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THE CONSULTATION SERVICES PROVIDED FOR NEW IMMIGRANT ENTREPRENEURS
Case: Enterprise Agency Luotsi

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Abstract

The objective of this study is to discover how the consultation services for new immigrant entrepreneurs are organized and what should be taken into account when organizing them. The research was conducted in co-operation with Enterprise Agency Luotsi.

The research method is qualitative research and the approach a case study. The theoretical part of the study consists of a review to immigrant entrepreneurship and an introduction to the business consultation services provided to immigrant entrepreneurs. The empirical part of the research was conducted by semi-structured theme interviews performed during winter 2010. The purpose of these interviews was to gather information about the experiences the interviewees had as customers of Enterprise Agency Luotsi.

The results of the research suggest that although immigrant entrepreneurs seem to be pleased with the consultation services they have been provided with, some factors need improvement. The main challenges the immigrant entrepreneurs have faced as customers of Enterprise Agency Luotsi were the problems related to Finnish language and the understanding between the business advisors and themselves.

The main conclusions of the research are that because immigrant entrepreneurship supports both the Finnish economy and the integration of the immigrants, some careful considerations should be made when the business consultation services to immigrant customers are organized; the issues taken into account should include the development of the communication as well as the guidance to Finnish business life and its ways of operation.

Keywords
Immigration, entrepreneurship, business consultation services

Miscellaneous

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Tiivistelmä

Tämän tutkimuksen tarkoituksena on selvittää, miten yritysneuvontapalvelut aloitteleville maahanmuuttajayrittäjille on järjestetty, ja mitä tulisi ottaa huomioon niiden järjestelyissä. Tutkimus toteutettiin yhteistyössä Yrityspalvelukeskus Luotsin kanssa.

Tutkimusote on kvalitatiivinen ja tutkimusmenetelmä tapaustutkimus. Tutkimuksen teoreettinen osuus koostuu katsauksesta maahanmuuttajayrittäjyyteen ja maahanmuuttajayrittäjille suunnattujen yritysneuvontapalveluiden esittelystä. Tutkimuksen empiirinen aineisto kerättiin puolistrukturoiduilla teemahaastatteluilla, jotka tehtiin talvella 2010. Näiden haastattelujen tarkoituksena oli saada tietoa haastateltujen kokemuksista asiakkuudesta Yrityspalvelukeskus Luotsissa.

Tutkimustuloksien mukaan maahanmuuttajayrittäjät ovat olleet näennäisen tyytyväisiä saamiinsa yritysneuvontapalveluihin; kuitenkin tietyt asiat vaativat kehittämistä. Haasteellisinta maahanmuuttajayrittäjille Yrityspalvelukeskus Luotsin asiakkaina on ollut kieleen ja ymmärrykseen yritysneuvojan ja yrittäjän välillä liittyvät ongelmat.

Johtopäätöksenä todettakoon, että koska maahanmuuttajien yrittäjyys tukee sekä Suomen kansantaloutta että maahanmuuttajien kotouttamista, heidän tarpeensa tulee ottaa huomioon yritysneuvontapalveluita järjestettäessä. Huomioonotettavia asioita ovat kommunikaation kehittäminen sekä opastus suomalaiseen liike-elämään ja sen lainalaisuuksiin.

Avainsanat (asiasanat)
Maahanmuuttajuus, yrittäjyys, yritysneuvontapalvelut

Muut tiedot

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1 INTRODUCTION

The promotion of immigrant entrepreneurship in Finland is often explained by economical and cultural reasons. The economic aspect is based on viewpoints verified by international studies emphasizing the positive influence that immigration has towards national economy of the country. On the other hand, the actions to improve immigrant entrepreneurship can be seen as actions to better integrate the immigrants into the particular society. (Kauppa- ja teollisuusministeriö 2007, 15.)
The change in the age structure of Finnish population also emphasizes the economic viewpoint. However, the overall economic impact of immigration has not yet been broadly studied. Therefore, it cannot be estimated into the detail. The general net costs and net profits to the society caused by immigration depend on the age structure and education of the immigrants, the functionality of labor market, the permanency of immigration, and the participation of families to the immigration. International studies have proved that during a relatively long period of time the receiving society generally benefits from immigration and that the economic effects of immigrations are positive. (Kauppa- ja teollisuusministeriö 2007, 15.)

The factors influencing success in business basically are similar to the factors that support the general well-being and mental readjustment of the immigrants into the new society. According to previous studies, the factors improving the well-being of immigrants living in Finland include employment, good skills of Finnish language, positive experiences of the attitudes of Finns towards foreigners, broad and tight social networks, good social support and economic well-being. On the contrary, unemployment, poor skills of Finnish, experiences of discrimination, social isolation, and economic concerns hindered the mental integration of immigrants. The economic situation also affected the general health of the immigrants. The importance of language skills and employment as a contributor to mental adjustment grows according to the amount of time an immigrant has been living in Finland. Therefore, entrepreneurship is a relatively effective tool for integration as the immigrants actively need to familiarize themselves with the circumstances of the receiving country and adapt their own operations to these circumstances in order to succeed in business. On the other hand, an immigrant entrepreneur is able to have influence on the receiving society by introducing new ways of action and new products. (Kauppa- ja teollisuusministeriö 2007, 16.)

According to Pietarinen (2009), the immigrants also have a lot of entrepreneurial potential: for instance, immigrants are often more willing to employ themselves than the Finns as finding a job in any other way is rather challenging. As immigrants have a fresh viewpoint of the things, they are able to produce new ideas and innovations to Finnish markets – the fact that immigrants are constantly involved with two (or more) different cultures supports this innovativeness. Furthermore, immigrants get along well with different kinds of people, they are hardworking and dauntless, and they determinedly reach for success. (Pietarinen 2009.)

As stated above, immigrant entrepreneurship has a remarkable impact on the functioning of economics in Finland. The fact is that in a world there have always been people who move themselves and their homes from one area to another – they have migrated to different locations for several reasons. So immigration as a concept is rather an old phenomenon both worldwide and in Finland alike. Even so, immigration invokes both positive and negative emotions amongst Finns and is also currently a highly debated issue in the media.

The choice of immigrant entrepreneurship as the subject of the study was purely due to the author's personal interest. 'Entrepreneurship' as a phenomenon seems fascinating: why some people are more willing than others to face the obstacles and risks related to establishing their own businesses and also, what factors make some entrepreneurs more successful than the others. The author wanted to study entrepreneurship from the viewpoint of some minor group of entrepreneurs, whether women, young people, or immigrants. Choosing immigrants as the target group made the study internationally oriented. The author has personal experience of emigration, which explains the interest in how immigrants in Finland become self-employed. Additionally, the fact that there have been only a few studies about immigrant entrepreneurship in Finland was appealing to the author.

The definitive research topic occurred as the author contacted Enterprise Agency Luotsi. In Jyväskylä area the number of immigrant entrepreneurs is relatively small and therefore the need for specialized consultation services is not yet urgent. The aim was to find out if the immigrant entrepreneurs themselves feel the need for these specialized consultation services and if these services were provided, what they should be like. The challenges faced by immigrant entrepreneurs during the overall business establishment process was a subject of interest as well as how the consultation services provider could support immigrant customers facing these challenges and possibly prevent them.

As the number of researches conducted on immigrant entrepreneurship in Jyväskylä and the Central Finland area is more or less non-existent, it was exciting to be involved with a research topic this unique – on the other hand, it would have been fairly relieving if there had been some existing studies for the sake of comparison.

The study is qualitative by method; the empirical part was conducted by semi-structured theme interviews. The objective of the research and research questions as well as the research method and approach are introduced first. In the next part both the immigrant entrepreneurship in a Finnish scale and the consultation services provided for starting entrepreneurs are introduced. In the implementation part the data collection and the analysis process are described and ethical issues briefly discussed. The results of the study are then introduced in the discussion part ending the thesis.

2 OBJECTIVE OF THE RESEARCH

2.1 Research Problem

The main objective of the research is to discover how the consultation services for starting immigrant entrepreneurs are organized and what should be taken into account when organizing them. The participants for this research have been customers of Enterprise Agency Luotsi located in Jyväskylä which is part of the network of Enterprise

Agencies in Finland. Because of this selection of participants the study naturally focuses on the immigrant entrepreneurs operating in Jyväskylä area and their experiences about consultation services.

2.2 Research Questions

When creating the research question the researcher should at first define the aim of the research: why it is carried out, what its purpose is, and how the issues of one's interest are explored. When formulating the research question the researcher should remember that this particular question will determine the whole research. (Eriksson & Kovalainen 2008, 27.)

The research questions for this research are:

- Why is it important to organize specialized consultation services for starting immigrant entrepreneurs?
- What obstacles do the immigrant entrepreneurs face as they establish businesses and how can these obstacles be prevented?
- To what extent are the obstacles immigrant entrepreneurs face as they establish businesses related to immigration and in proportion, to being inexperienced as an entrepreneur?

3 METHOD AND APPROACH

3.1 Research Method

"Qualitative research is research that involves analyzing and interpreting texts and interviews in order to discover meaningful patterns descriptive of a particular phenomenon" (Auerbach 2003, 3).

According to Ghauri and Grønhaug (2002), the main reasons for conducting a qualitative research include the objective of the research project as well as the previous experience of the researcher. The author's aim was to uncover the experiences of the target group, immigrant customers of Enterprise Agency Luotsi, and to understand the little known phenomenon of immigrant entrepreneurship. It turned out that with the help of qualitative methods it would be possible to find profound details and knowledge of this process, which would have been too difficult if quantitative methods had been used (see Figure 1). In addition, as qualitative research methods are generally used in social and behavioral sciences, and therefore suitable for studying organizations, groups, and individuals, a qualitative method was chosen for this study (Ghauri & Grønhaug 2002, 87.)

Qualitative methods	Quantitative methods
• Emphasis on understanding	• Emphasis on testing and verification
• Focus on understanding from respondent's/informant's point of view	• Focus on facts and/or reasons for social events
• Interpretation and rational approach	• Logical and critical approach
• Observations and measurements in natural settings	• Controlled measurement
• Subjective 'insider view' and closeness to data	• Objective 'outsider view' distant from data
• Explorative orientation	• Hypothetical-deductive; focus on hypothesis testing
• Process oriented	• Result oriented
• Holistic perspective	• Particularistic and analytical
• Generalization by comparison of properties and contexts of individual organism	• Generalization by population membership

FIGURE 1. The difference in the emphasis of qualitative versus quantitative methods by Ghauri and Grønhaug (2002)

Conducting a qualitative research consists of various elements which need to be carefully considered in order to successfully complete the research. The first step is to choose the research area and identify the phenomenon to be researched (Eriksson & Kovalainen

2008, 26; Ghauri & Grønhaug 2002, 25). The basis for the selection of the research topic should be its “researchability”: whether the chosen topic is researchable or not. This may be tested by analyzing the empirical nature of the topic. Whether the research topic is chosen by the researcher himself or is given him by a third party (such as the supervisor or an organization) Eriksson and Kovalainen (2008) recommend that whenever it is possible the researcher should choose a topic which he/she is personally interested in. The researcher should also review the existing literature about the chosen topic and evaluate if the topic is suitable for further research. (Eriksson & Kovalainen 2008, 26-27.)

3.2 Research Approach

> *Case studies are particularly well-suited to new research areas for which existing theory seems inadequate. This type of work is highly complementary to incremental theory building from normal science research. The former is useful in early stages of research on a topic or when a fresh perspective is needed, while the latter is useful in later stages of knowledge.* (Eisenhardt 1989, 548-549.)

