IMMIGRANT ENTREPRENEURSHIP CHALLENGES AND OPPORTUNITIES: CASE STUDY OF TURKISH IMMIGRANT ENTREPRENEURS IN CANADA

(Master Thesis)

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IMMIGRANT ENTREPRENEURSHIP CHALLENGES AND OPPORTUNITIES: CASE STUDY OF TURKISH IMMIGRANT ENTREPRENEURS IN CANADA

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ÖZET

GÖÇMEN GİRİŞİMCİLİĞİNİN ZORLUKLARI VE FIRSATLARI:

KANADA'DAKİ TÜRK GÖÇMEN GİRİŞİMCİLERİ

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İşletme Anabilim Dalı

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Danışman: Yrd. Doç. Dr. Betül YÜCE DURAL

Önceki çalışmalar, göçmenlerin Kanada'daki ekonomik ve sosyal değişimine önemli katkılar sağlamıştır. Türklerin Kanada'ya göç dalgaları 1950'lerde başlamış olsa da, bu konu hakkında çok az araştırma mevcuttur. Bu göçmenlerin iş faaliyetleri hakkında ise yeterli bilgi bulunmamaktadır. Bu çalışmanın amacı, Kanada'daki Türk göçmenlerin girişimci ve serbest meslek sahibi olduklarında karşılaştıkları zorlukları araştırmak ve firsatlarını belirlemektir. Ayrıca Kanada'daki Türk girişimcilerin özelliklerini belirlemekte bu çalışmanın amacıdır. Bu çalışmada, anket çalışmasına dayanan nicel yaklaşım kullanılmış ve betimsel istatistik yöntemiyle analiz yapılmıştır. Çalışmanın çeşitli çıktıları olmuştur. Çıkan bulgulardan ilki, İş Programı kategorisiyle veya diğer kategorilerle göç edenlerin oldukça benzer zorluklarla karşılaşmakta olduğudur. Yüksek işletim maliyetleri ana zorluk olarak görülürken, ayrımcılık en alt sırada yer almaktadır. İkincisi, Türk girişimciler, kendi etnik kökenli kaynaklarına fazla bağlı değildir, bundan dolayı diğer topluluklar arasında çok sayıda fırsat bulabilmektedir. Üçüncü olarak Türk girişimciler, Kanada'da gelecekte de iş yapmaya olumlu bakmaktadır. Kanada'daki Türk işletmeler, 4 kişiden az çalışanı olan mikro işletmelerdir. Büyük oranda gıda ve içecek endüstrisinde yoğunlaşmışlardır ve büyük bir kısmı Toronto'da bulunmaktadır.

Anahtar Sözcükler: Göçmen girişimciliği, Zorluklar, Fırsatlar, Kanada, Türkiye.

ABSTRACT

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Previous studies have explained that immigrants have made significant contributions to the economic and social change in Canada. Although waves of Turkish migration to Canada have started since the 1950s, very few studies exist about them, and there is inadequate knowledge about their business activities. The purpose of this case study was to investigate the challenges that encountered Turkish immigrants in Canada and to identify their opportunities within entrepreneurship. Also, it attempts to determine their business characteristics. A quantitative approach based on a questionnaire survey was employed and then analyzed by applying a descriptive statistical analysis. The findings indicate that, first, Turkish entrepreneur under the Business Program category have faced quite similar challenges with those who migrated by other categories. High operational costs considered as the main challenge, while discrimination was the least ranked. Second, Turkish entrepreneurs do not very much depend on their co-ethnic resources. It seems like they are more individualistic, and they find numerous opportunities within the other communities. Third, Turkish entrepreneurs are optimistic about their future of doing business in Canada. In addition, Turkish entrepreneurship in Canada can be considered as micro-business with less than 4 employees per business. A higher percentage of their businesses were in food and beverage industry and located in Toronto.

Keywords: Immigrant entrepreneurship, Challenges, Opportunities, Canada, Turkey.

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23/11/2017

STATEMENT OF COMPLIANCE WITH ETHICAL PRINCIPLES AND RULES

I hereby truthfully declare that this thesis is an original work prepared by me; that I have behaved in accordance with the scientific ethical principles and rules throughout the stages of preparation, data collection, analysis, and presentation of my work; that I have cited the sources of all the data and information that could be obtained within the scope of this study, and included these sources in the references section; and that this study has been scanned for plagiarism with "scientific plagiarism detection program" used by Anadolu University, and that "it does not have any plagiarism" whatsoever. I also declare that, if a case contrary to my declaration is detected in my work at any time, I hereby express my consent to all the ethical and legal consequences that are involved.

Abdulrahman Saif Mohammed SALEH

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CHAPTER ONE

1. INTRODUCTION

1.1. Overview

Immigration and entrepreneurship have become hot topics of discussion. Both have received increasing awareness in many countries; especially in the developed regions. The influence of globalization has significantly increased the international immigration towards the north destinations such as Canada, Europe, and the United States (Rasel, 2014, p. 7). Individuals or families move vast distances for several reasons such as better their economic situation, upgrade the quality of education, reunite with their family, ensure a secure life, or avoid persecution in their country of origin. Immigration shapes the structure of society and changes the demography of many advanced economies (Skandalis & Ghazzawi, 2014, p. 1). According to the United Nation' report (2016, p. 1), only between 1990 and 2015, the number of global immigrants rose by over 91million. By the end of 2015, there were 244 million immigrants around the world, about 58% hosted in the developed countries, while the rest of them stayed in the developing regions.

Entrepreneurship is an area which immigrants have played an important role, and their business activities have become a socioeconomic phenomenon as a large number of them have entered the self-employment sector of the economy (Chrysostome & Lin, 2010, p. 77; Carlos Teixeira, Lo, & Truelove, 2007, p. 176). Immigrant entrepreneurs strongly contribute in shaping the economic development, developing social networks, and promoting commercial gentrification (R. C. Kloosterman & Van Ser Leun, 1999, p. 661)

Many products introduced by successful immigrant entrepreneurs or their children. They obviously present in more highly skilled segments such as software services or business consultancy (R. C.; Kloosterman & Rath, 2010, p. 102). In the United State market as an example, Steve Jobs, the famous co-founder of Apple, was a child of an immigrant parent from Syria, the founders of Walt Disney and 3M were children of immigrant families from Canada, the founders of Boeing and IBM were from Germany, the founder of Home Depot was from Russia, and other worldwide brands such as Google, General Electric, AT&T Budweiser, eBay, McDonald's, and Colgate were founded by non-American businessmen. (Ballmer CEO et al., 2011, p. 1; Forbes, 2011).

Immigrants and their families are playing a significant role in solving the problem of unemployment in the host countries by creating various vacancies and carving niche markets in specific areas to meet the needs of co-ethnic immigrants (Delancey, 2014, p. 2,3). For example, Asian-born women in Australia often try to compensate the underachieving of their husbands through the self-employment (Low, 2005, p. 4). It has been suggested that entrepreneurship may contribute to the integration of immigrants into the host society. Some immigrant entrepreneurs provide good models for fellow immigrants and in some cases, they play as leaders in their communities. In Norway, shops and cafes owned by immigrants are important meeting places for some minorities. It is one of few places where immigrants and natives may interact in the society (Vinogradov, 2008, p. 5).

Ethnic economy, with its immigrant businesses, can provide more than employment opportunities; it can also act as a market for such items and services that cannot be met by mainstream businesses and service providers, (Knight, 2015, p. 576). Moreover, immigrant entrepreneurs may contribute to transnational activities which bring benefits for both home and host countries. An empirical study conducted by Light, Zhou, and Kim (2002, p. 702) investigate the relationship between immigration and the United States foreign trade. The results showed that immigrant entrepreneurs enhance the United States' exports and reduce its balance of payments deficit.

According to Ravenstein (1885) in his work the "Laws of Migration"¹, people who move from their region of origin, strongly influenced by some factors which may represent either opportunities or obstacles for them. (Dorigo & Tobler, 2005, p. 1). Immigrants may start businesses because of the inability of the labor market to absorb the immigrant stream, the glass ceiling effects², or the real desire for business ownership (Van Gelderen, 2007, p. 2). Marginalized groups of immigrants; especially from less-developed regions, may come up against some barriers in searching a job such as discrimination from local employers, non-recognition of credentials, enable to access to social networks for transmitting

¹ Laws of Migration: a group of 11 laws formulated by Ernst Georg Ravenstein, an English-German geographer cartographer, and published between 1885 and 1889. They explain the reason why migrants move? and what the destinations that they typically prefer (Grigg, 1977, p. 1).

² Glass ceiling effects: are the intangible barriers within a specific group of people, for example, preventing women or minorities from obtaining upper-level positions in a hierarchy (Merriam-Webster dictionary https://www.merriam-webster.com/dictionary/glass%20ceiling)

information on vacancies, or lack of educational qualifications, language skills, and work experience (R. Kloosterman & Rath, 2003, p. 1). Therefore, some immigrants in order to reduce these barriers, they leave paid-work and tend to the self-employment (Hiebert, 2002, p. 96).

While immigrant entrepreneurs start establishing their business, they may encounter great obstacles in starting up, maintaining, and expanding their businesses. Limited human and social capital, coupled with great difficulties in accessing credit from official banks, may prevent immigrant entrepreneurs from using their full potential to promote the socioeconomic revitalization, growth, and competitiveness in host countries (Desiderio, 2014, p. 1).

1.2. Purpose of The Study

The main purpose of this study can be divided in two-fold. First, to investigate the challenges that encounter Turkish immigrants when being entrepreneurs in Canada. Second, to provide more knowledge about the entrepreneurial activities as a new opportunity for them. Also, it attempts to determine the characteristics of Turkish entrepreneurs in the Canadian-host country context.

1.3. Research Questions

This thesis focuses on what are the challenges and opportunities that Turkish immigrant entrepreneurs may encounter when they create and operate their own businesses. In order to explore this topic, this study will be guided by the following main research questions:

- 1) What are the barriers that encounter Turkish immigrant entrepreneurs during establishing and operating their businesses in Canada?
- 2) What are the factors that influence the business success of Turkish immigrant entrepreneurs in Canada?
- 3) How these barriers affect the survival of Turkish immigrant entrepreneurship in Canada?

1.4. Significance of Study

Immigrant entrepreneurship is an important research topic from many perspectives, it took some time for this view to become widespread. This attention in many cases is driven

by the rising number of immigrant entrepreneurs (R. Kloosterman & Rath, 2003, p. 3). However, two limitations have been recognized in the literature on immigrant entrepreneurship. First, immigrant entrepreneurship studies in North America are dominated by the United States while immigrant entrepreneurs play an equally important role in the economy of Canada but still has published less on this topic (Aliaga-Isla & Rialp, 2013, p. 824). Second, comparative research has been rare, thus failing to provide a comprehensive picture of immigrant entrepreneurship and address some of the key contingencies affecting such conduct (Chrysostome & Lin, 2010, p. 80).

The available studies on recent immigration in Canada have mainly focused on immigrant's sociocultural environment. In terms of immigrant entrepreneurship, scholars (e.g. Obeng-Akrofi, 2015; Carlos Teixeira et al., 2007; Torbati, 2006) mainly focused on the socioeconomic characteristics of some ethnic groups in urban areas. For example, Polish, Portuguese, Caribbean, Korean, Somalian, Chinese, Indian, Iranian, Filipinos, and African immigrant entrepreneurs in the Toronto Census Metropolitan Area (CMA). Although many studies have been conducted to understand the "Turkish immigrant entrepreneurship phenomenon" in the US and Europe, particularly in Germany, Turkish immigrants in Canada have received little or no attention in the previous literature.

With respect to all studies, the outcomes of this investigation will first help the recent immigrant and the prospective entrepreneurs to recognize the barriers that impede the growth of entrepreneurship in Canada. Second, this research attempts to make a contribution to the literature on immigrant entrepreneurship. It gives an insight into the entrepreneurial activities of Turkish immigrants in Canada, and into their positive contribution to the communities around. Third, this research can be a source for future studies seeking further understanding of immigrant entrepreneurship in developed countries. Finally, the findings of this study might help policymakers, in both sending and hosting countries, to concern in immigration and economic related issues.

1.5. Scope of The Study

This study emphases the experience of Turkish immigrants who own and operate businesses in Canada. It focuses on four urban areas (Toronto, Montreal, Vancouver, and Calgary) which most of the Turkish immigrants establish their business in those cities. It includes only those who have the Canadian citizenship or still permanent residence.

1.6. Limitations of The Study

When reading this thesis, it is necessary to know the major limitations that could affect the validity and reliability of this study. First, because of the nature of this study, the author could not conduct interviews with the respondents which may allow them to add and explain more about their challenges and opportunities. This factor might raise questions about findings generalization. Second, all immigrants are registered in immigration statistics of Canada. However, the register includes only information about immigrant's nationality but there was no information on their country of birth and origin. Therefore, it was difficult for the researcher to determine whether the respondents were immigrant entrepreneurs holding citizenship of the Republic of Turkey or Turks holding another citizenship, for example, Turkman, Balkan Turks, Bulgarian Turks, Uyghur Turks, etc. Lastly, the outcomes of this study are only guaranteed within the time framework of this thesis which was limited to 16 weeks. Therefore, readers should check if there is updated information about immigrant entrepreneurship situations.

1.7. Defining Key Terms

Discussing such a complicated phenomenon as immigrant entrepreneurship seems very difficult to provide one stern definition because there is no exact description can suit all the purposes. There are multiple terminologies other than 'immigrant entrepreneurship' including "immigrant business", "ethnic entrepreneurship", and "immigrant self-employment". On one hand, definitions try to depict all varieties of multicultural entrepreneurs, and on the other hand, try to avoid being all-inclusive (Claire Lin, 2011, p. 13; Vinogradov, 2008, p. 31). The following definitions will cover the terms as they used in the context of this research.

1.7.1. Immigrant and immigration

Many familiar definitions describe immigrants as someone who moves from his or her country to another country, usually for permanent residence. The term migrant can also be understood as UNESCO³ defined it as "any person who lives temporarily or permanently in a country where he or she was not born and has acquired some significant social ties to

³ UNESCO: An agency of the United Nations which is responsible for coordinating international cooperation in education, science, culture and communication http://en.unesco.org/about-us/introducing-unesco

this country". Sometimes, "immigrant" or "ethnic minority" definition differs from country to other. For example, immigrants in France are not statically visible until they have obtained the French citizenship, whereas Turkish immigrant in Germany are still counted and registered as foreigners, while Eastern European immigrants who have a German origin can get Germany citizenship immediately (R. Kloosterman & Rath, 2003, p. 4).

To avoid the misunderstanding of who is immigrant? Vinogradov (2008), developed a table which essentially implies the origin of person's parents to find out if this person is immigrant or not. Depending on his or her parents' birth country, a person may be classified into one of the following categories (Table 1).

Table 1.1. *Immigrant Status Definition, Adopted from Vinogradov*

Who born abroad?			Т
Person	His/her mother	His/her father	Term
Yes	Yes	Yes	First generation immigrant
No	Yes	Yes	Second generation immigrant
No	No	No	Native
Yes	No	No	Native in most cases
Yes	Yes	No	
Yes	No	Yes	Depends on the context
No	Yes	No	
No	No	Yes	

Source: Immigrant entrepreneurship in Norway, Doctoral Thesis by Vinogradov (2008,p p. 36).

In cases that borders have been relocated (e.g. the former Soviet Union in 1991) or divided (e.g. South Sudan in 2011) or national states merged (e.g. East Germany and West Germany in 1990), defining immigrant status may be a complicated task. Generally, we can say that immigrants are foreign citizens who cross the borders to settle in other countries (Vinogradov, 2008, p. 35). In Canada, the Canadian authorities defined an immigrant as "a person who is or has ever been a landed immigrant/permanent resident and granted the right to live in Canada permanently by immigration authorities. Immigrants are either Canadian citizens by naturalization (the citizenship process) or permanent residents (landed immigrants) under Canadian legislation" (Statistics Canada, 2011).

The definition of immigrants used for this study is limited in:

- Turkish people who are immigrants (settled in Canada but born abroad);
- Turkish people who are descendants (born in Canada of two parents born abroad).

