Asians in the UK: gender, generations and enterprise

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Abstract

Asian immigrant entrepreneurs in the United Kingdom have been used as examples of what can be done through free enterprise. Academic interest is developing in the changes taking place as newer generations emerge. A small-scale qualitative study was undertaken with interviews of five men and five women entrepreneurs of the second generation. The issues explored included their background, the factors that have influenced, facilitated or inhibited their decision to become self-employed, their experiences of entrepreneurship and the particular issues that confronted them. Female entrepreneurs in the sample were older and felt inhibited and more constrained than their male counterparts in their freedom to act. Both males and females of second generation entered business through attraction for the opportunities rather than as their only option in an unknown environment. Notwithstanding expectations, later generations did not enter activities adding much greater value than those of the first generation, even though they were better integrated with their environment. Boundary stresses between first and second generation are likely to lead to further studies of succession planning and of the influence of culture and gender on attitudes to enterprise.

Keywords:
Asian, enterprise, gender, immigrants, inter-generation stress

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Introduction

This is a small scale exploratory study of second generation Asian entrepreneurs in the UK. It is undertaken with a view to gaining better understanding of this community and, if appropriate, identifying areas that need further exploration. Asian entrepreneurs in the UK have been eulogised by the popular press as free enterprise heroes. But is the success and effort of the first generation of immigrants to be repeated, or has the process of acclimatisation and assimilation gone so far that the cutting edge of entrepreneurial drive has been blunted? The first generation migrants of interest to this study arrived in the UK in the late 1960s and early 1970s. The countries of origin were India, Pakistan, Bangladesh, Sri Lanka, numbering about 1.5 million, together with some 50,000 who were expelled from Uganda in 1972 during Idi Amin’s rule. In common with the general literature, they will be referred to as ‘Asian’, even though the expression may, occasionally, include immigrants from outside the countries listed above.

The first generation aimed primarily for economic comfort and security for the family through maintaining culture and traditions reminiscent of ‘back home’, whilst at the same time aiming to take advantage of the opportunities that the UK presented. Some businesses were probably set up in order to keep the family members together and in employment. Furthermore, participants enjoyed the status of being ‘business’ people, which carried some weight in the community. This was particularly the case with East African Asians trying to recapture some of the self-esteem they lost when they were forced to leave their businesses behind, only to realise that they had become an unexpected minority in the UK. Success in business compensated, to some degree, for the initial lack of recognition from the wider community in their new host country (Gidoomal, 1997). This approach survived as the immigrant culture was
heavily interwoven with rituals, traditions and religious beliefs and there was neither an immediate need nor necessarily the opportunity to integrate with the wider host population. Families closed-in rather than opening-out. Children were brought up to respect their elders, with emphasis on the importance of the family unit and the wider community network. There was an intense relationship between first generation entrepreneurs and their business. The entrepreneur, in many cases, spent more time with the business than the family (Janjuha & Dickson, 1998), resulting in isolation from the rest of the world and the other happenings of life. This is why the abovementioned rituals provided a basic level of stability in what was a relatively unknown environment.

Members of the second generation, however, were brought up in the host country, often the only country they have known. Yet, they were influenced by two distinct cultures. On the one hand their schools, media and peer groups promoted a quest for independence in the ‘new’ country. On the other hand at home, the prevailing culture was linked to that of their parents, fostering notions of duty, respect and, for women in particular, passivity. Stresses and problems may thus occur at the interface between the external and the internal world, between school or work and home, between personal aspirations and tradition. The younger generation may feel more in tune with the wider population in the new country than with the childhood experiences of their parents. The older generation closed ranks, shielded from outsiders and relied heavily on advice from the community or co-ethnic professionals e.g. accountants and lawyers from the same Asian background. The elders sought to maintain a link between them, albeit cautious, but the youngsters were resistant and even hostile (Gidoomal, 1997). The educated second generation has probably graduated from British universities and often achieved professional status. However, some have opted out of salaried employment and into self-employment. Why?

