RESEARCH: MIGRANT ENTREPRENEURSHIP IN LEWISHAM

DELI Project

November 2014
CONTENTS

GLOSSARY ................................................................................................................................................... 3

1. Introduction and context

1.1 Targeted data collection: challenges and opportunities .............................................................. 7

2. Methodology ...................................................................................................................................... 9

3. Results .................................................................................................................................................. 122

3.1 Socio-economic profile .................................................................................................................. 12

3.2 Findings from BAME and migrant entrepreneurs and Business support organisations .......... 21

4. Case studies ...................................................................................................................................... 37

5. Conclusions, recommendations, limitations of research and further research

5.1 Conclusions ..................................................................................................................................... 40

5.2 Recommendations .......................................................................................................................... 43

5.3 Limitations ..................................................................................................................................... 45

5.4 Further research ............................................................................................................................ 46

Appendices

APPENDIX I. Questionnaire e-survey .................................................................................................. 48

APPENDIX II. Template interview BAME entrepreneurs ................................................................. 54

APPENDIX III. Template interview business and migrant associations .......................................... 55

APPENDIX IV. Example of a supplier diversity questionnaire ....................................................... 56

Acknowledgements

Researchers
• Marta Pérez Ramírez, with Iwona Wardach and Alice Anselmi, Access Europe Network

Business/economic data and outreach
• GLE One London, Business Advisory Support
• Brian Smith and Thomas Chan, BAME business support experts

DELI project co-ordinators
• Paul Hadfield, Economic Development, London Borough of Lewisham
• Marta Pérez Ramírez, Access Europe Network
GLOSSARY

BAME: Black, Asian and Minority Ethnic (EMB is Ethnic Minority Business)

Best value for money: is a criterion used during the procurement process to assess the bid that offered the maximum benefit from the goods and services to be acquired and provided. It might be difficult to measure as it takes account of a range of factors including quality, cost and other resources, and environmental and social strategic objectives as defined during the procurement cycle.

Diversity and equality clause: is a contract performance clause which requires the contractor to change its employment practices in order to prevent discrimination and to promote equal opportunities. It is a measure that promotes organisational change and social responsibility.

Employment: the exercise of activities related to labour or work regulated under national law or in accordance with established practice, for or under the direction and/or supervision of an employer.

Entrepreneurs: are those persons (business owners) who seek to generate value, through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets.

Entrepreneurships: is the phenomenon associated with the entrepreneurial activity: activities in pursuit of generating value through the creation/expansion of economic activities by identifying new needs (products, processes, markets, etc.).

Immigrant entrepreneur: refers to migrant-owned businesses and to self-employed independent professionals with a migrant background.

Mainstream business associations: Private sector associations who play a strong advocacy role in proposing policies and regulations on private enterprise in the public-private dialogue. I.e. Chamber of commerce and industries which form business networks.

Often migrant entrepreneurs are not part of these associations, and therefore their abilities to network, to have access to information and to develop their businesses are reduced.

Mainstream economics: it follows rational choice theory, which assumes that individuals make decisions that will maximise their own utility, and uses statistics and mathematical models to demonstrate theories and evaluate various economic developments.

Migrant:

- **Documented migrant** - A migrant who entered a country lawfully and remains in the country in accordance with his or her admission criteria.
- **Economic migrant** - A person leaving his or her habitual place of residence to settle outside his or her country of origin in order to improve his or her quality of life, for economic reasons. Economic migrants do not fall within the criteria for refugee status.
- **Irregular migrant** - A person who, owing to unauthorised entry, breach of a condition of entry, or the expiry of his or her visa, lacks legal status in a transit or host country. The definition covers inter alia those persons who have entered a transit or host country lawfully.
but have stayed for a longer period than authorised or subsequently taken up unauthorised employment (also called clandestine/undocumented migrant or migrant in an irregular situation). The term "irregular" is preferable to "illegal" because the latter carries a criminal connotation and is seen as denying migrants' humanity.

- **Skilled migrant** - A migrant worker who, because of his or her skills or acquired professional experience, is usually granted preferential treatment regarding admission to a host country (and is therefore subject to fewer restrictions regarding length of stay, change of employment and family reunification).
- **Long-term International migrant**: is someone who changes his or her country of usual residence for a period of at least a year, so that the country of destination effectively becomes the country of usual residence. This definition does not necessarily coincide with those used by other organisations.
- **Temporary migrant worker** - Skilled, semi-skilled or untrained workers who remain in the destination country for definite periods as determined in a work contract with an individual worker or a service contract concluded with an enterprise. Also called contract migrant workers.

**Migrant-owned businesses**: is an independent business that is at least 51% owned and controlled by one or more migrants; and whose management and daily operation is controlled by one or more of the migrant owners.

**National**: A person recognised as having the status of a legal bond with a State as provided for under law.

**Nationality**: The status of being a citizen of a particular nation or country.

**NEET**: Young people aged 16-24 Not in Education, Employment or Training.

**People with a migrant background**: who, in many cases, is born in the EU/UK to families that immigrated into the region many years before or even several generations before.

**Procurement**: The process of acquiring goods, works and services from third parties and from in-house providers. The process covers the whole life cycle: from identification of needs, through to the end of a services contract.

**A self-employed person** is someone who:

- runs their own business and take responsibility for its success or failure;
- has several customers at the same time;
- can decide how, when and where they do their work;
- is free to hire other people to do the work for them or help them at their own expense;
- provides the main items of equipment to do their work.

**SME**: Small and Medium Size Enterprise

**Social clause**:

- is a contract performance clause which requires the contractor to hire people with a disadvantaged position on the labour market (including ethnic minorities and people with a migrant background) in order to perform the contract.
• in public procurement procedures this refers to social and labour standards that contractors have to fulfil in order to tender for public contracts. Such clauses require that all bidders respect certain locally established standards so that public contracts do not exert a downward pressure on wages and working conditions.

**Supplier Diversity:** is considered to be a proactive activity undertaken by large purchasing organisations to ensure that all relevant, potential suppliers have the fair and equal opportunity to compete for business within their supply chains.
1. INTRODUCTION AND CONTEXT

Most EU Member States have experienced increasing migration since the 1990s\(^1\). Migrants from third countries represent around four percent of the total EU population and all of the eight OECD Member States with the largest immigrant population (Austria, Germany, UK, Spain, Italy, France, the Netherlands and Sweden) witnessed a growth in the number of new foreign-born entrepreneurs in the period 1998-2008.

The composition of EU's population is thus changing, and European societies are experiencing an increasing diversity. These changes require a new response from local and national government to ensure that services are in place to support migrants. The European Union has recognised the key contribution that migrant entrepreneurs can make to sustainable growth and employment, stating that "their creativity and innovation capacity should also be reinforced"\(^2\).

In the UK, around half a million people from 155 countries have settled in and launched businesses and migrants own one in seven of all UK companies. Their entrepreneurial activity is almost double that of UK-born individuals and the UK is therefore reliant on entrepreneurial migrants to play a significant role in launching businesses, creating jobs and growing the economy\(^3\).

However, migrants often face legal and socio-economic difficulties in accessing mainstream markets. European migrant businesses are mainly micro-businesses, small as regards turnover and profit. And although migrants have higher business creation rates than the rest of the population, they are also more likely to fail due to a lack of information, knowledge and language skills\(^4\).

Support measures for SMEs also remain unbalanced, with a substantial number of EU countries still failing to take into account the characteristics and needs of migrant-owned businesses when designing policies and laws. Moreover, often these businesses experience structural barriers in becoming suppliers for mainstream businesses.

**The challenge for public authorities is to create an environment that actively encourages the development of migrant entrepreneurship and supports their inclusion in local economies.**

In this context, Diversity in the Economy and Local Integration, DELI\(^5\), was established. DELI is a European project aimed at fostering more efficient local policies in support of migrant-owned SMEs and migrant entrepreneurship as part of wider diversity and inclusion policies.

DELI is a joint project of the Council of Europe\(^6\) and the European Commission and is carried out in co-operation with the Migration Policy Group\(^7\). The project is based on a partnership network of 10

\(^{1}\) Boswell Christina, 2005, Migration in Europe, paper prepared for the Policy and Analysis and Research Programme of the Global Commission on International Migration.


\(^{3}\) Centre for Entrepreneurs and DueDil, 2014, Migrant entrepreneurs: building our businesses creating our jobs, Centre for Entrepreneurs and DueDil publishing, London, UK


\(^{5}\) Diversity in the Economy and Local Integration (DELI) website: [http://pjp-eu.coe.int/en/web/deli](http://pjp-eu.coe.int/en/web/deli)

1.1 **Targeted data collection: challenges and opportunities**

DELI aims to develop standards and benchmarks for services to migrant entrepreneurs, to be used as tools to design, implement, monitor and improve public policies and services in support of migrant businesses and inclusive entrepreneurship. As part of its role in the DELI project, and to improve understanding of the socio-economic context within which partners were operating, Lewisham and other project partners were asked to collect and provide quantitative data related to demographics, labour markets, education, the economy and procurement, using common questionnaires.

All project partners encountered difficulties in collecting information, mainly with regard to data related to migrant entrepreneurs and their participation in procurement processes. The main difficulties were the lack of local data, since much data is available only at regional or national level; problems in collating all the information in a consistent way as different Council departments store information in various types of formats; and the fact that economic data makes little or no distinction between nationals and non-nationals.

Immigration is a sensitive public debate in the UK and little research has been done to analyse the contribution of migrant entrepreneurs to the UK economy. The contribution of BAME entrepreneurs has not been fully analysed by government or academia and tends to be under-reported in the media.

Lewisham considered the collection of data on migrant entrepreneurs as an important resource for the local economy and believed that it was important to use the data that could be gathered to help raise awareness of local partners and public officials involved in the project.

Lewisham Council commissioned Access Europe to carry out research to seek to fill gaps in the readily available data and to contribute to an improved empirical and conceptual understanding of the migrant entrepreneur’s reality in the Borough. The results help to provide a description of the changing context for migrant business in Lewisham and their views of the situation.

To provide an outline description of migrant enterprises in the borough we considered the typology of migrant enterprises (size and sector) and the types of migrant entrepreneurs (country of origin, age, gender, level of education, etc.). We also researched the personal, cultural and legal/regulatory factors influencing migrants’ decisions to move into enterprise, their experience with procurement and their network participation.