1.7.2. Entrepreneur and self-employment

Although many economists try to develop a definition of "entrepreneur" and "entrepreneurship", there are several definitions in the literature of management. For example, Casson (1982) defined an entrepreneur as "someone who specializes in taking a judgmental decision about the coordination of scarce resources" (Carlsson et al., 2013, p. 4,5). Bratu, Cornescu, and Druică (2009, p. 242–243) claimed that entrepreneurship and relevant aspects cannot be included in one complete definition. It depends on different perspectives. Andersson and co-authors (2010), defined an entrepreneur as an independent agent who applies a group of rules which are compatible with a "search-and-satisfying" type of conduct, in order to achieve goals such as the growth and profitability of his or her business (Andersson, Curley, & Formica, 2010, p. 131). According to Brandon Kenington, self-employed is a person whom his or her business depends on the talents, while an entrepreneur, depends more on the mindset activities. Therefore, the daily tasks of both are a little different, and in either case, the entrepreneur or self-employed might work between 50-80 hours a week (Claire Lin, 2011, p. 14).

1.7.3. Immigrant entrepreneur/Ethnic entrepreneur/Self-employed immigrant

The terms of an immigrant entrepreneur, ethnic entrepreneur and self-employed immigrant mostly refer to the same concept. Some authors focus on the characteristics of immigrants, others focus on their businesses experience. Immigrant entrepreneurs are defined as these foreign-born business owners who create a value through the innovation and contribution in expanding the economic activities (Mestres & OECD, 2010, p. 24). This definition refers only to the immigrant who can add a new value to the economy of the host country by identifying and providing a new product, process or market. In some countries, very small companies are not considered as official businesses, and thus they are not contributing to the formal economy. For example, the number of self-employed increased in Austria after making a change in the official definition of business to include very small ones (R. Kloosterman & Rath, 2003, p. 4).

Most immigrants get advantages from the same background and experience of their ethnic and use that in establishing businesses. Ethnic business could be defined as a group of interactive connections among foreign people who have the same background or migration experience (Volery, 2007, p. 30). According to this definition, ethnic entrepreneurs could be either immigrants or native minority groups (Meres, 2016, p. 11). From a geographical perspective, Johnson (1996), argued that immigrant entrepreneurship definition can be changeable based on a situational context, the geographic factors are significant in promoting immigrant's entrepreneurial performances. (Claire Lin, 2011, p. 15).

Although there is a crucial distinction between the above terms, still they can be utilized to mention to people who own and operate their own businesses (R. Kloosterman & Rath, 2003, p. 14). In this study, the terms "self-employed" "entrepreneurs" and "business owner" are utilized synonymously as it is widely used in the literature on immigrant businesses by many authors.

1.8. Research Structure

Chapter 1: Introduction

Discussed some issues relating to immigrant entrepreneurship. Two main objectives are identified; opportunities and challenges. It also explains the purpose of the study; research questions; importance of the study; scope and limitation. Finally, it defines the key terms used in this study.

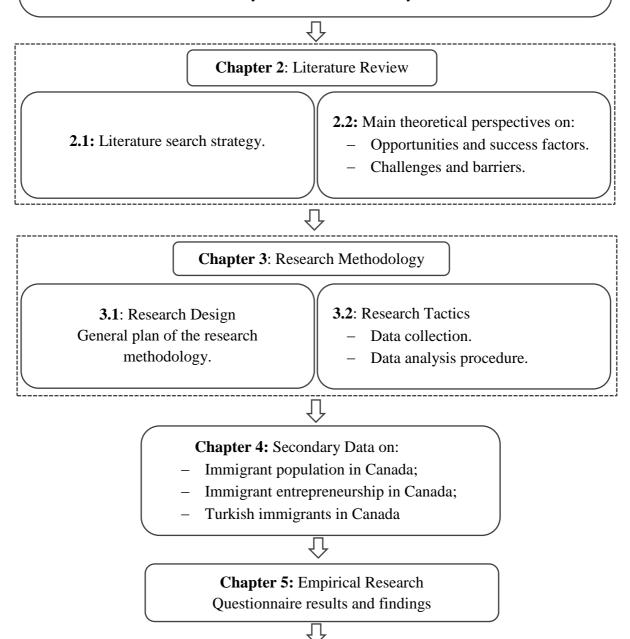


Figure 1.1. Thesis Structure

Chapter 6: Conclusion and Recommendation

CHAPTER TWO

2. LITERATURE REVIEW

2.1. Introduction

The field of immigrant entrepreneurship research has not been mentioned enough in the existing reviews of entrepreneurship or management literature and one of the reasons is because most studies were showed only the view of sociologists and anthropologists. Regarding management perspectives, Chrysostome and Lin (2010, p. 78) claimed that studies in immigrant entrepreneurship are limited, and many aspects of this topic need to be addressed. Consequently, the significant role that immigrant entrepreneurship plays in shaping developed economies has not been well understood (Meres, 2016, p. 17).

Many approaches have been used to explore the phenomenon of immigrant entrepreneurship, each has its own motives, methodology, and concepts (Vinogradov, 2008, p. 37). The research in immigrant entrepreneurship started first with the middleman minority theory, developed by Light (1972) and Bonacich and other authors (1973). According to Rath and Kloosterman (2000, p. 667), recent studies in immigrant entrepreneurship may be seen as located under many scientific disciplines such as sociology, immigration studies, urban studies, general and business economics, economic geography, management studies, political science and policy studies. The concentration of most studies is on few countries and ethnic groups and the available number of theoretical concepts in immigrant entrepreneurship is modest. Moreover, the disadvantaged and marginalized ethnic groups, small geographical locations of ethnic groups, successful intentional immigrant entrepreneurs, and the role of gender still represent an additional shortcoming in immigrant entrepreneurship studies (Brzozowski, 2015, p. 7).

Generally, authors categorized the theoretical perspectives as a mono-causal. Mono-causal studies focus on the differences of immigrant entrepreneurship with given a respect to other factors such as culture, human or social capital, ecological factors, specific barriers, the opportunity structure, and global economic factors (Vinogradov, 2008, p. 38). Reviewing literature on immigrant entrepreneurship show that scholars are often utilizing such terms as theory, factor, thesis, approach, model etc.

In order to provide an organized review of theoretical perspectives, this thesis will present an overview of the following theories and models:

- 1- The cultural theory;
- 2- Middleman minority theory;
- 3- Ethnic enclave theory;
- 4- The blocked mobility thesis;
- 5- Waldinger's interactive model;
- 6- Mixed embeddedness.

2.2. Literature Search Strategy

To avoid the research scarcity on immigrant entrepreneurship in Canada, the author of this study reviewed the previous literature on the experiences of other different host countries such as the United States, Australia, Korea, Finland, Germany, Sweden, and Norway, as well as, the experiences of immigrant entrepreneurs in Canada itself. He then drew out lessons connected to the subject of this study. He assembled information for the literature review from books, peer-reviewed journals, articles, and dissertations. He also used electronic resources such as Anadolu University's Library, ProQuest, Emerald, Google Scholar, and other research websites. To provide a rich framework, he also used keywords and phrases in English and Turkish languages such as "Immigrant Entrepreneurship", "Immigrant Self-Employment", "Immigrant Business", "Ethnic Entrepreneurship", "Minority Business", "Turkish Immigrant Entrepreneurs", "Göçmen Girişimciliği", and "Türk Göçmen Girişimciler".

2.3. Main Theoretical Perspectives on Immigrant Entrepreneurship

2.3.1. The cultural theory

This theory is often known as "Cultural Thesis". It is one of the oldest theories which explain the overrepresentation of some ethnic groups among entrepreneurs. The cultural theory originated by Max Weber (1958) in his work "The Protestant Ethic and The Spirit of Capitalism". He argues that Catholics cannot show a special propensity to develop economic rationalism which is obviously observed among Protestants (Vinogradov, 2008, p. 40). According to cultural theory, some ethnic groups are more entrepreneurial due to the traditions and values that immigrants bring to the host society. Some traits like family ties,

religious belief, work ethics, special skills, ambition to succeed, and social networks determine the orientation of immigrant towards self-employment (Meres, 2016, p. 23).

Culture can be defined as "the collective programming of the mind which distinguishes the members of one group or category of people from another" (Hofstede, 2010, p. 6). Several scholars have emphasized the influence of culture on entrepreneurship from different viewpoints. Some concentrated on the impact of culture on aggregate measures of entrepreneurship and economic development. Others focused on the impact of culture on corporate entrepreneurship and the connection between national cultural values and individual traits (Meres, 2016, p. 23). For instance, Davidson (1995) argues that there are two views describe the relationship between cultural values and entrepreneurial behavior. First, the Aggregate Psychological Trait Explanation which based on the idea that the more people with entrepreneurial values in one society, the more people will tend to be entrepreneurs. The same happens when people migrate to one country, some groups may contain more immigrants with cultural values which drive them to entrepreneurship. Second, the Social Legitimation View assumes that the difference in entrepreneurship is based upon the variation in beliefs and values between the whole population and the potential entrepreneurs. Consequently, the engagement between these values motivates potential entrepreneurs to become self-employment (Davidsson, 1995, p. 55; Vinogradov, 2008, p. 41).

The Cultural thesis focuses on some unique characteristics of immigrants and these characteristics can be classified as class resources and ethnic resources. Class resources drive from education, business acumen, financial capital, social capital, and cultural capital. Social capital includes the resources that immigrant entrepreneurs obtain by their membership in social networks and through the established norms such as trust, interchange, and obligation. Cultural capital includes entrepreneurial skills which immigrants often possess through socialization in the host society (Marger, 2001; Carlos Teixeira et al., 2007; Torbati, 2006, pp. 13–14; Waldinger, 1995). Ethnic resources refer to flexibility, solidarity, willingness to work long hours, self-reliance, access to an ethnic community that provide credit and ethnic workers, and the possession of capitalist culture (Carlos Teixeira et al., 2007, p. 177).

Immigrants often rely on their social networks in order to be more integrated, mainly because they have a poor access to the labor market in the host country more than those who migrated earlier or born in the host country (Maani, 2016, p. 5). In Canada for example, immigrant entrepreneurs depend more on co-ethnic employees than non-immigrant businesses (C Teixeira & Lo, 2012, p. 38). Another evident from Australia, Low (2005, p. 4) found that more than half of the Asian-born women are in business with their husband or one of their male relatives. Ethnic and class resources often complement each other, and it is likely that one resource can reduce the need for the other (Torbati, 2006, pp. 12–13).

Critics of the cultural thesis criticized the suppositions that gave culture a dominant and key role in entrepreneurship. Hosler's data (1998) shows that Japanese entrepreneurs in New York do not use ethnic resources. Partly because they live in undeveloped and small community and partly because many of them have enough class resources (Gap Min, 2001, p. 84). Portes and Yiu (2013, p. 78) argued that the cultural theory ignored the religious backgrounds and diversity of entrepreneurial oriented groups. The authors also argued that minorities that are successful in their businesses like Arabs, Iranians, Asians, and Europeans or Jews come from different nations and religions. Their religions range from, Islam, Protestantism, Catholicism, Greek- Orthodoxism, Buddhism, to Judaism and Shintoism. Other scholars, such as Ibrahim and Galt (2011, p. 608) have a different insight, and they criticized this theory because it evaluates the success of ethnic businesses only on static cultural aspect and ignores the socioeconomic environments of the host country.

2.3.2. Middleman minority theory

In different parts of the world, middleman minority has a positive impact in growing the economy of host countries. For instance, Chinese in Southeast Asia, Armenians in Turkey, Asian in East Africa, Syrians in West Africa, Jews in Europe, Japanese and Greeks in the United States seem to be more likely than other individuals to enter business ownership. Based on primary thoughts of other authors works, Bonacich (1973) developed the theory of middleman minority. The middleman minority theory provided insights into the factors that trigger the growth of immigrant entrepreneurship and described the role that minority entrepreneurs play as a trade bridge between host countries and home countries or as intermediaries between a high-status social group and minority marginalized racial or ethnic groups (Bonacich, 1973a, p. 583). Middleman theory is illustrated in (Figure 2.1).

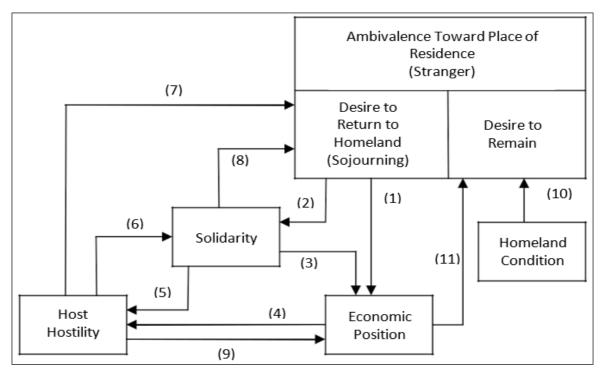


Figure 2.1. Schematic Representation of The Middleman Minority Position.

Source: A Theory of Middleman Minorities, (Bonacich, 1973b, p. 584).

A key characteristic of Bonacich's model is the propensity of middleman minorities to be sojourners. Sojourners are migrants who do not plan to settle permanently in the host country. They practice original traditions, mono-ethnic marriages, and speak homeland language. Middleman minorities are looking for entrepreneurial opportunities, they save money in limited time and then return to their origin country. They are classic commercial minorities getting benefit from bilingual proficiency and transethnic social networks to establish their businesses. They work in the host country, but not necessarily they target their co-ethnic group or work in a co-ethnic neighborhood. Although the middlemen have risks in commercial transactions, the dominant ethnic group of the host country encourages the participation of those migrants as middlemen (Chan, 2015, pp. 83–84). They avoid choosing a job which ties them to the host country. Thus, sojourning explains why some immigrant groups are highly involved in self-employed (link 1 in figure 2). Sojourning often results in a high degree of intergroup solidarity (link 2). Solidarity in several ways could positively serve the middleman minority business ownership (link 3). For example, it leads to a relatively efficient distribution of resources via formal and informal ethnic channels. Middlemen minorities provide low-interest loans inside their community through credit

associations. Within middleman minority, entrepreneurs can easily access to information; get training, and find loyal labor. Also, solidarity can be an effective way to control the internal competition. Host hostility (link 9) is another factor that contributes to the overrepresentation of middleman minorities among immigrant entrepreneurs. The causes of host hostility in (links 4 and 5), and its non-economic consequences in (links 6 and 7). The determinants of desire to return to one's home country in (links 10 and 11) (Bonacich, 1973b; Vinogradov, 2008, pp. 52–53).

Critics of the middleman theory argue that the middleman minority theory may explain the economic position of some ethnic groups, but Bonacich's model is not applicable to the majority of immigrants. For instance, Portes and Shafer could not provide enough explanations to study the unique circumstances of Cuban immigrant entrepreneurs in the United States. Instead of Bonacich's model, they used the concept of the ethnic enclave (Meres, 2016, p. 27; Portes & Shafer, 2006). Also, comparison with a paid job, setting up a business looks to be a risky idea. In case sojourners prefer to save money fast and return to their homeland, they will be more likely to accept paid jobs. Moreover, compared to investing in businesses, keeping money in a bank account is a much safer way that, in turn, contravene one of the foundations of the middleman minority theory (Vinogradov, 2008, p. 53).

2.3.3. Ethnic enclave economy theory

One of the main concepts of this study is "ethnic enclave". It created by the sociologist Max Weber, (Weber, 1927 cited in Light, 2005, p. 650). An ethnic economy could be defined as business owners who self-identify or can be identified, based on a specific geographical or religious group (Pécoud, 2010, p. 60). Portes and Manning (1986, p. 57) defined an ethnic economy, as a group of businesses owned and operated by immigrants from a single ethnic group and their co-ethnic employees to serve their ethnic market and the general population in a specific area. Although enclave economy traditionally has developed in urban areas, recent reviews have shown that they are still emerging in some suburban areas, for example, the Nuevo South defined as the states in the Southern US experiencing a dramatic growth of Latinos (Hoalst-Pullen, Slinger-Friedman, Trendell, & Patterson, 2013, pp. 310–311). Unlike middleman minority theory, ethnic enclave entrepreneurs have their ethnicity and residential area with their customers. Torbati (2006)

who studied the Iranian business in the Toronto CMA, found that a higher percentage of Iranian facing difficulties in employment outside their concentration residential area turned to self-employment and established businesses inside the Iranian community to get benefits from their ethnic enclave. Ethnic business operating in a large immigrant community can build an economic base and social network that enable them to compete even in a non-ethnic market (Torbati, 2006, p. 149). Meres (2016, p. 28) supports this argument and mentioned the experience of Cuban immigrants in southern Florida.