Asian entrepreneurs have now moved away from some of the values and anchors of the first
immigrant generation. They are more sophisticated, more confident, more articulate and have fewer members in their extended family in the UK than did their parents when they lived ‘back home’. They are aware of their value as economic units of labour and realize their worth as graduates. Independence has greater attraction for them than the security of community interdependence.

The present study, however, reveals a greater degree of complexity for the second generation than the first generation model. There is distancing between the first and the second generation, the latter wanting to achieve success on its own terms, without the need to do things the way one's parents did them. There is generally less resistance to bringing-in outsiders to help; marketing, knowledge workers and information technology are harnessed for their potential contribution to success, in contrast to the over-dependence on family labour of the previous generation. It could be argued that the long hours spent by an extended family working in the family business were the consequence of the difficulties that they had to get integrated into the local community and to the ensuing, limited, external life. Culture, language, habits and taboos may concur to engender a feeling of differences or even risk, thus further helping to create a ‘social curtain’ between the first generation and its surroundings.

The first generation moved into business due to push factors, possibly as the only way to achieve some financial stability. The second and third generations place greater importance on pull factors (Chavan & Agrawal, 2000). Chavan and Agrawal have identified that Ethnic Minority Businesses (EMBs) are starting to recognize the economic benefits and opportunities that lie in multiculturalism. They are gaining competitive advantage by capitalising on their linguistic skills, cultural knowledge and business contacts of migrants and ethnic communities. Entry into business is out of choice, not the last resort (Ram, 1992; Dhaliwal & Amin, 1995; Ram & Jones, 1998; Dhaliwal, 2000a).
Some of the Literature

Literature on the commercial and social behaviour and integration of migrant communities exists wherever large groups of people have converged through migration. Multi-ethnic communities in the United States, South-East Asian migration to Australia, and many other similar situations have prompted academic enquiry. Notwithstanding the economic and social importance of Asians in the UK, there have been few published studies on the way their activities change as successive generations interact with their environment. This is the area where the present small scale exploratory work is aiming to contribute.

Cultural characteristics contributing to the success of the first generation include thrift, hard work and reliance on family labour (Waldinger et al., 1990; Werbner, 1990). These gave Asian entrepreneurs some competitive edge over other businesses, but cultural factors may also restrict growth by creating excessive reliance on the local ethnic community as a market and on informal sources of finance (Ram, 1994; Metcalf et al., 1996; Basu & Goswami, 1999). Basu and Goswami (1999) analysed the relationship between long-term growth and four categories of variables: cultural factors, socio-economic factors, background characteristics and expansion strategies. Working long hours, exploiting family labour and serving co-ethnic populations is a simplistic explanation of a much more complex reality. Undue reliance on family labour may hold back business growth. Excessive reliance on serving co-ethnic markets may stunt expansion. Business growth appears to be related to the entrepreneur’s educational attainment, prior business or professional experience and personal financial commitment in starting the business. Growth is negatively related to reliance on bank finance at start-up. EMBs tend to be concentrated in low entry thresholds and low value-added activities, which often present limited opportunities for expansion.

There has been much discussion on the use of formal and informal networks by the Asian
business community (Ram & Jones, 1998; Basu & Goswami, 1999) and its dependence on both community and family for custom, labour and decision making. Many business people have aspirations for their children to become professionals and well educated, to have wider opportunities and choices and a better future (Dhaliwal, 2000b). Examples of successful second generation Asian entrepreneurs include Shami Ahmed from the Legendary Joe Bloggs Company. Ahmed extended his father's garment business taking it forward by developing a brand name and modernising its management with Western business practices. Another example is the Suman Marriage Bureau where the business has developed from being a traditional matchmaker within the Asian community to an on-line service. The son of the founder come into the business and modernized it, having realized that social traditions amongst young Asians were changing.

