

## Are Gender and Immigration a Double Disadvantage? Exploring the Experiences of Sri Lankan Female Immigrant Entrepreneurs in London, United Kingdom

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**Abstract:** Ethnic minority female entrepreneurs play a vital role in developed countries, yet they rarely receive recognition. The research explores the experiences of Sri Lankan female immigrant entrepreneurs and their challenges in London, the United Kingdom. The research followed the path of a narrative approach of qualitative methodology, which is an efficient method to explore people's experiences through a sociologically based theory on “othering” and “belonging.” Seven participants were purposively approached and asked to narrate their stories and share their experiences. The research findings suggest that female immigrant entrepreneurs face many hardships in their businesses. Institutional and consumer racism and a lack of networking are the external barriers they had to face. The internal challenges include the liability of newness and the host country's cultural values. Sri Lankan female entrepreneurs' identities are labeled as an “othered” social group in the UK business community context, treated as outsiders, and made to face structural exclusion. However, gender is not the real villain; ethnicity is the actual undercover devil at business. This research offers a unique insight into female and immigrant entrepreneurship, thereby casting light on an aspect of Sri Lankan female entrepreneurs living in the United Kingdom, which is currently under research.

**Keywords:** immigrant entrepreneurs, female entrepreneurs, gender, qualitative, narratives.

The nature and number of immigrant entrepreneurship have changed considerably over the past two decades (Organization for Economic Co-Operation and Development [OECD], 2021). For example, self-employment among immigrants increased by more than 50% in the European Union, and 12% of the immigrants in the European Union (EU) were considered entrepreneurs in 2020, which was a little lower than the percentage of non-immigrants (14%) (OECD, 2021). Researchers have highlighted the significance of global immigrants' contributions (Duan et al., 2021; OECD, 2021; Promise et al., 2021). This implies the job creation ability of immigrant entrepreneurs. The gender gap related to entrepreneurial activities was somewhat smaller among immigrants than natives. Men's participation in entrepreneurial activities is 1.6 times more than immigrant women, comparable to a gap of 1.8 times among natives (OECD, 2021). In the UK, businesses run by immigrant entrepreneurs contribute around £25-£32 billion annually (Carter et al., 2013), and a whopping £105 billion is contributed by female entrepreneurs to the UK economy every year. However, there is so much more potential to be unlocked (Department for Business, Energy & Industrial Strategy, 2020).

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Despite the evidence, immigrants continuously face dishonor, discrimination, and stereotypical views (Munkejord, 2017, Ullah et al., 2016), leading to possible obstacles for new immigrants seeking their full potential in UK business communities (Lam et al., 2019). Moreover, female ethnic minority entrepreneurs are underrepresented and have lower business performance levels (Sithas & Surangi, 2021; Webster & Kontkanen, 2021). While policymakers generally consider these two groups independently, policy initiatives have often appeared separately (OECD, 2021). Entrepreneurship research also considers these two groups as separate fields. More specifically, immigrants and women have both been researched considerably, but mainly in isolation.

Many Sri Lankans have migrated to the United Kingdom as asylum seekers and high skills migrants for several reasons, such as civil wars, economic conditions, lack of political stability, and escaping poverty (Asian Business Association, 2007). According to the Asian Business Association (2007), Asian businesses and entrepreneurs play a crucial part in the life of London. A solid example of this is that there were 41,000 Asian-owned businesses in London, creating 210,000 job opportunities for people in 2006 (Asian Business Association, 2007). Despite their significance, Sri Lankan immigrants are the least focused group among other immigrant communities in the United Kingdom (Samaratunge et al., 2015). Therefore, this research revolves around the experiences of female entrepreneurs arriving in the United Kingdom between the late 1970s and 2018 who then relocated to London.

Many researchers have consistently highlighted that immigrant entrepreneurs cannot unlock their full potential when starting and running a business (Sepulveda et al., 2011). It has been found that several reasons causing this are less access to resources, negative attitudes towards immigrants, and racism (Sithas & Surangi, 2021; Udah & Singh, 2019). While migrants are known to contribute significantly through their entrepreneurial activities in many OECD countries, they still face many challenges. Formal authorities report that immigrant entrepreneurs encounter structural challenges in accessing finance, capital, and markets, so policy intervention is necessary (Malki et al., 2020; OECD, 2021). Furthermore, numerous researchers have revealed that the double disadvantage is evident in labor force participation and entrepreneurial activities (Munkejord, 2017; Ullah et al., 2016). Immigrant women from developing countries, mainly in Asia and Africa, make up what is known as the most disadvantaged group (Promise et al., 2021). This group of women appears to be at a “double disadvantage.” In this setting, this article looks into the lives of Sri Lankan immigrant women in the United Kingdom and whether they too are at a “double disadvantage”- first as immigrants and second as females. This is done by focusing on the challenges encountered by Sri Lankan female immigrants involved in small business activities in the United Kingdom.

