed in managerial positions than local UK citizens. They also get paid 38 per cent lower than locals in terms of the hourly salary and 55 per cent in terms of weekly earnings (Kone et al., 2019). Looking at Germany's statistics, only 8.5 per cent of refugees who have registered with job centres (employment agencies) found jobs in 2015 (Ormiston, 2017). It is a striking figure considering Germany's record-low unemployment rate.

Finally, welfare dependency among refugee groups in the Netherlands is found to be 70 per cent (Kok et al., 2017). It indicates how high the unemployment and underemployment rates are in the country, despite the lack of representative statistics. The REP manager (from RFI) I interviewed as part of this study in the Netherlands claimed that refugees who believe they will be underemployed do not want to work. They remain on welfare benefits, thinking that they can focus on their family instead of wasting their time at a low-skilled job. On the other hand, as Crawley et al. (2010) suggested, most of the refugees are unaware of the fact that they will receive welfare benefits regularly. Therefore, one cannot validate the argument that welfare dependency is due to refugees' preference to remain unemployed for the sake of receiving benefits.

I observed that there are many obstacles against the integration of refugees into the job market in host countries. These include unrecognised experience, unaccredited qualifications, discrimination due to negative perceptions of refugees, and delays in official documentation processes. Bloch (2004) stressed that delays in the work permit and settlement-related documentation lead companies to be reluctant to hire refugees considering penalties charged against companies for employing anyone with missing documentation. In this sense, the problem is related to the inefficiency of official processes and policies about refugees. Furthermore, the REP manager (from TERN) interviewed in the UK highlighted that the mismatch of jobs and refugee skills is caused due to the flawed integration policies:

“Refugees are people like you and me. They have their own skills and professions that they gain before they came to the UK. Then, you find this huge bowl of talent and skills finds himself either underemployed or unemployed due to the failures in the integration process in the UK.”

In this context, it is also worth looking at how refugee entrepreneurs feel about the job market and whether the job market conditions lead them to become entrepreneurs. Six out

of 25 entrepreneurs in the sample said they found it very hard to find employment, and they either could not find any jobs, or they became underemployed prior to becoming entrepreneurs. Visionary Foodie noted the following about underemployed refugees' experiences:

“I have met who used to be managers in huge corporate companies. So, falling back and starting from scratch is horrible. And they end up working in restaurants, as waiters, or cooks, or they wash the dishes... They are degrading, but this is the only option.”

Two of the participants who struggled in finding a job, both in the UK, got to a point where they became homeless. Starting up their own business was a feasible alternative to working in another company as a career path. They opened “livelihood businesses” in that context to make a living. This is mainly because the business ecosystem is relatively more open for refugees as entrepreneurs than refugees as employees in the UK and Netherlands. Although the ecosystem, as well as the political context in Germany, encourage refugees slightly more towards waged employment, it is still challenging for them to find jobs compared to other immigrants. Therefore, it is reasonable to argue that some refugees are motivated to become entrepreneurs as a reaction and solution to unemployment or underemployment in host countries. The same term Shapero suggested for explaining this motivation pattern (as cited in Wauters & Lambrecht, 2006) is used for the model, namely “the reaction model”.

Moreover, Cool Foodie's co-founder, who is a local UK citizen, stressed that being discriminated against has certainly been a huge barrier for Cool Foodie and other refugee entrepreneurs in their network, as they have observed. She strongly believes it was challenging for Cool Foodie to find a job in the UK as he has a Muslim name and is Syrian. Taking other aspects of the environment into account, I explored refugee entrepreneurs' experiences and thoughts about discrimination in selected host countries in detail under Section 6.6. Social Environment.

Clark and Drinkwater (2000) asserted that immigrants are pushed into self-employment due to discrimination against them in the labour market, including employer bias and legal obstacles. I also observed in the fieldwork that determined refugees, having faced the barriers explained in this section, start looking for opportunities, other than waged jobs, to make a living. And, they are left with not many options but to become self-employed. According to Berns' study (2007), refugees in the Netherlands mostly feel that self-employment is the only way out of unemployment, and their entrepreneurial intent is high

because of that. CFE (2018) confirmed that 56 per cent of refugees who participated in their survey believed that entrepreneurship is more advantageous than employment. CFE also claimed that higher levels of entrepreneurship are observed among refugees than local society averages in many Western countries.

Demonstrating how a refugee could not perform his profession in the host country and decided to become an entrepreneur accordingly, Ambitious Chef stated the following:

“I applied to so many companies to get internship or work. All of them refused me. It was a waste of time to wait for a job in Information Technologies. I have a diploma in Information Technologies, but my hobby as a chef has turned into my profession.”

While some refugees use waged jobs as a method to fund their business (discussed further in Section 5.4 The Intuition Model), some would prefer working at a waged job if they could find a decent job or the available jobs were paying well. These are the cases where the refugee entrepreneur is passionate about the profession, not entrepreneurship. Cool Foodie is an excellent example of this. He has always been passionate about the profession/practice (i.e. being a chef, cooking) while his co-founder’s passion is to be a business person, an entrepreneur. It can be concluded that he compensated the missing business-oriented approach in his work with the co-founder’s entrepreneurial drive, as she suggested the following:

“Cool Foodie’s drive is to be a chef. He started working part-time at a restaurant, might quit the business (the enterprise we co-founded) if the restaurant job pays well or if he gets transferred to full time.”

While the barriers against finding employment led many refugees to self-employment, it could help many refugees become economically independent and satisfied if the job market integration would be effective in host countries. Germany prioritises the facilitation of job market integration over encouraging refugee entrepreneurship. We can conclude from the fieldwork that it is typically tough to find a job as a newcomer in the UK and the Netherlands in the beginning. In contrast, many refugees feel it is easier to find a job in Germany, where job market integration is the government’s priority, and more job opportunities are available considering the country is highly industrialised.

Sociable Caterer highlighted that Job Centres support aspiring refugee entrepreneurs in terms of meeting their daily needs, securing accommodation so that they can start up their

ventures (they fund 10-15% of it). Refugees need to submit a business plan for a Job Centre to evaluate. If the centre is not convinced that the business will be sustainable, it does not support the applicant to become self-employed. In that case, they ask refugees to find a job, or they help them to find a job, as Sociable Caterer explained. One can even take credit from the job centres even though it is rare and very difficult. Although Sociable Caterer thinks the Job Centre support is very convenient for refugees who want to try becoming an entrepreneur, it seems this option is only applicable for a minority of refugees. German REP Manager claimed that 90 per cent of refugee applicants at job centres end up being directed towards employment under other companies (i.e. waged jobs).

Interestingly, Trailblazer Caterer shared that government institutions to the likes of Job Centres force refugees to find a job earlier than the proposed deadline for welfare benefits. Furthermore, Digital Trainer in Germany also noted that he thinks the system does not quite support entrepreneurship. Yet, in his opinion, many refugees would prefer being employed if that was possible since it usually guarantees a more stable life in Western countries. He added that refugees in his network mostly believe that Scandinavian countries encourage entrepreneurship more strongly, considering they allow entrepreneurs to operate their businesses free of tax for the first five years.

I discovered an unexpected aspect of job market integration as a result of this study. That is its function to serve as a funding mechanism for refugee enterprises that could not get external funding. Six refugee entrepreneurs I interviewed kept working full time after becoming entrepreneurs and did not quit their jobs even after they established their business. They have been using part of their salary for funding the establishment and growth of their enterprise. It is worth noting that two other entrepreneurs work part time, and two others had worked full time but quit their job after the early stages of their enterprise.

Furthermore, a REP representative from the Netherlands pointed out at GRE 2020 that half of their cohort does not start their business but find a job. From the perspective of municipalities who fund refugee support programmes and other aid services, that is claimed to be sometimes even better since the integrating of some refugees into the job market may be more sustainable for them compared to starting up a livelihood business. Yet, being ready to be employed as a refugee in the country is more challenging than starting a business. We can conclude that starting a business is a transition stage for some refugees; a pathway to being employed, gaining new skills and experiences on the road.

Cool Foodie, as a participant in the UK, stated that he believes fixing the employment issue is essential for refugees' integration as it would give more opportunities, flexibility and financial ease even for those who want to become an entrepreneur. For instance, Go-to HR Guy's volunteering experience helped him to find a job in housing sector, which is the sector he then launched his business in. In conclusion, the job market scene in the selected countries does not seem inclusive enough for refugees to choose waged jobs/employment as a career path or to exploit it in a way that aspiring refugee entrepreneurs can self-fund their businesses, in a sustainable way for both the individuals and country economies.

5.2. The Impact Model

The argument that claims refugee entrepreneurs usually establish livelihood businesses is derived from theories about immigrant entrepreneurship in general and are tested by empirical research on refugee entrepreneurship later on. It has been argued that it is linked to the necessity entrepreneurship debates in the immigrant entrepreneurship literature. It has been claimed that refugee-owned businesses are mostly about livelihood products, and they serve the co-ethnic community (i.e. they sell ethnic products for them). Researchers made such assumptions by focusing on those who are low skilled or less educated, claiming they are only able to start up livelihood-level businesses. Yet, there is no statistical evidence for a representative sample around this debate. However, even if livelihood businesses would be a statistically significant part of refugee-owned enterprises, the phenomena should be investigated for the well-educated and highly skilled refugees as well.

Inevitably, sustaining life is a fundamental motivation in many refugee entrepreneurs' case. However, refugees who have been already highly entrepreneurial, skilled, and educated, or those who prioritise making an impact and being socially responsible, are also motivated to start their own business in different avenues. As the sample of this study consists primarily of refugee entrepreneurs who are highly skilled and educated, the motivational patterns have been quite diverse. Yet, they formed six main groups, which explain the spectrum broadly. And, the impact model is the most comprehensive one despite not even being identified as a motivation model in previous studies.

In this context, over three-quarters of the participants in this study (19 participants) stated that they want to give back to society with their business. Similarly, a TERN representative mentioned at GRE 2020 that 85 per cent of their entrepreneurs aim to make the world a better place. Besides, as an interviewee of this study, one of TERN's managers highlighted that many of their participant entrepreneurs are interested in giving back to the community,

raising awareness to a cause they are passionate about, etc. Even though the interviewer did not mention the concept of “giving back to the society” as a suggestion during the conversations on refugee entrepreneurs’ motivations, the pattern has emerged from interviewees’ answers to questions in other themes. For instance, when asked how Visionary Foodie, the owner of a pop-up brunch café in London, thinks she has improved herself, and what has changed during the start-up process, she highlighted her passion in giving back to the society, while only mentioning other qualities briefly in her words:

“I would say I love the idea of giving back now. Because there was a point in my life where I always attend these courses, programs and I was always the beneficiary, but I was not giving anything. ...not just because I lacked knowledge, but also because I lacked experience. But now, also after joining TERN (REP), I’m more confident with my skillset... ...with my very little knowledge of social media, Instagram, and all that, I enjoy it so much, and I know that I can contribute to other entrepreneurs with that knowledge. And, it is very fulfilling that this little project of mine is inspiring others to do their own version or even think about it. That is so fulfilling, oh my God! It is also such a great feeling to be independent and paying the bills, and taxes and all that.”

Another interesting example is Digital Housekeeper, who is highly motivated by the idea of creating social value via her business. As a single mom herself, she has struggled to sustain a life with her kids in London. She has been working in caregiving and cleaning services. Then, she decided to establish her own cleaning services company, which only hires single moms, refugees, and those who could not find a waged job in the country for a long time. Although she was in the very early stages of her business when the interview took place, her value proposition is very promising, and it aims to fill an important gap in the sector. It was striking to see how she was committed to making a positive impact on vulnerable lives through her business as someone who has gone through similar processes.

As 19 participants said they give back or aim to give back to the society in different ways, 12 of them (nearly half of the sample) specifically established social-impact oriented businesses (i.e. social enterprises), which means the social impact is the core of their business. Therefore, it is reasonable to conclude that these entrepreneurs’ primary motivation is creating social value or making a social impact via their businesses. Looking at the communities that the participant entrepreneurs aim to support with their businesses, a diverse range of target groups is found (See Table 4.4). These are namely refugees,

immigrants, local community, society in the country of origin, and other vulnerable people. In total, 11 entrepreneurs aim to support refugees. Among these, three entrepreneurs also support immigrants, while four support the local community, and two support other vulnerable people in addition to refugees. The remaining four in this group are motivated to only support refugees with their business. Apart from that, four entrepreneurs' motivation is to give back to the local/native community exclusively, and two entrepreneurs' motivation is to give back to the society in their country of origin.

As a master's student from Syria who settled in Germany without any financial support, DeepTech Inventor comprises a remarkable example of a social entrepreneur who wants his innovative product to be available and make life easier for not only refugees but any vulnerable people in disasters, conflicts, etc. He is highly motivated to create social impact to the level that the financial aspect does not interest him, even though his innovation can potentially attract industrial companies as customers since he collaborated with them in the technology development process. In that sense, he stated the following:

"I don't like money, and I try to avoid such people in my work. I never wanted to think about its money aspect until I realise nothing is possible without money. I have two different pitches: one emphasises social impact, the other is more business-focused."

How DeepTech Inventor and other refugees create social impact through their entrepreneurial activities is widely discussed (using the categories seen in Table 5.1) in section 7.2.3 Social Outcomes of Refugee Enterprises.

Nicknames	Social Enterprise	Motivated to create social impact	Giving back to (mainly)
Creative Publisher	Yes	Yes	Local community
Crypto Nomad	Yes	Yes	Immigrants and refugees
Dedicated Constructor	Yes	Yes	Society in the country of origin
DeepTech Inventor	Yes	Yes	Refugees and other vulnerable people
Digital Housekeeper	Yes	Yes	Refugees and other vulnerable people
Digital Trainer	Yes	Yes	Refugees
Education Guru	Yes	Yes	Local community and refugees
Peacemaker Educator	Yes	Yes	Immigrants and refugees
Trailblazer Caterer	Yes	Yes	Local community and refugees
Training Master	Yes	Yes	Refugees
Versatile Developer	Yes	Yes	Immigrants and refugees
Youthful Consultant	Yes	Yes	Refugees
Ambitious Chef	No	No	None
Artistic Caterer	No	No	None
Cool Foodie	No	Yes	Local community and refugees
E-commerce Genius	No	Yes	Local community and refugees
Entrepreneurial Teacher	No	No	None
Event Wizard	No	Yes	Society in the country of origin
Fast Filmmaker	No	No	None
Go-to HR Guy	No	No	None
Persistent Trader	No	Yes	Local community
Pizza Maestro	No	No	None
Shipment Innovator	No	Yes	Local community
Sociable Caterer	No	Yes	Refugees
Visionary Foodie	No	Yes	Local community

Table 5.1 Social impact-related motivations of the participants

5.3. The Solidarity Model

As mentioned earlier in this dissertation, the motivation of all participants who serve the refugee market stems from their insider knowledge on the pain points, needs and problems of refugees. It is found that they want to target the refugee market not because they cannot access other markets but because they aim to serve and support this particular community.

This is a new motivational pattern like the Impact Model suggested above, as neither was found in the refugee entrepreneurship literature. More than half of the enterprises examined in this study (14 companies) have an edge that serves refugees' needs. Not all of them are social enterprises, but they all attempt to solve their own communities' problems, helping the community become self-reliable in a way. It is reasonable to name this newly identified motivation model as "the solidarity model" since refugee entrepreneurs with this type of motivation show solidarity with their fellow refugees by prioritising meeting their needs while also making a living for themselves through self-employment.

5.4. The Intuition Model

Unlike it is generalised in the literature widely, not all refugee entrepreneurs are motivated primarily to make a living by becoming entrepreneurs. For instance, looking at the sample of this study, 10 out of 25 refugee entrepreneurs chose to become entrepreneurs for self-realisation, valuing the entrepreneurship experience itself and being satisfied by what they create and achieve through their entrepreneurial activities. This model is named "the intuition model" in this study, having the same definition as the entrepreneur model or the theory of the entrepreneurship instinct seen in the literature (Bovenkerk, 1983; Ward & Jenkins, 1984).

To name a few examples, Trailblazer Caterer admitted he feels better about himself and likes creating value through his enterprise. Reflecting on the personal value and meaning he attributes to entrepreneurship, he said: "*Contributions to myself before the country!*" and "*I can't picture myself as doing something else...*". Peacemaker Educator also values entrepreneurship itself, in his own words: "*The experience I got through my startup is worth more than money.*" Ambitious Chef also showed the connection between his personality traits and entrepreneurial motivation by stating the following:

"As you grow up [get experienced, rise], step by step, you have to do something for your own. Because in my personality, I do not like staying under someone's [command, direction]."

Ambitious Chef and others in this motivation category would like to create their own business and be their own boss in the long term. This mindset forms the intuition model, which is claimed to be a typical motivation model for native entrepreneurs. Thus, we can argue that refugee entrepreneurs with high levels of education, skills or expertise are more

likely to adopt similar motivations to native entrepreneurs' in the sectors their companies operate in.

As an exception, E-commerce Genius falls under the intersection of the cultural model, or model of entrepreneurship–migration, and the entrepreneur (intuition) model as both were identified for refugee entrepreneurs previously by Wauters and Lambrecht (2006). His motivation is classified under the cultural (entrepreneurship-migration) model since he decided to exploit the refugee cause, migrated to the UK and applied for asylum to start up a company there. He was not residing in Syria, and he has already had an established business in Jordan, where he was living at the time. He was granted asylum in the UK as he is from Syria, even though he was not a vulnerable person affected by the conflict directly. His motivation to become an entrepreneur is also classified under the intuition model since it is his passion to create innovative business models and lead his own company.

Another point that should be highlighted in this context is that there are many cases where refugee entrepreneurs work as an employee at another company as well to be able to fund their enterprise, which is the actual work they want to be busy with, even if the financial constraints keep them in the lower echelons of the entrepreneurship ecosystem, as suggested in the literature (Kloosterman et al., 2016). It can be concluded that they are highly motivated by the idea of “being an entrepreneur” per se, as in entrepreneurship as a passion or lifestyle which could be correlated with their previous entrepreneurship experience, desire, personality and entrepreneurial traits.

5.5. The Opportunity Model

At this point, a remarkable finding is that REPs work for some refugee entrepreneurs as a pull factor. Such participants stated that they were not considering becoming an entrepreneur until they heard about the programme. Some only joined it to learn something new or to socialise with locals and other refugees, whereas some others wanted to develop an idea they have but never thought it would be possible to start their own business in the host country. This pattern makes a vital contribution to the literature and should be investigated further by future studies. Go-to HR Guy and Digital Housekeeper demonstrated this motivational pattern as they decided to become entrepreneurs in their field of expertise. One preferred having a social enterprise while the other focuses only on the commercial side of the business. Both settled in the UK 15+ years ago, and neither has a robust and well-developed enterprise.

Additionally, some other REP participants I observed at the events also seem to have adopted this type of entrepreneurial motivation by being pulled by the REPs. For instance, there were two Syrian girls in their late teens who worked on very basic business models (e.g. a jewellery stall in a public space), as they socialised in a REP, who then started studying at university and stop engaging in entrepreneurial activities and training. Although the entrepreneurs with this motivation have also shown their interest in entrepreneurship during the interviews, mainly being motivated by external pull factors such as opportunities provided by REPs (i.e. a supportive environment, entrepreneurship education, mentorship and guidance) might create a fad or a superficial motivation that the entrepreneur did not internalise, hence it may not be sustainable.

5.6. The Distraction Model

Youthful Consultant pointed out that refugees might see entrepreneurship (or creating a new entity, design, business model, etc. in general) as an escape from their traumatic refugee experience. In this sense, he explained the following:

"Whole situation encourages you to do something. You start doing stuff you never thought you will do, just to run away from the situation, distract yourself. And if you're lucky enough you'll find support and good opportunities."

Five other entrepreneurs also mentioned entrepreneurship works as a tool for them to escape from idleness, staying in limbo and uncertainty in other avenues of life. Therefore, entrepreneurship as a getaway from traumatic memories, distract oneself or enhance one's psychological well-being could be conceptualised. This pattern emerged from the interviews by itself, and the study did not dig deeper to get more insight into the pattern as I noticed it during the analysis. Therefore, I recommend future studies to look into the phenomenon from this perspective.

As I examined six motivational models in this section, it is worth briefly touching on the integration model suggested by Wauters and Lambrecht (2006). Trailblazer Caterer and Creative Publisher showed that one of their goals is to positively affect local people's perceptions about them as refugees, which is in line with the integration model, even though their motivation is not directly about integrating into the host country's society. In this sense, Trailblazer Caterer said:

"I am cooking for elderly Dutch people. If I change the mind of one person, it is more than enough; I am the happiest because it might lead to change, the butterfly"

effect. I think food is a good way to introduce your culture... It promotes diversity, works as an ice breaker.”

It is also found that several refugee entrepreneurs in the sample want to show how they cooperate with local businesses in their supply chain, emphasising that their businesses complement local products and services instead of competing with them. But none adopted this as their primary motivation. Finally, an interesting pattern that emerged from the interviews is the secondary motivation of some refugee entrepreneurs to represent their culture through their business in the host country, especially in the urban settings they are situated in since they believe that their culture has been underrepresented or misrepresented so far. This motivation pattern is not demonstrated by many participants, yet interesting to understand the many dimensions of drivers of refugee entrepreneurship.

6. ENVIRONMENTAL DIMENSION: SOCIO-ECONOMIC AND INSTITUTIONAL EMBEDDEDNESS OF REFUGEE ENTREPRENEURS

This chapter investigates the environmental factors that influence a refugee's entrepreneurial journey in the European context, thereby answering the study's second research question. These components constituted the Environmental Dimension of the theoretical framework (Pyramid of Refugee Entrepreneurship; Figure 3.3-3.4 and 5.1), which is based on the empirical findings of the research. This chapter also discusses the differences and similarities of the selected countries in the context of refugee entrepreneurship. The chosen states have diverse migratory patterns, business cultures, and entrepreneurship regulations. Their geographic and economic similarities enable us to compare them. My aim is to show how environmental factors affect refugees' businesses and which aspects are more important for their entrepreneurial journey. Investigating the dynamics in these nations will help tapping the potential of refugee entrepreneurship in urban European settings.

6.1. Legal Frameworks

As it was found in the literature, legal frameworks and regulations regarding asylum seekers' economic activities have a critical influence on if and how effectively they can partake in the host country economies (Desai et al., 2020). Starting up a company has always been challenging for not only refugee entrepreneurs but also for local entrepreneurs when it comes to tough regulations. Kachkar (2019) classified the challenges of refugee entrepreneurs as traditional and non-traditional challenges, and legal frameworks are among the traditional ones.

Legal structure is identified as the most important component of the environmental dimension in the Pyramid of Refugee Entrepreneurship. It is the foundation of entrepreneurial opportunities for refugees in urban settings. However, some refugee entrepreneurs found legal challenges about business processes easier to overcome than other struggles they have been through. As it was briefly touched upon in this study earlier in the context of language skills of refugee entrepreneurs, all participants in the Netherlands and five out of nine participants in the UK voiced that registering their company was a very straightforward process. Some said they had assumed it as a complex procedure before they actually tried and registered their company.

Once asylum seekers get refugee status, legal procedures such as access to traditional banks, paying taxes and registering a company for refugees are similar to how they are for economic immigrants both in the UK and the Netherlands. This is not usually the case for Germany, as some refugees stated that it took them so long, even simply to open a bank account in Germany. I obtained this insight through my interviews with refugee entrepreneurs and REP managers and participant observation at relevant events. The following sections further discuss how regulations and frameworks about the asylum process and business-related processes affect refugee entrepreneurship.

6.1.1. *Asylum Process*

As the factors about legal frameworks in the asylum process affecting refugee entrepreneurs are investigated in this section, it is worth looking at the asylum experiences of the participants of the research and how they perceive the regulations in that sense. Six participants (two in the UK and four in the Netherlands) stated that they found the bureaucratic processes easy regarding their asylum application and got their refugee status within a few months. It is noteworthy that none of the participants in Germany found them easy. Although getting the legal status is just the first step for a refugee in the host country, it helps to adapt and integrate into the country earlier as they can start working on building a life there, feeling safer and free of at least some of the uncertainties of an asylum seeker's life. Hence, faster and easier bureaucratic processes for asylum seekers mean a smoother and quicker transition to entrepreneurship for refugees. Other processes are indeed needed to be taken into consideration.

Alarmingly, 12 out of 25 refugee participants revealed they had difficulties during the asylum process due to bureaucratic inefficiencies, while seven others did not make a comment about the process during the interviews. Some specified the bureaucratic challenges they had to overcome. For example, Ambitious Chef (UK) and Training Master (Netherlands) highlighted the length of the process as a challenge by stating that it took them 9-10 months to get the refugee status. Crypto Nomad's situation was even more complicated in the Netherlands. It took him two years to get the refugee status. He said that having all the application documents on paper makes the process longer. It is interesting to see how his enterprise aimed to solve a problem he faced during this process. It works for preventing the loss of documents like birth certificates by using blockchain technology. Similarly, Versatile Developer's startup helps make the bureaucratic processes easier for minorities, immigrants, and refugees by translating the legal applications to different

languages via a mobile application. Many refugees seem to struggle with the bureaucratic language in the host countries. In line with that, Cool Foodie mentioned he finds it quite challenging to understand and navigate the system. He said: *“It’s even challenging for a native English to understand, let alone a non-native to understand it.”*

Moreover, Trailblazer Caterer said it took him four months to get the refugee status in the Netherlands, even though he has heard that it was not taking more than a month back in 2011 before the conflict has started in Syria. According to the insights he shared in 2019, getting refugee status used to take around 4-5 months in 2014, and it takes almost a year per person since 2016. Sociable Caterer highlighted that as time passes (in 2019) and the refugee issue starts to seem less of an emergency to the government and society in Germany, the harder it gets to be granted a legal refugee status. He stated the following: *“Even if you have all family members in the jail, now it’s much harder to get a refugee status in Germany.”* Versatile Developer and Sociable Caterer were granted refugee status in a year in Germany. Versatile Developer noted the following about the asylum process:

“Who are those people that say the process is easy? I want to meet them. No, it’s not easy, it’s painful. Too much paperwork; it’s crazy... It’s way harder than you think. If you think bureaucracy is difficult, wait until you apply for asylum in Germany.”

At the end of 2016, about half of Europe's 2015-16 asylum applicants (1.1 million people) were still waiting for a decision on whether they would be allowed to stay in Europe (Connor, 2017). During the wait, many countries, such as the UK, do not allow asylum seekers to work. Germany allows working after the first three months, as Sociable Caterer experienced. As many refugee entrepreneurs stated, staying in limbo during the asylum process makes it difficult for them to think forward as well as to be active (e.g. learning how to start up a business in the country, learning the language, researching, working, etc.) and to stay positive. DeepTech Inventor described how it is like to wait in detention centre:

“It took five months for me to get my visa. I was an asylum seeker but then [applied for a master’s degree and] got the student visa. It was very depressing [to wait for several months as an asylum seeker], you have nothing to do, you’re surrounded by old people...”

Similar to DeepTech Inventor, Peacemaker Educator have worked around bureaucracy to settle in the country. He applied for a student visa to avoid the asylum-seeking hustle. He

is the only disabled entrepreneur in the sample, and the asylum process was not made easier for him despite his disability. Since the conditions in the detention centre are not favourable for the disabled, searching for a faster path is inevitable for them.

Restrictions in the process limit refugees' ability to contribute more to the host country and develop their enterprise to be financially better off. As many refugees get a short-term residence permit and have to extend it regularly, they are not eligible to apply for some economic support schemes. We can argue that this limitation prevents them from making long-term plans and investment in the country straightaway. Highlighting how demanding and restrictive the system is in Germany, Education Guru stated the following:

“You have to prove you won't leave the country. You have to show the money that can fund your business and sustain your life for, say, 15 months and it changes depending on the situation. And, they want all the family to show up, etc. They used to give me an extension for three months! Then they started giving me six months. Last time they gave me 12 months. I hope next time they will give me an unlimited residency.”

Finally, it is notable that there are individual asylum cases that belong to people from countries where there is not a conflict on the national or international level but where oppression against certain groups or individuals are threatening. Such asylum cases usually take longer to process, and sometimes they remain pending for years due to lack of evidence. Asylum seekers in this category are not eligible for legal aid. They face uncertainties for more extended periods than asylum seekers from countries with a mass outflow of people escaping war and persecution. For instance, it took Go-To HR Guy 10 years to get a refugee status in the UK. Arguably, such long waiting times force asylum seekers to be active in illegal sectors or live an idle life depending on social benefits, both of which are not favourable situations for the individuals and the host countries.

6.1.2. Business-related Processes

Launching and developing one's business is highly dependent on legal structures and regulations about registering a company, funding the business, accreditation of one's qualifications to do certain jobs in the country. As such regulations usually pose various restrictions to refugees and immigrants, they have to overcome different barriers to get their businesses off the ground. However, this is not the case in some countries, at least for certain aspects of the legal frameworks.

For instance, as the paperwork processes in the Netherlands are known to be relatively shorter and more straightforward than many European countries, some refugee entrepreneurs mentioned it as a reason they prefer this country as their destination in the first place. Additionally, they see that regulations are relatively flexible and supportive for newcomers in the Netherlands; therefore, they find the business environment quite welcoming. Seven out of nine participants in the Netherlands said they find the legal processes and regulations straightforward and effective. Three of them specifically said it only took them 20-30 minutes to register their business. However, some refugee entrepreneurs compared the registration process to the MENA countries and Turkey and concluded that it is still harder to establish and run a business in the Netherlands in terms of the regulations. Shipment Innovator highlighted that the taxes are too much, and doing business is more expensive and less flexible than the environment in MENA and Turkey, as he experienced.

Similar to the Netherlands, five out of nine participants in the UK stated that they find the legal structures easy to navigate for registering their business. However, it is striking to see none of the participants in Germany found the legal processes and regulations easy. Manuel, a REP manager participant from Germany, claims that the business registration process is the same if they have legal refugee status and that “*Germany just has a bad reputation about bureaucracy.*” However, that is not the case, according to the entrepreneurs interviewed. It shows that they do not have access to accurate information, or the situation is different in practice.

Looking at the fieldwork data, all interviewees in Germany shared the challenges they faced about bureaucracy. Three participants in Germany, a participant in the UK and a participant in the Netherlands highlighted that language obstacle is critical in legal processes. As a very advanced-level and specific language is used in legal documents and applications, they struggled to apply for the necessary legal statuses for their businesses and get approval for their applications. Youthful Consultant in Netherlands showed how lack of information about legal processes and language barriers might harm refugee entrepreneurs in the launching stage:

“I paid 1,500 Euros more fees in my first year because I calculated it wrong [trying to understand the regulation by myself]. If there was someone who guided me, helped me in Arabic at that stage, that would be helpful.”

Although it was mentioned in the Education and Skills section (4.4.) that all entrepreneurs in the sample mostly have good English skills and they find it sufficient to communicate and operate in all three countries, language difference is still an obstacle when it comes to bureaucratic processes. It is also about not knowing where to get information from, what to check and take into consideration about legal processes, etc., rather than literally understanding the language of the documents. Being aware of what those rules and regulations imply, how flexible the system is, and whom to ask for support from is crucial for refugee entrepreneurs to overcome the bureaucratic challenges.

Regardless of the language obstacle, the registration process takes much longer in Germany than it takes refugees in the Netherlands. It took three months for Digital Trainer to get his business registered as a non-profit organisation in Germany. Yet, he then had to contact a lawyer to get the company policy written, which is unnecessary in the Netherlands and the UK. And it took another six months for the financial office to approve it. Pointing out the unnecessarily lengthy and complex bureaucratic processes, Peacemaker Educator noted the following:

“German loves bureaucracy, and it always takes times. Briefing, asking for revisions, etc. It took us about six months, only to register as e.V. (i.e. eingetragener Verein, a legal status for a registered voluntary association) and, for registering as a non-profit organisation, we had to wait an additional 4-5 months.”

Similar to what Shipment Innovator emphasised about the Netherlands, Sociable Caterer stated that processes for starting up a venture are more flexible and practical in Turkey and MENA region compared to Germany. Lengthy legal processes might result in economic, social and psychological hardships for aspiring refugee entrepreneurs in host countries. They may use up the money they put together to fund their business, may lose the potential customers they onboarded, or may not be able to pay back their loans while waiting for the approval for their company registration and other pending processes. As a social entrepreneur, Dedicated Constructor explained how institutional barriers led him to lose his potential beneficiaries:

“Regarding international organisations, different parties are on the stage. And bureaucratic processes take too long. If you want to get support from international organisations like United Nations, you will find out that the person you wanted to help had left the country before you managed to get through the bureaucracy.”

