The embeddedness of migrant entrepreneurs and the process of opportunity creation

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The embeddedness of migrant entrepreneurs and the process of opportunity creation

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Competitive paper

ABSTRACT

The paper offers insight into the opportunity creation processes of Polish migrant workers in the UK. The paper presents findings of an initial phases of research exploring the experiences of twenty entrepreneurs who had started their own ventures after migration into the UK. Using the notions of network insiderness and outsidership as a proxy of relational distanciation and proximation processes, the paper explores how processually, entrepreneurs create opportunities relative to the interplay between home and host country network embeddedness. Findings offer exposition of the resource flows over time in respect of the formation of new ventures and draws conclusions as to the effectuation and bricolage processes within these flows of resources. An account is provided of the resources used in the formation of these ventures and their origins in respect of these three networks types
INTRODUCTION

This paper is concerned with the opportunity creation processes of Polish migrant entrepreneurs who migrated to the UK following the enlargement of the EU in 2004, and subsequently started-up a business considering their embeddedness (or lack of) in various community or indigenous networks. We examine these unique and novel ways to create opportunities using the theoretical perspectives of effectuation and bricolage. Effectuation processes are underpinned by the assumption that opportunities are made by an entrepreneur through appreciating what resources and competences are available to them rather than through a more systematic causation process. Read et al. (2009:573) state that “effectuation, for example, assumes not that opportunities are waiting to be discovered, but that opportunities emerge when created by an entrepreneur and her partners.” We examine in this paper, how the concepts of network outsidership and insidership (Hilmersson & Jansson, 2012; Johanson & Vahlne, 2009) affect opportunity creation. On one hand, the outsidership of the migrant worker in host country networks is a liability, requiring a process of making do, or bricolage to overcome these liabilities. On another hand this outsidership in host country networks allows a non-embedded actor to see new opportunities and access unique resources from their insidership of migrant networks linked to resources from the home countries. Our approach in this paper is processual. We visually therefore insidership and outsidership as processes involving both relational proximation and distanciation (Nicholson et al., 2013) through which the embeddedness of polish migrant entrepreneurs might increase and decrease. Indeed we introduce the term, partial embeddedness to denote a way point in this process of achieving insidership and indeed outsidership. This paper is therefore concerned with the interplay between network insidership and outsidership and the effect that this process has on the advent of entrepreneurial behaviour, and in particular, the concomitant process of effectuation in Polish migrant entrepreneurs.

Whilst there has been wealth of conceptual development and discussions in the literature around the idea of bricolage and effectuation (Baker & Nelson, 2005; Chandler et al., 2011; Desa & Basu, 2013; Maine et al., 2015; Sarasvathy, 2001a) several authors including Perry et al. (2012) and Venkataraman et al. (2013) emphasise the lack of empirical contribution on the process of opportunity creation and on the concept of effectuation. There is therefore a need to provide empirical accounts of effectuation and bricolage processes and on the use of resources and means by entrepreneurs in their process of new venture start-up and during further development of their businesses. Furthermore, the entrepreneurship literature has highlighted the co-constructed nature of the entrepreneurial process (Garud et al., 2014) in which the role of entrepreneur and of their key stakeholders plays a key role (Chandler et al., 2011; Read et al., 2009; Sarasvathy & Dew, 2008; Sarasvathy, 2001b). More specifically, the role of the community, relational proximation, and trust has been investigated in relation to the entrepreneurs' ability to access resources through network relationships (e.g. (Davidsson & Honig, 2003; Nicholson et al., 2013; Welter, 2012). The literature on migrant entrepreneurship has tended to focus on the importance (positive and negative) of (community) networks and of social embeddedness while discussing the access to co-ethnic
resources by entrepreneurs from the community as part of the entrepreneurial process of new venture opening and development (Aldrich & Waldinger, 1990; Kloosterman & Rath, 2001; Portes & Sensenbrenner, 1993; Waldinger, 2005). However, the impact of insidership and outsidership (positive and negative) relative to the dual networks of migrant entrepreneurs has escaped significant attention. Several questions remain as to how migrant networks linked to home country resources support bricolage, and how unique opportunities are created due to outsidership from local host country networks in which the migrant entrepreneur is co-located, but not embedded. Here we visualise some interesting questions pertaining to opportunity creation when geographic proximity is not synonymous with relational proximity. Contemporary thinking would suggest this to be an example of a liability of outsidership, however in this paper we pose a challenge to that assumption. We pose questions as to the bridging of structural holes between these networks in relation to effectuation and bricolage and posit that partial embeddedness in dual networks may be advantageous to a migrant entrepreneur.