## **Literature Review**

### **Immigrant Entrepreneurship**

The concept of immigrant entrepreneurship means that immigrant businesses are somehow different from other businesses. The process in which immigrants (born in a given country, who subsequently moved to a foreign country at some point in their lifetime) pinpoint, design, and maneuver commercial opportunities in the hope of starting new endeavors overseas can be defined as immigrant entrepreneurship (Dheer, 2018). In early research, culture and ethnicity were represented as the prime features of immigrant businesses. Later, structural conditions in which immigrant entrepreneurship was taking place caught the eye of many researchers, so they began to be examined (Aliaga-Isla & Rialp, 2013).

Therefore, in the present, the once-neglected immigrant entrepreneurship has transformed into a widely discussed topic, both politically and economically (Aliaga-Isla &

Rialp, 2013). Considering the current migration trends in developed countries and the migration crisis in Europe in 2015 (Webster & Kontkanen, 2021), immigrant entrepreneurship is a significant aspect of solving some problems such as unemployment, poverty, and crime (Malki et al., 2020). Therefore, developed countries try to promote immigrant entrepreneurship by providing facilities to help them (Laurence, 2016). However, these immigrants can contribute to the host country's economic development by creating jobs, generating income, and introducing innovation. Researchers found that immigrants are highly entrepreneurial than natives (Dheer, 2018; Webster & Kontkanen, 2021). However, even though they contribute to income generation by creating jobs for themselves and others (Webster & Kontkanen, 2021), a large percentage of these people are taken advantage of in inferior sectors with limited profit and lengthy working hours (Duan & Sandhu, 2021).

Theoretical explanations of the immigrant entrepreneurs' responses to changing opportunity structures in various countries have become dynamic and morphed into an interdisciplinary field. A strong example is the different perspectives that economists, sociologists, and management researchers hold. Many concerns have arisen between researchers from economic backgrounds about immigrant entrepreneurship as an element to be innovated and stimulate economic growth (Duan & Sandhu, 2021; Laurence, 2016). Many sociologists firmly believe that immigrant entrepreneurship is a fragile, vulnerable form of self-employment with low profit and minimal access to benefits through welfare (e.g., Hjerm, 2004). Conversely, researchers with a management perspective have a more balanced view. Through their eyes, immigrant entrepreneurship draws on both economic and sociology traditions. Management studies have contributed to a deeper and more thorough explanation of the cultural (Vinogradov & Kolvereid, 2007) and contextual (Ram et al., 2016) dimensions. The central concepts of immigrant entrepreneurship studies (Ndofor & Priem, 2011) are the significance and value of institutional contexts, social network connections and the immigrants' heterogeneous individual characteristics (Carter et al., 2013).

### **Female Ethnic Minority Entrepreneurship**

The involvement of women in entrepreneurship has increased significantly over recent decades and has become noteworthy in most developed and developing countries (GEM, 2021). However, regardless of the growth in the number of female-owned businesses, female participation in entrepreneurship is persistently low compared to male participation (OECD, 2021). According to GEM (2015), only two countries have more women than men involved in entrepreneurship activities: Ghana and Thailand. In many developing countries, women participate out of necessity because they need to generate an income for their families and have few other job opportunities (OECD, 2021). Further, women are less active than men in business creation. For example, from 2016 to 2020, less than 5% of females in European countries were engaged in establishing a business compared to 8% of their male counterparts. Similar evidence was found in OECD countries, where 9% of women started and managed new businesses compared to 13% of men (OECD, 2021). The gender gaps are consistently highlighted and caused by barriers to access markets and financial institutions, lack of skills, and institutional racism.

Moreover, the results of the GEM survey showed that women were 20% more likely to report business closure due to the pandemic when compared to men. (GEM, 2021). Recently, a new trend has been discovered as the most significant gender gap was found in Europe, where women's business closure rate is very high (50% more likely than men) due to the pandemic (GEM, 2021). However, in Central and East Asia, this trend was flipped, where due to the pandemic, the percentage of men likely to report business closure was higher than the

percentage of women (37.7% vs. 34%) (GEM, 2021). Therefore, this gender gap signifies a missed opportunity for social and economic development in any country.

In the modern multicultural society, ethnic female entrepreneurship (EFE) is a widely popular concept. Annually around £130bn is contributed to the UK economy by all the businesses women and ethnic minorities own. However, female and minority founders face disproportionate barriers when starting and growing a business, despite their extensive contributions both economically and socially. They have dreadful access to finance, face issues relying on formal support, and struggle when securing contracts with the government or corporate (Malki et al., 2020). If these issues are resolved, at least £250bn of additional value could be added to the economy. The hurdles in female immigrant entrepreneurship have not been recognized well or formally documented.