---

6 The Council of Europe (CoE) is a leading Human Rights organisation. It includes 47 member states, 28 of which are members of the EU. All CoE member states have signed up to the European Convention on Human Rights, a treaty designed to protect human rights, democracy and the rule of law.

7 MPG is a non-profit European organisation dedicated to strategic thinking and acting on equality and mobility.
The findings are compared and analysed to improve the understanding of the migrants’ entrepreneurial scenario in Lewisham, concluding remarks are presented and possible extensions of the analysis are suggested.
2. METHODOLOGY

Our research methodology combined secondary materials with primary observation and interview data. A variety of research methods were employed during this research project, including:

- **Online desk research**
  The team undertook extensive secondary research through targeted searches of specific sources including governmental websites, think tanks’ publications, strategies and academic research. This involved literature, policy and document reviews into local and national policies and the business environment in the UK as well as London and UK wide statistics.

  The desk review helped to broaden our understanding of the variables influencing migrant businesses performance and integration. It also allowed us to compare results of other research studies with our findings.

- **Qualitative review** of key issues for BAME-owned businesses through the use of experts in migrant business.  
  **Participants**: experienced business advisors from different ethnic minorities and academic actors have been invited to support and guide the research.
  **Materials**: unstructured, in-depth interviews were carried out, tailored to the individual’s experience and knowledge and improving our understanding of the respondent.
  **Procedure**: most contacts were provided by Lewisham Council, complemented by new contacts identified through outreach at networking events, where connections were made and contacted and desk research.

- **An electronic survey** was distributed to BAME businesses.
  **Participants**: the survey was sent to 200 BAME businesses that had received business support from GLE One London through the Business Advisory Service (BAS), service commissioned by Lewisham Council. 42 BAME business responded to the survey during the three-week completion window.
  **Materials**: a self-completion questionnaire with 36 questions was used. The survey combined personal information, business information, business support environment and procurement. The questionnaire included closed and open-ended questions to collect the necessary information. A copy of the survey questionnaire can be found in Appendix I.
  **Procedure**: a database from GLE One London was used to identify businesses that had received support from BAS. The non-random sample was made up of 200 entrepreneurs categorised as BAME. BAS users are accustomed to receiving an annual electronic survey to evaluate the
service they receive, and synergies were created by adding questions addressing DELI interests to this e-survey. It was distributed using the *E-surveys pro*\(^{10}\) online tool by the GLE team to encourage responses through the trust built up with potential participants from years of delivering the service. The completion of the questionnaire was encouraged by a voucher scheme; each voucher entitled respondents to spend up to £10 at a BAME local Café.

**Semi-structured one-to-one interviews** with Lewisham migrant entrepreneurs.  

**Participants:** the sampling was restricted to those enterprises that are owned by migrant entrepreneurs. Seventeen Lewisham business owned or managed by migrants from the main migrant communities were interviewed. The interviewees were from different business sectors and a varied migrant background but all had their businesses registered in Lewisham.

**Materials:** a semi-structured interview was used. This qualitative method of inquiry combines a pre-determined set of open questions (questions that inspire discussion) with the opportunity for the interviewer to explore specific themes or responses further. It allows respondents to discuss and raise issues that the researchers have not considered. Interviewees were asked about the reasons they came to the UK, the difficulties they faced when starting up a business, the type of support they have used or needed, their experience and opinions of issues such as procurement. These semi-structured interviews provided detailed information around complex and sensitive issues. A copy of the interview template has been included in Appendix II.

**Procedure:** nearly thirty businesses were approached and seventeen agreed to be interviewed. All participants were chosen from a non-random sample. Most of the businesses were drawn from samples provided by the experts and business support intermediaries interviewed during the research. Others came from the electronic survey\(^{11}\) and the publicity included in different newsletters\(^{12}\) or websites\(^{13}\). Interviews were arranged by email or telephone and face to face interviews were generally held at entrepreneurs’ offices.

**Interviews** and brief consultations with business support providers and several community-based organisations\(^{14}\).

**Participants:** five business and migrant support associations working specifically with BAME businesses in London were interviewed. The majority of the organisations are based in Lewisham, while some operate in other London Boroughs. The interviewees came from a variety of geographical areas within Lewisham and communities, giving specialised and expert insights into the topics discussed.  

**Materials:** a semi-structured interview format was used. The questions covered the same topics as those for migrant entrepreneurs, though formulated in a different manner. Interviewees

---

\(^{10}\) Available at the e-surveys pro website.  
\(^{11}\)The following question was added to the questionnaire "We also hope to interview some business in Lewisham about their views on the sort of services that would help migrants businesses to continue to be successful and to grow. Would you be interested in participating in a one-to-one interview as part of this research?" Afterwards, respondents who answered yes were contacted and interviewed.  
\(^{12}\) The City Business Library Newsletter (16th June 2014)  
\(^{13}\) Lewisham Council website.  
\(^{14}\) Nigerians in the Square Mile, Association of Community Based Business Advice, Pepys Community Forum, Africa Advocacy Foundation, Action for Community Development and the Polish British Chamber of Commerce.
were asked about the structure and scope of their organisation and the areas of support they had received, and would wish to receive. Analysis revolved around BAME barriers, procurement activities and the support available to them. Interviews were used to gain a deeper understanding of information using a less rigid format, with open-ended questions designed to draw out more qualitative information. A copy of the interview template has been included in Appendix III.

**Procedure:** all participants were chosen from a non-random sample. Most of the businesses were identified from desk research, experts’ contacts and Access Europe clients’ base. Interviews were arranged by email or telephone and took place face to face usually at the organisations offices.

- **Focus group around procurement**
  The Council commissioned GLE to organise a focus group within the framework of the DELI project with the aim of exploring the relationships between larger purchasing organisations and BAME SME suppliers.

  The event, two hours in duration, took place at GLE offices the 23rd October 2014.

  The participants were: a buyer from Saltash Enterprises Ltd, a tier one construction company delivering construction and facilities management works in Lewisham and other London Boroughs, and four BAME businesses from different sectors.

  The focus group enabled discussion between the businesses and the buyer on procurement barriers and provided an opportunity to BAME businesses to ponder alternative viewpoints and understand what and how they could change in their organisations.
3. RESULTS

3.1 Socio-economic profile

This section gives an overview of the socio-economic data available in the UK, London and Lewisham, analysing the migration figures, the labour market, the economy and the procurement. The main focus is on the local level, but some regional and national data is available that can provide comparisons across these three levels.

Demographics and education

Until the mid-1980s the UK was a net migration country. However, immigration has steadily surpassed emigration, with a remarkable increase since the mid-1990s. The number of foreign-born people of working age in the UK increased from 2.9 million in 1993 to nearly 6 million in 2011.

Graph 1: Total number of foreign-born working-age people in the UK

Source: Labour Force Survey Q4 via Migration Observatory, Oxford

Graph 2 shows that inflows into the UK rose by 28,000 in 2013 to reach 526,000. This is the first increase in inflows since 2010. The rise in inflows resulted in net UK migration increasing to 212,000 people.
With reference to the spatial distribution of population by country of birth, based on data collected through the 2011 Census, the UK has a very diverse population: 173 out of the world’s 229 nations have at least 1,000 representatives in the country. At a regional level, London’s Extended Metropolitan Regions (EMR)\(^{15}\) is the most diverse place in the UK, with 119 countries of birth represented within its 14.8 million inhabitants. However, these groups are highly concentrated within some areas of the EMR as 103 of them are found within the three million inhabitants of Inner London (13 boroughs)\(^{16}\), which has **41.6% of foreign-born population**. Hence, more than one in three Londoners are non-UK born.

Concentration of certain groups across the UK is evident, with large populations from Sri Lanka, Bangladesh and Somalia. By contrast, migrants from Germany, Ireland and Poland are more spread.\(^{17}\)

<table>
<thead>
<tr>
<th>Resident population</th>
<th>Percentage of non-UK born population</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>61,774,000</td>
</tr>
<tr>
<td>London EMR</td>
<td>14,850,000</td>
</tr>
<tr>
<td>Greater London</td>
<td>7,816,000</td>
</tr>
<tr>
<td>Inner London</td>
<td>3,073,000</td>
</tr>
<tr>
<td>Lewisham</td>
<td>275,900</td>
</tr>
</tbody>
</table>

\(^{15}\) Greater London encompasses a total area of 1,583 square kilometres, an area which had a population of 8,174,000 in 2011. The extended area known as the London Metropolitan Region comprises a total area of 8,382 square kilometres and has a population of 13,614,409. [http://upload.wikimedia.org/wikipedia/commons/d/d3/London_TTWA_2001.png](http://upload.wikimedia.org/wikipedia/commons/d/d3/London_TTWA_2001.png)


Lewisham’s ethnic profile has seen notable change since 2001\(^{18}\). Currently, over **one-third of residents were born outside the UK whilst 24.7% were born in countries outside the EU**. Residents identifying themselves as ‘White British’ has decreased from 56.9% in 2001 to 41.5% in 2011. ‘White Other’ residents have risen dramatically, probably due to migration from the EU accession countries. ‘Black African’ residents are now also more numerous than ‘Black Caribbean’, with ‘Black Other’ also seeing a sizeable population.

Taking a closer look at the number and origin of foreign-born people at the national, regional and local level we can find some interesting differences. At national level the most represented six countries are India, Poland, Pakistan, Ireland, Germany and Bangladesh. At regional level, London’s EMR, the six largest migrant groups are constituted by people who were born in India, Poland, Ireland, Pakistan, Nigeria and Bangladesh. Finally, looking at the local level, namely Lewisham, **the six countries most represented are Jamaica, Nigeria, Poland, Ireland, Sri Lanka and Ghana**.