According to the fieldwork, I also argue that even the officers lack information on the rights of refugees or that there are some loopholes in the regulations. Sociable Caterer acknowledged that about the right to be self-employed:

“In the legislation, it says right to 'work', and it's not specified how... So, if you want to set up your own business, they might argue that you're not allowed to do that. But it depends on the officer. You need to fight for your right because the permit actually includes being self-employed.”

There are too many legal requirements for entrepreneur candidates to satisfy for starting up a legal business in Germany, especially in terms of financial means. This restriction limits the potential of bootstrapping entrepreneurs and social entrepreneurs, unlike the regulations in the UK, which enable one to register a business without proving it will make a profit or one can fund it. In this context, DeepTech Inventor stated:

“You have to prove to the government that you have the money, insurance, etc. and that you can fund your business, and you can make money from this business... So, if you are in the social entrepreneurship field, it is impossible to get it off the ground in Germany as a refugee.”

Versatile Developer also complained about the requirements, portraying a chicken-egg problem for refugee entrepreneurs. Refugee entrepreneurs have very limited, if any, access to finance in host countries due to their legal status. Still, they have to show that they can fund the aspiring business while applying for registration. They need to prove that their business performs or has the potential to perform well. To explain the challenge, Versatile Developer said:

“You have to prove you will not leave the country. You have to show the money that funds the business. [Since we cannot even open a bank account] We put our savings in REDI School's account, and the money from the crowdfunding campaign [also] went directly there. It took us six months to register the business.”

It can be argued that strict bureaucracy and regulations limit innovation in Germany since entrepreneurs have to spend so much effort and time overcoming the legal barriers instead of focusing on testing innovative business models and developing their enterprise. Education Guru, as a highly educated and experienced entrepreneur, explained how he had to deal with the legal obstacles, and he managed to overcome them only because he had a connection at an esteemed bank:

“Very hard to get a Value Added Tax (VAT) number. [It takes] maybe even more than four months. Everything else was ready; we were waiting for this number. I feel like they were waiting for me to get frustrated and give up... Opening a bank account was impossible. They did not tell me the reason, but I know the reason. Then, the lady who manages my personal accounts and has all the records of my spending, as I was a PhD student in Germany before, she trusts me. So, she actually helped me, and they opened a restricted account which allowed me to register my business.”

This shows us the functionality of social capital for refugee entrepreneurs, but also that one cannot get around the legal structures by themselves no matter how qualified they are. The experiences of the refugee entrepreneurs demonstrate that they face significantly high levels of discrimination in the legal processes, especially in the banking sector. Again, Education Guru’s words help us understand the motive behind the discrimination against refugees:

“My co-founder said, 'They wanted you to give up; there is no legal basis for what they do.' They kept the process longer for me to give up, and when I was about to give up, I got the legal document I was waiting for... They are not discriminating against refugees personally, but if they make any transactions to or from Syria, they would be sanctioned by the US. Maybe that is why they are afraid to open accounts for Syrians no matter what. They just see that you're from Syria, and they do not want to get involved.”

Another point to pay attention to is the lack of accreditation of refugees’ qualifications and the implications of this shortfall. Since universal accreditation systems do not include all educational institutions, and more importantly, since the majority of refugees were not able to bring their transcripts or diplomas with them to the host country, being underemployed or unemployed is inevitable for the educated refugees. This assumption is validated through the statements of refugee entrepreneurs in the sample. Eight entrepreneurs mentioned they struggled due to the lack of accreditation of their qualifications while looking for a job before they decided to become self-employed.

Apart from the educational qualifications, the validity of professional experiences is also problematic since many companies and institutions in refugees’ countries of origin are shut down or in a condition that they are not able to provide a reference for their previous employees. In the Netherlands, Artistic Caterer noted that it is especially more challenging

for those who studies law, medicine, etc. as they are highly equipped with non-transferable skills about their profession. They cannot use these skills in the host country also because their experience and qualifications are not recognised.

As an example of those who could not pursue the degree that they have started studying back in their home country and had to start from scratch because of the accreditation issue, Youthful Consultant said:

“I was a third-year undergraduate student back home. Due to the lack of accreditation, I could not continue from where I left the university. Then, [after establishing a business in the host country] I started studying a new degree here.”

We can conclude that governments should revise the legal frameworks in host countries to give flexibility to refugees and meet their unique needs so that their entrepreneurial activities can thrive. Regarding how refugees themselves think policymakers’ approach should be about modifying legal structures in a way that they are open for refugees to navigate their businesses, Visionary Foodie noted the following:

“At some stage, yes, we are vulnerable, but we are also very adaptable and very resilient as well. And, we normally make more effort than others, than people of this country, to fit in and really give back. I think we work really hard to say, ‘Here I am, and this is what I’m doing in your country; this is how I contribute.’ So, for policymakers: Just give people the opportunity and then you will see how they flourish. And this is how Britain became great, because of the refugees and the immigrants, hand in hand, with the people of this country. Working together so that we can make a really good and strong society.”

In this fashion, Persistent Trader indicated that refugee entrepreneurs just need openness of the regulations to get their businesses off the ground when he said the following:

“I think they [policymakers, locals etc.] must think about this: we did not come to the UK to stay at home. But they keep us in this situation. Open the way for us to work, to start our life. We were working before we came to the UK. We have skills. We can contribute to the economy; we will not just spend government money. Like starting the car, putting a little diesel in it, we just need a little push, then we will go like a rocket.”

Finally, it is found that taking loans is a problem for refugees in all three countries as refugees do not have good credit scores, and they do not have permanent residency or

residency for longer periods. Refugees' visa or residence permit is usually for short term (1-2 years) and bound to renewal in the UK until it sums up to five years which allows them to get residence permits. Formal banks mostly require longer residence permits from loan applicants to guarantee they will pay back the money they lend and will not disappear from the country before the time allowance ends. Hence, refugees struggle to find financial capital for their start-ups. This is related to legal frameworks as it depends on banking regulations and the length of residence permit. However, as there are other aspects of the phenomena, they are separately discussed under Section 6.2. Access to Finance.

6.2. Access to Finance

Existing entrepreneurship studies broadly addressed the difficulties of immigrant entrepreneurs in finding startup capital. It has been mostly argued that immigrants' hardship to access financial resources is mainly due to the stereotypical approach by financial institutions viewing immigrant entrepreneurs as lacking credibility. Interestingly, Ram and Jones (1998) found that immigrant entrepreneurs do not face distinctive difficulties to access financial resources compared to native entrepreneurs in the UK. In contrast, the findings of my study show that refugees have to overcome unique challenges to access finance, and unlike economic immigrants, it is a vital issue affecting their entrepreneurial activities and development. Therefore, access to finance is placed on the second level of the environmental dimension in the Pyramid of Refugee Entrepreneurship, as the second most important environmental factor.

In refugee entrepreneurs' context, REPs which provide services like incubation, coaching, mentorship and entrepreneurial education are very relevant. However, looking at the participants' responses, I argue that REPs have been mainly helpful for improving their social capital for business purposes rather than financial capital. 13 out of 25 entrepreneurs in the sample find it difficult to access financial resources like loans, grants, etc. for funding their enterprises. Trailblazer Caterer highlighted that he could not access resources that can provide long term funding for his business in the Netherlands. However, even if he could find such opportunities, he would hesitate to use them as he is afraid of not being able to pay back. He expressed his insecurity by mentioning the following:

“If your [refugee] status is short, they will not give you longer-term loans etc. So, it limits you. Being a refugee causes a sense of feeling insecure about going ahead and taking money from anyone. Back home, I have friends, family heritage. Here,

it scares me because I don't have anything to pay if something went wrong. I only have my flesh... ”

In this context, I identified a critical dimension about the financial means as the lack of start-up loan opportunities for refugee entrepreneurs in the UK and Netherlands. A participant who has previous experience in entrepreneurship argued that there should be special funding options for refugees. REPs should help experienced refugees to receive such funds, as he suggests that experienced entrepreneurs like him essentially need access to funding opportunities like loans and grants instead of getting entrepreneurship lectures, mentorship and coaching services, which REPs typically provide, as mentioned earlier.

As an entrepreneurship scholar at REN Summit 2020, Michelle Richey highlighted that quick money, and clear criteria are needed for providing investment for refugee businesses. Both are missing in current investment opportunities and support schemes in the UK. Starting a business is expensive, and there are no micro-credit opportunities in the UK for refugees. In Germany, there are no micro-finance products at all for anyone. Besides, micro-finance rates are typically too high (e.g. 50 per cent, which means if one lends 1,000 Dollars, they need to pay back 1,500 Dollars). Additionally, Sociable Caterer highlighted two critical concerns about the available solutions. Firstly, the lack of interest-free loans prevents Muslim refugees from accessing them, as interest is prohibited in the religion of Islam. Secondly, the amounts of credits refugees are typically provided with are very limited and not adequate to sustain and grow their businesses. In this context, Sociable Caterer stated the following:

“The main problem is taking credit here. As refugees, we have limited access to credits. You can only take microcredit because your residence permit is limited to 3 or 5 years. Also, some refugees do not want to take credit because they are Muslims, and credits here are not interest-free. An investment bank gave 25,000 euros to Education Guru's startup. It is nothing compared to [the size of] their business, but it is good for their credibility. Later on, when they apply for larger credits, they can show it as a reference, good reputation.”

Refugees' length of residence permit is typically short and bound to renewal. Therefore, they cannot apply for long term loans in the host countries. German REP Manager's explanation demonstrates how the banking sector excludes refugees no matter how promising their business or their capability to pay back the loans they received is:

“They give loans if you have three years of residence. It should not be shorter than that. And a refugee gets three years of residence. So, they need to run to the bank as soon as they get the residence permit. It is impossible since the residency will not be longer than three years in any case.”

Cool Foodie shared that he feels the welfare system is weak in the UK, and it does not protect refugees as needed. Lack of structural help in terms of financial resources for refugee enterprises limits their flexibility and potential growth. It is observed that even opening a business bank account is a big challenge for refugee entrepreneurs. There are limited options in all three countries due to typically short residence permit durations and low credit notes of refugees. An entrepreneur in London and one in Berlin mentioned that it might be possible in particular bank branches, depending on the officer’s initiative. Yet, it is not a systematic solution that entrepreneurs can count on or that can be recommended to the entrepreneurs by REPs, NGOs or government officials (i.e. officers at the Job Centres or the Ministry of Economy, Labour and Entrepreneurship).

As mentioned earlier in Section 6.6. Social Environment, seven refugee entrepreneurs in the sample think that the difficulty of finding investment is associated with a lack of trust and credibility. In this sense, Training Master said he feels there are “walls” against refugees’ access to finance. Shipment Innovator believed it is difficult to build a good reputation to receive funding as a Syrian refugee entrepreneur in the Netherlands. Furthermore, Go-to HR Guy noted that a REP in the UK said they could give him a loan to fund his business until the breakeven point. However, that did not happen. When such support organisations do not redeem their pledges, it also causes a lack of trust from refugees’ perspective. Additionally, some participants mentioned that REPs are more helpful for earlier stage enterprises while they needed more advanced networking and financial resources, which are not provided. This aspect is spotted as a gap that needs to be filled. German REP Manager argued that the lack of financial solutions:

“Difficult to find financial resources makes it extra hard for refugee entrepreneurs, and that should be easier. We are losing a lot of people due to the lack of financial capital. That is a massive gap people try to fill with their informal networks.”

Exceptionally, E-commerce Genius asserted that it is much easier to find funding in the UK, compared to other countries in Europe, if a refugee proposes a favourable business plan instead of trying to exploit the refugee cause for getting financial support:

“Funding is available for refugees if they integrate. You need to convince the investors; you cannot get funds out of pity. If you demonstrate a pity case, that does not work. That is not fundraising! You need to show a promising business.”

Although the point he raised about making a pity case is remarkable, E-commerce Genius is the only participant in the sample who argued that it is not difficult to find investment for a refugee entrepreneur. Yet, some other participants managed to find different methods to fund their businesses. For instance, Versatile Developer created a crowdfunding campaign and get his information technologies (IT) services company up and running through crowdfunding. Shipment Innovator utilised prizes worth 30,000 Euros in total for funding his business. He had won these prizes from competitions that specifically target immigrant and refugee entrepreneurs in the Netherlands and MENA region.

Looking at the refugee enterprises that received external funding, Crypto Nomad is a remarkable example as he managed to secure investment from a Dutch corporation. He received 1.2 Million Euros. Additionally, Event Wizard has raised capital for his company, adding up to 130,000 Great British Pounds (GBP) of investment, of which 80,000 GBP is equity-free. He stated that he aims to raise 1.5 Million GBP. Moreover, Education Guru’s startup is funded by Google and Facebook to some extent. They received 50,000 Euros worth of investment from Google Dubai, as Education Guru noted. Finally, it is worth mentioning that DeepTech Inventor’s startup is funded by the automobile company where he has developed the technology he used in his startup. He was practically an “intrapreneur” who develops entrepreneurial solutions within the corporation. It is noteworthy that all four examples that received external funding are technological enterprises that have innovative products or service offerings. Seven out of 25 enterprises in the sample have received external funding in total. More discussions around how the private sector supports refugee entrepreneurs in the selected countries can be found in Section 6.4.3. Support by Private Sector Companies.

6.3. Market Conditions

This section focuses on customers, demand, supply, etc. characteristics of the markets and sectors where refugee entrepreneurs can operate in the selected host countries. I found that refugee entrepreneurs try to fill a gap they identified in the market through using their experience and creativity while being affected by the characteristics of their sector. In line with that, Vandor and Franke (2016) argued that immigrants are more likely to identify gaps in the host country markets, as their perception of different tastes, preferences and

trends grants them different perspectives. Vandor and Franke concluded that cross-cultural experiences enhance one's ability to spot promising entrepreneurship opportunities based on the evidence that immigrants are more entrepreneurial than the locals. Likewise, I argue that market conditions and how refugees find ways to exploit them have an important role on their entrepreneurship. Hence, market conditions are positioned on the third level of environmental factors in the theoretical framework I propose. Identifying a gap one can fill in the market translates into a strong business plan and customer base. Therefore, market conditions component is more critical than entrepreneurship support and it has the potential to eliminate the need for support.

In this context, participants stated different reasons to serve the market in their particular sector. Some said they chose that sector because of its relevance to their profession, expertise and experience. Some participants said they saw the opportunity in that market and sector, or someone has advised that they can exploit a specific market in the country. Some said they wanted to represent their culture in the host country by being active in a sector in which their country of origin has been particularly successful and renowned for its unique products or services. For instance, while looking for participants for this research, it is found that many refugee-owned businesses are in the food sector in the urban settings of Europe.

Eight entrepreneurs in the sample have established their businesses in the food sector. They typically bring widely known and appreciated dishes of their country of origin, such as Syrian, Yemeni, and Uzbek cuisine, to the food sector of the host country. As the sample of my study consists of urban refugees, I observed that they serve the local and native community in the big cities instead of focusing on their ethnic community as a target market. Three entrepreneurs (Two in the Netherlands and one in Germany) are doing catering, which is a competitive sector for local, immigrant and refugee entrepreneurs according to the participants' perception. All three are from Syria, and they seem to have a competitive advantage over local entrepreneurs as their ethnic cuisine meets the demand of customers who are interested in exotic food or, specifically, Middle Eastern cuisine. Two other entrepreneurs in the UK also accept catering orders, but it is not part of their core business model. Moreover, two entrepreneurs in the UK set up pop-up cafes where they serve the food they cooked, and their tickets are always sold out. In conclusion, the food sector seems open and advantageous for refugee entrepreneurs in all three countries. Apart from the food sector, not any specific sector choice of refugee entrepreneurs is identified

as popular depending on the environmental factors (i.e. high demand in the country, suitability of the geography).

Some refugee entrepreneurs showed confidence in their knowledge of the industry, customer profiles, marketing practices, etc. in specific sectors based on their previous experiences. For instance, Event Wizard mentioned that he has know-how about the sector, market, and the people he should work with within the hospitality sector. So, he did not have to learn things from scratch while launching his business. For this reason, those who are insiders, who knew a sector before, prefer to start up their businesses in that specific sector.

Similar to Event Wizard, Digital Housekeeper has knowledge about the hospitality sector based on her working experience. It made her confident in the enterprise, especially the business model she develops. Several participants mentioned they chose the sector their enterprise will operate in based on their experience and expertise. Education Guru highlighted that language and understanding the characteristics of the industry in the host country are additional challenges for refugee entrepreneurs. Apart from these, they compete fairly with other entrepreneurs while facing similar challenges in the education technologies sector.

Investigating the market gaps refugee entrepreneurs spotted and attempted to fill, I found that Training Master provides training for people to become taxi drivers at car-sharing platforms and taxi service companies. He spotted the gap between demand and delivery in the taxi sector in the Netherlands. Likewise, E-commerce Genius noticed that groceries are left out in the game of online delivery in the UK. He launched an online platform that serves the niche of ethnic groceries and supermarkets, finding himself a competitive advantage in the sector. He mentioned that opportunity and the market are great, and he noted: *“If we focus on being unique we can overcome it. Online grocery shopping is growing...”*

Additionally, Artistic Caterer found his business a feasible spot in the market by adding vegetarian, vegan, halal and gluten-free options to his menu. He tailored his products to the new country's consumer behaviour in the food and catering sector in the Netherlands. As the street food market is very trendy and diverse in the UK, specifically in London where Ambitious Chef started his business, it was a wise decision of him to introduce a new product in the market. He adapted Uzbek cuisine to street food style by designing new platters and menus suitable to consume as street food meals. Thanks to the openness of the

market for experimental food, these new products are accepted, and Ambitious Chef had the chance to serve them in multiple street food marketplaces in London.

Cool Foodie also adjusted his product for the customers' taste in the host country. Since he has a local co-founder, he got support from a relative of his co-founder to curate and design the products, include "free-from" options in the menu, makes sure what is needed to make the whole experience a package tailored for the British market. Moreover, Go-to HR Guy's online platform works as a focal point between employers and job seekers in the housing sector. Dedicated Constructor's platform establishes a similar connection point between suppliers, builders and customers in the construction sector.

What is critical about these specifications for refugee enterprises is, the dynamic and open nature of specific markets and sectors allows them to compete with their local competitors without having to overcome extra challenges about the market. Even though other aspects of the host country environment pose additional challenges for them, operating in free-market economies allows them to participate in fair competition, at least from the sectoral aspect of the business. The enterprises introduced so far demonstrate excellent examples of how the sectors and markets they targeted are open for refugee entrepreneurs.

Furthermore, I observed that some refugee enterprises have slightly modified services and products compared to how a typical enterprise in their country of origin would have. Therefore, I also probed this aspect during the interviews. As mentioned before, many refugee entrepreneurs said they try to tailor their solutions to address consumer preferences. An interesting pattern has emerged in this sense as many highlighted that they combine their product/service with some components from the local culture so that the end product is appealing to the local community in the host country. In fact, this is a practice of innovation that fits the definition of CIS as mentioned in Section 1.3.3 Refugee Innovation (OECD, 2005). Tailoring one's product with a blending approach is an immensely exciting and inspiring pattern. This pattern, along with more examples about innovative applications of refugee entrepreneurs in particular sectors, is further analysed under Section 7.2.2. Economic Outcomes of Refugee Enterprises.

Looking at the data collected for this study, not any specific and unique insight about customers, consumers and suppliers are found. Training Master mentioned that he found the public sector too slow in the Netherlands. He provides vocational training for refugees who are recruited by public sector organisations or who are beneficiaries of NGOs in the Netherlands. As public-sector organisations are his customers, lengthy and slow operations

in the sector affect his business negatively. Beyond sector and market characteristics and how they affect refugee entrepreneurship, I discussed how individuals or organisations in the private and public sector specifically support refugee entrepreneurs under Section 6.4. Entrepreneurship Support.

Finally, it is worth mentioning how the Covid-19 pandemic affected refugee enterprises since its effects are mostly related to changes in the market conditions. At REN Summit 2020, a TERN representative shared some new statistics, which are yet to be published, about how their refugee entrepreneurs are affected by the pandemic. As a nationwide active REP in the UK, they claim that the personal income of 72.8 per cent of refugee entrepreneurs, who are TERN participants, are impacted negatively due to pandemic conditions. Furthermore, 47.4 per cent's employment status has changed during the pandemic, which means they might have lost their jobs if they have been working part-time while also working on their enterprise, or they had to shut down their business and become unemployed or started working at another company instead. TERN representative also argued that unemployment among refugees increased three times higher, while poverty increases have been 1.5 times higher, and business revenue reductions have been two times higher for refugees than for the wider UK society. Although these figures are based on a REPs own research, they indicate that the pandemic has alarming impacts on refugees, even those who have been self-sufficient and have created jobs for other individuals through their businesses.

It can be argued that the Covid-19 pandemic highly affected refugee enterprises with simple business models, mainly those of which were established since the founder could not find a job and decided to become self-employed instead (i.e. the reaction model). Assuming this type of refugee entrepreneurs does not have compelling entrepreneurial traits such as adaptability to change, they could not switch to providing different services and products which could be in demand during the pandemic. However, it is also observed that some refugee enterprises managed to adapt their products and services to the pandemic conditions, especially in the delivery and healthcare sectors. For instance, a food-sector entrepreneur started to sell raw ingredients of his meals for people to try his recipes at home. A few other successful examples sell disinfectants, hand sanitisers and face masks. Some entrepreneurs have been donating food and other products to people in need due to the pandemic. Such examples demonstrate how resilient and mission-oriented these refugee entrepreneurs are. Yet, their resilience and success depend on their capability to adapt to

new conditions, willingness to take a risk, having enough financial capital as well as expertise and know-how. Ultimately, it appears to be very difficult for most refugee enterprises, especially for those in the early stages, to keep having positive economic and social outcomes when host countries are also experiencing uncertainties.

6.4. Entrepreneurship Support

Available entrepreneurship support from public and private sector organisations, governments, NGOs and REPs that are mostly affiliated with private sector or NGOs are the main subjects of this section. Entrepreneurship support is placed on the fourth level in the theoretical framework this study suggests (Figure 3.4). In terms of the order of importance of the factors, “entrepreneurship support” comes right before “business/entrepreneurship ecosystem” and “social environment” in the environmental dimension. With their limited network and resources, refugees have a greater need for tailored support organizations than conventional entrepreneurship networks, societies etc. Hence, entrepreneurship support is included separately from the ecosystem element due to its importance and uniqueness. This section provides a very detailed analysis as it attempts to fill an important gap in the literature about available support schemes, their motivations, services, strengths and needs.

For the analysis of this aspect, I examined the data from the interviews that I conducted with refugees and REP managers along with documents from REPs and governments to include different perspectives and various dimensions of the entrepreneurship ecosystem and supporting environment. I carefully analysed the discourse of REPs’ marketing materials, reports and statements. In addition, I analysed and interpreted the perceptions of participants as they verbally stated or reflected through their behaviour by incorporating my participant observation notes from relevant events into the analysis.

According to a survey conducted by CFE in the UK (2018), 32 per cent of participant refugees agree that they need tailored support in order to overcome the unique challenges they face in terms of cultural, financial and legal means. This chapter discusses how organisations and businesspeople in the host countries provide generic or specific support for refugees who are entrepreneurs or for those who want to become an entrepreneur. While refugee entrepreneurs might attend entrepreneurship programmes and competitions organised for local entrepreneurs in general, there are also specific REPs tailored for their needs and assets. The chapter investigates the support opportunities by government institutions and public sector, non-governmental organisations, private sector companies,

conventional incubators which target local entrepreneurs, and incubators that only target refugee entrepreneurs. It also critically discusses the effects and characteristics of such entrepreneurship support available for and accessed by refugees in the host countries.

6.4.1. Support by Government Institutions and Public Sector

Seven out of 25 entrepreneurs in the sample benefited from support opportunities provided by government institutions and the public sector. To name a few examples, Ambitious Chef has got free legal support from solicitors in the UK. Peacemaker Educator collaborated with a public-sector organisation that engages in cultural diplomacy in Germany. Sociable Caterer also noted that he established a business partnership with the Association of German Chambers of Industry and Commerce (IHK) in Germany. Youthful Consultant benefited from institutional support in the Netherlands. He explained the available opportunities for entrepreneurs, including refugees, as follows:

“If you are still on benefits, you have to go to the municipality. [You are considered] under the category of ‘independent entrepreneur without employee’. You get a 13-month training [in different subjects] including Dutch, business model, marketing and finance. These are only provided for people who want to become an entrepreneur.”

Interestingly, Creative Publisher received business support from the monarch of the Netherlands in the form of a space. Their partnership led to great media coverage, which can be considered as a tool for motivating the locals to understand, accept and support refugees, as well as for refugees to feel appreciated in the country. Creative Publisher said the following about the support he received for his business:

“Prince of the Netherlands gave us a space in the royal gallery, an expensive street to open the bookshop which also has space for our workshops, art space –for making and displaying ceramics, sculpture, etc., music corner, cafe, and a space for events.”

However, he also said, *“Government speaks about integration of refugees, especially in the economy, and empowering refugees. But they do not really take action.”* Considering the specific challenges of refugees, the number of participants supported by the government in their entrepreneurial efforts is relatively small. Even those who got support seemingly do not feel it is adequate. Also, not all refugee entrepreneurs’ experience with the government was as positive as Creative Publisher’s. For instance, Crypto Nomad shared

his struggle with the social benefits given to asylum seekers as they are not allowed to work. Governments cannot expect refugees to integrate into the host country economy and become self-sufficient if they are not given a chance to seek opportunities and realise their business plans. According to Crypto Nomad's experience, the social benefit was not even enough to travel somewhere in the city for business purposes:

“Sometimes I had to save from my grocery money etc. to attend events, to travel to the events. I was hungry and could only eat the free food they serve in the breaks. I was even using the social benefit money to attend startup competitions. There is no specific support for entrepreneurs apart from the standard social benefits provided for refugees.”

Event Wizard suggested that special loans provided by governments would be very beneficial for refugees. In his scenario, such loans should be flexible for them to pay in longer terms than conventional loans. They should be available for those who are still on benefits but created a promising business plan. There should inevitably be a middle-ground solution in terms of governments' financial support for refugee entrepreneurs, whether it will be the way Event Wizard described or not. How the government and government-related organisations pose challenges for refugee entrepreneurs, especially about bureaucratic processes, are discussed in detail in Section 6.1. Legal Frameworks.

6.4.2. Support by Non-Governmental Organizations

Ten out of 25 entrepreneurs in the sample have volunteered at various NGOs. Volunteering experience helped many refugees to find other opportunities through the NGO they have become part of. It is worthwhile to reflect on some remarkable examples. Sociable Caterer worked at a refugee-food NGO where he met his co-founder, who is also a refugee. Go-to HR Guy's volunteering experience in the UK helped him find a job in the housing sector later. Education Guru came up with his business idea when he bumped into his students while serving food for refugees at a camp. Finally, an NGO which provides coding and design training for immigrants has helped Versatile Developer and his co-founders. They met at that NGO to gain the necessary skills and to work around bureaucratic challenges for their business. This NGO has even let Versatile Developer use their bank account for working around the bureaucracy as his founding team was able to raise funds but cannot open a bank account as they are all refugees.

NGOs support many refugees in various ways, but not many of them are supported in terms of entrepreneurship. We argue that this is either due to a lack of funding opportunities for

entrepreneurial support by NGOs or a lack of NGOs' interest and expertise in refugee entrepreneurship. More awareness should be built about the benefits of entrepreneurship for refugees, especially in terms of self-sufficiency of refugees, which also helps NGOs as they will need less funding for providing regular financial support for some of their refugee beneficiaries in the long term. In this context, REPs are not considered under NGO nor private sector companies as they have to be discussed separately as unique organisations dedicated to entrepreneurial refugees.

6.4.3. Support by Private Sector Companies

Four participants in the sample have received business-related support from private-sector companies. For instance, Cool Foodie and Visionary Foodie partnered with a local restaurant to use their place as a pop-up café/restaurant for half a day per week. Google and Facebook have funded the classes of Education Guru's education technologies startup. Google's support alone was worth 50,000 euros. Finally, DeepTech Inventor got financial and business support from the automobile company to develop the technology for his enterprise. It is crucial to highlight that all four entrepreneurs that are backed by private-sector companies have received financial support from them. These funds were not part of a refugee support scheme or corporate social responsibility (CSR) budget. Hence, it can be concluded that if a refugee-owned enterprise is mature or promising enough, private-sector companies may support it not only as part of a CSR initiative but also in the form of investment.

It is found during the document analysis that some corporate companies support REPs or organise their own refugee entrepreneurship themed projects in collaboration with REPs. A striking example is an ice-cream company (Ben and Jerry's) which introduced an ice-cream flavour whose profit helps funding refugee enterprises. Since REPs are investigated separately as private sector affiliated incubators which exclusively support refugee entrepreneurs, only conventional incubators are discussed in this section. Even though I did not find many entrepreneurs supported by conventional incubators, Ambitious Chef's experience has been insightful for my research. Ambitious Chef has been part of a REP since the very early stages of his business. He then got accepted by a conventional incubator that specialised in the food sector, hence competitive for local food enterprises, which are very popular in London. He is provided with mentorship and training specifically about entrepreneurship in the food sector and awarded a stall at a speciality food market that only has unique brands accepted by the incubator in its portfolio.

Although Ambitious Chef achieved to join an incubator with local/native entrepreneurs and seemingly benefited from that experience a lot, there are not any other refugee entrepreneurs found on the ground who managed to do that. It can be argued that they cannot achieve entering such incubators due to their lack of information or the incubators' competitive selection criteria. It might also be a fact that those who are part of such programmes do not reveal their identities. Arguably, some refugee entrepreneurs who blended in the entrepreneurship ecosystem are simply not visible because of that. It might be caused by their reluctance to define their identity over the state of being a refugee. Therefore, during the fieldwork, I may have missed people seeking to compete with other entrepreneurs without drawing attention to their refugee status.

On the other hand, entrepreneurship programmes (e.g. incubators, accelerators, training programmes, etc.) are proven to be more effective than conventional programmes, as they are tailored for refugees (Collyer et al., 2018; Cheung and Phillimore, 2014). This conclusion is drawn based on REPs which consider the scarcity of social connections, including family networks of refugees in host countries, language barriers, unrecognised qualifications and previous experiences of refugees, and psychological and physical well-being of refugees while curating services for them. In conclusion, it can be argued that it is more effective for refugee entrepreneurs to participate in programmes that are tailored for their needs, given their unique challenges and needs, at least until their business is developed enough to sustain itself and compete with native entrepreneurs on a reasonable level.

6.4.4. Support by Refugee Entrepreneurship Programmes

Refugee Entrepreneurship Programmes (REPs) are incubators with private sector affiliation, and they target refugee entrepreneurs exclusively. They are usually not-for-profit organisations, yet, some may be considered as for-profit since they get equity from refugee enterprises launched via their programme. Arguably, REPs can impact the refugee community and the wider society significantly on the individual, economic and social levels. Based on the UK's target of resettling 20,000 Syrians by 2020, CFE (2018) estimated that if all interested refugees could access a REP in the UK, the economic outcomes would be outstanding. According to CFE's study (2018), sponsoring all interested refugees' entrepreneurial efforts through a REP for 2,000 GBP each (4.8 million GBP in total) has the potential to save the country 170 million GBP in five years. This is

the equivalent of 10 per cent of the predicted cost of resettlement and yields 35 times return on investment.

An in-depth analysis should have been done for understanding and evaluating the services and characteristics of REPs. The current scholarship usually covers REPs in a generic sense as part of organisations that support refugee entrepreneurship. But their role in the ecosystem is very critical and distinguished from other organisations. Thus, I decided to discuss them separately by analysing the interviews with refugee entrepreneurs who are participants of REPs in three countries, managers of those REPs, documents collected from them, and my participant observation notes from relevant events.

According to the mixed embeddedness theory, the support mechanisms can be regarded as supporting bodies for the refugee entrepreneurs to better their embeddedness in the entrepreneurship ecosystem of the host country. As people who are outside REPs were also included in this study, it can be argued that the programmes are mainly more effective for the less-developed candidates (i.e. those who are less trained, experienced or educated in entrepreneurship, or those with less mature business ideas) whilst more educated, passionate, ambitious or opportunity-seeking ones, or the ones with more promising business plans, can thrive outside the programmes as well. The fieldwork shows that the latter usually do not believe they miss much by not joining a REP. Some refugees even shared their negative views about the programmes. They stated they see the programmes are for “the lazier”, “those who victimise themselves”, “less promising, lower-level businesses”, etc. They also criticised REPs by emphasising that they mostly do not support refugees in terms of financial resources and networking on higher levels, which they need the most.