Considering the seemingly urgent need to ground research on opportunity discovery and creation on empirical evidence, we propose to investigate the significance of relational, proximation (achieving insidership) and relational distanciation (achieving outsidership) processes and network insidership and outsidership. In particular we consider the processes through which a migrant entrepreneur distanciates from their origin country networks (OCN) whilst achieving proximation to host country Polish networks (HPN) and indeed host country indigenous networks (HIN). We consider the processual notion of partial embeddedness as a brokerage position allowing for entrepreneurial opportunities to be created through an effectuation process – and as capable of providing different means (in the sense of Sarasvathy, 2001a) or resources to migrant entrepreneurs at the different stages of their venture development. Although evidence of bricolage within an uncertain and foreign environment is evidenced for migrant and ethnic minority entrepreneurs (Rusinovic, 2006, 2008), further attention is required in respect of 'how' resources are provided by social embeddedness and on 'how' migrant entrepreneurs use these resources to mitigate uncertainty and to discover and create unique opportunities, potentially not obtainable in home of host countries.

This paper makes a contribution to debates on effectuation and bricolage by highlighting the role played by insidership/outsiderness, embeddedness and notions of geographic and relational proximity in providing different resources (e.g. market access, labour, or advertising platforms) to migrant entrepreneurs. The findings also reveal that the incremental nature of opportunity discovery and creation (hence bricolage) is anchored within the set of networked relationships in which migrant entrepreneurs are embedded, providing them favourable conditions to start-up their new venture mostly within the migrant network, but also limiting their growth prospects (for which broader networks are necessary). Evidence also suggests the importance of incremental learning processes by which migrant entrepreneurs discover and create additional opportunities for business development in a second phase. Hence, based on the empirical evidence presented, we propose a model of in which the opportunities are discovered and created as a result of the interaction between the
entrepreneur and the environment (focussing here on social embeddedness and geographic and relational proximity).

CONCEPTUAL BACKGROUND

**Effectuation and Bricolage**

Debates on opportunity creation in entrepreneurship have been concerned with the nature of opportunities (Alvarez et al., 2013; Maine et al., 2015; Sarasvathy, 2001a; Zahra, 2008), questioning whether the opportunities are objective (and thence discovered) by entrepreneurs (Mole & Mole, 2010; Shane & Venkataraman, 2000) or subjective and instantiated - or created - by entrepreneurial action (Martin & Wilson, 2014; Sarason et al., 2006; Sarasvathy, 2001a). Likewise, one can see a dichotomy in this literature between the discovery and creation of opportunities. On one side, Alvarez and Barney (2010:559) claim that ‘objective opportunities formed by exogenous shocks’ and identified through causation processes by entrepreneurs – a process of systematic identification aiming at optimizing the entrepreneurial outcome (Desa & Basu, 2013). From a different perspective, Maine et al. (2015) build on Sarasvathy's (2001a) seminal work and view the causation and effectuation as decision-making processes influencing opportunity recognition (when the risks are measurable and objective) and creation (when uncertainty level is impossible to assess or very high – or in the terms used by Sarasvathy et al. (2003:144) unknown and unknowable). To further discuss the latter, opportunity creation refers then to the process of opening up of new markets – or market transformation – by mobilising available resources and taking acceptable (perceived) risks (Desa & Basu, 2013; Dew et al., 2011; Maine et al., 2015; Sarasvathy, 2001a). By using effectuation and bricolage, scholars (such as Baker & Nelson, 2005; Desa & Basu, 2013) also emphasise the importance of using available resources (often discarded or easily available) or a set of means prior to focussing and selecting potential ends (Sarasvathy, 2001a). Thereby, the entrepreneur overcomes resource constraints, mitigates risks, and minimises costs as well as resource dependence towards satisficing outcomes (Baker & Nelson, 2005; Desa & Basu, 2013; Schwartz et al., 2011), but not necessarily out of necessity (Maine et al., 2015). Those resources on which an entrepreneur depends to (successfully) start-up include (inter alia): financial and marketing capabilities, technologies, skills, but also networks available to the entrepreneur Maine et al. (2015) and Sarasvathy et al. (2003) thus go further by claiming that the match between resources and marketing capabilities leads to opportunity creation (opportunities coming to existence), which are instantiated through the process of effectuation. This echoes with the agency argument expressed by scholars such as Sarason et al. (2006, and also advanced under the term bricolage by Levi-Strauss (1962) and Baker and Nelson (2005), to describe the process by which entrepreneurs anarchically make-do with what is to hand, Given the embeddedness of the entrepreneurial action within its contexts (e.g. Nielsen & Lassen; Sarason et al., 2006; Welter, 2011; Zahra et al., 2014), focussing on networks available to the entrepreneurs, and thence to the resources that entrepreneurs can draw from those, is a crucial issue in understanding opportunity discovery and creation in entrepreneurship.
Further scholars in the field of entrepreneurship interested in opportunity creation also discuss the co-created value of between an entrepreneur and their key stakeholders (Chandler et al., 2011; Read et al., 2009; Sarasvathy & Dew, 2008; Sarasvathy, 2001b), while others focus more specifically on the interaction of entrepreneurs as actors and structures (Kloosterman & Rath, 2001; Sarason et al., 2006) as displayed in Figure 1. The structuration view (building on Giddens, 1991) and similar co-constructed approaches (Crozier & Friedberg, 1977) view the entrepreneurial action as the outcome of the interaction between environmental dimensions and the entrepreneurial decision-making (Figure 1). In other words, the environment provides constraints and enablers to entrepreneurship (Welter, 2011), under the form of (power and) resources (Sarason et al., 2006).