---

**Graph 3. Foreign-born people at the national, regional and local level – Source: Office for National Statistics. Census 2011**

Important changes in the size, composition and location of ethnic minorities over the past 10 years can be traced through the 2011 Census in the Borough. Excluding the UK, Jamaica and Nigeria are the largest communities in the Borough. However, the increase of Nigerians is much more prominent than the increase in Jamaicans - an increase of 4,257 compared to 1,532 -. The number of Polish residents has increased from 413 in 2001 to 4,347 in 2011, over a ten-fold increase. A similar case is the Chinese community, with an almost four-fold increase in ten years. The Borough has become more diverse, **communities without representation in the Borough in 2001 are now present including communities from Portugal, Somalia, Turkey, Lithuania, Ghana and Sri Lanka.**

---

\(^{18}\) The previous Census data is from 2001.
Graph 4: Number of residents per country of birth in Lewisham – comparison 2011-2011 Census data

Table 2: Number of residents born in the UK and abroad per area / ward in Lewisham Source: Census 2011

Of Lewisham’s 19 wards, New Cross has the lowest percentage of UK-born residents (53.4%). This ward also has the highest percentage (5.8%) of people that have been resident in the UK for less than two years. Other neighbourhoods that receive a high number of new migrants are Lewisham central and Brockley.
Concerning education, the census shows that 29.7% of the UK working age population are educated to level 4, to first degrees or their equivalent, and higher qualifications. Regionally, London reports the highest levels of people holding advanced qualifications, at 40.5%. Not only does London have the highest proportion of degree level or higher qualification, it also has a much higher proportion of its population recording ‘Other’ qualifications. A likely reason for this is that the higher proportion of the population who were not UK-born in London (36.7%), potentially obtained their qualifications abroad.

Within London, the City of London has the highest percentage of working age population with a degree level or above qualification (71.5%) whilst Lewisham’s population has 38%. The share of foreign-born nationals with tertiary education in the Borough is 38.4, similar to the UK-born population.

Map 1: the proportion of people aged 16 to 64 with a degree level or above qualification, local or unitary authorities in England and Wales, 2011 - Source: Office for National Statistics

The personal characteristics of inhabitants in terms of age, gender, country of origin and educational background to a great extent define the local economy. The data set out above helps to illustrate the current situation of Lewisham and to better understand its potential.
Labour market and economy

About one third of UK businesses are based in London\(^\text{19}\), which has more firms than any other region in the country with 841,000 private sector businesses\(^\text{20}\). The proportion of jobs in London that are self-employed is 14.5 (724,000).

Lewisham has 8,355 businesses registered\(^\text{21}\) of which 99% are small enterprises\(^\text{22}\). The main sectors are retail, business services and construction, with a small but growing creative sector clustered around Goldsmiths University. Lewisham has the smallest proportion in London of residents working in banking, finance and insurance and the highest proportion (39%) working in public administration, education and health\(^\text{23}\).

There is a strong entrepreneurial spirit in Lewisham with higher rates of self-employment in comparison to others in the region (22,050 self-employed, a 10.7% of the total working age population).

One in seven of all UK companies is run by migrant entrepreneurs and these businesses employ 1.16 million people out of a total of 8.3 million, showing that migrants are responsible for 14% of SME job-creation\(^\text{24}\). There are approximately 188,000 migrant-led businesses in London\(^\text{25}\) (22.3%). In 2012 about one-third of total migrants worked as employees, and 45% of self-employed migrants

---


\(^{21}\) Office for national statistics (NUMBER OF LOCAL UNITS in VAT and/or PAYE BASED ENTERPRISES in 2013) and Nomis December 2010 (Official labour market statistics).

\(^{22}\) According to the European Commission definition, medium sized enterprises have less than 250 employees; Small enterprises have less than 50 employees and micro businesses have less than 10 employees.


\(^{24}\) Centre for Entrepreneurs and DueDil, 2014, Migrant entrepreneurs: building our businesses creating our jobs, Centre for Entrepreneurs and DueDil publishing, London, UK.

\(^{25}\) The Centre for Entrepreneurs and DueDil, 2014, Press Release: Migrant Behind one in seven UK companies, 4th March 2014, Centre for Entrepreneurs publishing, London, UK.
lived in London. In terms of recent migrants, about 51% of those who were self-employed lived in the city.\textsuperscript{26}

There is no official data regarding the number of BAME businesses or migrant businesses in Lewisham. Nevertheless, similar rates of self-employment between the UK born population and the foreign-born were found, being of 10.7% and 10.8% respectively.

Foreign-born workers tend to be younger than their UK-born counterparts. In 2011 the average age of a UK-born worker was 40 compared to the foreign-born average age of 38. About 77% of foreign-born workers who arrived in the UK between 2004 and 2012 are distributed in the two younger groups (17% in the 16-24 age group and 61% in the 25-35 age group). In contrast, the percentage of recent foreign-born workers in the older group (aged 46 and over) is very small (around 1%)\textsuperscript{27}.

The labour market experiences of migrants is usually characterised by higher unemployment rates, and low status employment. In the UK, the majority of both UK and foreign nationals were economically active (64% and 65% respectively) and in employment (61% and 60% respectively). The percentage of economically inactive was higher (28%) for UK nationals compared to 18% for foreign nationals. However, within this category a greater percentage of UK nationals were retired (20%) compared to foreign nationals (6.4%). These differences will be partly accounted for by the younger age profile of the foreign national population resident in the UK\textsuperscript{28}.

In London the economically active population aged 16-64 constitutes 78% of the population, while those who are unemployed represent 6.99% (303,000)\textsuperscript{29}. In Lewisham 73.6% (151,793) of the

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{graph.png}
\caption{Graph 6: Distribution of employed and self-employed foreign-born workers
\textit{Source: Labour Force Survey 2012 Q1-Q4 via Migrant Observatory Oxford}}
\end{figure}

\textsuperscript{26} Rienzo Cinzia, 2013, Briefing: Migrants in the UK Labour Market an Overview, \textit{The Migration Observatory}, University of Oxford, UK.
\textsuperscript{27} Cinzia Rienzo, 2013, Briefing: Characteristics and Outcomes of Migrants in the UK Labour Market, \textit{The Migration Observatory}, University of Oxford, UK. Available at: \texttt{PDF}
The population is economically active and within this group 40% are foreign-born nationals. The Borough has an unemployment rate of 6.2%. This percentage is slightly higher within the migrant community (7.6% of foreign born nationals are unemployed). Lewisham’s NEET population is significantly lower than the rest of London. Only 4.9% of 16-18 year olds in Lewisham were recorded as NEET in October 2010, compared with the figure for London (5.5%) and the UK (6.6%).

The main obstacle in analysing economic data was the missing information for different categories of residents. The following data is unknown at local level: the GDP per capita of migrants, their median net income, the percentage of companies that are majority-owned and controlled by BAME and the economic sectors where migrants are more active.

**Procurement**

The public sector represents over a third of the local economy and there are opportunities to strengthen local public sector supply chains to help sustain and grow local SMEs. Lewisham’s contracting policy is to have a ‘mixed economy’ of provision. As a large purchaser, the Council has the opportunity to influence the market.

The total procurement volume of the Council is € 220,000,000 distributed in the following way:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 149,600,000.00</td>
<td>Large enterprises</td>
</tr>
<tr>
<td>€ 37,400,000.00</td>
<td>Medium-sized enterprises</td>
</tr>
<tr>
<td>€ 33,000,000.00</td>
<td>Small enterprises</td>
</tr>
<tr>
<td><strong>€ 220,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

The Council pool of suppliers is represented by 87% of small businesses, 11% of medium-sized enterprises and 2% of large companies. Nevertheless, only 17.3% of Lewisham Council’s expenditure is with local SMEs, still far from the government’s target of 25% for public sector expenditure with SMEs.

The total procurement volume contracted to companies that are majority-owned and controlled by BAME / migrants is not available. Neither is the percentage of BAME / migrants, per type of enterprise, in the Council’s pool of suppliers. There is no record of the percentage of contracts and their average value in which the Council uses social clauses.

As stated in the Procurement Strategy (2007) Lewisham has a positive duty to promote equality in carrying out its functions. Lewisham uses guidance by the Commission of Race Equality in ‘Race Equality and Procurement in Local Government’ as a model for all diversity and equality issues. The Council believes that it has an opportunity to hold more organisations accountable for achieving greater equality by using public procurement and commissioning to further equalities goals.

---

31 Small SMEs have less than 50 employees and an annual turnover of less than €10 million; medium-sized enterprises are defined by having between 50 and 250 employees and a turnover between €10 and €50 million.
33 Commission for Racial Equality, The duty to promote race equality, race equality and public procurement, A guide for public authorities and contractors.
throughout the supply chain. The Council uses contracts to encourage equality and diversity in three main areas:

- Employment: employment policies, procedures and practices of contractors
- Service delivery: encouraging contractors to provide equally accessible services
- Opportunity: providing information for ethnic minority firms on how to tender for Council contracts

The Council works with the Business Advisory Service and the Centre for Procurement Excellence to assist in the planning of the procurement process to ensure its accessibility to a suitable variety of suppliers including bodies like SMEs, social enterprises, BAME enterprises, women’s and disabled-owned businesses and the voluntary and community sector.

Local procurement support has resulted in significant benefits for local businesses, helping 179 local small businesses access 98 contracts worth £3.28 million in 2009-2010. Nonetheless it has been recognised that given the current austerity regime it is difficult to engage with local buyers and to change buyer behaviour across both the public and private sector.
3.2 Findings from BAME and migrant entrepreneurs and Business support organisations

The empirical part of the research is based on a survey questionnaire among migrant entrepreneurs and entrepreneurs with a migrant background. In addition, we conducted face-to-face interviews with migrant entrepreneurs in Lewisham. In order to link findings, these interviews were accompanied with interviews with community representatives and experts providing business support services. The selective sampling process ensured that a range of different nationalities and sector specialisation was included. Businesses were not concentrated in one or two wards but spread across several wards including Evelyn, Catford South, Forest Hill, Lewisham Central, Rushey Green, Telegraph Hill, New Cross and Deptford. Interviewees came from a variety of business sectors: food and grocery, design, health and well-being, mental health, exports, training and education, marketing, renewable energies, law, estate agencies and some third sector organisations. The analysis is structured around several dimensions including personal and business characteristics, experience in procurement and network participation.