Proponents of the enclave theory assert that immigrant entrepreneurs prefer to open businesses within their community for many reasons. First, residing in the co-ethnic community makes immigrant entrepreneurs gain benefits such as interacting with familiar culture, language, and social activities. Second, immigrant entrepreneurs have more knowledge about their co-ethnic clients' needs. Third, the accessibility to find a cheap labor within enclave community creates more opportunities for a higher profit. Fourth, enclave economy provides immigrants job opportunities that are more desirable than those available to them in the mainstream market. Fifth, starting up a business in enclave community demand low financial and human capital. Sixth, successful entrepreneurs in co-ethnic community may act as role models for other immigrants (Meres, 2016, pp. 27–28; Patuelli & Guerra, 2014, p. 187)

On the other hand, the arguments presented by opponents of ethnic enclave theory might be conceivable under some circumstances. Enclave economy has a negative effect on Native-owned firms locating in immigrant enclaves, rather than immigrant business owners. This influence may experience difficulties in firm success, growth, and expansion (Braymen & Neymotin, 2014, p. 197). The discourse on the ethnic economy should include middleman minorities, enclave entrepreneurs, and the enclave economy. As such these concepts are highly related but are not the same. Enclave economy emphasizes the concentration location of co-ethnic immigrants. However, the ethnic economy requires no territorial clustering. The narrow definition of the ethnic economy restricts the study of ethnic ownership economy and ethnic-controlled economy. In fact, the ethnic-controlled economy is not owned by ethnic minorities, but co-ethnic employees exert significant roles in markets and represent a power over in workplaces (Chan, 2015, p. 83; Light, 2005, p. 470).

2.3.4. The blocked mobility theory

The Blocked mobility is known also as *Disadvantage Theory*. It presents self-employment as another strategy to avoid discriminatory conditions (Carlos Teixeira et al., 2007, p. 177). According to this theory, immigrants not always engage the entrepreneurial activities because they have a desire to become business ownership, but because of the disadvantages of labor market and resources. Immigrants could be unemployed because the lack of proficiency in the host country's language or cannot find a job that appropriates with their education and qualification. Some may be hired, but they are often poorly paid or not paid at all and have a limited job potential (R. Kloosterman, 2000, p. 94). Johansson (2000, p. 45) found that earnings differential between paid employment and self-employment in Finland has a positive influence on the probability of being self-employed. Hammarstedt (2006, p. 619) argued that discrimination in wages may push immigrants into self-employment in the paid employment sector in Sweden.

Ethnic discrimination, prejudices of the native population, and direct racial also may cause blocked mobility for immigrants. For example, some Turkish and Lebanese immigrants in Australia turned to self-employment because of the discrimination that faced in the labor market. A study of immigrant engineers in Australia shows that although many Middle Eastern engineers graduated from English universities, none of them found jobs, while immigrants from non-Middle East countries found jobs. (Collins, 2003, p. 13; Torbati, 2006, p. 17). Examining the block-mobility hypothesis in the Canadian case showed that there is a difference between self-employment in professional and non-professional services. Immigrants who obtained their education abroad had a higher probability of entering into business ownership in the non-professional sector compared to natives and immigrants with Canadian education (Beaujot, Maxim Paul S, & Zhao, 1994, p. 81).

Advocates of blocked mobility theory (e.g. Chacko & Price Marie, 2015; Liu, 2012; Meres, 2016, pp. 24–25; Yaron, 2003) asserted that when opportunities to become a paid-employed is blocked due to any kind of discrimination in the host country's labor market, immigrants select business ownership as an alternative strategy to survive and avoid racial discrimination, which imposes them to accept low-paying jobs and blocks upward mobility. Therefore, immigrant self-employment is partly a reaction to discrimination and an alternative vehicle to reach the social mobility.

Although the above assertions support the *Disadvantage Theory*, a study on Chinese, Japanese, and Filipinos immigrants in the United States did not confirm the impact of discrimination on the desire to become self-employment among these immigrants (Mar, 2005, p. 341). However, it has pointed out that self-employment should be viewed as a career strategy employed by immigrants to constructively resist discrimination, not as mere reactions to the contingencies in their experiences in the labor market (Inal, Ariss, & Forson, 2013, p. 168). Other scholars (e.g., Martínez, Saiz-Alvarez, and Martínez) see that the blocked mobility theory is not completely applicable when examining business ownership of immigrants in the developing countries because immigrant entrepreneurship is a strategy to adapt to the host country's internal economic situation more than a reaction to discrimination (Martínez, Saiz-Alvarez, & Martínez, 2013; Meres, 2016, p. 25).

2.3.5. The interactive model

The Interactive Model or what is also called a Model of Immigrant Enterprise conceptualized by Aldrich and Waldinger (1990). In this model, immigrant entrepreneurs are defined as owners and operators of business enterprises. This model suggests that no single characteristic is responsible for the development business or entrepreneurial success of an ethnic group. The interactive model identifies the opportunity structure and group characteristic as two complex dimensions which lead to business success. In order to create a viable business in a foreign environment, the interaction between these two dimensions generates ethnic strategies as a third dimension (Figure 2.2).

The Opportunity Structures are made up of market conditions and access to ownership. Market condition, either open or closed market, can be a good opportunity to establish certain types of business. Ethnic communities have specific needs which only coethnic businesses are able of satisfying. The more cultural differences between ethnic groups and host countries, the more need for ethnic goods and services, and subsequently, the bigger niche market. But it does not matter how the niche market is big because opportunities still limited in front of immigrants. On the other hand, an access an open market is often occupied by local entrepreneurs and blocked by many barriers; either on a financial or on a knowledge basis. In fact, not all markets can be controlled by local entrepreneurs. Some industries like low economies of scale are characterized by mass production or unattainable know-how. For example, taxi industry can offer opportunities

which immigrants can successfully pursue. Further opportunities lie in markets that underserved or completely left by the local entrepreneurs, because of strenuous working conditions or insufficient returns (Aldrich & Waldinger, 1990; Volery, 2007, p. 34).

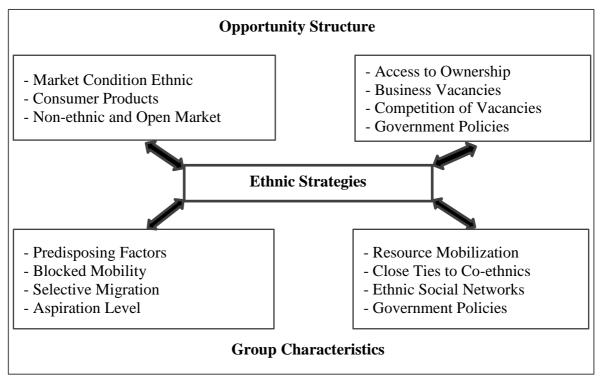


Figure 2.2. An Interactive Model of Ethnic Business Development.

Source: (Waldinger, Aldrich, & Ward, 1990, p. 22)

The Group Characteristics focus on the resources that shared by co-ethnic immigrants such as cultural traditions and ethnic social networks. Cultural tradition is based on assumptions that business owners of ethnic groups are the result of their cultural predisposition factors. These factors may include blocked mobility, the experience of immigrants at the time of migration, the aspirations of immigrants to be successful in business, and the social; economic; historical conditions. Although cultural traditions are very important, it should not be overstated (Aldrich & Waldinger, 1990; Torbati, 2006, p. 20). Inter-relational connections play a significant role in the success of an immigrant enterprise; however, family and ethnic social network are undisputed. Also, government policy may positively influence the opportunity structures for immigrant self-employment. The special distribution of new-comers and rules regulating economic activity of immigrants may shape the career choices of immigrants (Vinogradov, 2008, p. 56).

Although Waldinger et al.'s interactive model represents a crucial step towards a more comprehensive on the ethnic entrepreneurship theoretical framework, it has received some criticism. First, given a complete explanation when specifying supply and demand without explaining how they must relate. Second, the misbalance between the effects of supply and demand for business ownership (Vinogradov, 2008, p. 57). Third, while it is theoretically and empirically useful, it fails to elaborate sufficiently on the economic and politico-institutional context within the ethnic environment. Immigrants' abilities to create business cannot only determine by taking a legal permission to set up businesses, but also by other factors (e.g. taxes, residency status, job quality, labor relations, and safety). Moreover, the model does not consider a host country's markets and economic structure which may affect immigrants' ability to set up and operate businesses (Rath & Kloosterman, 2000; Torbati, 2006, p. 22).

2.3.6. Mixed embeddedness approach

The Mixed Embeddedness Approach is one of the most recent approaches in explaining the entrepreneurial success. Developed in the 1990s by the Dutch scholars Kloosterman, Rath, and Van der Luen. Particularly, it focuses on the factors that facilitate and develop immigrant businesses. This approach attempts to add the interaction of sociocultural forces as a factor in the micro-level, the economic-structural conditions as a factor in the meso-level, and the political-institutional setting of the immigrant-receiving society as a factor in the macro-level (Abebe, 2015, p. 10; R. C.; Kloosterman & Rath, 2010, p. 105; R. Kloosterman, Van Der Leun, & Rath, 1999, p. 661). Beside the role of ethnic minority networks, it contends that some external influences should be in consideration when opening and operating a business (e.g. laws, public institutions, and regulatory practices) (Carlos Teixeira, 2012, p. 16). Therefore, applying the Mixed Embeddedness Approach in any particular case must be based on three assumptions: (i) opportunities must not be blocked by too high barriers of entry or government regulations; (ii) the opportunities must be seen through the eyes of the potential entrepreneurs as if they can provide adequate returns; and (iii) entrepreneurs must be able to take advantage of any opportunity (Volery, 2007, p. 35).

The opportunity structure plays a key role in the mixed embeddedness approach. It controls the niche market entered by immigrants. The organizations, rules of markets,

welfare system, and regulations affect the opportunity structures of immigrant's businesses. In addition to the market, immigrants may also be embedded in their social networks which depend on the country settings. The opportunity structure in the mixed embeddedness approach emphasizes the opportunity structure that offered by the national and regional economic environment (Razin, 2002, p. 162).

In terms of the national economy, institutions provide rules, laws, and regulations which may promote or impede the business of immigrants (e.g. determine a minimum wage, and specific requirements or improve the rules regulating of entering self-employment for non-citizens). Immigrant entrepreneurs may find some opportunities because the prejudices against certain occupations such as a vacancy chain when local entrepreneurs abandon certain niches and immigrants take their places. At the regional level, the major cities struggle to develop unique competitive advantages. Enclave economies concentrated around many urban centers are often characterized by specialization. These distinct opportunity structures affect both accessibilities of ownership and growth potential of immigrant enterprises. Therefore, cities and regions can have quite different economic fates, and they may contribute to significant differences regarding the opportunity structures within one country (Kloosterman, Robert Rath, 2001, p. 194).

Although there is a further explanation of the mixed embeddedness approach in the recent studies, the concept of mixed embeddedness has been criticized, and still requires additional elaboration and operationalization (R. Kloosterman & Rath, 2003, p. 9). Peters (2002) argues that the mixed embeddedness approach has lacked in the historical overview, and could not provide a new perspective. Also, like the previous models, mixed embeddedness could not find an obvious answer for the development of immigrant entrepreneurship among ethnic groups in host environments around the world. The mixed embeddedness approach was developed only to explaining the informal lower-end sector of the ethnic economy and cannot be applicable to extend to other sectors without adding more considerations (Vinogradov, 2008, p. 59). Moreover, mixed embeddedness approach can be viewed as a "fuzzy concept". It can be criticized in twofold: (i) the fuzziness of the mixed embeddedness definition and validating the phenomenon beyond descriptive case studies, (ii) the idealization of the embeddedness model in concerning the conducive of social networks. (Razin, 2002, p. 163).

CHAPTER THREE

3. METHOD AND PROCEDURES

3.1. Introduction

In this chapter, the author of this study introduced the research methodology as a way to explain the issues underlying the choice and coherence of research design and research tactics. The research design is concerned with the general plan of the research while research tactics clarify more details about data collection and data analysis procedure. Additionally, in trying to simplify the understanding of the methodological framework of this study, the author followed the recommendations by Saunders, Lewis, and Thornhill (2016) in their book "Research Methods for Business Students". (Figure 3.1) summarizes the research methodology of this study so that it would be easier for the readers to understand.

RESEARCH METHODOLOGY

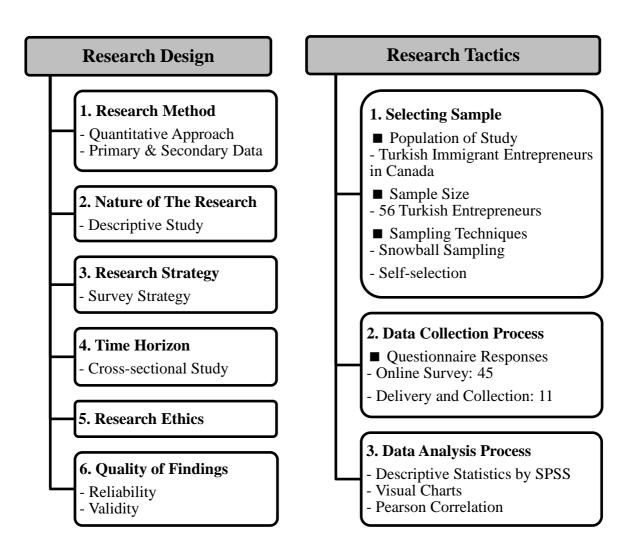


Figure 3.1. Research Methodology

3.2. Research Design

3.2.1. Research methodological choice

Quantitative and qualitative approaches are widely applied to differentiate between data collection technique and data collection procedure. In immigrant entrepreneurship studies, researchers can apply either a quantitative or a qualitative approach. In some cases, they also can mix between both approaches and apply what so-called the mixed approach. In order to apply a rational approach to this research, it was necessary to explain the differences between those two approaches. The quantitative approach is often used to describe any data that generates or uses numerical data. For example, data collection technique by the questionnaires or data analysis procedure for graphs or statistics. In contrast, the qualitative approach is often used to describe any data that generates or uses non-numerical data. For example, data collection technique by interviews or data analysis procedure in order to categorize them (Saunders et al., 2016, p. 165).

For this thesis, a quantitative approach was chosen. In order to provide better answers to the research questions, both primary and secondary data were used. The primary data was collected by a questionnaire method. Descriptive statistics, Spearman correlations, and charts were used as data analysis technique. Not like the other methods, a quantitative approach allowed the author to focus on using data to test the theories in immigrant entrepreneurship that previously mentioned in the literature review (Chapter 2.2), and to how much can apply them in the case of Turkish immigrant entrepreneurship in Canada. Finally, quantitative approach allowed the author to better evaluate the extent to which the findings of his research can be trusted.

3.2.2. Nature of the research

Most research designs to achieve either an exploratory, descriptive, explanatory, or evaluative purpose. The explorative research is a valuable means to ask open questions to determine what is happening, while the descriptive research is to gain a correct profile of events, persons or situations. Studies that establish fundamental relationships between variables may be named explanatory studies. The evaluative research is to see how something works. In fact, research questions are the main tool that inevitably involves in choosing the research design (Saunders et al., 2016, pp. 174–176).

Since this study serves more than one purpose and attempts to seek a new insight on the Turkish immigrant entrepreneurship, the nature of this research can be descriptive research. The main idea behind the descriptive research is to better define an opinion and attitude held by a group of people on a given subject and to create an accurate profile of events, persons or situations. It is likely uses multiple choice questions, as well as, closed-ended questions which start with, or include, either 'What', 'When', 'Where', 'How' or 'Who'. In descriptive research, this kind of questions often group the responses into predetermined choices by providing statistical data about an issue that has poor attention or never studied before. Therefore, descriptive study is the best way to investigate the questions of this research "What are the challenges and opportunities of Turkish immigrant entrepreneurship in Canada, and how these challenges and opportunities affect their business plans in Canada?"

In addition, descriptive research allowed the author to measure the importance of the findings on the overall population of study, as well as the differences of participant's opinions, attitudes, and behaviors over time.

3.2.3. Research strategy

A research strategy is a plan of how a researcher should go on answering her or his research questions. Quantitative research is mainly linked with experimental, survey, archival, documentary, or case study research strategies (Saunders et al., 2016, p. 178). Therefore, to achieve the goal of this research, survey strategy was adopted.