The embeddedness of economic action into social structures (and hence the importance of social networks and structures in affecting economic goal seeking behaviour) has been widely spreading following the seminal work of Granovetter (1985). This definition emphasises the impact (whether positive or negative) of social structures on economic action, and differs from Coleman’s view, in which social structures (and social capital) is only seen as a facilitator of individual's rational goal-seeking actions (Coleman, 1988).

The literature argues that those resources are accessed through proximity and trust (Welter, 2012). Likewise, Nicholson et al. (2013) suggest that both relational proximation and distanciation processes can be both competitively generative and degenerative in different contexts, one line of discussion the effectuation literature discusses over-trust in such relationships (Goel & Karri, 2006; Sarasvathy & Dew, 2008), a condition where trust in evident where it may not be warranted. Such over-trust would seem to be particularly applicable to home networks. Therefore at a local spatial dimension, over-trust may be manifest through over-embeddedness in such local networks (Clark & Smith-Canham, 1999; Cooke et al., 2005; Maskell & Malmberg, 2007; Molina-Morales & Martínez-Fernández, 2009; Nicholson et al., 2013; Parra-Requena et al., 2010; Semlinger, 2008).

Such over-trust could also be related to the notion of local bonding social capital, which emphasises the positive and negative potential impact of social embeddedness on entrepreneurial action (Davidsson & Honig, 2003; Eklinder-Frick et al., 2011; McEvily & Zaheer, 1999; Putnam, 2000). At one level, being embedded in intimate and strong ties relationship may enable small firms overcome constraints by delivering significant information about local opportunities or by providing start-up capital (Davidsson & Honig, 2003). However, at another level, a lack of external linkages may constrain information about broader opportunities. Semlinger (2008:548) for instance mentions the importance of networks that extend beyond 'old buds'. These bridges to other network actors has been referred to as bridging social capital (McEvily & Zaheer, 1999; Putnam, 2000). Prashantham and McNaughton (2006:448) suggest that bridging ties may "foster novel ideas, knowledge and opportunities.” The concept of network insidership as an asset, and outsidership as a liability has become well accepted within the internationalisation literature (Hilmersson &
Jansson, 2012; Johanson & Vahlne, 2009; Zhang, 2015), but in line with work that examines both proximities and distances for both negative and positive outcomes (Boschma, 2005; Nicholson et al., 2013; Nooteboom et al., 2007) we suggest a challenge to this assumption and consider whether both insidership and outsidership can have both positive and negative consequences for migrant entrepreneurs in terms of opportunity creation.

The significance of ethnic connections

This debate is of crucial importance in the field of migrant and ethnic minority entrepreneurship studies given the role played by the community of co-ethnics in providing resources (such as financial support or labour), information, or more simply a market to start-up in (Jones & Ram, 2010; Waldinger, 2005; Werbner, 2001; Zhou, 2004). The argument is that by virtue of social embeddedness in community networks, the entrepreneur has access to specific resources, not available to other entrepreneurs. This proximity and the trust generated by the social ties relates back to discussions on bounded solidarity among migrant groups (Portes & Sensenbrenner, 1993; Rumbaut & Portes, 2014) by which the confrontation with the host society creates solidarity through community ties among immigrants (Glazer & Moynihan, 1963; Light & Bonacich, 1991). Created by situation where individuals are facing common difficulties (issues of racism, discrimination in the labour market, difficulties to access finance, language issues, and so on, bounded solidarity allows members of these social networks to share ethnic resources, which can be used by entrepreneurs to discover and create opportunities (Portes & Sensenbrenner, 1993). Quite similarly, the notion of enforceable trust, inspired by Weber’s notion of substantive rationality (particularistic obligations benefiting a particular group and the link between group goal and individual economic behaviour) (Weber, 1922/1971) can help explaining how the entrepreneur uses social networks to access resources (Portes & Sensenbrenner, 1993; Wilson & Portes, 1980). However, as argued above, control mechanism stemming from over-trust group-based interactions may constrain further development of the venture, especially when intending to breakout to more rewarding markets (Deakins et al., 2007; Kloosterman, 2010; Zhou, 2004). Once more, the entrepreneur is creating opportunities using the resources available (and provided by) the networks in which they are embedded.