Map 2: Lewisham ward boundaries

34 The forty-two respondents of the electronic survey were divided in two groups; those who were born in the UK but have a migrant background or belong to an ethnic minority and the migrant entrepreneurs.
**Demographics and education**

Within the selected sample the majority of migrant entrepreneurs were aged **35 to 44 years**. For those who were born in the UK but have a migrant background (belong to an ethnicity different to ‘White British’ or ‘Irish’) the most common range of age was 45-54.

![Graph 7: Country of origin of the sample - Source: electronic survey and face-to-face interviews](image)

The country of origin of the respondents and interviewees was quite diverse, with **Nigerians representing the largest group**. Other groups, such as Chinese and Polish residents, represented those communities that have experienced a dramatic increase in the Borough in the last ten years. Other countries of origin were Vietnam, Turkey, Mozambique and some former British colonies – British Guyana, Bangladesh, Grenada, South Africa, Burma, Gambia and St. Lucia.

Most of the **participants came to the UK before the year 2000**, mostly in the 1980’s and 1990’s. This is significant because the economic and social context has changed considerably since then, meaning that thus the reasons why migrants came and the barriers faced could be different.

Regarding the level of education, all of the respondents from the e-survey and the interviewed have reached, at least, the secondary level. A majority had a degree or post-graduate education.

As reported by migrant entrepreneurs during the face-to-face interviews the reasons behind the decision to move to the UK were the following:

- A majority **moved to study** and then stayed in the country.
- Others were motivated by **economic and social reasons** in the country of origin such as a drastic change in the Polish government in 2004, the different military dictatorships in Nigeria or the Vietnam War in 1962.
More than half of the migrants (57.1%) **has been in the UK more than 15 years.** The same applied to the interviewees. Generally the length of time over which a migrant had been settled was an important factor; most of the interviewees were educated or partially educated in the UK, providing them with a better understanding of how things work (i.e. registration procedures, regulations, etc.), better English and an understanding of the needs of the market.

“New migrants, they’ve just arrived, they face an unstable situation, first they need to settle and know the market, the country etc. Thus, at the beginning, they are less entrepreneurial or risk takers”.

**Economy and the labour market**

Most of the entrepreneurs surveyed operated as either sole traders or micro-enterprises. All migrant businesses fell under the category of **micro or small businesses** (less than ten employees) whereas businesses owned by individuals with a migrant background were slightly larger (14% of respondents employed between ten and fifty employees).
Of those interviewed, only one business employed as many as fifty employees, the rest being small enterprises or microbusinesses. It is worth drawing attention to the high rate of self-employment within the migrant community (25% for migrant entrepreneurs both in the e-survey and the interviews and 32% for the entrepreneurs with migrant backgrounds). As expected, the sample reflected the economic structure in the Borough, where micro and small businesses make up 99% of businesses.

**Entrepreneurship**

The reasons why migrants moved into self-employment and enterprise showed similarity across the different communities. The electronic survey showed that for most entrepreneurs this move was seen as a means to achieve independence and the desire to try out an innovative idea. The lack of job opportunities in the mainstream labour market and the generation of a higher income did not seem to constitute the main reasons for entrepreneurs to start up a business.
The answers given in the one-to-one interviews provided a comprehensive view of the migrant entrepreneurs’ motivation for starting up a business. One of the main motivations was the desire to be independent and become their own boss. The stimulus of building something on their own and the flexibility derived from it were also major factors, particularly in the case of lone parents. Surprisingly, none of the interviewees considered money as a key factor.

“I wasn’t comfortable in my previous jobs, I didn’t feel that I was part of the team. Also, I felt I had something to ‘give’.”

“You need to be a little bit crazy to start up a business. You first think ‘this thing should be done, I could do it and make a difference.”

“As a foreigner, I had limitations to progress and be promoted, and the only way to do that was by having my own business. You may have more experience but there’re always other type of barriers (colour, language) that don’t allow you to go that far.”

One particular group is those entrepreneurs who started charities. These considered that there were social needs that were not being met by the government. Charities were flexible enough to help meet migrant and ethnic minority needs and create job opportunities in the local area.

All of the entrepreneurs contacted as part of this research felt confident enough to start-up a business. As mentioned above, most of them studied in the UK, which contributed to a better understanding of the environment and the country specificities as well as networking opportunities.

In correlation to this question, we asked the reason for choosing a specific sector. Most entrepreneurs followed their passion, knowledge and experience. Others found a niche in the market and decided to cover it. Entrepreneurs opening cafeterias, groceries or food companies stated that these type of businesses ‘never go wrong’ and they are easy to run.

Newcomers repeatedly set up businesses in the same sector as established older entrepreneurs from within their community. We found this sectorial inertia within the Chinese community, for whom the decision to open a new restaurant or to start a new business is made without either experience or following a particular interest but because it will be supported by the community.

The Lewisham Local Economic Assessment (2012) showed that the business survival rates in Lewisham were lower than the regional average and fewer businesses grew in terms of employment.

---

A majority of the e-survey respondents stated that their businesses performance was poor or satisfactory. The results are similar for the face-to-face interviews; some of them were doing very well and had high expectations about the future and the potential for diversifying their business. On the other hand, others were just surviving.

**Businesses that started some time ago have grown and diversified.** Examples include a company that started as a grocery and developed into a wholesale fish and food business; a printing business that closed down and was replaced by a print and design firm. Others, however, had moved to a completely new sector, including for example a business that had been set up in the property sector, whose owner, after the recession, decided to set up a grocery store.

“Today, sales are increasing around 30% year by year and online sales are increasing 100%.”

“The business is doing ok, not really well. There’s too much competition. We do not think in the long term.”

“We’re now interested in knowing what is going on at community level, we’d like to expand and recruit more people, with a particular focus on young local people. We’re keen on partnering with local organisations to harness relationships based around developing CSR objectives to help low income families within the borough.”

The performance of the businesses does not seem to be related to the owner’s country of origin or year of arrival but to the specific sector and the managerial skills of the owner. Another factor challenging business performance, as stated by an interviewee, was the socio-economic profile of the Borough - the clients’ purchasing power.

Recent studies focus on the importance of a community dimension inherent in the business creation process and the contribution of community resources to the entrepreneurial performance of group
members. Thus, another important variable to take into account when analysing migrant and BAME business performance is the specific characteristics of migrant entrepreneurs such as their socio-cultural networks and sense of community.\textsuperscript{36}

**Difficulty in accessing finance is considered the main obstacle to starting up a business** for both migrant entrepreneurs and entrepreneurs with a migrant background. The entrepreneurs surveyed suffered from their lack of knowledge and skills on how to do business in the UK, the legal obstacles and the bureaucracy. As expected, only migrants faced the language barrier.

![Graph 13: Main Barriers of starting a business in the UK - Source: e-survey](image)

The interviews revealed similar results, with access to finance identified as the main obstacle. The nature of micro or small businesses makes access to finance and consequently other resources, such as qualified staff, more difficult. Nevertheless evidence suggests that African, Caribbean, Bangladeshi and Pakistani groups are more likely to have their loan applications rejected than Indian and White businesses.\textsuperscript{37}

A common trend among businesses that started in the 1970s and 80s is that they faced fewer financial problems, but experienced a lack of skilled employees or information about government schemes to help new immigrants. Some identified barriers were specific to a business sector, for example finding an appropriate property for a health care house, the bureaucracy and the insurance requirements in a law firm or the difficulties with suppliers when a company buys products from outside the EU.

Other mentioned obstacles were:
- the lack of contacts and networking skills
- the necessity to develop a good business plan
- meeting the standards of the registration body


\textsuperscript{37} Ethnic Minority Businesses and Access to Finance, Department for Communities and Local Government, July 2013
Clients’ trust and access to the local market was an important and shared challenge. One of the consequences is the homogenous client base, with first clients usually from the same community or ethnicity.

Some migrant entrepreneurs admitted that barriers came from themselves - in terms of lack of skills - and not from the local or national environment.

“The lack of knowledge was a barrier, but the information was there. Finance as well, is a learning process.”

“We are aware that we need to rise our profile by offering better services in order to get to the mainstream economy.”

“Barriers? I’m black, male and psychotherapist. Sometimes I feel I need to work harder to demonstrate I deserve doing my job because of perception.”

“I don’t think barriers are related to the fact that I’m a migrant. I work in Lewisham and my customers are mainly from ethnic minorities. If I would work in Westminster I may face different barriers. I’m comfortable in my environment because I operate in my comfort zone”

**Business and migrant support organisations**

Representatives of intermediary organisations and experts interviewed stated that the main obstacle for migrant entrepreneurs when opening a business was access to finance, which is considered an issue common to all businesses. One of the consequences is that some communities rely on their own families to access funding. Other identified barriers were largely related to employability and included lack of confidence and ESOL needs as well as a lack of networks. Some sectors also faced bureaucracy barriers or difficulty in accessing suitable premises.

Another challenge acknowledged by the interviewees is that the UK and especially the London market is highly competitive; entrepreneurs need to know how to attract and retain clients.

The interviewees highlighted the reality of the labour market, where immigrants still tend to be working on low-skilled or entry-level jobs. Another interesting point made by these organisations was the barriers faced by vulnerable groups within the migrant community; for example, women have difficulties in engaging in self-employment because of the cultural role they play in their families.

Some communities employ only people from the same community and the client base is usually small and not diverse. While this could be a positive at the start of a business, businesses need to diversify their clients or make the ‘internal’ market more productive. There was a general belief that growth strategies within the migrant community are not well developed. Nevertheless, as stated by one of the interviewees, the opposite situation could happen, where migrant entrepreneurs are disconnected or not engaged in their own communities, thus being disconnected from their potential market.
All the respondents felt **self-confident enough to approach professionals** and some of them had used free public support from the Council, mainly the Business Advisory Service delivered by GLE\(^\text{38}\) or had attended seminars and fairs organised by different entities, including the Council.

“I’ve accessed public support but it was not tailored. I’ve also attended different business-related fairs in Lewisham but they were quite small, with not too many participants.”

When needed, entrepreneurs have used private support as well, although some of them could not afford it due to their lack of resources. Commonly, private support is demanded for accountancy services, business coaching and the development of a business plan.

"We didn’t know about any available support. We feel isolated. Why doesn’t the Council deliver leaflets so we can be aware about the free support offered?"