A survey strategy is a very common strategy in social science research, in particular, business and management research. It is most often used to answer questions such as 'What', 'Where', 'Who', 'How much' and 'How many'. Technically, a survey research strategy is frequently conducted through using the questionnaires, structured interviews, or structured observation. Survey strategies using questionnaire technique allows the collection of data from a large population in a highly economical way. In general, the survey strategy is seen as authoritative by people because it is easy to explain and understand.

A survey with its questionnaire technique was a suitable strategy to be applied in this research. It allowed the author to collect quantitative data and then using descriptive statistical analysis. Also, it gave him the control over the research process, as well as, it helped him to generate findings that are representative all the population of the Turkish

immigrant entrepreneurs in Canada. The questionnaire procedure will be analyzed in the next section (Research tactics: Data collection process 3.3.2).

3.2.4. Time horizon

The time horizon concept refers to the period that a researcher focuses on her or his study. Depending on this concept, research can be divided into cross-sectional and longitudinal studies. Cross-sectional or a "Snapshot" is the study of a specific phenomenon at a specific time, while longitudinal study or "Series Snapshots" examines the change and development of an event over an extended period. Due to the time constraint, this research utilized the cross-sectional study which investigates some aspects of Turkish immigrant entrepreneurs in Canada only at the time of writing this thesis.

3.2.5. Research ethics

Studying a minority group in a big population and diverse cultures must take into account the ethical issue. Researchers face difficulties that cannot be easily resolved with guidance from existing ethical principles or guidelines. However, the author gave the research ethics a high attention when conducting this research and the interest of participants was taken into a great consideration. In light of this, I submitted my application to the board of ethics of Anadolu University, and after a thorough review, I obtained approval to conduct data collection. Based on the stipulations and recommendations of the ethics committee, I gathered data from the participants. In both English and Turkish languages, all the participants were informed in detail about the topic of study and its purpose. Since this research concerned with individual experiences and opinions, it was very important that the secrecy of the collected information was guaranteed. Before participating and by sending an email to each participant, the author informed participants their right not to answer the survey, which might sound too private, as well as, he informed them about the estimated time of answering the questionnaire.

3.2.6. Quality of research findings

Reliability and validity are fundamental in judgment on the quality of quantitative research in the social sciences. They must be free of bias and distortion to demonstrate and communicate the rigor of research processes and findings (Saunders et al., 2016, p. 202).

Reliability

Reliability refers to the extent of how much a researcher is able to replicate a design of an earlier study (e. g. data collection techniques or analysis procedures) to achieve the same results in her or his new research, if so then the new research would be considered as being reliable (Saunders et al., 2016, p. 202). In this research, the author utilized multiple sources of evidence. He used various sources of literature from the field of immigrant entrepreneurship in the context of challenges and opportunities that face immigrant entrepreneurs. In addition, he presented three main research questions to increase the validity of this research findings. All the participants were volunteers who own different businesses. Therefore, it will be easy for readers to understand the process and findings, and then, enable them to re-analyze the data where appropriate.

Validity

Validity refers to the suitability of the measures used, precision of the analysis and generalizability of the findings (Saunders et al., 2016, p. 202). In order to improve the validity of this research, the author made an accurate correlation between the questions presented in the survey and he did a pre-test for the questionnaire on two professors and four friends who teach and study in the department of social science. He then asked for their reviews. Also, in very clear words in both English and Turkish, he informed the participants about research questions and the questionnaire categories. Furthermore, the author worked on the principle of double-checking throughout the process. The purpose was to improve the questions so that participants will not face problems with understanding and answering the questions.

3.3. Research Tactics

3.3.1. Selecting sample

For some research questions, it is possible to collect data from an entire population as it is of a manageable size. But in some other cases, it is impossible to collect and analyze data from the entire population if there are some restrictions such as limited time, money, and access (Saunders et al., 2016, pp. 272–274). Therefore, a good sample selection and proper sample size will make study stronger, save time, money and resources. For those reasons, sampling technique was necessary for this study.

Target population

To make a population of study more manageable, a researcher may redefine the population as a subset of the entire population. This is called the target population which they are the actual focus of the research inquiry. The target population of this research is Turkish immigrant entrepreneurs who own and operate businesses in Canada.

Sample Size

For descriptive surveys, the most common type is convenience sampling. Selecting the right sample size means that the sample size will be enough to give adequate "power" to the findings of the study. To obtain a broader picture and better understanding of the business challenges and opportunities of Turkish immigrant entrepreneurs, the author gathered 56 questionnaire responses examining several types of business from different cities in Canada.

Sampling techniques

According to Saunders, Lewis, and Thornhill (2016, p. 276), choosing the sampling technique depends on the feasibility and sensibility of collecting data that research questions require. In general, sampling techniques can be separated into two types: (i) probability and (ii) non-probability. Probability sampling is often used when the target population is known, while non-probability sampling is often used when the target population is unknown. Besides that, probability samples require a full list of all the cases in the targeting population from which the sample will be taken. In the Turkish case, the author spared no effort to find any source which he can conduct this survey. Unfortunately, there was not enough data about the number of Turkish entrepreneurs neither in the Canadian Business Register System nor in the Turkish business associations in Canada. Therefore, the researcher applied the non-probability sampling technique in this research.

Non-probability sampling technique can be applied in two forms: (i) Snowball sampling and (ii) Self-selection sampling. Both techniques rely on voluntary participation and both have been applied to reach as many participants as possible.

First, snowball sampling is used commonly when it is difficult to identify the target population. Since there was no available data about Turkish entrepreneurs in Canada. The author, consequently, needed to:

- 1- Made a contact with some friends, associations, research centers, and entrepreneurs who have connections with Turkish community in Canada, and Turkish embassy and consulates as well.
- 2- After getting some cases, he asked these cases to identify new cases.
- 3- Asked the new cases to identify further cases (and so on).
- 4- Stopped when the sample was adequate and is manageable.

Second, self-selection sampling occurs when there is a need to allow individuals to identify their desire to take part in the questionnaire. Therefore, the author needed to administer the survey by using the internet, and through emails and social media sites he published his questionnaire and asked for volunteers to fill in the questionnaire.

3.3.2. Data collection process

In quantitative studies, a researcher can use multiple sources of data to gather information and conduct investigation of a phenomenon. However, quantitative data can be collected by using various sources (e.g. administered surveys, experimentation, observation, documents, and archival records). As there were not many previous studies on Turkish immigrants in Canada, especially about those who own and operate businesses, the need to collect primary and secondary data emerged.

Although this study mainly depends on primary data, the author started looking for secondary data from related literature such as books, journals, reports, internet websites, Statistics Canada publications, and Census Canada. The purpose was that secondary data helped the author to create more focused research questions, then to decide what is the most proper research methods to answer these research questions. On the other hand, the primary information sources used in this study came from a questionnaire that was administered to the Turkish immigrant entrepreneurs in Canada and mainly focused on business operating in four cities (Toronto, Montreal, Vancouver, and Calgary).

Two different strategies were used to obtain data for this study internet questionnaire and delivery and collection questionnaire. This was due mainly to: (i) the unknown number of Turkish immigrant entrepreneurs in Canada, (ii) the limited time needed to finish this study; and (iii) the low response rate at the middle of sampling stage.

Web-based questionnaires

An inevitably growing methodology is the use of the Internet-based survey. This means a researcher would send an e-mail to the participants which they would click on a hyperlink that will take them to a secure website to fill in a survey. This kind of survey is often quicker and less detailed. The questionnaire of this study was created and administered electronically by using Google Forms website (https://www.google.com/forms). Then, the questionnaire's hyperlink was sent by emails, Facebook, and LinkedIn to potential participants. These email addresses were acquired mainly by the snowballing technique. Most of the contacts were reached by KanadaRehber website (http://www.kanadarehber.com) and from the suggested pages on Facebook. To increase the response rate, respondents were contacted in two stages. First, the author sent the questionnaires with covering letter, then if there was no response within one week, he followed up a reminder email. In total, 141 online questionnaires were sent to Turkish entrepreneurs in Canada. Of those questionnaires, there were only 45 responses which represent 31.7% response rate.

Delivery and collection questionnaires

The author collaborated with three of his friends in three different cities in Canada (Toronto, Vancouver, and Calgary). Those friends were visiting Turkish businesses directly and asking the business owners to participate in the survey. Later, when the survey was answered, they were informed, and they go back to collect the paper questionnaire. Among 19 businesses visited, only 11 owners agreed to fill in the questionnaire.

The questionnaire was divided into three parts. The first part was named "General Information" and included five questions about respondent's background. They were asked to describe their: gender, age, type of residence, the level of education, and the visa they used to immigrant to Canada. The second part was named "Business Characteristics" and included six questions about business location, business form, business sector, years of business experience, working hours, and a number of employees. The third part was named "Business Experience" and included three essential questions about the main obstacles, success factors, and future plans. These variables were measured by using closed-ended questions, list questions, and rating questions.

The first draft of this questionnaire was designed on 25 September 2017. It was written in English and Turkish for the supervisor to review. After reviewing, pre-testing, and approving, the questionnaire was carried out in the period between 27 October 2017 and 15 November 2017.

3.3.3. Data analysis

Data analysis is a dynamic that aims to make sense of the collected data and turn them into information. Within quantitative analysis, calculations and chart drawing are undertaken using analysis software (Saunders et al., 2016, p. 496). However, the author has paid attention to coding, systematizing, storing and processing of the collected data. The raw data of this research was analyzed by using the IBM Statistical Product and Service Solutions, known as SPSS. Choosing this program was because it has the capability for analyzing and interpreting data as tables, graphical displays, and summary statistics.

Due to relatively small number of the questionnaire responses, the researcher applied only the descriptive statistical analysis to indicate the opportunities and obstacles to Turkish immigrant entrepreneurship in Canada. As well as, the Spearman correlations to understand the effects of business barriers on entrepreneurs' future plans.

Table 3.1. The Main Features of Data Analysis

Research Question	Level of Analysis	Data Source	Method of Analysis		
1. What are the barriers that encounter Turkish immigrant entrepreneurs during establishing and operating their businesses in Canada?	Individual Variables	Survey	Descriptive Analysis (Frequencies)		
2. What are the factors that influence the business success of Turkish immigrant entrepreneurs in Canada?	Individual Variables	Survey	Descriptive Analysis (Frequencies)		
3. How these barriers affect the survival of Turkish immigrant entrepreneurship in Canada?	Individual Variables	Survey	Spearman Correlation + Descriptive Analysis (Frequencies)		

CHAPTER FOUR

4. IMMIGRATION AND ENTREPRENEURSHIP IN CANADA

4.1. Immigration History of Canada

Canada is often known as a land of immigrants. It has fluctuated greatly over the last 150 years. These fluctuations can be linked to immigration policy changes, Canada's economic situation, or global events related to the migration. Each new wave of immigration has added to the nation's ethnic and cultural composition. Historically, most immigrants came from Europe. Most of them were of German, Dutch, Scandinavian, British, Aboriginal and other origins and from Presbyterian, Baptist, Anglican, Jewish, Methodist, Quaker, and Catholics. Over the time, patterns of immigration have shifted. Asian (including the Middle East) becomes the largest group of newcomers.

During the American Revolution in 1776, many people escaped to Canada. Only between 1901 and 1914, more than 750,000 immigrants entered Canada coming from the United States. However, during World War I, the number of landed immigrants entering Canada dramatically dropped to less than 34,000 in 1915. The great depression period in 1930 and World War II were recorded as the lowest numbers of landed immigrants. The return of peace fostered economic recovery and an immigration boomed again in Canada. Besides the returning Canadians, about one-third were immigrants from Europe who had originally settled in the west of America and developed a thriving agricultural sector. In the 1960s, one-third of Canadians were from different origins neither British nor French. (Citizenship and Immigration Canada, 2011; Vézina & Houle, 2017).

Since the 1980s, Canada has changed immigration policy and transformed from a mechanism of keeping people from European origin into a tool for selecting a mixture of newcomers regardless of their origin. In order to fuel the country's economic and demographic growth, Canada followed an immigration system that accepts more immigrants and refugees for permanent settlement in proportion to its population than any other country in the world. This successful immigration system has begun to change fundamentally in the recent years. Major shifts in the new policy are like following: (i) the more restrictive and conditional approach to permanent immigration; (ii) the expansion of temporary migration channels; and (iii) the devolution of power over the immigrant selection from the federal to the provincial level. These changes have been introduced in

order to provide solutions to the shortcoming, especially the increasing difficulties in the labor market of highly skilled immigrants and the long processing times for reviewing immigration applications (Elrick, 2013, p. 1).

4.2. Key Statistics on Foreign Population in Canada

A general look at immigrants living in Canada can be obtained by looking at the number of foreign-born population. Since the early 1990s, the number of landed immigrants has remained relatively high, with an average of approximately 235,000 new immigrants per year. According to the 2016 Census, Canada had 7,540,830 foreign-born who arrived as immigrants. They represented 21.9% of the total population (Table 4.1). In addition, there were more than 250 different ethnic origins living in Canada and representing (41.1%) of the country population. Around 20 million people have European origins. British were the oldest and largest groups (6.3 million) followed by Scottish (4.8 million), French (4.7 million), and Irish (4.6 million). Also, it has reported 6 million persons have Asian origins (including the Middle East), Chinese (1.8 million), East Indian (1.4 million), and Filipino (837,130). Over (1 million) people have reported as Africans, (749,155) from the Caribbean, and (674,640) from Latin, Central or South American origins (Statistics Canada, 2017a, pp. 1–4).

Besides foreign origin, the immigrant population in Canada can also be obtained by different criteria such as spoken language. In the 2016 Census, 7 in 10 or (70%) of immigrants were speaking a language other than English or French as their mother language (Statistics Canada, 2017d, p. 1). Including languages like Tagalog the Philippine-based language which was the most foreign spoken language in Canada, followed by Mandarin, Arabic, Hindi, Creoles, Bengali, Persian, and Spanish.

Over half of all immigrants (61.4%) were living in four provinces: Ontario, British Columbia, Quebec, and Alberta. Overall, Canada's three largest CMAs – namely, Toronto (46.1%), Vancouver (40.8%), and Montréal (23.4%). They scored (35.7)% of the country's immigrant population and (56%) of newcomers (Statistics Canada, 2017b, p. 3).

Immigration to Canada is currently regulated by the 2002 *Immigration and Refugee Protection Act* (IRPA). Individuals can apply to become permanent residents under the IRPA in one of three classes: (i) economic class (i.e. skilled workers, business immigrants and their immediate family members); (ii) family class (e.g. spouses, partners, children, and

other relatives of Canadian citizens or permanent residents); and (iii) protected persons including refugees (Elrick, 2013, p. 8). The Federal Government consult with all provinces and territories, then presents a short-term plan to parliament each year to select a target number of immigrants (Chui, 2011). The more recent data from the Canadian census 2016 shows that there were 7,540,830 immigrants in Canada under all categories (Statistics Canada, 2017b, p. 1). 5,703,615 of them entered in different periods between 1980 and May 2016. More than the half were admitted under the economic category (Table 4.1).

Table 4.1. Immigrant population in Canada by Category, 1980 to 2016

Immigration Category	1980 to 1990	1991 to 2000	2001 to 2010	2011 to 2016*	Total
Economic immigrants**	428,355	698,040	1,136,620	731,115	2,994,135
Immigrants sponsored by Family	355,340	529,845	572,710	324,590	1,782,485
Refugees & Protected Person	229,120	242,275	246,940	140515	858,850
Other immigrants	7,030	16,495	28,770	15,855	68,145
Total	1,019,845	1,486,655	1,985,030	1,212,080	5,703,615

^{*} Includes immigrants who landed in Canada on or prior to May 10, 2016.

Source: Statistics Canada, Data Products, 2016 Census, Catalogue no. 98-400-X2016202.

Examined by the country of birth, Canadian statistics show that between 2011 and 2016 most of the immigrants (61.8%) came from Asian countries (including the Middle East). The top 10 source countries of immigrants in are illustrated in (Figure 4.1).

^{**} Includes immigrants who were identified as the principal applicant and the secondary applicants who were the married spouse, the common-law or conjugal partner or the dependent of the principal applicant.