Case study is a preferred research approach when the researcher is dealing with research questions that include words ‘how’ or ‘why’, when he does not have much control over the events, and when the focus is on a current phenomenon in a real-life context (Ghauri & Grønhaug 2002, 172). The case study research consists of “a case” or several “cases”. Thus the research questions must be related to the understanding and solving of that particular case. Eriksson and Kovalainen (2008) state that one reason for the popularity of this research method in the field of business is that the case study presents complex business issues in a way which is accessible, active, and personal, and which therefore appeals to people involved in business research more than e.g. statistical or survey research. Thus, case study has in some occasions been accused of lacking scientific correctness due to the “real-life” dimension mentioned above. (Eriksson & Kovalainen 2008, 115.) Ghauri and Grønhaug (2002) support these claims by stating that a case study is often used when the aim of the study is to identify the issues of certain units of a single organization (Ghauri & Grønhaug 2002, 172-173).

Case study was chosen as the approach of the research because the results of the research depend on understanding the viewpoints and opinions of the people interviewed. The choice was also connected with the “real-life context” mentioned earlier as the experiences of the participants portray a significant part of that particular phase in their lives when they established or planned to establish their businesses.

Conducting a case study is seldom pre-predictable process: the used time, the number of studied cases, the purpose of the research as well as the research questions may change during the research process. However, if these factors mentioned are constantly modified, the undertaken study may not equal with the study originally planned. Therefore it is important that the researcher does “create a balance between rigour and flexibility”. (Ghauri & Grønhaug 2002, 177-178.) During the research process the author became familiar with the fact that many of her original plans were changing over time; yet she tried to keep the focus on the main research objective throughout the whole process.

4 IMMIGRANT ENTREPRENEURS IN FINLAND

4.1 Ethnic Economy and Immigrant Entrepreneurship

4.1.1 Immigration in Finland

According to the Statistics Finland (2008), the population of Finland was 5,300,484 at the end of 2007; approximately 2.5 % of this number consisted of foreign citizens (see Figure 2). The net movement of foreign citizens to Finland has been changing between 5000 and 9000 people in a year recently (Kauppa- ja teollisuusministeriö 2007, 19) - the number of foreign citizens grew by 10,969 people in 2007. The largest nationality groups were Russians, Estonians, Swedes, and Somalis. There were also 202,528 people living in Finland who were born abroad. 91.2 % of the population spoke Finnish, 5.5 % spoke Swedish and 0.03 % spoke Sami as their mother tongue. 3.3 % of the population (172,928 persons) spoke some other language as their mother tongue.

The most spoken of these languages were Russian (45,224 persons), Estonian (19,812 persons), English (10,589 persons), Somali (9,810 persons), and Arabic (8,119 persons). (Statistics Finland, 2008.) Approximately 50 per cent of the foreigners live in the Uusimaa region, most of them in the Helsinki metropolitan area. There are also a relatively large number of foreigners in the biggest cities such as Turku, Tampere, Oulu, Vaasa, and in Swedish-speaking areas of Aland and Ostrobothnia. A relatively small number of foreigners are living in the Southern Ostrobothnia, Northern Savonia, and Satakunta regions. (Kauppa- ja teollisuusministeriö 2007, 19.)

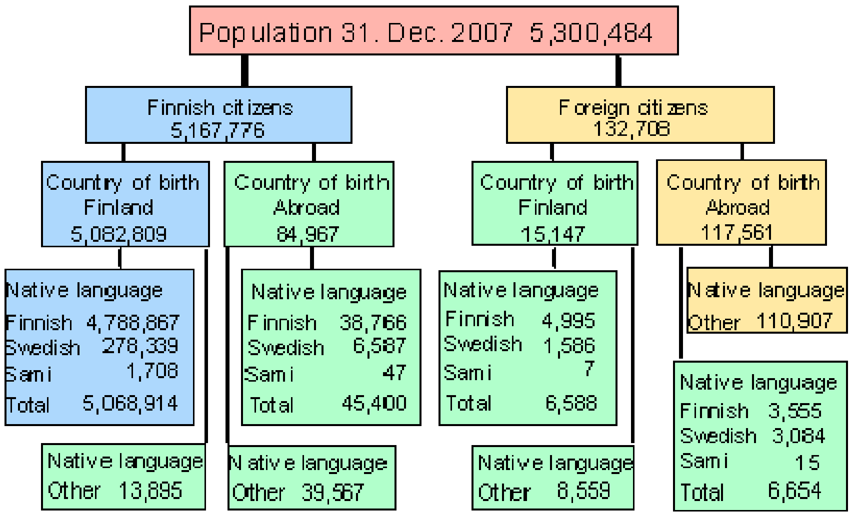

FIGURE 2. Country of birth, citizenship and mother tongue of the population 31.12.2007 from the website of Statistics Finland (2008)

4.1.2 International Definition of Immigrant Entrepreneurship

Immigrant entrepreneurship – often referred to *ethnic economy* in many studies – has most commonly been a target of a research in the United States. Bonacich and Modell (1981, 45) refer exclusively to entrepreneurship by the concept of ethnic economies, whereas Light and Gold (2000, 50) use it in a remarkably wider meaning as they include both ethnic entrepreneurship and ethnic groups in the general labor market to it. However, both of these interpretations exclude certain ethnic economy factors such as the enterprises that employ people from other ethnic groups than the group the entrepreneur himself represents. It is also notable that ethnic economy does not equal to immigrant economic activity: even though immigrant economic activity can be included to ethnic economy not all of the ethnic minorities are formed by immigrants (i.e. Jewish entrepreneurs operating in different countries). (Joronen 2002, 120-121.)

4.1.3 Finnish Definition of Entrepreneur and Immigrant Entrepreneur

There are two definitions for an entrepreneur in the official statistics in Finland (Kauppa- ja teollisuusministeriö 2007, 17). According to the Employment Statistics, the entrepreneurs are:

> *persons aged 18-74 who during the last week of the year had a self-employed person's pension insurance and who were not unemployed on the last working day of the year and were not conscripts or conscientious objectors during the last week of the year. If, in addition to having a self-employed person's pension insurance, the person is in an employment relationship, his/her entrepreneurial income must exceed his/her wage income. The category of entrepreneurs also includes people whose entrepreneurial income exceeds a specified level of earnings, provided that they are not retired during the reference week. This limit is set each year by means of inference using data from the Labour Force Survey.* (Statistics Finland 2007.)

The Labour Force Survey meanwhile defines entrepreneurs as:

> *persons who using the inputs they own engage in economic activities on their own account and at their own risk. Entrepreneurs can be freelancers, sole entrepreneurs or they can have paid labour force (so-called self-employed employer). A person in a limited company who alone or with his or her family owns at least one half of the enterprise is an entrepreneur.* (Statistics Finland 2007.)

If the Finnish immigrant entrepreneurship is examined from the view point of organized services, the immigrant entrepreneurs can be classified according to their link to the receiving country as follows:

- owner entrepreneurs who permanently live in Finland or are planning to move permanently to Finland and
- foreign entrepreneurs who do business in Finland but do not permanently live here. (Kauppa- ja teollisuusministeriö 2007, 17-18.)

In this study the concept of immigrant entrepreneur applies to people who have immigrated to Finland permanently and have since established a business here.

4.1.4 Reasons for Migration

According to the United Nations (UN), there were approximately 190 million immigrants – about 3 % of the population of the globe – in 2005. It is estimated that there are currently 35 million immigrants in the EU. The number of immigrants has increased during the last decades due to the rapid growth of global population. Even though the growth of population has been decreasing in the industrial countries, world population is estimated to increase by 50 per cent during the next 50 years – the growth is particularly high in Asia and Latin America. According to the estimation of the International Labour Organization (ILO), already during this decade the size of labour force globally will increase by 500 million people. (Kauppa- ja teollisuusministeriö 2007, 18.)

After World War Two there was a wide movement of labour to the Central and Northern Europe; this movement was not directed to Finland as there were enough labour available for the expanding industrial and service sectors in the domestic labor available for the expanding industrial and service sectors in the domestic labor market – this was due to the relatively high number of working women, high education level of women, and well-developed family planning. Unlike many European countries, Finland has not had colonial history, which has contributed to the low level of immigration. (Kauppa- ja teollisuusministeriö 2007, 18.)

Until the 1980s Finland was primarily a country of emigration from where the labor moved abroad. At the moment approximately 1,3 million Finns are living abroad. Finnish Government has made a decision in principle in order to encourage Finns living abroad to return to Finland. The first people to return were Ingrian Finns in 1990. They were followed by asylum seekers from Somalia and former Yugoslavia in the early 1990s. However, people from Russia, Estonia, and Sweden form the largest group of foreigners in Finland. (Kauppa- ja teollisuusministeriö 2007, 18-19.)

During the last couple of decades, foreign people have moved to Finland for other reasons than those related to work. Until the early 1990s, the composition of immigration was shaped by the restricting immigration policy. Although many restrictions concerning the labour movement were removed as Finland became a member of the European Union, the labour immigration has not been substantially increasing. According to the Ministry of Labour, the main reasons for immigration in the 1990s and 2000s were the following: family relations (60-65 %), refugee status (approximately 15 %), return migration from the area of former Soviet Union (approximately 10 %), and work-related immigration (5-10 %). Accordingly, unlike in the case of most of the industrial countries, in Finland people who have immigrated to the country because of work are a minority amongst all immigrants. (Kauppa- ja teollisuusministeriö 2007, 19.)

4.2 History of Immigrant Entrepreneurs in Finland

Early Days

There are records from the 13th century about the first foreign entrepreneur activities in the area now known as the State of Finland. During those days the Baltic Sea region was dominated by German merchants and the most vivid trading was executed in Stockholm (as Finland was part of Sweden), Turku and some other cities situated on the west coast of the country. During the 17th and 18th centuries, Swedish government was supporting the increase of exports, working towards economic growth, and protecting individual's right to self-sufficiency in order to attract foreigners with capital and eagerness to establish industrial and commercial enterprises which the State could economically benefit from. At that time Sweden received immigrant entrepreneurs mostly from

Holland, the German States, Scotland and England – some of the businesses launched by these people considerably helped the economic development of the country later. The foreign entrepreneurs in Finland were involved with the mining industry which had first started in the 17th century to support the subsidies for the State of Sweden. (Joronen, Pajarinen & Ylä-Anttila 2002, 49.)

Incorporation into Russia

Finland was rather undeveloped and lacked both technological and economical know-how prior becoming part of Russia in 1809. Rapid industrialization only began at the late 19th century following the lead of St. Petersburg. The foreign businessmen were able to occupy the best positions in the market as the barriers for foreign capital were practically non-existent and the Finnish citizenship – which was needed for the right to operate a factory – was regularly easy to get. Most of the foreign factory owners were originated from Russia, Sweden and Germany. Between 1809 and 1867 almost one in seven of the new manufacturing businesses were owned by foreigners, paper and chemical manufacturing holding the leading position. However, as the factories built by the foreigners were larger by size than the ones established by the Finns, these numbers does not give the real view of the situation. The foreign businessmen also developed old factories and transformed them into successful companies as well as introduced many new innovations to Finland. (Joronen et al. 2002, 50.)