It is generally accepted that women's multiple identities are evolving and constantly reconstructed (Essers & Benschop, 2009). People have different stereotypical ideas about gender, ethnicity, and religion, and extensive identity work is needed to cope with the inequalities of these assumptions. Many Muslim women are forced to give entrepreneurial identity their main priority (Essers & Benschop, 2009). One example is that female Muslim entrepreneurs in the UK are discouraged from following their belief in wearing a headscarf. Identifying and understanding specific challenges different ethnic minority groups face in the United Kingdom is essential.

Female immigrant entrepreneurs are recognized as converting disadvantages as an ethnic minority into advantages. This is done by making the most of both cultures and even fusing them to sustain their businesses (Essers & Benschop, 2007). Understanding how ethnic women in the UK comply with or avoid potential constraints in the entrepreneurial context is vital. Furthermore, female immigrant entrepreneurs suffer from the disadvantages of ethnicity. As females, they provide services to serve the needs of other ethnic females. In an urban economy, they have established a unique market niche (Hjerm, 2004). Employment opportunities are provided to people from their ethnic groups. Ethnic enclave support is vital if a successful entrepreneurial journey is to occur (Ndofor & Priem, 2011).

In this setting, the knowledge that these studies contribute is appreciable, and each has added new dimensions to the existing literature. Extensive research has been carried out on immigrant or ethnic minority entrepreneurs, but not the combination. Numerous studies have created knowledge through quantitative research, but few studies have adopted qualitative methods. Research related to immigrant entrepreneurship revealed an increasing trend in the past decade. However, as different theories and perspectives were applied to the studies based on sociological and economic aspects, the research findings also differed. The majority of researchers used an economic perspective rather than a sociological one.

## **Theoretical Framework for the Study**

This research aims to explore women's experiences through the lens of a sociologically based theory on "othering" and "belonging". While othering processes marginalize people based on perceived group differences, belonging gives the advantages of being a member of a particular community, including the care and concern of other members. Othering can be defined based on place, race, religion, nationality, or language. It is not these attributes themselves that are the problem, but how they are made noticeable and manipulated. "Belonging" implies that people have a great voice and the opportunity in a particular culture or society. Udah and Singh (2019) suggest that othering practices negatively affect migrants and refugees: they marginalize and exclude them and tamper with their ideas and sense of belonging. In Australia, when trying to understand marginalization, exclusion, and challenges faced by ethnically and racially marked people, othering is essential.

Ethnic and immigrant words are often used interchangeably in the literature. The term “ethnic” refers to a particular group of the same culture, ethnicity, or nationality. The theory of ethnic enclave originated from the sociology area, and now it expands into different areas such as entrepreneurship. Researchers found that ethnic enclaves develop when ethnic minorities face issues and challenges hindering their entry into the mainstream of the host country. The enclave theory suggests the hesitancy of ethnic groups themselves to abdicate the values of their home countries and the mainstream society’s reluctance to accept them due to Othering as the reason why immigrants fail in progressing through the social structures (Fong & Shen, 2011). The literature on ethnic entrepreneurship proposes that ethnic minority entrepreneurs tend to their ethnic enclave as they have the expertise, knowledge, and contacts to provide mainstream necessities in the host country markets (Waldinger, Aldrich & Ward, 1990). For example, many cities have areas like ethnic towns based on countries of origin in Western countries, like “China Towns” in Los Angeles and San Francisco in the United States and Liverpool and London in the United Kingdom. Moreover, many studies revealed that Asian ethnic entrepreneurs in the United Kingdom depend on a single coethnic customer base, which may be unfavorable to the business (Dhaliwal, 2007). Collins and Fakoussa (2015) revealed that ethnic enclaves could be a trap threatening the development, growth, and opportunities of ethnic businesses to break into the mainstream arena.

The paper also considers the influence of the disadvantage theory. Disadvantage theory suggests that most immigrants face disadvantages hindering them upon arrival while managing their behavior (Barrett et al., 2002). First, they lack human capital such as education, experience, and language, blocking them from obtaining good jobs in the host country and pushing entrepreneurship as the only career option (Kazlou & Wennberg, 2021). Second, discrimination, limited knowledge and experience of the local culture, and a lack of contacts can lead ethnic minorities to start businesses rather than find jobs (Kazlou & Wennberg, 2021). They choose entrepreneurship as their career option as they do not have any alternatives. This theory suggests entrepreneurship is not a sign of success but simply an alternative to unemployment. Ethnic minorities face extra barriers and challenges, such as discrimination in upward social mobility due to complex historical, social, and economic realities (Lam et al., 2019).