Further, Engelen (2001) warns against the over-emphasis on social capital and ethnic networks, advocating for a greater consideration external factors influencing entrepreneurial action, such as institutions (enabling or constraining entrepreneurial action), or cultural proximity (providing entrepreneurs with an understanding of the needs of their community). Whereas institutions have been debated in great depth (Ács et al., 2014; Engelen, 2006; Smallbone et al., 2014), proximity could explain why migrant entrepreneurs chose to start in the community niche market, given the additional resource (easily and readily) available to them. This facilitates the process of opportunity creation (Werbner, 2001). Furthermore, as highlighted by Kloosterman and Rath (2001), social networks and opportunity structures are dynamic. Consequently, different contexts will be relevant according to different entrepreneurial actions, hence calling for a mixed-embeddedness perspective (Kloosterman et al., 1999).
Theoretical framework

Following Desa and Basu (2013), we thus argue that opportunity creation is the outcome of the interaction between the entrepreneur and the environment (Sarason et al., 2006), where social embeddedness in networks is a crucial constituent of co-created value (Chandler et al., 2011; Read et al., 2009; Sarasvathy & Dew, 2008; Sarasvathy, 2001b). The environment provides resources to the entrepreneur, who then takes decision (not based on optimization or on a systemic approach) but based on the sets of means or resources available to them and on acceptable risk through the process of effectuation (Sarasvathy, 2001a) following an abductive and iterative process (Maine et al., 2015; Sarasvathy et al., 2003). Resources available are then mobilized and used by the entrepreneur to create opportunities.

Figure 1: Proposed conceptual framework
As a result of the EU-enlargement in May 2004, Polish nationals and citizens from other accession economies were legally entitled to enter the UK in search of employment, leading to an influx of Polish migrant workers that has exceeded the numbers forecasted by UK government officials with 400,000 workers registered between 2004 and 2007 (Drinkwater et al., 2009; Home Office, 2009; Institute for Public Policy Research, 2010). As a result of considerable Polish economic migration to the UK, deeply embedded Polish communities have clustered in many major cities and towns, including Glasgow. Indeed, Glasgow’s Polish community of newly arrived migrants account for around 5,000 Polish migrant workers. In Glasgow, the Polish community is active and visible, has meeting points and uses its own social media (glasgow24, emito, emigrant magazine, etc.). Polish migrant socialise in those HCN and those networks also constitute a niche market for migrant entrepreneurs. Participants of the present research are economic migrants who have secured a job in the UK prior to emigration using employment agencies based in Poland. These ad hoc institutionalised networks bridging Polish networks in Poland with migrant networks in the UK and acting as an emigration gatekeeper to the UK’s labour market, primarily for low-skilled and low-paid occupations; usually as factory or construction workers, butchers, or cleaners (Drinkwater et al., 2009; Garapich, 2008). Some have subsequently become entrepreneurs, relying on their perception of the environment and deciding to start-up new ventures, hence motivating this study.

Methods and procedures

To answer the research questions on how Polish migrant entrepreneurs assess and access resources within the networks in which they are embedded, and on how they use these resources to mitigate uncertainty and create unique opportunities, potentially not obtainable in home of host countries, the research adopts a contextualised approach. The research captures their entrepreneurial action and decision-making taking into account their perceptions of the contexts in which they operate. Thence, a case study was conducted on a specific population (Polish post-2004 migrant entrepreneurs) in a given spatial and social context (Glasgow, UK) - capturing rich contextualised evidence on their entrepreneurial process at the start-up and further business development phases (Eisenhardt & Graebner, 2007; Leitch et al., 2010; Weick, 2007).