Finland as a Gate to Russia

The mercantilism remained apparent in Finland during the 1800s. The foreign entrepreneurs were warmly welcomed in order to increase the national wealth with the help of capital investments and technological knowledge. The foreign businessmen usually arrived in Finland without a foreign company or capital as their back up – they acted only by an individual capacity and provided their knowledge and skills instead of money. Despite the welcoming atmosphere, the Finns tended to occupy the ownership of key sectors such as forest industry and national resources. Many foreign companies that wanted to distribute their products to Russia set up manufacturing plants in Finland because of the beneficiary of low customs fees on trade to Russia. These companies were not interested in the relatively limited market opportunities in Finland. (Joronen et al. 2002, 51-52.)

Foreign Companies' Impact on Development in the 19th Century

In the 19th century the foreign companies had the greatest impact on industrialization in the fields of textile and sawmill manufacturing as well as in the new sectors such as the electrical and chemical industries. Foreign companies began targeting the energy sector in the late 19th century as steam power was replaced by electrical power and those new technologies were highly demanded due to the growth of the forest industry companies. In order to fulfill the need for electricity, several companies were set up in Finland. Additionally, when the Finnish telephone network was built, foreign companies took part building it. (Joronen et al. 2002, 56.)

Rise of Nationalism

In the late 1800s the rise of nationalism changed the attitudes towards foreigners – especially to the Russians. An example of the new situation occurred when some notable foreign companies were attracted by the Imatrankoski rapids which were located relatively close to St. Petersburg, a growing city of two million inhabitants, where a power system has just been built. However, all of a sudden the foreign enterprises' proposals for power plants were opposed by both the politics and the press. When compared to the rest of the Europe, Finland was industrialized relatively late and nationalism coincided with industrialism in Finland probably more than anywhere else. The attitudes toward foreign companies remained negative after Finland became independent in 1917 – now that the Finns were able to make the political and economic decisions by themselves, the new laws enacted restricted e.g. the foreigners' right of ownership. (Joronen et al. 2002, 57.)

Early 20th Century

After 1917 many foreign-owned businesses were either sold to the Finns – both to private owners and to the State – or terminated their operations otherwise. These businesses ceased because of the disruption of the business ties caused by the World War I, unstable political situation, and the growth of negative attitudes towards foreigners. The position of the State in the Finnish business life had been salient already during the autonomous period, but only after the independence the State gained direct ownership of the businesses. This procedure intended to guarantee the continuing operations and the domestic ownership of certain key sectors such as forest industry and metal manufacturing. However, the business acquisitions of the State were often financed with foreign loans. Therefore the businesses still remained indirectly dependent on foreign capital. (Joronen et al. 2002, 61.)

Foreign Companies' Impact on Development in the 20th Century

Many foreign businesses that operated in the field of high technology played an important role in the creation and development of the Finnish power and electronics industry by making the production structures more versatile. The new market entrants at the time typically were subsidiaries of multinational companies that had strong backing in financing, production, and marketing. The operating strategy of these entrants was both to manufacture and to sell their products in Finland e.g. in order to avoid paying the customs of ready-made products. The negative attitudes towards foreign businesses continued to grow in the 1930s due to the political situation in the world as well as the increased interest of foreigners towards Finland's natural resources. In 1939 a law was enacted to restrict the foreigners' ownership of businesses and real estate: foreign companies needed permission from the government to acquire fixed assets, and from the Council State to purchase or sell companies. This restrictive law remained effective until the early 1990s – however, especially in the last few decades of its validity, the permissions had been granted rather liberally. (Joronen et al. 2002, 63.)

Years after World War II

In the years following the World War II the economy became highly regulated, traditional industries were revived, and completely new sectors were emerging. These procedures were often financed by the war reparations. On the reverse for this development of modern and industrial Finland, the foreign investment – one of the most central channels of know-how and technological transfer – remained rather limited for a relatively long period of time. (Joronen et al. 2002, 63.)

4.3 Immigrant-owned Businesses in Finland Today

In 2005 approximately 6000 businesses – 2.5 % of all the businesses in the country – were owned either entirely or at least by 50 percent by an immigrant. The businesses owned by immigrants who had Finnish citizenship were not included in this number. Thus, the real number of the businesses owned by people with migration background seemingly exceeded the number of companies. The immigrant-owned businesses employed around 15,500 people (including the entrepreneurs), which was 1.2 % of the people employed by private businesses as a whole. However, the exact number of people working in these companies is rather difficult to estimate. The turnover of the businesses owned by immigrants was 1.5 % (approximately 4-5 billion euro) of the turnover of all businesses in 2005. Since it is possible that a same individual is responsible over several businesses or several people are responsible over one business, it is impossible to compare the real number of immigrant entrepreneurs to the statistical data about them. (Lith 2007.)

4.3.1 Origin of Immigrant Entrepreneurs

One third of the immigrant-owned businesses were owned by entrepreneurs from EU15 countries, mainly from Sweden, United Knigdom, Germany, or Danmark – however, many people arriving from Sweden most likely were Finns who were migrating back to Finland. Entrepreneurs from Russia, Estonia and other European countries (including the new EU countries as well as the countries outside of the EU such as Norway and the former Republic of Yugoslavia) owned approximately 30% of the immigrant-owned businesses. People from Asia (e.g. Turkey, Vietnam, Thailand, China, and India) owned less than one fourth of businesses established by immigrants. Africans as well as Americans (both North and Latin Americans) owned approximately 3% of immigrant-owned businesses each. The number of businesses that were owned by entrepreneurs representing several nationalities was approximately 5% of all the businesses (see Figure 3); these types of companies are usually owned by the

Europeans as this kind of an entrepreneurship is rare between other nationalities. (Lith 2007.)

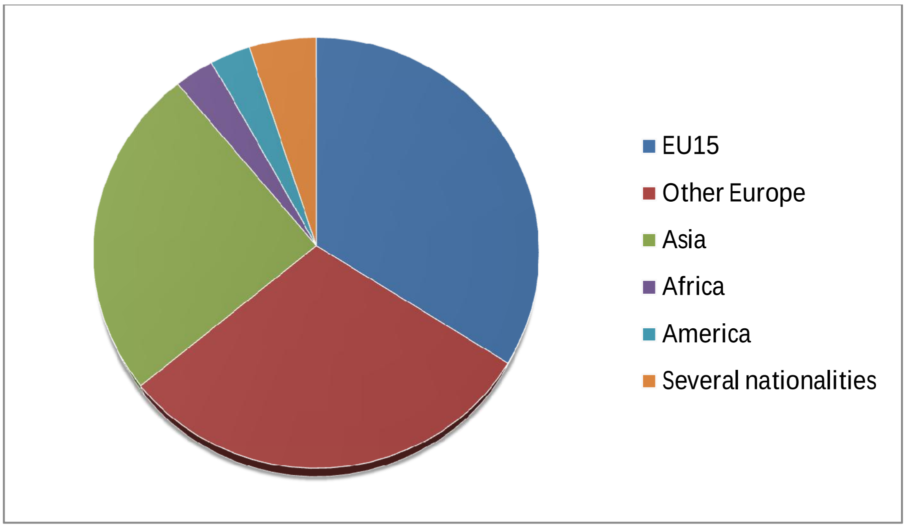

FIGURE 3. Immigrant-owned businesses in Finland by immigrants' area of origin

4.3.2 Business Fields of Immigrant Entrepreneurs

People representing different nationalities seemed to specialize in different fields of business. Most of the people from Scandinavia, Western part of the EU, Russia, and Baltic countries were operating in the trading or offering business services; many Russians were, for instance, working in liable positions in exporting companies. The Russians owned also many transportation businesses. People from Africa, Turkey, Middle East and other parts of Asia were specialized in restaurant business. The Estonians formed a large entrepreneur group in the field of construction business, whereas the Africans often operated in the field of trade. The businesses owned by Africans, Asians, and Estonians were mostly located in Helsinki and its surroundings, whereas Russians and citizens of the old EU countries operated additionally in other parts of Finland. (Lith 2007.)

Immigrant entrepreneurs were usually operating in the services field. More than 25 % operated in warehousing and retailing – some did also foreign trade. Many of the immigrant-owned companies operated in the fields of real estate, accommodation, and catering. The number of manufacturing companies (both industrial and constructional) was only 10 % - however, the construction business has been constantly increasing. The number of different types of consulting businesses as well as importing and exporting companies established by both the Finns and the immigrants is going to increase as many Finnish-owned businesses are forced to expand abroad because of the size of the domestic markets. Due to this kind of a development new business opportunities have emerged for well-educated and international professionals who may also collaborate with multinational companies located in Finland. (Lith 2007.)

4.3.3 Immigrant-owned Businesses by Region

According to Lith (2007), the ethnic entrepreneurship in Finland as its present format is rather novel phenomenon as more than 50 per cent of the businesses owned by immigrants were established after 2001. The number of these businesses is comparative to the number of all the immigrants in Finland; this number has been increasing evenly during the last two decades. Most of the businesses owned by immigrants, 56 % in total, are situated in the Uusimaa region in the Southern Finland, mostly in the Helsinki metropolitan area (cities of Helsinki, Vantaa, and Espoo). In Helsinki there are 2200 immigrant-owned businesses – one of the main reasons for this is that most of the immigrants are living in that area. (Lith 2007.)

In the South East Finland, i.e. in Kotka and Lappeenranta, the reason for a large number of companies established by immigrants is the geographical nearness of Russia. Other areas to which immigrant owned companies are centralized include Tampere, Turku, and Vaasa. In the small villages situated in the coastline of Finland the number of immigrant-owned companies is relatively high: for instance in the coastal area of Ostrobothnia this is due to the vicinity of several reception centers for refugees in the area as well as the closeness of Sweden. The smallest number of companies established by foreigners is in the Finnish speaking areas of the Ostrobothnia and Satakunta regions as well as in the sparsely populated regions of Eastern Finland such as in the Northern Karelia and Northern Savonia regions. Overall, there is at least one immigrant-owned company in nearly every community in Finland. (Lith 2007.)

4.3.4 Immigrant-owned Businesses as Employers

Only 50 per cent of the business owned by immigrants employed personnel; 15 % of these businesses employed at least 5 people. It is usual that the immigrants employ people who are originally from their own country of origin; the personnel are often employed directly from that country. Approximately 5 % of the people working in immigrant-owned companies were immigrants who worked with a card of tax at source. (Lith 2007.)

Businesses owned by the immigrants employed approximately 12,300 salary earners. In reality this number includes the entrepreneurs owning small businesses who pay salary for themselves. Additionally, there were approximately 3,200 sole traders and entrepreneurs who do not pay salary for themselves. It is difficult to estimate the real number of immigrant entrepreneurs, as several family members of them worked in the companies without official salary or the self-employed persons' pensions act YEL (Finnish Centre for Pensions). (Lith 2007.)

4.4 Immigrant Entrepreneurs in the Helsinki Metropolitan Area

In order to find out how to improve consultation services for immigrants who are considering establishing a business, a survey about immigrant entrepreneurship was conducted in the early 2000s in the Helsinki metropolitan area. The objectives of the survey were to provide an idea of the number of immigrant enterprises and their operative sectors, to study the entrepreneurs themselves (their backgrounds and operating methods), to show the importance of entrepreneurship employing the immigrants, and to point out the special prospects the immigrant-owned companies could produce to Finnish economic life. It is rather problematic to apply the results of this research to the circumstances in the whole country as they represent the situation of one particular economic region: the opportunities of establishing a business for immigrants may differ between various regions depending on how suitable the conditions are for setting up a company. (Joronen 2002, 131-132.)