## **Methodology**

Qualitative research has a critical role in the exploratory phases of a research topic, especially if the subject or phenomenon under investigation is complex and has little background information. Therefore, this research follows a qualitative exploratory research approach as the nature of the research problem is complex and under-researched. This study revolving around female immigrants is based on the philosophy of social constructivism. The female entrepreneurs’ experiences and interpretations will vary if this philosophy is applied. Different meanings of individual situations and different identities, such as their diverse roles, activities, and influences within their businesses, are constructed by immigrant entrepreneurs based on their own perceptions of reality. Due to these situations, multiple realities may be constructed.

The narrative design would be the most relevant qualitative research when studying culture, history, language, and identity (Riessman, 2002; Wang, 2019). The narrative mirrors social life for sociologists, as culture expresses itself through a story (Clandinin & Connelly, 2000; Cruz et al., 2020). Researchers can evaluate the importance of culture and history through narratives (Clandinin & Connelly, 2000). Therefore, based on its setting, the narrative would be the most appropriate research design for this study.

The United Kingdom, specifically the capital city of London, is world-recognized for its entrepreneurial business spirit, which immigrants help to fuel. The research focuses on the experiences of female entrepreneurs who arrived in the United Kingdom between the late 1970s and 2018 and then relocated to London. The participants were selected using a combination of heterogeneity and snowball methods under purposive sampling to include people with different experiences of the phenomena being studied. In-depth semi-structured narrative interviews were conducted over six months (April 2018 to October 2018) depending on individual availability. Two interview sessions were held with each participant. The interviews took place with minimum distractions, and the study participants chose these places. The average interview time was around one and a half hours. The shared position of the researcher (being a Sri Lankan and not an entrepreneur) was beneficial as it gave access, entry, and common ground from which to begin the research. In addition, participants were more enthusiastic about sharing their experiences because there is an assumption of understanding, as if they sensed, 'You are one of us,' and it is 'us versus them' (those on the outside who do not understand) (Siwale, 2015; Dwyer & Buckle, 2009). The key informants' interviews were conducted before the main data collection. The key informants in this study included one of the Sri Lanka High Commission officers in the United Kingdom, a Buddhist monk from one of the temples in London, and one member of the Council for Business with Britain - Sri Lanka. The key informants provided information about the community's research participants and the area's general background.

Using an audio recorder to document the discussions helped organize the participants' responses and allowed the researcher to review the transcription. This procedure helped ensure accuracy, providing written evidence of participants' words. Afterward, the completed transcripts for each story were read thoroughly to identify the themes. This research involved a combination of prior and theoretically derived codes. Member checking, triangulation, and thick description were used to assure the study's trustworthiness. Ethical procedures were followed in each stage of the research.

## **Findings and Discussion**

### **External Barriers**

#### ***Institutional Racism***

Institutional racism is racism rooted in a country's laws, rules, and regulations or an organization's culture. Sometimes racism can be seen through verbal or even physical abuse towards someone because they come from a particular ethnic or cultural background. Except for two participants, all the others replied that bank loans were inaccessible. The inaccessibility to bank loans and other facilities, including overdrafts, is a significant barrier for entrepreneurs to finance their start-up capital, develop their business and expand it. As illustrated by the participants' experiences and individual stories, the inability to access bank loans applies to beginners and well-established businesses. Banks are a potential source of Sri Lankan immigrant entrepreneurs "othering," as can be seen from quotations from two participants; "The council and banks do not usually support immigrant entrepreneurs. Many entrepreneurs from different countries are disappointed by how the council reacts" (Participant 2). Participant 5 stated, "When I went to the bank, I was not treated well. The bank saw me as an unwanted risk rather than a potential customer. As a result, I felt extremely offended and like a second-class citizen." These examples infer that Sri Lankan females are not taken seriously and anticipated as "more significant risks" rather than potential customers by lenders. Due to increased risk aversion perseverance from banks as lenders, Sri Lankan female entrepreneurs will have no

chance of securing any bank loans. The following quotation revealed that women face discrimination due to their ethnicity when they go to a particular institution.

*I started this guest house in 2005. As it is in my own home, it is effortless. However, although I registered with three agencies, they did not send me a sufficient number of customers. They especially avoided sending me European customers and only sent Sri Lankan customers. So, I feel that I am treated unequally.* (Participant 2)

Non-white populations are disproportionately impacted as some organizations continue to discriminate based on ethnic segregation, though discrimination based on race and ethnicity is illegal today. According to the market disadvantage theory of entrepreneurship, opportunity-based entrepreneurship and new venture growth depend on the access to resources by founders (Alvarez & Busenitz, 2001). However, immigrant women continuously face challenges in terms of access to resources. There is support from previous studies that showed how the lack of access to financial, social, and human resources reduces the immigrant entrepreneurs to detection and act upon discovered opportunities (Davidson & Honig, 2003).

