ENTREPRENEURSHIP AS A PATHWAY TO INTEGRATION

INTRODUCTION

When choosing a career path, many see starting a business as one of the riskier options available. Maintaining success as an entrepreneur is notoriously difficult: in Canada, only 63% of new businesses survive after five years, and just 43% persist after ten (Government of Canada, 2018). These challenges are even more severe for specific groups of entrepreneurs, including newcomers, who must adapt without the resources and networks often available to people born in Canada (Cukier et al., 2017; Roy et al., 2014; Wayland, 2011).

Despite the danger of failure, researchers have noted that newcomers choose entrepreneurship more frequently than other working-age Canadians (Dheer, 2018; Ng & Gagnon, 2020). Studies have suggested that the proportion of immigrant entrepreneurs in Canada is on the rise – numbering three times greater than their representation in the general population (Hou & Wang, 2011; Langford et al., 2013). While some are "pushed" to entrepreneurship because they are excluded from the workplace, many others are "pulled" to entrepreneurship and would choose it over other career opportunities (Hou & Wang, 2011).

Entrepreneurship should not only be understood as a simple source of income for newcomers. By embarking on the entrepreneurial journey, immigrants develop the critical skills, confidence, and social networks that help facilitate their overall integration and sense of belonging, even if they do not end up starting a business. Entrepreneurial training thus serves as a form of experiential learning that can be harnessed by service providers to support newcomers' transition into Canadian life. Moreover, for many newcomers, it offers the added benefit of building a sense of self-efficacy which, particularly for men, can have significant psychological benefits compared, for example, to sitting in a classroom. The settlement sector is only at the nascent stages of leveraging this potential, as it is still seen as a niche service within the immigrant skills development ecosystem (Cukier et al., 2021).

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As a first step towards promoting entrepreneurship training as a viable pathway to newcomer integration, we explore four successful pilot programs in order to extract best practices that can be replicated and scaled up across the sector. The article outlines the ways in which these pilot programs address the specific barriers immigrants face when pursuing entrepreneurship, while also highlighting results and achievements related to acquiring skill sets and networks that are important for overall integration.

WHY IMMIGRANTS CHOOSE ENTREPRENEURSHIP AND BARRIERS

Many newcomers to Canada see entrepreneurship as a desirable and flexible career opportunity (Business Development Bank

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of Canada, 2019; Cukier et al. 2017). Data gathered from across the country reveal that a significant proportion of newcomers pursue entrepreneurship during their integration process; either instead of, or in addition to, other forms of employment (Momani, 2016). Statistics Canada has reported high rates of entrepreneurship among multiple categories of newcomer: 16.8% of refugees and 30% of family class immigrants start their own business soon after arrival (Green et al., 2016). In Ontario, 34.7% of all start-ups across the province are established by first-generation immigrants (Davis et al., 2013; Ng & Gagnon, 2020).

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Yet there are many barriers for newcomer entrepreneurs to overcome in Canada, such as a lack of institutional resources, business networks, and language competency upon arrival (Cukier et al., 2017). Their success is also hampered by various types of discrimination, including bias in competitions and screening processes (Balachandra et al., 2013; Clark, 2008; Huang et al., 2013; Ley, 2006; Schlosser, 2012; Sim, 2015). Research has also shown that immigrants use entrepreneurship as a way to circumvent career issues, such as dissatisfaction with salary and type of employment; particularly when their foreign credentials and work experience are not recognized or devalued in the Canadian labour market (Bauder, 2003; Teixeira & Lo, 2012; Wayland, 2011). In a survey of newcomer entrepreneurs (Hou & Wang, 2011), 33% reported choosing self-employment because of a lack of suitable paid jobs – much higher than Canadian-born workers at 20%.

For women, the entrepreneurial journey is even harder, with research showing that women often lack access to the mentorship, sponsorship, network, and social capital that contribute to success (Cukier & Chavouski, 2020; Orser et al., 2019). A Statistics Canada report showed that newcomer women in particular are more likely to be unemployed or underemployed, when compared to Canadian-born women, despite, on average, reporting higher levels of education (Hudon, 2015).

This research suggests that Canadian business practices can be exclusionary to newcomers, who may need additional support in accessing alternative pathways to employment. Entrepreneurship can be a viable pathway to personal empowerment and economic success, but only if it is better supported and made more accessible to newcomers on the margins of the job market (Cukier et al., 2017; Ng & Gagnon, 2020).