The Helsinki metropolitan area cannot be seen as an average of any economic area in Finland as the business sectors in Helsinki vary from other parts of the country i.e. because of historic reasons. The Finnish government, industrial and commercial administration, financing, and insurance activities as well as various enterprises producing services for business communities have all centralized in the Helsinki area, which is also the center of foreign trade and international passenger traffic. Operating in such a market requires a high level of language skills, cultural knowledge and contacts with immigrants. Therefore, the Helsinki area deviates from the average when it comes to the terms of the degree of business activity among immigrants. In 1999 the Helsinki metropolitan area included approximately 50 per cent of Finland’s entire population. Yet, the situation is not unique as the immigrants tend to cluster in big cities worldwide. (Joronen 2002, 133.)

During the period between the 1800s and 1990s, the Helsinki economic area had remained as a center of immigration and immigrant entrepreneurship. The structure of immigrant entrepreneurship had remained relatively stable as the main operating sectors of immigrant entrepreneurs still included foreign trade and related services as well as restaurants and retail, and the majority of the immigrant entrepreneurs still originate from neighbouring countries and Central Europe. However, new features in immigrant entrepreneurship had emerged due to the globalization of economy and migration flows: for instance, the variety of different nationalities in Helsinki is nowadays much more broader than in the 1800s – i.e. in 1999 there were approximately 1700 immigrant-owned businesses in the Helsinki metropolitan area run by entrepreneurs from 70 different countries. Whilst the number of immigrant owned businesses has remarkably increased from the 1800s, their economic impact has respectively enormously decreased from the past: for example, in Helsinki the Russian merchants alone made up 40 % of the total merchant trade of the city in the 1800s whereas only about 6 percent of the wholesale companies operating in the area were owned by immigrants at the end of the 1990s. When the study of immigrant entrepreneurs in the Helsinki metropolitan area was conducted, immigrants owned approximately 3-4 percent of all the businesses in the Helsinki region. (Joronen 2002, 136-137.)

Albeit Finland only began to see ethnic markets - which have still remained rather small - as late as in the 1990s, the push toward immigrant entrepreneurship has grown linearly with the increased number of immigrants. The reasons for the establishment of the retail trade in ethnic products and restaurant business to the Helsinki area in the first place seemed to lie in the coinciding of a strong growth in immigration during the recession years of the early 1990s when it was almost impossible for new immigrants to employ themselves in any other way. Although the immigrant communities in Finland have so far been too small for the creation of *ethnic enclave economies* (an economy based on ethnic control according to the region of origin) – which are rather common in the Central European countries – in the Helsinki metropolitan area there are already networks based on ethnic groups which promote the employment of members of that particular group. (Joronen 2002, 138.)

Joronen (2002) divides the different field of businesses operated by immigrants in the Helsinki metropolitan area according to their country of origin as follows:

- foreign trade is the main business sector of people from Nordic countries and the former Soviet Union,
- immigrants from North America, Australia, and Eastern Europe mainly operate in business services,
- people from Asia, Turkey, Northern Africa and Middle East mostly concentrate in the restaurant industry yet their rate of ownership in retail business is a bit above the average and
- the business sectors operated by Central and Southern Europeans were the most distributed, as primary areas included wholesaling and business services; additionally, they were more likely to have businesses in the education field and in health-care services.

These differences can be explained by the fact that the *educational level* of immigrant entrepreneurs varies by country of origin and this has affected to the selection of operating sectors; typically, the most highly educated operated in the field of business services, education, and health-care services whereas the others were concentrated on the restaurant business and retail trade – however, foreign trade was generally practiced regardless of educational level. Another factor affecting the choice of the sector of operation was *the absence of demand* in certain fields. Since Finland never had colonies and hence does not really have knowledge of the markets in developing countries, its trade in Asia and Africa has been relatively low and therefore the demand for so-called supporting services (i.e. translation and consultation) has remained low, too. (Joronen 2002, 139-140.)

The immigrant entrepreneurs may also be divided into different groups according to the time spent in Finland before establishing their businesses. Most of the immigrants had become entrepreneurs within less than five years after arriving in Finland, with all of them arriving in the 1990s; these highly educated immigrants had mainly established relatively successful translation and foreign trade businesses. Yet there was also a lot of variety in this group of entrepreneurs as some owned fast-growing export businesses whereas some had failed to make their companies profitable. Another significant group was the entrepreneurs who had established their businesses 5-9 years from the time of arrival in Finland. They had immigrated mainly in the 1980s and 1990s, and were the mostly educated ones with relatively successful firms. Few entrepreneurs, who had immigrated to the country in the 1970s and 1980s, had lived more than 10 years in Finland before becoming entrepreneurs. These entrepreneurs were also highly educated, yet they mainly differed from the others in that most of them had been unemployed before establishing their businesses. All members of this group had achieved a fair degree of success and had most commonly established businesses in the field of translation services. (Joronen 2002, 143-144.)

5 CONSULTATION SERVICES FOR NEW ENTREPRENEURS

5.1 Enterprise Agencies in Finland

The network of Enterprise Agencies of Finland (in Finnish: Suomen Uusyrityskeskukset ry) provides free-of-charge consultation services for starting entrepreneurs and for those planning to establish a business (see Figure 4). There are 31 Enterprise Agencies in Finland providing their services in more than 80 locations employing 157 officers – this network has as its back-up 1,300 experts, more than 1,000 enterprises, and 270 communities. Since its establishment in 1989 approximately 80,000 new companies have been established through Enterprise Agencies; in 2009 the number of new businesses established was 7,872. Enterprise Agencies of Finland is a co-operative organization of the regional Enterprise Agencies. (Uusyrityskeskus, Etusivu.)

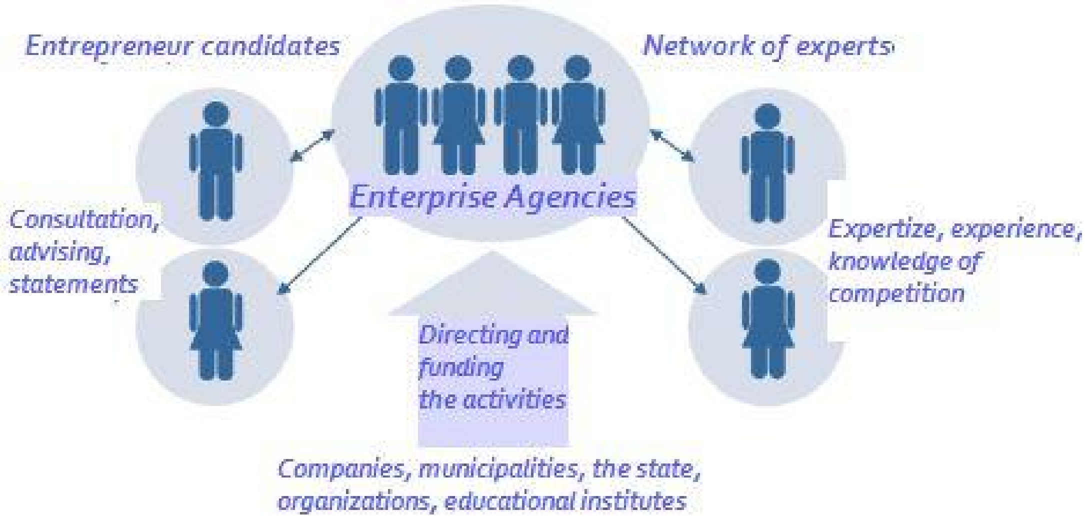

FIGURE 4. The implementation of operations model of Enterprise Agencies in the website of Uusyrityskeskukset Suomi, Toimintamalli

The consultation process for new entrepreneurs in the Enterprise Agencies is ISO 9001/2000 certified according to the quality control system (Uusyrityskeskus, Etusivu) and it is guaranteed to last minimum of two weeks (Nyyssönen 2009a). The process begins when the person wanting to become an entrepreneur develops a business idea and independently searches information e.g. from the Internet or through organizations such as the Employment Office and the Regional Development Company (e.g. Jykes in the Jyväskylä area). After sketching the business idea the entrepreneur may contact the Enterprise Agency of his own region to have a preliminary discussion with a business advisor. He/she will also be provided with material to viewed with consideration before the first consultation session, including a form for both the business plan and some calculations. Thus, before the first meeting with the counselor, the entrepreneur should have prepared something “concrete”. (Nyyssönen 2009a; Uusyrityskeskus, Toimintamalli.) Some Enterprise Agencies also organize information gatherings for starting entrepreneurs where the basic issues concerning entrepreneurship are discussed prior to the personal meeting with a business advisor. This type of a function gives advices for the business plan sketching before the plan is viewed by the business advisor (Uusyrityskeskus, Toimintamalli).

The meeting with the business advisor consists of interactive discussion with the entrepreneur during which he/she can explain and justify his/her ideas and viewpoints (Nyyssönen 2009a). The customer visits the Enterprise Agency approximately two to five times prior launching his/her business (Uusyrityskeskus, Toimintamalli). During the meetings the customer can have consulting in the following issues:

- the evaluation and development of business idea and business plan,
- the calculation for investment and profitability,
- the financing plan,
- the plan for attracting customer,
- the marketing plan,
- the selection of premises,
- the selection of enterprise form,
- the communication with the authorities,
- permissions, taxation, insurances etc,

- the statements for start-up grant and other forms of funding the business and
- the arrangement of book keeping. (Uusyrityskeskus, Uusyrityskeskusten palvelut.)

After the meetings the business advisor gives his/her statements concerning the start-up grant; this grant will be appropriated if the starting business is a profitable one. The advisor provides his/her statements to Finnvera where the final decision is made about the grant. The Enterprise Agencies aim to provide individual consultation and support for their customers – not just ready-made counseling patterns. During the consultation sessions the person’s readiness to establish and run a business will be evaluated. According to Nyyssönen (2009a), the desirable qualities for an entrepreneur applicant are self-discipline, persistency, and general ability to operate as an entrepreneur.The background of the applicant, including the education and work history, will also be evaluated. (Nyyssönen 2009a.)

5.1.1 Masuuni Project: Business Services for Immigrant Entrepreneurs

Nationwide project called Masuuni is especially targeted to promote the entrepreneurship of immigrants. It will be operating until the end of 2010. The project is administrated by the Enterprise Agencies of Finland and its main sponsor is the ELY Center (former TE Center) of the Uusimaa region. The co-operatives of the project include for example Enterprise Helsinki, the Enterprise Agency of Tampere, and Cursor Ltd. The main purpose of the Masuuni project is to support the business consulting organizations and the business advisors in the implementation of services directed to the immigrant entrepreneurs, and to produce the needed tools in consulting such as the manuals and other material in different languages. The Masuuni project also supports the immigrant entrepreneurship promoting actions, such as the consulting and various campaigns, in different regions nationwide. (Uusyrityskeskus, Masuuni.)

The Masuuni project is targeted to improve several issues in business services provided for immigrants. ‘A business establishment guidebook for starting entrepreneurs’ was planned to be revived during autumn 2009 by changing the contents of the former guidebook into more immigrant-friendly form, for example by clarifying the practices of the permissions needed as well as by introducing the Finnish business culture. The guide will be published in several other languages besides Finnish, e.g. in English, Swedish, Estonian, Chinese, Arabian, Turkish, and French. From the basis of a survey conducted amongst people working with immigrants, a book directed to business advisors will be published by the end of 2010. This book will advise them for example on how to communicate with people from different cultures, and what meaning does the concept of entrepreneurship have in different cultures. The website of Enterprise Finland will also be improved in order to better serve the needs of people speaking different languages. (Pietarinen 2009.)