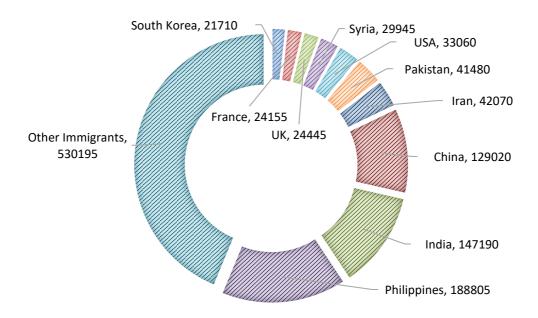


Figure 4.1. The Top 10 Source of Immigration Countries into Canada, 2011 - 2016. **Source:** Statistics Canada, Census of Population, 2016 (Statistics Canada, 2017b, p. 5).

4.3. Entrepreneurship and Immigrant Entrepreneurs in Canada

Canada is a multicultural society whose ethnocultural make-up has been shaped over time by immigrants and their descendants. This feature with the Canadian government supports for enterprises make Canada a viable place for investments. According to the most updated statistics of registered businesses in Canada, the number of active enterprises was around 1.17 million employer businesses as of December 2015. These businesses employed 11.6 million people (Table 4.2).

Table 4.2. Number of Businesses and Employment by Firm Size and Sector, 2015

Firm Size	Goods-Producing Sector	Service-Producing Sector	Number of Personnel
Small (1-99)	245,540	898,090	8,168,000
Medium (100-499)	5,342	16,073	2,292,900
Large (500+)	569	2,364	1,130,000
Total	251,451	916,527	11,590,900

Source: Government of Canada, Immigration, Refugees and Citizenship Canada, 2016 Data.

Above (Table 4.2) shows that about 1.143 million (97.9%) businesses were small businesses, 21,415 (1.8%) were medium-sized businesses, and 2,933 (0.3%) were large businesses. The majority are service-oriented businesses. Of enterprises, there was 916,527 (78.5%) business in the service-producing sector and 251,451 (21.5%) in the goods-producing sector.

The top five industries of Canadian small businesses are concentrated in retail trade (12.5%), construction (12.2%), professional, scientific and technical services (12.0%), other services (9.6%), and health care and social assistance (9.2%). The distribution of medium-sized businesses are different, manufacturing (14.6%), retail trade (13.5%), health care and social assistance (10.3%), and administrative and support, waste management and remediation services (7.5%). Over half Canada's businesses are located in four provinces; respectively, Ontario (416,801), Quebec (239,966), British Columbia (178,966), and Alberta (169,305) businesses (Science and Economic Development Canada Innovation, 2016).

Canada has a long history of different programs that encourage immigration and facilitate the entry of individuals who would like to become entrepreneurs. The Canadian policymakers have become aware of immigrant businesses positive contributions that expand the Canadian economy. Since post-war period, the Federal Government began to sign agreements with other provinces, and immigration policy has been designed in accordance with business purposes. Every year, over half of the immigrants enter Canada under one of the following economic classes:

- 1) The Federal Skilled Worker Class;
- 2) The Quebec Skilled Worker Class;
- 3) The Provincial Nominee Class;
- 4) The Canadian Experience Class;
- 5) The Live-in Caregiver Class;
- 6) The Federal Business Immigration Programs;
- 7) Quebec Business Immigration Program.

Every one of these seven economic programs has its own requirements. Business owners can enter Canada by applying for the Federal Business Immigration Class which includes four sub-programs:

- 1) Entrepreneur class;
- 2) Self-employed;
- 3) Investor:
- 4) Start-Up Visa.

Admission is processed by the Federal Government, but in some cases, entrepreneurs can apply directly to provinces, which have set specific requirements for admission. All immigrants in the economic class, as well as, applicants within the Federal Business Immigration Class are assessed using the points system. As the title implies, the points system is designed to ensure that immigrants will quickly contribute to the Canadian economy.

The *Self-Employed* category, established in 1969 to facilitate the small-scale businesses. Self-employed immigrants must have full test of the points system, which gives points to the following characteristics: language facility in English and/or French (up to 28 points); educational attainment (up to 25 points); job experience (up to 15 points); age (up to 12 points); personal adaptability (up to 10 points); Applicants with employment already arranged in Canada (up to 10 points). Every applicant must score at least 35 points out of 100 to pass the test.

The *Entrepreneurs* category, designed in 1978 to attract individuals with larger entrepreneurial activities. Applicants were required to owned and operated a successful business and have at least 300,000 Canadian dollars as a net worth and one person apart from the entrepreneur as an employee. Applicant needs to achieve 35 points to qualify for permanent residence in Canada.

The *Immigrant Investor Venture Capital (IIVC)*, created in 1986. In addition to the general requirements, applicants under this category must be able to make a 2 million atrisk (non-guaranteed) as investments for approximately 15 years; have a legally obtained net worth of at least 10 million acquired through lawful business or investment activities. As Entrepreneur class, the threshold for Investors is 35 points.

Finally, the more recently program is *Start-Up Visa*, which introduced by the Canadian immigration authorities in April 2013, and will run for five years. The Canadian government expects that the number of applications will be limited due to the narrow focus of the program. However, the focus of the Start-Up Visa will be on the quality of the

applicants and on establishing a track record of success. Later, if the program proves successful during the five-year trial period, immigration authorities may formally introduce it as a new economic class. According to the Economic Action Plan 2014, investors and entrepreneurs will still be able to apply for immigration to Canada through the Start-Up visa pilot program (Citizenship and Immigration Canada, 2014, 2017).

Table 4.3. Number of Economic Immigrants, 2011 to 2016

Category	2011	2012	2013	2014	2015	2016*
Entrepreneurs	706	475	426	499	259	79
Self-employed	349	242	265	399	677	364
Investors	10,587	9,362	8,407	7,450	5,460	2,005
Start-up Business	0	0	0	0	62	37
Skilled workers	88,785	91,457	83,230	67,596	70,145	39,707
Other economic categories	55,693	59,254	55,926	89,235	93,795	52,510
Total	156,120	160,790	148,254	165,188	170,398	94,702

^{*} Includes immigrants who landed in Canada on or prior to June 2016.

Source: Government of Canada, Immigration, Refugees and Citizenship Canada, 2016 Data.

Below (Figure 4.2) indicates the distribution of economic class immigrants who have different origins. In the period between 1980 and May 2016, more than half of the economic class 1,848,570 (61%) were immigrants are from Asia, 560,205 (18%) are immigrants from Europe, 291,560 (10%) are African immigrants, 223,775 (7%) are immigrants from the Americas (not including the USA), 56,610 (2%) immigrants from the United States, 6,105 (0.1%) immigrants from Australia, and only 10 immigrants were stateless region or not stated.

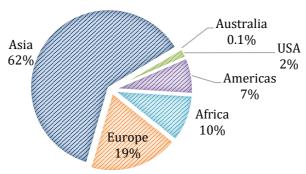


Figure 4.2. Economic Class in Canada by source area, 1980 – May 2016.

Source: Statistics Canada, Data Products, 2016 Census.

4.4. Turkish Immigrants and Their Business in Canada

The data of the Turkish ministry of foreign affairs shows that approximately 5.5 million Turkish nationals living abroad, of whom about 4.6 million are in European countries (MFA, 2016). Turkey signed many bilateral labor recruitment agreements with some European countries, particularly, with Germany. But following the Second World War, European countries were suffering from many economic crises. Therefore, the direction of Turkish labor migration has changed toward countries such as Australia, Canada, and the United States (Karci Korfali, Üstübici, & De Clerck, 2014, pp. 26–27).

In the 1950s, the first groups of Turkish arrived in Canada. Historically, Turkish people have been identified with the word "Turks" which refers to the Turkish nation living recently in the Republic of Turkey and neighboring countries. Since the Ottoman Empire, Turkish people are encouraging in the Canadian community under different identities such as Balkan Turks, Bulgarian Turks Tatar Turks or Uyghur Turks. (Arslan, 2015, p. 50; Ozcurumez, 2009, p. 202).

According to Canadian census 2016, which classifies ethnocultural communities based on ethnic origin, there were 63,955 Turk individuals in Canada. Of them, 29,885 have a single ethnic origin and 34,070 have multiple ethnic origins. The above number is including 26,715 Turk immigrants came from the Republic of Turkey, 3,530 immigrants entered Canada before 1980 and 23,180 persons migrated in different periods and categories between 1980 and 2016 (Statistics Canada, 2017c). After the World War II, waves of Turkish immigrants inflowed from various parts of the country. Most of the Turkish immigrants were students or those coming from urban areas with high professional skills. Many of them settled in Canada and worked as representatives of the generation of their country on the executive committees of both the immigrant associations and the elite of the contemporary Turkish community (Ozcurumez, 2009, p. 202).

Turkish immigration to Canada has similar motives with respect to immigration to most advanced industrialized countries. These include a search for better economic and educational opportunities, as well as, a better life for the next generation than what the immigrants would be able to secure in their country of origin. In the 1980s, because of the political turmoil in Turkey caused by military coup and problems in Cyprus, a new migration wave came to Canada as asylum seekers.

In the post of 1980, many Turkish immigrants came to Canada in different categories most of them under the economic class (e.g. skilled workers, investors, entrepreneurs, or Start-up program). Others entered under the family class in order to reunite with their relatives that arrived in the earlier period, students, or refugees (Table 4.4). Turkish immigrants do not constitute a large percentage of the immigrant population in Canada when compared to other ethnocultural communities and are significantly smaller when compared to Turkish in European countries. Despite that, the community unites mainly around the idea of upholding and promoting of Turkish cultural values (Ozcurumez, 2009, p. 204).

Table 4.4. Turkey-born Immigrant population in Canada by Category, 1980 to 2016*

Immigration Category	1980 to 1990	1991 to 2000	2001 to 2010	2011 to 2016**	Total
Economic immigrants***	2,290	1,795	2,910	1,805	8,800
Immigrants sponsored by Family	990	2,260	2,585	1,185	7,020
Refugees & Protected Person	4,60	1,820	3,610	1,240	7,130
Other immigrants	20	0	180	25	235
Total	3,755	5,880	9,290	4,260	23,180

^{*} Immigrants from Cyprus are not including.

Source: Statistics Canada, Data Products, 2016 Census, Catalogue no. 98-400-X2016202.

Also, in the same period, other individuals from rural parts of Turkey such as Denizli also migrated and settled in the major Canadian metropolises areas and began to shape the fundamentals of the Turkish community in Canada. Today, Turkish population in Canada is prevailing across the country and the majority are living in Toronto, Montreal, Vancouver, Ottawa, Hamilton, Calgary, and Edmonton. They aim to find more job opportunities for themselves and better educational facilities for their children (Ozcurumez, 2009, p. 203; Statistics Canada, 2016).

^{**} Includes immigrants who landed in Canada on or prior to May 10, 2016.

^{***} Includes immigrants who were identified as the principal applicant, and the secondary applicants who were the married spouse, the common-law or conjugal partner or the dependent of the principal applicant.

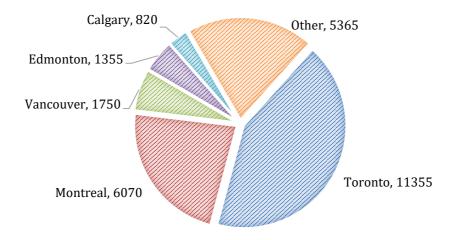


Figure 4.3. Turkey-born Immigrants in The Canadian Metropolitan Areas **Source:** Statistics Canada, Data Products, 2016 Census.

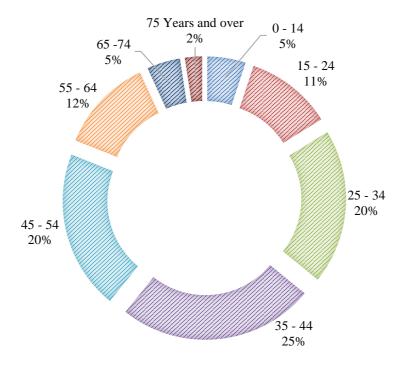


Figure 4.4. *Turkey-born Immigrants by Age (All Categories)* **Source:** *Statistics Canada, Data Products, 2016 Census.*

Similar to Turkish immigrants in Europe, Australia, and the USA, Turkish immigrants in Canada often have enough qualifications to join in the Canadian labor market. Most of them are working as doctors, scientists, engineers, and finance specialists. Due to the low-paid in labor market and lack of social security benefits in contract works, some Turkish skilled professionals found a necessity to move to self-employment and many of them become successful entrepreneurs in different sectors of the Canadian economy such as restaurant sector, real estate sector, retail sector, financial serves, and legal consultations (Ozcurumez, 2012, p. 69). These changes in Turkish society were accompanied by establishing some associations and business organizations that work on giving Turkish business community a good representation among the other ethnic communities in Canada.

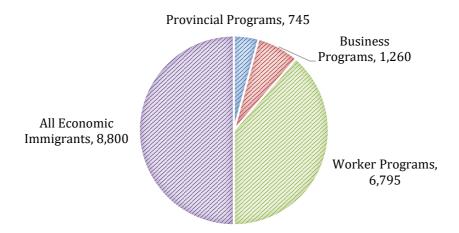


Figure 4.5. *Turkey-born Economic Immigrants in Canada* **Source:** *Statistics Canada, Data Products, 2016 Census.*

In general, Turkish business associations are very few in Canada. There are two Turkish business organizations in Canada. The first is the Turkish-Canadian Chamber of Commerce (TCCC), located in Toronto, which is a non-governmental business organization. It strives to be a channel for exchange information, expertise between Turkey and Canada on economic, social, political and business matters. The second is the Canadian-Turkish Business Council (CTBC), formed in 2001 and located in Toronto. It is a not-for-profit organization, and it focuses on enhancing business relations between Turkey and Canada. Beside those associations, other sources on the internet provide information about the Turkish business and job opportunities within the Turkish community, for example, Canada Directory (http://www.kanadarehber.com) and Referans (http://www.referans.ca).

CHAPTER FIVE

5. EMPIRICAL RESULTS

5.1. Introduction

The objective of this research was to investigate the growth opportunities and obstacles that affect the development of Turkish-owned businesses in Canada. For this purpose, the author performed a quantitative study and questionnaire to investigate his research questions. In this chapter, the author examines key topics such as the barriers faced by Turkish entrepreneurs in establishing and operating their businesses, and the extent to which Turkish entrepreneurs focus on ethnic employees and ethnic community than others. It is also important to examine the impact of these factors on the success of their current and future entrepreneurial activities.

5.2. Characteristics of Turkish Immigrant Entrepreneurs in Canada

To begin with the first part, gender is a key factor since women are involving in family business activities as well as founding their own business. A total of fifty-six business owner participated in the questionnaire, of whom there were 40 male entrepreneurs (71.4%) and 16 female entrepreneurs (28.6%).

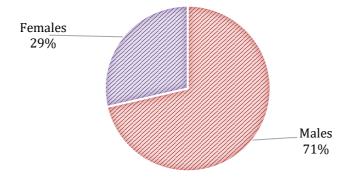


Figure 5.1. *Gender of Respondents.*

Source: Authors' Survey.

In the last few decades, there has been a growth of female entrepreneurs in many Western countries. However, Turkish women in Canada are similar to Portuguese, Korean, Caribbean, Somalis, Ghanaian and Iranian women who still represented less than men in self-employment. This is due to three main reasons, First, many immigrant women do work

from home. Second, in business families, often females take the helper role, while their men are responsible for the decision-making. Third, for some patriarchal values in the community, men should be registered as owners of business even though their wives help in running the business (Torbati, 2006, p. 75).

The age of Turkish entrepreneurs participating in this study were divided into five age groups: (30 or under), (31-40), (41-50), (51-60) and (61 and above) distributed fairly similar with (10.7%), (26.8%), (33.9%), (16.1%) and (12.5%) respectively. The largest age group was (41-50) with 19 entrepreneurs, and the least age group was (30 and under) with only 6 entrepreneurs of the total respondents (Table 5.1).

Table 5.1. Turkish Immigrant Entrepreneurs by Age Distribution

Age	Frequency	Percent	Cumulative Percent
30 or under	6	10.7	10.7
31-40	15	26.8	37.5
41-50	19	33.9	71.4
51-60	9	16.1	87.5
61 and above	7	12.5	100.0
Total	56	100.0	

Source: Authors' Survey.