Conflict between generations arises as the decision forum, or boardroom, becomes the place of struggle between the older generation's entrepreneurial instinct and the new generation, its aspirations and paper qualifications in management (Gidoomal, 1997). The transition from one generation to the next leads to conflicts and tensions between the Firm, Founder and Successor (Janjuha & Dickson, 1998). Such businesses find it difficult to move from the growth stage to maturity. This would not be unusual in a family business, but the cultural dimensions add to the complexity of barriers to change. Problems arise when a young entrepreneur wants to introduce a more professional approach into the family business and bring outsiders whose suggestions often involve radical changes in hallowed procedures.

First generation Asians go first to their own networks for funding, secondly to Asian banks and only as a last resort to British banks (Gidoomal, 1997). Traditionally, the quality of service, efficiency and specialist expertise were not important reasons for selecting Asian banks; the real hurdle was language. First generation entrepreneurs had difficulty communicating the needs of their enterprise and were unfamiliar with the way things were done in the UK. Yet the
principle that ‘We’re from the same village’ gradually is no longer enough to run a business by. British banks found it difficult to understand or facilitate expansion. In turn, the first generation Asians did not understand the UK as a market-place and were impatient to achieve economic results. ‘If you don’t get the right support at the right time you miss the opportunity and these do not come back’. According to Shami Ahmed, ‘Lenders in the UK could be more flexible. International banks understand you better because they are used to dealing with communities where trust and track record matters more than the specific figures on your bank balance.’ (Gidoomal, 1997)

Shami Ahmed is an example of a second generation leaving the nest with the support and encouragement of his parents. His father ran a cash and carry warehouse, with stereo-typical Asian reserve, playing his cards close to his chest, revealing as little as possible of his plans, his business decisions and, particularly, his assets. It was partly modesty and partly because, like many Asians, he came from a country where corruption in business was not uncommon and it made commercial sense not to flaunt one’s wealth (Dhaliwal & Amin, 1995; Gidoomal, 1997). Shami claims, ‘The biggest failure is that Asians do not know how to market themselves.’ outside their ethnic minority community. Persistent hard work, determination and having an eye for the main chance, reflect traditional first generation Asian family values.

**The Female Entrepreneur**

Past research shows that Asian women are not strongly represented in self-employment. Various studies (e.g. Metcalf, Modood & Virdee, 1997) estimate that about 75% of the Asian entrepreneurs are men. In an earlier investigation (Aldrich et al, 1981), no Asian self-employed women were found during the survey. Jennings and Cohen (1993) claim that survey figures are misleadingly low because there is a tendency for some women entrepreneurs to be ‘invisible’ and their existence unacknowledged. This is certainly true of the
‘hidden’ women in Dhaliwal’s study (1998), where those interviewed openly reported that it was a male member of the family, such as their husband, father or brother who ran the business, thus masking the extent of their true role (Phizacklea, 1990; Ram, 1992; Ram & Jones, 1997).

One of the main reasons given in writings on the subject is that many members of ethnic minorities go into self-employment as a response to ‘blocked upward mobility’ (Ram & Jones, 1998). This is more pertinent to women who, at times, may perceive that they are facing the double disadvantage of both race and gender. Motives for entry were the desire to avoid being confined at home and also to circumvent discrimination and the ensuing confinement to low status jobs (Aldrich et al, 1981). ‘Push’ factors include unemployment, underemployment, job dissatisfaction, blocked opportunities or no opportunities at all. The status argument is strong for men and family businesses (Srinivasan, 1992 & 1995), where entrepreneurs are seen as successful role-models within their community (Dhaliwal & Amin, 1995). The status argument appears to be stronger for women who (Dhaliwal, 1998 & 2000a) despite their relatively low visible power-base within the enterprise, actually value the prestige of being part of an entrepreneurial family.