This paper focusses on 20 entrepreneurs out of a wider research projects conducted in Glasgow and that involves entrepreneurs, key informants, and business partners. The entrepreneurs selected for this paper all arrived in the UK after 2004, and engage in service sector activities, identified using different sampling techniques; i.e. purposeful sampling and snowballing, until the data reached saturation (Eisenhardt, 1989). Data were collected during conversations, observations, as well as semi-structured interviews using phenomenological
techniques of inquiry focusing on respondents’ experiences (e.g. Cope, 2005; Kisfalvi, 2002) in the respondents language (i.e. in Polish) as a way to increase depth of data and understanding of cultural nuances (Crozier & Friedberg, 1977; Welch & Piekkari, 2006).

Data were then transcribed, coded and analysed following an abductive process (Klag & Langley, 2013). Given its narrative theorising approach (Denis et al., 2007; Langley, 1999), the analysis of the data leads to theorisation via the integration of contextual dimensions (here the focus on social embeddedness) in the explanation (Welch et al., 2011). For this research, theory building aims at conceptual development rather than at a construct testing approach (Gioia et al., 2013).

**FINDINGS**

Empirical evidence related to opportunity creation for Polish migrant entrepreneurs is presented here. The interim findings reveal the importance of dual networks and the partial embeddedness of Polish migrant entrepreneurs within their community networks (in which they are fully embedded insiders) and in the host country (in which they are outsiders or partially embedded insiders) in assessing and accessing resources through iterative and incremental *effectuation* decision-making and *bricolage*. Certain actors play the role of bridging agents between the indigenous host country co-located networks (we will call this (HIN – host country indigenous network) and non-indigenous (Polish migrant) host country co-located networks (we will call this HPN – host country Polish network). There are multiple redundant ties between HPN and the home country (Poland) network (we will call this OCN – originating country network) that provides a flow of resources. This context is complex and highly pluralistic, requiring we argue a processual and sociological lens to achieve a significant understanding. In presenting our initial findings from the first phase of study, we identify the following emergent concepts.

*Outsidership to HIN*

While facing *liability of outsidership* at their arrival in the UK (despite co-location), Polish migrants are often initially stuck in low-skilled and low-paid occupations such as butchering, factory or construction work, or cleaning services. Given the fact that many Polish migrants hold degrees in higher education or/and had managerial roles in Poland prior to migration, those occupations are not satisfactory in the longer run. Hence there is a strong drive towards entrepreneurship as a means or realising their full potential. Origin country education (if not the qualifications obtained) are a key resource that drives entrepreneurial behaviour. In contrast to members of the HIN at the same level of economic activity, the education level of Polish migrant workers seems to be a resource used in the *effectuation* processes, allowing them to engage in opportunity creation not available to members of the HIN. However, as other migrants, they face barriers to join the UK labour market at a suitable level, due to lack of knowledge of opportunities available, lack of recognition of qualifications and past experiences, lack of embeddedness on HIN, and lack of English proficiency). The process of opportunity creation and new venture opening is a response to this initial job dissatisfaction
in the UK. However, the start-up process is incremental and undocumented, this highlights the importance of *effectuation* in their decision-making. Often, start-up is the result of a 'gut feeling' and a reaction to external events (such as a bad day at work), or household strategies (such as increasing settlement commitments in Scotland). The lack of business planning and benchmarking comes across in all cases. Importantly, even those who engage in forms of planning activities, e.g. aiming to start-up a specific venture prior to migration (B. Delicatessen) or having acquired knowledge of the sector in the UK (K., I.T.) do not have formal business plans and instead relied on a form of *flair* [note: translation of participants' terms]. However, even in those two cases, the ends remain unknown to the entrepreneurs. In the other cases, entrepreneurs do not engage in benchmarking, or on financial, formal marketing (pricing, choice of location, product/service range, labelling, advertising, etc.), or sourcing planning activities relying on OCN.

*Insidership in HPN*

To achieve this, Polish migrant entrepreneurs rely on their social embeddedness in the migrants' community networks (HPN) and on relational proximity to fellow Polish migrants to access a range of unique and specific resources from *insidership* within the different networks in which they are embedded (or progressively getting embedded in, see Table 1). The resources and means accessed include; access to the community market due to community market knowledge (in the sense of understanding of the needs of fellow migrants), labour, advertising channels, access to specific products or services.

