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HIGHLIGHTS OF THE STUDY

Migrant entrepreneurship has become an established business phenomenon in modern cities in the developed world. The Netherlands – and in particular the large Dutch cities – is not an exception to this trend. In our search for the driving forces of business performance of distinct major migrant entrepreneurs' groups in the Netherlands, we have come up with various fascinating findings based on a diversity of empirical studies. The most important results are summarized here in the form of seven highlights:

- *Critical success factors*

Our research brings to light that the CSFs in the business performance of migrant entrepreneurs vary substantially among different ethnic groups. Our comparative evaluation shows that there are clear culture-based differences between these groups of respondents in their views on business and in the success factors that determine their performance level (e.g. market share, change in turnover, profit). The results of our analysis also show that Moroccan and Surinamese entrepreneurs are more oriented to the market situation, as well as to external success factors and leadership, whereas Turkish entrepreneurs are more concerned about internal success factors such as the management of the relationships with employees and customers. However, the orientation towards internal success factors contributes more to their success level or to an increase in performance than external success factors or leadership. In addition to migrant network and support systems, the success of migrant entrepreneurs also depends on their personality and motivation.

- *Motivation and driving forces*

There are significant differences in economic achievements between distinct ethnic groups of entrepreneurs. Our results show that an external orientation of second-generation Turkish migrant groups – compared with Moroccan, Surinamese, and Antillean entrepreneurs – is the result of both personal characteristics and previous work experience. Furthermore, this group is less oriented towards ethnic co-clientele and relatively more embedded in formal networks. The motivation and driving forces of the second-generation Turkish entrepreneurs appear to stem from both their personal characteristics shaped by their higher educational level and language ability and their previous working experience as an employee or entrepreneur in the same sector.

- *The second generation*

The results of our investigation show that a new orientation towards non-traditional sectors – in other words, an external orientation – combined with personal characteristics, skills and experience may produce a high level of economic performance and success of the second-generation Turkish entrepreneurs. The generally most important factors in motivation, driving forces and sectoral choice of these entrepreneurs in the advanced business sector in the Netherlands are: (a) nationality of employees; (b) preferences of employees; and (c) business

target group. Our analysis also reveals the predominance of second-generation entrepreneurs and their relatively higher participation rates in network and branch organizations. There is apparently a clear difference in the business performance of migrant entrepreneurs in successive (generation) cohorts.

- *Ethnic enclaves*

Of all the migrant groups in our study, the Turks have the highest share of entrepreneurs; their rate of self-employment approaches that of the native population. This is the result of the existence of ethnic enclaves of immigrants of the same ethnicity in areas with a high concentration of Turkish immigrants. The factors that favour the formation of a geographical concentration of these migrants are, above all, the language competence and the culture of the immigrants. Furthermore, most of the Turkish immigrants appear to come from families with an entrepreneurial background and strong social bonds, which explains the high degree of entrepreneurship for this ethnic group in the Netherlands.

- *Education*

Moroccan-owned businesses appear to have relatively high efficiency rates. In general, at present, the entrepreneurship rate of immigrants from Morocco, Suriname, and the Antilles is lower than that of Dutch entrepreneurs. Moroccans are rather similar to Turks in terms of their demographic composition, and are relatively less well-educated. On the other hand, Surinamese immigrants are more similar to Antillean immigrants; they are usually better-educated than the other two groups, and are more familiar with the Dutch language and culture. A common characteristic of all these immigrant groups is that they are relatively young compared with the native population. The cross-analysis on business efficiency according to education level showed some surprising results – the most efficient entrepreneurs with a high performance are those with a middle vocational education level, not those with a university level of education.

- *Age and gender*

Businesses owned by migrant entrepreneurs in the young age cohort have both the highest rate of efficiency and the highest rate of failure. In terms of gender participation, in the case of Moroccan and Turkish entrepreneurs, both first- and second-generation men are relatively more entrepreneurial, whereas the Surinamese and Antillean first-generation entrepreneurs have a relatively even gender distribution, and the second-generation women are more entrepreneurial.

- *The GALAXY model*

This study introduced a methodological novelty in the form of the design of a new explanatory model, called ‘*GALAXY*’, which serves as a framework for better understanding the influence of the critical factors that have a clear impact on the economic performance of the second-generation ethnic entrepreneurs, mainly in the context of the high-tech and advanced business services sector. This model is a new operational instrument that links theoretical insights on

business performance to the driving forces of business-motivational factors; socio-economic contextual factors; policy factors; and the business environment.