Refugee entrepreneurs who are not part of REPs build their social and financial capital by themselves from scratch. Surely, it takes a lot of time and effort, and they may end up having underperformed businesses. As discussed earlier, access to financial resources such as loans and credits is either not possible or very restricted for refugee entrepreneurs in Europe. Therefore, support mechanisms, such as having a co-founder from the local community and support schemes tailored for refugee entrepreneurs to ease access to financial resources, are crucial. REPs role in developing refugee-owned ventures, especially for those in early stages, are also critical. In this context, this section discusses the characteristics, strengths, weaknesses, challenges and impact of REPs from the

perspective of REP managers and refugee entrepreneurs who participated or did not participate in REPs.

6.4.4.1. Motivations and Aims to Support Refugee Entrepreneurs

Although all REPs target refugee entrepreneurs as their beneficiaries, their motivations and aims may vary depending on the perspectives of REP founders and investors and the characteristics of the country and the city where the REP is established. I interviewed three REP managers, one of whom is also the founder of a REP, in three countries as part of this study. British REP Manager is from The Entrepreneurial Refugee Network (TERN). German REP Manager is from SINGA Berlin. And, Dutch REP Manager is from Refugees Forward (RF). To begin with, the British REP Manager stated the following on their motivation to support refugee enterprises:

“Refugees are people like you and me. They have their own skills and professions that they gain before they came to the UK. Then, you find this huge bowl of talent and skills finds himself either underemployed or unemployed due to the failures in the integration process in the UK. That is where TERN comes in. We want to support refugees who are interested in exploring the entrepreneurship path.”

It can be concluded that the REP that is investigated in the UK (TERN) aims to fill the gap in the integration process by fostering harmony within the community through supporting refugees’ entrepreneurial efforts and helping them to transfer their talents to the host country. British REP Manager also highlighted helping refugees to overcome psychological challenges through entrepreneurship as one of TERN’s aims:

“If we would like to talk about our early-stage entrepreneurs, we are supporting them at a very difficult stage of their life. Both the refugee journey and being underemployed or unemployed after they settled in the country are very draining experiences.”

“Failures in the integration process”, as the British REP Manager mentioned, are also acknowledged by Dutch REP Founder. Regarding the situation and REPs’ role in the Netherlands, he noted the following:

“Not enough staff to process asylum applications as fast as needed, that's why it takes months, sometimes years and we try to fill a gap there, by training asylum seekers towards improving their business and entrepreneurial skills, towards self-

sufficiency before even they get the legal status. Thus, it is safe to say we are saving time, money and lives within the community.”

Looking at the goals of REPs included in the study, the British REP Manager shared that their initial focus was on helping refugees access finance and business networks. He asserted that they expanded their services to include the whole range of the entrepreneurial journey (i.e. mentorship, entrepreneurship training, business model development), “after understanding the needs of the community”. However, this conflicts with several refugee entrepreneur participants who repeatedly said they specifically need to access financial resources and networks at higher levels in the ecosystem. In this sense, it is reasonable to argue that the correspondent REP adjusted its services based on other criteria instead of actually “the needs of the community”. These criteria might be the availability of funds for specific services, their access to investors and higher-level business networks, the feasibility risk of providing equity-free finance for enterprises, or the capability of staff and volunteers for certain tasks.

However, it is interesting to see that the British REP Manager sounded like he really believes in their aim to serve the community through meeting refugee entrepreneurs’ needs for self-sufficiency. Hence, it might also be that they were drifted towards adopting such a programme structure without noticing they have lost their focus to some extent. British REP Manager’s words verify this argument:

“What’s important is our programme is tailored to our community’s need rather than our community trying to fit into our programme’s need. That is the way a community-based organisation should work. Our REP’s programme is tailored to refugee entrepreneurs’ needs. Not targeting specific sectors, not having strict requirements... Them [refugee entrepreneurs] taking the lead, us giving the driving seat to them... Drip by drip, we are changing the way people think about refugee entrepreneurs. And most importantly, we are doing it on their terms. It is not for the benefit of our narrative; it is about being a platform for their change.”

British REP Manager was very passionate while talking about these motivations. Taking his stance and my observations about other employees of TERN at their events into consideration, I can conclude that TERN recruited sincere and highly motivated people who really want to change the negative public opinion about refugees. Finally, the British REP Manager mentioned “building a collective entrepreneurship spirit by bringing a diverse group of people together around the theme of entrepreneurship through the hacks,

networking events, launch events etc.” as one of their fundamental aims. Similarly, the German REP Manager noted the following on the diversity and energy they have at their incubator:

“Mentors are motivated as they like being in touch with people from different nationalities. Because, although the startup scene in Berlin is diverse, we need to admit that it is mostly white guys. [However, we are] truly a global incubator with entrepreneurs from India, Japan, Jordan, Syria. So, the workshops are very energetic. Experts write us and say, ‘Can I do it again?’ You do not get that energy, not open for disruption at conventional incubators for native entrepreneurs. Different perspectives are included in our incubator, unlike the ones focused on native entrepreneurs.”

Secondly, the German REP Manager said they focused on refugee-led innovation as the programme's ultimate goal. He also said they aim to meet aspiring refugee entrepreneurs' needs by following a user-centric approach while developing the programme. Explaining why they do not focus on helping refugees to overcome legal barriers, he said the following:

“Our mission is to create space for innovation. There are 4-5 programmes for refugees in Berlin, but we are the only one who adopts innovation method focused on design thinking. We are targeting innovation and disruption, not teaching them about regulations, as that is not our expertise or focus, unlike some other refugee organisations. We are not here to do bureaucratic work, operational work, etc. We are here to create a space for innovation.”

It is an asset for the ecosystem that a REP actually has dedicated services for creating innovation. Even the most highly-skilled entrepreneur or the most disruptive enterprise needs to find its way through the bureaucratic processes, which are especially more challenging for refugees. In this sense, it can be said that Refugees Forward's (RF) statement is more to the point in its way to prioritise business development which includes both the processes to be overcome and the creation of innovation, as Dutch REP Founder noted:

“We have a slightly different focus than other REPs in the Netherlands. For example, DeliteLabs focuses on skills development, personal growth, etc. We focus on business development, startup process, and the other stuff come as an important outcome too. We focus on direct output, the business.”

All three REP managers mentioned that they aim to build a collective entrepreneurship spirit. Additionally, Dutch REP Founder highlighted that they are feeling responsible, therefore motivated, to deliver high-quality support and impact:

“They have previous experiences in business either as an entrepreneur or an employee, and the age range, education etc. is high. We need to provide high level and well-structured services because their expectation is high, and that's the only way to deliver a promising, impactful programme anyway.”

Dutch REP Founder also pointed out that they chose supporting entrepreneurial activities of refugees as they believe that is a sustainable way for them to integrate into the economy of the host country:

“Before starting our incubator up, I did not even know a single person who has a refugee background. My friend (co-founder) and I were interested in social entrepreneurship and decided to focus on refugees, and given our interest in entrepreneurship, we wanted to focus on that. And, we thought it is a sustainable solution as they can use their talents and skills and create jobs for others.”

As mentioned before, Dutch REP Founder emphasised that they focus on business development. He also said that they push for a soft launch and focus on developing the person in order to have running enterprises as an outcome of their programme. However, looking at their reports and marketing materials, refugees' economic independence is seemingly the main motivation of RF, even if achieved through other ways than entrepreneurship. Yet, Dutch REP Founder always highlighted the business development and entrepreneurship aspect of their services during the interview. He might have been biased since he knew that the interview was part of a research in the entrepreneurship field. Helping refugees to gain economic independence is mentioned in RF's impact report as the primary focus:

“RF aims first and foremost to nurture the talents, ambition and skills of newcomers to become economically independent... As entrepreneurship is not the only way to economic empowerment, our economic impact is reflected in the opportunities participants seized through the program, related to either their own business or empowerment through paid employment and further education as a result of our programs.”

Finally, both REP Managers in the UK and Netherlands emphasised that “believing in refugees” is among the core values of their organisations. They hire people that believe in the potential of refugees and would really like to work with refugee entrepreneurs. British REP Manager stated that putting this value in the centre has let their REP become impactful in different ways:

“Believing in refugees, believing they can do something they are passionate about, supporting their personal growth are the key principles [of our organisation]. Therefore, the impact is beyond the entrepreneurship ideas.”

Resembling what the British REP Manager said, Dutch REP Founder stressed that refugees need people who believe in them, who trust that they can do the job, and the RF team believes in them. That matches with what they highlighted in their documents as part of the selection criteria for recruitment: *“Showing a true belief in the potential of newcomers and the willingness to put in personal effort in order to achieve our shared mission.”* Hence, it is not just something that the REP manager said to convince me, but it is something they try to adopt as a core value in their organisation. The values, motivations and aims of REPs determine their services, impact, financial and human resources, as well as their entrepreneur due diligence and portfolio. Therefore, it is essential to keep in mind the introduced concepts while examining the other aspects of REPs.

6.4.4.2. Services of REPs

In this section, I discussed services of REPs (i.e. incubation, coaching, training, mentorship, financial support), their objectives and impact, as well as how these aspects are different in the selected countries. First of all, it is extremely important and challenging for refugee entrepreneurs to build financial capital through loans and investments. And, all entrepreneurs in the sample actually said that they do not find the refugee entrepreneurship programs helpful in finding financial resources and connecting them to investors. In many cases, refugee entrepreneurs have a part-time or even a full-time job, and they still try to get their enterprise off the ground using their salary as financial capital.

Investigating how REPs are helpful in other aspects through the services they provide, I observed that TERN in the UK includes a whole range of services needed throughout the entrepreneurial journey, such as intrapreneurship, business skills training, introduction to entrepreneurship, business model development, budget planning, scaling up, etc.

As a representative of TERN, the British REP Manager noted that they are teaching aspiring refugee entrepreneurs about marketing, publicity, network building with locals, building the business model for their idea, and testing their product in reality. His statement is in line with what many refugee participants interviewed as part of this research have stated as the benefits of being part of a REP in the UK. Additionally, the British REP Manager said they organise hacks, networking events, launch events, etc. which are open to other individuals and organisations from the entrepreneurship ecosystem as a beneficial way for refugee entrepreneurs to integrate into the ecosystem.

Regarding the technicalities of how their programme work, the British REP Manager said that, as part of their pre-incubator, they offer part-time employment and internship opportunities for their participants to teach them business and entrepreneurial skills. Pre-incubation comes before developing a business model and allows refugee participants to get practical business experience and also to reach financial security and to be able to explore entrepreneurship through on-job training. During their pre-incubator experience, refugees see if entrepreneurship is something they are interested in. Then, if they continue participating in the REP, they develop and test a business idea. And this component starts with market research, identifying direct and indirect competitors, and assessing how you can learn from other enterprises' successes and failures. Later on, they do a feasibility check with the guidance of REP mentors to see if the business idea is viable and how tests have gone. Mentors are equipped with relevant skillset and experiences in the sector their refugee entrepreneur mentee operates their business. As an outcome, they have an MVP showing how they capture the essence of the business in their chosen sector.

British REP Manager noted that they also provide a space for the participants who launched their businesses via TERN. In their shared space, they are treated as a business person, and they can talk about their projects to other entrepreneurs, employees, mentors and business partners of the REP. Also, TERN provides a mentor for each refugee entrepreneur. Depending on the industry, skillsets and personality types, they are matched with mentors and a team manager. A team manager is an employee from TERN who tracks the projects, support the ideas of refugee entrepreneurs, and makes sure that they have made progress according to the plan of their programme.

Another project at TERN is ICE Academy which has been run in collaboration with Ben and Jerry's. It has 25 participants per cohort. Those who are not experienced enough to begin the startup programme join the ICE Academy. It allows the participants to test and

improve their entrepreneurial skills by running Ben and Jerry's franchises. Some participants who get confidence via the ICE Academy come back and apply to TERN's startup programme. The startup programme accepts 19 entrepreneurs per cohort. By 2019, TERN had 129 entrepreneurs benefited from their various services in total.

Sixty-eight entrepreneurs that are TERN's beneficiaries were still active at TERN in 2018, which means they keep in touch and follow up with their graduates. According to my viewpoint, this is essential for measuring a REP's impact to improve their services and strengthen bonds between the refugee entrepreneurs, the entrepreneurship ecosystem and relevant industry networks. Yet, I observed that SINGA and RF abstain from keeping in touch with their graduates, hence, failing to prove their long-term impact accurately.

Dutch REP Founder claimed that they follow up with the alumni, by mentioning *"We keep track of how the people are moving and do they actually reach the point that they start selling. Otherwise, we advise them to discontinue the business."* He stated that they regularly check with the previous participants monthly. In contrast, Fast Filmmaker, an entrepreneur who started up a film-making business in the Netherlands and who was a participant of RF in Amsterdam, claimed that REP does not follow up with their entrepreneurs' progress after the program and the up-to-date situation of their business. Assuming the beneficiary's statement was correct, the REP might have avoided following up with them to avoid admitting and reporting their alumni's failure or struggle. It might be argued that the REP would not be able support the alumni if they failed, as they do not have time or available funding for doing so, which is also highly likely.

The REP manager participant from Berlin argued that it is more reasonable for them to not follow up with their alumni since they are only able to unlock limited resources for their members. He said:

"To be honest, it was about a year ago. I don't know what happened to them. We don't follow up with them, and we don't ask them about their progress after the programme (talking about an alumni entrepreneur). We get so many requests, and people here are busy, so we stopped doing it. We need to prioritise our cohort."

This contradicts with what the organisation states in the documents that introduce their services. For instance, highlighting that they keep in touch with the alumni, one of their marketing documents explains the following:

“Alumni support: After participants have graduated, they maintain strong connections through alumni networking events. Where needed, the [SINGA] Business Lab offers ad hoc support and consulting services, for example, when alumni are preparing for venture capital investment.”

Additionally, the German REP Manager shared that they have two cohorts per year. They have one single programme. The ideation phase takes six weeks, and the concept phase, which ends with a developed business model, takes eight weeks. Finally, there is the community phase which has workshops on finance, marketing, etc. SINGA did not make it clear until when the community phase continues. Apparently, it does not go on as long as one wants, like an on-demand programme. Since the German REP Manager was not aware of what their first cohort is doing two years later, they run the community phase for a short term.

External experts lead the workshops at SINGA. The organisation also provides a business mentor for each refugee entrepreneur as TERN does. As the German REP Manager explained, they teach participant entrepreneurs about marketing, publicity, network building with locals, and building the business model for their idea. This is also in line with what the participants in Germany have revealed as the benefits of being part of a REP. I also noticed that there is a missing point in the services of SINGA, and that is helping the aspiring entrepreneurs test their products and services in reality. Neither their manager nor their documents mentioned anything about product and service tests. After the entrepreneurs develop their business models as part of SINGA’s programme, the process seems somewhat ambiguous.

There are 4-5 REPs in Berlin apart from SINGA. Some are more technical ones which only help with regulations, etc. What SINGA provides is beyond giving legal information or teaching how to register one’s business, etc. unlike other REPs in Berlin. SINGA’s co-founder said the following on the success of their innovation focus: *“SINGA has made a name for itself because it offers the latest techniques in innovation – the type you’d normally find in a Y-Combinator workshop.”*

It is worth mentioning that when SINGA started their activities, the programme language was decided to be Arabic as they thought the participants would learn faster and more effectively, since all the applications they received were from Arabic speaking candidates, considering the countries where the greatest refugee inflows are originated from. They have decided to deliver the programme in Arabic instead of only targeting refugees who are

fluent German or English speakers or waiting for them to improve their language skills to the point that they can get a good grasp of the training and discussions. In contrast, workshops of some other REPS actually end up sounding like business language courses. However, SINGA's decision caused a backlash from the German society. Hence, SINGA had to find a balance and started running their program in both Arabic and English. They struggled a lot to find investment due to this decision, as the German REP Manager stated. It can be argued that the society in Germany is not accepting and welcoming enough for refugees. They may have negative perceptions about refugees from the MENA region. It might be that they are afraid of refugees ending up not integrated into the country, and language seems to be a critical issue for local/native community in this sense.

CFE (2018) mentioned newly established incubators and REPs usually have SMEs or livelihood businesses launched via their programmes. However, SINGA achieved to have a large number of high-potential and innovative start-ups in their portfolio. For instance, only two enterprises in their first cohort were in traditional or livelihood businesses in the food and apparel sectors. All the remaining ones are technology enterprises. Especially two of them showed great potential. One is Education Guru's online training programme which has raised 50,000 euros from Google, and they were about to secure a VC investment in 2018. The other one is an Internet-of-Things (IoT) security startup that helps parents to monitor their babies. It has been awarded a grant through a global entrepreneurship competition.

When asked what the secret formula for their success is, the German REP Manager said it is because they have no hierarchy within the organisation. They are also learning from their participant entrepreneurs by listening to them carefully in order to understand their needs and potential. He noted the following in this context:

"We provide a safe space, and we provide the methods, then the rest is up to them. We don't teach or train. I cannot feel like a teacher; I am learning as well."

Looking at the services provided by RF in the Netherlands, they teach refugees about marketing, publicity, network building with locals, building the business model for their idea, and testing their products and services in reality, similar to what SINGA and TERN offer. RF has four programmes per year and recruits 15 entrepreneurs per programme. Dutch REP Founder said they also have a mentorship scheme like TERN and SINGA do. A team facilitator is also assigned to each refugee entrepreneur who is part of RF. The team facilitator provides technical and administrative help and follows up with the progress of

the team. This is quite similar to what SINGA in Germany has. Also, each entrepreneur gets a business coach, mentor. Additionally, RF matches each refugee entrepreneur with a business school student, which is a unique aspect of their programme. They named these students “student consultants”. Students volunteer to become part of RF, and they help refugee entrepreneurs as part of one of their courses at their university which RF has partnered with. However, it is still on a voluntary basis as they do not get credit for that. Student consultants help the entrepreneurs prepare their pitch decks, create marketing materials, make financial plans and improve their business models. Student consultants work 10 hours a week to support refugee entrepreneurs.

When I observed a student consultant at an RF event, I noticed that he was very passionate about what he does. He seemed to believe in the potential of refugee entrepreneurs and feel responsible for supporting them by using his relevant skills. Furthermore, Dutch REP Founder talked about the advantages of having student consultants, and he said they help RF to get a lot more work done in higher quality. Students learn a lot, while refugee entrepreneurs also learn a lot. Student consultants attend business workshops with the entrepreneurs, which help them to improve their own skills as well. According to Dutch REP Manager, it is fascinating that student consultants really own the project, and they build expectations about the entrepreneurs as well. They motivate the entrepreneur to go the extra mile. RF’s goal is to get students to receive credits from their universities for participating in RF. This would work like typical consultancy projects at business schools which are run in collaboration with corporate companies and startups. It is a reasonable goal since that would make the student consultant role more competitive while attracting more students to participate.

In a nutshell, a refugee entrepreneur who joins RF’s programme teams up with three people (i.e. a business mentor, a team facilitator and a student consultant) who expect them to do their best while developing their business and motivate them to push further. They meet weekly, and they work on weekly tasks together. RF team observed that all entrepreneurs meet the deliverables expected from them thanks to the encouraging and supporting team that surrounded them. They also socialise together as the native members introduce refugees to the European and Dutch culture. So, this team structure is a powerful driving force for refugees’ business.

In a session at REN Summit 2020, various REPs were seeking new solution ideas. They shared best practices to scale up their services and make business support available for

higher numbers of refugee entrepreneurs. During that session, when I shared the student consultant model of RF, a representative from TERN overlooked this solution by stating that they already have mentors and experts who have 10-15 years of experience in relevant sectors. The point they were missing is that RF also has such partners who are expert coaches and mentors from esteemed companies (See Figure 6.1). Yet, they have found student consultants very helpful in specific tasks considering that they have more time and energy to spend on refugee entrepreneurs' projects. Two student consultants even presented the pitch deck of a refugee entrepreneur in an event where the refugee entrepreneur could not attend. They help the entrepreneur with preparing pitch decks and other presentations, managing social media accounts, creating websites, budget calculations and other sorts of accounting and administration tasks for which more senior mentors would not have time or interest to exert themselves. As seen in one of the marketing documents analysed, each RF participant entrepreneur gets 10 hours of student consultant support every week. They increased their number of student consultants from 25 to 140, in a year, in collaboration with some Dutch universities. The organisation also has 60 expert business coaches and more than 80 experts from corporate consulting companies.

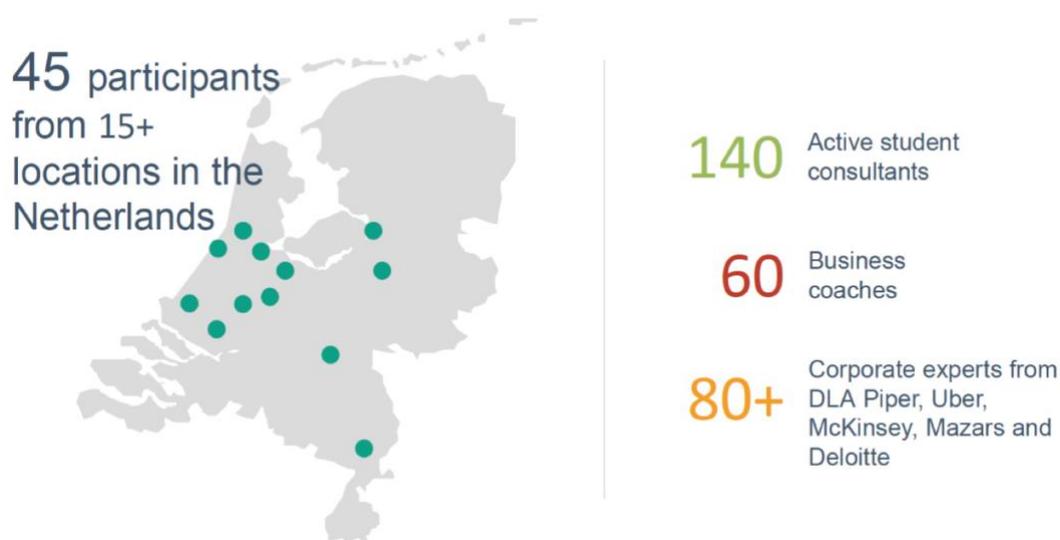


Figure 6.1 Business partners at RF (Refugees Forward, 2019)

According to Dutch REP Founder, there are quite good programmes from the government for the livelihood model. So, RF decided to focus on innovative enterprises as they believe they are better equipped to facilitate them. Dutch REP Founder emphasised that RF's goal is to get refugees to develop innovative solutions for the society in the host country, including refugees, immigrants and the locals/natives. They believe that facilitating that

type of innovation is crucial for their organisation, the host community and the wider society. There is huge growth potential in encouraging refugees to start socially innovative businesses, but it is also riskier in terms of profitability. However, it contributes to change the perception of the host society about refugees. In line with that, a representative from Startups Without Borders, which is an international entrepreneurship community, explained the following:

“Integration goes hand in hand. If we keep seeing them (refugees) as traditional entrepreneurs, not as innovators as we’d like to become, inequalities will always remain like that. The idea is bringing their talents and innovations to the table.”

Reflecting on RF’s experience in the Netherlands, they can either be closer to the government, municipalities, and NGOs or close to universities and business ecosystem. They are willing to choose the latter in order to be an up-to-date, practical and pioneering actor in refugee-led innovation and entrepreneurship. They aimed to provide realistic services and solutions for refugees to enable them to have competitive businesses that fit into the real-life business world. However, the result is not as they aimed. They got most of their funding from municipalities due to a lack of investors and supporters in the business ecosystem. Accordingly, there should be more targeted activities to attract investors from the private sector or business ecosystem in general to achieve their goal.

Finally, it is worth mentioning that TERN has an on-demand programme for more bespoke needs of refugees with well-developed enterprises. For instance, if they prefer, they can get three sessions about finance only. This is proven to be more beneficial for some entrepreneurs. To understand if alumni entrepreneurs have any bespoke needs, TERN follows up with them in the long term. On the other hand, RF and SINGA do not have an on-demand programme, and they do not follow up with their graduate entrepreneurs. This was still the case for RF until 2019. However, it is stated in RF’s impact report 2019 that they started to provide an after-care programme. Yet, this is not available for all entrepreneurs who completed their programme. For the first year of the after-care programme, they selected eight entrepreneurs out of 15 from the main programme’s cohort based on their progress and potential. They provide them with additional structural coaching for six months. RF found this structure helpful for the development of the entrepreneurs. As quoted in one of their documents:

“Approach: Try to get entrepreneurs to achieve the first success through pop up or other simple version of [a] product, to boost confidence. Process: More concrete deliverables that are actually enforced.”

In conclusion, the three incubators investigated have slightly different programmes with some twists in their structures. Nonetheless, they have very similar concepts and outcomes as observed and understood from the fieldwork.

6.4.4.3. Resources of REPs

Individuals and organisations from public and private sectors which provide financial support for REPs, along with the motivations behind their support, are critically analysed in this section. Their funding and investment characteristics are examined. First of all, the British REP Manager highlighted that they fund most of their programme through collaborations with corporate companies, such as Ben and Jerry’s and Unilever. Dutch REP Founder noted that their programme is also funded by private sector companies which have invested 340,000 euros for RF in total in 2019. Additionally, they still depended on contributions of social funds from government institutions. However, as I also examined RF’s impact reports at this study, I noticed that this figure (i.e. 340,000 euros) was quite similar to the euro equivalent value of services donated to RF predicted for 2019. Hence, Dutch REP Founder might have meant the equivalent value of services donated (See Table 4.5), which was predicted to be 353,500 euros for 2019. RF did not share the actual value of services donated in 2019. Instead, they shared the same table (Table 4.5), which they had used in their 2018 report. The report has a comment on the table as follows:

“Our program is centred in preparing newcomers to establish their businesses independently in the Netherlands. That would not be possible without the support of our partners, who in 2018 donated the equivalent of €131.561 worth of their services, including working location, training, consulting sessions, workshops and operational support.”

This leaves uncertain the amount of actual money RF received as a grant or investment. REPs should be more transparent while sharing their resources in terms of funding and other aspects.

	Achievements 2018	Prediction 2019
Team Academy [Location and Coaching]	€ 21,392	€ 21,392

Cambridge Innovation Centre [Location]	-	€ 32,000
ACE [Location and Training]	€ 6,229	€ 2,229
Deloitte [Consulting]	€ 20,000	€ 20,000
McKinsey [Consulting]	€ 13,500	TBD
Mazars [Workshop and Tax consulting]	€ 2,440	€ 4,880
DLA Piper [Legal advice and Workshops]	€ 14,000	€ 28,999
Uber [Coaching]	-	TBD
Linklaters [Legal Advice]	-	€ 28,000
Coaches [Coaching]	€ 48,000	€ 192,000
Students [Operational Support]	€ 6,000	€ 24,000
	€ 131,561	€ 353,500

Table 4.5 Equivalent values of services donated to RF (2019)

Looking at how SINGA has been funded, the Startup Berlin Competition, which they organise annually, is funded from the development aid budget provided to SINGA by the German government. It allows SINGA to provide financial support to numerous refugee enterprises. German REP Manager noted on the funding they received from government:

“We got a grant from Berlin senate to award grants to entrepreneurs, with a ceremony, jury, and politicians. Very few strings attached... SINGA takes a small share for organising the event, and that is it.”

Arguably, government funding gives REPs credibility, and it may open doors to the involvement of other investors from public and private sectors by gaining their trust and attracting their interest. Additionally, public funding tends to be multi-year rather than annual, which is less time consuming for the programme officers; therefore, it is more preferable by REPs.

Furthermore, it is worth looking at the human resources of REPs such as their trainers, consultants, employees, business partners and other service providers in this section. In terms of human resources, REP teams in all three countries are dominated by white European employees. They do not seem diverse enough, although their employees all seem passionate about the refugee cause, entrepreneurship and innovation. Some REP employees had stayed in refugee camps as volunteers, and some are doing extra work for and with refugee entrepreneurs on the ground in addition to their paid job at a REP. In addition to those who had studied and worked at business and administration departments, I observed that there are REP employees who have relevant education background to refugee cause — some studied international relations, human rights or Middle Eastern studies, and one example has written their master’s thesis about refugees’ economic integration. I

discovered these during networking events where I chatted with REP employees and managers. Although they provided some insight into the characteristics and motivations of REPs' human resources, I could not deduct definitive patterns to make a conclusive statement.

In an attempt to understand REP Managers' thoughts on what is needed to be highlighted to secure finance for their programmes, I captured important insight. As widely discussed with REP Managers who participated in the study, it is difficult to decide which type of funders will be targeted while seeking investment for refugee enterprises and REPs. It comes down to the question of "Should REPs use philanthropy, business- or innovation-related funding?" In this context, the British REP Manager said they prefer portraying both sides for attracting funders. By that, he meant scalable businesses and livelihood businesses that are in their portfolio. He emphasised that good branding, a clear message, friendliness, and approachability are essential qualities for a REP and its managers to find financial resources and build a good reputation. At TERN, they aim to show value through the diversity of success stories and growth of the businesses in their portfolio.

A critical comment has been made by a TERN representative at REN Summit 2020, where I attended as a participant observer. He said that REPs either attract too young investors motivated by the dynamism of the entrepreneurship ecosystem and looking towards diversity or older investors who are philanthropists and who are at the charitable funding end of the spectrum. Therefore, REPs should keep the typical funder profiles in mind and need to highlight different aspects of their activities and impact to target the right investors in their investment pitches.

TERN is financially backed by a consulting company and a hedge fund. The consulting company also supported TERN by providing mentors from their organisation and developing the REP model itself. The CEO of the hedge fund that supports TERN has provided buy-in publicly, which was a crucial message to the business world. TERN sees a lot of potential in this kind of collaboration, as one of its employees noted at a workshop discussion. He also said that the financial sector is keen to be seen as helping the agenda of "empowering refugees to become successful entrepreneurs in the UK". No evidence in Germany and the Netherlands indicated this type of keen support.

In a roundtable discussion I participated in, an NGO representative put clearly:

“Corporates like shiny new things, not funding things in the long term. Getting longer-term funding requires working with governments and using policy levers. But government departments do not recognise the benefits of working with and supporting refugees.”

This critical comment shows us that it is a double-edged sword to decide which sector REPs should target in their investment search. They should make informed decisions based on their portfolio and the motivation of the investors.

Resembling the British REP Manager’s statement, Dutch REP Founder also believes that REPs should portray both sides for attracting funders. First of all, livelihood businesses are important for showing that refugees can become self-sufficient through establishing them. It translates into “getting people out of social benefits” from the public sector’s perspective. Also, some funders are motivated by community engagement or the social impact of REPs. So, Dutch REP Founder concluded that while approaching the government for funding, they believe that they should highlight that refugees’ dependency on welfare will be reduced through their services. While approaching corporates or international NGOs, they should highlight the social impact and innovation aspects as well. RF aims to be 40 per cent self-reliant by 2022, and they also show this as a goal while approaching funders.

Finally, Dutch REP Founder noted that he thinks Brexit will benefit the Netherlands:

“Dutch companies are ready. The government is ready to accept new companies in the country (i.e. adopting flexible processes for paperwork, etc.) as working in the Netherlands will be more practical for international companies than working in the UK.”

I understand from this insight that it will become easier for refugee entrepreneurs and REPs to find opportunities utilising human resources and financial resources in the Netherlands after the Brexit is fully implemented.

British REP Manager and Dutch REP Founder agreed that they should portray both the economic and social aspects while approaching funders. Another REP representative, at one of the events that I attended, said that highlighting the importance of how REPs contribute to social coherence within host countries is important:

“We should build the case that this is not charity, that this is essential funding needed to maintain society as we have it.”