Among the 56 respondents, 44 entrepreneurs (78.6%) had Canadian citizenship while 12 entrepreneurs (21.4%) were permanent residents in Canada. Concerning the purpose of immigration, Turkish entrepreneurs used different immigration classes to enter Canada (Figure 5.2). The majority 17 persons (30.4%) came to Canada under "Business Program". The business program created many opportunities for wealthy immigrants. It enables immigrants who have a large capital and entrepreneurial experience to establish business easily. The second largest class was "Family Member Class" by 13 entrepreneurs (23.2%), followed by "Skilled Worker Class", representing 12 entrepreneurs (21.4%). Studying purpose ranked the fourth with 9 persons (16.1%), while a protection or refuge reasons only accounted (8.9%).

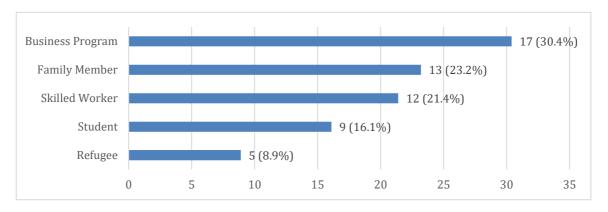


Figure 5.2. *Turkish Immigrant Entrepreneurs by Immigration Category.*

Source: Authors' Survey.

Education is a critical class resource for the Turkish business community as well as many other immigrant groups. Turkish immigrant entrepreneurs in Canada are generally well educated (Figure 5.3). The high proportions of Turkish entrepreneurs are holding university or post-graduate degrees and few of them are holding a high school education, while less than these levels were not noticed. Of all respondents, 25 people (44.6%) hold an undergraduate degree, 22 people (39.3%) hold master or doctorate degree, and a few respondents 9 (16.1%) hold a high school education. The fact that the high level of education within Turkish immigrant entrepreneurs reflects the strict requirements that Canadian government imposes when bringing immigration.

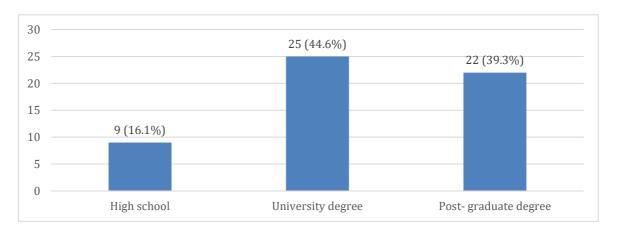


Figure 5.3. *Turkish Immigrant Entrepreneurs by Highest Level of Education.*

Source: Authors' Survey.

5.3. Business Characteristics

The second part of the questionnaire was asked to describe business characteristics of Turkish immigrant entrepreneurs in Canada. This part included questions about business location, business form, business sector, the years in which Turkish businesses were established, working hours, and the number of employees.

Concerning business location, 61 Turkish businesses were located in four different provinces Ontario, Quebec, British Columbia and Alberta. Over half of those businesses 37 (60.7%) were in Toronto. Followed by Montreal 12 businesses (19.7%), Vancouver 9 businesses (14.7%), Calgary 2 businesses (3.3%) and only 1 company (1.6%) in Kitchener. Also, Turkish entrepreneurs are more likely to run single-location businesses (92%) (see the map in Figure 5.4).

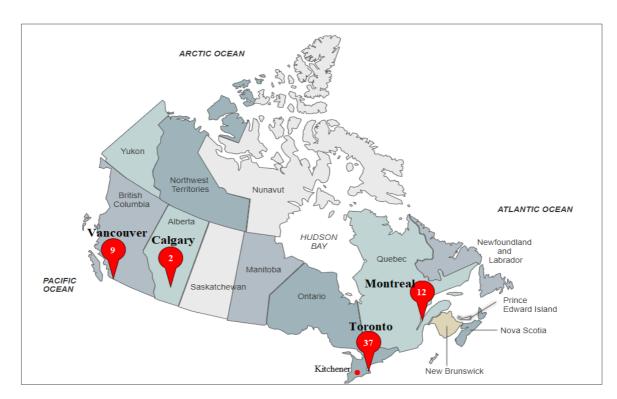


Figure 5.4. Turkish Immigrant Businesses by Location - Canada.

Note: Multiple Responses Allowed.

Source: Authors' Survey.

In terms of business form, the majority of Turkish entrepreneurs have their own companies (see Figure 5.5). Sole proprietorship company is the most common type including 26 companies (46.4%), followed by partnership pattern 15 companies (26.8%) and incorporated type 8 companies (14.3%). Very few of these businesses are a limited company form with only 6 companies (10.7%).

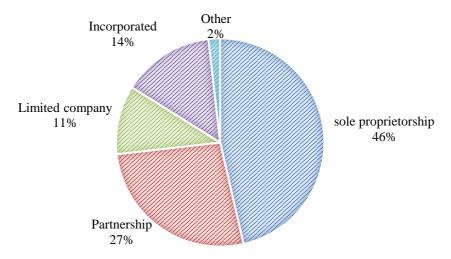


Figure 5.5. *Turkish Immigrant Entrepreneurship by Business Form.*

Source: Authors' Survey.

Each business was classified according to the Canadian Standard Industrial Classification - Establishments (SIC-E) codes. (Table 5.2) shows the categories of business operated by Turkish immigrant entrepreneurs. Accommodation, food, and beverage industries were dominated (28.5%) including restaurants, cafes, bakeries and groceries (19.6%), and hotels and tourist agencies (8.9%). Followed by finance and insurance services (17.9%), real estate sector (12.5%), health service industry (10.7%), business service industries (7.1%) including commercial and legal consulting. Wholesale trade industry together with educational service industry (e.g. cultural, education and translation services) shared (5.4%) each. Finally, other industries accounted for (12.5%) including information technology services (7.1%).

Table 5.2. *Turkish Immigrant Entrepreneurship by Business Industry*

Business Industry	Frequency	Percent
Accommodation, food and beverage service	16	28.5
Finance and insurance	10	17.9
Real estate operator and insurance agent	7	12.5
Health and social service	6	10.7
Business service	4	7.1
Educational service	3	5.4
Wholesale trade	3	5.4
Others	7	12.5
Total	56	100.0

Source: Authors' Survey.

Although Turkish are not recent immigrants in Canada, it is surprising that the Turkish businesses are mostly new. (76.8%) of businesses were established during the last 10 years, of which, (28.6%) were established in the last four years. This explains the growth of Turkish businesses in Canada and why (30.4%) of Turkish immigrants came to Canada by *Business Program* (back to Figure 5.2). It seems that most Turkish entrepreneurs brought enough financial capital from their home, which enabled them to create businesses within a few years of arrival to Canada, as well as, to fulfill their obligations as entrepreneurs within the *Business Program*.

Table 5.3. Turkish Immigrant Entrepreneurship by Years of Establishment

Years	Frequency	Percent
Less than 5 years	16	28.6
Between 5 - 10 years	27	48.2
More than 10 years	13	23.2
Total	56	100.0

Source: Authors' Survey.

One characteristic of the self-employed and the entrepreneurial class is working for long hours. Turkish entrepreneurs work around 54 hours a week (Table 5.4). This because many businesses are required to be working during weekends and public holidays (e.g.

restaurants, cafes, bakeries and groceries). Turkish entrepreneurship in Canada can be considered as micro-businesses. According to the Canadian Business classification, a small business has 1 to 99 paid employees and medium-sized business has 100 to 499 paid employees, while large business has 500 or more paid employees. Besides that, there is another group exists among the small-business group called micro-enterprise which has 1 to 4 employees. (Science and Economic Development Canada Innovation, 2016, p. V). In light of the above classification, (66.1%) of Turkish enterprises are considered as micro-business. In all businesses, the employee average was 4 employees for each business. This including (28.6%) employ just the owners themselves. Also, co-ethnic employment plays a significant role in their businesses. The percentage of Turkish workers within Turkish companies was (62.5%), with an average of 2 employees per a business (Table 5.4).

Table 5.4. *Turkish Immigrant Entrepreneurship by Working Hours and Employees*

	N	Mean	Median	Std. Deviation	Minimum	Maximum
Weekly working hours	56	54.06	50.00	15.524	20	96
Total number of employees	56	4.07	3.00	4.604*	0**	20
Turkish employees	56	2.25	2.00	2.560*	0***	11

^{*} Standard deviation looks larger than the mean because it includes (≤ 4) outlier values

Source: Authors' Survey.

5.4. Business Experience

Turkish immigrant entrepreneurs are confronted with many obstacles to establishing and operating their businesses in Canada. As indicated before, this part of the questionnaire was measured by using rating questions and list questions. The determinants of entrepreneurship barriers were measured by using nine variables. Respondents were asked to determine the obstacles that engage their businesses during the establishing and operating time and the multiple-choice answers were allowed as well. Also, respondents were asked to indicate the success factors by using a four-point Likert-scale ranging from 1 to 4 as follows: 1 (not important), 2 (important), 3 (very important) and 4 (not applicable). In addition, participants were asked to determine their future plans. This question included seven statements and respondents were allowed to choose multiple plans.

^{** 0 =} Entrepreneur who employs only him/herself.

^{***} 0 = There is no ethnic employees

It must be noted that the third part of the questionnaire was based on a study "Immigrant Entrepreneurship in Kelowna, BC: Challenges and Opportunities" conducted by Carlos Teixeira and Lucia Lo (2012). However, few minor modifications were made to fit with the case of Turkish immigrant business in Canada.

5.4.1. Major barriers to business development

Being an entrepreneur in a foreign country is not an easy job to achieve the social and economic mobility. Turkish business owners encountered various barriers including difficulties in obtaining finance, competitive market, different culture and limited knowledge of the language, discrimination, inadequate government support, bureaucracy and unfamiliarity with Canadian regulations, high operational cost and relevant, hiring good workers or poor access to information (Figure 5.6). In this analysis, the author studied these barriers from the different perspectives of all Turkish entrepreneurs with more focus on two factors Business Program and years of business experience.

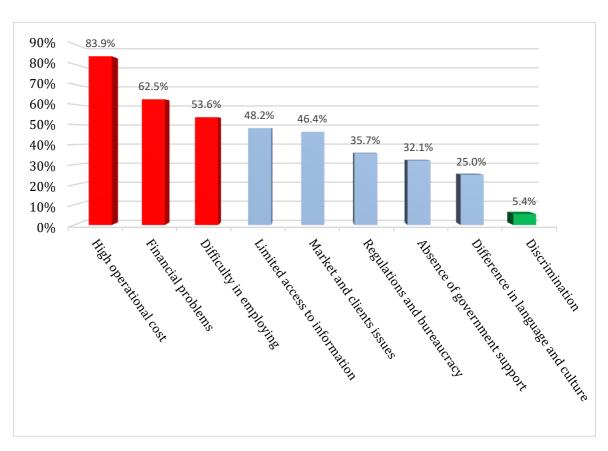


Figure 5.6. *Main Barriers in Establishing and Operating Business.*

Note: Multiple Responses Allowed.

Source: Authors' Survey.

Operational costs

Operating cost refers to the administration and maintenance of a business on a day-to-day basis such as bank charge, salary, rent, tax, and other fees. In this study, 47 respondents (84%) considered operating costs as a barrier. It was ranked as the top issue for Turkish immigrant entrepreneurs in Canada. The results show that a high operational cost is a problem for (25%) of those entrepreneurs who migrated to Canada under the Business Program. Also, it was a big problem for these enterprises which had a business experience between 5-10 years with a percentage of (37.5%), followed by these businesses established in the last 5 years by (26.5%) and much less in these businesses aged more than 10 years by (19.6%).

Financial resources

Finding financial resources is very important for all entrepreneurs to achieve their business objectives; especially for start-ups and businesses that seek to invest and fast growth. Many Turkish entrepreneurs considered financing their business as, particularly difficult problem. Of the study population, 35 respondents (62.5%) indicated that they have faced difficulty in obtaining finance, credit or cash flow. It was ranked as the second major barrier. The analysis shows that (42.9%) of Turkish entrepreneurs obtaining the Canadian citizenship encounter financial issues and almost half of that percentage (16.1%) from those who came by Business Program. In terms of business experience years, financial problems become less with those who are operating their businesses for more than 10 years with a percentage of (12.5%) and more with these businesses which started in the last 5 or 10 years with a percentage of (28.6%) and (21.4%) respectively.

Hiring employees

Hire of individuals is substantially governed by the Canadian government and often also by state law touching upon many subjects such as the minimum wage requirement, compensation, work hours, and equal pay for men and women. Turkish immigrant entrepreneurs in Canada implied that there was a difficulty in employing. Of the surveyed sample, there were 30 participants (53.6%) suggested "difficulty in employing good employees" as a barrier. It was ranked as the third problem. Also, it represents (17.9%) as an issue for entrepreneurs who came to Canada by the Business Program. Entrepreneurs

who started their entrepreneurial activities in the last 5 years faced difficulties in employing more than those who started a business in the last 10 years or more.

Access to information

The lack access to information on the available institutions is a barrier to immigrant entrepreneurship because immigrant entrepreneurs do not have enough information about the role and services that these institutions give support to enterprise creation. Also, the limited access to social and business networks can be considerate as a barrier in giving advice to those immigrant entrepreneurs. According to the questionnaire's responses, the statement "Limited access to information and advice" was chosen by (48.2%) of Turkish immigrant entrepreneurs in Canada. Of all those respondents, there was (14.3%) from those who came by Business Program. In terms of business experience years, the analysis showed that having more experience in business is reducing the difficulty in obtaining information and advice. It represented as a problem for only (8.9%) of businesses aged more than 10 years, while it accounted (16.1%) of these businesses established in the last 5 years and (23.2%) for these businesses aged between 5 to 10 years.

Market and client

Becoming a successful entrepreneur in a mixed market, such as the Canadian market, has not been easy for many immigrants. Therefore, the Canadian government provides several programs to help entrepreneurs in writing their business plans and provide information on integrated marketing strategies, despite that, it is based on the individual to locate and make use of these programs. When asked Turkish immigrant entrepreneurs about market and clients, less than half of the surveyed (46.4%) considered working in a competitive market and clients as a barrier. Of them, there was (16.1%) from those who came by the Business Program category. Interestingly, businesses established in the last 5 years suffered less than these businesses established in between 5 to 10 years or aged more than 10 years with a proportion of (21.4%) and (14.3%) respectively.

Regulations and laws

Creating a business environment is helpful in improving the entrepreneurial activities. This environment requires a broad range of supportive policies including financial and monetary policies, which are necessary to build a stable macroeconomic environment. As

well as, the structural policy that determines the overall economic frame in which the business sector operates, for example, factors that affect labor markets, financial markets, tax design, and liquidation laws. In addition, regulatory and administrative bureaucratization can impose negatively on the entrepreneurial activity. On this subject, (35.7%) of Turkish immigrant entrepreneurs indicated that government regulations and changes in immigration laws and bureaucracy are barriers to their business growth. Unexpectedly, Turkish-Canadian entrepreneurs had a negative experience on regulations and laws issue more than those who are still permanent resident (21.4% versus 14.3%). Turkish immigrant entrepreneurs under the Business Program also faced this problem with a percentage of (7.1%).

Canadian government support

The creation of the Start-up Visa and before that the Immigrant Business Program and Investor Program were designed to bring new entrepreneurs for trade and commerce in Canada and to strengthen the Canadian economy. Due to these facilities that provided by these programs, many immigrants entered Canada with entrepreneurial goals, but many others turned later to entrepreneurship. In this study, the majority of Turkish immigrant entrepreneurs (30.4%) entered under these programs, while the rest has turned later to be self-employment. When asked about if Turkish immigrant entrepreneurs suffer from a lack of the Canadian government support, (32.1%) considered it an issue, of them, (10.7%) entered by Business Program. In terms of residence type, interestingly, (23.2%) of Turkish-Canadian entrepreneurs were suffering from this problem, while only (8.9%) were of those who are still permanent residents.

Language and culture

To install a business in a foreign country, immigrant entrepreneurs need to know very well the language and culture to have a better operation and adaptation in the surrounding environment. Difficulties such as language and a new culture may not help the full integration of the entrepreneurs and enterprises, especially the micro and small businesses which represent the majority of Turkish entrepreneurship in Canada. In response to the statement of finding a "Difference in language and culture" one-fourth of Turkish immigrant entrepreneurs responded that communicate in foreign languages and integrate into a new culture was a barrier in establishing and operating their businesses. Although

Business Program requires language proficiency either in English or French, only (8.9%) of Turkish immigrant entrepreneurs who came under the Business Program considered different language and culture as an obstacle.