SMEs’ experience pressures on their resources in terms of time, staff and budget, and this further works against their **knowledge of, and use of, institutional support**. Some of those interviewed reckoned that there was not enough information about the available support, and saw the Council a responsible for this lack of awareness. Nevertheless, some migrant entrepreneurs recognise that the information is there and it is only takes their time and interest to find it. There was a general perception that the business support provided is not enough and it should be tailored to specific sectors.

**Business and migrant support organisations**

Interviewees stressed that some communities seem to be more engaged and they access services provided for free more often. One of the reasons cited was that some people do not have experience on how to exercise their rights.

According to the interviewed organisations, people generally have problems approaching institutions and asking for support, although it depends on the migrant background. For instance, the language barrier contributes to this lack of confidence. In order to change their mentality interviewees suggested organising local awareness campaigns on free business support services.

Some of the BAME entrepreneurs were members of **mainstream umbrella organisations** such as the South East Chamber of Commerce or the British Chamber of Commerce. At the same time, some were members of local networks (Deptford Challenge Trust, New Cross Cooperative or Lewisham Volunteer organisations). Other umbrella organisations mentioned were BNI\(^\text{39}\), and South East Enterprise. The research revealed that entrepreneurs are members of sectorial and tailored networking organisations (sports, designers, culture).

Given that the lack of networking opportunities and local contacts was cited as a key obstacle facing entrepreneurs, this is an area that should be explored and developed.

---

\(^{38}\) Some of the interviewed come from the GLE database of those enterprises that have received support from the BAS service.

\(^{39}\) Business Network International (BNI) [website](https://www.bni.com)
Historically, ethnic minority communities have been under-served by publicly funded business support programmes and BAME and migrant entrepreneurs continue to experience difficulties in accessing finance for business start-up and business growth. In order to be able to adapt business support to the needs of migrant businesses we asked what sort of support BAME businesses needed. A high number of the online survey respondents (68%) stated that access to finance and contract opportunities were the areas where they felt they needed help.

![Graph 14: Sort of support needed – Source e-survey](image)

Business growth

IT & Internet

Finance

Contract opportunities

Legal Advice

By interviewing migrant entrepreneurs we found similar results. They were interested in developing the following areas:

- Capacity Building in Finance: management of day-to-day finance and how to think realistically
- Business Growth
- Sector-specific workshops and training (particularly for exports and catering)
- How to attract new customers and maintain old ones.

They were aware of the need of being present on social media and the Internet. They were also interested in e-commerce and marketing, including sales training and marketing strategies. There was also a residual interest in procurement; the best ways to penetrate companies that have direct dealings with the Borough and how to build a tender.

“They should be interactive workshops, challenging people and making them to talk.”

**Polish entrepreneurs**

- There are businesses which are focused primarily on the Polish community and which deliver very limited services to other people. These entrepreneurs might have difficulties with access to information due to language or cultural barriers
- Another group consists of entrepreneurs who target all communities and do not specialise in Polish services. This group would generally have no language difficulties and would have better networks of contacts
Indo-Chinese community

Common trends identified within this community were:

- The community has grown in terms of population and their socio-economic activities
- Businesses largely depend on the native community as the core customer segment
- It repeatedly sets up businesses in the same activities as established by previous entrepreneurs from the community
- They employ people from the same community
- Low rate of access to support services provided by professionals and no membership to network organisations; they rely on their own community or on themselves

Views of the BAME business support environment

All business and BAME support organisations recognised that mainstream business support organisations - including financial institutions - are not open or tailored to the needs of migrant entrepreneurs. They failed to engage migrant communities, sometimes due to the lack of information about the available support. Thus the problem is not always the lack of support but the way the support is offered and delivered.

One consequence of this is the creation of support structures within the migrant community: Chinese banks\(^1\), Polish Chambers of Commerce, Nigerian accountants, etc. As a result, we have two coexisting ‘communities’ and ‘economies’.

In terms of the support offered, one of the intermediary organisations pointed out that more work needs to be done on capacity building. These associations have a lack of understanding and experience of BAME and migrants’ employability and they need to adapt their services to the new reality in the labour market; workshops around CV writing or job search skills are not appropriate, and a better understanding of the option of self-employment is needed. In addition, when these services are not for free, they constitute a barrier for small enterprises, as they represent a high percentage of micro businesses’ budgets.
Procurement

Almost 67% of the e-survey respondents and a majority of the migrants interviewed did not have experience in procurement. The question is why there is such a low rate of participation in procurement among entrepreneurs.

Graph 15: Have you ever participated in procurement activities?  
Source e-survey and face-to-face interviews

For almost half of the online survey respondents (40% of the migrant entrepreneurs) the main obstacle in procurement was the difficulty and bureaucracy of the procurement process. Other important barriers identified were the difficulty in accessing information and the perception that a small business cannot compete with larger enterprises. The only difference in the results obtained by the entrepreneurs with migrant backgrounds born in the UK was the lack of interest in the procurement process, which was much higher for this group.

Graph 16: What are the main barrier to participate in the procurement process?  – Source e-survey
A large majority of those interviewed and attendees at the focus group had no experience of procurement. While a few had some previous contact with procurement processes, only one had been successful. There was some interest in procurement and some entrepreneurs believed they needed to start working in this area. Some of the entrepreneurs without experience in procurement did not consider it relevant for their sector, for example in the case of a cafeteria or an export company.

The main barriers and reasons for not participating were cited as:

- The lack of information and awareness of available opportunities
- The lack of knowledge and time to deal with the administrative burden required by the tender process
- Difficulty in fulfilling the requirements and qualifications
- The lack of networking - how to connect with potential buyers - and appropriate venues to network
- The complexity of the process and use of technical jargon, or of skilled workers able to submit an application
- High levels of competition. Both small businesses and charities bid for contracts along with big providers
- Ethnic/racial based barriers, included a greater need to prove themselves, and financial barriers (i.e. access to good funding to set up, acquiring accreditations, sub-contracting)

“You get stuck with the clauses and the strict criteria. It’s difficult to tick all the boxes”

“People are discouraged by the fact that the same companies are always winning the tenders”

None of the migrant entrepreneurs had been involved in networks to tender jointly with partners, but some of them acknowledged the idea and believed they would consider it. When this was discussed with a buyer at the focus group organised by GLE, the view expressed was that although bidding in partnerships is an interesting option for becoming more competitive, consortia minimise a supplier’s chance of being chosen, because buyers may consider there is a risk of one or more of the partners opting out; and consortia are administratively demanding.

The complex requirements and the high competition discourage entrepreneurs to consider procurement as an opportunity to diversify their client base. The atmosphere during the focus group suggested frustration and discouragement procurement. Is this only a perception or do they actually have real opportunities in bidding for public or private contracts?

The buyer’s recommendations to migrant and BAME businesses included the following:

**Procurement strategies:**

- Look at the instructions for contracts and Key Performance Indicators. Clients’ policies and political direction will influence the selection process and some legislation is relevant:
  - New Equality Act 2010
  - Section 106 Agreement Country Planning Act
Track your progress: find out why, when and to whom the tender was awarded
Some companies or public buyers might prioritise or focus more on prices
Capacity: take on smaller contracts as a stepping stone in order to gain references that will help later expansion

Marketing strategies: be a chameleon and tailor your approach based on the interests of the organisation to whom you are selling your services: make yourself identifiable and adaptable

The improvements suggested during the focus group and the interviews from both BAME entrepreneurs and the buyer were:

- The public sector has to break down big contracts into smaller lots. If not they should encourage large companies to subcontract SMEs
- Procurement processes have to be transparent, open and democratic; there is a perception that some decisions are still made behind the scene
- Government should encourage or mandate the participation of BAME companies in the procurement process by including criteria such as quotas, taking a positive discrimination approach; taking a local approach is too vague. Although the buyer agreed on this point, she considered that more monitoring and enforcement is needed to avoid this becoming a tick box exercise.
- Buyers should be aware of the largest communities in the borough and tailor the contracts offered to take into account the needs of the different communities
- Procurement opportunities should be separated for private and Third Sector organisations, with different expectations depending on the nature of companies. It was felt that there were negative perceptions of Third Sector organisations which worked against them in the tendering process. Requirements should be tailored as well to specific sectors (i.e. in the health care sector, buyers could focus less on the tender itself and more on the practical work and experience
- Support:
  - More training is needed to ensure that migrant entrepreneurs understand the British market and improve their adaptability to the British culture of doing business
  - Organisation of events such as meet the buyer are important to gain contacts, build up relationships and trust. They should seek to meet the expectations of both buyers and suppliers
  - Support is needed in terms of the paperwork required for tenders

In terms of the type of support that entrepreneurs would welcome, respondents from the e-survey seemed to be almost equally interested in receiving support with soft skills and technical expertise related to procurement: 24 businesses wanted advice and support around pitching and presenting the business to potential buyers while 20 asked for technical information and advice about policies and systems that need to be in place to fulfil fit-to-supply requirements (i.e. environmental, quality and health and safety policies).
“Instead of giving grants, the Council should work closer with charities on procurement, because their work will contribute to the community. This will be logic and cost-efficient. Also, charities should not compete with the private sector because of its nature; needs are different and the profits are distributed differently. There’s a lack of long-term perspective”

“The public sector has a lot to improve and it could ‘teach’ the private sector. For instance, companies usually rely on people they know for subcontracting instead of trying to achieve the company targets”

“It is as it has to be.”

**Business and migrant support organisations**

The majority of respondents pointed out that the main barrier for migrant entrepreneurs’ involvement in procurement was the scale of their businesses, which are mainly micro businesses. Tendering requirements can be overwhelming and small businesses do not have the resources to meet eligibility criteria. Other identified barriers were the lack of skills and confidence in embarking on the procurement process: migrants can have a tendency to ‘self-exclude’ by believing they are not good enough to win. Language barriers can also be a barrier even for those whose English is good, because of the specialised language used in tendering; as is the lack of knowledge and awareness that public authorities could be potential buyers of their services.

“One of the problems regarding procurement is the creation of expectations because there’s no real opportunities for SMEs. This is an irresponsible behaviour and the change should come from the public administration.”
Other criticisms related to the lack of easily accessible information about the tenders: the websites are often not very clear, or local authorities use complicated software to manage tenders; and the absence of any link between migrant businesses and local authorities, for example an individual in the borough whose role would be to forward opportunities to local migrant community organisations.