Considering the insight from REP Managers' interviews and observations at relevant events, I would like to elaborate on what I see as crucial for REPs to find financial resources. First of all, even though portraying the impact of livelihood businesses in REPs' portfolios is important, supporting innovative refugee businesses and making their case on them would especially attract corporates more. By supporting livelihood or traditional businesses only, entrepreneurship programmes may not go beyond making a charity case to find funding for refugee enterprises. Supporting innovative businesses is riskier, but it is considered as more of an "investment" in the entrepreneurship ecosystem since such companies have huge growth potential and they are contributing to change the perception about refugees. When innovative refugee enterprises are promoted, at least some refugees will be regarded as a talented group with potential. In this sense, their potential to give back to investors in some capacity is also significant to demonstrate. Yet, some REPs and investors still need to focus on livelihood businesses to fill the gap in some regions, as the government or other parties do not provide enough support schemes for refugee entrepreneurs who start up livelihood businesses in the UK and Germany, unlike the Netherlands.

At a workshop at GRE Summit 2018, a REP representative mentioned: "*We discussed what funders are looking for. The majority says economic impact. Sustainability and talent are also found important.*" In terms of sustainability, it is observed that "*How can we continue to support refugee entrepreneurs?*" remains a burning question for REPs while they also push themselves for scaling up every year. Hence, I can conclude that they have to show the capability of their team and business model to be sustainable, as well as their economic impact.

Furthermore, the personal impact was highlighted during the discussions at GRE Summit 2019. It is found less tangible but just as important as the economic impact created by REPs. Entrepreneurship is considered to be part of a broader integration process as refugees build new networks and interact with natives/locals through it. Several participants mentioned at the summit that REPs struggle to measure the personal impact of their services. It is especially challenging for smaller organisations which depend on governments' social budget or donations. While trying to build capacity, it is difficult for small organisations like REPs to measure and quantify the intangible impact simultaneously. The capacity and budgetary limitations make it more challenging to

prepare an application for the government and donors. Hence, they can be easily disqualified for governmental and institutional funding schemes.

What is meant by the personal impact is also discussed during GRE Summit 2019. Although many REPs were able to claim that their services have positively impacted the personal development of refugee entrepreneurs, it can be argued that such improvements might not always be about entrepreneurship. REPs should make it clear in their pitches and marketing materials whether they facilitate the launch or development of enterprises through personal impact. Apart from generic business skills and communication skills, acquiring some entrepreneurial traits is also possible through training. Therefore, these should be primarily highlighted whilst demonstrating the personal impact of REPs.

In terms of impact measurement, Dutch REP Founder mentioned that they measure how refugees' perspectives about themselves, the host society and the country change after the programme. In the Netherlands, as he explained, the government supports newcomers for six months and measures impact to see their "return on investment" from social benefits (e.g. by looking at reduction of crime, health benefits, increased happiness and level of activity). It can set an example for RF and other REPs on how to portray their personal and social impact in a valuable way for institutions.

Finally, it was noted during REN Summit 2020 that a fundraising officer from a refugee organisation asserted that the government pays attention to three criteria while selecting proposals for pilot funding. These are namely experience, connectivity and uniqueness. Therefore, I conclude that REPs should remember that it is important to emphasise these aspects of their programme, team and portfolio while applying for government funding.

6.4.4.4. Entrepreneur Portfolio and Due Diligence of REPs

This section examines the characteristics and differences of entrepreneur profiles of REPs, due diligence (i.e. criteria for selecting entrepreneurs for the programmes), sector focus and business model focus of REPs. I investigated whether there are any particular differences between the focus of REPs in the countries included in the fieldwork, such as preferring to have more traditional/livelihood business models or more innovative and scalable business models in their portfolio.

Looking at the UK, the British REP Manager said that they mainly have micro-enterprises in their portfolio. In terms of the sectors of enterprises, it is mentioned that food, fashion and innovation are the key categories at TERN. British REP Manager also noted that they

prioritise the sectors which fit the skillsets of the available mentors and coaches. Also, they might have directed some entrepreneur candidates, who did not have a particular idea at the beginning of their pre-incubator, to the sectors TERN has mentors in. Such candidates might have been convinced that it is a good idea to launch a business in those sectors. For instance, I noticed that many refugees started up a catering business regardless of their educational and professional background. This could be solely due to the demand in the market or due to the subtle manipulation by REPs, as argued above. Thus, the portfolio of TERN might not reflect the sectors that refugee entrepreneurs have been genuinely –or initially– interested in.

In terms of TERN’s due diligence, the British REP Manager said that they have two criteria. One is the entrepreneur, and the other one is the idea. Once the entrepreneur candidate is selected, there is another assessment process for deciding which stream of the programme they are suitable for. Those who have good entrepreneurship traits but no clear idea become part of the pre-incubator, while those with a feasible business idea join the startup programme. It ultimately depends on what stage of the entrepreneurial journey they are at. Moreover, the British REP Manager opposed the idea that a REP should focus on specific sectors since the idea is to serve the community. He explained his perspective as follows:

“Types of businesses? What is important is our programme is tailored to our community's need rather than our community trying to fit into our programme's need. That is the way a community-based organisation should work. We open an application window. Our community team manage our applications and streams. And say ‘Look, you have this amount of food, fashion etc. businesses’ and we divide [them] into categories: those who have scalable ideas, livelihood businesses, etc. An entrepreneur might initially seem to have a livelihood focus, but some are scalable businesses.”

Looking at Germany, it is announced by the German REP Manager that SINGA mainly incubates micro-enterprises as well. However, he emphasised that they specifically focus on innovative business models. He added that they prioritise user-centric business models, and the sectors vary accordingly (e.g. IT, art, jewellery and food). Moreover, the German REP Manager claimed that 70 per cent of their last cohort is female entrepreneurs, while 30-40 per cent of the participants are female in total. This is quite interestingly different from the pattern I observed on the ground. Female entrepreneurs were very difficult to reach. REPs do not share the contact details of their participant entrepreneurs directly;

hence, it is not possible to validate the rate that the German REP Manager claimed. Female entrepreneurs outside the programmes mostly did not get back to my emails and messages, even when another refugee entrepreneur connected me to them. See Section 4.1.2 *Gender* for more discussion around gender and refugee entrepreneurship.

Unlike TERN, both SINGA and RF accept participants who have demonstrated a good level of entrepreneurial traits yet do not have a business idea. Dutch REP Founder said they initially focused on business ideas and then started to accept highly motivated refugees even if they do not have an idea yet. He added that they also have participants who did not develop a new business idea but used to be entrepreneurs in their country of origin. One of the reasons they did not want to invest only in business ideas is that they observed many participants had changed their mindset within a few months in terms of the type of company they believe they should start up in the host country. As they learn from the training and coaching sessions, they realise they can do more with fewer resources. They learn to find ways to get their businesses off the ground with minimal amounts of financial support, which is both beneficial for the REP and the refugee entrepreneurs.

To recruit entrepreneur candidates for the programme, RF reached out to NGOs, language schools, integration courses and business-related courses (e.g. online marketing courses) where they thought they could find refugees who might be interested in their services. They asserted that refugees who have previous experience and those who have a robust internal drive or passion for something are the ones that become more successful in the programme. Dutch REP Founder explained their approach by stating the following:

“Some has an enterprise idea, not necessarily a refined idea. Some are basically interested in entrepreneurship generally. Some do not even have an idea to start up a business; they just applied when they saw the ad. (For those who are accepted because of their idea instead of motivation, passion or previous experience) We need them to enter the programme with a grounded business idea. [It] should connect to the personal competencies of the entrepreneur. If it is completely detached, they probably will not get in. Can it be implemented in three months and submitted as a business plan to the municipality? Can they apply for and get any financial resources, investment, etc.? We try to figure out the answers to these questions.”

Additionally, in the RF reports, “the entrepreneurial drive, experience and business idea” are mentioned as their selection criteria. Knowing that they are selected because of their

capabilities or viable ideas will give confidence to aspiring refugee entrepreneurs. In line with that, the “desire to be appreciated for what they do” is one of the patterns that emerged from the interview data. Eight out of 25 participant entrepreneurs mentioned that they would like to be known for what they created (i.e. their products or services) through their businesses, instead of being sympathised with because of their refugee identity. From RF’s perspective, the candidates should be intrinsically motivated to set up a business to overcome challenges during and after the program. Regarding the business idea, what they pay attention to is the feasibility, viability, desirability and scalability of the concept. If the idea fits those criteria, they inquire if the founder has done enough research on relevant issues, such as market size, the gap in the market, details about the sector, etc. which also shows motivation. RF also looks at the past education and experience of the entrepreneur candidates to understand if their background fits the idea and if they can execute the proposed business.

Similarly, the German REP Manager said that it is not the business they expect to be innovative initially. An entrepreneur who has an innovative mindset is what they are looking for. They try to have complementary skills in a cohort so that the participants can team up with each other. It is an effective approach that may help overcome the lack of co-founders for many aspiring refugee entrepreneurs. It is not followed by TERN and SINGA, as they target people with legal refugee status or asylum seekers who are very close to getting their status. On the other hand, the German REP Manager highlighted that they focus on newcomers and their definition of “newcomer” is very broad. They do not track applicants' backgrounds and do not ask where they are from, as they believe SINGA means connection and trust. *“Whatever we do, we do it for connecting people”*, in the German REP Manager’s own words. They believe their mission is to help people overcome difficulties that occur due to their differences, and they trust that people who want help from them need help. As they do not provide financial, humanitarian aid, which could be exploited, it is reasonable to argue that their assessment of entrepreneurial traits, experience and ideas are adequate for due diligence.

6.4.4.5. Challenges of REPs

Due to the unique nature of refugee entrepreneurs, different problems and challenges are in place for REPs. First of all, the German REP Manager mentioned that some of their challenges are the same as what someone can probably see at a conventional incubator.

However, he admits that there are nuances due to the unique refugee circumstances as well. For instance, sustainability has been a challenge for all three REPs investigated in this study, as confirmed by their representatives. This is different from conventional incubators' financial challenges. It is more difficult for a REP to prove that they make either a remarkable impact or reasonable profit to attract investors. There is a chicken and egg problem in this sense, as the German REP Manager said:

“You need resources to prove your concept. Funders want to see proof of concept to provide resources. So, it is a chicken-egg problem, really. The capacity of the team is limited... The question is, does scale matter or does quality matter? But we keep the quality high even though we are understaffed.”

Furthermore, the British REP Manager mentioned that in London, the majority of active members and mentors in refugee programmes are white, middle class. I also observed that all three programmes are dominated by white European employees, mentors and coaches. So, it can be concluded that REP activities also facilitate social interaction between different communities in society. On the other hand, lack of understanding of the culture, needs and preferences is a problem for refugees, as the study's participants have suggested. They need richer resources (i.e. access to information about different cultures) and a different approach to understand refugees' backgrounds more prominently. I believe having a diverse community on the organisation side is key to overcome this challenge.

It was also highlighted in RF's Impact report 2018 that being understaffed is a limitation. They argue that they have a highly committed team, but all members have a constant high workload. German REP Manager pointed out that Germany has a focus on integrating refugees into the job market. That is why the job centres support 90 per cent of applicants towards finding a job, while they support 10 per cent towards self-employment. German REP Manager said:

“We are at the bottom of any league table when it comes to people who think of starting a business or people with an entrepreneurial mindset. Most of the people do not see it as a viable option, and this is reflected on our organisation.”

This might explain why more participants –both on refugee entrepreneurs' and REP representatives' side– complained that they struggle to find support in Germany. Furthermore, job centres are part of the ministry of labour, and entrepreneurship-related work is under the ministry of economy in Germany. Therefore, there is a gap in institutional

knowledge, support for entrepreneurs and targeted action plan towards promoting entrepreneurship.

Looking at what RF in the Netherlands found challenging, Dutch REP Founder noted that they think it is difficult to understand refugee entrepreneurs. This resembles what the British REP Manager also said. Dutch REP founder stated the following:

“Refugee entrepreneurs are driven to achieve something. You need to be very aware of what is going on in people's lives; you need to evaluate and analyse it on a very individual level to see their motivation and dedication to start a company.”

This statement supports my approach in choosing a qualitative methodology for this study to explore and understand the factors that affect refugee entrepreneurship.

Even though RF's documents stated that the programme structure, content, approach, process and selection is just like conventional programs, the segmentation of the selected participants seems shallow since there are not many options in terms of which services they can benefit from. Therefore, I identified it as a challenge for REPs to classify their participants into different groups to deliver more targeted and effective services.

I also identified that REPs fail to provide decent quantitative data to clearly show sample sizes, demographic distribution, resource, reference date of data, etc. It results in low reliability of their statements, while they actually try to use numbers to their benefit. For instance, it was mentioned in RF's report: *“There is a 30 per cent increase in companies started by newcomers!”* However, they did not share reference dates (i.e. from which year to which year), resource of the research, or information about whether refugees are included in the sample –as it is not the case in many other immigration statistics.

Legal challenges make it harder to sustain one's business as a refugee entrepreneur. Having a local co-founder helps in many ways, as explained in detail under Section 4.6.2. Central Relationship: Becoming co-founders. Looking at all the refugee entrepreneur interviews conducted for this research, I concluded that none of the REPs helps refugee entrepreneurs to find local co-founders. RF seems to have discovered the potential of collaboration between locals and refugee entrepreneurs, as they were planning to launch a new program that targets both local and refugee participants. It was not actualised yet when the interview was conducted. Therefore, finding co-founders who can be in the business for the long haul with refugee entrepreneurs, or those who can fully commit to their enterprise, is lacking at REPs' services. It also poses challenges for them since they have to find more external

business partners (coaches, mentors, consultants, etc.) to get a refugee's enterprise off the ground instead of having founding team members who could benefit them more and cost the REPs less.

During my participation in relevant REP events, I observed skills mismatch with some mentors and the refugee entrepreneurs assigned to them. When asked, Dutch REP Founder confirmed by saying:

“We have weird matches sometimes in terms of the expertise of the business coach. For example, some coaches [who are experienced] in high-tech and innovative businesses [are matched] with livelihood enterprises, as there are many refugee businesses with livelihood models.”

As the British REP Manager stated, *“Business leaders were initially eager to help, but then the migrants talked about their problems instead of discussing their business ideas. Business leaders backed off after that”*, working with vulnerable groups like refugees who typically have post-traumatic stress disorder and a hard time making ends meet, comes with additional challenges. Arguably, it is especially tough to handle for REP employees and partners who only have a business-related background and no previous experience in working with vulnerable groups.

Finally, it is a challenge to figure out the most effective way to measure how the participants' soft skills improve. This was repeated by all REP managers and representatives that were reached for this study. It seems that RF is the only REP that conducted surveys about soft skills improvement of their participants. Yet, they also do not have a well-developed tool. Hence, there is a need to develop scientific tools to measure REPs' impact from different dimensions.

6.4.4.6. Bias against REPs

Although most participant refugee entrepreneurs benefited from REPs and only spotted some inefficiencies or shortcomings, a few entrepreneurs stated that REPs are not effective at all. Some have even come to argue that REPs have different intentions in engaging with these activities. As mentioned earlier in Section 6.6. Social Environment, Dedicated Constructor made a very strong claim about the intention of some REP members (i.e. managers, employees, coaches) by arguing that they are only interested in government funding, they can get through the programme:

“Racism is very common. It exists among the people who support us. I know them. I know that they have this feeling. They are in this business to get money from the government. I don't feel good about it. They are lying. Some people don't care, but I care! I'm not comfortable with this.”

Additionally, E-commerce Genius argued that REPs are not really sensitive about understanding and serving refugees needs. He accused them for caring more about the publicity of their organisations:

“The problem is they want to help but do not understand the background of people. There is a big communication and cultural difference. Refugees work hard to integrate, but the other side has to understand the problem. Someone from Syria or an Arab country, for instance, would not tell or ask for help when there is a problem or say they do not know something because of the culture. These organisations are not aware of that. They worry more about the coverage. Once the coverage is there, they don't care about the details.”

Both refugee entrepreneurs might have a point in claiming that REPs care about publicity or securing funds. However, both are necessary for maximising the impact on refugee entrepreneurs' lives and businesses as well. REP management should make sure no one in their team prioritises these aspects as their primary motivation. Since these are claims about professionalism and sincerity of REPs, Dutch REP Founder noted the following:

“They (refugees) might have some prejudices against Dutch people, but those are probably true. Regarding RF, initially, they do not see us as a professional organisation as we are a non-governmental organisation, and they might have a point as we still have a lot to learn. We should not leave them neglected, but we should not do the work for them either; they should work hard and deliver... We are only here to support and help.”

It is reasonable to conclude that such judgments could have been caused either by participants' biased views about host societies or local community, which might have a valid point or by the inexperience of REPs, as they are mostly young organisations that try to adopt new concepts.

6.4.4.7. Impact of REPs

REPs seem to cover several needs of refugee entrepreneurs such as legal navigation, empowerment, livelihood generation and breaking social stigmas. How REPs claim they

make an impact through their services and how they measure these outcomes and impact, as well as how entrepreneurs perceive the impact that REPs make on their lives and businesses, is examined in this section.

According to the British REP Manager at TERN, they measure their impact in three categories: personal impact, economic impact and social impact. In terms of personal impact, they look at how refugee entrepreneurs improve their soft skills, how they become self-sufficient, and how their confidence and happiness levels change through participating in the programme. Looking at how they measure the economic impact, they evaluate the revenue generation, assets and customers of the businesses that are created via the programme. Finally, it is not specified how they work regarding measuring the social impact in their documents or their REP Manager's interview.

I also scrutinised if REPs have adopted any scientific measurements. TERN has been working with Loughborough University towards measuring their impact. Although they have not published the data and analysis yet, I observed at the summits and conferences I attended with TERN that their academic partner has been very active in questioning and understanding the impact, outcomes and pain points of TERN and other REPs around the world.

In the Netherlands, Dutch REP Founder highlighted that they measure the personal impact that their programme makes on the refugee entrepreneurs. In order to measure it, they assess how participants improve their soft skills and feel self-reliable, confident and content by becoming entrepreneurs via RF. In RF's perspective, personal impact is more critical than other impact categories in the long run. It can be concluded from the programme's perspective that they think economic and social impact also stem from personal impact. So, the development of a person leads to economic impact and the betterment of society. In terms of personal impact, RF measures the confidence levels of refugee entrepreneurs, their trust in the host society, and their sense of belonging to the community. These aspects could be considered under social impact as well, but RF's measures counted them under personal impact.

Furthermore, Dutch REP Founder stated that they measure the economic impact of their programme by evaluating the revenue generated by the businesses established through the programme, the assets they produce and the number of customers they have. They used the same indicators with TERN's economic impact indicators. Also, it is found based on their documents that both organisations emphasise the number and rate of businesses created

through their programme as a success indicator. For instance, more than half of RF's cohort has registered their businesses by the end of the programme in 2019. However, RF also considers the participants who picked alternative paths as successful outcomes of their programme, such as those who found a job or continued further education. They stated that these are indirect effects of the programme. They stated the following in their impact report 2018:

“Our programs and approach focus mostly on entrepreneurship. For those that through our programs find out that they are not ready to start their business at this phase of their career, we take an active stance in guiding them to paid employment or further education in order to improve their chances of economic empowerment and social integration.”

Therefore, the support provided through RF may lead the entrepreneur candidates to alternative career paths where they become economically better off or self-sufficient by finding a better job or educational opportunities. Accordingly, they measure these alternative paths as the positive economic impact made by RF. According to RF's impact report from 2018, they also collaborate with a university for improving their impact measurement methods like TERN does:

“Our impact methodology is done internally but in cooperation with the VU University and Maastricht University. Variables measured are: businesses started, jobs found (i.e. those who started working at waged jobs), education, government savings, economic improvement of participants, and job creation.”

In terms of the rate of businesses launched, RF aimed to have a 75 per cent success rate in 2020, and the goal had been 58 per cent in 2019. This rate is far less than the rate at conventional incubators. However, as their beneficiaries are unique in the way that their adaptation process is not only about becoming part of certain business networks and the entrepreneurship ecosystem but also becoming part of the host country and its society, they may have a tendency to reconsider other paths while attending REPs. In line with that, RF also mentioned that 37 out of 45 program participants (82 per cent) have a successful outflow. They defined successful outflow as becoming a full-time employee, full-time entrepreneur or full-time student. It is reasonable to argue that participants who managed to take other career paths should be evaluated as part of the impact measurement of REPs. Additionally, the following statement was submitted to GRE Summit 2019's policy guide notes by an anonymous REP representative:

“As refugees become confident and independent in this sense, they are more comfortable in their social interactions with the community in host countries. Also, refugee entrepreneurship programmes help refugees build a skill set that leads them to become a better fit for the labour market.”

This statement is in line with RF’s stance in considering the graduates who chose employment or education path in their successful outflow. It can be concluded that low rates of businesses started and participants who chose other career paths make it harder for REPs to find funding and financial support for their programmes. Conventional incubators or accelerators would not consider their participants who chose employment or education pathways as successful or worth organising an entrepreneurship programme for. However, as REPs usually state their aim as helping refugees become self-reliant or an integral part of the community, they can defend their point in counting participants who choose alternative paths in their successful outflow. On the other hand, they avoid reporting the number or rate of their participant entrepreneurs who managed to get investment from external bodies. RF only disclosed a “cumulative amount of investment”. It is not clear if that consists of program funding, funding for other expenses of the REP, or the funding raised for refugee enterprises launched via RF. REPs should be more open about sharing such quantitative data for potential investors, business partners, volunteers and refugee participants to gain insight into typical investment sizes for refugee ventures.

Interestingly, the German REP Manager mentioned that they do not measure the economic, social, or personal impact of their programme on refugee entrepreneurs. He said that they are planning to measure it for their cohort in 2019-2020 with a German university. However, no concrete steps were taken. Additionally, he said, *“I got a feeling that there is a massive benefit.”* This statement does not sound professional, especially considering how other REPs are doing in-depth analysis and measurement.

Based on the actual impact measures of the studied REPs and what participant entrepreneurs see as impactful, some impact measurement suggestions (e.g. new key performance indicators for REPs) are made in Section 8.6.2. Recommendations for Refugee Entrepreneurship Programmes. With this, the reflections of participant entrepreneurs on how REPs have impacted their lives and their enterprises are thoroughly discussed below.

It is worth looking at how participant refugee entrepreneurs think REPs affect their business model development, to begin with. Eight out of 13 participants who attended REPs said

they found REP helpful to develop their business model. As Fast Filmmaker specifically highlighted, this support is not just based on theory but also involves working on the business plan practically with their coaches, mentors and consultants at RF in the Netherlands. In Germany, Sociable Caterer highlighted that SINGA had a significant impact on his business in terms of how structured and realistic it is to become a sustainable venture. He mentioned the following in this regard:

“I have experience, but what's important is I always have a good idea for for-profit businesses. I'm not good at putting it into a structured plan to get it off the ground. So, I found SINGA to help me with that.”

Ten participants out of 13 (over three quarters) who attended REPs mentioned that their REP taught them about soft skills, such as marketing, design thinking, publicity, negotiating, and how to pitch an idea. Showing how these skills help one's enterprise, Sociable Caterer said:

“A REP helps you learn how to attract the audience and bring a new audience in, as customers or business partners to your enterprise.”

Moreover, six out of 13 participants who are REP participants said that the REP they attended has helped them to adapt to the business culture of the host country. These participants emphasised how they found themselves alienated as they were not familiar with the business culture. Getting to know the British, Dutch or German way of doing business through REPs' support has helped them to feel part of the society and confident in their entrepreneurial activities in the corresponding countries. Hence, this can be counted as part of the social impact and the personal impact of REPs.

Both REP managers that I interviewed in London and Amsterdam stressed that they believe their educational programs are valuable for entrepreneurs that have different skillsets, experiences and backgrounds, as TERN and RF provide them with an introduction to the entrepreneurial ecosystem and the local business culture in the sense of how to communicate and do business the British and Dutch way. This finding is in parallel with the participants' statements about REPs' support on business culture.

As several entrepreneurs highlighted in their interviews that they lack access to information and provision in the host country. Eight participants said their REP was helpful in terms of access to information, especially to information about regulations and legal issues. Only one entrepreneur from the sample, a REP participant in the Netherlands, complained that

the programme was not helpful to access information about regulations, and he struggled because of that. This service is relatively straightforward for the legal issues that can be overcome, and REPs must make sure their participants get the necessary support in this sense.

As a crucial factor for the sustainability and growth of businesses, access to finance is examined in terms of how REPs have influenced refugee entrepreneurs to reach financial resources. Only one participant noted that the REP he attended was helpful to find financial capital. His REP helped him apply for a grant, and he said this was a big step for him to become independent. On the other hand, 12 out of 13 entrepreneurs who participated in a REP mentioned that the REP was not helpful in providing financial support. On the optimistic side of the frame, Digital Housekeeper said she still believes they do everything they can do. Versatile Developer pointed out that REPs are more helpful for early-stage enterprises as they primarily provide business skills training and business plan support. However, entrepreneurs in growth stages need access to more advanced networking opportunities and financial support, which REPs do not provide. Arguably, lack of financial support is an important limitation in terms of the economic impact of REPs.

It is spotted at REN Summit 2020 that an investment company has just partnered with TERN for seed funding. They are introducing three models: equity investment, grants, and loans. They admitted that most entrepreneurs prefer grants and loans. However, such plans should be implemented and analysed to understand how introducing different types of funding opportunities may influence refugee enterprises' decisions and growth. Another solution for lack of access to financial support, as mentioned in Section 6.4.4.2. Services of REPs earlier, is that SINGA organises contests to provide finance for a limited number of enterprises due to the little funding they raised. It can be argued that this is an effective way to facilitate at least some entrepreneurs' access to financial support.

Finally, a REP representative who was also a participant of REN Summit 2020, raised an issue about the competition of refugee enterprises with native enterprises:

“Refugees mostly have local and micro-businesses, which makes them hard to compete with other entrepreneurs who mostly target global impact. Some investors compare them with social entrepreneurs by considering them under the same category. And social entrepreneurs who are the locals of a host country typically have more well-developed methodologies and tools that they can use to leverage their businesses and for proof of concept, unlike refugee entrepreneurs with limited

resources and lack of access to such tools or training to use such agencies, due to financial limitations.”

Hence, it is reasonable to conclude that there is a challenge of categorising refugee entrepreneurs correctly. In this sense, it can also be argued that refugee entrepreneurs experience the challenge of demonstrating proof of concept in order to receive investment due to the unique disadvantages they face.

It was not directly asked the participants if they think REP has a positive effect on their confidence level. However, two participants explicitly mentioned that they have become more confident by participating in a REP. In this context, Visionary Foodie noted the following:

“I always knew that I wanted to be an entrepreneur, but I lacked direction. I was this bird who didn't know how to fly, so they sort of like pushed me outside this nest i.e. my comfort zone. So that's where they played the major role.”

It is interesting to see Visionary Foodie has highlighted the personal development aspects of REP support, although she had already had good skills and resources in these aspects. Furthermore, Go-to HR Guy in London, as he emphasised, was always willing to get into a challenge for improving himself. He had an outgoing character but did not know how to approach relevant individuals and organisations to get support for his business ideas. However, with the help of TERN in London, his confidence and communication skills have improved remarkably. At the moment when the interview was conducted, he was believing he can do a lot and that is what he should concentrate on:

“Instead of being angry about what you can't change, focus on what you can do. I didn't have the skills and confidence before... What I have to tell, they listen to me. They gave me a platform. Being listened to and taking advice accordingly is great...”

It should be scrutinised if REPs have a remarkable impact on refugees' self-esteem, which affects the performance of their companies. It is found that only RF specifically highlighted this impact through their participants' lens. As mentioned in RF's impact report 2018, 80 per cent of their participant entrepreneurs (n=21) felt they were better able to work in a multicultural team after the program, and RF mentioned this result under the social impact section of their report. Additionally, 92 per cent have a better feeling of a positive future, while 75 per cent of their participants felt like they have become a more active member of

the community. These are positive contributions in terms of personal development as well as social coherence (i.e. integration) of refugees through entrepreneurship. Also, 90 per cent agreed that they had improved their ambition and motivation towards work, while 80 per cent believe that they are doing work that they find personally satisfying. Eighty per cent think they have received training that meets their needs through participating in RF. However, it is not illuminated what 20 per cent felt was missing. Considering the small sample of their programme, they could gain more insight into the feelings and needs of their participants through conducting in-depth interviews with them.

Furthermore, 90 per cent of RF's respondents have an improved feeling of confidence, while the rate is 80 per cent for those who have increased happiness levels. Finally, 80 per cent marked that they have an improved feeling of being part of the Dutch community, and they feel less isolated and more active. Interestingly, RF showed the same statistics in the consecutive year's impact report. Hence, they either did not conduct the same survey in the consecutive year, or they did not prefer to publicise it since the results are not as promising as they were in 2018. It also proves that their social impact methods have not been improved as they promised to work with a university towards adopting scientific methodology to measure their impact.

Nine entrepreneurs in my sample (69 per cent of those who are REP participants) mentioned that they found REPs helpful for network building with locals. For instance, Sociable Caterer said: *"You feel you're not only working in your circle, but you feel you increase your circle."* Also, Ambitious Chef noted: *"I was introduced to experts in the finance department, accounting department, designers... In six months, we learned a lot."* Training Master found his REP helpful in this sense as well. And he mentioned that he felt the need for network building as he was trying to set up his business before joining a REP in the Netherlands: *"As newcomers, our network is too limited... I need to get to know business managers, entrepreneurs, business-minded people. Luckily, REP was helpful for that."* Go-to HR Guy mentioned that TERN connected him with business experts in his field, which was very useful to set up his business. As mentioned earlier, Versatile Developer criticised REPs in the way that they do not provide networking opportunities at higher levels, which would benefit the refugee enterprises that are at later stages more effectively.

Another aspect highlighted by participants of REPs that they are helpful in testing and improving the products and services refugee entrepreneurs offers their customers. Five

entrepreneurs in the sample think that REP was helpful to test their product in reality. It is usually the case that they test them with the audience of their REP, which consists of native and immigrant business people, volunteers, sponsors, and officers. An interesting example is Trailblazer Caterer's startup kitchen, in which he does catering work as well as organising workshops and offering an industrial kitchen for his fellow refugee entrepreneurs. This kitchen makes it possible for other refugee entrepreneurs to test and improve their products. So, it is a solution provided by a refugee entrepreneur to other refugee entrepreneurs. Finally, Sociable Caterer specifically mentioned that REP's mentorship was extremely helpful in improving his enterprise's offerings:

“How you should allocate tasks to your team, how it can make more impact. Using business experts' know-how in a social organisation was amazing. Encouraging the private sector to contribute to social organisations, projects...”

The jobs created through a refugee enterprise are actually part of the economic outcomes of that enterprise. However, in the cases where a REP enables such enterprises, their job creation is also counted as the REP's effect in this study. Five entrepreneurs mentioned that the jobs they have created through their enterprise were possible due to a REP's support. More insight on job creation through refugee enterprises are shared in Section 7.2.2. Economic Outcomes of Refugee Enterprises.

Another pattern identified in the interview data is that three entrepreneurs who were participants of REPs complained that REPs are not helpful to find co-founders. Although this number may not be considered significant, it is interesting that this theme was repeated as I did not directly ask interviewees about this aspect. How other participants engage in entrepreneurship, as solo entrepreneurs, might also be considered as supporting evidence to this argument. In fact, 52 per cent of all interviewed entrepreneurs are solo entrepreneurs, while 9 out of 13 (69 per cent) of those who participated in REPs are solo entrepreneurs. It could have boosted the economic, social and personal impact of the programmes in different ways if REPs were facilitating connections for refugee entrepreneurs to find co-founders within and outside the programmes, targeting both the members of refugee and the local community.

Finally, the statements of two entrepreneurs who mentioned that REPs do not quite provide targeted and efficient solutions for refugees were thought-provoking. Firstly, E-commerce Genius asserted that REPs do not understand the background and culture of their participants and potential participants; therefore, they cannot tailor their solutions

accordingly. It is usually highlighted that REPs should introduce the host country culture to refugee entrepreneurs. However, if they do not immerse themselves into the culture of refugee entrepreneurs, their encouragement for integration will not be as efficient as expected.

Secondly, Persistent Trader said that REPs should tailor their solutions for different needs of refugee entrepreneurs. Even if refugees can meet some of their needs through the services that are part of the programmes, some should be able to explicitly benefit from the services they need instead of attending the whole incubation or training programme. This would also be more cost-effective for REPs. Besides, the missing needs should be realised by listening to the opinions of REP participants and alumni. Persistent Trader said the following in this sense:

“I don’t want to spend time in such training where they teach business, but I have to attend as it is part of the program I am accepted in. I need TERN for two things. First, how to do business like British people: The business culture is not like it is in Egypt. I really want to understand and learn it. The second one, financial support for my business.”