5.1.2 Immigrants as Customers of Enterprise Helsinki

There are several public consulting service providers that offer free of charge consulting services for new entrepreneurs in the Helsinki metropolitan area (Uusyrityskeskus, Etusivu). All of these consulting service providers have immigrants as their customers. However, Enterprise Helsinki (former NYP Yrityspalvelut) is the only consulting service provider that has specialized for the services targeted to immigrants. (El-Khouri & Utso 2007, 3.) Enterprise Helsinki provides enterprise services to immigrant entrepreneurs of the whole metropolitan area (cities of Helsinki, Espoo, Vantaa, and Kauniainen). Its objectives are to assist in the creation of new competitive businesses as well as to improve the operational preconditions of existing businesses (YritysHelsinki 2010a).

In 2009 approximately 30 % (899 persons) of the customers of Enterprise Helsinki were immigrants – the total number of customers were 2,978 (El-Khouri 2010). Approximately 33 per cent of the immigrant customers will end up establishing businesses. The share of the immigrants as customers of Enterprise Helsinki has nearly tripled since 2000; the number was highest in 2007 when 45 % of the customers were immigrants. So far Enterprise Helsinki has had customers from more than 110 countries, biggest nationality groups being Russians, Estonians, Somalis, Chinese, and Turks. (El-Khouri & Utso 2007, 3.) Enterprise Helsinki provides consulting services to new immigrant entrepreneurs in

English, Swedish, German, French, Russian, Estonian, and Arabic (YritysHelsinki 2010a).

Most of the immigrant customers contact Enterprise Helsinki via ELY Centers (former TE Centers) in order to receive the start-up grant. According to El-Khouri (2010), approximately 5 to 10 % of the immigrant customers contact Enterprise Helsinki directly – these customers are usually from Russia gathering information by themselves e.g. about visa issues and only receive the start-package from Enterprise Helsinki. (El-Khouri 2010.)

According to El-Khouri (2010), the Finns and the immigrant do not differ from each other much as starting entrepreneurs: both of them require assistance in the basic issues concerning the business establishment. However, the consulting process of an immigrant customer requires more time than of a Finnish customer. Even though many of the immigrant customers already have had a business in their country of origin, they require as much assistant as the customers who are establishing their first company. The challenging issues for the immigrant customers include lacking the fluency in Finnish language, the problems in understanding the taxation system, and the problems in filling up the needed official forms. All in all, the immigrants find the whole establishment process rather demanding. Those immigrant customers, who participated to the info sessions organized by Enterprise Helsinki prior the consultation, have found the establishment process less challenging. Therefore it is recommended, that before the actual consultation process begins, the customers take part to the info sessions organized either in Finnish, English, Russian, or Arabic. Most of the immigrants prefer to participate the sessions in Finnish even though they would be fluent in English; hereby they will be able to learn the terminology concerning i.e. taxation and accounting in Finnish in the first place. (El-Khouri 2010.)

There are several advantages in the specialized consultation services provided to the immigrants, such as the increase in the amount of labour force, the emergence of competent companies that are properly maintained and which thereby provide jobs and are profitable. The most important factor for a newly established business is the growth – the consulting services are provided in order to guarantee it. Immigrants are courageous and have sound ideas, yet they need support and guidance in order to carry them through the establishment. Additionally, the immigrant entrepreneurs have international

experience and contacts which are of use especially when dealing with the importing and exporting. Generally speaking, immigrants are enthusiastic about becoming entrepreneurs – the biggest obstacles for their business establishment are usually related to the problems of gathering the funding. (El-Khouri 2010.)
El-Khouri (2010) cannot name one particular reason for immigrant entrepreneurship. He states that some time ago there were many unemployed immigrants wanting to establish a business in order to provide maintenance for themselves and their families, but nowadays the reason to becoming an entrepreneur may be, for example, a wish to earn more money than they currently do. (El-Khouri 2010.)

5.1.3 Immigrants as Customers of Enterprise Agency Luotsi

In 2005 there were 123 businesses owned by immigrants in the Central Finland area covering 2.0 % of the businesses owned by immigrants in the whole country. The turnover of immigrant-owned businesses in the Central Finland area was 0.7 % of the turnover of immigrant-owned businesses in the whole country. The immigrant entrepreneurs owned 1.2 % of all the businesses in the Central Finland area – 2.5 % of all businesses in Finland were owned by immigrants. Immigrant entrepreneurs employed 0.6 % of all the personnel of privately-owned businesses in the Central Finland area and their turnover was 0.3 % of the turnover of the businesses in the area. (Lith 2007.)

Enterprise Agency Luotsi provides consultation services for both the starting entrepreneurs and already operating entrepreneurs in the Jyväskylä area (Yrityspalvelukeskus Luotsi 2010); it is the only Enterprise Agency operating in the area of Central Finland (Uusyrityskeskus, Etusivu). In 2008 there were 628 customers in Luotsi. In a yearly basis approximately 5-7 per cent of Luotsi’s customers have been immigrants for instance from Russia, Far East, Middle East and Europe. (Nyyssönen 2009a.) According to Nyyssönen (2009b), the number of both immigrant customers and customers in general has decreased recently. The reason for this lays most likely in the decreasing demand for services (most of Luotsi’s customers operate in the service branch) due to the ongoing recession which has made the wishful entrepreneurs more guarded than usually.

When it comes to the most common problems the immigrants have faced during the consultation process and after the launch of the businesses, Nyyssönen (2009a) mentions the low proficiency of Finnish language as well as the difficulty in the understanding between the business advisor and the immigrant; yet the latter may somewhat be related to the problems with the language. If the entrepreneur does not understand Finnish it is difficult for him/her to gather the needed information to run a company according to the Finnish law (Nyyssönen 2009b). In addition, it is crucial for the starting entrepreneur to truly understand the branch of industry (e.g. the restaurant industry) he/she is in before the launch of business operations. (Nyyssönen 2009a.)

Another problematic issue the immigrant customers of Luotsi have faced includes the factors related to the enterprise legislation and the taxation. In certain countries so called “free competition” is the prevailing practice: if a person has enough money he/she is free to establish a business the way he/she wants to, whereas in Finland certain licenses defined in the law are required. People arriving from countries where the enterprise legislation is not highly developed usually find the Finnish system rather challenging. The difficulties the immigrants face are often related to their cultural background: for instance, people from the Western European countries are the most familiar with the Finnish system, whereas people from the Eastern Europe and the African and Arabic countries need more assistance in order to learn the system. People from the Far East meanwhile have adjusted to a system where basically nothing concerning entrepreneurship is controlled, whilst the Chinese has their own legislation which exceedingly differs from the Finnish one. However, even though the entrepreneur would be somewhat familiar with the laws and regulations, if he/she does not understand the Finnish language properly enough, the co-operation with the authorities, the suppliers, and the business partners may be problematic. (Nyyssönen 2009b.)

6 IMPLEMENTATION OF THE RESEARCH

Research may be described as a process during which the researcher is trying to gain a better understanding of the complex experiences of humans and also to take certain actions based on that understanding. The “tasks” of the researcher include gathering information about the actions and interactions, reflecting them on their meaning, evaluating the conclusions, and eventually forwarding the interpretation in a written form. (Marshall & Rossman 1999, 21.) Conducting a research takes time and consideration – during the process ideas may be gradually gained and might change over time (Ghauri & Grønhaug 2002, 25).

6.1 Data Collecting Process

The purpose, the approach, as well as the questions of the research define the guideline of choosing the source of empirical data. According to Eriksson and Kovalainen (2008), there are two types of data: *primary* and *secondary*. Primary data is the data collected by the researcher e.g. by interviewing and/or observing the target group, whereas secondary data already exists in the form of textual (e.g. documents, memos) or visual (e.g. video recordings, movies) data. (Eriksson & Kovalainen 2008, 77-78.)

6.1.1 Secondary Data Sources

Secondary data is the information collected by other people for different purposes from the researcher’s. Various sources can be used to search for this type of data. Secondary data helps the researcher to answer the research questions, to create more focused research questions, to formulate and solve the research problems (either partly or completely), to decide which research method is the most suitable for the study, and to provide benchmarking measures that later can be compared with the study results. These sources include for instance the Internet sites and web pages of different companies and organizations, various studies and reports of institutions or central and local governments, textbooks and other published material, academic and organizational journals and newsletters, and theses and reports written by other students. Once the researcher has located the sources needed for the study he should look for data compatible with the research problem and decide whether the information is suitable concerning the study or not. (Ghauri & Grønhaug 2002, 76-77.)

According to Ghauri and Grønhaug (2002), the main advantage in using secondary data is the savings in both time and money: the verification process is rather fast and the reliability of the information is significantly high. The review of secondary data can also elicit convenient methods or data suitable for a certain research problem. Furthermore, secondary data provides a comparison instrument with which the researcher can easier to understand and conclude the primary data – in many cases the research questions can be best solved by combining information from both these types of data. It is advisable to start the research with secondary data resources: in case there is enough secondary data available to answer the research questions, there is really no need to collect primary data at all. Therefore, the researcher should only begin to deal with the primary data when the secondary data has been processed to the point of exhaustion (Ghauri & Grønhaug 2002, 78.)

The author started to search for secondary data through Internet publications about immigrant entrepreneurship in Finland. As there were not many previous researches conducted about this phenomenon, the Internet was the best data source for the study. However, there were some books related to the subject available in the library, too. The main source for secondary data was previous studies, articles and publications mainly published on-line, although some websites were also used in gathering information for instance about organizations such as the Enterprise Agencies in Finland.

6.1.2 Primary Data Sources

Primary data is collected by the researcher himself/herself when there is no secondary data available, or when the existing secondary data is unable to answer to the research questions. The research problem and research design determine the method by which the primary data is collected: the most common ways are observations, experiments, surveys, and interviews. (Ghauri & Grønhaug 2002, 81.)

As primary data is always collected for the particular project at hand, it is the most consistent data to answer for the studied research objectives and questions. It is obvious, that the data concerning the opinions and behavior as well as the past events or experiences can only be directly gathered from the people involved. (Ghauri & Grønhaug 2002, 81-82.)

However, gathering primary data can be a time and money consuming process. Accessing primary data can be challenging, as finding respondents who are willing to co-operate with the researcher may be difficult. In addition, the researcher does not have much of control over the collected data. Therefore there may be a risk that some unexpected factors influence and interfere in the data collection process. When gathering primary data, the researcher needs also to remember, that the quality of the information collected is fully dependent on the willingness and ability of the respondents. The reasons why the potential respondents may refuse to co-operate with the researcher include factors such as the lack of time, the lack of incentive, the fear of possible negative consequences, or the fear of embarrassment. (Ghauri & Grønhaug 2002, 82.)

In addition to the interviewees conducted for the empirical part of this study, primary data was also collected by interviewing business advisors, who had had immigrants as their customers in both Enterprise Helsinki and Enterprise Agency Luotsi.

6.2 Interview as a Data Collection Method

Ghauri & Grønhaug (2002) state that when the chosen research approach is a case study, the success of the research depends on the data collection. Therefore, careful attention needs to be paid to it. Collecting data through case studies requires the ability to ask relevant questions as well as capability to listen to and interpret the answers. Thus, it is crucial to understand not only what is said but what is meant, too. Particularly in single case studies, where there is no other case with which to compare the findings, it is also important that the researcher does not allow the biases of the findings to affect on the interpretation – this can be prevented for instance by using multiple data sources. (Ghauri & Grønhaug 2002, 177.)