“Public administrations and other mainstream institutions shouldn’t promote the procurement but tailor the opportunities to SMEs”

However, the businesses did recognise the fact that public administrations also suffer from a lack of resources, which could lead to a less transparent and inclusive procurement process.

Some communities are better organised and established in the mainstream economy, as is the case of Polish businesses. At the same time, some sectors are more suitable to bid for tenders.
4. CASE STUDIES

**Sergio Altino Veloso Cesar- Export**

Sergio is a Mozambique-born EU citizen who, in 2013, founded in Lewisham his own e-commerce business: RINTES UK.

In 2005 he decided to move to London to obtain a Master’s degree in International Business Management and started working as a financial and research consultant. However, after a few years he decided to make a life-changing decision: to move into self-employment. Sergio principally felt the need to gain more freedom and independence, but also to have more space for personal development and business expansion.

At the time being Sergio feels positive about the future outcomes of his business as demand is rapidly increasing and his commissions are also likely to expand. In the near future he is planning to expand the business first towards Portuguese-speaking countries and later more widely.

Sergio is however, facing difficulties in increasing his clientele. This is for two main reasons: the first is high staffing costs in London, which makes recruitment of new personnel very difficult and therefore also harder for Sergio to follow-up all the clients as he is the only employee; the second is the language barrier, which makes it difficult to attract new clients as they tend to mistrust a businessman who is a non-native speaker. He also adds that the costs related to insurance are very high and that at the same time there is a lack of financial support for small enterprises in the export sector.

Sergio has no experience of procurement as it has not been relevant to his business.

**Agata Zielinska- Creative sector**

Agata is a Polish citizen who in 2004 moved to the UK seeking new opportunities.

In 2012 she opened her own Community Interest Company, Doopo Doopo, with the aim of providing support to the local art community in Lewisham. She decided to move into self-employment due to her desire to be independent and to fulfil her dream of building a strong local art community.

Doopo Doopo is an Art Hub and Gallery which specialises in affordable, high quality, locally sourced art. But what makes it unique is its social aim: to support the local art community, giving local artists a place to display their art work, and to re-invest the profit made from the boutique in acquiring more spaces for local gatherings. Agata is actively supporting the Forest Hill community and area as she wishes to improve living conditions by creating a sense of community. At the same time, she would like to diversify and expand her business into cinema, theatre and exhibitions.
The main obstacles she had encountered in setting up her own business were related to the lack of knowledge of entrepreneurship and in particular of its financial aspects. However, she has received support and guidance through the Lewisham Business Advisory Service delivered by GLE.

She would like to see more support services offered to entrepreneurs to help them fulfil their ambitions.

Agata has previous experience in procurement but she still requires support in this area. She also sees the jargon related to the procurement process as a barrier and she would support in dealing with this.

**Anthony Anaka - Estate Agent**

Antony is a Nigeria-born businessman who has become a successful entrepreneur within the housing sector in Lewisham.

He moved to London in 1979 where he studied Accounting and Banking and worked for a private company for seven years. Due to the barriers he encountered, related to his migrant background, he was unable to progress in his career and therefore in 1999 decided to start up his own business and to become an entrepreneur. Since then Anthony has been running his own estate agency and has been awarded the best Networker in the BNI Paragon Chapter.

His own first business was called “New Horizon” and ten years later he founded his second business called “My Home”, an independent family based business in the heart of Hither Green, Lewisham. He is now planning to expand in terms of increasing turnover and hiring more staff members.

What he mostly appreciates in running his own business is having both the flexibility and the responsibility of being the director.

The main barriers encountered in developing his business were linked to gaining the trust of clients, due to his migrant background, and the lack of access to direct support. He believes that the following workshops would be beneficial for him and for other entrepreneurs: social media and marketing and a course on how to access to finance services.
Christiana Obiageli- Health and Social Care

Christiana arrived in the UK in 1992 with a background in chemistry and research but also with experience in managing a shop back in her own country, Nigeria. Once in London, she won a post-graduate qualification in Mental Health Nursing and worked in a Day Centre for elders with mental health related issues for seven years. During this period, she acquired managerial skills and therefore in 2004 she took the decision to start up her own business, Waterfield Supported Homes (WSH), for which in 2005 she won the Spirit of Enterprise Award and the Best Potential Business Award.

Her business offers accommodation and rehabilitation services to people with mental health issues, helping them to reintegrate into the community. She recognised that there was a need for these services that was not being met by the market and she felt confident about starting her own business. After eight years, the business is growing and Christiana is planning to expand by acquiring a new property to meet the demand for more rooms.

Christiana encountered a number of barriers during the setting up and running of her business. She claims that the lack of skills and confidence to access funds negatively affected her due to the lengthy and intricate bureaucracy linked with it (setting up business plans, accounting systems, etc.). The lack of access to a referrals mechanism made it harder than she expected to operate. She also found the recruitment process, team building and management challenging. Furthermore, the community in which she operates was and still is not welcoming due to prejudices towards the people that benefit from WHS.

She has no previous experience in procurement but she is considering it, as she believes it will positively affect her business even if the competition is very hard. She would consider the idea of tendering jointly with other partners and she also believes that it would be good practice to reserve a quota for ethnic minority businesses.
5. CONCLUSIONS, RECOMMENDATIONS, LIMITATIONS OF RESEARCH AND FURTHER RESEARCH

5.1 Conclusions

What is clear from the work that has been done so far is that migrant entrepreneurs, in common with other migrants, present a widely diverse range of migration experiences, in terms of geographical scale, country of birth and entrepreneurial spirit.

The diagram below has been designed using both desk research and the findings from our field work. The outline shows the different factors influencing the performance and integration of migrant entrepreneurs in the mainstream economy.

There is evidence to show that both “social capital” and “human capital” are success factors for enhanced business performance in multicultural entrepreneurial urban areas. Our research has also focused on the “Policy Framework” variable in the equation, which is particularly relevant to the purpose of this research.

“Human capital”, such as education and language skills, enables immigrants to deal effectively with a range of challenges. As our research shows, human capital resources have a positive impact on entrepreneurship and even business success, as it is the case of education or language skills. It is, in fact, one of the variable that differs most between migrants and non-migrants entrepreneurs. Almost all the interviewed hold a degree and most of them studied in the UK. Those who studied in the UK showed a better understanding of the country specificities and better knowledge of the

---

already established networks. Another spotted difference was that only migrants, and specially recently arrived migrants face language barriers.

The length of stay in the UK influences factors such as education and language proficiency. Entrepreneurs who have been educated and have previously worked in the country have a better understanding of the context in which they are operating and of networks available to them; they also tend to feel more confident. Business learning and experience, combined with some capital accumulation, are predominant within longer-established migrants. The majority of interviewees had previous labour (-market) experience or entrepreneurial experience. The length of stay also correlates with the specific economic and social context in play when the immigrant arrived in the UK. The barriers and challenges faced by a refugee in 1970 are not the same as those faced by a European migrant arriving in 2004.

“Social capital” is the second variable. It is the set of network factors including the use of co-ethnic markets, co-ethnic suppliers and employees, community sources of capital, advice and information, as well as membership of ethnic community organisations. Our research shows that social capital plays a prominent role in a networked society. The benefits derived from belonging to a particular community and the use of the associated networks enhances start-up and business success. Indeed, most migrant entrepreneurs are members of local networks. In contrast, only a few belong to mainstream organisations such as chambers of commerce. Some communities, for example those from Chinese and Polish communities, rely on their own community as both their main market and key business support provider.

The combination of human and social capital has a major influence on the choice of industry and type of new business as well as its potential for profitability. Within these assets, the most important factors are relate to the socio-economic position into which the entrepreneur is born (i.e. their family background, whether in business or not, and their access to family business networks). Relatively low levels of human capital may limit the ability of migrant entrepreneurs to successfully run their businesses, and restricted access to financial capital may result in undercapitalised business.

The reasons behind the decision to become self-employed vary depending on the migrant-native status of the entrepreneur. Migrants have already made challenging decisions and taken considerable risks in moving to a new country, and the willingness to take this route may mean that they are more driven and confident in becoming entrepreneurs. The argument that ethnic minorities are more likely to become entrepreneurs than native-born people can be related to the *margination* theory, stating the importance of an (negative) event, triggering the start-up of new firms. For people who are unable to fully integrate to a social system, such as ethnic and migrant minority groups, their marginal social position is a driving force to become self-employed. Self-employment in this case is not only a means for earning a living, but it is also a way of obtaining recognition and social acceptance. In the particular case of the sample analysed in this research, people became

---


42 Baycan-Levent Tüzin et al., 2007, Diversity and ethnic entrepreneurship: Dialogue through exchanges in the economic arena, Position paper of research task 4.4, Sustainable Development in a Diverse World (SUS.DIV).
self-employed because they were attracted by the economic gains and financial independence that business ownership offers.

Culture, in the forms of family business and family ties, has a strong impact on business entry motives, on the financing of new start-ups and on the nature the chosen business. There is evidence to suggest that entrepreneurial behaviour is affected not only by culture but by other factors as well such as the desire for independence, greater control over their lives, the reliance on bank finance, the nature and location of businesses, etc. The interaction between culture and entrepreneurship is complex and it was not the purpose of this research.

The third variable influencing migrant entrepreneurs' performance is the “policy framework” in which they operate, including legislation on foreign access to the labour market and the nature of available business support. Entrepreneurs feel self-confident enough to approach professionals to ask for support, however their knowledge and use of support is limited. There is also a problem in accessing information and understanding how to implement it. While the Council has to increase awareness of its business support offer, migrant entrepreneurs also need to be active and seek available support. As stated by the entrepreneurs, the lack of networking opportunities and local contacts is one of the main obstacles they have to face and it is here that institutional support can work more effectively together with mainstream organisations to tailor and improve the support on offer.

In terms of procurement, there is a low rate of participation among migrant entrepreneurs, due mainly to the size of their businesses and the lack of resources. Most of the enterprises are not eligible – in terms of financial capacity, staff or relevant experience- and those who are or could be eligible are discouraged by the bureaucracy and complexity of the procurement process and the high level of competition.