How the support providers (e.g. trainers, coaches, mentors, consultants) are affected by REPs’ activities is also an interesting aspect of the programmes’ impact. Remarkably, RF is the only REP that published survey results of their consultants. Other REPs either did not collect any feedback from their coaches or consultants, or they preferred not to publish them. According to RF’s survey with student consultants (n=25), all consultants felt that their capabilities have improved in terms of working in an intercultural and international environment. Besides, 84 per cent changed their perspective on refugees from “They need help” to “They have potential to help others”. Eighty-eight per cent of the consultants declared that they strongly believe refugees and immigrants can contribute to European society. Finally, 80 per cent asserted that they had a better understanding of Middle-Eastern cultures and values and a more positive view of different cultures by participating in the programme. These results might inspire other collaborative activities between the members of the local community and refugee community. Such activities evidently help change the perspectives of locals on refugees, creating bonds within the society and fulfilling the potential of the community through collaboration.

A remarkable finding of this study is that REP documents that are analysed widely emphasised personal improvement for social impact, integration and harmony. When it

comes to the impact of REPs, some documents highlight more of a social focus than economic focus whereas a representative from TERN stated:

“We have a responsibility to show that rather than being a crisis, the movement of refugees could revitalise economies, produce the next wave of business innovation and help people rebuild their lives both economically and socially.”

Therefore, it seems like the social and business aspect of REPs’ impact goes hand in hand. Some REPs are shifted towards social support, while some focus more on economic/business-development support. Yet, we can conclude that their image in the ecosystem is somewhat torn between being a social organisation and a business incubator. It makes it difficult to decide which side to highlight while communicating their impact to potential investors, government officials, NGOs and future beneficiaries. A distinction of focus should be made, or impact in all intended aspects should be supported with clear evidence to convince potential partners.

6.5. Business and Entrepreneurship Ecosystem

This section looks at how the business ecosystem and entrepreneurship ecosystem affect refugee entrepreneurs in the sense of how open these networks are, what kind of the barriers are in place, and whether there is a bias against refugees in the entrepreneurship ecosystems of the host countries. The current approach towards the inclusion of disadvantaged communities in host countries’ entrepreneurship ecosystem and how they affect refugee entrepreneurship are also examined. Business and Entrepreneurship Ecosystem is on the fifth level of the Pyramid of Refugee Entrepreneurship (Figure 3.4), found as the second last important component of the environmental dimension. Yet, it still has an important peripheral role in the development of refugee enterprises since the pattern stood out as one of the six key environmental factors.

Nine entrepreneurs in the sample explicitly said they found the business environment supportive in the host country they settled in. They all got support from local members of the society. This group consists of four entrepreneurs in the Netherlands, three entrepreneurs in the UK, and two entrepreneurs in Germany. Some entrepreneurs got support from the government, private- and public-sector organisations, as well as local individuals in the ecosystem. How these parties support refugee entrepreneurs are discussed in detail under Section 6.4. Entrepreneurship Support.

Adapting to the business culture of host countries requires some effort, talent, and guidance for refugees. DeepTech Inventor emphasised how Germany's business culture is different than Syria's and how Syrians find it easier to adapt to it by becoming entrepreneurs instead of working as an employee in a German company:

“German people like a stable life, salary... Syrian mentality has so much in conflict with the German mentality. I hear so many Syrians saying they cannot keep working like this, as an employee, forever. They want to start something up. That's because our culture is different.”

In the UK, Go-to HR Guy mentioned that he found the business culture and the welfare system in the opposite directions with Zimbabwe, his home country. DeepTech Inventor further highlighted that the industry and business ecosystem, in general, have a different approach to innovation in Germany:

“They are willing to pay huge amounts to buy a high-tech product, but they are not willing to improve it. They like bragging about their tech; they use the buzzwords like AI, ML etc. but they do not really adopt new technologies. They only invest in innovation and startups to run away from taxes. They are not interested in investing in the development of new technologies. [This is] the typical German mentality. Maybe it's because I work in a highly industrialised region where research is not seen as important.”

As we can interpret that the typical German mentality is resistant to investing in and improving new technologies, it is challenging for startup owners to fulfil their potential and create more scalable or disruptive innovations which can benefit the ecosystem, economy and society in the host country. It is specifically harder for refugee entrepreneurs since they are seemingly the least trusted by the investors and banks. It limits the innovativeness of refugee entrepreneurs like DeepTech Inventor, who is the only participant with a patent application. He managed to get support from industrial corporations only because he works in one of them as an engineer. Additionally, Ambitious Chef is the only entrepreneur in the sample who got accepted by a conventional incubator (not a refugee-specific one). Hence, we can argue that non-REP incubators and their networks in the entrepreneurship ecosystem mostly isolate refugee entrepreneurs.

As Education Guru explicitly said, understanding and adapting to the entrepreneurship ecosystem and business culture of the host countries is one of the unique challenges of immigrant and refugee entrepreneurs:

“We have similar challenges with other entrepreneurs apart from understanding the ecosystem and culture. It depends on the business model you want to adopt and the ecosystem you have to adapt to. Some challenges exist for specific sectors, though.”

This statement shows us that refugee entrepreneurs are aware of the need to adapt to the business culture of the host country. Specific sectors might have entry barriers in terms of accreditation, licence requirements and so forth, which are not unique for refugee entrepreneurs but in place for all entrepreneurs.

To understand how refugees may view the business culture of a host country, it is also worth looking at how they perceived the business culture in their home country and how it contrasts with the culture of the host country. In this context, Sociable Caterer said:

“My grandpa used to get rusty, scrap materials, screws etc. from Germany and restore or up-cycle them to sell them in Syria. He became a millionaire. It's part of our culture, our business mentality. But, the social pressure, corruption in the government, and authority of the mafia started preventing Syrians from starting up their own businesses. They confiscate businesses without any reason or legal explanation.”

Although many refugee entrepreneurs like him suggested that the entrepreneurial mindset has been the mainstream mindset as part of the business culture in their country of origin, they found that the business environment of the host country they settled in is more demanding in terms of trust and regulations for entrepreneurs. They also found less tolerance for illegal businesses in Europe, making it difficult to work around the regulations and get quick wins, but more secure as their legal businesses are less likely to be confiscated by illegal players in the sector.

Demonstrating how a refugee entrepreneur adapted to the business culture of a host country, Creative Publisher's comparison explains the cultural differences between his home country (Syria) and Germany as he perceived:

“No means no here; in our culture, if you say no, people get offended. Some people don't say no and still don't do the thing they promised. I learned not to make excuses. I learned to respect the time; people are very punctual. In my country, it's not ok to stop or fail. Here it is ok, you take time to digest things, and it is valuable.”

As a precious contribution, Crypto Nomad's experience shows that there are areas where refugee entrepreneurs or aspiring entrepreneurs remain invisible and do not get support even for accessing important events in the entrepreneurship ecosystem, let alone receiving direct business support. He reflected on his experience as follows:

“Joining events in the Netherlands is expensive. You have to pay to enter. Why is not there a refugee ticket or free ticket option for the disadvantaged, travel stipend, grants, etc.? Sometimes I had to save from my grocery money to attend events or to travel to the events. I was hungry and could only eat the free food they serve in the breaks. I was even using the social benefit money to attend startup competitions.”

As an entrepreneur who received 1.2 million Euros worth of investment after giving an extreme amount of effort, Crypto Nomad's experience indicates that many refugee entrepreneurs with similar talent and skills may have given up their aspirations due to being restrained by the lack of openness of the ecosystem. Thus, their potential remains unfulfilled.

6.6. Social Environment

This section discusses factors related to the social environment in the selected host countries affecting refugee entrepreneurship. Effects of the openness of the business environment, inclusiveness of the entrepreneurial ecosystem, and discrimination by institutions and wider society are examined based on the insight from the interviews conducted for this study. Social environment is located on the sixth and top level of the theoretical framework suggested by this study, Pyramid of Refugee Entrepreneurship (Figure 3.4). It is marked as the least critical component of the environmental dimension. Nonetheless, its role is still significant as it provides peripheral support for the growth of refugee businesses since it was identified as one of the six critical environmental factors.

As De Lange et al. (2020) suggested, refugee entrepreneurs' financial independence depends not only on their entrepreneurial skills and experience but also on the people they meet and cooperate with. Hence, the host countries' social environment must be accepting refugees and encouraging their participation in society as well as the economy. Investigating how the participants perceive the inclusivity and discrimination within the host society, I identified interesting views and experiences of refugees in different countries. Eleven entrepreneurs (almost half of the sample) have not ever felt discriminated against by the host society. In fact, they shared their positive experiences and perceptions

enthusiastically. For instance, Crypto Nomad reflects on the empathy and tolerance he witnessed in the Netherlands by stating the following:

“It's one of the most advantageous country and city for refugee entrepreneurs. Innovation starts from the Netherlands as dams, Bluetooth, etc. were also created and used here for the first time. I wouldn't choose another city or country. Also, everyone speaks the English language, that's number one. There is tolerance and understanding. Dutch people were refugees themselves – especially the Jewish community; there's a lot of bonding between these groups!”

Crypto Nomad's words also show that he appreciates the openness to innovation in the Netherlands, in contrast with DeepTech Inventor's complaint about the conservativeness and resistance against innovation in Germany. It is worth highlighting that three refugee entrepreneurs and a REP manager used “contacting in the same eye level” while talking about the inclusivity and understanding of the society in Germany. It was not mentioned by any of the participants in the Netherlands and the UK. It was very thought-provoking to identify and interpret this pattern. Although the participants used these words in a positive connotation, it was disturbing to feel that they are grateful for being treated “at the same level” as if this is not supposed to be the norm. Hence, it can be argued that the phrase indicates the acceptance of German society as refugees' superior. Therefore, refugee participants might have appreciated any level of empathy and approval, or even sympathy from German society, not expecting the acceptance and support they need and deserve as the new members of the same community.

Fast Filmmaker emphasised that he finds the society in the Netherlands quite inclusive even though he thinks integrating into a new community is challenging by nature:

“Imagine that you've always been green, now you're in an orange community, and it's not easy to turn orange... it takes time. But, I don't have any problem as a newcomer. No discrimination... If [Dutch] people meet me, they find my story interesting; they like it.”

To share an example from the UK, Ambitious Chef highlighted how he felt that his voice is heard in the social and business environment. It can be concluded that his expressions reflect his worry to be discriminated against because he is a Muslim:

“I haven't experienced any discrimination about my religion. Because London is an open city, a city of freedom... When you speak to the people, they listen, that is

very good. When I speak to a business partner or someone with a successful business, they are always ready to listen. I never felt discriminated.”

Furthermore, Persistent Trader’s statement shows us that the diversity and acceptance in the host country help newcomers feel like an insider, blending in the society quickly: *“The people, they respect our religion they respect all religions. I don’t feel like a foreigner. I think the UK is the number one country in Europe in this sense.”* Education Guru also said he never felt socially discriminated in Germany. However, he does not think that is because of the open-mindedness of the society but because his religion or race is not easily recognised by his look:

“Discrimination might be a problem for hijabis (those who wear a headscarf); you might face some attitude. But they don't know me, they think I'm Spanish or French.”

Training Master’s views are very positive about the entrepreneurship ecosystem in the Netherlands, contrary to the common view about the openness of the job market. He pointed out the refugees’ take in the integration process both in business and social environment:

“Dutch people and business environment are very open for newcomers. The newcomers should be open and have a business mindset. Newcomers have to be open and do their own part of the process... take steps towards the community.”

Digital Housekeeper felt that she would not have experienced discrimination if she would know the social codes, the culture, etc. Arguably, this mentality leads abused refugees to take on too much responsibility while justifying the abuse and tolerating the abuser. Digital Housekeeper believes her entrepreneurial activities taught her a lot and helped her to overcome discrimination:

“I have experienced discrimination as I didn't have any parent to teach me how to behave. People were being rude to me, abusing me verbally... Intuition, how to do business, British culture, communication... I learned all these through entrepreneurship.”

Twelve participants (nearly half of the sample) confirmed that they felt socially discriminated in the host country. For instance, Artistic Caterer stated that officials forwarded his requests for business-related support to some organisations providing language and cultural support instead of business support organisations in the Netherlands.

While he was making business proposals, his assigned mentor from a REP told him to learn Dutch first. Regarding the subtle discrimination that he has faced, he said it was also disturbingly obvious by the body language and voice of the person that discriminates against him. Biased approaches towards aspiring refugee entrepreneurs arguably restrict them to fulfil their potential, as they may result in limiting refugees' integration into the country only on a social level, or not even achieving that, while it would be possible to support their economic integration and economic contributions beyond self-sufficiency through supporting their business proposals.

German REP manager admitted that the language barriers and linguistic nationalism in Germany cause structural problems but not legal ones. Even the idea of providing entrepreneurial training in a foreign language (i.e. Arabic) to fast-track some promising business ideas or to get the well-developed products of high-skilled refugee entrepreneurs ready for market raised some eyebrows. German REP explained the situation with disappointment:

“Germany is different in terms of language barriers. Most refugees speak English, and that must be enough in the Netherlands and UK. So, let me do it [have the training] in Arabic while they learn the [German] language in a school or an organisation. There are many out there, and they serve refugees. But it's impossible to get funding for an incubator whose activities are in Arabic. You can't even talk about this in Germany; people go crazy.”

DeepTech Inventor, as an engineer working both as an employee at an esteemed automobile company and as an entrepreneur, explained how he felt that foreigners and especially refugees in Germany are looked down on:

“In everyday life, it always happens. Their expectation about a Syrian or a refugee is very low. If you speak German, they are like ‘Oh, that's very good.’, while you're actually an engineer working at Porsche. I think it is not only about us. It is about all foreigners. In our company, the assumption is that a German employee is more talented or qualified or worthy than a foreigner until you prove otherwise. You have the same looks, style, job, etc. but it's translated differently when you're a foreigner.”

German REP manager also noted that local German citizens have a stereotypical view of refugee enterprises, assuming they can only be livelihood or small-scale businesses. In this sense, he said the following:

“People think like oh it's a refugee, so his/her business must be a falafel place or a cleaning business. That's also fine, but their imagination is beyond that.”

Looking at the scope of institutional discrimination that the participants perceive, seven entrepreneurs and one REP manager highlighted that refugee entrepreneurs feel the hardship in finding investment is related to a lack of trust and credibility for refugees by local citizens. Persistent Trader, who actually noted very positive views about the host society, also experienced systemic discrimination as he felt unseen and untrusted by the institutions which could provide loans for him to grow his business:

“They should trust that if they give this loan, we (refugees) will not use it for something else. We will use it for our business. They can come and see my shop! No, they don't give me one penny.”

Some contradicting statements are also remarked during the interviews. For example, Peacemaker Educator had said he did not experience discrimination in the host country in the first place. However, he then noted that he feels refugees are not treated like they are part of society. Although Education Guru also had initially mentioned that he did not face any discrimination, he talked about his systemic discrimination experience after probing him to reflect on his experience with governmental and financial institutions. Therefore, some refugees arguably may not be aware that what they experience is discrimination when the institutions do it instead of individuals. It might also be due to the urge to ignore they have been discriminated against when someone directly asks them. Still, they unintentionally reveal the range of feelings they have about the host community while casually talking about other experiences they had. Knowing their rights and standing up for them is critical for refugees in this context.

Many refugees shared that they felt discriminated against by the host society. Accordingly, I also observed that some refugees think that REPs' support provided by local/native members of the society is hypocritical. This might have led to fewer refugees trusting and attending REPs. Hence, REPs' support might have remained less effective than how it could potentially be. In this regard, Dedicated Constructor noted the following:

“Racism is very common. It also exists among the people who support us. I know them. I know that they have this feeling. They are in this business to get money from the government. I don't feel good about it. They are lying. Some people don't care, but I care! I'm not comfortable with this. I can read people very well. I can see that they look hateful... Once someone pushed me in the underground on purpose!”

Some participants believe they can make a change by working harder to build a good reputation. Some mentioned they feel hopeless in the sense of not being able to change society's opinion no matter what and not being empowered by the people in their host country. Education Guru emphasised that having a German co-founder helped his business to overcome social barriers, paving the way to establishing collaborations in the country and across Europe. It was helpful to show a German name in the founding team and have someone who speaks German natively for building trust among business partners, officials, investors, and customers. Education Guru explained the situation by stating the following:

“It was very helpful. All paperwork in Germany is in German, and even he struggles to understand it. Even having his name in the company was helpful. Without him, it'd be a much smaller business. We have to accept it. In Germany, a company opened by a Syrian guy is something and a company opened by a Syrian guy, and a big German name is something else... We decided that all certificates will be signed by him too.”

Visionary Foodie suggested refugees' lack of access to information and provision as structural discrimination. We can argue that this issue is also linked with the social environment as civil society's support and involvement could overcome it. Additionally, Visionary Foodie pointed out that the ambiguous situation of asylum seekers leaves them isolated from the host society. As they are not allowed to work somewhere or leave detention centres in most cases, they cannot work towards building a customer base, networking, or understanding the culture, which could be helpful for them to get their business off the ground in a much easier way once they are granted legal status.

6.7. Country Comparison

This section is dedicated to discussing the differences and similarities of the selected countries for this study. Most of the points were explained in relevant sections of this chapter, as the country conditions are examined under the environmental dimension. Although some comparative analyses were shared about the countries' conditions regarding each factor identified in the previous sections, it is vital to clearly and separately demonstrate how the theoretical framework explains the situation in the selected countries about refugee entrepreneurship.

In order to show the holistic picture and develop an understanding on the complex social and economic systems affecting the entrepreneurial activities of refugees, I use the

theoretical framework that I built as part of this study for the assessment of the environmental factors in the countries. A seven-point scale is used for making the assessment easier to comprehend (1: Extremely unsuitable, 2: Highly unsuitable, 3: Unsuitable, 4: Moderately suitable, 5: Suitable, 6: Highly suitable, 7: Extremely suitable) and colour coded as seen in Figure 6.2. The six environmental factors forming the environmental dimension of the Pyramid of Refugee Entrepreneurship are assessed based on the qualitative data collected in three countries. The demonstration of the country comparison can be found in Figure 6.2. As seen in the diagram, it would be oversimplifying to conclude that a country is suitable for refugee entrepreneurs or has an empowering environment overall for refugee entrepreneurs. The combination of all identified factors is important to see how refugee entrepreneurship is enabled in these countries.

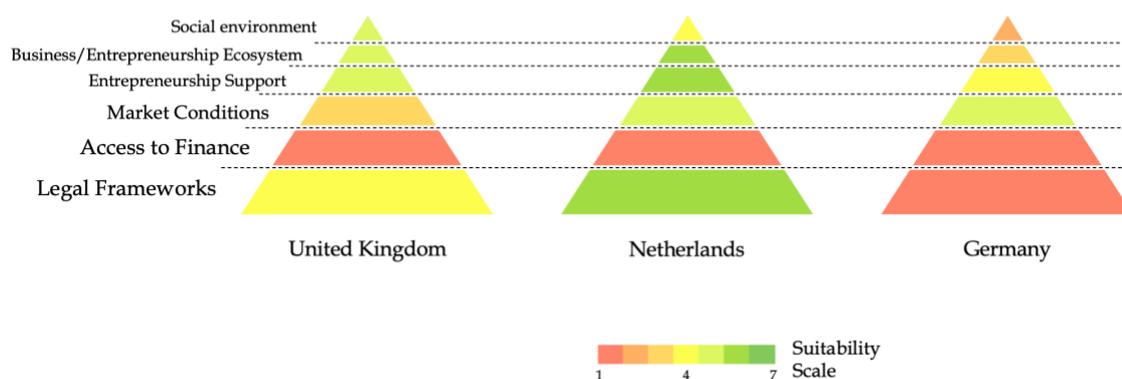


Figure 6.2 Environmental Dimension of the framework (Pyramid of Refugee Entrepreneurship): Country Assessments

To start with the legal frameworks, Netherlands is found to be the most suitable and open for refugee entrepreneurship. In fact, this aspect is not only examined in terms of the business-related processes but also in terms of the asylum processes. During the fieldwork, it has found that the legal frameworks and processes in the Netherlands is the fastest and the most straightforward among the three selected countries. Almost all participants received their refugee status in a few months, apart from a few exceptions, which were examined in detail in the legal frameworks section. In the UK, although registering a business as a refugee entrepreneur is almost as easy as the Netherlands, especially the asylum processes are slower. And since refugees are not allowed to work and they do not have the flexibility to seek for opportunities during their asylum process, the speed of the

legal structures affect their entrepreneurship. Hence, we can say that UK is less suitable in terms of the legal frameworks.

Finally, there is a lot of room for improvement in legal frameworks to make them suitable for refugee entrepreneurs in Germany. Both the asylum process and business-related legal processes are very slow compared to the UK and Netherlands and there are additional requirements such as proof of profitability of the business model and evidence on the ability of the refugee to sustain their life through the company. These regulations probably aim to ensure that refugees will be able to fully integrate to the economy through entrepreneurship. However, by the nature of entrepreneurship and refugees, lots of details that Germany requires remain uncertain, especially at the starting up stage. More flexibility will be beneficial for both the country and the refugees.

Looking at the access to finance factor, all three countries are found to be extremely unsuitable for refugee entrepreneurs. There are not tailored solutions for their access to financial resources and the formal financial institutions are not open for refugees even for opening bank accounts, excluding them from various opportunities because of their immigration background. The highest amount of investment for refugee enterprises in the sample are provided in the Netherlands (See Section 6.2 and Appendix B), and there are a few refugees in each country who received external funding. However, these are exceptional cases even in this qualitative study. There is an urgent need in all three countries for improving access to finance for refugees to be able to sustain and grow their businesses and integrate into the economy.

The third most important factor identified during this study was market conditions. Looking at how these conditions vary in the selected countries; we see that Germany and Netherlands have suitable market conditions (5 points in the seven-point scale) for refugee entrepreneurs to find themselves a space where they can serve customers and create sustainable business plans. However, the market conditions in the UK seem less suitable for them considering the majority of enterprises examined in the country are active in the food sector. Although this concentration does not necessarily mean they mostly have livelihood businesses, it indicates that there are less diversified business opportunities in the market. Also, it is worth highlighting that six out of seven refugee enterprises examined in Germany have digitized the business processes of their companies. This result shows that digitization is the norm in the markets they are active in, and that they were able to adapt to the trend. Therefore, market conditions (i.e. digitization) made it possible for them

to develop their business models accordingly in Germany. Whereas, the figure is four out of nine companies in the Netherlands and three out of nine companies in the UK.

The patterns about entrepreneurship support show that mainly the public sector and private sector are effective in providing support for refugee entrepreneurs in the selected countries. Some entrepreneurs in Germany have collaborated with public sector organizations and few entrepreneurs in both the Netherlands and the UK have benefited from free legal support or other forms of institutional support. In terms of the support provided by incubators backed by private sector (REPs), the organizations have quite similar business models in all three countries (See Section 6.4. for more details). It looks like that the REPS are better developed in the Netherlands as they provide more in-depth support and there are more organizations with different services covering various aspects of refugee entrepreneurship. Specifically, the examined REP initially focused on business ideas and then started to accept highly motivated refugees even if they do not have an idea yet.

Instead of only focusing on meeting refugees' needs as they expressed, as the REP in the UK claims to be a community-based approach, the approach of the REP in the Netherlands has more potential to create exponential impact by prioritizing the skills and motivations of refugees first. Yet, both the REPs in Netherlands and the UK prioritize serving the community with slightly different approaches. In this regard, it was interesting to see that the investigated REP in Germany prioritizes and focuses on having innovative business models only. Although the strategy might be effective for the benefit of the country and the organization, it is actually limiting for refugees considering their common needs and skill sets. Just because a proposed business model is not innovative, it does not mean it cannot integrate a refugee to the economy and society of the host country, which is the urgent need to be served especially in the European context. Accordingly, the entrepreneurship support in Germany is found to be moderately good for refugee entrepreneurs, while it is suitable in the UK and highly suitable in the Netherlands.

Openness of the business/entrepreneurship ecosystem is crucial for refugee entrepreneurs' integration into the business environment in host countries. For instance, in the UK, one of the refugee participants managed to get into a conventional incubator. And, the REP that is investigated in the UK is financially supported by a hedge fund. However, in the Netherlands, majority of the participants and the practitioners highlighted that the country's approach to immigrant and refugee businesses and the economy in general have been always open and flexible for innovation and newcomers. Since this is not a new practice

for them, the processes in the ecosystem are smooth, and relationships are less biased. Also, it is claimed that Brexit will benefit the ecosystem in the Netherlands since more enterprises will move and start being active in the Netherlands. On the other hand, in Germany, resistance against innovation and bias against foreigners in the business ecosystem are detected. As stated by the participants and found in the documents that are analysed, the country is slower to adapt to innovation and socio-economic changes. Yet it was interesting to find out that the REP that is examined in Germany prioritizes supporting innovative business models. It might be that the practitioners noticed the weakness of the country in this aspect and aimed to improve the ecosystem for refugee entrepreneurs in this sense, however, we can conclude that the overall ecosystem is poor and not favourable for refugee entrepreneurs.

The social environment is the final element addressed in the environmental dimension, and it is the least significant of the six factors. The UK is the most promising country in this regard, since almost all participants emphasized the society's acceptance and openness in terms of personal connections, customers, and business partners from the local community, etc. In comparison to the Netherlands and Germany, it appears as though British society is more welcoming to refugees and immigrants. However, three out of nine respondents in the United Kingdom stated that they have encountered discrimination. As a result, the UK's social environment is rated as highly suitable but not excellent for refugee entrepreneurs. Strikingly, five out of seven participants in Germany stated that they faced discrimination. This is a very concerning situation, as all participants in Germany expressed frustration over how society treats them, including bias against their abilities and talents ranging from language skills to business experience. Although the majority of participants in the Netherlands stated that they feel the society to be relatively inclusive, it is discovered that some participants have suffered from discrimination. For example, they were referred to language classes rather than business support programs, and their funding requests were declined due to lack of trust. Four out of nine participants in the Netherlands reported being discriminated against. As a result, the country is deemed to be moderately favourable for refugee entrepreneurs in terms of social environment.

The framework was immensely helpful in portraying the holistic picture of the situations in the study's selected host countries. Finally, it is determined that these European countries have both strengths and weaknesses in terms of the inclusivity of the business environment and social environment for refugee entrepreneurs. In summary, we may say

that Germany's environmental dimension still has a lot more space for improvement. There are further barriers preventing refugee entrepreneurs from fully participating in the country's business ecosystem and society. Furthermore, we can argue that the Netherlands generally provides more favourable conditions for refugee entrepreneurs. However, the access to finance factor, in particular, has to be significantly improved. Finally, the UK is quite inclusive in terms of the wider business ecosystem and society. However, legal and market systems should be improved to better accommodate refugee entrepreneurs. Considering the variables in order of significance, it is critical to improve the legal frameworks in Europe in general. The Pyramid of Refugee Entrepreneurs model can be applied to various countries and cities to illuminate the interplay of the factors affecting refugee entrepreneurs.

7. ENTREPRENEURIAL DEVELOPMENT AND OUTCOMES OF REFUGEE ENTERPRISES

In this chapter, I evaluated the progress and outcomes of refugee-owned enterprises based on the common and distinctive characteristics of the participant entrepreneurs. Accordingly, I analysed the effects of differences in their characteristics on their performances. The analysis is the answer to the third and last research question of the study. This aspect is not included in the theoretical framework built in the light of this study's findings, since these outcomes are considered as the result of the interplay of individual and environmental factors as well as the entrepreneurial motivations affecting the entrepreneurial activities of refugees. The interplay of the mentioned factors is discussed under the first two research questions (Chapters 4-6). This chapter illuminates both the realized and untapped potential of refugee enterprises, highlighting the importance of supporting and trusting refugees' entrepreneurial efforts.

7.1. Progress of Refugee Enterprises

I examined which stages (i.e. early stage, growth stage, late stage) the refugee enterprises are at and what affected them until they reach those stages in the host country. I also analysed their performances by comparing their characteristics. I defined each stage during the research as relevant patterns emerged and three distinctive groups are formed. Those who are still developing their products and very close to have their minimum viable product (MVP), or those who have just developed their MVP, are categorised in the early stage. Five enterprises in the sample are at the early stage. Three of them are in the UK, while two of them are in Germany. Some of these are underdeveloped companies in terms of the quality of the idea, while others are just in progress. Namely, Digital Housekeeper and Go-to HR Guy are trying to develop their platforms. However, they make slow progress and need technological know-how or additional human resources to develop their platforms fully. Despite having a unique selling point (USP), each business plan is not as well-developed as the other three enterprises in terms of quality. Both entrepreneurs became refugees several years ago, while the other three entrepreneurs at the early stage have become refugees during the European Refugee situation.

The other three enterprises, which are at the early stage, have strong USPs, a ready-to-launch MVP, and promising business plans and know-how about the technology that is used in order to build their MVP. It can be concluded that proximity of the migration year positively affects choosing the business model and sector more realistically –matching

one's skills and capabilities– to have quick wins, as the newly-arrived refugees may consider entrepreneurship as an escape plan from unemployment or underemployment. In contrast, earlier refugees might have got used to the situation or missed the education-, and technology-related opportunities to keep up with recent trends and demand in the market.

The enterprises categorised under the growth stage have a well-developed MVP, a growing customer base, a self-sustaining business model which passed break-even point –makes a profit, and have an expansion plan in terms of customer segment, product/service line, human resources, location, or the economic value of the company. Some entrepreneurs at this stage have received external funding while most of them bootstrapped their way to a profitable business. In total, there are 13 enterprises at the growth stage, six of which are REP participants and seven have not joined a REP at any point. 11 out of 13 enterprises who have joined REPs are at the growth stage or late stage. This is a remarkable number that can be considered as evidence that shows REPs are helpful to leverage refugee businesses effectively. It seems like there is room for growth for the businesses that are at the growth stage in host countries, which keeps the founders enthusiastic and motivated to work harder.

There are seven enterprises at the late stage, five of which are REP participants, and two are outside REPs. Four of the enterprises at the late stage are in the Netherlands, two of them are in Germany, while only one of them is in the UK. The one in the UK is founded by Pizza Maestro, who has become a refugee several years ago, unlike the rest of the entrepreneurs in the same category. He successfully exited his pizza company by selling it to a well-known pizza chain in the UK. The rest of the companies at the late stage are not necessarily better off than those at the growth stage. However, they are matured enough – in their founders' perspective, not to need to be expanded in any way listed in the last paragraph. The entrepreneurs who have their companies at the late stage appear to be satisfied with the income level and the scope they reached through their business. It can be argued that most of them are not courageous enough to think bigger in terms of their capabilities and the potential of their business. This might be due to them having the vision of a livelihood/traditional business when they started developing their business.

Finally, it is worth mentioning that most refugee enterprises are micro-enterprises, even though there are a few exceptional cases like Pizza Maestro, who have sold his pizza shop branches to a pizza chain and Crypto Nomad, who received 1.2 million euros of investment. This is the case beyond the sample of this study, as it is observed on the ground. In this

context, Kachkar (2019) found that refugees' micro-enterprises benefit main stakeholders in many ways, such as posing less burden for relief agencies and donors, creating more job opportunities, and contributing to the economy in host countries. Yet, these effects would be potentially boosted if there were more opportunities for refugees who run micro-enterprises to expand their businesses.

7.2. Outcomes of Refugee Enterprises

7.2.1. Personal Outcomes of Refugee Enterprises

I investigated the outcomes of refugees' entrepreneurial activities on an individual level, such as if and how they improve their business skills, how they get accustomed to the business culture, if they improve their self-esteem to become an integral part of the entrepreneurship ecosystem along with the factors affecting these outcomes. I also included psychological aspects such as feeling happy and valuable through entrepreneurship in the discussion.

Luthans and Youssef (2004) identified four basic elements of psychological capital for enterprises as confidence, hope, optimism and resilience, while "confidence, social interaction and language skills" are proxies for integration. Therefore, personal development through entrepreneurship has social effects too. Kone et al.'s (2019) study is striking in this sense since they found that the effects of post-arrival conditions, such as being isolated from the society and being excluded from the job market, are as critical as the effects of pre-arrival conditions on refugees' wellbeing.