According to Hirsjärvi and Hurme (1991), careful planning of the data collecting process is extremely important as it helps the researcher to shape the main actions and decisions of the study. The planning process can be divided into three chronologically different categories as follows:

1. general planning of the study, the planning of the data collection needed for outlining the goals and problems as well as for solving the problems
2. planning of implementing the actual interview and
3. planning of the post-interview actions. (Hirsjärvi & Hurme 1991, 39-40.)

The choice to use an interview, including the decision of the type of qualitative interview and the type of interview questions, should be based on both the research approach and the research questions. Interviews are commonly used as a data collection method in business research because they are an efficient and a practical way to search for unpublished information Thus, the researcher is able to study people's experiences of the particular topic which is the object of the research. (Eriksson & Kovalainen 2008, 80-81.)

6.2.1 Theme Interview

There are different variants on semi-structured interviews of which *theme interview* is one. Theme interview was first introduced by Merton, Fiske and Kendall (1956) as a *focused interview*. The four fundamental features of the focused interview included: the *extent* of the interview (the respondents should be allowed to elicit all the aspects they want to), the *specific reactions* of the respondents, the *depth* of the interview (the interview process should support the respondents in their attempt to describe the affective, cognitive and evaluative meanings of the studied phenomenon), and the *personal context* (the characteristics and earlier experiences of the interviewees should be taken into account during the interview because these factors define the meanings the interviewees give to the phenomenon). (Merton et al 1956, 3-4.) Theme interview does not require a certain scientifically accomplished joint experience; instead the objects of the research are joint everyday experiences. The reason for semi-structured nature of theme interview is that the subject matters of the interview – the theme areas – are known. In addition, theme interview is lacking the exact format and order of questions typical for structured interview. (Hirsjärvi & Hurme 1991, 35-36.) In order to successfully conduct the theme interview, the researcher should carefully determine the purpose of the study, decide what kind of information is needed to achieve that purpose, and organize the interview in a way that the answers will cover these specific aims mentioned. The interview will help the researcher to gather material based on which he/she can draw reliable conclusions about the studied phenomenon. (Hirsjärvi & Hurme 1991, 39-41.)

According to Hirsjärvi and Hurme (1991), when using theme interview as a data collection method one of the most important tasks is to carefully plan the interview themes. Instead of drawing a detailed list of questions the researcher should draw a list of theme areas. These areas are simplified lists that are more detailed than the research problems. The theme areas are leading the discussion between the interviewer and the respondent and are the areas to which the actual interview questions are based on. It is characteristic for the theme interview that both the interviewer and the respondent play an active part in making the actual interview usable. It is up to the respondent how a certain phenomenon becomes concrete to him/her. The theme areas chosen by the researcher should be broad enough to enable this process to happen in a most suitable way, so that the variety of the studied phenomenon in general can be exposed. Based on the theme areas, the researcher may continue and deepen the discussion as far as it is meaningful for both the purposes of the study and the interests of the respondent. Usually one theme leads to several questions; comparably one broad question may map several themes simultaneously. (Hirsjärvi & Hurme 1991, 41-42.)

The reason a semi-structured theme interview was chosen as a data collection method of this study was that although the materials gathered by this type of an interview are more or less systematic and comprehensive, the tone of the interview is rather conversational and informal. As Eriksson and Kovalainen (2008) state, the pre-prepared outline of topics, issues, and themes should support the researcher's possibilities to extract as much information as possible from the participants by varying the wording and order of questions in each individual interview (Eriksson & Kovalainen 2008, 82). Rather than writing down strict questions the author preferred to come up with a list of particular themes (see Appendix 1.) with which she was able to discuss with the interviewees in a more natural manner, and thus try to unlock the research problem. The author came up with these themes when trying to figure out the matters she would like to find out for the purposes of the study.

6.2.2 Structure of the Interview

The author began to prepare the interviews, as Ghauri and Grønhaug (2002) suggest, by reviewing the research problem, by thinking about what kind of information was needed from the interviewees, and by contacting the interviewees who were able to provide her with the needed information. Then the interview questions were drafted and compared to research problem in order to find out whether they were consistent with the problem and if they were correct for the author's needs. Even though there were only a few potential interviewees, a pilot study was conducted with one of the interviewees to find out what factors should be further improved and changed in the interview body. After the pilot study the final draft of the interview was prepared. With the help of pilot study it was also easier to estimate how much time conducting the interview takes. From the very first interview on the author tried to create a situation where the interviewee is motivated to participate to the interview – otherwise the whole purpose of the interview may have been jeopardized. (Ghauri & Grønhaug 2002, 102-103.)

When the interview guide had been prepared from the basis of the pilot study, the potential interviewees were approached; as the meetings were arranged the author was aware that she needed to adapt to the schedule of the interviewees and be flexible with the dates and timings of the interviews. According to Ghauri & Grønhaug (2002), it is recommendable to inform the respondents if the interview will be tape recorded when approaching them for an appointment. Because this study was concerned with personal experiences and opinions of the interviewees, it was important that the confidentiality of the information received was guaranteed. The confidentiality factor was closely linked also to the recording of the interviews. When making the appointments with respondents, a reason for their participation was confirmed for instance by telling them that the results of the study will be available to Luotsi for further consideration. This kind of a reward was helpful in motivating the interviewees to take part to the study. (Ghauri & Grønhaug 2002, 103-104.)

According to McGivern (2006), the interview should consist of the introduction phase, the actual interviewing phase and a clearly signaled ending. During the introduction phase of the interview, the author tried to make the interviewee feel comfortable by introducing herself, explaining the purpose of the study, explaining why and how he/she was chosen as a respondent, giving assurance about the confidentiality, asking for a permission to tape the interview, explaining how the information gained through the interview will be used and by whom, letting the interviewee know that answering the questions is voluntary, and explaining the so-called “ground rules” (e.g. that the interview is about the personal experiences and opinions of the interviewee, and so there are no right or wrong answers to the questions). (McGivern 2006, 197.)

The main body of the interview began with general questions that the interviewee most likely will found easy to answer; the target was to create a relaxed atmosphere as well as to establish a mutual understanding between the interviewer and the interviewee. As this solidity was attained the author was able to move on to more precise questions and more difficult topics. (McGivern 2006, 197-198.)

McGivern 2006 suggests that the interviewer should give some kind of a signal to the interviewee when the interview is about to end, for instance by presenting the summary of the main points, and asking the interviewee about the final comments (McGivern 2006, 199). This guideline was followed by the author as she told that there are not any more questions left and asked if there was something the interviewee would like to add or correct.

After the interview, the important points and practical details were written down, such as if all the questions were answered, how much time was used, and how was the interaction between the interviewer and the interviewee. These notes would have been helpful if any additional information was needed during the transcription phase. Ghauri and Grønhaug (2002) state that the interview should be transcript as soon as possible in order to avoid the risk of forgetting crucial points or, if many interviews are conducted at the same time, to mix up the interviews with one another. (Ghauri & Grønhaug 2002, 107-108.) In order to avoid any troubles mentioned above the interviews conducted for this study were transcript within days from when they took place.

6.3 Data Analyzing Process

"Data analysis is the process of bringing order, structure, and interpretation to the mass of collected data" (Marshall & Rossman 1999, 150).

McGivern 2006 states, that analyzing data that is qualitative by nature is difficult and time-consuming, because there is a variety of analyzing approaches. The chosen approach depends on a range of factors and their interactions, such as the background and training of the researcher, the way the researcher's mind works when sorting and thinking about things, the researcher's level of experience, the researcher's level of knowledge in the investigated area, the availability of relevant theories, the way the respondents view the subject matter, and the resources (e.g. time, number of people) available. Thus, qualitative data is idiosyncratic: there are as many approaches as there are researchers. (McGivern 2006, 425-426.)

According to Marshall and Rossman (1999), the six phases in a typical data analyzing process are as follows:

- organizing the data,
- generating categories, themes, and patterns,
- coding the data,
- testing the emergent understanding,
- searching for alternative explanations and
- writing the report.

The amount of data needs to be reduced in each of these phases in order to make it more manageable. The researcher interprets the data and brings meaning to the words of the respondents. During the interpretation process, meaning is brought to raw data that has no inherent meaning itself. The interpretation is then displayed to the readers through the written report. (Marshall & Rossman 1999, 152-153.)

6.3.1 Organizing the Data

Prior further processing the data it was read through several times, as according to Marshall and Rossman (1999), it is essential for the researcher to carefully familiarize himself/herself with the gathered material. The researcher can, for instance, make notes and perform minor editing in order to “clean up” unmanageable factors (Marshall & Rossman 1999, 153-154). It must be foreseen what is needed to look for from the data. However, drawing too strict conclusions in advance should be avoided. One way to process the data is called *coding*. Through coding the data is clarified and reduced prior the analysis in order to “see inside” the information; in other words, to find new dimensions and conceptual layers from the data. Coding is a technique which condenses the material into manageable form: the pieces of information are connected within each other so that issues with similar meaning as well as issues that share same elements are combined by the same code. Different marks, words, or colours may be used to separate text segments from each other. These segments are textual entities that differ from each other by their contents. The qualitative content of data should not be reduced during the coding process. Coding is intermediate phase that enables the analysis – it is not the analysis itself. The quality of coding affects the analysis as follows: if the coding is too generalized some pieces of information may get lost, and if it is too concised the interpretation of data may be difficult. (Kananen 2008, 88-89.)

Hirsjärvi and Hurme (1991) introduce an idea according to which the actual coding is ignored and the conclusions are drawn in an informal manner. Thus, the data will be processed in an *impressionistic* way. According to them, it is logical to process the data in a case-specifically manner without the time-consuming compilation of statistics if there are only a few cases researched. The writers remind that the study should not be analyzed using purely qualitative or quantitative manner. To avoid that, the researcher should find certain ways to describe the data that both enable the generalizing and maintain the meanings of speech and individual lines of thought as much as possible. (Hirsjärvi & Hurme 1991, 125.)

An intermediate form of these two means presented above was used in the data sorting process: first the transcript interviews were condensed in a more manageable form by leaving out everything that would be unnecessary for the purposes of the study. Then the data was organized into tables according to the predefined themes. Certain words or phrases from the text were picked up into those tables. As the amount of material was relatively small, there was not a particular coding system created to organize the data. However, different colors to group the words were used frequently. Once the main points from the data were sorted out, the author began to look for possible relationships between them.

6.3.2 Analyzing the Data

After the coding process, the data is analyzed in order to find certain structures, regularities, themes, and models with the help of the coding framework (Kananen 2008, 89). The researcher should start to make notes about the links between the overlapping themes and codes. Then he/she should test out the ideas and search for relationships within the data as well as categorize the interviewees according to the similarities in their characteristics. In order to sort out these relationships, the researcher may organize the reduced data into various diagrams or tables which will help him/her to find the links between different parts of the data. (McGivern 2006, 442-444.)

As the relationships begin to emerge from the data, the researcher should think about explanations and evidence that both support and not support these explanations (McGivern 2006, 442). After the data has been organized, findings questioned, and hypotheses tested, McGivern (2006) suggests, that the researcher takes a break from the analyzing process and lets things “ferment” in his/her mind. This procedure may help the researcher to come up with something he/she had not thought about earlier. The researcher should remember to focus to the research objectives throughout the analyzing process by constantly asking himself/herself how everything ties in with those objectives. The researcher should also think about the quality of the findings: are they plausible, do they make sense, is there enough evidence to support them, is there something that may cause bias to them, has he/she been systematic and taken into account all perspectives, and is there something he/she might have missed? (McGivern 2006, 446-447.)