The European Commission Communication (2012) Entrepreneurship Action Plan 2020 explicitly recommends that member states develop policy initiatives to attract migrant entrepreneurs and facilitate entrepreneurship among migrants, using the best practice developed locally; remove legal obstacles to the establishment of businesses by migrants; and to facilitate their access to information and networking.

The provision of free access to market information to newcomers should be provided through public intervention. In such cases, information campaigns and training programmes could help to ensure equal access to competitive opportunities for migrant entrepreneurs. As revealed by the research, more support is needed in relation to procurement and access to contacts and networks. Again, information campaigns, networking events, tailored support and contract requirements (private versus third sector organisations) could increase and encourage the participation of migrants in procurement as a way of integration in the mainstream economy.

---

43 Anuradha Basu and Eser Altinay, 2002, The interaction between culture and entrepreneurship in London’s immigrant businesses, Henley Business School, University of Reading. Available at: PDF

Although there are challenges and success factors common to all entrepreneurs (migrant and non-migrant), there are several significant barriers that are specifically faced by migrant entrepreneurs: access to mentors and networks, language barriers and cultural factors such as prejudices or mistrust, which can discourage business development.

Although immigrants are more likely to move into enterprise, and to start a business, they are also more likely to fail\(^45\). Minority-owned businesses lag behind native businesses in terms of sales, profits, survivability and employment. Possible reasons for the relatively low, or different, efficiency rates amongst migrant entrepreneurs may be the limited potential for growth of their niche markets, because many migrant entrepreneurs appear to operate in limited markets.

In the case of our sample, the performance of the businesses is worrying. More than half of the respondents stated that their business is either just surviving or is at risk of losing part of its market. This could mean that respondents might require support and therefore they might not be eligible – because of their operational and financial capacity- for procurement activities.

### 5.2 Recommendations

**How policies can help to make migrant entrepreneurship successful**

The complex and dynamic business landscape poses significant challenges to policy practice in relation to migrant entrepreneurs. Some existing enterprise policy frameworks, small firm services and wider perceptions of diversity remain rooted within the previous experiences of immigration, centred on the presence of a small number of relatively large and well-established ethnic groups. In addition, much of the policy response has been policy-led rather than evidence-based with limited understanding of its target populations, sometimes treating the migrant population as a relatively homogenous group for policy-making purposes\(^46\).

Policy approaches have also assumed that all migrant entrepreneurs operate within the same institutional and regulatory business environment. Although almost all the interviewed were British citizens, migrants operate in different regulatory framework in terms of their legal status and the migration channels: workers, students, spouses and family members, asylum seekers, refugees and irregular workers. And these legal status means varied entitlements and restrictions of rights.

This raises a number of issues in relation to the processes of integration of new migrant communities and appropriate policy responses, not just in terms of seeking to promote economic inclusion and competitiveness but also in relation to social justice and community cohesion. Policy responses not only need to focus on capitalising upon the positive contribution of new migrant entrepreneurs, such as entrepreneurship, innovation, international trade and economic inclusion;

---


they also need to better understand and tackle more negative issues such as informalisation, ghettoisation and exploitation. Therefore it is necessary for governments to retain and reinforce their commitment to equality and social inclusion. Governments should also develop policies that are flexible enough to reflect local contexts, ethnic diversity and their specific needs and interests.

Given their lack of knowledge about procedures and the regulatory framework, migrant entrepreneurs need specific support and advice. This type of support is not currently provided by formal business structures, but it is offered through informal advice and support within the migrant community. The barrier to access finance by the BAME and migrant community is a consequence of both, the financial market failure and the discrimination suffered by these groups. Financial support from friends, family and the community becomes the main source of support.

However, to rely only on the knowledge and resources of the migrant community itself often represents a constraint to breaking into bigger markets. The result tends to be the coexistence of two type of support: informal, tailored support within a community, and support from mainstream organisations.

- Is this structure creating duplication of support? Are the needs of a specific community so different that they need tailored support?
- Where is the balance between taking advantage of the community (market, clients, suppliers, advice & support) and integrating into the mainstream economy?
- Why do mainstream organisations do not provide specific, tailored business support to migrants? Do they think this service will be provided by the community?

We recommend that local and regional governments consider improving the performance and the integration of migrant entrepreneurs by implementing the following actions:

- Define and collect reliable and harmonised statistics on the economic and social aspects and contribution of migrant entrepreneurs, as well as developing techniques for making migration and diversity officially visible in the city. There is no official data currently available at a micro-level within the UK.

- Provide more support for existing migrant businesses to improve their sustainability, especially those in high-value sectors, instead of focusing support solely on start-ups.

- Develop or improve programmes that increase the human and social capital of migrant entrepreneurs by providing various services, such as advice and information, training (including language skills), networking and mentoring.

- Boost awareness and strengthen the capacities of intermediary organisations and create or enhance opportunities for migrant entrepreneurs, by improving access for their organisations to mainstream organisations.

---

Promote and enhance entrepreneurship from the beginning by working together with Universities and Colleges.

Access to credit is a very important issue for entrepreneurship. Therefore more programmes should be put in place to increase the financial capital of migrant entrepreneurs, by:
- Making them aware of funding sources
- Providing them with specific training
- Increasing the knowledge, expertise and understanding of credit institutions

Planning is one way in which authorities organise and enact power, through facilitating a process of redevelopment (regeneration). Local and regional government should work together: regeneration plans (planning), economic development, procurement, integration, etc.

Governments are regulators, facilitators, employers and buyers of goods and services. Policies can set guidelines for socio-economic development and support socio-economic actors. They can also use their purchasing power to promote equal treatment and inclusive entrepreneurship. Supplier diversity and the inclusion of social clauses in public contracts are means to that end. Diversity strategies in one area can be applied in others and human resources diversity, targeted diverse consumer approaches and supplier diversity can mutually reinforce each other. The supplier diversity aligns supply chains, products and services and it can extend workforce equalities and diversity activity to the supply chain. In terms of Human Resources diversity, diversity and equality clauses go further by helping contractors to change the way they employ people (policies could focus on hiring, training, promotion and pay conditions). It can be a measure to promote organisational change and social responsibility. A diversity and equality strategy could be applied also to promote gender equality.

5.3 Limitations

Methodological Limitations

Sample size: Although sample sizes are typically smaller in qualitative research because, as the study goes on, acquiring more data does not necessarily lead to more information, the research did not focus on one specific question or group. Hence, the sample made it difficult to extract quantitatively robust conclusions. In terms of the sample, it is worth mentioning the bias in the questions related to business support, as the e-survey participants already belong to a business support organisations database.

Measure used to collect the data: the objective of the research was to increase our understanding of migrant entrepreneurs in the Borough. We approach several communities, wards, business sectors and variables influencing migrant businesses decisions and performance. This broad approach provides with a snapshot of the migrant and BAME entrepreneurs challenges and points of view. We paid particular attention to the largest communities in the Borough and those who had increased more in number, although these communities are not necessarily the most entrepreneurial. The majority of the interviewed entrepreneurs did not have any previous experience in procurement. Finally, we did not
distinguish between business operating in the borough with owners living outside Lewisham, or vice versa.  

- **Lack of available data**: absence of data has been a significant obstacle in identifying trends and meaningful relationships between migrant and BAME business performance and the characteristics of their business, their country of origin, etc. We have also worked with registered business without taking into account informal enterprise, and worked largely with businesses that had previously received some sort of support from the Council. There is no single source collecting all information on migrants or migrant-owned businesses; and the Census does not categorise residents by their country of origin. Moreover, it is worth saying that the census is taken only at ten-year intervals, with no robust information on changes taking place between censuses. It is important to bring into focus the lack of official data relating to registered businesses. Gathering information on the country of origin of migrants, together with economic and social data broken down by type of resident, is a common challenge faced by all the European countries participating in the project.

**Limitations of the Researcher**

- **Access**: the outreach stage was particularly difficult as access to entrepreneurs and organisations was denied or limited.

- **Longitudinal effects**: the time available to investigate migrant entrepreneurship in the Borough within a sample was constrained by the time available. The literature review, data collection and interpretation usually take more than three months. Another constraint was geographical. Lewisham is an inner London Borough and an integral part of London and of the wider regional economy. The economic factors which affect London also affect Lewisham and the research had a limited local scope.

**5.4 Further research**

The questions listed below could constitute the framework for future researches:

**Statistics**

- How many ethnic enterprises are there in Lewisham /London/UK/Europe?
- What is the overall proportion of ethnic enterprises?
- What is the growth rate of ethnic enterprises in comparison with the growth rate of all enterprises?

**Economy**

- What is the scale of employment provided by ethnic enterprises at local level?
- What is the size of informal/illegal economic activities by ethnic groups?
- What is the size of migrant entrepreneurs compared to migrant wage earners?

---

48 Nearly 70% of working residents travel outside of the borough for work, with the majority to central London.
- Quantifying the contribution of ethnic entrepreneurship to the innovative capacity, growth and employment of the local economy.
- Examine possible reasons for differences in performance and efficiency rates between migrant entrepreneurs.

**Social**
- How far are ethnic entrepreneurs from their ethnic groups or their ethnic niches in the market? Have they broken into wider markets?
- Can business support services help migrant entrepreneurs break into wider markets rather than being dependent on niche community markets?
- Are there generational differences between the first and second generation of entrepreneurs?
- There are correlations between areas of inequality and ethnic diversity: why are marginal urban locations most likely to be the destinations of the majority of migrants?
- Study migrants’ social networks and links that have an impact on their aspirations and access to human and other resources.

**Cultural**
- Which are the reasons behind the strong or weak entrepreneurial behaviour of different ethnic groups?
- Are there some culture-based differences in the motivation and orientation of different ethnic entrepreneurs?