The main resources made available to Polish migrant entrepreneurs is the access to the community market constituted (mostly) by Polish migrants who arrived in the UK after 2004, as well as by migrants from other Central and Eastern European background (Czech, Slovaks), thanks to HPN *insidership*. The community market is the main and primary market for many Polish entrepreneurs, and a relevant one (see *Partial* in Table 1) for the remaining ones. For instance, L. and H., both legal advisers are embedded in HIN prior to start-up due to having a British spouse. They hence benefit from their dual relational embeddedness in both HPN and HIN to create an opportunity. In those cases, spouses play the role of boundary agents, providing dual embeddedness and thence additional resources for entrepreneurs to assess and access to. Likewise, for all Polish entrepreneurs access to a community market is made possible because of the dual embeddedness of Polish migrant entrepreneurs in HPN (for social purposes, informational and emotional support, advertising) and in the local entrepreneurial environment in Glasgow (HIN - even partial). Thanks to relational proximity and shared networks, Polish entrepreneurs have a better understanding of the community market in the UK and thence greater ability to market their venture to a Polish clientele.

First, they have a better understanding of the needs of fellow migrants (what they miss from home, etc.), with whom they share the recent experience of migration (emigration, work, settlement) to the UK. Due to their embeddedness in HPN and in OCN, they also have better knowledge (and access) to the specific Polish products sought by other Polish migrants (e.g. brands of Polish sausages, juices, Polish magazines, software, etc.) whether they purchase
them from warehouses in Scotland or directly from Poland. Regarding direct sourcing (for most businesses), they also have access to the specific suppliers from their embeddedness OCN. Second, market access is available due to geographical proximity (co-location) with other Polish migrants, since Polish entrepreneurs in Glasgow only serve the Polish community locally (not in other locations either in the UK or in Poland). The relational and geographical proximity (in the sense of co-location in Glasgow City) is evidenced for instance in their activities in Polish migrant community Internet platforms (emit, glasgow24), in which they access emotional, informational support about their experience of migration in Glasgow (hence increasing their understanding of the needs of fellow Polish migrants), and in which they use for marketing purposes. As mentioned above, some also serve a broader local clientele (e.g. B. Delicatessen), which they can access through geographic and relational proximity through partial embeddedness in HIN (business-oriented rather than for socialisation), thence spanning over boundaries of HPN. As reported in Table 1, Polish migrant entrepreneurs also engage in diversification processes locally. Those processes take two forms: product/service diversification (i.e. the broadening of service or product offering to the community market) or market diversification or breakout to a wider local clientele (see Table 1).

Second, Polish migrant entrepreneurs have access to labour through the HPN. The shared nationality, experience of migration, and language generate enforceable trust (including feeling of obligation to the community) and facilitates recruitment. Also, relational proximity explains why Polish entrepreneurs would prefer to choose a co-citizen (still geographically close), of whom they better understand their qualification, work experience, motivation, compared to a non-Polish counterpart. Question of access (in HPN) and insidership, and bounded solidarity are other factors explaining the sole reliance on a Polish workforce at earlier stage of the venture.
Table 1: Outsidership, insidership and effectuation

<table>
<thead>
<tr>
<th>Type of Business</th>
<th>Liability and asset of <em>outsidership</em> (perceived enablers and constraints of the host country’s environment)</th>
<th>Resources and <em>means</em> accessed through <em>insidership</em></th>
<th>Effectuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>S. computer-shop</td>
<td>Lack of Market knowledge (HIN) Lack of experience in the sector</td>
<td>Market Knowledge(^1) (HPN) Access to specific products (OCN) - Partial Service specificity (less accessible to other entrepreneurs, HPN) Access to advertising channels (HPN) Labour (HPN)</td>
<td>Yes, start-up and product/service diversification</td>
</tr>
<tr>
<td>B. delicatessen</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN) Access to specific products (OCN) Service specificity (not accessible to other entrepreneurs, HPN) Access to advertising channels (HPN) Labour (HPN) Extending HIN - partial dual embeddedness</td>
<td>Yes, start-up - Partial and product/service and customer diversification - Partial</td>
</tr>
<tr>
<td>L. Legal advice</td>
<td></td>
<td>Market Knowledge (HPN) Service specificity (less accessible to other entrepreneurs, HPN) Access to advertising channels (HPN) Understanding/Relevant qualifications in the UK (HIN) Access to HIN through boundary agents (spouse) - dual embeddedness</td>
<td>Yes, opportunity discovery, start-up and development</td>
</tr>
<tr>
<td>H. Legal advice</td>
<td></td>
<td>Market Knowledge (HPN) Service specificity (less accessible to other entrepreneurs, HPN) Access to advertising channels (HPN) Understanding/Relevant qualifications in the UK (HIN)</td>
<td>Yes, opportunity discovery, start-up and development</td>
</tr>
</tbody>
</table>