### **Consumer Racism**

Racism and discrimination often exhibited in the market have been considered much research. For example, the behaviors of majority and minority consumers toward minority-owned businesses, minority-owned businesses toward minority and majority consumers, racism and discrimination within specific industries such as tourism, banking, high-tech, healthcare, etc., were under research areas. One participant in the study related,

*I am also a Therapist. I do massages, aromatherapy, and reflexology to relieve pain in the feet for those she trusts the most. I do it for men as well, and I need to trust them a lot. However, many of my clients are from Asian and African countries; I rarely get British customers. From what I have heard from other people, the most significant barrier for a south Asian, a black African, or a Caribbean person setting up or doing his/her business in the UK is racism and prejudice.* (Participant 4)

According to the extract above, the woman mostly gets customers from her ethnicity, and she does not have a solid customer base when considering the native people. These findings have complied with the essence of the ethnic enclave theory. After recounting her customers' attitudes, a restaurant owner questioned her professional capability in running a restaurant business in a predominantly White neighborhood. She noticed that these residents behaved suspiciously and questioned her food and kitchen hygiene from comments she received in person and comments left on her website. In this setting, negative societal attitudes towards immigrants and ethnic communities would be a significant barrier to starting and running the business. The model predicts that consumer racism will affect ethnic majorities' judgments and willingness to buy products from each country's dominant ethnic minority, aligning with Ouellet (2007).

### ***Lack of Networking***

Co-ethnic networks have been highlighted significantly in immigrant entrepreneurship literature (Munkejord, 2017). For immigrant entrepreneurs, opportunities in the business environment are identified through informal networks like family, friends, and relatives, and they lack a good relationship with the mainstream society (Ndoro et al., 2018). Female entrepreneurs' narratives revealed that networking relationships are vital as they lack resources and knowledge about the host country's society. However, they mainly depend on informal networks. As participant 1 noted, female immigrant entrepreneurs face many financial difficulties and are regularly forced to use informal networks to raise finances. She said, "I had a lot of financial difficulties at the start-up level, and I could not get a bank loan. However, my mother, who also lives in London, gave me £35,000."

When immigrants have no credit history or a relationship with a financial institution, start-up capital becomes a significant problem. Due to the absence of a "track record," immigrant entrepreneurs face difficulties convincing potential stakeholders (e.g., investors, customers, and suppliers) to begin business relationships. This impedes their chances of penetrating new sectors that need relevant starting capital, which is usually beneficial. It is a continued belief that immigrant entrepreneurs' business networks are primarily based on relationships with co-ethnic relatives and acquaintances living near the host-context (Waldinger, Aldrich & Ward, 1990). However, a limited personal network, which is often composed of own ethnic networks, does not help.

Disruptions in their social networks during migration and many barriers arising when establishing new business relationships and connections are generally experienced by immigrant entrepreneurs, which leave them vulnerable to loneliness both socially and emotionally. Participant 6 was asked to elaborate on her story of the start-up phase as the researcher found it difficult to accept the short, uncomplicated narrative. Instead, the researcher wanted a detailed, rich and detailed description of the start-up phase. Participant 6 then began to retell the difficulties related to the start-up that she would not have had in her mother country.

*Speaking honestly, I worked extremely hard when I started this hotel. My husband found it difficult to help me because of his job, so I was left with no support. It was I who cleaned. Apart from the person who came to iron that, I did everything else myself. After breakfast, I would clean the place and go downstairs to my home. Then would cook and keep the food ready before the children come home and leave for the hotel again by 11.00 am because check-out time is 11.00 am and check-in time is 1.00 pm. We get the expected arrival time from the customers, and depending on their times, we get the rooms ready between 11.00 am and 1.00 pm. I also used to answer the phone calls and the doorbell. I used to sleep only about 1 or 2 hours. Sometimes I feel as if I did too much work those days, which is probably why I fell sick. If I am in Sri Lanka, I know I have many to help me. (Participant 6)*

Participant 3 also talked about the start-up level and her business lacked network contacts.

*I swiftly realized that entrepreneurship can be a lonely journey in another country. I lived far from my home country, with no relatives or close friends around me. I was very involved in the business. Honestly speaking, those days were very challenging. Some nights I had only four hours of sleep.*



These women put in a lot of hard work as they have minimal relationships and little support at the beginning of their businesses. However, the businesswomen based in London have to carry out their work without any support or other help. The findings of the current study aligned with Ensign and Robinson (2011), who revealed that it was likely that a certain level of entrepreneurial spirit and drive is exhibited when an individual departs their homeland, many pieces of research suggest that immigrants are a separate group reporting higher levels of loneliness (Wu & Penning, 2015). A higher percentage experience social disruptions and increased isolation due to migration from one country to another. Immigrants, especially immigrants new to the field, have a high probability of experiencing unique stress in acculturating to Canadian society, a few being culture shock and difficulty in being employed (Wu & Penning, 2015).

