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STARS IN THE MAKING: THE RISE OF UK MIGRANT ENTREPRENEURS

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Summary

The UK used to be primarily an emigration country, but in recent years, far more migrants have arrived at the UK borders. These immigrants play a vital role in the country's entrepreneurial landscape, with many starting businesses contributing to the economy's growth and development. Migrant entrepreneurs are essential to the UK's entrepreneurial ecosystem, contributing to economic growth and job creation. However, starting and running a business in a new country can be challenging, particularly for migrants who face cultural, language, and regulatory barriers. Therefore, to thrive as a migrant entrepreneur in the UK, specific skills are necessary. This paper examines the experiences of Nigerian immigrant entrepreneurs in the UK, focusing on identifying challenges, opportunities and critical entrepreneurship skills immigrant entrepreneurs need to succeed in the UK business landscape.

Track: Entrepreneurship

Introduction

Immigrants have long been associated with entrepreneurship, with several studies affirming that these groups of entrepreneurs are more likely to start businesses than their native-born counterparts (Drinkwater et al., 2006, Basu, 2011). According to the BREXIT 2016 Policy analysis from the Centre for Economic Performance, it was evident that the number of immigrants was rising, possessing competencies and skills that contributed to the UK economy (Breinlich et al., 2016). Furthermore, scholars have shown that immigrants are more entrepreneurial than their native-born counterparts. For example, studies have found that immigrants were more likely to start businesses than their native-born peers in several European countries, including the UK (Desiderio, 2014). These motivations have been stimulated by push variables, such as high unemployment, low participation, or poor status in the labour market, which has stirred immigrants into entrepreneurship (Duan. and Sandhu, 2021).

According to the United Nations, a "migrant" is someone who relocates for at least a year to a country other than their customary domicile (Castles & Miller, 2009). Interestingly, UK immigrant entrepreneurs come from diverse backgrounds and nationalities. In 2015, EU net immigration to the UK was 172,000, just below the figure of 191,000 for non-EU immigrants (Wadsworth et al., 2016). According to a report by the Centre for Entrepreneurs (CFE), the top five countries of origin for immigrant entrepreneurs in the UK are India, China, Nigeria, Pakistan, and Bangladesh (, Nonetheless, immigrant business owners frequently have unique difficulties that could hinder their success. This is especially true for immigrant Nigerian business owners in the UK. With the increasing emergence of Nigerian migrants within Nigeria, this study seeks to capture the experiences, as there is a lack of studies on non-EU immigrants. Furthermore, one of the major immigrant populations from Africa in the UK is Nigeria, and entrepreneurship plays a significant role in their economic activity. Despite this, there is a paucity of studies on Nigerian immigrant entrepreneurs' experiences in the UK (Ojo and Gbadamosi, 2013, Spitzer, 2021). By analysing the difficulties and opportunities Nigerian immigrant entrepreneurs face in the UK, this study aims to uncover critical entrepreneurship skills immigrant entrepreneurs need to succeed in the UK business landscape. Consequently, the study will seek to address two three research questions as stated below:

- What are the challenges immigrant entrepreneurs encounter within the UK?
- What are the opportunities available to immigrant entrepreneurs within the UK?

- What critical entrepreneurship skills are necessary for success in the UK?

Hence, the organisation of this paper is structured as follows: the next section presents an overview of the extant literature on challenges that plague immigrant entrepreneurs, describes opportunities that are accessible within the UK and identify skills that drive success. The following section provides an overview of the methodology, and the final section will provide insights into the further directions and developments of the study. The section concludes with a statement about the research question.

Emerging themes in the context of the study

The section is divided into three subsections providing an overview of the arguments on immigrant entrepreneurs within extant literature. The literature review begins with a description of the challenges immigrant entrepreneurs encounter. The second section will discuss an overview of the opportunities available to immigrant entrepreneurs. Finally, the literature review concludes with a discussion on the key entrepreneurship skills of immigrants that drive business success.