\(^1\) Acquired through embeddedness in networks. Not a measurable knowledge, it describes a form of understanding the needs of the community.
<table>
<thead>
<tr>
<th>Name</th>
<th>Issue in HIN (HIN)</th>
<th>Issue in HPN (HIN)</th>
<th>Issue in HPN (HPN)</th>
<th>Type of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>M. Hairdresser</td>
<td>Lack of Market knowledge</td>
<td>Market Knowledge (HPN)</td>
<td>Service specificity (less accessible to other entrepreneurs, HPN)</td>
<td>Access to advertising channels (HPN)</td>
</tr>
<tr>
<td>M. Construction</td>
<td>Lack of English Proficiency</td>
<td>Labour (HPN)</td>
<td>Market Knowledge (HPN)</td>
<td>Access to team (HPN)</td>
</tr>
<tr>
<td>P. Body-shop</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN)</td>
<td>Partial</td>
<td>Access to advertising channels (HPN)</td>
</tr>
<tr>
<td>K. Hairdresser</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN)</td>
<td>Partial</td>
<td>Access to advertising channels (HPN)</td>
</tr>
<tr>
<td>M &amp; L, Restaurant</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Access to specific products (OCN)</td>
<td>Access to advertising channels (HPN)</td>
<td>Labour (HPN)</td>
</tr>
<tr>
<td>I. Hairdresser</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN)</td>
<td>Service specificity (less accessible to other entrepreneurs, HPN)</td>
<td>Partial</td>
</tr>
<tr>
<td>A. Boxing School</td>
<td>Lack of English Proficiency (overcome)</td>
<td>Market Knowledge (HPN)</td>
<td>Service specificity (less accessible to other entrepreneurs, HPN)</td>
<td>Partial</td>
</tr>
<tr>
<td>K. IT</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN)</td>
<td>Access to advertising channels (HPN)</td>
<td>Labour (HPN)</td>
</tr>
<tr>
<td>A. Hairdresser</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN)</td>
<td>Access to advertising channels (HPN)</td>
<td></td>
</tr>
<tr>
<td>Business Sector</td>
<td>Challenges</td>
<td>Key Resources</td>
<td>Diversification</td>
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<td>-----------------------</td>
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<td>----------------------------------------------------</td>
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<tr>
<td>M. Driving School</td>
<td>Lack of Market knowledge (HIN), Lack of English Proficiency (HIN), Lack of experience in the sector</td>
<td>Labour (HPN), Market Knowledge (HPN), Access to advertising channels (HPN)</td>
<td>Yes, start-up and development</td>
<td></td>
</tr>
<tr>
<td>P. Construction</td>
<td>Lack of English Proficiency (HIN)</td>
<td>Labour (HPN), Market Knowledge (HIN), Access to team (HIN)</td>
<td>Yes, opportunity discovery, start-up and development</td>
<td></td>
</tr>
<tr>
<td>M. Delicatessen</td>
<td>Lack of Market knowledge (HIN), Lack of English Proficiency (HIN), Lack of experience in the sector</td>
<td>Market Knowledge (HPN), Access to specific products (OCN), Access to advertising channels (HPN), Labour (HIN)</td>
<td>Yes, start-up and development</td>
<td></td>
</tr>
<tr>
<td>P. IT</td>
<td>Lack of Market knowledge (HIN)</td>
<td>Market Knowledge (HPN), Access to advertising channels (HPN)</td>
<td>Yes, start-up and development</td>
<td></td>
</tr>
</tbody>
</table>
Effectuation and bricolage processes