### ***Gender is Not the Villain; The Real Undercover Devil is Ethnicity***

The importance of female entrepreneurship for economic and social development in any country is consistently highlighted in the literature. Numerous studies prove the positive impact of female entrepreneurs on economic growth and development. However, women entrepreneurs in many societies are in the minority, and they have to face many obstacles on their entrepreneurial journey. In most countries, a woman's identity is constructed primarily as a caregiver and mother. As a result, women have domestic responsibilities more than double that of their male counterparts, limiting their ability to start and run a business. In contrast, most women interviewed in this study said that being a woman had not handicapped them when running their businesses. In this case, female entrepreneurs felt that being a woman was advantageous. Participant 5 related,

*Unlike most in my field, I see being a woman as an advantage since a large percentage in the field are men. Even if Hotel Management is taken into the light, men are more dominant. The polite and friendly way women speak helps work to be done smoothly. Authentically speaking, being a female in this industry is practically a blessing. From my experience, I can say that most clients prefer to be received by a lady. The smile on a client's face is brighter when greeted by a beautiful and outgoing woman rather than an inhospitable man. So, my perspective is that having women in this industry is profitable, but not our Sri Lankan identity.*

Similarly, participant 2 shared the view that being a woman was helpful in her business. For example, when booking a hotel or negotiating a discount, she can deal with it smoother and more swiftly than her husband. An explanation for this is the lady's favorable attitude when dealing with disruptive problems. The Sri Lankan constitution speaks of equality between sexes. Nevertheless, in practice, women are not treated equally to men. Women suffer from male stereotypes and social norms about a women's role, identity, ability, and capacity, and they are treated accordingly. Sri Lanka still has a dominant male society, and women are considered secondary. Sri Lankan Society and family expect her to be a good mother and wife and always be available for her family, whereas business demands her to be a leader and show commitment. Therefore, gender is a barrier for women to enter the business world in many developing countries. However, this situation is different in developed countries like the United Kingdom.

*Initially, I wanted to find out good job here. I have an excellent educational background. However, when I went for the interviews, they felt that you are a*

*temporary resident with work authorization, so many companies denied me employment. In addition, I realized that only the Asian and African employees were asked for copies of their work authorization papers in some cases, while other American and European employees with similar work statuses were not asked to present these documents. Sometimes, I experienced verbal abuse because of our immigration status, not because of gender. (Participant 1)*

In comparison, being female was a protective and positive role in the business, and on the other hand, being an immigrant had a substantial negative impact on the entrepreneurial process. All study participants living in the United Kingdom as immigrants shared negative experiences due to their immigration status. In this setting, in line with the theories of “othering and belonging” and “disadvantage theory,” it is clear that other than the issues and challenges faced by any entrepreneur, immigrant entrepreneurs deal with extra difficulties because of their nature of othering.

### **Internal barriers**

Internal barriers are factors within the entrepreneur’s direct environment, family, and co-ethnic community where the business has adjacent acquaintances, and the Sri Lankan female entrepreneurs possess a reasonable percentage of control.

### ***Liability of Newness***

The liability of newness indicates that new companies experience various problems connected to their newly established status falling under different categories. The liability of newness creates a two-fold problem: 1) developing a company’s validity to access resources and 2) swiftly assembling these resources to construct an organizational capability to support entrepreneurs in exploiting opportunities. A few examples of the resources needed to construct an organizational capability are finance, employment, raw materials, suppliers, a customer base, and government approval and support. Overcoming these challenges with thoughtful strategies and intentional actions is vital if a company is to survive the start-up phase. Immigrant entrepreneurs often fail to access external resources in their host countries. Furthermore, they may face difficulties thoroughly understanding government rules and regulations, local market forces, and consumer discipline.

The participants stated that the foreign environment of the host country poses a significant challenge to their businesses. Most participants in the start-up phase pointed explicitly to the host country’s legal and regulatory structure; participants in the registration phase were more concerned with resource access and business relationships. Despite many national and local governments’ support, immigrant entrepreneurs are often bewildered by their host countries’ economic, political, and cultural environments. Consequently, it is not easy for many immigrant entrepreneurs to adapt to a new environment with rules, regulations, required licenses, and government approvals. As some researchers have observed, immigrant entrepreneurs require much assistance in learning how to do business in such environments (Ngoro et al., 2018). In the start-up phase, some immigrant entrepreneurs struggle with harsh laws and restrictions in the host country.