Discrimination

The existing evidence shows that many immigrants in the United Kingdom tended to self-employment as a strategy to avoid discrimination in paid employment (Desiderio & Mestres-Domènech, 2011, p. 155). Also, racism and discrimination after being a self-employment have been noted within visible minority entrepreneurs in Canada. Teixeira and others (2007, p. 185), found that skin color of Caribbean entrepreneurs appears to bring obstacles in getting a bank loan. Turkish owned-business in Canada seems more likely not to confront discrimination during establishing and operating their businesses. Discrimination ranked the least problem among their barriers. Of all respondents, only 4 participants (5.4%) choose discrimination as a barrier.

5.4.2. Factor for business success

A major characteristic of the ethnic enclave economy is that it primarily serves coethnics. The idea is that immigrants find economic opportunities through the co-ethnic circle well founded. These opportunities make immigrant entrepreneurs more integrated into the general economy and thus succeed in their business. An evidence from the Iranian immigrants in Toronto. Torbati (2006), found Iranian business such as bakeries, grocery stores, retailers, and restaurants depend on ethnic resources more than class resources. This part of the analyzing shows the importance of ethnic factor in Turkish business success. Respondents were asked to indicate the importance of co-ethnic employees, customers, concentration area, and organizations (Table 5.5).

Knowledge of the same language, same culture and notions of trust are reasons to employ workers from the same ethnic. When asking Turkish entrepreneurs about ethnic employees, they showed a few variances in their answers. Unexpectedly, they do not connect their success to employing co-ethnic workers. A mean of (1.39) for employing Turkish employers compared with (1.86) for non-Turkish employers who also were the most influencing factor in their business success.

Table 5.5. Factors Important to Business Success

Success Factors	N	Mean	Std. Deviation
Turkish employees	56	1.39	1.056
Non-Turkish employees	56	1.86	1.034
Turkish customers	56	1.48	0.687
Non-Turkish customers	56	1.75	0.513
Participation and/or membership in Turkish organizations	56	1.57	1.059
Participation and/or membership in non-Turkish organizations	56	1.66	0.920
Business location	56	1.43	0.759

Source: Authors' Survey.

Ethnic neighborhoods are prevailing in the big cities of Canada. For example, China town, Greek town, and little Italy in Toronto. The reason is ethnic companies could create a business model that offer goods and serves to their co-ethnic customers and sometimes to all local demographics. Questioned on co-ethnic customer identified that non-Turkish customers are more important to Turkish business owners with an average (1.75 versus 1.48).

Establishing business inside or near to ethnic concentration areas may bring different opportunities to immigrant entrepreneurs. Torbati (2006), found that being an entrepreneur inside the Iranian concentration area in Toronto is more beneficial than establishing a business in a non-concentration area. However, Turkish community is not that big in comparison with other ethnic communities in Canada and the majority are concentrated in Toronto city. Setting up a business near to the Turkish concentration areas was less important to Turkish business owners with a mean of (1.43). Entrepreneurs who own restaurants, cafés, bakeries, and groceries considered business location as a very important to business success.

Business associations and civil society organizations bring business owners together from a specific field and provide many opportunities to their members (e.g. networking, education, training, civic leadership, and political participation). Those opportunities can help immigrants to boost their business and even save their time in marketing and other operational activities. Respondents in this study partly gave a comparable answer on the

importance of their participating in a Turkish and non-Turkish organization (1.57 versus 1.66).

5.4.3. Turkish perspective on entrepreneurship in Canada

Despite some challenges, Turkish immigrant entrepreneurs in Canada seem to be very optimistic about their businesses. They do understand the value and benefits of being an entrepreneur in a developed economy such as the Canadian economy. The majority of them have the encourage to expand their business through seeking additional capital and investments, employing more workers, or opening another branch (Table 5.6). Others are planning to change their business location in order to be near to Turkish community. (14.3%) will move to another business sector, while a few of them (7.1%) decided to stay in Canada, but they will retire from their current business. Only 3 respondents (5.4%) had no intention to stay more in Canada and instead they will leave it to another destination.

Table 5.6. Future Plans

Plan	N	Percent
Seek additional capital investment	33/56	58.9
Hire more employees	29/56	51.8
Set up another branch	15/56	26.8
Move to a different location closer to Turkish community	10/56	17.9
Change the business	8/56	14.3
Stay in Canada, but close the business (for personal reasons)	4/56	7.1
Leave Canada to another country	3/56	5.4

Note: Multiple Responses Allowed.

Source: Authors' Survey.

5.4.4. The effect of barriers on business survival

To understand how business barriers affect the survival of Turkish immigrant entrepreneurship in Canada, a Spearman's correlation was used to determine the relationship between barriers and future plans of Turkish entrepreneurs (Table 5.7).

Seek additional capital for investment

The relationship between seeking additional capital for investment and barriers was like the following: a strong, negative correlation with financial problems (-.328), differences in language and culture (-.314), the absence of Canadian government's support (-.108),

regulations and bureaucracy issue (-.168), a high operational cost (-.228), limited access to information (-.224), and difficulties hiring employees (-.169). A weak, negative correlation with discrimination (-.037). Positively, there was a weak correlation with a competitive market and client issue (.023).

Hire more employee

The relationship between hiring more employees and barriers was like the following: a weak, negative correlation with the absence of Canadian government's support (-.052). Positively, a strong correlation with financial problems (.305), differences in language and culture (.103), regulation and bureaucracy issue (.250), a high operational cost (.228). A weak correlation with a competitive market and client issue (.033), discrimination (.088), difficulties in hiring employees (.038), and limited access to information (.070).

Set up another branch

The relationship between setting up another branch and barriers was like the following: a strong, negative correlation with the absence of Canadian government's support (-.274). A weak, negative correlation with a competitive market and client issue (-.003), differences in language and culture (-.023), discrimination (-.035), and difficulties in hiring employees (-.078). Positively, a strong correlation with regulations and bureaucracy issue (.283) and limited access to information (.261). A weak correlation with financial problems (.031) and a high operational cost (.065).

Move near to the Turkish community

The relationship between moving a business near to the Turkish community and barriers was like the following: a strong, negative correlation with financial problems (-.169), differences in language and culture (-.269), the absence of Canadian government's support (-.378), regulations and bureaucracy issue (-.139) and limited access to information (-.110). A weak, negative correlation with discrimination (-.096). Positively, a weak correlation with a competitive market and client issue (.060), a high operational cost (.050) and difficulties in hiring employees (.033).

Change the business sector

The relation between changing the business sector and barriers was like the following: a strong, negative correlation with financial problems (-.105), the absence of Canadian

government's support (-.156) and a high operational cost (-.179). A weak, negative correlation with a competitive market and client issue (-.029), regulations and bureaucracy issue (-.015), difficulties in hiring employees (-.073) and limited access to information (-.015). Positively, a weak correlation with discrimination (.097), while there was no correlation with differences in language or culture.

Stay in Canada, but change the business

The relationship between staying in Canada, but change the business and barriers was like the following: a strong, negative correlation with discrimination (-.242), a high operational cost (-.121) and limited access to information (-.149). A weak, negative correlation with financial problems (-.072) and regulations and bureaucracy issue (-.083). Positively, a strong correlation with a competitive market and client issue (.119), and a weak correlation with the absence of Canadian government's support (.042) and difficulties in hiring employees (.020), while there was no correlation with differences in language or culture.

Leave Canada to another destination

The relationship between leaving Canada and barriers was like the following: a weak, negative correlation with a competitive market and client issue (-.097), differences in language and culture (-.046) and the absence of Canadian government's support (-.006). Positively, a strong correlation with financial problems (.143) and a high operational cost (-.328). A moderate correlation with discrimination (.057), and a weak correlation with regulations and bureaucracy issue (.012), difficulties in hiring employees (.097) and limited access to information (.071).

Table 5.7. Spearman Correlation Coefficients for the Effects of Business Barriers on Future Plans

Table 5.7. Spearman		00	ejjiteteit	to joi ti	$i \in \Delta_{jj} \circ i$.	$\sigma \sigma_{j} = \sigma_{i}$	builded .							-		
Variables	Financial Problems	Markets & Clients Issue	Difference in language and culture	Discrimination	Absence of government support	regulations and bureaucracy	High operational cost	Difficulties in employing	Limited access to information	Leave Canada to another country	Stay in Canada, but close the business	Change the business	Move near to Turkish community	Set up another branch	Hire more employees	Seek additional capital investment
Financial Problems																
Markets & Clients Issue	.129															
Difference in language and culture	.106	124														
Discrimination	.020	.097	.046													
Absence of government support	.059	104	.221	.006												
regulations and bureaucracy	.269*	246	.172	012	.285*											
High operational cost	.264*	080	.028	.104	011	.225										
Difficulties in employing	.018	138	.207	.062	.104	.320*	.080									
Limited access to information	065	182	.351**	.088	.101	.325*	.130	.110								
Leave Canada to another country	.143	097	046	.057	006	.012	.328*	.097	.071							
Stay in Canada, but close the business	072	.119	0.000	242	.042	083	121	.020	149	066	_					
Change the business	105	029	0.000	.097	156	015	179	073	015	097	113					
Move near to Turkish community	169	.060	269*	096	378**	139	.050	.033	110	111	129	.076	—			
Set up another branch	.031	003	023	035	274*	.283*	.065	078	.261	144	168	247	.139			
Hire more employee	.305*	.033	.103	.088	052	.250	.228	.038	.070	247	287*	423**	017	.422**		
Seek additional capital investment	328*	.023	314*	037	108	168	228	169	224	124	332*	178	.200	.177	.139	_

^{*.} Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

CHAPTER SIX

6. CONCLUSION AND RECOMMENDATIONS

6.1. Introduction

Immigrant entrepreneurs represent significant assets to the ethnic economy and macroeconomy of many developed countries. Entrepreneurial activities are an effective tool in the economic and social integration of immigrants. Canada has become a perfect destination for many immigrants including Turkish entrepreneurs. Since the early eighteen, the number of Turkish immigrants has been increasing, and the Turkish community in Canada has grown especially in Toronto city.

This descriptive case study originated from the lack of studies on Turkish immigrant entrepreneurship in Canada. Despite efforts by the Canadian government to attract new immigrant entrepreneurs, Turkish businesses still encounter some challenges. The main objective of this study was to provide more understanding and knowledge of entrepreneurship as new opportunities for Turkish immigrants in Canada and the barriers that impeded the growth and development of their entrepreneurial activities. A secondary objective was to determine the characteristics of Turkish immigrant entrepreneurs and their perspectives in the Canadian-host country. Based on the results presented in this study, the following conclusions and recommendations are put forward.

6.2. Discussion of Key Finding

In order to achieve the purpose of this study, the author deal with a diverse business of Turkish immigrants who owned the Canadian citizenship or those still permanent residents. Some characteristics such as gender, age, education level, year of starting a business, immigration class, the types of business, business sector, working hours, and business location affect their decision to establish a business in Canada, as well as, influence their business experiences.

The majority of Turkish immigrant entrepreneurs (30%) migrated to Canada with the intention of doing business and (21%) migrated by skilled workers program. This study shows that Turkish entrepreneurship in Canada is primarily a male enterprise. There were 40 male and 16 female and most of them between 41-50 years old and have a high education.

Only 9 entrepreneurs have a high school degree and none of them hold a lower degree. Although the Turkish women entrepreneurs have a low representation in self-employment, they are involving in sectors such as legal consulting, real estates, health sector, culture and education services, tourist agencies, and finance services.

Turkish immigrant entrepreneurs in Canada have different characters and experiences in establishing and operating a business. Although Turkish businesses in Canada are still at an early stage of development compared to their businesses in Europe, their business covered several activities includes goods-producing sector and service-producing sector. A higher percentage of their businesses were in food and beverage industry. Only 13 entrepreneurs were operating their business for more than 10 years. Although the study covered all Turkish businesses in Canada, the author received responses only from five different cities (Toronto, Montreal, Vancouver, Calgary, and Kitchener). A large number of businesses (37 of 61) were located in Toronto city. This is normal because most of the Turkish immigrants are living in this city. Also, because Toronto city is very famous for international business activities, therefore, it can be implied that the characteristics of Toronto bring various business opportunities to the immigrants. Turkish entrepreneurs work long hours, they work around 54 hours per week and their business can be categorized under the sole-proprietorship. Turkish entrepreneurship in Canada can be considered as microbusiness with less than 4 employees and 2 ethnic employees per business.

In terms of challenges confronting Turkish immigrant entrepreneurs in Canada, a high operational cost was the most important challenge with (84%), following by financial problems (62%), hiring good employees (54%), limited access to information (48%), competitive market and clients (46%), regulation and bureaucracy (36%), lack of Canadian government support (32%), different culture and language (25%), while discrimination was ranked as the less challenge they have been faced with only (5%). In general, no matter what is the immigration category, Turkish entrepreneur under the Business Program category have faced quite similar challenges with those who migrated by other categories. Entrepreneurs operating businesses for more than 10 years have encountered fewer challenges than those operating business for 10 years or less.

Establishing a business in a co-ethnic environment can bring various opportunities for immigrant entrepreneurs. They can take the advantage of speaking the same language and

having the same cultural background, so they serve the exact needs of their co-ethnics. Studying the significance of co-ethnic factor in business success showed a few variances, Turkish immigrant entrepreneurs in Canada neither rely on ethnic resources nor class resources in their business success. They did not see co-ethnic employees or customers as important. The same view was given when asking about participating or being a member of co-ethnic organizations. It seems that Turkish immigrant entrepreneur in Canada has easily integrated into the Canadian society, therefore, it does not matter for them if they use the co-ethnic factor or not.

Many immigrant businesses have located in ethnic neighborhoods which are prevalent in Canada, particularly in Toronto city, For example, China town, Greek town, or Iranian concentration area. However, Turkish entrepreneurs targeted the general market and showed a less importance for establishing a business inside or near to the Turkish concentration areas with an exception for those entrepreneurs who operate and own a business in food and beverage industry. This is due to the fact that Turks in Canada are a small minority in compared with other ethnic minorities and they distributed across the country which influences the decision of their entrepreneurs when choosing a business location.

Finally, Turkish immigrant entrepreneurs seem more optimistic about their future of doing business in Canada. This is reflex the positive policies that Canadian government follow in order to attract more foreign investments to its economy. Of all the respondents, there were 4 entrepreneurs indicated that they would retire from their present business, whereas only 3 entrepreneurs have a plan to leave Canada to another destination.

6.3. Concluding Remarks

It noticed that only (30%) of Turkish entrepreneurs in Canada came by *Business Program*, and (70%) migrated under different categories including *Skilled Workers*, *Family Members*, *Students*, or *Refugees*. And later, they turned to the self-employment. This finding emphasizes the *Cultural Theory*, which suggests that immigrant entrepreneurship does not necessarily to happen by migration only for the entrepreneurial purpose. Factors such as culture, traditional and entrepreneurial values in an ethnic group influence some people and make them more likely to become entrepreneurs.

The Middleman Minority Theory and Bonacich's Model have been argued that immigrant entrepreneurs play the role of intermediator between the home and host country. Also, immigrant entrepreneurs plan to save money in limited time and then go back to their homeland. They see no need for the much involving in the host society, therefore, they practice their original traditions and language. This perspective may explain the economic situation of some ethnic groups, but it is not applicable to the case of Turkish immigrant entrepreneurs in Canada. This study found only (3 out of 56) from Turkish immigrant entrepreneurs who operate a business in export and import industry. This industry considers as a trade bridge to their home country and the world. Most importantly, through the entrepreneurial activities, many Turkish entrepreneurs in Canada have well integrated into the Canadian society and economy. Only a few entrepreneurs have a plan to leave Canada, but the majority are optimistic and have long-term plans to stay and extend their businesses in Canada.

Based on the Ethnic Enclave Theory, immigrant entrepreneurship relies on co-ethnic employees because business owners have the accessibility for low paid workers within their community which creates more opportunities to maximize the profit. In this study, the coethnic factor was not considered as a key role in the Turkish business success. It can be understood that Turkish business in Canada is not a typical ethnic business because they prefer to employ non-Turkish workers than the Turkish.