NEWCOMER ENTREPRENEUR TRAINING PILOTS

To lower barriers to successful integration through entrepreneurship, several pilot programs have been developed specifically for newcomers in Canada. The following four – namely, the Women's Entrepreneurship Hub (WE-Hub), Newcomer Entrepreneurship Hub (NEH), Boss Women, and the Workforce Innovation and Inclusion Project (WIIP) – illustrate how entrepreneurship training can play an integral role in supporting the success of newcomers.

1) WOMEN'S ENTREPRENEURSHIP HUB (WE-HUB):

WE-Hub is a hands-on training program designed to reduce barriers to entrepreneurship for low-income, self-identifying women, including newcomers. In partnership with Scadding Court Community Centre in Toronto, WE-Hub provides the tools and resources that women need to start their own business.

The program has multiple objectives including:

- Increasing entrepreneurial skills in women,
- Facilitating access to business financing resources,
- Offering concrete business testing opportunities, and
- Building social capital through networking opportunities and mentorship.

WE-Hub provides participants with training led by industry professionals and faculty from the Ted Rogers School of Management at Ryerson University. Women entrepreneurs are matched with business mentors and offered no-risk market testing opportunities. To ensure ease of access to programming, WE-Hub provides essential "wraparound" supports – including counselling referrals, settlement services, literacy support, transit fees and childcare – that enable women to participate fully in the program.

The curriculum incorporates training and workshops on the Business Model Canvas, Business Law, Finance and Accounting, and Social Media and Marketing, as well as other content related to running a successful business. Over the course of several consecutive weeks, and through learning how to develop and communicate their business plans, participants develop general business skills, a better understanding of finance and regulations, marketing and customer service skills, while improving their personal skills such as writing and time management.

Participants come from a diverse pool of aspiring entrepreneurs. Of the 200 women that participated in WE-Hub, almost half (48%) self-reported as belonging to a vulnerable community, including LGBTQ2S+, racialized people, persons with a disability, and Indigenous Peoples. About one quarter of these participants (24%) are newcomers to Canada.

Perhaps one of the most valuable components of the program pertains to the diversity of instructors, the majority of whom identified as women (79%) and racialized (63%).

Survey results showed a positive correlation between intentional recruitment of racialized and women instructors and workshop satisfaction rates. Learning from instructors with similar life experiences instilled a sense of confidence in participants about what they can accomplish.

In 2021, WE-Hub entered its fourth year of programming, and has helped women entrepreneurs who completed the program reach several milestones while improving their networks and skill sets. According to survey results:

- 81% of participants gained stronger personal networks and connections;
- 77% of participants increased their knowledge and skills;
- 56% of participants were matched with a business mentor;
- 47% of participants accessed a business testing opportunity;
- 43% of participants started a new business.

SUCCESS STORY: Janelle had an idea in mind, but didn't know how to get started until she joined WE-Hub, where she was able to bring her business to life. Fusion Fit Foods sells delicious "protein bites" through a successful online store. Janelle recently won the Canadian Black Chamber of Commerce's "Ethnic Food Incubator Program" Pitch Competition, receiving $5,000 for her business.

2) NEWCOMER ENTREPRENEURSHIP HUB (NEH):

In partnership between Ryerson University's Diversity Institute and Scadding Court Community Centre, NEH is a training initiative that provides a pathway to entrepreneurship for newcomers who want to start a business. The program provides participants with practical entrepreneurship training, opportunities to test their products or services, as well as mentorship support. The aim is to equip newcomers with resources and opportunities needed to establish a permanent business. A total of 175 newcomers have participated in the program since 2018, with the majority being women – 53% in the first year and 67% in the second year. NEH participants come from all over the world, representing over 30 countries of origin.

Newcomers that completed the NEH program reported several notable outcomes of the project:

- 75% of participants increased their skills and knowledge;
- 70% of participants matched with a business mentor;
- 68% of participants gained stronger personal networks and connections;
- 43% of participants accessed a market testing opportunity;
- 43% of participants have started a new business.

Key to the success of the NEH program is that it is designed as a holistic development and support program. In addition to covering the basics of launching a start-up, training also includes soft skills that are fundamental to Canadian business culture. Moreover, wraparound support services such as child-minding and translation are provided to maximize participation and access.

After this initial two-year pilot, NEH has been funded by Immigration, Refugees and Citizenship Canada (IRCC) for a three-year development project. In this phase, NEH aims to work with about 180 newcomers, providing benefits such as mentorship from local entrepreneurs, business development workshops, and targeted services – including settlement support, translation, childcare, and language classes.