Challenges Faced by Immigrant Entrepreneurs

Scholars have identified the lack of access to financing as one of the biggest problems immigrant business owners encounter (Malki et al., 2020). This becomes evident due to the lack of experience with the UK's local financial system, collateral, or no applicants having no credit history with local financial institutions (Kwong et al., 2012). Immigrant entrepreneurs frequently struggle to obtain capital. Furthermore, complexities and issues may arise between lenders and investors due to cultural and linguistic disparities. Cultural differences are another difficulty that immigrant business owners must overcome. This requires a deep understanding of the subtleties of doing business in the UK, which can be challenging as immigrant entrepreneurs try to navigate the business culture in the UK, which may be very different from that of the entrepreneur's country of origin (Hack-Polay et al., 2020). This may hinder the entrepreneur's capacity to forge bonds with suppliers, clients, and partners, develop credibility, and negotiate contracts successfully (de Vries, 2012). Regulatory constraints also pose severe difficulties for immigrant business owners. Scholars affirm that it can be challenging for immigrant entrepreneurs to negotiate the different criteria for establishing and operating a business in the UK (Griffin-EL and Olabisi, 2018). This is due to the potential differences

between the legal and regulatory environments in the UK and the entrepreneur's country of origin. This complexity is further amplified as obtaining the required licences may become cumbersome due to the varied requirements for business, especially concerning tax obligations of businesses (Surangi, 2022).

Opportunities in the UK ecosystem

In the UK, immigrant entrepreneurs have become a driving force in the start-up ecosystem (Drinkwater et al., 2006, Malki et al.,2020). In this section, opportunities available to UK immigrant entrepreneurs are explored. One of the most significant challenges for immigrant entrepreneurs is securing funding to launch and grow their businesses (Malki et al.,2020). Interestingly, the UK has many funding opportunities available to entrepreneurs. For instance, the government backed Start Up loans scheme offers entrepreneurs up to £25,000 to help launch and grow their businesses (GOV.UK 2023). However, this loan is unsecured, as opposed to a business loan. Entrepreneurs must pass through a credit check which may become cumbersome and restrictive to the broader pool of entrepreneurs. Furthermore, networking is essential to any entrepreneur's success, and the UK provides immigrant businesspeople opportunities to meet like-minded people (Miller and Bound, 2011). Entrepreneurs may attend many events and meetups in the UK because of its thriving start-up environment (Kruja and Berisha,2021). For instance, the UK is a hub for many events and forums connecting entrepreneurs with investors, mentors, and potential business partners. Finally, the UK offer entrepreneurs a legal route to facilitate the creation of start-ups, such as start-up visas for immigrant entrepreneurs who wish to start a business in the UK (GOV.UK).

Critical entrepreneurship skills of immigrant entrepreneurs

While launching and operating enterprises in unfamiliar environments, immigrant entrepreneurs confront difficulties (Naudé and Marchand 2017). This is especially true because issues like cultural differences, language obstacles, and a lack of social networks impede the development and expansion of these start-ups. However, scholars contend that immigrant entrepreneurs must acquire the essential abilities to deal with these difficulties to flourish in the UK's competitive economic environment (Pruthi and Tasavori, 2022). Skills such as first language skills, which facilitate communication with stakeholders. Secondly, cultural intelligence facilitates the navigation of cultural differences that provide the basis for building trusting relationships. Thirdly, networking skills facilitate seamless interactions and

relationship building. In addition, financial management skills enable immigrant entrepreneurs to maintain compliance and efficiently manage their funds. Finally, immigrant entrepreneurs must develop resilience to overcome obstacles and persevere through difficult times (Malerba and Ferreira, 2020, Dabić et al., 2020, Duan and Sandhu, 2022). In conclusion, immigrant business owners must acquire the skills to overcome obstacles and prosper in the UK's complex business environment.