In terms of discrimination, the blocked mobility theory suggests that immigrants turn to entrepreneurship as a strategy to avoid discrimination in the labor market. This study attempted to determine if discrimination can be continued after being in self-employment. A very small number of Turkish business owners complained of discrimination. This is due to their ability to integrate with other communities within the Canadian society. This finding could support the opinion that said immigrant entrepreneurship in the developed countries is a strategy to adapt to the host country more than a reaction to discrimination.

Studying the Opportunity Structure in the Interactive Model was an important to measure the business opportunities that can be found within the same ethnic group. This model based on the idea of the more cultural differences between ethnic groups in the host society, the more need for ethnic goods and services. The finding of this study showed that Turkish immigrant entrepreneurs did not see Turkish customers as important. They find

more opportunities within a multicultural society; therefore, they target the general market not only co-ethnic customers. Similar to Korean restaurants in Toronto and other businesses of Chinese, Indian, and Jewish in North America that have been successful because of their ability to serve customers from the different ethnic background (Torbati, 2006, p. 158).

Opportunity Structure in the Mixed Embeddedness Approach emphasizes the competitive advantage of establishing a business in major cities and urban centers. The local and federal government's support make Toronto an attracted city for many immigrants to settle and do business. This competitive advantage attracted the Turkish entrepreneurs as well, and it explains why (61%) of them chose Toronto city to establish their business.

6.4. Future Research

The outcomes of this study have increased the understanding of the nature of Turkish entrepreneurship in Canada. It presented a new insight into the characteristic of Turkish business owners and the challenges and opportunities that influence the establishment and success of their businesses. New Turkish immigrant entrepreneurs and other ethnic businesses in Canada are likely to face the same challenges or find the same opportunities. Accordingly, the empirical results of this study can be useful in helping those prospective immigrant entrepreneurs, it can decrease the incidence of impediments during the establishment and operation of their businesses, as well as, enable them to exploit opportunities optimally. Therefore, it can be said that there will be a need for future studies on the issue of immigrant entrepreneurship.

Future studies can depend on this work. Frist, it would be useful to conduct similar studies on Turkish businesses in other developed countries such as Australia and the United States where there is a larger Turkish population. A comparative study would be carried out to see if there are any significant similarities or differences in the challenges and opportunities that face Turkish entrepreneurship in those countries.

Second, this study found that (30%) of Turkish entrepreneurs migrated to Canada for business purpose, thus a study would be conducted to understand how business programs encourage entrepreneurs to invest in the host country and how institutional structure of the host country affect the establishment and development of the immigrant business. The study could be important because immigrant entrepreneurship development greatly depends on the characteristic of the host country.

Third, women entrepreneurship is growing up in Canada and other countries. In this research Turkish women represented (29%) of all study population. Hence, an oriented study would be useful to examine women entrepreneurship. The study would explore some aspects of female business such as who they are, what they operate, where they locate their businesses, what types of businesses they establish, what the differences between their businesses and other businesses owned by men. The study would bring a new knowledge about female entrepreneurship and what factors influence their business success.

Fourth, Turkish entrepreneurs used different ways to migrate to Canada and involve in entrepreneurial activities. Since more immigrants are turning to entrepreneurship, an investigation would be required to study the motivations of those immigrants to become entrepreneurs in a specific country and how they contribute to this host country's economy.

Finally, in the recent times, Canada has been suffered from radicalism and terrorism more than any time before. Only in a late stage of writing this thesis, there were 3 attacks motivated by religious reasons. These attacks make direct damages the economic development and immigrant entrepreneurship as well. Therefore, it would be useful to research on the influence of these attacks on Turkish immigrants or other immigrants who are doing business in Canada, taking into account, the religious backgrounds of those entrepreneurs. Studying this topic would help the Canadian policymakers to understand this phenomenon very well and then provide solutions.

6.5. Recommendations

The study has shown that the high operational cost is the most obstacle that faced Turkish entrepreneurship in Canada. To reduce these costs, it is therefore recommended that Turkish entrepreneurs may turn from sole-proprietor to partnership or joint ventures. This shift would divide operational costs, as well as, provide different financial and human resources. In order to reduce the other barriers, Turkish entrepreneurs may take advantage of the activities and business consulting services that organized and provided by TCCC, CTBC, Canada Business Network other associations.

As mentioned, Turkish entrepreneurs are very well integrated into the Canadian society and they serve both Turkish and non-Turkish customers. Turkish immigrants might have greater opportunities if they expand their business to outside Toronto City where also there are some cities have its special business programs and encourage immigrant

entrepreneurship, for example, Calgary and Edmonton in Alberta province or Kelowna city in British Columbia province.

The number of business immigrants to Canada is increasing, especially those coming from the United States, so it is expected that there will be more competition in the Canadian market than ever before. However, a lack interest of Turkish entrepreneurs has been noticed in sectors such as foreign trade, agriculture, and information technology. Therefore, Turkish entrepreneurs are advised to look for new opportunities in these sectors and rely more on their ethnic community resources in order to create a strong ethnic enclave economy.

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APPENDIX A

QUESTIONNAIRE

Immigrant Entrepreneurship Challenges and Opportunities: Case Study of Turkish Immigrant Entrepreneurs in Canada (Göçmen Girişimciliğinin Zorlukları ve Fırsatları:



Kanada'daki Türk Göçmen Girişimcileri)

Sayın Katılımcı,

Eskişehir'de Anadolu Üniversitesi uluslararası işletme bölümü yüksek lisans öğrencisiyim. Bu anketi tezim kapsamında ve sizin işletmenizin Kanada'da karşılaşmış olabileceği zorlukları ve fırsatları bulmak amacıyla yapıyorum. Bu amaçla aşağıdaki verilen linkte yaklaşık 5 dakikanızı alacak bir anketi doldurmanız için sizi çalışmama davet ediyorum. Samimi bir şekilde yanıtlamanız araştırmam için oldukça önemli. Aynı zamanda bu anketi sizin gibi Kanada'da iş yapan arkadaşlarınızla da paylaşırsanız çok memnun olurum.

Saygılarımla,

Araştırmacı: Abdulrahman Saleh İletişim için: asms@anadolu.edu.tr

Dear Participant,

I am a graduate student in International Business Department of Anadolu University in Eskişehir. I am doing this survey as part of the thesis, and I am trying to find out what are the challenges and opportunities that your business may have faced in Canada. For this purpose, I invite you to fill out this questionnaire in the following link, which will take approximately 5 minutes. Your valuable response is very important to my research. Also, I will be glad if you share this survey with your friends who are doing business in Canada.

Best regards,

Researcher: Abdulrahman Saleh

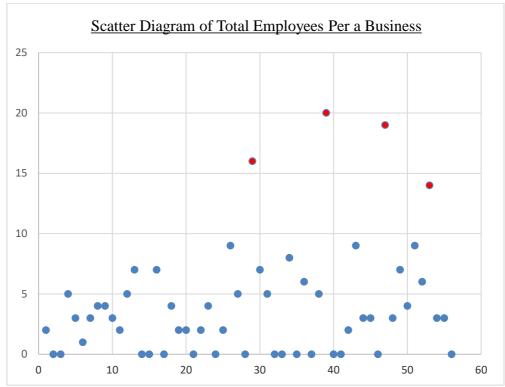
Contact: asms@anadolu.edu.tr

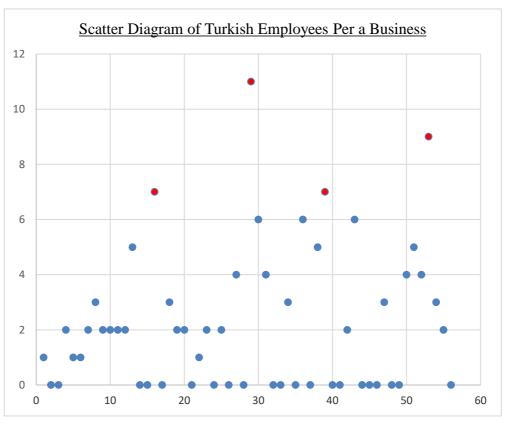
PART 1: GENERAL INFORMATION (1. BÖLÜM: GENEL BİLGİLER)						
1. Gender (Cinsiyet):						
Female (Kadın)	Male (Erkek)	Other (Diğer)				
2. Age (Yaş):						
30 or under (30 veya altında)	☐ 31-40	<u>41-50</u>				
<u>51-60</u>	61 and over (61 ve üst	ü)				
3. Type of residence (İkamet türü):						
Canadian citizen (Kanada vatandaşı)						
Permanent resident (Daimi otur	Permanent resident (Daimi oturma İzinli)					
4. Level of education (Eğitim Du	ırumu):					
Primary School (İlkokul)						
Secondary School (Ortaokul)						
High school/diploma (Lise-Meslek Lisesi)						
University degree (Üniversite)	University degree (Üniversite)					
Post- graduate degree (Master, Doctoral. etc,) (Yüksek Lisans, Doktora vd.)						
Other (Diğer)	Other (Diğer)					
5. Which immigration program	•					
(Kanada'ya gelmek için hangi göç programını kullandınız?)						
Family Member (sponsorship) (Aile ferdi)					
Skilled Worker (Kalifiye İşçi)						
Business Program (Entrepreneur/ Investor/Self-Employed)						
(İşletme Programı (Girişimci/ Yatırımcı/Serbest Meslek)						
	Refugee (Mülteci)					
	Student (Öğrenci)					
Uther (Diger)	Other (Diğer)					
PART 2: BUSINESS CHARACT	TERISTICS (2. Bölüm: İşlet	tme Özellikleri)				
6. Business location (İş yeri)						
Toronto						
Montreal						
Vancouver						
Calgary						
Other (Diğer)						
7. What type is your business?	İşletmenizin tipi nedir?)					
Sole ownership (Adi Şirket)						
Partnership (Ortaklık)						
Limited company (Limited Şirket)						
Incorporated (Anonim)						
Other (Diğer)						

8. What sector does your business belong to? (İşletmeniz hangi sektör ile bağlantılı?) More than one choice is allowed (Birden fazla işaretlemede bulunabilirsiniz)				
Finance and insurance services (Finans ve yatırım hizmetleri)				
<u> </u>				
Restaurant, cafe, bakery, and grocery (Restoran, kafe, fırın ve bakkal) Real estate and construction (gayrimenkul ve inşaat)				
Commercial and legal consulting (Ticari ve yasal danışmanlık)				
Information technology (Bilgi teknolojisi)				
Health service (Sağlık hizmeti)				
Cultural, education and translation service (kültürel, eğitim ve çeviri hizmetleri)				
Exporting and importing (İhracat ve ithalat)				
Hotel and tourist agency (Otel ve turizm acentesi)				
Other (Diğer)				
9. How long have you been in this business? (Kaç yıldır bu işle uğraşıyorsunuz?)				
Less than 5 years (5 yıldan az)				
Between 5 - 10 years (5 ile 10 yıl arasında)				
More than 10 years (10 yıldan fazla)				
10. How many hours do you work in a week? (Bir haftada kaç saat çalışıyorsunuz?)				
Please specify (Lütfen açıkça belirtiniz) ()				
11. How many employees are working in your business?				
(İşletmenizde kaç tane işçi çalışmaktadır?)				
Only myself (Sadece kendim)				
Other (Diğer) ()				
12. How many Turkish employees are working in your business?				
(İşletmenizde Kaç tane Türk işçi çalışmaktadır?)				
None (Hiç)				
Other (Diğer) ()				
PART 3: BUSINESS EXPERIENCE (3. Bölüm: İş Deneyimi)				
1. What are the main barriers you have faced when establishing and operating your business? (More than one choice is allowed)				
(İşletmenizi kurarken ve işletirken karşılaştığınız ana sorunlar nelerdi?) (Birden fazla				
işaretlemede bulunabilirsiniz)				
Difficulty in obtaining finance/gradit/gash flow (Finans/kradi/nakit tamininda zorluk)				
☐ Difficulty in obtaining finance/credit/cash flow (Finans/ kredi/nakit temininde zorluk) ☐ Tight and competitive market/clients (siki ve rekabetçi pazar/ müşteriler)				
Difference in language and culture (Dil ve kültürde farklılık)				
Discrimination (ayrımcılık)				
Discrimination (ayriments)				

Absence of the Canadian government support and connection (Kanada hükümetinin						
desteğinin ve bağlantısının olmaması)						
Government regulations (changes in immigration laws and bureauc	crac	y) (Dev	let		
düzenlemeleri (göçmen yasasında ve bürokrasideki değişimler)						
High operational cost (rent/fees/tax/exchange) (Yüksek işlem maliyetleri (kira/ücret/						
vergi/döviz)						
Difficulties in employing good employees (iyi işçi bulmaktaki zorluklar)						
Limited access to information and advice (bilgi ve tavsiyeye kısıtlı erişim)						
1. How important are the following factors in the success of your						
business?						
(Aşağıdaki faktörler işletmenizin başarısında ne kadar önemlidir?)			3	4		
(1) Not important (önemli değil) (2) Important (önemli)						
(3) Very important (çok önemli) (4) Not applicable (Uygulanamaz)						
a. Turkish employees (Türk çalışanlar)						
b. Non-Turkish employees (Türk olmayan çalışanlar)						
c. Turkish customers (Türk müşteriler)						
d. Non-Turkish customers (Türk olmayan müşteriler)						
e. Setting up a business near to Turkish concentration areas						
(Türklerin yoğunlaştığı bölgelerin yakınında bir iş kurmak)						
f. Participation and/or membership in Turkish organizations						
(Türk Kurumlardaki üyelik ve/veya katılım)						
g. Participation and/or membership in non-Turkish organizations (Türk						
olmayan kurumlardaki üyelik ve/veya katılım)						
2. Are there any of the following in your future plans?						
(Aşağıdakilerden herhangi biri gelecek planlarınızda var mı?)						
More than one choice is allowed (Birden fazla işaretlemede bulunabilirsin	iz)					
Leave Canada to another country (Kanada'dan ayrılıp başka bir ülkeye gitm	nek)					
Stay in Canada, but close the business (for personal reasons) (Kanada'da kalmak, ama						
işletmeyi kapatmak (kişisel sebepler)						
Change the business (Başka bir iş koluna geçmek)						
Move to a different location closer to Turkish community (Türk topluluklarına yakın bir						
yere taşınmak)						
Set up another branch (Bir başka şube açmak)						
Hire more employees (Daha fazla işçi istihdam etmek)						
Seek additional capital investment (Ek sermaye yatırımı aramak)						

APPENDIX B





APPENDEX C

Ana. Üni. Evrak Tarih ve Sayısı: 30/10/2017-E.123284



T.C. ANADOLU ÜNİVERSİTESİ REKTÖRLÜĞÜ Sosyal Bilimler Enstitüsü Müdürlüğü



Sayı : 66166206-050.99 Konu : Etik Kurulu Kararı hk.

Sayın Abdulrahman Saif Mohammed SALEH

Dilekçeniz ile istenilen, "Immigrant Entrepreneurship Challenges and Opportunities: Case Study of Turkish Immigrant Entrepreneurs in Canada (Göçmen Girişimciliğinin Zorlukları ve Fırsatları: Kanada'daki Türk Göçmen Girişimcileri)" başlıklı yüksek lisans tez çalışmasına ilişkin talebiniz Etik Kurulu tarafından değerlendirilmiş olup konuya ilişkin karar yazımız ekinde gönderilmektedir.

Bilgilerinizi rica ederim.

e-imzalıdır Prof. Dr. Emel ŞIKLAR Müdür

Ek:Etik Kurulu Kararı



anadolu üniversitesi SOSYAL VE BEŞERÎ BİLİMLER BİLİMSEL ARAŞTIRMA VE YAYIN ETİĞİ KURULU KARAR BELGESI

ÇALIŞMANIN TÜRÜ:	Yüksek Lisans Tez Çalışması			
KONU:	Sosyal Bilimler			
BAŞLIK:	lmmigrant Entrepreneurship Challenges and Opportunities: Case Study of Turkish Immigrant Entrepreneurs in Canada (Göçmen Girişimciliğinin Zorlukları ve Fırsatları: Kanada'daki Türk Göçmen Girişimcileri)			
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TEZ YAZARI:	Abdulrahman Saif Mohammed SALEH			
ALT KOMİSYON GÖRÜŞÜ:	-			
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