Looking at the results from my fieldwork, I realised that refugee entrepreneurs had improved and transformed themselves through their entrepreneurial journey as well as their refugee journey. Confidence is a strong pattern in this sense, as four entrepreneurs mentioned that they have grown in confidence while engaging in entrepreneurial activities. As an outstanding example, Digital Housekeeper talked about her improvement as follows:

"I was always stuck. Then, I discovered a whole new world via entrepreneurship. The more I socialise and network, the more people I know, the more I understand and accept differences. I had experienced discrimination as I did not have any parent to teach me how to behave. People were being rude to me, abusing me verbally... Intuition, how to do business, British culture, communication... I learned all these through entrepreneurship."

Some also expressed feelings of accomplishment, self-realisation and personal development. Ambitious Chef's words reflect both confidence and feeling of accomplishment: *"I am happy with my situation as the owner of the first Uzbek street food business in London. And, I am successful."* Six entrepreneurs mentioned that they feel better through their entrepreneurship experience. Four entrepreneurs stated that entrepreneurship helped their way out of depression. Persistent Trader, who suffered from depression and attempted suicide twice, said: *"I have to be busy in order not to feel depressed."* Thus, engaging in entrepreneurial activities helped him to recover, according to his statement.

Resilience, which is commonly attributed to refugees, is a critical factor in personal development and psychological wellbeing. Research has found that a significant number of people who have faced disastrous events maintain their positivity instead of showing emotional dysfunction (Bonanno, 2005). Hence, experiencing adversity might contribute to one's personal development in terms of their psychological and social health. According to Shepherd et al. (2020), entrepreneurial activities also have a major role in building resilience for refugees. They also found that refugees who live outside the camps achieve higher levels of resilience. It can be concluded from the insight gained from our fieldwork and these studies that urban refugees (who live in cities, outside the camps) are typically more resilient, and thus, willing to take on the risks and challenges of becoming an entrepreneur. Additionally, they improve their resilience, psychological wellbeing, optimism, problem-solving skills, and feeling of belonging, as Shepherd et al. (2020) suggested. The last one was also identified in RF's impact reports as a significantly improved personal quality of refugee entrepreneurs.

Furthermore, Trailblazer Caterer revealed that his positive feelings stem from the idea that his business can promote diversity and change people's ideas and experiences about refugees:

"I am cooking for elderly Dutch people. If I change the mind of one person, it is more than enough, I am the happiest. Because it might lead to 'change', the butterfly effect. I think food is a good way to introduce your culture... It promotes diversity, works as an ice breaker."

He also emphasised the importance of personal effects of becoming an entrepreneur for him by stating: *"Contributions to myself before the country!"* In line with his thoughts, Peacemaker Educator also expressed that he values entrepreneurship experience in terms

of personal outcomes: *“The experience I got through my startup is worth more than money.”*

Before feeling better and productive through entrepreneurship, many participant entrepreneurs have gone through difficulties, mainly about remaining isolated and idle during their asylum-seeking process. DeepTech Inventor pointed out the problem by stating the following:

“It took five months for me to get my visa. I was an asylum seeker but then got a student visa. And it was very depressing. You have nothing to do. You are surrounded by old people...”

Arguably, waiting passively in an isolated environment for their asylum decision to be made is more difficult for young refugees who are typically more enthusiastic and motivated to start a new life, to learn, to socialise and to work with the members of the host society. In this context, 10 out of 25 entrepreneurs in the sample said that they exploited the asylum process for their personal development, even though they were not able to work at a waged job or as self-employed. They used their time to learn the country’s language or other skills which might help them to start up their company, to do research, or to develop their business model and products. This is a remarkable pattern that is not discussed by scholars in the existing refugee entrepreneurship literature. It is interpreted as refugees’ demonstration of a significant entrepreneurial trait, namely “seeking opportunities”. On a side note, if REPs or investors would like to investigate a refugee candidate’s entrepreneurial traits, they might consider looking at how they spent their asylum process. To share a few examples, Persistent Trader, as an experienced entrepreneur who wanted to set up a business in the UK from day one, has done market research during his asylum process:

“When I was waiting for the asylum process... I had nothing to do, and I searched about the industry. I learned everything about the market here. Street markets, wholesale market, supermarkets, everything!”

Four entrepreneurs specifically mentioned that they used the process for language learning. Four entrepreneurs volunteered in the camp, and this experience helped them make social connections that were useful later on in their life in the host country. Six entrepreneurs have learned new skills, especially improved their technological know-how, to use during their entrepreneurial journey. The topics they mentioned are cryptocurrencies, coding, graphic

design, data privacy and software as a service. Versatile Developer, who learned coding and graphic design during the process, said that these skills were both helpful for him to find a job and equip him for necessary skills to establish his business. Additionally, the coding school allowed him to find his co-founders.

Crypto Nomad learned Dutch, volunteered in the camp and learned about blockchain technology during his asylum process, which became fundamental to his startup. The empathy and ambition in his words are astonishing:

“By the time I started complaining about being stuck in the asylum process, there was a huge new influx, and after I saw people who came to Europe by the things, I felt ashamed and felt like I should do something. Work, produce, make a change... If everyone has the ambition, will and power, we would not have the problems we have now. We were excited to change the world, and that is how we achieved to make a change.”

Furthermore, Shipment Innovator complained about how other refugees were “being lazy” in contrast with him –and other refugee entrepreneurs in our sample, during the asylum process: *“People in the centre (asylum seekers) were playing computer games and sleeping all day. I started an online postgraduate degree, learned a language, etc.”* Likewise, Creative Publisher said: *“A lot of Syrians don't care, they just sit in the corner and don't work. It'll be bad for them.”*

How refugees spend their time in the camps or during the asylum process is contingent on their personal efforts. As they have nothing but plenty of time during that process, it would be very constructive if the government institutions or non-governmental organisations provide training programmes that would prepare them for engaging in economic activities in the host country when they get the refugee status. Some training and volunteering opportunities for asylum seekers in each country are identified in the sample (e.g. REDI Coding School in Germany), but those are not aimed toward their economic self-sufficiency. After they get the refugee status, they can join other support mechanisms that support their economic integration. Yet, it often gets too late, and long waiting periods cause economic and psychological struggles. Hence, REPs should accept asylum seekers to their activities (only RF accepts asylum seekers who can prove they are very close to getting their legal status), or tailored programmes should be set up for them.

7.2.2. Economic Outcomes of Refugee Enterprises

In this section, I examined how refugee entrepreneurs generate income and create jobs for others and how they contribute to the economy and business environment of the host country by paying taxes and causing government savings. In addition to the impact of refugee entrepreneurship on the country level, I also demonstrated the effect on their economic conditions on an individual level. For instance, I discussed becoming self-sufficient, not depending on social benefits, and other economic outcomes on an individual level.

Although there is a significant lack of quantitative data regarding the impact of refugees to host country economies, I used general immigration data as a reference point by the UK government signposting that refugees may also make, or have made similar contributions. It is worth mentioning relevant statistics before discussing the economic outcomes aspect of the findings of this research. According to Kairos Europe's report (2017), the immigrants from Europe since 2000 have contributed more than 20 billion pounds to the UK economy between 2000 and 2011. Similarly, non-European immigrants' contribution to the country over the same period was also positive, adding up to five billion euros in total. On the other hand, the net fiscal contribution of local/native citizens of the UK was negative, which was about 617 billion pounds. Furthermore, immigrants who arrived since 2000 are found to be 43 per cent less likely than locals to receive social benefits or tax credits, and 7 per cent less likely to live in social housing (Kairos Europe, 2017). The education of immigrants, who have arrived since 2000 and joined the labour market in the UK that has been paid in their countries of origin saved the UK 6.8 billion pounds of education budget between 2000 and 2011. Finally, immigrants have saved an additional 8.5 billion to the UK taxpayer (Kairos Europe, 2017).

The above-mentioned economic savings are remarkable contributions of immigrants to a host country. Although there is no breakdown of such quantitative data for refugees, these figures can give us an idea of how they might also contribute to host countries considering the great number of adults, who had arrived in Europe since 2014 when the European Refugee situation started, had received the education or training they need to be able to economically integrate into a host country by joining the labour market or starting up a business.

Another remarkable finding that should also be kept in mind while assessing the potential of refugee enterprises is Cortes' study (2004). By comparing the outcomes of refugees' and

economic immigrants' companies in the US, they found that refugees started a bit behind (by making six per cent less profit and clocking 14 per cent less working hours than economic immigrants) as entrepreneurs. However, they have overperformed economic immigrants in 10 years, by 1990, as it is revealed that they worked four per cent more hours than economic immigrants and started to make 20 per cent more profit on average. Hence, entrepreneurship is not only helping refugees to find an alternative path to employment and self-sufficiency but also may lead them to become economically better off than more advantaged immigrants.

RF revealed that 75 per cent of Syrian refugees, who have arrived in the Netherlands between 2013 and 2015, were still on social benefits in 2019 (RF, 2019). Therefore, it is inevitable that the primary concern of aspiring refugee entrepreneurs would be reaching self-sufficiency. Validating that argument, an entrepreneur who is a participant of a REP in the Netherlands stated:

“The team and I have one goal, which is to achieve a sustainable business that will allow us to be self-sufficient in the near future.”

All participants of this study have reached self-sufficiency through entrepreneurship. Hence, it can be concluded that they started by generating income; then, they became self-sufficient after reaching the break-even point; afterwards, they started generating profit. Yet, I did not collect any quantitative data about how much they profit through their entrepreneurial activities during the fieldwork. Most entrepreneurs seem to hesitate to disclose this information during the small talks we had before the interviews. Some of them mentioned that they feel like they are judged and expected to contribute to the country only in a materialistic manner; thus, I decided not to ask them how much money they make.

Another economic outcome of refugee entrepreneurship is job creation for locals/natives and other refugees. Twelve participants in the sample (48 per cent) have recruited employees; therefore, they created jobs for others in the host country they settled in. Ott (2013) found that 3,000 refugees who get entrepreneurial training and mentorship have created jobs for over 1,000 people in the US. It is a similar figure to what we found within the sample of our study. To gain more insight into the phenomenon, looking at some examples from the sample can be helpful. For example, Ambitious Chef hired employees who serve food and handle the operations, logistics and accounting tasks of his business, as he has a team of five. Training Master highlighted the impact of creating jobs for refugees through his business by stating the following:

“They start working and stop getting welfare. This is saving for the government. When we train and hire those people, they earn income, and the government does not pay benefits anymore!”

Moreover, Digital Housekeeper believes that providing jobs for people in vulnerable groups is invaluable for especially someone who has been in their shoes:

“I am recruiting and empowering refugees, single parents, and those who cannot find a job for a long time. I was a single refugee parent. When I first came here, I didn't have a direction, these people need a direction, and I'll give them that. Without the direction, people get lost, and that's when drug, violence and abuse come to the scene.”

This explains why some refugee entrepreneurs might tend to employ refugees. CFE report (2018) also suggested that refugee entrepreneurs are more likely to hire refugees, as they are aware of the difficulty of finding a job for a refugee in the host country. Finally, Cool Foodie mentioned that he feels empowered as he pays salaries for refugees he hired. Everyone in Cool Foodie's team gets paid the same salary for the hours they worked. He has a big team of waiters, a social media manager, and employees in organisational and various business tasks. His business required a diverse set of skills in the team, and he is happy to be able to hire refugees to meet the needs of this enterprise.

Government savings are also an important economic outcome of refugee entrepreneurship as all refugees in the sample stopped receiving social benefits after becoming an entrepreneur. In line with that, CFE (2018) estimated that if REPs were available for all refugees who would like to become entrepreneurs, government savings would amount to 170 million pounds in five years in the UK.

In the institutional context, paying taxes is also an important contribution of refugee entrepreneurs to the host country. All enterprises in the sample are registered businesses in the host countries, and they all pay taxes to the government. Although I also sought to explore informal sector entrepreneurship during the fieldwork, I could not find any examples. Arguably, informal refugee enterprises are rare or isolated and difficult to get in touch with, in the urban settings of the selected countries. Additionally, one of the participants in the Netherlands mentioned that he had also founded a business in a Middle Eastern country, and it was less costly to establish a business there since he managed to work around the legal processes and did not need to pay taxes, etc. We can conclude that

these findings confirm the decrease of informal-sector entrepreneurship with economic development and modernisation, unlike how poor the tax revenue performances are in the fragile states (Carnahan, 2015) where refugees typically come from, and how common informal entrepreneurship is in developing countries (Williams, 2014).

7.2.3. Social Outcomes of Refugee Enterprises

According to Berns (2017), a high proportion of local citizens are worried that immigrants and refugees will not integrate into the UK and become marginalised. However, entrepreneurship is an effective path for refugees to become part of the society (Berns, 2017). Therefore, entrepreneurship addresses social integration as well as economic integration. Although it is widely discussed in the literature that immigrant and refugee communities form ethnic enclaves, entrepreneurs of these groups are critical mediators of social integration (Kloosterman & Van Der Leun, 1999). They are the ones who make initial social connections with local society and maintain these bonds in the long term through their businesses. In line with that, Wauters and Lambrecht's study (2006) is very insightful as they found that integration is the highest-ranking motivation in refugees' decision to become entrepreneurs.

Furthermore, the scope of refugee entrepreneurship is considered a metric of integration in some European studies as it is regarded as a highly reliable indicator of social cohesion (Koff, 2008). Basically, like any other entrepreneurs, refugee entrepreneurs need to initiate and maintain successful relations with suppliers, customers, business networks, investors and local/native society in host countries to establish their businesses. Hence, we can argue that refugees with entrepreneurial intentions adapt to host countries more quickly while seeking for establishing business connections.

As addressed by all REP representatives during refugee entrepreneurship events and the interviews conducted as part of this study, measuring social impact is a major challenge as they could not determine which qualities to assess and how to quantify them. When I asked the interviewees about the social outcomes of their entrepreneurial activities, patterns of giving back to society, changing people's perception about refugees, and supporting other vulnerable people have emerged. Accordingly, I explored how refugee entrepreneurs work towards helping people and contributing to the interaction and harmony between local and refugee communities.

In terms of different communities that refugee enterprises support, this study identified local society in the host country, the refugee entrepreneur's country of origin, refugees,

immigrants and other vulnerable people. To begin with, four entrepreneurs highlighted that they give back to the host society through their businesses. However, a striking example is Persistent Trader, who decided to return the favour literally by his blood. This is a very interesting case because a refugee wanted to show his appreciation and pay back to society by something they value significantly in their culture. Persistent Trader said:

“If I should talk about the government here, they are very kind, and they want to support me, help me. I respect them. I donated blood here for the first time ever in my life. Because in my country we only give blood to our family members. And, after seeing how all these people help me here, I wanted to give back somehow, and I went to the hospital and donated my blood.”

Looking at other examples that give back to the host society, Visionary Foodie asserted that she achieves it by introducing them to new cuisine and culture and creating bonds within the community by getting diverse groups together via her startup. Creative Published also said his business gives back to society by positively changing people's perceptions. He explained that people could come together and organise workshops in his shop, get to know each other and leave their prejudices behind. This is how his business contributes to social cohesion.

Furthermore, five entrepreneurs claimed that they both give back to society and support refugees at the same time via their businesses. First of all, Cool Foodie, similar to Visionary Foodie, brings people together through food and creates a community spirit. He gives away free tickets to refugees and asylum seekers to join his breakfast club and socialise with locals. Additionally, he does charity drives to refugee camps, provides phone repair services, and delivers humanitarian aid to refugees.

In the form of giving back to their fellow refugees, E-commerce Genius organises workshops about his expertise (i.e. blockchain technology) for refugees so that they can also become entrepreneurs using the same technology. He also plans to bring his previous company's team to the UK. He thinks this is a contribution to the host society, as it means bringing talent to their country:

“I'm paying tax, and I'm trying to create jobs. I'll recruit others and bring the team here. They are in Jordan now.”

Additionally, Trailblazer Caterer emphasised that he is motivated to make a social impact through his business as he feels indebted to the host society:

“I have an obligation to my fellow refugees and my Dutch society. This is the way I pay back. [I am] hiring people who are paying taxes too. I am not a burden anymore. I am paying back what they have given me because they have given me a lot.”

Finally, Education Guru argued that the refugees and immigrants who gain vocational skills through his platform become an asset to the host country. Therefore, believing he gives back to the country by training these people, he said:

“I am bringing educated people to this community –to integrate more people to the country and equip them with the necessary skills for the job market, [those who] bring money to the country from Gulf countries as an investment.”

Training Master highlighted that his, and similarly many refugee entrepreneurs’, contributions are far beyond having a self-sustaining business that pays taxes. But he also helps other refugees to get out of social benefits through his enterprise:

“Paying taxes is the smallest part. What I do is beyond that... The initiative I started solves issues, not only in the job market but also on the government side. The government pays huge amounts for welfare (social benefits) usually. They start working and stop getting welfare. This is saving for the government. When we train and hire those people, they earn income, and the government does not pay benefits anymore!”

He added that he helps to close the gap in the taxi market: by balancing the demand and the delivery of taxi drivers. Another problem that he claims he contributes with a solution is the barriers to refugees’ social integration. He thinks that when refugees go to work, they can talk to people, learn about their culture, socialise, make friends, which helps the country get closer to a healthy wider society.

While examples so far have felt responsible for contributing to the host society by social means, some entrepreneurs in the sample only aim to support refugees as the social impact of their business. For example, Digital Trainer’s company assists refugees in the host country learn about logistics, navigating themselves through legal processes, etc. Digital Trainer believes that he contributes to the social integration of refugees through these services. Furthermore, Sociable Caterer, who is the co-founder of a REP, provides mentorship for other refugee entrepreneurs who are in the early stages of their businesses.

Like the Sociable Caterer, Youthful Consultant trains and empowers refugees and help them get productive and economically active through business skills training.

Three entrepreneurs in the sample support both refugees and immigrants through their enterprise. First of all, Crypto Nomad's business helps refugees and immigrants access and keep track of legal documents they need to settle and become part of the host country. Also, he helps other refugee and immigrant businesses by sharing his experiences in his startup. As he explained:

"I don't want to sound snobbish or egoistic, but I really contributed a lot. A lot. [I mentored] two other refugee entrepreneurs; they raised seven figures in funding... They are CEOs, lots of people I helped and inspired... I am happy about that. It is proof that my business is already a successful brand because it is built on values that I lived on. Sharing, telling a story and opening my network to other people [are] to connect them and contribute to the society."

Peacemaker Educator believes that the cultural workshops they organise promote diversity, inclusiveness, acceptance and integration, which benefits both refugees and immigrants. Finally, Versatile Developer stated that the application he developed makes bureaucratic processes easier for refugees and immigrants. They added explainers and translations to the legal documents and digitised the forms in different languages.

Moreover, DeepTech Inventor and Digital Housekeeper's businesses support other vulnerable people as well. Hence, their effect is not limited to refugees and immigrants. Digital Housekeeper said that her business helps vulnerable women to find a direction in their life and to become economically self-sufficient. DeepTech Inventor's product can help people in disaster settings, conflict zones, etc. Therefore, it has positive effects on vulnerable groups in general.

Dedicated Constructor and Event Wizard have pointed out that the people in their country of origin are in extremely needy situations. Event Wizard aims to build schools, help Syrian children and youth to prevent the loss of a generation, as he noted. Dedicated Constructor said that his business aims to help them rebuild their houses in the regions where the conflict is over. He described the following:

"[My business] helps displaced people to build their properties again. We connect people whose properties were demolished during the conflict. We connect them with

engineers, architects, construction workers. It works on three models: donation, lending and crowdfunding.”

Finally, it is worth noting that the social impact of refugee enterprises might encourage other people to support them. DeepTech Inventor’s experience is remarkable in this sense:

“I share my code with everyone; it’s open source. I only check what they will use it for. It must be for good... People volunteered for my business, and they have done some important tasks; they were motivated by its social impact.”

Therefore, showing the social impact is important for refugee entrepreneurs to let more people know about their contributions and aspirations, especially to challenge false impressions, over-generalised views and biases against refugees.

7.2.4. Innovation by Refugee Enterprises

An untapped aspect of the outcomes of refugee entrepreneurship is innovation. Innovation leads to economic growth by creating new markets, leading to higher productivity rates in existing sectors, and improving standards of living and manufacturing. Yet, innovative outcomes of refugee entrepreneurship are examined separately from economic outcomes in this study. Innovation is a vast phenomenon that yielded different concepts and patterns throughout the study by itself. How refugee entrepreneurs create innovative business models, products and services; and how they contribute to the host countries by bringing innovation through ethnic business practices (i.e. business culture, specific methods or products of their country of origin) in the host countries are discussed in this section.

In this sense, quite stimulating outcomes are found during the study. As it was explained in Section 1.3.3. Refugee Innovation, CIS’ definition of innovation (i.e. *“the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations”*) is adopted while assessing the innovative outcomes of refugee enterprises in the sample (OECD, 2005). First of all, 18 refugee enterprises that introduced innovative business models to their target market are identified, constituting 72 per cent of the sample.

Business model innovation does not require brand-new technologies or products (Girotra & Netessine, 2014). It is about adopting technologies in different markets or combinations of existing products or methods. For instance, Entrepreneurial Teacher’s business is tailoring specific education programs for students through scheduling and combining the

modules they need in a customised way. Also, he opened an online supermarket for low-income families, which finds discounted deals in urban settings of the Netherlands. Both his businesses are innovative because they combine different services and existing technologies to serve a niche market.

Dedicated Constructor combined online crowdfunding business model with a marketplace for engineers. He brings together constructors, investors, donors and property owners in one platform to collaborate for reconstructing demolished houses in conflict zones. Moreover, Crypto Nomad, who received 1.2 million euros of investment, uses blockchain technology in his startup for keeping track of legal documents like birth certificates, diplomas, vaccines, etc. in a way that especially helps displaced people to access these documents. This is a combination of innovative technology and social business. Reflecting on how he developed this business model, Crypto Nomad said the following:

“It requires a very unique and creative thinking, creative method to come up with a model which combines technology, innovation and social good.”

Another technological enterprise, which a refugee entrepreneur in the sample developed, is Event Wizard’s online event management platform that uses machine learning to understand customer preferences and recommend venues accordingly. This business-to-business platform has innovative smart search features that implement machine learning technology into a booking platform model.

Trailblazer Caterer exploits the benefits of sharing economy through the shared kitchen he has set up. Several refugee entrepreneurs in the food sector use this kitchen; they can book slots, join workshops at the place, etc. There are also mentoring and networking events, which makes the place like a hub for food entrepreneurs, principally serving refugee entrepreneurs. Furthermore, Education Guru combined online courses with educational coaching, and set up a platform where each learner can learn in their own way. He said the platform caters to educational content for different learning styles and makes people enjoy the learning process. He was inspired by the moment when he came across his university students from Syria in a refugee camp in the Netherlands. By realising the system that they need in order to get back on their own feet, he created an education platform with innovative interactive features, which resulted in a significantly higher completion rate (90 per cent) than the average rate of an online course. He elaborated on the process as follows:

“They used to be full of life; they wanted to create things, change the world, do stuff... But, on that day, they were broken. There was nothing in their eyes. They were sad. I started to have meetings with them and found out that there is a bigger community [of university dropouts from Syria in the camp]; I see they were hopeless. I asked them, ‘Why don't you work? Because work will give you some income, will give you value, will give you hope.’ They said, ‘That is what we want, but the system doesn't allow us. They want us to have [specific] skills, but we don't have [those] skills. ...we are not in the mood of learning. We have losses in our families, trauma of the journey, etc.’ Then, I came to a point, why don't I teach them skills in Arabic? Skills that are needed in the job market? [I learned that] the completion rate of online courses in the world is 8%; in the Arab world, it is 2%. I thought the interaction is missing. So, we interact with students in online classes. We created a system that understands Arab culture, how they learn, etc. We follow up; we attack you with links, recordings, tips... You will learn!”

In this context, one of the most interesting patterns identified through this study is the “multicultural blend” approach to innovation. These innovative business models have blended concepts from the refugees’ country of origin and their host country regarding their unique cultural elements, products, services, or methods. Six of the enterprises with innovative business models adopted a multicultural blend type of innovation as part of their enterprise. For instance, Visionary Foodie combined her Yemeni cuisine and cooking skills with a Londoner edge. She started up a pop-up café which is not a recognised concept in Yemeni food culture, yet, quite popular among Londoners. As Visionary Foodie suggested, her Londoner edge combined with her Yemeni culture generated an innovative enterprise.

Some entrepreneurs use the multicultural blend for adapting their products to the market in the host country. This could be read as assimilation of ethnic cultures. However, I interpreted it as the adaptation and integration of products since they kept having the ethnic products or methods at the core of their businesses.

Artistic Caterer is an excellent example of this as he tailored his menu to address the customer behaviour trends in Europe. He labelled some of his dishes as “mom’s recipes” to highlight that the food is homemade and ethnic. He included vegetarian, vegan, halal, gluten-free, etc. options in his menu since he noticed the great demand for such options in Europe. Likewise, Cool Foodie also has such options on his menu. The menu was designed by his co-founder’s cousin, who works in hospitality, as she knows what British people

want. His co-founder and her connections were also helpful in branding, creating marketing materials that can appeal to the target market. Although the dishes were primarily Syrian, some adaptations were made for having them as packages that fit British consumer habits. For example, they added avocado-hummus and beetroot-hummus combinations to the menu.

Ambitious Chef re-designed some Uzbek dishes, which were not suitable to serve as street food, in a way that they can be sold in the street food market. He included some flavours and toppings, which were not part of Uzbek cuisine but are popular in British culture. He explained the following:

“Normally, we eat rice cooked with carrot, seeds, and on top is the meat. Now, we changed it slightly. We use toppings which are some salad, yoghurt sauce, hummus, coriander, parsley, some small healthy fruits like pomegranate... So, customers can put extra toppings. This is successful at the moment.”

Shipment Innovator developed a business model which makes random users dropping each other's parcels in their personal cars. Giving your package to a stranger might not have been acceptable in Western culture, as Shipment Innovator admitted. Yet, it is common in the MENA region. Shipment Innovator had decided to take the risk, supposing European society, as well as immigrants from MENA, might try the application if there is a review system that helps to build trust between users. Thousands of customers use his application.

Finally, DeepTech Inventor's startup is the most technologically innovative one I found, as its product is quite close to being an invention and holds a patent. This is the only example of a refugee enterprise in the sample which developed an entirely new technological product instead of an incremental product, process innovation, or a combination of existing technologies and products. The technology DeepTech Inventor developed is about to be used in an automobile company, which will contribute to the economy and innovation in the country by the efforts of a refugee who managed to fulfil his potential. He explains his innovation as follows:

“I developed an alternative method to send data without internet collection, had a patent. We use ultrasound to build a network phone to phone, computer to computer. It can help people to communicate in disaster settings, conflict zones, etc. It would also work for big events where internet connectivity is a problem. Also, in some factories, wireless internet is not allowed where high quality and high-

performance machines are used. Because wireless technology makes little noises, little vibrations which affect the preciseness of the products are processed in these machines. Our product can be used for connectivity in such factories too.”

Portraying the economic impact and contributions to innovation by refugees is highly crucial for encouraging relevant actors to support refugees’ entrepreneurial activities. However, over-promoting such economic advantages may result in governments postponing effective labour market integration strategies for refugees and immigrants. If governments heavily rely on REPs to encourage and train refugees to become entrepreneurs, many refugees will become self-sufficient, create jobs for others, etc.; the locals will not see them as “taking their jobs”, and a significant burden will be lifted off governments’ shoulders. However, it is not a sustainable approach to only encourage entrepreneurship for refugees, especially if having a well-integrated and harmonised community is the overall aim. There should be a balance between the rate of employed and self-employed refugees. Therefore, facilitating access to the labour market for refugees is also essential. Governments play a focal role in this regard, and relevant recommendations are made in Section 8.6.3 briefly, as labour market integration is not the main focus of this study.

8. CONCLUSIONS AND RECOMMENDATIONS

8.1. Introduction

Despite the increasing interest among scholars on the phenomenon, there is little in-depth research with original discoveries about refugee entrepreneurs' individual characteristics and situatedness in European context. In spite of their abilities and (to some extent) financial and social capital, entrepreneurial refugees face hurdles related to legislative frameworks, business culture, and market conditions. A new environment typically requires tailored support for refugee entrepreneurs. Hence, I aspired to research how refugee entrepreneurship is enabled in several European cities, notably the UK, Germany, and the Netherlands, and how to improve the conditions in these nations.

The conclusions chapter begins with a summary of findings, followed by an examination of theoretical and empirical contributions of the study to the entrepreneurship literature. Then, it concludes the dissertation with recommendations for REPs, governments, NGOs, business networks, investors and the wider society, reflecting on the research questions answered throughout the study. In conclusion, this study argues that given an empowering environment and appropriate entrepreneur characteristics, refugee entrepreneurship has the potential to greatly benefit individuals, society, and the economy in host countries.

As an outcome of this study, I put together the interplay of individual factors, external factors and entrepreneurial motivations in a new theoretical framework (See Figure 3.3-3.4, and 5.1), explaining the complex dynamics of refugee entrepreneurship thoroughly. I specifically addressed the motivations of refugee entrepreneurs as the study yielded very insightful findings in this aspect. I incorporated new motivation models that I identified based on my findings, along with those that comply with previous theories, into the key theme of “motivational dimension” within the framework. Overall, mixed embeddedness theory (Kloosterman et al., 1999) and previous motivation theories (e.g. Wauters & Lambrecht, 2006) on immigrant entrepreneurship were helpful to shape the theoretical framework and the analysis of this study.

Along with the above-mentioned theoretical contributions, this research adds unique empirical evidence to the literature regarding the characteristics, needs, opportunities, barriers and contributions of refugee entrepreneurs in Europe. In this sense, the main empirical contributions of the research are about social capital (within the individual dimension), entrepreneurship support (within the environmental dimension) and innovation (within the outcomes) aspects of refugee entrepreneurship. The first two aspects are critical

components of the Pyramid of Refugee Entrepreneurship, and their variances present entrepreneurs with "barriers" or "opportunities". The innovation aspect is rather about the outcomes and contributions of refugee enterprises. These aspects are critically reviewed in this chapter.

I investigated the refugee entrepreneurship phenomenon in the urban settings of three European countries: the UK, Netherlands and Germany. My goal was to illuminate the factors affecting refugee entrepreneurship in different regions of Europe to understand the differences and similarities between European countries. Distinctive features of the countries are mainly detected in their legal frameworks, business/entrepreneurship ecosystems and social environments (See Figure 6.2). Although the countries mostly have similarities, the nuances between them arguably affect the country choice and entrepreneurial performance of immigrants and refugees. In this context, while most of the refugees have had to take shelter in Europe and they do not have much choice, we see that –where they can take the initiative and the risk– they prefer to settle in countries that are economically and socially more advantageous for them.

When the results do not differ significantly between the countries, I treated the whole sample as one group and shared the proportions of respondents accordingly (i.e. I mentioned “11 out of 25 entrepreneurs in the sample” instead of elaborating on the figure’s breakdown in each country). In the empirical chapters examining the factors, country breakdowns are only given when there are distinctive patterns between countries. Additionally, Section 6.7 is dedicated to country comparisons. Overall, I found that the same factors affect refugees’ entrepreneurial experiences in all three countries. Hence, I proposed the same theoretical framework in regard to the phenomena in all three countries. However, it is important to keep in mind that the suitability/conditions of the factors (e.g. length of the business registration process) differ from country to country (See Figure 6.2).

8.2. Summary of Findings

This study reveals the effects of the interplay of individual factors, entrepreneurial motivations, and external factors on refugee entrepreneurship. I investigated and reflected the importance of each factor from the refugee entrepreneurs’ perspective and interpreted them from my perspective. Additionally, REP executives and practitioners informed the study by sharing their perspective on entrepreneurship support. They also shared insightful documents and reports on the phenomena and provided insight on other external and individual factors based on their experiences in the field. I analysed the data collected from

the interviews with entrepreneurs and REP executives, the documents provided by REPs, and field notes from various events I attended and volunteered at. Furthermore, I conceptualised the analysis into a theoretical framework grounded in mixed embeddedness theories (See Figure 3.3, 3.4 and 5.1).