SUCCESS STORY: Since completing NEH, Edinson has started InnScience, a business importing specialized medical equipment. He participated in the LatAm Start-up Accelerator in Toronto and then secured a spot at the Science Discovery Zone at Ryerson University. Edinson has continued to expand his business by creating an online platform with global reach for science researchers.

3) BOSS WOMEN:

Boss Women provides future skills and business training for Black women entrepreneurs through a boot camp format. This program offers instruction and mentorship through a network of successful entrepreneurs from the Black Business and Professional Association (BBPA). Its participants are women who need extra support to launch their business, including people born outside of Canada (49%), who are single (56%), and who have children (56%).

Boss Women has been established by the BBPA and sponsored by the Women Entrepreneurship Knowledge Hub (WEKH).

With 10 regional hubs across Canada, WEKH is a key partner that can leverage a vast network of over 250 organizations, improving access to financing, talent, and expertise for around 100,000 women entrepreneurs.

After implementing three rounds of Boss Women in two years, supporting more than 800 women, the training program has received a high rate of satisfaction in participant feedback:

- 92% of participants reported that the training was relevant to their business development;
- 83% of participants stated that they increased their knowledge or skills;
- 45% of participants indicated that their network expanded after attending the program.

One of the biggest challenges facing Black women entrepreneurs is attributed to the lack of role models and success stories of people that look like them – "if you can't see it, you can't be it" (Elmi et al., 2021). In order to empower entrepreneurs to pursue their endeavours with confidence, they must also be able to identify with their mentors. What is therefore essential to the success of the pilot program is that it provided access to a network of successful entrepreneurs that participants shared similar life experiences with:

> "The BBPA Boss Women Entrepreneurship program made me feel like I could be an entrepreneur in a way that my business degree wasn't able to. Enrolling in the program meant joining a community of innovative Black women who champion and celebrate each other's ideas and business journeys. Learning from amazing professionals and experts that uplifted women of colour made me feel like I, too, could successfully grow and transform my business." – Boss Women program participant

4) WORKFORCE INNOVATION AND INCLUSION PROJECT (WIIP):

The Workforce Innovation and Inclusion Project (WIIP) brought together settlement agencies, diverse employers, and non-profits across Canada to explore innovative approaches to address the employment needs of recently arrived immigrants.

From 2018 to 2021, 12 pilot projects were tested by WIIP, seven of them focused on entrepreneurship training. A total 585 newcomers participated. Examples of these projects included:

- **PowerHack:** Led by the Immigrant Employment Council of BC (IEC-BC), newcomers demonstrated their skills and expertise in intensive "hackathon" events, developing solutions to real-world problems chosen by participating technology employers.
- **The Skills for Change Immigrant Women's Social Enterprise:** Low-income newcomer women learned new skills and gained work experience through hands-on workshops and mentorship, as well as a seven-week job placement.
- **Cleaning Social Enterprise for Vulnerable Newcomers:** Piloted by the KEYS Job Centre in Kingston, Ontario, this program connected recently unemployed newcomers in the hospitality sector (due to COVID-19 closures) with local employers and entrepreneurs, aiming to establish a self-sustaining social enterprise for vulnerable newcomers.

The seven WIIP pilot projects featuring entrepreneurial training have received high satisfaction rates, with participants reporting that these pilot projects have enhanced their overall business skills in the following ways:

- 82% of participants stated that they acquired new skills to address the challenges of operating a business.
- 79% of participants indicated that the training was relevant to their business development.
- 68% of participants stated that their social networks expand as a result of the program.
- 32% of participants indicated that their business was growing as a result of participating in the program.

Important to the success of WIIP is its emphasis on collaboration and wide stakeholder engagement at the beginning stages. Pilot service providers focused on involving employers who were able to provide feedback on programming to ensure that the curriculum reflects skills they know to be in demand. Close collaboration between service providers and employers resulted in relationships and networks that newcomers benefitted from.

IMMIGRANT WOMEN START-UP CHALLENGE, HALIFAX AND NOVA SCOTIA

One of the WIIP pilots was the Immigrant Women Start-up Challenge, which offered newcomer women entrepreneurs an opportunity to present their business ideas to business leaders and win $5000 to develop it further. Pitch competitions were hosted across three cohorts in partnership with the Halifax Local Immigration Partnership (HLIP) and the Centre for Women in Business at Mount Saint Vincent University (MSVU). Newcomer women participated in the free training program held over three Saturdays. The workshops offered skills training in business fundamentals including value

proposition, pitching, marketing, branding and financial planning. Each participant received six hours of one-on-one coaching sessions towards the development of his or her business idea into a business pitch in preparation for the final competition. Participants were matched with a mentor based on their individual needs.