All my interviewees had migrated to London at a young age, so they were unfamiliar with London’s business environment. They were unaware of legal and tax details, the foundation of a business, the organizations providing support, etc., which were all contrasting with Sri Lanka. This led to them learning these from scratch. Another factor is London’s varying business culture. One example is that going out for meals is not very regular in Sri

Lanka, but most British people are regular customers at pubs and bars. So, to begin a restaurant/hotel, a woman needs to have a thorough understanding of the culture first. Immigrant entrepreneurs such as farmers, grocery store owners, and restaurant owners in the agri-food industry, often cultivate and advertise ethnic food targeting niche markets (Angelini et al., 2015; Bizri, 2017). Ignorance of the domestic markets builds up an environmental challenge targeting immigrant entrepreneurs (Barrett et al., 2002; Carson et al., 2021; Carter et al., 2013).

Participants stated that adaption and integration must be carried out smoothly when operating in a new environment, culture, and social system. The primary internal challenges arising for immigrant entrepreneurs are the inability to keep up with the customer's expectations, adequately communicate and negotiate, deal with demanding customers, and adapt to and integrate contrasting dining habits, etiquettes, cultures, and systems. For example, a restaurant manager recounted the barriers encountered; "I was inefficient when communicating with customers due to cultural differences, and it took me a while to understand the system and customer service culture here" (Participant 4). Another participant, who was also a restaurant owner, showed that adapting to dining etiquette and culture always was and remained a challenge:

*In the UK, dining-in is not part of the main culture, especially in the daytime, but mainly take away culture, and Sri Lankan food (Rice) is not designed for that. So, it has been a challenge to adapt to that, and I am still struggling.*  
(Participant 2)

The language problem is one of the major issues in gaining access to financial and social capital and adjusting to a new culture. Miscommunication can cause customers to misunderstand the entrepreneur and her business; "Many of us did not come here with English skills already developed, many have a thick accent, and almost all feel unconfident in expressing ourselves fully in English" (Participant 2). Participant 3 added, "For newcomers, they are pretty limited when it comes to language, so they cannot express themselves well."

Lack of English proficiency is also perceived as a critical barrier for immigrant entrepreneurs. The language barrier is a significant challenge as it disturbs communication with others, which is vital for survival. In addition, it can create problems for newcomers, such as difficulty finding work. Limited knowledge of the language is one of the constraints for the immigrants for a successful entry to the job market of the host country, and as such, it is a push element for some immigrants to start up their own businesses (Dhaliwal, 2007; Duan & Sandhu, 2021). Collins and Fakoussa (2015) believe that some entrepreneurs start self-employment due to the lack of language skills essential to finding a job in the host country. Fong and Shen (2011) state that inadequate language skills influence the matching process among immigrants' skills and resources and influence opportunities offered by the markets.

### **The Host Country's Cultural Values Will Always Follow You Like Your Shadow**

Culture is vital for any entrepreneur because it is the mechanism that institutionalizes the values of its founders (Ensign & Robinson, 2011). Researchers mentioned several vital factors on the critical issue of historical experience on the effects on the well-being of migrant inflows (Ensign & Robinson, 2011; Kazlou & Wennberg, 2021). For example, they found mixed evidence, ranging from positive and negative effects (Carson et al., 2021). However, many researchers argued that migrating to developed countries contributed to the richness of cultures, ethnicities, and races (Angelini et al., 2015; Lam et al., 2019). Therefore, the perceived

advantages of immigrants include cultural diversity, which deepens everyone's well-being (Angelini et al., 2015).

The story of Participant 4 being an entrepreneur is associated with the tale of being a good mother. According to her, her children are accustomed to a Sri Lankan lifestyle and often require their mother. Although her son is 11 years old, she still drops and picks him up from school, goes home with him, provides him with his food, and keeps him company for about two hours. On some days, he even accompanies her to the business place. Her daughter, too, talks about everything going on at her university after returning home. Both her children do not do certain things that their peers do. Therefore, they are more attached to her mother than their father. Throughout Participant's 3 narratives, she mentioned the importance of family bonds and the responsibilities of a good mother several times. As a result, she feels close and in touch with her family. For example, she described, "Until now, I have never advertised my business for fear of receiving an unmanageable workload, which would shorten the time I spend with my children. However, my children mean the world to me, so I definitely prioritize my children." She proceeded with her story, "Many customers ask me why I will not open a cake shop. If I do, I need to open and close it on time. This would make my housework difficult." This explanation infers women's need for flexible work hours and a constant balance between work and family. This has been identified as the primary motivator for women to pursue entrepreneurship, leaving minimal time for anything else. In her narration, her dedication to being a mother continued.