In the issues confronting Asian women, their families can help or hinder them. In ‘Silent Contributors - Asian Female Entrepreneurs and Women in Business’ (Dhaliwal, 1998; Dhaliwal, 2000a) family creation plays a crucial role for these women and is their first priority. A contributing factor to going into entrepreneurship was that more time became available as the children were growing up. The women wanted to utilize their skills and have some worthwhile purpose in their lives. Yet, these women relied heavily on family members, normally the husband, for any key business decisions. Their independence as businesswomen is with the tacit ‘consent’ of their families, particularly their husbands.
A sample from the real world

With the aforementioned knowledge in mind, it became the aim of this small scale project to explore the current position of second generation entrepreneurs. Interviews were arranged with 10 entrepreneurs of Asian origin who were brought up and educated in Britain. They all held an ownership stake in a business. In the first instance, prospective respondents were approached through personal recommendation. The next step was the snowballing technique, asking respondents of successful contacts for names of other eligible, second generation, entrepreneurs. This method proved useful in gaining access to more respondents. There are, of course, methodological concerns about bias due to possible kinship links in the sample and the limitations to extending the findings beyond the survey. Notwithstanding this concern, it was anticipated that useful insights would be gained from this approach and that alternative approaches, though more amenable to generalisations, would have presented new drawbacks, particularly when dealing with a population deemed difficult to reach and not ‘trusting’ unknown persons easily.

The businesses run or owned by those interviewed were small, relatively low value-adding and required a high labour input. They are similar to traditional first generation businesses, such as retail or corner shops. This enabled questions regarding motives for entry to be more revealing, particularly since this second generation had greater career choice and opportunity than the first one.

Face-to-face interviews lasted about one hour, with both closed and open-ended questions being asked. All interviews were conducted at the respondents’ business premises at a time they deemed convenient. First, respondents were asked structured questions such as their age, education, family background, which allowed them to become more comfortable with the interviewer. The interview progressed to more open-ended, semi-structured questions. These
were directed at clarifying their motives for business entry; the role of their families at both the start-up stage and subsequent management of the business and aimed at highlighting the factors facilitating or inhibiting the success of their business. Respondents were encouraged to elaborate on these issues and also to discuss their current challenges and hopes for the future.

The interviews were tape-recorded and then key elements were abstracted. Several themes emerged. Interestingly, the men in this sample were, on average, some 3 years younger than the women. Although this was a small sample, it could be that this difference reflects a later start-up by women, possibly after family creation. It could also be that, for cultural reasons, younger women were more reserved and thus resisted joining the sample.

**Findings**

**Background: Female Responses**

Female respondents ranged from 35 to 50 years old. Some of their businesses were hobby related, for example, two respondents were beauticians bringing Eastern techniques and materials to the West; another ran a catering company serving Asian meals for weddings and parties. These findings support Dhaliwal (1998) in that many women chose roles as an extension of a role associated with being Asian women or wives. Another respondent ran a newsagent shop jointly with her husband; and another business was a property letting agency where the main clients are students looking for accommodation in the local community. The husband also played an important role in the development and running of this last company.

The women interviewed were, on the whole, less educated than the men in the sample and
had mostly taken professional and skills-based courses. Academic backgrounds varied, ranging from a beauty course to more traditional 'A' levels; one of the interviewees had attempted a law degree but personal and business commitments did not allow her to complete it. Some of the women developed skills after the business was up and running e.g. a computer course by the owner of a catering firm.

Most of the women had family members in business. Even if the other members of the family were not in business their role was important in moral and financial support. The greatest area of support was in childcare, ‘I live with my mother-in-law and she helps me look after the children.’ Another woman was more concerned about juggling her roles, ‘I find it difficult to build up the business and bring up my children, I am torn in two.’

Another woman relied on friends from her own community, ‘I had several friends in business who could give me practical advice and assistance.’ She added, ‘My children did help me initially and if I need any help my mother and brothers are always there.’ Family help was a mixed blessing, particularly when they stopped facilitating and started interfering and hindering progress and creativity, ‘I am very independent and like to go forward but every time I have new ideas and want to expand the family say No, why do you want to take risks? My mother really worries about me.’ One respondent faced hostility from her husband and family when she located her first beauty salon, ‘My husband said that it was not going to work out, the children needed me at home.’