8.2.1. Individual Dimension of Pyramid of Refugee Entrepreneurship

In light of the first research question, this study sought to understand the critical individual factors affecting refugees' entrepreneurial activities. Consequently, one of the three dimensions of the Pyramid of Refugee Entrepreneurship is identified as the individual dimension. What refugee entrepreneurs bring in the three host countries in terms of skills, abilities, traits, expertise, and social and financial capital is analysed thoroughly within the scope of this dimension. First of all, the demographics of the sample is introduced to give an initial idea to the readers about the entrepreneur profile even though the demographics is found as the least important individual factor affecting a refugees' entrepreneurship. A domination of Syrian participants is observed in the sample. It is because the European Refugee situation was caused mainly by the conflict in Syria. Interestingly, all participants in Germany are from Syria, and eight out of nine participants in the Netherlands are from Syria. In contrast, less than half of participants in the UK are Syrian, and the UK has the most diverse sample with participants' nationalities ranging from Zimbabwean to Uzbek.

Within the scope of demographic aspect, it is found that the majority of the sample is male, since recruiting women refugees for the research was very difficult as they have rarely got back to the call for interviews. There are only two women in the sample, who are both in the UK. However, their experiences are examined in detail; hence, they have been quite insightful. It is concluded that the difficulty in finding female refugee entrepreneurs in the ecosystem is not due to the patriarchal culture leading them to remain economically inactive. That could have been assumed since most of the participants are from Middle Eastern countries. However, the self-employment rate of women in the Middle East is higher than in Europe (World Bank, 2020). Accordingly, it is argued that refugee women entrepreneurs are less visible in business ecosystems of the host countries due to security reasons, causing them to abstain from joining research projects.

The average age of refugee entrepreneurs in the sample is 36.5; the highest number of refugees are in the 30-39 age range (36 per cent of the sample). It is a remarkable finding that indicates a significant number of refugees in the sample decided to become entrepreneurs without having too many years of professional experience. However, it can

be argued that they are more willing to take risks and less satisfied with the options they have been provided in the host country compared to their older counterparts. Therefore, they might have greater potential as entrepreneurs. Additionally, the majority of participants have arrived in the country within the last seven years. The development of refugee enterprises is undoubtedly affected by the year of arrival since the length of legal processes changes accordingly. Accordingly, access to social benefits and entrepreneurship support gets competitive as more refugees arrive in the host countries.

As part of the first research question, the entrepreneurial traits of the refugees are explored and found as the most fundamental individual factor affecting refugee entrepreneurship. The findings reveal that around half of the participant refugees showed positive thinking skills despite the hardships they have gone through. Moreover, three-quarters of the sample demonstrated high confidence and self-motivation, which are very critical entrepreneurial traits. The majority of the sample showed good communication skills, high opportunity recognition competency, and a strong “internal locus of control” during the interviews (Rotter, 1966).

Moreover, I argue based on my findings that refugees’ risk-taking propensity and flexibility are improved during their refugee journey, as they “have nothing to lose” after undergoing extreme adversity. Confirming that, 16 participants showed high risk-taking propensity during the interviews. In line with that, more than half of the participants (14 entrepreneurs) indicated that they became more adaptable and flexible thanks to the nature of being a refugee.

Examining the previous experiences of participants, which is identified as the second most important individual factor for refugee entrepreneurship, we see that three-quarters of the sample have not had previous entrepreneurship experience. However, seven participants (about a quarter of the sample) had had family businesses back in their country of origin, where they had the chance to observe an enterprise closely and take on responsibilities to run it even when they were children. All participant entrepreneurs, except for a young Syrian entrepreneur in Germany who was a junior undergraduate student before he fled Syria, had previous work experiences. These experiences helped them to get their enterprises off the ground as they have know-how about marketing, accounting, and other relevant fields. Finally, it is striking that lack of accreditation of qualifications and unrecognised experiences prevent refugees from integrating into the economy smoothly,

causing some of them to remain unemployed or underemployed. Such examples chose to try and start up their businesses.

The third most significant factor in the individual dimension of the proposed framework is determined to be the education background and skillset of refugee entrepreneurs. Studying the education, skills and abilities aspect showed us that refugees bring valuable skills and human capital to host countries. The majority of the participants (22 out of 25) have completed higher education in their country of origin, saving the host countries significant costs of vocational training and higher education. Since the sample consists of mostly highly educated entrepreneurs, this is reflected in their businesses. It can be argued that refugees who manage to make it to Europe during the recent influxes are more qualified than those who remained in Middle Eastern countries since the process and the journey are harder for them to settle in Europe.

On the other hand, I detected some skill mismatches since the participants mostly said it was difficult for them to find a job that matches their skills in the labour market. Arguably, some of them decided to set up their businesses to avoid underemployment. It is also worth noting that legal barriers apply to both unskilled and highly skilled refugee entrepreneurs. Therefore, even if they are highly educated, they have to find ways to overcome such obstacles. Additionally, although most refugees in the sample were not able to bring any financial capital to the host countries, validating my assumptions, they used the salaries and savings they built up within the host countries and bootstrapped their enterprises with that money. “Financial capital” is the fourth most critical factor in the individual dimension of the proposed framework. Access to finance aspect, which is rather about the conditions in the host country, is further investigated under the environmental dimension.

Social capital is the second last important among the six key individual factors for refugee entrepreneurs. In the context of social capital, I had expected to find that refugee entrepreneurs are mostly active in their co-ethnic networks while doing business. However, the evidence showed me the opposite, as almost none of the participants said they depended on co-ethnic networks. They claimed that they need and make effective use of local social capital, consisting of native/local citizens rather than refugees or immigrants. It is commonly highlighted by refugee entrepreneurs in the sample that they have local suppliers, business partners, customers, etc. Yet, it is worth mentioning that more than half of the enterprises in the sample have an edge that targets refugees’ needs without exclusively serving refugee customers. I observed that refugee entrepreneurs could actually

benefit more from their co-ethnic networks. Instead, some even seem to have avoided their ethnic networks, which might be due to fear of getting into trouble since they mostly fled their countries because of national conflicts. Although the sample did not show co-ethnic network dependence, I discovered that refugees who met each other at REPs or entrepreneurial events build social networks which even have cross country connections.

8.2.2. Motivational Dimension of Pyramid of Refugee Entrepreneurship

Entrepreneurial motivations were investigated under the first research question, which focuses on individual characteristics affecting refugee entrepreneurship. According to the findings, refugees' motivation to become entrepreneurs is influenced by factors such as job market conditions (push factor), market conditions (pull factor), previous experiences, entrepreneurship support schemes etc. On the other hand, the individual dimension of the framework concentrates on aspects that are mainly influenced by refugees' personal qualities, backgrounds, and what they can personally bring to the country. Entrepreneurial motivation does not fit into that category since it is also significantly influenced by environmental circumstances and its relationships with other factors do not fit into the order of importance of those factors. Thus, a motivational dimension is added to the framework (Figure 3.3). Since the identified motivation models are not interrelated, they are placed randomly within the dimension (Figure 5.1).

Different motivation patterns that contribute to motivational theories on refugee entrepreneurship are analysed as part of this dimension. Unlike it was suggested in the literature that refugee entrepreneurs are typically motivated by the necessity of making a living instead of opportunity and ambition (Kooy, 2016; Freiling et al., 2019), the motivations of the participant entrepreneurs varied from the willingness to be distracted from their traumatic experiences (i.e. the distraction model) to self-realisation. New motivation models of refugee entrepreneurship are explained further in Section 8.3 Theoretical and Empirical Contributions of the Study.

8.2.3. Environmental Dimension of Pyramid of Refugee Entrepreneurship

The study then moves on to assess how enabling the economic, institutional, and social environment in the host countries are for refugee entrepreneurs. These aspects are studied under the second research question, and the findings resulted in the establishment of an environmental dimension in the framework (Figure 3.3) comprised of six key factors that are placed in descending order of importance from the bottom to the top of the pyramid. To begin with, I found that legal frameworks are the key external enabler of refugees'

entrepreneurial activities. Legal frameworks have two dimensions: asylum process and business-related processes. Looking at the asylum process, nearly half of the sample (12 participants) mentioned that they had difficulties due to bureaucratic inefficiencies during the asylum process. The most common issue is the lengthy process to get the legal refugee status.

In terms of business-related processes, there is a distinctive pattern in the Netherlands as seven out of nine participants who settled in the Netherlands have found the bureaucratic processes and the regulations straightforward. It is significantly much easier and quicker to register a business in the Netherlands than in the UK and Germany. Yet, the majority in the UK also mentioned that they found the legal frameworks about business-related processes easy to navigate. In contrast, all participants in Germany said that it is challenging to navigate themselves through the legal processes in Germany. The advanced legal language and the complexity of the processes make it harder for refugees to deal with legal structures. Participants argued that there are too many legal requirements for aspiring entrepreneurs to satisfy in Germany.

Registering a business in Germany may take up to six months, while it may even take half an hour in the Netherlands. Overall, the most advantageous country in the sample is the Netherlands, followed by the UK with slightly longer legal processes. Finally, Germany has the most restrictive legal structures for refugee entrepreneurs. I also tackled the lack of accreditation under the discussion of the legal frameworks. Eight entrepreneurs highlighted that they struggled while looking for a job due to lack of accreditation of their education, and then, they decided to become an entrepreneur. I concluded that legal frameworks in the host countries should be improved for addressing the special needs of refugees.

Access to finance is identified as the second most important component of the environmental dimension. More than half of the sample (13 entrepreneurs) noted that they find it difficult to access financial resources like credits, loans, grants, etc. for funding their enterprises. Most critically, since refugees are typically issued short term residence permits, they are excluded from loans provided by banks in all selected countries. Some exceptions are found, but they depend on the initiative of the bank officers. Some refugees expressed their hesitation to apply for a loan –even if it was available– as they feel insecure about the consequences if they cannot pay them back. Arguably, this is linked with the lack of social capital that they can rely on in the host country. I also identified lack of interest-free financial solutions as a significant problem for refugee entrepreneurs in Europe since most

of them are Muslim and interest is prohibited in Islam. Seven out of 25 enterprises have received external funding, distributed almost equally between the selected countries (See Appendix B), and most of them are technological enterprises with innovative product offerings. The examined countries are found equally disadvantageous for refugee entrepreneurs in terms of access to finance (See Figure 6.2).

Market conditions is the third most significant component of the environmental dimension in the proposed framework. Examining this aspect helps us understand the reasons behind refugee entrepreneurs' sector and target market decisions. Eight entrepreneurs have established their businesses in the food sector. They seem to have a competitive advantage over local food entrepreneurs since they meet the demand for exotic food, especially Middle Eastern cuisine, which is quite popular in Europe. It is found that refugee entrepreneurs prioritise making entrepreneurial efforts in the sectors they have know-how about, or serving niche markets they have identified, just like any entrepreneur. Not any particular sector choice, apart from the food sector, stood out to be advantageous for refugee entrepreneurs due to the environmental factors (i.e. popular demand, suitability of the geography). I noticed that some participants revise their products and services according to market conditions (e.g. online services adopted during the Covid-19 pandemic). Most importantly, I concluded that the openness and dynamism of the markets allow refugee entrepreneurs to compete with their local counterparts without facing extra challenges. Although legal frameworks and the banking sector pose additional barriers for refugee entrepreneurs, it is encouraging to see they can participate in free-market economies.

It is also found that there are structural barriers against refugees' participation in the labour market. Several refugees decide to take entrepreneurship as a career path due to the job market conditions in host countries, which often lead refugees to be unemployed and underemployed. Interestingly, Germany has prioritised the labour market integration of refugees, and there are more schemes supporting refugees with vocational training and job search assistance. Some participants did not give up their ambition to become an entrepreneur and worked on their business in their free time even though they work full time in the host country. Arguably, those passionate about entrepreneurship beyond the need for self-sufficiency find ways to fulfil their dreams. They should be identified and supported towards becoming entrepreneurs to realise better their potential, which might have exponential economic and social impact for the host countries as well.

One of the most significant contributions of this thesis is the entrepreneurship support mechanisms which are of great importance for refugee entrepreneurs. This factor is placed on the fourth level of the environmental dimension in the Pyramid of Refugee Entrepreneurship. Although there are three more important components in this dimension, entrepreneurship support still has a key role in the interplay, and it is among the six key factors affecting refugee entrepreneurship. Effective individual and institutional support mechanisms are a game changer but have received less attention in the literature. The concepts studied in this research are institutional support from governments and public-sector organisations, and support affiliated with the private sector and NGOs –namely, conventional incubators and REPs. These are critically analysed in terms of their efficiency and impact. This aspect of the study forms a critical contribution to the literature on refugee entrepreneurship; hence, it is discussed meticulously in a separate section in this chapter (See 8.3.4 Empirical Contributions to Entrepreneurship Support Literature).

The second most important environmental factor in the Pyramid of Refugee Entrepreneurship is the openness of the business/entrepreneurship ecosystem for refugees. In this regard, nine out of 25 participants mentioned that they found the business environment supportive in the host country they settled in. It is highlighted by many participants that they needed effort and guidance for adapting to the business culture of the host countries. And, some found it easier to adapt to it by becoming an entrepreneur instead of working in waged labour. It is also pointed out by the participants that there is less tolerance for illegal businesses in Europe, which blocks quick wins through working around the regulations, but feels more secure as it is less likely for their businesses to be confiscated by illegal players in the sector. The ecosystem in the Netherlands is found as the most suitable option and it is followed by the UK. Germany has the least supportive business ecosystem as the findings of the research suggest.

Finally, of the six key themes in the environmental dimension, the effects of the social environment on refugee entrepreneurship are the least significant. Eleven participants stated that they never felt discriminated in the host country, while 12 participants (nearly half of the sample) said they experienced social discrimination. Some felt they are looked down on by the host society; some claimed their business proposals are underestimated since they are not native speakers. Seven entrepreneurs emphasised that they believe the difficulty of finding investment is associated with a lack of trust and credibility for refugees in host countries. This kind of examples especially stood out in Germany, but not limited

to it. While Germany, in terms of its social environment, is found to be the least favourable for refugee entrepreneurs, the Netherlands is found to be somewhat suitable, and the UK is found to be the most suitable of the three countries. Discriminatory actions, especially in terms of structural discrimination, could be overcome by the support and involvement of civil society, improving the inclusiveness and supportiveness of the social environment for refugee entrepreneurs.

8.2.4. Progress and Outcomes of Refugee Entrepreneurship

In an attempt to answer the third and last research question of this study, outcomes of refugee enterprises are investigated considering how they affect the economy and innovation in the host countries, and the refugee community, wider society as well the entrepreneurs themselves. The findings in this aspect challenge the definition of success for unconventional entrepreneurs. The progress of refugee enterprises is initially examined, which leads to the outcomes. Five enterprises have reached the early stage, while 13 enterprises are in the growth stage and seven enterprises are in the late stage. The definition of early stage includes enterprises that have an MVP or close to have an MVP. At the same time, the growth stage consists of well-developed businesses which make a profit and have a growing customer base and an expansion plan. Finally, late-stage enterprises have a good track record; however, without a plan to improve or expand the business in the near future. Eleven out of 13 enterprises who were REP participants are at the growth stage or late stage. This proves that REP support is effective in leveraging refugee enterprises. Since the refugees at the growth stage with their enterprises constitute the majority of the sample, I assert that there is room for growth for most refugee businesses, which keeps the entrepreneurs enthusiastic and motivated to work. Finally, it is found that the majority of the enterprises in the sample are micro-enterprises. It is argued that micro-enterprises have positive economic effects on individuals, society and the economy. However, if more opportunities would be available for refugees to expand their businesses, these effects would be further enhanced.

Looking at the economic outcomes, all participants have initially got out of social benefits and then reached self-sufficiency through entrepreneurship. In this sense, it is reasonable to argue that refugee entrepreneurs who stopped receiving social benefits and started paying taxes contribute to the host country governments. Moreover, more than half of the sample have created jobs for others. It is spotted that refugee entrepreneurs have a tendency to hire refugees, since they are aware of the difficulty of finding a job in the host country. Finally,

it is remarkable to see that all refugee entrepreneurs contacted on the ground had their businesses registered. Lack of illegal businesses might indicate that such companies are rare and isolated, or most refugee enterprises are legal businesses since they preferred to be on the safe side. The risk of having an illegal business is costlier than it is in their country of origin, as one of the participants suggested.

In the context of innovation, 18 participants (almost three-quarters of the sample) have introduced innovative business models to their target markets. They combined existing products and methods or adopted existing technologies in different markets. An interesting pattern that emerged in this aspect of the study is the “multicultural blend” approach to innovation. Six participants (one out of three entrepreneurs who have an innovative business model) adopted the multicultural blend approach by mixing concepts from their country of origin and host country.

In this study, social and individual aspects of a refugee enterprise’s outcomes are regarded as important as the economic outcomes. It is especially critical to highlight social and personal outcomes in refugee enterprises’ case since their role in the future of refugees and broader society is beyond economic betterment. Although it is particularly challenging to measure these aspects, I formed thought-provoking themes via data analysis. Giving back to the local society, supporting refugees, immigrants, other vulnerable groups, and supporting the society of the refugee entrepreneur’s country of origin through entrepreneurship are the patterns that stood out. Most of the participants make such impact through core entrepreneurial activities, while others make it through social responsibility activities or philanthropy on the side. I concluded that highlighting the social impact of refugee entrepreneurship lets more people be aware of refugee entrepreneurs’ contributions and aspirations, challenging false impressions and biased views against refugees.

Finally, I analysed the effects of refugee entrepreneurship on an individual level. I noticed that the participants have improved themselves through their entrepreneurial journey as well as their refugee journey. They have shown confidence, feeling of accomplishment, self-realisation and personal development and improved these qualities through their entrepreneurial activities. Additionally, valuing the entrepreneurship experience in terms of its personal outcomes instead of economic outcomes is also observed as a pattern. Finally, 10 participants have used the asylum process for their personal development, making the most of their time since they cannot engage in waged or self-employed work during the process. They do market research, develop a business model, or learn a new

language or technological skills. This is a unique and remarkable pattern that has never been discussed in the literature. In this context, I argue that refugee entrepreneurs show distinctive behaviour beginning with their asylum-seeking stage, demonstrating a crucial entrepreneurial trait known as “seeking opportunities”.

8.3. Theoretical and Empirical Contributions of The Study

Findings of this study are conceptualised into a theoretical framework grounded in mixed embeddedness framework (Kloosterman et al., 1999), through the analysis of the data collected from the interviews with refugee entrepreneurs and REP practitioners; the documents of REPs and public sector organisations; and field notes from various events that I attended and volunteered at. Additionally, new motivational patterns of refugee entrepreneurs have emerged in the data analysis. I conceptualise these into six different models, four of which are unique to this research. Collectively, these findings resulted in the development of the new theoretical framework, Pyramid of Refugee Entrepreneurship (Figure 3.3, 3.4 and 5.1). Furthermore, this research adds empirical evidence to refugee entrepreneurs’ characteristics, needs, opportunities and contributions. Hence, the contribution of this study is in the intersection of different dimensions of the literature, such as social capital, entrepreneurship support and innovation. And this section critically reviews these aspects.

8.3.1. Contribution to Theories Explaining Refugee Entrepreneurship

First of all, the only established entrepreneurship frameworks that are relevant to this study are in immigrant entrepreneurship literature (e.g. Kloosterman et al., 1999), which have been used for examining refugee entrepreneurship without any recognised alterations. At this point, it is essential to emphasise that refugee entrepreneurs are quite different from economic immigrant entrepreneurs in some ways, such as their inability to bring financial capital or official documents to their destination country, while they are similar in the sense that they have limited access to formal financial resources in the destination/host country (See Table 3.3 for an in-depth comparison). Therefore, entrepreneurship support gains critical importance when attempting to outline a theoretical framework explaining refugee entrepreneurship. I identified distinctive and strong patterns about the effect of entrepreneurship support mechanisms on refugee entrepreneurs throughout the research. Therefore, I added the “entrepreneurship support” construct to the environmental dimension of the framework along with market conditions, legal framework, social environment, etc.

In summary, the framework has three key themes, which consist of 18 categories in total. Mixed embeddedness framework (Kloosterman et al., 1999) defined supply and demand sides of refugee entrepreneurs' embeddedness in host countries. I used the phrases "individual dimension," "motivational dimension," and "environmental dimension" to describe the phenomena (See Figure 8.1); because, based on my empirical findings, I felt an overwhelming need to express the functions of these components more clearly and accurately. I argue that using the terms "individual" and "environmental" makes the distinction between the investigated dimensions clearer. I included the "motivational dimension" separately in the framework as the data analysis revealed that the motivation factor does not fit into the individual or environmental dimensions, despite the fact that it is inextricably linked to both (See Chapter 5 for more details).

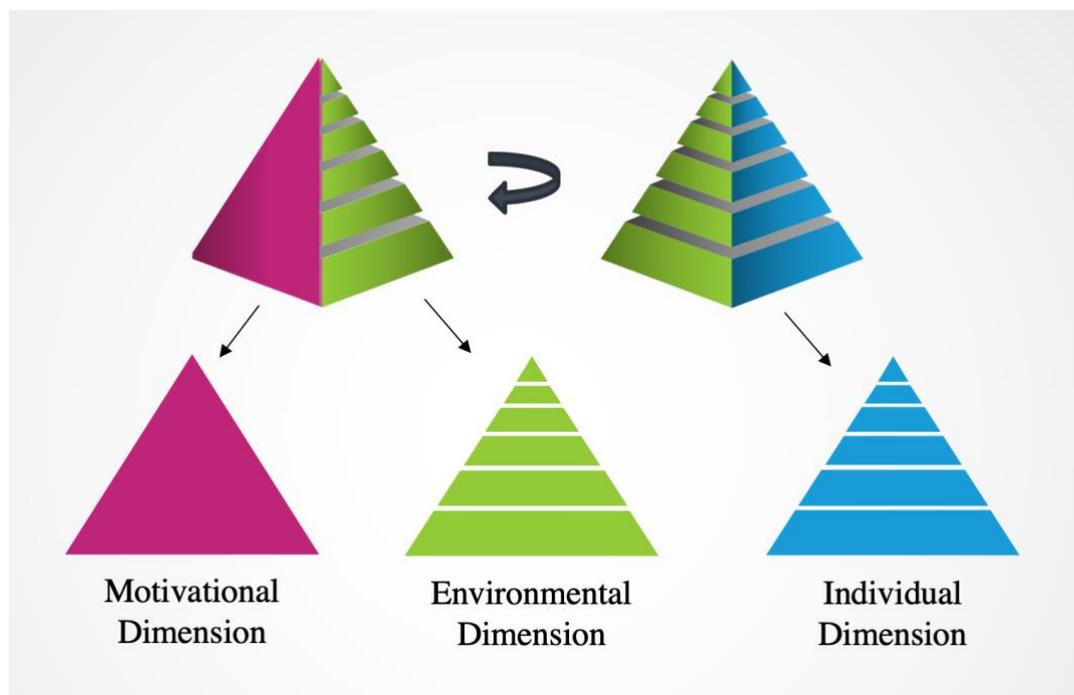


Figure 8.1 The proposed theoretical framework, Pyramid of Refugee Entrepreneurship

A combination of individual, motivational and environmental factors can lead refugee entrepreneurs to have better outcomes in one category (e.g. innovation), while a different combination may yield more effective outcomes in another category (e.g. economic outcomes). Also, a combination of different outcomes can be considered as "successful". In this context, the definition of "successful" is entirely subjective by nature. Therefore, discussing the breakdown of outcomes in Chapter 7 helps the reader contemplate the impact of different combinations. Examining only the economic outcomes of refugee

entrepreneurship may lead to a false and superficial understanding of a “successful enterprise”, which actually has many dimensions as suggested by this study.

8.3.2. Contribution to Motivation Theories on Refugee Entrepreneurs

Previously, some motivation patterns were conceptualised and added to motivation theories on refugee entrepreneurs (e.g. Wauters & Lambrecht, 2006). However, there were not any up-to-date contributions in the literature that suggest new motivation models. This research contributes to the literature by including a “motivational dimension” in the framework explaining the factors that affect refugee entrepreneurship and suggesting four new models explaining refugee entrepreneurs’ motivations. “Motivational dimension” is one of the proposed framework’s three key themes (See Figure 5.1 and 8.1). Six motivation patterns are identified in the study, and they are randomly placed in the motivational dimension due to their lack of hierarchy of importance (i.e. independence). Two of them match the models that are recognised in the literature. These are namely the entrepreneurship instinct model (i.e. intuition model) and reaction model (Bovenkerk, 1983; Ward & Jenkins, 1984). The reaction model explains the motivation of refugee entrepreneurs who think that there are no alternative career paths in the host country since they could not find any opportunities in the labour market.

In contrast, the intuition model encompasses those who are motivated to fulfil their self-realisation, and they value entrepreneurship for having the experience per se. Looking at the new models that this research introduced, the impact model explains the motivation of refugee entrepreneurs who are dedicated to make a social impact and give back to the community through entrepreneurship. Secondly, the solidarity model consists of entrepreneurs who decided to target refugee customers to serve the needs of a community they identify with. Although they do not limit their market segment to refugee customers only, their primary motivation is to fill the gap in this market.

Furthermore, the opportunity model includes refugees motivated by pull factors in the opportunity structure, such as REPs. Finally, the distraction model involves refugees who consider entrepreneurship as an escape from their traumatic experiences. Some refugees in the sample are located at the intersection of some models, and it is not easy to choose only one of them as the primary motivation. Therefore, some entrepreneurs are considered under multiple models. A few secondary motivations, such as cultural representation, are also identified. Yet, entrepreneurs who adopted these motivations also have adopted one of the six models as their primary motivation.

These six models incorporate all participants in the sample. Shedding light on the motivations of refugee entrepreneurs is extremely important to understand their resources, priorities, capabilities, and what kind of support they need. Hence, investigating this dimension with the help of motivation theories provides abundant insight.

8.3.3. Empirical Contributions on Refugee Entrepreneur Characteristics

In the entrepreneurship literature, refugees are often portrayed as entrepreneurs in the lower parts of the entrepreneur spectrum. However, highly skilled refugee entrepreneurs' situation is not usually a matter of debate. The findings of this research introduce a new perspective in this regard. A clear majority of the participants in the sample hold a university degree obtained from their country of origin. It saves the host countries a significant amount of education budget. As the sample has mostly highly educated entrepreneurs, it affects the typical characteristics of the investigated enterprises. Hence, the businesses that the participant refugees have established are not necessarily livelihood/traditional businesses. In contrast, many examples have an innovative business model, and there are also technological businesses that introduced new methods of application for recently developed technologies. It can be argued that refugees in urban settings of Europe are more qualified than those in rural areas and those who remained in Middle Eastern countries since the settlement process and the journey is difficult for them to find opportunities and get accepted in European cities.

On the other hand, I identified “not being able to integrate into the labour market” as a motivation for refugees to become entrepreneurs. Moreover, I detected skills mismatches between the jobs and the refugees who work full time or part time in host countries. Refugees who could not find a job and who were underemployed also stood out in the sample. However, that did not necessarily push them to create livelihood businesses. In many cases, rather than establishing livelihood businesses, they created innovative companies in order to be satisfied with what they are working on, in the sense that they can fully utilise their skills and make use of their previous experiences and education. In this sense, it is also worth mentioning that barriers against refugees in the legal frameworks apply to unskilled and highly skilled refugee entrepreneurs. Hence, the effective outcomes of refugee enterprises depend not only on highly skilled founders since all refugee entrepreneurs have to overcome structural barriers regardless of their education or skills.

Regarding social capital, as one of the six key individual factors affecting refugee entrepreneurship, this research adds to the literature on network dependencies of

entrepreneurs. Although it was commonly argued in the literature that refugee entrepreneurs depend on their co-ethnic networks, it does not reflect what I observed on the ground. I found that almost none of the participants depend on co-ethnic networks in their entrepreneurial activities. Almost all refugee entrepreneurs in the sample emphasised that they work with local/native suppliers, business partners, customers, etc. It can be concluded that these refugee entrepreneurs could benefit more from their co-ethnic network, as it would provide them with customers and partners that are arguably easier to connect and engage with. However, some participants even prefer to avoid their co-ethnic networks. I concluded that this might be due to their security concerns as there were national conflicts in their country of origin. Therefore, there might be a clash of views within the co-ethnic network, leading to undesired consequences and security issues.

Additionally, this study enriches the literature by discussing that refugees who met each other at entrepreneurship events form their own social group. These groups even maintain cross country connections. Finally, the finding of how refugee entrepreneurs spend their time during the asylum process provides insight into refugee entrepreneurs' traits, which were not a matter of discussion in the entrepreneurial traits literature. I found that ten participants used the asylum process for personal development, as it is impossible for them to work legally. Instead, they worked on a business model, did some market research, or acquire new technological skills or language skills. This is a distinct behavioural pattern that shows that refugees with entrepreneurial potential have demonstrated a critical entrepreneurial trait, "seeking opportunities" starting from their asylum-seeking period. This can even be used as a criterion in the due diligence of REPs and investors, as it is a distinctive character compared to non-entrepreneurial refugees.

8.3.4. Empirical Contributions to Entrepreneurship Support Literature

Since there are additional barriers to refugee entrepreneurs' access to necessary resources, networks, investment, training and coaching, they need tailored support schemes that facilitate their entrepreneurial activities to fulfil their potential. Entrepreneurship Support is identified as the fourth most critical environmental factor for refugee entrepreneurs. The main support mechanisms of refugee entrepreneurs identified in this research are individual support in the form of local co-founders and supporters (explained in Section 4.6.2 Central Relationship: Becoming co-founders), institutional support from government/public sector, and support from the private sector and REPs affiliated with the private sector and NGOs (Section 6.4. Entrepreneurship Support). REPs provide tailored services, training,

mentorship, and financial and human resources for supporting refugee enterprises' development.

In the literature, only superficial information about REPs as incubators for refugee businesses was discussed. On the other hand, this research provides rich insight into the role of REPs in refugee entrepreneurship by discussing the motivations, aims, services, due diligence, portfolio, resources, challenges, and impact of REPs. Some findings are noteworthy in this sense. For instance, it is found that aiming to create innovative businesses through the programmes is an emerging pattern in addition to the aim to serve the community through facilitating refugees' economic integration in host countries. Looking at their services, including student consultants in the game, is an insightful aspect applied by a REP in the Netherlands, setting a practical example for other REPs. REPs' collaborations with private sector companies and on-demand support for refugee entrepreneurs' bespoke needs are also illuminated in terms of the services they provide.

Looking at the due diligence of REPs, the ones that I examined in Germany and Netherlands accepts participants based on their previous experiences, entrepreneurial traits and drive, but a solid business idea is not compulsory. However, the REP that I researched in the UK requires applicants to demonstrate a viable business idea. As REPs typically do not provide financial support, their assessment is reasonable and adequate for due diligence.

I identified finding financial resources to fund their activities as a major challenge for REPs. I analysed their key supporters and funding methods in this context. Measuring their impact in a quantifiable and appealing way is also pointed out as a common challenge for REPs. It is a disadvantage that makes it more difficult for them to attract investors. I concluded that there is a need for approaching different potential funders (e.g. governments vs. private sector companies) with different value propositions and evidence of impact in different dimensions (i.e. economic, social and personal). Not having a diverse team in the management of REPs is also a shortcoming found in all three countries. Skills mismatch between the mentors REPs have, and the refugee entrepreneurs in their portfolio is another problem that limits the efficiency of their services.

In terms of the impact of REPs, I discussed a wide range of outcomes from refugees who became self-reliant to changed perspectives of local people about refugees. From refugee entrepreneurs' perspective, how REPs help them develop their business models, improve their soft skills, adapt to the business culture, test their products in reality and access information about legal frameworks are the patterns that stood out. Additionally, it is

remarkable that most REP participants emphasised that REP was not helpful to find financial support for investing in their enterprises. I identified it as a critical limitation along with a lack of networking opportunities at a higher level which is especially needed by refugee entrepreneurs who have already had well-developed business models.

Finally, 69 per cent of the interviewed entrepreneurs who participated in a REP are solo entrepreneurs. As some participants emphasised that REPs do not help refugees find co-founders, including this type of support in their services would boost the economic, social and personal impact of REPs on refugee entrepreneurs. As individual support was also examined, in the context of social capital, having a local co-founder is found to be a very effective method for refugee entrepreneurs to access investment, overcome legal barriers, and have complementary skills collected in their founding team. Facilitating co-founder connections for refugees also saves financial and human resources in REPs, governments and relevant support organisations. The role of having a local co-founder has not been tapped into by previous studies in the refugee entrepreneurship literature.

8.3.5. Empirical Contribution to Innovation Literature

In the context of innovation and refugee entrepreneurs, only bottom-up innovation has been a matter of debate in the literature (Betts et al., 2015). A very early study by Shilling (1983) discussed that the movement of economic innovations, new production techniques, labour organisation, distribution and finance with refugees leads to the transfer of innovation in the host countries. Although this is a very thought-provoking study, especially for its time, it does not look at the role of entrepreneurship on the phenomenon. The dearth of research on refugee innovation limits the understanding of how refugees contribute to the entrepreneurship ecosystem, markets, and host countries.

