

Social Integration of Migrants in the Netherlands, the Case of Moroccan Entrepreneurs

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Migration in the African World?



Migration: an added value 4 All

- Migration: Win-win situation, add value 4 All (*opportunity-thinking*)
- Exclusion mechanisms for migrants: education, language, cultural clash
- Consequence: The stranger is the trader: rise of ethnic enterprises

**MOTTO:
MIGRANT ENTREPRENEURSHIP AS A SOURCE OF
NEW URBAN ECONOMIC OPPORTUNITIES**



Migrant Entrepreneurship

- ★ Business activities → undertaken by migrants with a specific socio-cultural and ethnic background (*Choenni, 1997*)



- ★ **Unique Socio-cultural Business Attitude:**
 - ★ Informal Networks
 - ★ Ethnic market orientation

TRENDS IN MIGRANT ENTREPRENEURSHIP

- Entrepreneurship as last resort for migrants
- The city as a melting pot of migrant entrepreneurship (Jane Jacobs)
- Second- generation migrant entrepreneurship oriented towards creative industries (break-out approach)



- Transformation and re-positioning of migrant entrepreneurship in mainstream markets

'NEW ENTREPRENEURSHIP': A source of new economic opportunities for regions and cities

- Contributes to new job creation and diversification
- Stimulates introduction of new products and processes in the market (*their diversity leads more to new and innovative combinations*), which in turn will attract new companies (market dynamics)
- Contributes to 'city marketing' → 'creative city' to attract visitors, talent, innovative companies and new residents towards the city
- Strengthens the urban social cohesion and cultural diversity
- Provides a major challenge (*serious competitors*) to established firms and encourage them to improve their performance (price/quality ratio)
- Reinforces urban SMEs

Research focus:

Transition strategies of second-generation morroccan entrepreneurs, as their
'break-out' strategies

Study aims:

Investigate whether and to what extent second-generation migrant entrepreneurs are oriented towards mainstream or modern competitive markets.

Study will address:

Driving forces and success conditions of this 'new entrepreneurship'

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CONCEPTUAL FRAMEWORK

BUSINESS MODEL OF MIGRANT ENTREPRENEURSHIP: STRATEGIES FOR DIVERSIFICATION(MAINSTREAMING)

Systematic strategic framework of migrant entrepreneurship that is helpful for mapping out new business growth strategies and opportunities derived from the Ansoff (1957) model



Source: Ansoff Matrix (1957), adjusted by authors

Summary Results

Business Characteristics

- Majority of the Moroccan businesses is small-sized (< 5 employees (71%))
- Entrepreneurs are active in the ICT, and Consultancy and Research sectors
- Moroccan businesses are relatively young (54% of the entrepreneurs started after 2006); 8% are older than 2001

Personal Characteristics (PC)

- Majority of the entrepreneurs falls between the age of 25-39 (83%)
- Majority of the entrepreneurs was born in Morocco and more than 50% of them came between 1971 and 1980 to the Netherlands (< 12 years)
- Most of them achieved their highest level of education in the Netherlands (92%): higher vocational education, University and Post-doc (79%); and speak Dutch fluently

Motivation and Driving Forces (MDF)

- Majority of the entrepreneurs was student (67%) and active part-time as an entrepreneur in their previous position and in the same sector (83%)
- The main reasons to become an entrepreneur were to be independent and own boss (80%) in the same sector (attractive and growing market opportunities)
- Previous position and experience in the same sector create a pull affect on self-employment
- Most of them used their own savings (67%) to set-up a business, no detailed financial plan and no support from formal institutions, obtained information from their own experience and family and friends

Factors such as capital and information sources show that the new generation Moroccan entrepreneurs are quite independent of their family, friends and others

GENERAL CONCLUSION

- MOROCCAN ENTREPRENEURS ARE CHARACTERIZED BY A HIGH DEGREE OF HETEROGENEITY
- IT IS THEIR CAPACITIES AND RESOURCES AND NOT THEIR ETHNICITY THAT INFLUENCE BUSINESS PERFORMANCE AND SUCCESS!



Thank you!