When the reduced data had been organized into tables, the author began to search for any frequencies from them which may be linked within each other. Whenever these relationships were found, they were marked down for further processing. This phase of the process is difficult to explain, but somehow the author was able to process the findings in an analyzable form and so to conduct the analysis on them. This was accomplished by thinking through and questioning the findings over and over again. Eventually the author was ready to begin to write the results down in a readable form.

6.3.3 Writing the Report

After all the factors mentioned above have been carefully considered, the researcher may begin to write down the results in a form of a final report. Eriksson and Kovalainen

(2008) remind that qualitative writing differs from other scientific writing: the former allows the voice of the writer to be present in the writing, whereas the latter aims to rather objective outcome. They recommend that the researcher should tell a story about his/her research process, for instance, where it started at, how the data was collected and from whom, and from which context did the research started. While writing the report, the researcher should keep in mind its readers – both real and intended – and target it to this audience consisting, for example, of other researchers in the same field of study, instructors, supervisors, and business practitioners. However, there is a difference between writing to academic audience and business practitioners: the former is usually interested in theoretical issues and their implementation to the research, whereas the latter is keen to read about the results and the practical conclusions. (Eriksson & Kovalainen 2008, 279-281.)

As this study is part of the author's degree studies, it is directed first of all to the instructors and the supervisors who are going to evaluate it. Additionally, the author hopes that her co-operative, Enterprise Agency Luotsi, may find it somewhat useful and interesting. The author also wishes that people who are conducting a research related to issues discussed in this thesis will find it helpful later.

6.4 Ethics in Research

The author cannot emphasize enough the importance of the ethics in conducting a research and the neutral attitude of the researcher who is conducting it. Only by following the principalities of ethicality the reliability of the study can be guaranteed.

Ethics cover all the aspects of our everyday life. There are innumerable laws and regulations – both written and unwritten – existing in our society. The more complex our society becomes, the more new ethical issues arise. When it comes to a research conducting and reporting, many ethical factors need to be taken into account. These ethical principles such as informed consent, the avoidance of deception, harms and risks as well as the Kant's universal principle of respect, are tied together in a similar way as the researcher relates to the research topic. Other topics to discuss – relatively more complex ones – include research bias, ways of quoting the references, and the question of silencing other researchers in the community. (Eriksson & Kovalainen 2008, 62-63.)

Eriksson and Kovalainen (2008) are amazed by the fact that the questions of ethics of the research are narrowly discussed in the field of business even though there is a chance that the practical factors related to enterprises and organizations, managing people, monetary issues, and products may become problematic ethical issues in empirical research. The written literature about business research usually relates to the ethical issues only when it comes to the empirical data gathering, or to the writers' wish to increase their own credibility. (Eriksson & Kovalainen 2008, 63.) The author of this study also came across with the non-existence of discussion about ethical issues as the literature of research theory was reviewed.

Research ethics covers a lot wider area than just the data collection. It consists of the whole research process including the relationship between the researcher and the object of research as well as the written research report. When it comes to the researcher's relationship with the research objectives, the researcher can either remain neutral and objective towards them by marginally participating in the research, or actively participate and even make changes e.g. as an enabler. These ways of participation give different viewpoints on issues such as information flow, confidentiality, and consent: as the level of involvement of the researcher increases, the interaction between the research parties gets more complex. Therefore it is important that the researcher pays attention to certain ethical aspects, such as securing the anonymity of informants, and creating a trusting relationship that should not be violated during the research process. However, the contractual aspect (written agreement explicating factors such as the purpose of the study, the details in the research relationship, and the questions on anonymity and confidentiality) should remain the same regardless of the level of involvement. (Eriksson & Kovalainen 2008, 65-66.)

In many cases the researcher may work closely together with a certain organization, such as his/her own host organization, a specific research funding body, or a particular company, in order to have access to the materials, the people, or the premises that are crucial for the study. In qualitative research, certain problematic issues may arise due to this type of relationship – a sponsorship – between the researcher and the organization involved. Eriksson and Kovalainen (2008, 67) mention two examples of a situation when sponsorship can create problems to the freedom of research: sponsorship may *restrict the research* by limiting the research settings and the data gathering as well as by censoring the results and their publishing, or it may *promote a bias in the research paradigm* if favoring a specific type of a research setting, data collection, or method jeopardizes the wide and balanced view on science. (Eriksson & Kovalainen 2008, 66-67.)

Eriksson and Kovalainen (2008) encourage people conducting a research to make sure that they take into consideration the issues such as the ethical guidelines of the research, the relations with the research participants, the responsibilities towards research participants, the voluntariness of participation, the professional integrity, the guarantee of anonymity, the privacy and confidentiality, and the avoidance of plagiarism. (Eriksson & Kovalainen 2008, 68-75.)

7 RESULTS

7.1 Basic Information about Interviews and Interviewees

At the beginning of conducting the empirical phase of this study the author was provided with contact information of six immigrant entrepreneurs – 50 per cent being female and 50 percent being male – who had been customers of Luotsi in 2008 and 2009, and who had given a permission to hand over their contact information to the partner organizations (such as JAMK) of Luotsi. As the estimated number of immigrant customers in Luotsi was nearly 40 persons in 2008, the number of interviewees whose contact information the author was provided with was relatively small. According to Nyyssönen (2009b), this phenomenon might partly be explained by the fact that some immigrants are afraid of handing over their personal information to a third party due to the negative experiences they have faced in their countries of origin; on the other hand, he makes a guess that possibly the business advisors have felt uneasy to ask for the distribution of this information for the same reason.

Out of six interviewee candidates eventually five were interviewed; two of them originated from Europe and three outside of Europe. The time the interviewees had been living in Finland varied: one had been living here less than five years, three from 5 to 10 years and one more than 10 years. The fields of businesses of the interviewees varied, too, yet most of them were somewhat involved with customer services. Some of their businesses were rather traditional by a branch, whereas some were relatively inventive. Although the interviewees were both females and males, from this point on they will be referred as ‘he’ in order to guarantee their anonymity.

Four of the interviews were conducted in Finnish and one in English. Four of the interviews were tape recorded – one interviewee wished his interview will not be recorded so instead written notes were made. The time spent on each interview varied between 25 to 40 minutes per interview.

Three of the interviewees were currently running a business and the rest had considered about it but not established one yet; one had been too busy with his current job while the other had put his plans on hold because of the current economic situation in the world. Three out of five interviewees were currently employed by an exterior employee – one of them was simultaneously running his own business. Four interviewees had been entrepreneurs before their current business or the one they had considered establishing: one had had a business in Finland, two in their country of origin and one in a third country. Two of the interviewees had been immigrants in a third country prior their arrival in Finland.

The interviewees had learnt about Luotsi throughout different organizations – such as Labour Force Bureau and Taxation Office – they had visited when they first considered establishing a business, or from courses they had participated in educational institutes they had been students at. All the respondents were actively seeking for information about how to establish a business in Finland – the initiative for the entrepreneurship came from them and not from of any external direction.

The reasons why the interviews became customers of Luotsi at the first place varied in a following way: some wanted to have the start-up grant and some needed advice in the establishment process; two of the interviewees mentioned both of above as reasons to contact Luotsi.

The reason why the author chose to interview immigrants who had been customers of Luotsi in 2008 and 2009 was because she assumed that people with recent experiences as customers have better remembrance on their experiences and feelings than the ones who had formerly been customers – this presumption was confirmed during the interviews as some of the interviewees had difficulties in remembering particular details related to the consultation process.

7.2 Research Results

7.2.1 General Experience

The general experiences the interviewees had about Luotsi varied from one interviewee to another: three out of five found the provided consultation helpful and had rather affirmative opinions about the services in general, whereas two were not really satisfied with the assistance provided.

Those interviewees, who were happy with the consultation, felt that the personnel of Luotsi was helpful and provided them advice about what was needed in the establishment process. Even though some had previous experience as entrepreneurs, they stated that they still needed the support Luotsi provided. One mentioned that he had easily received help without really demanding it. Overall these interviewees had only positive thoughts about Luotsi.

Those interviewees who were not completely satisfied with the consultation Luotsi provided them, felt that the personnel in Luotsi was not able to answer all the questions they had about entrepreneurship and the business establishment. According to them, this factor is important as the new entrepreneur does not have the knowledge about what is needed when he/she for instance wants to apply for a start up grant or prepare a business plan. One of them thought that he did not really benefit from the consultation because all the information he was provided with would have been found from external sources, such as the Internet, and the personnel only impugned his plans without offering any relevant help – therefore the counseling process had wasted his time.

7.2.2 Culture and Language

Even though it was not directly asked, almost all of the interviewees emphasized the importance of knowledge of Finnish language at the satisfactory level. Two of the interviewees spoke fluent Finnish, whereas the rest had remarkably lower fluency in the language. The level of fluency in Finnish was mostly related to the activity of the interviewee in the pre-entrepreneurial life and not so much to the time spent in Finland. The best way to learn the language was proved to be the person's own activity – as one of the interviewees stated:

> *"If I just sat at home I do not speak Finnish and I will not learn anything"*.

On the other hand, the interviewee who spoke English as a mother tongue was happy that he was able to cope in his own language. Yet, it was sad that people around him tended to spoke English instead of Finnish:

> *"[--] that's quite terrible because we're in Finland - it's horrible to go down to Helsinki and hear English everywhere!"*

A couple of the interviewees had brought along a third person as an interpreter to the meetings in Luotsi. One of them said that it was difficult at first to communicate with the advisor in Finnish orally. Yet, he admitted that his Finnish skills had improved because Finnish was spoken during the consultation.

One of the interviewees described what he felt like when he first learnt the Finnish language:

> *"The world opened up, like I had moved from the darkness to the light"*.

According to him, it is important to be able to communicate in Finnish during the business establishment process in order to understand what is happening and what is required of the entrepreneur.

As an example about business where fluent skills in Finnish will not be required, two of the interviewees mentioned Internet trade where the target market would be non-Finnish customers. All of the interviewees that currently run a business did not considered that it is necessary to know Finnish for official reasons as they all had accountants taking care of the bookkeeping of their companies.

Two interviewees found language skills being the only cultural related inconvenience they did come up with in the establishment process whereas three also mentioned other issues related to cultural differences. Most of these problematic factors mentioned were related to different way of thinking between an immigrant and a Finn; in the Luotsi's services this had emerged as difficulties in communication between the customer and the business advisor. One interviewee thought that communicational problems might raise prejudices in the mind of immigrants about the capabilities of the business advisors and vice versa. Although one of the interviewees had occasionally found it problematic that he had a different perspective to certain issues from the Finnish business advisors, he did not see the varying viewpoints completely as a negative thing. The communication difficulties were not necessarily related to insufficient language skills as an interviewee with relatively good knowledge of Finnish had also faced them.

Other issues related to cultural differences were not important in the minds of the interviewees. One of them stated that the business regularities remain more or less similar from country to country, and his experiences on cultural differences as an entrepreneur were relatively small.

7.2.3 Need for Assistance

Most of the interviewees needed help in learning the basic business processes in Finland. It is difficult to say how much the need of help was about their inexperience as entrepreneurs or about their immigrant status. However, all who had run a business prior arriving in Finland admitted that they needed support in how to be an entrepreneur especially in this country. One of the interviewees stated that all kinds of previous experiences are helpful when a person is starting a business; the entrepreneur can learn also from negative experiences and not do the same mistakes again.