The pilot project included extensive regional partnerships, with representatives from the Business Development Bank of Canada (BDC), Community Business Development Corporation (CBDC), T.D. Small Business Banking, Credit Union, Arc Ignites Inc., Amplify Consulting, Digicel Branding and Marketing, Ashanti Leadership and Professional Development Services, Immigrant Services Associations of Nova Scotia (ISANS), Centre for Women in Business, Halifax Chamber of Commerce, Kisserup International Trade, East Coast School of Languages, T4G Consulting and Coaching, Centre for Entrepreneurship and Development, Recognize Your Potential, and People Can Biz.

While the sample was small, the majority (80%) indicated that they gained new skills to address the challenges of operating a business. All of the participants surveyed agreed that their social networks expanded by attending the program. Overall, 90% of participants who completed the survey were very satisfied with the program. Participants also reported that their business processes improved as a result of the support they received from their assigned mentor. Some noted that they gained new business partners and also improved management of their finances as a result of the program.

A major finding from the project was the importance of wraparound supports such as childcare and transportation for the in-person sessions. Other features that were important included the diverse and primarily women instructors, coaches, and mentors, many of whom shared lived experience with the participants. There were a number of improvements recommended to allow more convenient access to learning on their own time (e.g., taped sessions) as well as use of online matching to mentors. With the pandemic, access to the technology became an issue as did juggling unpaid work (childcare and home schooling) with participation in the program.

SUCCESS STORIES

There have been several success stories emerging from participants of the program. Ha Le won the pitch prize for the first cohort for her company, Midyat Tailor, a textile and fashion design business. The business model she presented, upcycling clothing items and thus diverting them from landfills, with a delivery service available to clients with accessibility needs, made her a competitive service provider in the textile and fashion design sector in Halifax. Ha Le was able to open her business in less than three months of winning the competition.

Apie D'Na won the pitch prize for the second cohort for her business idea the Wigologist, which makes customized wigs for Black women in Nova Scotia. Wigologist has officially opened, but kept online during the COVID-19 pandemic. Apie D'Na became a hairdresser in Nova Scotia out of need. She discovered quickly that the market for hair in Nova Scotia did not cater to women of colour and that there was a growing demand for hairdressers that understood their needs. It became her mission to learn the craft and provide the service to other women of colour in the region.

Taina Barrionuevo, an e-commerce consultant and owner of Not Just a Pretty Interface, won the pitch prize for the third cohort. Her company helps small businesses to integrate their products and services to an e-commerce platform. She has noted that for the first time, she has the capacity to hire two full-time employees in her marketing company.

CONCLUSION

The success of newcomers and women in these pilot programs has shown that entrepreneurship training not only helps immigrants to start businesses, but can also impart key skills that are transferable to different aspects of integration and labour market participation in Canada.

Providing "wraparound" supports for these programs ensures that all newcomers – particularly racialized women – have the resources they need to learn about business, while accommodating their other commitments during integration into Canada. These pilots have found that key supports for newcomer entrepreneurs include:

- Translation and Interpretation Services
- Childcare Services
- Transportation Support
- Settlement Services

A recurring output embedded into the evaluation metrics of all four pilot programs pertains to access to market testing opportunities. This enables entrepreneurs to gauge the market's response and obtain customer feedback, thereby minimizing their risks before fully launching their product or service. Access to these opportunities is particularly integral for entrepreneurs who have limited funding support. Access to funding opportunities is another important element in entrepreneurial training programming, as limited financial resources are a significant obstacle to immigrants launching their businesses.

But perhaps one of more beneficial components across the

pilot programs pertains to mentorship support and networking opportunities, which not only help immigrants navigate Canadian business practices, policies, cultures and norms, but are also shown to increase their confidence and sense of what can be accomplished – especially if mentors reflect their background and experiences. For newcomers, confidence building is particularly important to offset what can be a demoralizing process of starting over in a new country and facing the various challenges of navigating the labour market.

Despite facing lack of support and access to key resources, immigrant entrepreneurs often have stronger entrepreneurial intent than Canadian-born counterparts and bring global knowledge and social capital of their communities to their ventures (WEKH, 2020). It is important that programs leverage and build upon their existing knowledge and skill sets to help them successfully establish and sustain their businesses. Through building on their existing capacities and tailoring programmatic design to respond to their specific business needs in addition to larger barriers to success, the pilot programs serve as important best practices that can be scaled up to support immigrants' integration into the Canadian economy.

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