**Policy**
- Which institutional mechanisms are to be put in place to support ethnic entrepreneurship?
- Which regulations or regulatory systems have to be removed or to be created to support ethnic entrepreneurship?
APPENDICES

APPENDIX I. Questionnaire e-survey

Personal information

- What is your name?
- Home postcode:
- Gender:
- Ethnicity:

<table>
<thead>
<tr>
<th>White Irish</th>
<th>White Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black Caribbean</td>
<td>Black African</td>
</tr>
<tr>
<td>Black British</td>
<td>Black Other</td>
</tr>
<tr>
<td>Indian</td>
<td>Bangladeshi</td>
</tr>
<tr>
<td>Pakistani</td>
<td>Chinese</td>
</tr>
<tr>
<td>Turkish/Cypriot</td>
<td>Vietnamese</td>
</tr>
<tr>
<td>Asian Other</td>
<td>Mixed Background</td>
</tr>
<tr>
<td>Other</td>
<td>Prefer Not to Say</td>
</tr>
</tbody>
</table>

- Country of Origin:
- How long have you been in the UK? 'Tick one of the following'
  - less than a year
  - 1-5 years
  - 6-10 years
  - 11-15 years
  - more than 15 years

- Disability:
  - Yes
• Age:
  - Under 25
  - 25-34
  - 35-44
  - 45-54
  - 55-64

• Religion and belief:

  None
  Christian
  Buddhist
  Hindu
  Jewish
  Muslim
  Sikh
  Any other religion
  Other category

• Sexual Orientation:

  Heterosexual
  Gay
  Lesbian
  Transsexual
  Other
  Prefer Not to Say

• **What is your highest achieved level of education?** 'Tick one of the following'
  - Higher Education & professional/vocational equivalents
  - A levels, vocational level 3 and equivalents
  - GCSE/O Level grade A*-C, vocational level 2 and equivalents
  - Qualifications at level 1 and below
  - No qualifications
Other (foreign qualifications)

**Business Information**

- Business name:
- Business nature:
- Business postcode:
- What is the size of your business? *Tick one of the following*
  - 1 employee
  - <5 employees
  - <10 employees
  - 10 - 50 employees
  - 50 - 250 employees
  - 250+ employees
- What was the main reason for you to start a business? *Tick all that apply*
  - Higher earning potential
  - Lack of job opportunities
  - Greater independency
  - Desire to try out an innovative idea
  - Other (Please Specify)

- In your opinion, what are the main barriers to starting a business in the UK? *Tick all that apply*
  - Difficulties in accessing finance
  - The process is lengthy and bureaucratic
  - Legal obstacles (i.e. business regulations, insurance requirements)
  - Language barriers
  - Knowledge and skills on how to do business in the UK
  - Other (Please Specify)

**Business support**

- How did you hear about the Lewisham Business Advisory Service?  
  [Website]
Lewisham Life
Word of Mouth
Local Paper
Job Centre
e-mail
Approached by GLE
South East Chamber of Commerce
Phoned Council
Other

- **How do you prefer to contact the Business Advisory Service?**

<table>
<thead>
<tr>
<th>Telephone</th>
<th>Email</th>
<th>Website</th>
<th>Visit in Person</th>
</tr>
</thead>
</table>

- **Why did you contact the Business Advisory Service?**

- **How soon after your initial contact did you meet with a Business Advisor?**

<table>
<thead>
<tr>
<th>Within One Week</th>
<th>Within Two Weeks</th>
<th>Within Three Weeks</th>
<th>Within a Month</th>
<th>Within 3 months</th>
<th>Not Applicable</th>
<th>Left Blank</th>
</tr>
</thead>
</table>

- **Please tell us about the quality of business advice you received, and the knowledge/helpfulness of the Business Advisors.**

<table>
<thead>
<tr>
<th>Excellent</th>
<th>Good</th>
<th>Adequate</th>
<th>Poor</th>
</tr>
</thead>
</table>

- **Would you contact the Business Advisory Service again, should the need arise?**

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

- **If 'Yes', what sort of support do you think you will need?**
• If ‘No’, why not?

• How would you assess the performance of your business over the last 12 months? *Tick one of the following*

  - Very good
  - Quite good
  - Satisfactory
  - Quite poor
  - Very poor

• Over the next 12 months, how do you expect your business to perform?

  - Grow
  - Remain the same
  - Shrink

• Rating everything - Taking everything into consideration, how would you rate the service you received from the Business Advisory Service overall?

  - Excellent
  - Good
  - Adequate
  - Poor

• Please add any further comments you would like to make:

• Have you ever worked together, or received support from any of the following organisations? *Tick all that apply*

  - South East Chamber of Commerce
  - Federation of Small Business
  - A Business Association
  - A Black and Minority Ethnic Business Association
  - Private support
  - Other (Please Specify)

**Business Planning**

• What type of support was useful for your business? *Tick all that apply*

  - Accountancy and finance advice and training
Legal advice and training
Marketing advice and training
How to improve your sales
E-commerce
Other (Please Specify)

**Procurement**

- **Have you ever participated in procurement activities (i.e. bidding for a business contract)?**
  *Tick one of the following*
  - Yes
  - No

- **In your opinion, what are the main barriers to participate in the procurement process?**
  *Tick all that apply*
  - It is difficult to find out about procurement activities
  - The process is too bureaucratic and complicated
  - I think my business is not strong enough or large enough to win
  - I am not interested in participating in procurement

- **Are you involved in any networks to tender jointly with partners?**
  *Tick one of the following*
  - Yes
  - No

- **Given the opportunity, would you be interested to receive business support on procurement (free of charge)? Which type of support would you be interested in?**
  *Tick all that apply*
  - Soft skills workshop
  - Technical workshop

- **We also hope to interview some migrant-owned business in Lewisham about their views on the sort of services that would help migrants businesses to continue to be successful and to grow. Would you be interested in participating in a one-to-one interview as part of this research?**
APPENDIX II. Template interview BAME entrepreneurs

Personal information

- Name
- Age
- Contact details: telephone and email
- Year of Arrival to the UK
- Gender
- Country of origin
- Religion
- What is your highest level of education completed?
- What is your work experience?
- What is your migratory / legal status? Refugee, indefinite leave to remain, student, migrant worker, visa, other.
- What is the main reason you moved to the UK?

Business

- Sector of activity
- Location of the business (neighbourhood)
- Size of the enterprise: Medium-sized < 250 employees; Small < 50 employees; Micro < 10 employees.
- Business history, performance and expectations
- What are the main reasons to move into self-employment / enterprise (i.e. generates an income, tackle the lack of job opportunities in mainstream labour markets, desire for independence, etc.)?
- What is the main reason to choose this sector?
- What are the main barriers / obstacles you found when opening a business?
- Do you feel self-confident to approach professionals? Why?
- What is your knowledge and use of institutional support? Could you give some examples of official support you have used?
- If not, what alternatives of support have you used?
- How do you access to finance?

Procurement

- Do you have previous experience in Procurement?
- What are the main barriers to procurement?
- What are the reasons to do it or to not participate?
- Are you involved in any network to tender jointly with partners?
- What aspects would you improve (both from the demand and supply side)?
APPENDIX III. Template interview business and migrant associations

Organisation:

Contact details:

Structure and scope of organisation activities:

Areas of support:

Target group

Profile of entrepreneurs receiving support:

Profile of businesses receiving support:

Do businesses ask for support in the issue of procurement?

- What are the main barriers?
- What are the reasons to do it or to not participate?
- Create networks to tender jointly with partners?
- What aspects would you improve (both from the demand and supply side).

Problems analysis

- What are the main barriers / obstacles entrepreneurs found when opening a business?
- Is there a lack of self-confidence to approach professionals?
- Viewpoints on the BAME business support environment

Marketing of services to BAME businesses:

Collaboration and networking of information:

Referral of successful entrepreneurs – case studies
APPENDIX IV. Example of a supplier diversity questionnaire

To help us gather information on the diversity of our suppliers, we need to ask everyone who applies to provide goods, works or services to the Council the following questions.

We will keep any information you give us confidential, and will use it for statistical purposes only.

Are the owners or managers of your organisation mainly:  Female?  Male?
Are the owners or managers of your organisation mainly disabled?  Yes  No

<table>
<thead>
<tr>
<th>White:</th>
<th>Black or Black British:</th>
</tr>
</thead>
<tbody>
<tr>
<td>British</td>
<td>Caribbean</td>
</tr>
<tr>
<td>Irish</td>
<td>African</td>
</tr>
<tr>
<td>other White background</td>
<td>other Black background</td>
</tr>
<tr>
<td>please write</td>
<td>please write</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mixed</th>
<th>Asian or Asian British:</th>
</tr>
</thead>
<tbody>
<tr>
<td>White &amp; Black Caribbean</td>
<td>Indian</td>
</tr>
<tr>
<td>White &amp; Black African</td>
<td>Pakistani</td>
</tr>
<tr>
<td>White &amp; Asian</td>
<td>Bangladeshi</td>
</tr>
<tr>
<td>other Mixed background</td>
<td>other Asian background</td>
</tr>
<tr>
<td>please write</td>
<td>please write</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chinese or other ethnic group:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinese</td>
</tr>
<tr>
<td>other ethnic group</td>
</tr>
<tr>
<td>please write</td>
</tr>
</tbody>
</table>

(* ethnic group categories taken from Census statistics for 2001)

Please tick the appropriate boxes below:

<table>
<thead>
<tr>
<th>Group</th>
<th>Category</th>
<th>Percentage of your workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Gender</td>
<td>Female</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td></td>
</tr>
<tr>
<td>Disability</td>
<td>Disabled</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>British</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Iran</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other White background</td>
<td></td>
</tr>
<tr>
<td>Mixed</td>
<td>White &amp; Black Caribbean</td>
<td></td>
</tr>
<tr>
<td></td>
<td>White &amp; Black African</td>
<td></td>
</tr>
<tr>
<td></td>
<td>White &amp; Asian</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other Mixed background</td>
<td></td>
</tr>
<tr>
<td>Asian or Asian British</td>
<td>Indian</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pakistani</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bangladeshi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other Asian background</td>
<td></td>
</tr>
<tr>
<td>Black or Black British</td>
<td>Caribbean</td>
<td></td>
</tr>
<tr>
<td></td>
<td>African</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other Black background</td>
<td></td>
</tr>
<tr>
<td>Chinese or other ethnic group</td>
<td>Chinese</td>
<td></td>
</tr>
<tr>
<td></td>
<td>other ethnic group</td>
<td></td>
</tr>
</tbody>
</table>

How many people do you employ?

What is the first part of your organisation’s postcode

"
Contact

T: 020 7749 5163

E: marta.p@accesseurope.org.uk