Two of the interviewees mentioned that the issues they most needed assistance with were related to poor knowledge of Jyväskylä and the Central Finland as an area – they required information in, for instance, where to find stock for best possible price from and which part of town (city centre or suburb) the business should be geographically located. Another interviewee stated that when the business is first established the need for help – especially financial – is at its highest: before the business becomes profitable, the entrepreneur needs the support to survive during the early stages of entrepreneurship. Some interviewees had taken part to courses for starting entrepreneurs and found that helpful. Only one interviewee said that he did not have any particular difficulties during the establishing process.

7.2.4 Problems during Consultation Process

The main difficulties the interviewees faced during the consultation sessions in Luotsi were related to the problems in communication. Some of the interviewees felt that they were not understood and they did not feel comfortable to ask questions about issues they had in mind. These interviewees felt that the business advisors were not able to provide fulfilling answers to their questions and that the advisors had rather negative viewpoint about their possibilities to succeed with their businesses. One of these interviewees criticized the implementation of the consultation process: he had been into discussions with several advisors whom had either no time to get acquainted with his business plan or relevancy to provide him with the needed advice. Thus he felt he had wasted a lot of time during the meetings. According to his experiences, the business advisors viewed the discussed issues in a too complicated manner and could not really understand his points of view. This interviewee had an impression that the advisors did not point out clearly enough how the problems related to the business establishment should be solved and from where to search for help when the business advisors were not able to provide it.

Another interviewee stated that his problems were more related to the lack of sufficient Finnish skills and difficulties in understanding between him and the business advisor both in lingual and cultural level. He said he was told to write down the business plan in details and he had made an effort to do so with a help of another person more fluent in Finnish. Afterwards he realized that the advisor had not have time to read through the plan prior his meeting and thus asked him to orally explain it. He found this quite challenging due to the insufficient knowledge of Finnish. After this incident he temporarily put his entrepreneurial plans on hold. Yet, he became inspired again after entering into a course for starting entrepreneurs. He also thought that his ideas where doubted because the advisor did not understand that even though the advisor did not have a demand for a certain product or service there may still be potential customers with this demand. This interviewee had also struggled with writing the business plan on the ready-made template as he felt the template was too restricting.

The rest of the interviewees did not mention any problems related to consultation services. One of them was happy that he did not need to demand for help but he received it rather “automatically”. The others said they did not come up with any problematic issues related to the consultation process. These interviewees were the same ones who described their feelings as ‘positive’ when discussed about the services of Luotsi in general. One of them mentioned that he cannot remember any problems to occur as he had not recently visited Luotsi.

7.2.5 Positive Factors during Consultation Process

When discussed about advantages and positive aspects in the services of Luotsi most interviewees mentioned that they received professional help and consultation every time they contacted Luotsi. Many of them described the services and the personnel as ‘helpful’ and ‘professional’ whether contacted by phone or in person. According to one of the interviewees, it is an advantage that the services are provided free-of-charge. Another one thought that it was great he was able to apply for a start-up grant and other funding from the same place.

Some of the interviewees were happy about the fastness of the process: once they had been granted the start up grant, other issues happened rather quickly. None of the interviewees said that they had faced any prejudices related to their immigrant background. Despite difficulties faced by some interviewees all of them found at least one positive aspect on the services provided by Luotsi.

8 DISCUSSION

8.1 Conclusions

In the beginning of the research the author had no expectations on what kind of experiences the immigrant customers would have about the Enterprise Agency Luotsi. According to the interviewees, the level of satisfactory for the services varied: one half of the respondents had little to complain, whereas the other half felt that there were many issues that still required improvement. This factor clarifies that there is no point to view the immigrant customers as a homogenous group who sees the world likewise. Instead they should be examined as individuals who have unique opinions and experiences.

The interviewees, who were not satisfied with the overall services of Luotsi, were originally from same geographical area. They were also same gender and had lived in Finland more or less similar period of time. However, some interviewees who represented this same gender were satisfied with the consultation services. These interviewees had arrived in Finland around same time as the interviewees discussed above. Therefore, it is difficult to evaluate in what extent these connective factors are purely coincidental.

The first research question was about the importance of specialized consultation services for new immigrant entrepreneurs. Part of the answer can be found already from the introductory part of this study where the advantages and significance of immigrant entrepreneurship is discussed. The author’s own findings concerning this particular question suggest that as the immigrant entrepreneurs in many cases are beginners not only as entrepreneurs but also as members of Finnish society some specialized procedures are required to guarantee that they can make a living by establishing and operating successful businesses. All in all, the author did not come up with a need for a total change of the consultation process to better serve the needs for immigrant customers. If anything, improving certain details the immigrants have found challenging is needed.

The next research question aimed to bring out the challenges the immigrant entrepreneurs face, and search for solution for these challenges. The issue that seemed to cause most problems was the Finnish language: both those who were fluent in it and those who were not emphasized the importance of their capability to communicate in Finnish. Even though some doubted the need of sufficient skills of Finnish in business life, most agreed that these skills facilitate their everyday life. Another main concern – although more related to consultation service process – was the difficulties in communication between an immigrant and a Finn. This problem in understanding was also discussed during the interviews with the business advisors. Thus, it is not an unfamiliar issue for the consultation service providers either.

Another issue the immigrant entrepreneurs have found challenging are the functions of the Finnish society. Both the interviewed entrepreneurs and the business advisors emphasized that as immigrants have no previous experience about Finnish culture and its ways of operations, compared to people who have born into this culture, the immigrant entrepreneurs need extensive amount of assistance in issues related to business establishment. Even those interviewees that have been entrepreneurs in other countries felt that their need for support equals more or less with immigrants without any previous experiences of entrepreneurship. This confirms the assumption that immigrant entrepreneurs need specialized services at least to some extent. The ways to reduce these problems are discussed in the next chapter.

The author also deliberated why these obstacles had occurred in a first place. The truth is that, during the era of industrialization prior independency, the immigrant entrepreneurs' impact for Finland's development was remarkably high. Only after Finland became independent things changed: the Finns were finally able to operate according to their own will. Thus the ownership of immigrants was restricted. Therefore, immigrant entrepreneurship is currently viewed as a rather novel phenomenon and the society is still searching for right tools to prevent the problems immigrant entrepreneurs face.

The last research question concerned the impact of immigration to the challenges of new immigrant entrepreneurs. According to the results, when it comes to issues not related to the language, there are some exceptions whether the new entrepreneur is an immigrant or a Finn: naturally, the need for consultation and assistance is higher for those who are doing something they are unfamiliar with (establishing a business) in an unfamiliar environment (Finland). One thing that was mentioned by both the business advisors and entrepreneurs interviewed was that immigrant customers' consultation process requires more time and effort than the process for Finnish customers. However, the business advisors stated that the need for assistance is more or less equal regardless of the cultural background of an entrepreneur.

8.2 Suggestions

When it comes to developing the services for immigrants, most of the suggestions from the interviewees were related to language issues. Two of them mentioned that Luotsi could provide some services in English – these would include consultation in English especially for those entrepreneurs whose field of business does not require fluent knowledge of Finnish. This kind of consultation process could include a list of basic issues that the entrepreneur needs to take into account when running the business. Also advertisements in public places in English were mentioned as well as marketing targeted especially to immigrants both in English and in Finnish. Therefore, if it is possible, Luotsi could raise the awareness of its services in places where the immigrants spent their time and thereby take advantage of word-of-mouth marketing among immigrants who often have numerous contacts in their community.

One of the interviewees suggested that Luotsi could provide interpretation services to their immigrant customers lacking adequate knowledge of Finnish. Another one recommended that Luotsi could organize entrepreneurship courses especially targeted to immigrants in which standard Finnish would be spoken with clear articulation, so that the factual content of the course would be tailored to the needs of immigrant entrepreneurs with no previous knowledge about practical issues related to operating in Finland. One interviewee suggested that there could be a business advisor with previous experiences of encounters with immigrants so this advisor would have a somewhat broader outlook on the business consultation process with an immigrant entrepreneur.

As the main obstacles the interviewees faced as customers of Enterprise Agency Luotsi were related to communicational factors between the business advisors and themselves, the business advisors could try to double-check that their customers have understood them correctly and try to explain more carefully their opinions and recommendations so the immigrant customers would have a better chance to remain satisfied. Surely the advisors are accurate and professional in their work but sometimes when you are really familiar with something it is difficult to view it from another person's perspective.

A concrete example about the need for specialized assistance is the lack of general knowledge about the area of operation (Jyväskylä and Central Finland). This factor could be better taken into account in the consultation process for instance by creating a list which describes where the new entrepreneurs could start looking for information about the issues they need when operating as entrepreneurs such as possible subcontractors and co-operatives as well as different service providers essential to their operations.

It was also brought out that the services in general, not just for immigrants, may be improved by the following way: during the consultation process the customer should have an opportunity to look through a business establishment process case to learn what is good about it and what should be done otherwise. It would also be desirable if the starting entrepreneur had an expert from his/her own business field as a mentor whom to ask for advice, and who could tell about his/her own experiences about entrepreneurship.

A subject for further research could be the Finnish customers of consultation services providers struggling with problems immigrant customers face – in other words, whether these problems are related to immigration or lie somewhere else instead.

Without any knowledge about the budget and financial issues of Luotsi, one can only assume how much additional funding they need to organize specialized services for immigrant customers such as hiring business advisors fluent in the languages most commonly spoken by immigrant entrepreneurs in Jyväskylä area or organizing training for business advisors on how the encounters with immigrant customers could better be dealt with. This type of funding will most likely not be easy to attain. Even so, these proposals cited above are among the main factors to be further developed in order to improve the services provided to immigrant entrepreneurs.

It is a fact that immigrants review the society more or less from an outsiders' point of view compared to those born and bred into that particular culture. It is crucial for the original population to try to understand those viewpoints in order to help the immigrants to better adjust to foreign country and its rules – both written and unwritten. Therefore the consultation services providers should consider even more carefully this "outsider" aspect of their immigrant customers: people who have lived in Finland for all their lives take certain things for granted that the immigrants are completely unaware of.

One should keep in mind that the opinions presented here were opinions of individual persons who view the issues rather subjectively according to their own experiences. As the size of the research sample was relatively small, it is arguable to draw any hasty conclusions from the results about whether the consultation services for immigrant entrepreneurs should be improved or not, and if so, how they should be improved. However, this survey provides some valuable ideas and reflections to be considered when arranging the business services targeted for immigrant entrepreneurs in the future. Who would be better to describe the hopes and needs of immigrant entrepreneurs than the immigrant entrepreneurs themselves?

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APPENDICES

Appendix 1. Interview Themes

The time lived in Finland

The time of being an entrepreneur; the earlier experience as an entrepreneur

The reasons why considered establishing a business

Considering establishing a business

- Where did you start from?
- Where did you search for information?
- From where did you learn about Luotsi?
- Why did you choose to be a customer of Luotsi? Did you have other options?

Consultation services in Luotsi

- Services of Luotsi in general (considered afterwards)
- Services of Luotsi from the viewpoint of an immigrant
  - Issues related to cultural differences and Finnish language skills
  - Proposals for improvement
- Problematic issues in services of Luotsi

The issues that required assistance in establishing a business

The level of assistance provided by Luotsi

Positive issues in services of Luotsi

How was the received consultation and assistance?

Professional, helpful, relevant; agree/disagree

Would you change something?

The structure of consultation process

Business advisors

Language

Proposals for improvement

Something to add, to define, to change