This study's finding on the multicultural blend approach to innovation introduces a new perspective on refugee-led innovation. Nearly three-quarters of the sample have built innovative business models to serve their target market. They tested combinations of recent technologies and existing products and methods with different customers. One out of three enterprises that have an innovative business model adopted the multicultural blend approach to innovation. It means they mixed concepts, methods, products, etc. from their country of origin and host country to come up with an innovative enterprise. I argue that the entrepreneurs who adopt the multicultural blend approach are neither assimilated nor isolated in the host country market. It can be concluded that assimilation in this sense would lead to the loss of culture and diversity in the market. At the same time, the isolation of

refugee entrepreneurs would result in poor economic and social results such as bankruptcy, depression, and marginalisation.

8.4. Limitations of the Study

Due to the study's qualitative methodology, representativeness can be considered a limitation. The results of the study certainly do not represent all refugees in the selected countries. However, it explores the untold stories, challenges and ambitions of asylum seekers and refugees in the entrepreneurial ecosystems in urban settings, who are still mostly considered as only numbers in the news, quantitative studies, as well as the economic and social reports prepared by government institutions, NGOs and private sector.

History has a better memory about winners. In this sense, it could be expected that relevant contacts may have directed me to successful cases. To avoid bias in selecting case studies, I asked the contacts to introduce some refugee entrepreneurs who gave up setting up their business or dropped out from Refugee Entrepreneurship Programmes (REPs), incubators, or any such support programmes. I have expected this approach to be helpful to reach a diverse sample. However, those who dropped out from REPs did not respond to my calls. Besides, none of the entrepreneurs and programme managers in the sample knew anyone who gave up starting up a business after they start the entrepreneurial journey. Hence, this remains an unilluminated aspect of the phenomena.

As the sample size is small due to the qualitative methodology, I compared pairs of entrepreneur profiles in relevant sections for a more in-depth analysis. Accordingly, the different aspects of entrepreneurs are explored and interpreted, especially through comparing pairs, e.g. the entrepreneurs who have a similar background, previous experience or demographics (education, ethnicity, gender etc.).

Reaching participants was a challenge because to the scarcity of refugee entrepreneur networks and programmes in each country. It was also difficult to reach out to refugees who are not REP participants, as I discovered that they sometimes do not identify as "refugee entrepreneurs" or are too busy or reluctant to participate in a research study. This impediment was solved since personal contacts were available through private networks which refugees attend (not just REPs, but also other refugee-related organisations or entrepreneur networks), such as Startups Without Borders, Techfugees, Techstars, and Jusoor.

Other limitations could have been language barriers and time constraint for the fieldwork. As I speak Arabic and German at an intermediate level and Turkish as a native,

communicating with people from these communities mainly was straightforward. If a translator was required for the interviews in case participants do not speak English or Turkish, I could find one through my personal contacts from various projects. However, all participants could speak English well enough to answer the interview questions in detail, even in the Netherlands and Germany. Yet, it should still be kept in mind that showing your knowledge in respondents' native language might help get them on board and gain their trust. Regarding the time constraint, making the best use of online communication tools has been of great importance to manage the timeline, schedule the interviews, and have a more productive and cost-effective fieldwork for this research.

8.5. Implications for future research

During the fieldwork, analysis and writing up stages of this dissertation, a couple of implications for future studies are drawn based on the identified needs and gaps. First of all, many participants mentioned Sweden as a great example in terms of the integration process of refugees and the available entrepreneurship support in the country. Therefore, it is recommended for future studies to investigate the support schemes, legal frameworks and entrepreneurship ecosystem in the sense that how refugee entrepreneurship is enabled in Sweden. Furthermore, this study focused on refugee entrepreneurship in the big cities – urban settings– of Europe. This does not allow a comparison of refugee entrepreneurship to be made between the urban settings and rural settings. Hence, it would be reasonable and insightful for future research to look at refugee entrepreneurship in rural settings as well.

Another aspect that remains unknown is the second-generation refugees' entrepreneurship experience. By the nature of being a refugee, the second generation of refugees usually does not consider themselves refugees - which is fair since they are mostly the citizens of the country their parents have settled in. However, it would be interesting for future studies to explore if the entrepreneurship culture is passed on to the second generation and understand any social or structural barriers specific to their case.

As the findings of qualitative studies cannot imply generalisability, it would be meaningful for future quantitative studies to explore if there is a correlation between different variables of the defined factors, such as the size of refugee enterprises and the education level of the entrepreneurs or profitability and entrepreneurship support. Other forms of meaningful comparison and analysis would be possible if a balanced sample could have been created in terms of gender. Thus, it can be suggested for future studies to investigate the factors

that affect female refugee entrepreneurs' participation and development in the entrepreneurship ecosystem. Additionally, a comparison study of refugee entrepreneurs and non-entrepreneurial refugees would produce intriguing findings.

It would also be interesting to analyse the sustainability of refugee entrepreneurs' motivations. Longitudinal studies should be done in order to understand how motivations, performances and outcomes of refugee entrepreneurs change in the long term. For instance, considering the refugee entrepreneurs in the opportunity model and the distraction model, it would be stimulating to explore what happens to their enterprises when their interest dies, or they recover from traumatic experiences.

The motivations of the employees, volunteers, and founders of REPs and other actors of entrepreneurship support for refugees (i.e. investors, co-founders) should be investigated. For instance, the effects of having common values, beliefs, experience, nationality, etc. are very stimulating to explore in this context. Finally, competition among refugee entrepreneurs should be further examined along with competition between refugee entrepreneurs and other entrepreneurs (i.e. immigrant entrepreneurs and local entrepreneurs).

8.6. Implications for Practice

This research also has a wide range of important practical implications. I articulated them as recommendations for refugee entrepreneurs, REPs, governments, NGOs, the private sector, investors, and the wider society. The recommendations are based on the evidence and insights derived from the study.

8.6.1. Recommendations for Refugee Entrepreneurs

As one of the most significant barriers against the development of refugee enterprises is identified as access to finance throughout this study, it is recommended for refugee entrepreneurs to come up with alternative ways to fund their businesses. For instance, they can try some community-based financing methods, such as saving circles. A saving circle usually involves 5-10 people who meet regularly. When it is the turn of a participant to host the meeting, all other group members give the host an agreed amount of money. As the meetings circulate between members, they get to serve money regularly, and they receive a large amount of money when it is their turn to host the meeting. This would help refugee entrepreneurs to overcome the barriers against financial resources and meet their investment needs since they will have a reasonable amount of money each time they host a meeting –replacing the role of loans and credits. It would also lead them to improve the

performance of their enterprise, to gain budgeting skills, and to form a network for mutual support.

Similar to the saving circles, as part of the *Ice Academy* collaboration with TERN, Ben and Jerry's have launched a special ice-cream flavour as a way to support refugee entrepreneurs. Proceeds contributed to a micro-fund owned and run by Ice Academy graduate refugee entrepreneurs. They decide which refugee businesses will receive lending and how much. Receiving money from and paying to other refugee colleagues create a community feeling and a sense of endorsement while working together to take back control of their futures.

This type of product-based financial solutions are quite effective as British REP Manager mentioned:

"I am a big fan of the product model, e.g. our model based on the Ben and Jerry's ice-cream system. It appeals to corporates and generates revenue. Programmes should approach a company with an established commitment to Corporate Social Responsibility and propose to sell a product with the revenues allocated to refugee entrepreneurs. Consumers also love it. So, it is a win-win."

Such a product-based solution sets an excellent example of forming a refugee community towards supporting each other financially, although an external entity feeds the fund. To establish a self-sustaining and resilient version of such a community, a model where each refugee entrepreneur chips in part of their profit to be paid back by the borrowers would be effective and hold all participants accountable.

Another recommendation for refugee entrepreneurs would be to demonstrate the strength, potential and outcomes of work effectively instead of seeking "mercy" investment or philanthropy money. It is observed in the field that refugee entrepreneurs are weak in this sense. Through this practice, they would prove that their business model and plans are promising and viable. It is reasonable to argue that overcoming barriers to investment is not easy. However, trying to portray the value of their enterprise will also help refugee entrepreneurs to get a more realistic overview of their business, which will also help them to improve their solutions in a way that is more appealing to customers.

Refugee entrepreneurs should also seek co-foundership opportunities in host countries. Co-foundership—especially with a local citizen of the host country—can be facilitated through attending different networking events. Even for the refugee entrepreneurs who are part of

REPs, I recommend that they should follow and join different business networks' meetings, seminars, conferences, etc. Also, they should work towards being accepted to conventional incubators instead of limiting themselves to REPs which struggle to become financially sustainable and usually do not provide financial support for refugee entrepreneurs, as the results of this study suggest. On the other hand, some conventional incubators provide equity-free or equity-based investment grants; and connect the entrepreneurs in their portfolio with esteemed investors and VCs. Furthermore, they provide sector-specific expertise, which is potentially more professional and well-rounded than REPs'. They usually have big investors and consultancy firms on board. Trying to improve their startup to a level that can be accepted to a conventional incubator, or receive an investment, would help refugee entrepreneurs to have more realistic, innovative and sustainable businesses.

8.6.2. Recommendations for Refugee Entrepreneurship Programmes

Although the state of “entrepreneurship support” aspect ranges from moderately to highly suitable in the selected countries (see Section 6.7), a lot of room for improvement is identified for the REPs on an organisational level. First of all, it is recommended for REPs that they should collaborate with relevant government institutions and NGOs more effectively in order to enhance their impact. For example, they can work with NGOs which provide language courses, legal support, or institutions that manage the allocation of social benefits. Through such collaborations, they can outsource some of their services. They can recruit volunteers and participant refugee entrepreneurs through their interactions with such organisations.

The research found that REPs do not usually provide or facilitate access to financial resources for refugee enterprises. If they could do that, it would be very helpful for the refugee entrepreneur community. Entrepreneurs with mature ideas and previous entrepreneurial experience would benefit more from financial support than entrepreneurial education. More budget could be allocated to funding refugee businesses instead of training and mentoring all participant refugee entrepreneurs. Funding could also be provided as complementary support for the entrepreneurs who needed entrepreneurial training and completed the programme successfully. Also, more REPs should provide grants for selected refugee entrepreneurs, as only the REP found in Germany does. Providing debt financing could be also helpful for refugee entrepreneurs since they are excluded from financial institutions in Europe.

Similar to what a REP in Denmark does, as it is discussed at GRE Summit 2018, taking equity from refugee enterprises might be an effective solution as well. REP executives might think that they are more helpful by not taking equity from refugee entrepreneurs. However, it can be argued that it would show their trust, commitment, and seriousness in supporting refugee enterprises. In a workshop that I joined as a participant observer, a SINGA representative argued that taking equity is essential, not because it will pay off but to signal to participants that the programme is serious and not a charity. In line with that, a REP representative from Denmark stated: *“We do not position ourselves as a charity. We want entrepreneurs to see us as partners; that is why we ask for something in return.”* Additionally, taking equity from the refugee enterprises launched through them may help REPs fund more programmes with more refugee entrepreneur participants. Even if just a few enterprises in their portfolio get a high valuation, that would have exponential effects.

I strongly recommend REPs to target and support more women refugees. It is surely difficult for them to recruit women refugees; however, they have easier access to the networks where they might find them. Therefore, they should have incentives to get more women refugee entrepreneurs on board. Women refugees are presumably not inactive in the economy, as derived from the rate of female self-employment in their countries of origin (World Bank, 2020). Instead, either they are invisible due to security concerns, or they are too busy to attend REPs or interviews. Hence, online programmes can be provided to engage with them. Affordable babysitters can be arranged for them to attend networking events or training sessions, as the need was identified by a REP representative at GRE Summit 2019.

Since many refugee entrepreneurs that I contacted in the field have suffered from mental health problems, I also suggest REPs to provide psychological counselling sessions for refugee entrepreneurs so that they can recover from the effects of traumatic events and focus on their building a new life in the country.

The study revealed that REPs are mostly not in touch with their alumni entrepreneurs in the long term. In fact, following up with the progress of alumni entrepreneurs is helpful to see if they have any problems that can be overcome by further support –which would prevent the loss of efforts and resources spent on them. Alumni entrepreneurs can train or advise new participants in their sector as well. Even if REPs cannot follow up with them closely due to time and budget constraints, they should try to prioritise at least making surveys or quick interviews to keep in touch. It will also help REPs to strengthen their

programmes as well as their bonds with their participants and alumni and to have more effective outcomes in the long term.

I identified throughout the study that securing funding is a major challenge for REPs. Therefore, they should communicate their impact in a tailored way for the investors or supporters they approach by considering their interests in supporting the REP. They should show that refugee entrepreneurship is not a charity cause and the businesses in their portfolio have competitive products and are run professionally. REPs can also generate revenue through selling merchandise at their events and online platforms and providing consulting services on the side (e.g. consulting on social impact to corporates). Additionally, I propose that they model themselves after the architecture and funding strategies of established conventional incubators for local enterprises. They can host benchmarking sessions to have a better understanding of the strategies employed by conventional incubators.

I found that all REPs, including those I observed at GRE summits, have a main startup programme that targets refugee entrepreneurs in general. However, if REPs specialise in different aspects, such as specific sectors, they can build a more collaborative network. It would be easier for them to compete for funding, as they can target investors in different sectors. For the same purposes, new REPs should be launched in different cities and regions instead of centring around capital cities. Additionally, it is worth highlighting the untapped entrepreneurial potential in the camps, even though the scope of this research does not include refugees in the camps. A few studies examined refugee entrepreneurship in the camps (De la Chaux and Haugh, 2015; Kachkar, 2019). Yet, there are not any REPs that provide full incubation-support schemes targeting entrepreneurs in the camps. According to Kachkar's research (2019), 82 per cent of refugees in the camps (n=329) said they would be interested in joining if there were an entrepreneurship support programme in the camp, while only 25 per cent of them own a business.

REPs should come together to build an open database where they share best practices, impact reports, surveys, programme outcomes, etc. for the benefit of the community. A similar initiative was also suggested at GRE Summit 2018, but it has not been realised yet. When such a database is set up, it should be accessible for public use as it would be especially beneficial for researchers who would, in turn, help them with recommendations, new framework suggestions and program structure ideas, etc. It would also work as a tool for publicity to promote their activities and impact.

Finally, the study showed that there is a lack of thorough methodology to measure REPs' impact. An effective method should reflect the perspectives of policymakers, practitioners, entrepreneurs, and researchers in the field. In order to develop such a tool, areas of tension and synergy should be identified through in-depth analysis, and different dimensions of impact should be illuminated, such as economic, social and individual effects, as suggested by this study.

8.6.3. Recommendations for Governments and NGOs

The findings of this study underlined the critical need for policy and legislative changes to empower entrepreneurial refugees in European countries. Eliminating legal and institutional barriers to start a business can stimulate refugee entrepreneurship and facilitate refugees' integration into the economy and society. Getting a refugee status in many European countries takes too long, leaving asylum seekers in limbo. Asylum cases should be processed faster so that refugees can get quick access to employment and self-employment. Migration policies should encourage the participation of refugees in entrepreneurship for facilitating their integration into the host country economy. The legal processes for registering a business, opening a business bank account, accessing financial instruments and documentation requirements should be flexible in host countries, considering the circumstances of refugees (Kaptaner, 2020). This is better achieved in the Netherlands, compared to the other countries examined as part of this research. There are more room for improvement in the UK and Germany's government policies and public-private sector collaborations about refugees' economic empowerment.

Archibugi et al. (2019) recommended a structural management system that ensures a fair distribution of refugees among EU member states. In order to implement such a system, they suggest that quotas of asylum applications should be allocated to each country fairly, based on objective parameters such as unemployment rate, growth rate, number of refugees already hosted, GDP per capita, etc. In line with that idea, resettlement of refugees in different regions and cities could be encouraged and planned in collaboration with refugee organisations, municipalities and REPs. Allocations should be made based on skills, experiences, educational background of refugees, and the need in the labour market and the entrepreneurship ecosystem in the corresponding cities and regions. According to Dumont et al. (2016), a similar model has already started to be implemented in a couple of countries, including Belgium, Portugal and Spain.

Moreover, governments should introduce citizenship and permanent residence permit schemes for successful refugee entrepreneurs. As refugees have been excluded from financial services due to short-term residence permits, their entrepreneurial potential is limited. By encouraging them to stay in the country in the long term, giving them this flexibility would facilitate their access to financial services and lead them to plan for a future in the country.

As also suggested by a UK Home Office report (2019), government institutions should measure the impact of refugee organisations, including REPs, to track their progress and outcomes and point out their pain points and growth potential. This could be done on a national and cross-country level. International assessments would allow sharing best practices and compare the challenges, outcomes and impact of the organisations. Since there is not any existing longitudinal integration survey in Europe, such assessments are not being done. Therefore, the effectiveness of the budget provided to such programmes could not be monitored so far. Effective assessment of the organisations would also serve as a promotion of their impact and successful outcomes, leading to more government funding granted to them.

In this sense, it is also recommended for governments and NGOs to collaborate with REPs. Governments and NGOs can direct refugees with high potential to join the programmes and they can organise joint activities or provide funding for relevant activities. Since the contributions of REPs lead to government savings in terms of social benefits, resettlement costs, etc. of refugees, supporting them should be more encouraged by governments and NGOs. Funding schemes should be created for the successful establishment of new REPs and supporting the improvement of existing REPs.

Facilitating refugees' access to the labour market is of great importance, as this study demonstrated. It is not a sustainable approach to encourage refugees solely to become entrepreneurs, especially if having a well-integrated and harmonised community is the overall aim. There should be a balance between the rate of employed and self-employed refugees. In this sense, since asylum seekers are excluded from the labour market, their integration into the economy gets delayed. Therefore, they should be allowed to apply for jobs after the early stages of their asylum process. Marbach et al. (2018) found that the unemployment rates of refugees who are given the right to work after two years are 20 per cent higher than those who only had to wait for a year to access the labour market.

As the evidence of this research shows, lack of accreditation of university degrees and non-recognition of skills and experience they obtained in their countries of origin limit refugees' integration to the labour market. Therefore, skill mismatches and underemployment cases are very common. Governments should conduct formal interviews and tests with refugees to assess their competencies. These should be certified by the government and should allow refugees to access jobs in the field of their profession. A similar scheme is piloted in Austria, and apprenticeship or job positions are offered to the qualified refugees as a result (EMN, 2016).

Ultimately, governments should approach supporting refugee entrepreneurship as a tool to promote entrepreneurship for the wider society. Entrepreneurship helps the economy, leads to creating new jobs, more competition, innovation and production in the country. In this sense, refugee entrepreneurs can help revitalise the interest in entrepreneurship in the host countries.

8.6.4. Recommendations for Investors and Private Sector

First of all, investors and private sector companies should advocate for refugee entrepreneurs' right to access necessary financial resources (CFE, 2018), which will allow them to develop and grow their businesses. Since they have more say in such decisions, their views can influence policymakers' decisions. Additionally, investors can collaborate with REPs to show the impact of refugee enterprises and REPs so that they can get more support from the private sector and the public sector. More investments should be made to expand REPs' services and boost their outcomes, as REPs have a proven impact on entrepreneurs' lives, the society surrounding them and the host country economies.

Businesspeople who have experiences in the private sectors should help designing new REPs which provide more effective services, following the recommendations made for them based on the findings of this research. Moreover, they can fund the services of REPs, invest in promising refugee enterprises which were part of REPs, sponsor the salaries of business coaches, consultants, etc. at REPs would be very helpful to facilitate the launch and growth of successful refugee businesses. As discussed in the study earlier, CFE (2018) argues that the impact of REPs would reach 170 million pounds if all entrepreneurial refugees are provided with the necessary entrepreneurship support. This is the equivalent of 10 per cent of 20.000 refugees' resettlement costs in five years.

In this context, it is worth highlighting Refugee Investment Network's (RIN) work. RIN is serving as the technical advisor to the Small Enterprise Assistance Funds' (SEAF) first-of-

a-kind \$100M Global Displaced Persons' Fund. RIN built a tool, the Refugee Lens, which assesses refugee investment deals for potential investors. Investors should invest in an organisation that falls under at least one of these categories for the investment to be considered a “Refugee Investment”: Refugee-owned, refugee-led, refugee supporting, or a refugee lending facility. So, their scope is beyond “refugee enterprises” that this research looked at, which are defined as “refugee-owned enterprises” by RIN’s tool.

SEAF has built an exciting pipeline of high-impact refugee investments and intends to begin investing in 2021. Hence, their activities do not have direct results in funding refugee-owned enterprises yet (as of 2021); they primarily present transactions and collaborations which have secured funding for “refugee supporting businesses” (RIN, 2020). They publish reports that appear to produce solid results on the surface, but these documents are primarily projections of best practices such as social investment schemes, impact investors, public and philanthropic funders, or they introduce ideas like the Refugee Lens, suggesting models, frameworks and recommendations based on them. Therefore, it is shared as a best practice in this section since its outcomes cannot be assessed yet. Similar initiatives, including local ones, should be established by modelling after RIN.

Investors, businesspeople and REPs should join forces for launching an international funding organisation for refugee businesses, which could work as a specific crowd-funding platform. Additionally, it would be very effective to launch a “Crunchbase” (a platform for finding business information about companies) for refugee enterprises, entrepreneurs, REPs and investors. It would be very helpful for aspiring refugee entrepreneurs to see whom they can approach for advice, such as other refugee entrepreneurs in the same sector, potential mentors, investor, etc.; for instance, by searching for people and companies in the same sector. Private sector companies should do the planning and organisation of such platforms. Rather than working on the platform on a volunteer basis, the platform itself may be a startup whose founders and operators profit from it.

8.6.5. Recommendations for the Wider Society

Wider society can also play a critical role in empowering refugee entrepreneurship, as the social environment is one of the key external factors identified by this study. Therefore, a few suggestions are made for the society as well. First of all, members of the host society can engage in relevant NGOs, refugee organisations and REPs. For example, they can join befriending schemes, provide mentorship to refugees, financially contribute to refugee businesses and REPs. They can even become a co-founder of a refugee business, depending

on the level which they can provide at. Local individuals can give back to the community with their skills, talents and experiences by becoming volunteers to support refugee entrepreneurs.

Locals can also support refugee enterprises by becoming their customers. They can diversify the companies from which they purchase goods and services in order to provide opportunities for unconventional entrepreneurs, such as refugee entrepreneurs. Finally, I recommend local entrepreneurs in the host countries to form partnerships with refugee enterprises. Partnerships can be formed for the aim of promoting products and businesses, as well as co-hosting giveaways, events, and live broadcasts for marketing and publicity purposes.

8.7. Closing Comments

In conclusion, this research fills an important gap in the literature as an exploratory study about refugee entrepreneurs in urban settings of Europe. It demonstrates how, in the appropriate circumstances, refugees are not only part of a problem, but are also solving many problems by founding enterprises, providing jobs for others, giving back to society, and engaging in innovation. Considering the actors who have the power to change the circumstances for them, this study showcases the potentials, motivations and contributions, as well as the struggles of refugee entrepreneurs in a way that encourages governments, policymakers, businesspeople, NGOs, and individuals in the wider society to support further the participation of refugees in entrepreneurship and to minimise the barriers against them. In this sense, this research has demonstrated (1) the potential of refugee entrepreneurs to become economically self-reliant and socially integrated while they contribute to innovation and host country economy, and (2) the importance of the available entrepreneurship support and the inclusivity of the business environment for refugee entrepreneurs in host countries.

Understanding refugee entrepreneurs' motivations, challenges, and perceptions of their surroundings (i.e. business culture, opportunities, and barriers) enables us to assess the inclusivity of their host country's entrepreneurship ecosystem and institutional frameworks. The impact of REPs on these phenomena was particularly important to investigate. Therefore, the evaluation of REPs' services and impact, as demonstrated in this study, tells us how REPs and other support schemes should be run and supported. The challenges of REPs were also critical to point out as part of this research so that the founders and managers can improve such programmes and other support schemes to support refugee

entrepreneurs more effectively. By implementing the recommendations made in this study, REPs can more effectively serve the needs of refugee entrepreneurs and empower refugee entrepreneurs to the point where they overcome barriers, achieve self-sufficiency, reach their full potential, and contribute to the economy, society, and themselves.

Above all, this study aimed to contribute to a non-discriminatory public perception of entrepreneurial refugees and to the development of an inclusive and collaborative international community in solidarity with them. I wanted to raise attention to the fact that millions of people are forced to flee their home countries for a variety of reasons, bringing their skills, talents, and aspirations with them. They come across certain opportunities and challenges as they strive to start a brand-new life in their destination. I argue that refugees need and deserve well-developed support schemes tailored to their entrepreneurial requirements in order to navigate themselves in the new business environment. The findings of this study illustrate that inclusive and supportive conditions in host countries enable refugee entrepreneurs to reach their full potential, integrate, and contribute to the economy and society, rather than being a burden on host countries. Finally, I believe that, as evidenced by my research, the potentials, ambitions, and contributions of displaced people should be better recognised. Hopefully, this study will serve as an example of how the phenomenon might be investigated by capturing diverse perspectives.

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APPENDIX A: INTERVIEW QUESTIONS

A. Interview Questions for Refugee Entrepreneurs

Demographics of the entrepreneur: Nationality/country of origin, age, gender, year of arrival, host country, city, legal status, education background (most recent degree of education), profession (and where they learned about it: school, by practice), language skills (speaking the language of host country? If so, their level?)

Company characteristics: Sector, Stage and Size of the company, number of employees (local and refugee), investment value, investors, income generation

Entrepreneurial Characteristics:

1. Why did you choose this country to migrate? [Probe: Was it a choice at all? What was your expectations from the country, officials, individuals and organisations (and REP, if they participated)?]
2. What were you able to bring to this country? (e.g. degree certificate, financial means, social capital -if they migrated as a group- etc.)
3. When and why did you decide to start your own business? What motivated you? (e.g. previous experience? Identifying a gap in the market of your expertise, lack of opportunities in the job market etc.)
4. Why did you choose this sector and market? (e.g. market conditions, ethnic product/needs, experience, expertise, relevant support, low entry barriers)
5. What are the main challenges you faced in the start-up process? What are the challenges in the later stages (if they are in later stages)? How did you cope with them?
6. What did you gain, how did you improve by becoming an entrepreneur? (Probe: Economic, Social and Personal aspects) How did entrepreneurship help you to cope with the problems/challenges in the host country?
7. How is the performance of your company? (If not already asked in company characteristics section: income generation, job creation)
8. In which ways is your business innovative? [Probe: What's new and different in your product/service than similar alternatives in the market? Any new methods, techniques or processes do you use for manufacturing or marketing? (Probe: something you've been doing, producing or using in your country of origin? How is your product/service unique, novel?)]

Entrepreneurship Support:

1. Has anyone supported you in the start-up process? (Formal and informal support from locals, other entrepreneurs, refugee entrepreneurship programme, incubator, government, investors, co-ethnic network, family etc.) [Probe: Are you in touch/collaboration with locals of this country? Do you have partners, supporters and clients from the local community?] How did this support enable you to improve your business and cope with the problems/challenges?
2. How much was your financial capital when you established your firm? Did you get any loans, financial support? If so, where and how much?
3. [Only for the participants of REPs] What was the challenges and opportunities of being involved in the programme? (before, during and after the programme)
4. [Only for the participants of REPs] What were your gains from the programme? How did this support improve your business?
5. [Only for the participants of REPs] How do you think the REP could be more effective and helpful? What was missing?

B. Interview Questions for Executives of Refugee Entrepreneurship Programmes

1. Why is this programme established? What are the reasons for you to support refugee entrepreneurs?
2. What are the services that the programme provides? What are your resources?
3. What are your criteria to choose entrepreneurs? Your due diligence? Do you have a sector focus or business model focus (traditional vs. innovative)?
4. What are the challenges of your organisation? [Probe: Any struggles about communicating with refugees, problems about trainings, funding etc. ?]
5. What are the other support organisations/programmes available as you know in the city/country and how is your organisation different (i.e. stronger, weaker, more effective, practical) than other types of support?
6. What is your impact and how do you measure it? (performance indicators, impact metrics)
7. How do you think your programme could be more effective? What do you need for achieving that? What is your expectation from supporters, funders, entrepreneurs?

C. Interview Questions for Funders of Refugee Entrepreneurship Programmes

1. What are the reasons for you to fund this Refugee Entrepreneurship Programme?
2. How do you think they are helpful for refugees and the host country? What are your expectations from them?
3. How do you think or would like Refugee Entrepreneurship Programmes to be more effective, beneficial, attractive? In which ways they could be more impactful? (focusing on which activities, sectors, models, or improving which impact metrics etc.)

APPENDIX B: SUMMARY TABLE ON PERSONAL AND ENTREPRENEURIAL DETAILS OF THE PARTICIPANTS

Nickname	Nationality	Host Country	Gender	Age	Sector	Funding/Investment	Number of Employees	REP Participation
Ambitious Chef	Uzbek	UK	Male	38	Food	Bootstrapped	5	Participant
Artistic Caterer	Syrian	NL	Male	40	Food	Bootstrapped	Solo entrepreneur	Participant
British REP Manager	British	UK	Male	26	Entrepreneurship Program	N/A	N/A	Manager
Cool Foodie	Syrian	UK	Male	27	Food	Bootstrapped	4	Non-participant
Creative Publisher	Syrian	NL	Male	40	Publishing	Bootstrapped	7	Non-participant
Crypto Nomad	Syrian	NL	Male	36	Digital - Blockchain	Received 1.2 million Euros of investment	10	Non-participant
Dedicated Constructor	Syrian	Germany	Male	43	Digital - Construction, Education	Bootstrapped	Solo entrepreneur	Participant
DeepTech Inventor	Syrian	Germany	Male	28	DeepTech	Bootstrapped	Solo entrepreneur	Non-participant
Digital Housekeeper	Somalian	UK	Female	30	Digital - Cleaning Services	Bootstrapped	Solo entrepreneur	Participant
Digital Trainer	Syrian	Germany	Male	27	Digital - Education	Bootstrapped	3	Participant
Dutch REP Founder	Dutch	NL	Male	26	Entrepreneurship Program	N/A	N/A	REP Founder
E-commerce Genius	Syrian	UK	Male	34	Digital - E-commerce	Bootstrapped	Solo entrepreneur	Non-participant
Education Guru	Syrian	Germany	Male	52	Digital - Education	Received 50,000 Euros of investment	9	Participant
Entrepreneurial Teacher	Syrian	NL	Male	45	Education	Bootstrapped	Solo entrepreneur	Participant

Event Wizard	Syrian	UK	Male	32	Digital - Event management	Received 130,000 GBP of investment	6	Non-participant
Fast Filmmaker	Russian	NL	Male	28	Creative - Arts	Bootstrapped	Solo entrepreneur	Participant
German REP Manager	German	Germany	Male	37	Entrepreneurship Program	N/A	N/A	REP Manager
Go-to HR Guy	Zimbabwe	UK	Male	33	Digital - HR	Bootstrapped	Solo entrepreneur	Participant
Peacemaker Educator	Syrian	Germany	Male	28	Education	Received investment (Amount not disclosed)	4	Non-participant
Persistent Trader	Egyptian	UK	Male	56	Food & Trade	Bootstrapped	Solo entrepreneur	Participant
Pizza Maestro	Bosnian	UK	Male	48	Food	Received investment (Amount not disclosed)	50+	Non-participant
Shipment Innovator	Syrian	NL	Male	32	Software	Received 30,000 Euros of grants	6	Non-participant
Sociable Caterer	Syrian	Germany	Male	37	Food	Bootstrapped	3	Participant
Trailblazer Caterer	Syrian	NL	Male	49	Food	Bootstrapped	Solo entrepreneur	Non-participant
Training Master	Syrian	NL	Male	45	Social Enterprise - Education	Received investment (Amount not disclosed)	Solo entrepreneur	Participant
Versatile Developer	Syrian	Germany	Male	26	Digital - Social Enterprise	Bootstrapped	3	Non-participant
Visionary Foodie	Yemeni	UK	Female	32	Food	Bootstrapped	Solo entrepreneur	Participant
Youthful Consultant	Syrian	NL	Male	27	Education - Business Consultancy	Bootstrapped	Solo entrepreneur	Non-participant