Nigerian immigrant entrepreneurs represent a significant proportion of immigrant entrepreneurs in the UK. Over 75 000 Nigerian immigrants lived in the UK in 2007 (nearly 2% of the immigrant population), a continuous rise from the years before (Lindsay et al., 2012). However, the Nigerian National Population UK 2021 – Statista stated that in 2021, over 178 000 Nigerian citizens lived in the United Kingdom, affirming the steady increase of Nigerian immigrants to the UK. Interestingly, these immigrants face unique challenges that impact their ability to start and grow businesses (Ojo, 2013). Hence, this study seeks to explore the Nigerian immigrant entrepreneurs' experiences within the UK to identify challenges encountered by these immigrant entrepreneurs, uncover the opportunities within the study context and identify the skills required by these entrepreneurs to develop new businesses successfully.

Methodology

A general term that describes knowledge, its nature, and how it is created is "research philosophy" (Saunders et al., 2019). It outlines important presumptions regarding a researcher's worldview and how it influences the philosophical decisions that serve as the foundation for a study (Easterby-Smith, 2021). This study aims to investigate how immigrant entrepreneurs in the UK perceive entrepreneurship within the UK. The study seeks to uncover critical entrepreneurship skills Nigerian immigrant entrepreneurs need to succeed in the UK business landscape. The study will seek to address two three research questions as stated above. Hence, the study will use an interpretivism philosophy to explore the experiences of Nigerian migrant entrepreneurs from the perspective of the local actors. This philosophy will enable the researcher to fully immerse themselves in the context of the study to unpack the socially constructed meaning and provide in-depth descriptions of challenges, opportunities and skills from respondents' accounts (Blumberg et al., 2014).

Regarding the approach to reasoning, an abductive approach will be adopted as it offers a complementary substitute to traditional inductive and deductive approaches to research (Saunders et al., 2019). This is a theory-oriented style of undertaking research inquiry that

involves developing justifications from data to attain plausible conclusions. Within the study context, a qualitative research process will be adopted, using semi-structured interviews to capture detailed descriptions of the local actors (Morse, 2015). This is appropriate as qualitative studies chart the path to discovering complex phenomena within given contexts (Cypress, 2017).

Due to the exploratory nature of the research and the need to assess the existing conceptualisations of immigrant entrepreneurship, a phenomenological research strategy will be adopted to allow the researcher to address the research questions and attain the research aim (Saunders et al., 2019). A phenomenological strategy offers the most opportunity to explore the concept of immigrant entrepreneurship within the UK painstakingly, as it will enable the researcher to capture the unique experiences of Nigerian immigrant entrepreneurs in the UK. Finally, the study will adopt a thematic data analysis approach to treat the data impartially and produce convincing conclusions. This analysis was judged appropriate as thematic analysis identifies, analyses, and reports patterns within data but goes further to interpret various aspects of the research topic (Braun and Clarke, 2006).

Further development

Comparing studies on entrepreneurship, there is a dearth of study on immigrant entrepreneurship (Drinkwater et al., 2006; Hawari-Latter and et al., 2021; Malerba and Ferreira, 2020; Dabi et al., 2020; Duanand Sandhu, 2022). As a result, this empirical research will examine immigrant entrepreneurship through the perspective of immigrant Nigerian entrepreneurs in the UK. The study specifically aims to investigate the following three fundamental research questions: (1) What are the challenges immigrant entrepreneurs encounter within the UK? (2) what are the opportunities available to immigrant entrepreneurs within the UK? And (3) what critical entrepreneurship skills are necessary for success in the UK? Semi-structured interviews and facilitated discussions with Nigerian immigrant entrepreneurs in the UK will be used to explore these issues. It is anticipated that data will be gathered in the upcoming months for this study, which is still in its early stages. The results will then be presented at the British Academy of Management conference in September 2023. This study is expected to improve the field of immigrant entrepreneurship and lay the groundwork for future empirical research.

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