In addition to being occurring at the start-up phase, the research reveals the importance of *effectuation* and *bricolage* in further developments of the venture. While few entrepreneurs even have a vague idea of what they want to achieve, most *learn by doing*, using the resources *at hand*. First, a number of Polish migrant entrepreneurs engage in product/service diversification (Table 1), i.e. an incremental offering of additional (Polish) products and services to their Polish community clientele, such as opening a beauty salon on the side of the hairdressing salon (I., hairdresser), offering a wider range of martial art classes (P. Boxing School). This process is an iterative and incremental process of assessing and accessing resources (e.g. sourcing new products from Poland, accessing labour from HPN, acquiring better knowledge of the needs of the clientele). Second, the research provides evidence of customer diversification, where Polish migrant entrepreneurs try to and eventually get access to a wider clientele (still locally) extending beyond the boundaries of the community niche market. Once more, the process is undocumented, incremental and iterative, and it relies on resources made available/discovered by the entrepreneur, including access to a broader set of relationship and increasing access to HIN, increasing understanding of local customers, trial and errors (e.g. attempts of distributing flyers in the neighbourhood as for M. garage), and improvement of English language skills (enabling labelling products in English for instance, e.g. M. Delicatessen). This provides evidence of a shift from outsidership to HIN and sole reliance on HPN to a wider access and partial embeddedness in HIN through boundary agents (such as spouses as presented above for both legal advisers), or through increasing embeddedness in HIN (mostly through increasing understanding of local clientele). In other words, Polish migrant entrepreneur *learn* and iteratively assess available resources provided in the host country's entrepreneurial environment and by HIN given their dual and partial embeddedness in HPN and HIN. Importantly, participants showed a marked reluctance to take risk and instead aimed for (household) stability and satisficing outcomes. In other words, Polish migrant entrepreneurs make undocumented decisions on unpredictable future and aim at reaching any outcome using resources available (and incrementally accessed/discovered) through the process of *effectuation* and *bricolage* (hereby mitigating risk). This leads to the creation of opportunities² locally (mostly within the community market), at the start-up phase and during the process of business development through diversification. As opposed to opportunity identification based on *causation* decision-making process and on informed *optimization* of resources towards know ends, Polish migrant entrepreneurs make use of available resources from their networks (initially HPN only) to create business opportunities within the community market. Those opportunities created could not be *instantiated* by indigenous entrepreneurs, given the importance of HPN-specific resources in the process. Subsequently, when Polish migrant entrepreneurs settle in the UK, they get increasingly

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² As displayed in Table 1, four entrepreneurs (two legal advisers and two construction entrepreneurs) follow a different form of opportunity creation process. Termed as *opportunity discovery* by Sarasvathy et al., (2003), through the process of *effectuation*, they discover an opportunity in a market where demand is clearly identifiable but supply non-existent, hence still engaging in *effectuation*, trial and errors, and *bricolage*. In their case, ends are still unknown and unknowable as opposed to opportunity spotting.
embedded in HIN, which leads to a dual embeddedness in HPN and HIN (partial). Through processes of *effectuation* and *bricolage*, Polish migrant entrepreneurs assess and access different resources from those networks and thence engage in other entrepreneurial actions and creation of opportunities in the host country (such as diversification processes).

**CONCLUSIONS**

The findings of the study show the importance of network insidership and outsidership in understanding the process of Polish migrant entrepreneurship in the UK. However, we have attempted to develop a framework that is analytically generalizable (Yin, 2013) to the study of migrant entrepreneurs in any context. First, we propose that the phenomena must be examined processually as a process of proximation and distanciation. These dynamic processes can occur as opposing forces in respect of geographic and relational proximities. For instance, the migrant worker geographically distanciates from the origin country network (OCN) while remaining relationally proximate – and perhaps even increasing relational proximation to it due to feeling of local isolation. At the early stage of venture development, entrepreneurs relay on the host county Polish network (HPN) for the resources to establish ventures (knowledge, capital etc.) and initially, most of the respondents speak of relying on members of the HPN to access resources needed for their venture, i.e. for a customer base and labour. A second phase of business expansion often sense the development of dual networks, with Polish migrant entrepreneurs maintaining embeddedness in the HPN, but creating initial non-redundant ties to the HIN. This initial boundary spanning is often as a result of buyer-supplier interaction, with the Polish migrant entrepreneur fulfilling this boundary spanning role from either position in the dyad. We therefore identify the position of partial embeddedness, however, entrepreneurs always assess and access resources through a process of *effectuation* and *bricolage*, relying on resources made available to them in the networks (OCN, HPN, and HIN) in which they are embedded.

The notion of partial embeddedness offers an intermediate position between network insidership and network outsidership and is an emergent theme from the study worthy of further investigation in respect of its effect of opportunity creation and effectuation processes. There are suggestions in the accounts of respondents that this dual and partial embeddedness may also have an effect on origin country entrepreneurship. There are hints in the transcripts that partial embeddedness in HIN triggers and effectuation process in respect of origin country opportunities, and indeed that relational proximity to actors within the HIN leads to resource flows from the HIN to the OCN. These factors will form the basis of convergence in future phases of the research. There is need for a further sample of repatriate entrepreneurs in Poland to fully complete this study. The sample here from within the HPN limits insight into this aspect but forms part of the future ambition of this research project. We there reject simple proposition of insidership (good) outsidership (bad) and instead visualise insidership and outsidership as a spectrum, in which constraint and enablement are processual. Findings point to the potential for lifecycle type modelling of the process of new venture formation by Polish migrant entrepreneurs in respect of their insidership and outsidership of the three forms of networks discussed.