*Whatever I have on the agenda for that day, I do not fail to serve food to the children and ask how their day has been. My kids do not go anywhere without a parent, but I keep watch over them at all times. (Participant 3)*

The above quotation also clearly depicts the limited time for other activities like networking. This robust presence of family in her story would surprise many, one of them being me. One of the greatest fears of Sri Lankan women in London is that their children might adopt an amiss route in life due to parting from their homeland; as a resolution, they try to spend as much time possible with their children. This has limited their business activities. Most participants in the study consider themselves representatives of Sri Lankan culture, and they are proud of their culture. They started by introducing many Sri Lankan foods in their restaurants to the United Kingdom. Today, Sri Lankan cuisine and culture are part of the multicultural offerings in the United Kingdom. Sri Lankan migrants have made the United Kingdom a multicultural society and have significantly contributed to the United Kingdom being a tolerant society that reflects the broader diversity of values of the rest of the world. Findings from a similar context are congruent with the findings of this study (Collins & Fakoussa, 2015; Samaratunge et al., 2015) as they revealed that immigrants bring etiquette, music, and cultural tastes to the host country. Most importantly, they also bring new business ideas about marketing, management, technology, and more. Confronting a problem with a fresh perspective is a huge advantage (Collins & Fakoussa, 2015). Further, immigrants have unique perspectives and ideas that locals do not have. For example, immigrant entrepreneurs are better at identifying opportunities than native entrepreneurs, who are more creative and innovative (Kazlou & Wennberg, 2021). Immigrants come by that naturally. However, despite growing research interest in immigrant entrepreneurship, few researchers have focused on exploring the home-country effects on immigrant entrepreneurship (Duan et al., 2021; Webster & Kontkanen, 2021).

## Conclusion and Future Research Agenda

Immigrant entrepreneurship has received more attention from the academic community and policymakers. However, Sri Lankan immigrant entrepreneurship has been rarely considered. In London, Sri Lankan female immigrant entrepreneurs face increasingly high challenges due to their racial and ethnic identities and internal and external immigrant status. When attempting to understand the legalities of local business environments, significant challenges arise for immigrant entrepreneurs. They usually enlist in providing niche services and products. When accessing variations of formal social support, e.g., formal business and financial support, many participants were said to have encountered difficulties. The immigrant entrepreneurs interviewed showed that informal support channeled through participants' families is a critical emotional and instrumentally source. However, customarily, they do not view themselves as migrants but as entrepreneurs who need to share their general problems. Ethnic discrimination causes a community of ethnic minority businesses to hesitate when applying for business loans. Many women in the study had experienced discrimination because of their immigrant status, not because of their gender identity. This article explores and investigates the significant value of co-ethnic networks for the start-up and development of immigrant entrepreneurial businesses. This article unveils the family's critical role as a network of resources that may allay the disadvantages of immigrant entrepreneurs through perceptive connections. Addressing the challenges that female immigrant entrepreneurs face would be incredibly favorable for the economic growth of host nations. This narrative research attempts to understand the phenomenon of immigrant female entrepreneurship. It adds to the limited literature and scant theoretical discussions on the emergence of policy changers for promoting female immigrant entrepreneurship by drawing on theories such as market disadvantage, ethnic enclave, and belonging and othering to explain the challenges immigrants face. This narrative research provided deep insights.

The present narrative study has pointed out important implications for policy for immigrant women entrepreneurs. First, the findings suggest that policymakers should consider the differences in ethnic groupings when developing policies intended to lessen the barriers faced by women. In the main, it has highlighted that despite efforts by the government to promote immigrant female entrepreneurship, these entrepreneurs often are unaware of existing mainstream business support provisions, especially government business support. Second, the findings imply that the government must support female entrepreneurs, especially in the business start-up stage. This research indicates that women are less likely to set up enterprises than men (Marlow and McAdam 2013). Third, the findings can motivate business support providers to provide specialist, gender-sensitive business support programs that fulfill female entrepreneurs' unique needs. Fourth, the results suggest that business support providers should extend their networks with diverse communities to provide valuable social capital for female entrepreneurs. Finally, the UK government should grant more funding to general and specialist business support agencies to help immigrant entrepreneurs with female-focused business support programs as gender-specific programs demand greater.

There are some limitations linked with this study, and these limitations, pave the path for future research in this area. First, this study could be subjective as the data were collected from one viewpoint, that of female entrepreneurs. Data collected by interviewing the women's husbands, family members, or employees could triangulate. Second, further comparative studies, particularly between developing countries, are necessary to understand how cultural variations influence immigrant female entrepreneurs' business start-ups. For example, Sri Lanka entrepreneurs could be compared with those from other Asian and African countries. Third, this study used a fixed period for the data collection. Therefore, further research could be a long-term study. Adopting a long-term study would help deepen our understanding of

female immigrant entrepreneurs' challenges and ascertain if, and if so, which variations endure when female entrepreneurs adopt the host country's environments.

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