Background: Male Responses

The ages of male respondents ranged from 24 and 50 years. Most of them had family members in business, usually siblings. These more established siblings often facilitated entry into the business through financial and other advice and resources. ‘My brothers had
businesses so it was in our blood. It was the most natural thing to do.’ In many cases the idea of running a business is ingrained from an early age (Ram, 1992), ‘My father was a businessman in Kenya, so I was always business minded, I just needed the right opportunity.’

Families play a positive role in supporting the men and their businesses (Basu & Goswami, 1999; Dhaliwal, 2000a), ‘The family do help, we are well networked in the community and they give financial and other support, they look after my children.’ Their wives also are expected to put the business first, ‘My family certainly helped me out in the beginning and taught me about the business. I got married and my wife has been a great support to me. She does the day to day running of the business and I try and develop my ideas to expand the business.’ Community support is expected and relied upon, ‘I belong to the Shah community who are always willing to help.’

Most of the respondents were better educated than anticipated, but there were no parameters for comparison. Some had specialisms relevant to their business e.g. car mechanic.

Motives for entry: Female responses
There were different reasons for entry in each case. The husband played an important role in supporting and encouraging the business and in some cases the woman’s business evolved from her husband’s, ‘My husband put the idea together to form a letting company and I left my job to run it.’

One respondent claimed that she married the husband and his business, there was an expectation that she would be a partner in all respects, ‘I married into the business.’ For the beautician the motive for entry was to use her knowledge of the Asian beauty business as a lucrative hobby, ‘I wanted more control over my life.’ Similarly for the caterer, ‘When I entered the business, cooking was a hobby. I started by cooking for my friends and it just took off from there and grew as a business.’ A few started their own business to escape from unsuitable
employment, ‘I worked in a lot of dead-end jobs that bored me’

Motives for Entry: Male Responses

This was almost always the result of family and community pressure or that of fulfilling family obligations and dreams, ‘It was my dad’s ambition to own a shop’. The community network was strong and efficient (Ram & Smallbone, 2000). ‘The community put me in touch with the previous owner of this pharmacy when word got out that I was looking for a business.’

Many were disillusioned with their experiences in employment, ‘I had worked in many pharmacies around the country, it was hard work, I’d rather put that effort into my own business’; or ‘I was really disappointed’ explained another respondent who worked in industry prior to starting his own business, ‘I felt I was discriminated against for being Asian in a white dominated job.’ Many could not settle into careers, ‘I did work but I got bored easily and I could not settle down.’ Having control over one’s work was also a factor, ‘I love the independence.’; and ‘The biggest thing was that I did not like working for anyone. I was prepared to work eighteen hour days for myself.’ These observations support the ‘push’ motives found in the literature (Ram, 1994; Ram & Jones, 1998)

Families both facilitated and hindered the development of the business. ‘My family helped my decision to enter the business but they hinder progress, it’s a constant battle of wits’. Attitudes to risk differ, ‘They have old fashioned mentality of running the business, but I want to take more risks. They put a lot of pressure on me so if my ideas don’t succeed they say ‘we told you so’.’ There is a heavy price to pay for being in business, ‘We have strong family links. My family life suffers because of the business.’ Finances are nearly always privately sourced to start up the business, ‘I used my savings to buy the business, I did not get a loan’; and there is an expectation for the family to help any male child, ‘I used my mother’s money, well it’s all in the family.’
Financing: Female responses

The majority of women relied on private and family funds to develop the business, ‘Today I am faced with the challenge of increasing my client list I can get the finances to expand from my husband but I want to try and get a bit more business myself and generate the money to expand first and use my husband as a last resort.’ Only one of the respondents had no start-up funds from private sources and approached the banks, ‘It was quite difficult at first because I had nothing and was starting from scratch. Luckily I had a good bank manager… who was very supportive and offered me a £20,000 loan.’ Before approaching the bank she had undertaken a lot of research and presented him with her plan, ‘I showed him my plans and he was impressed.’ She did not have the same level of support from Business Link, ‘I did go to the Local Business Link and they were not very enthusiastic about my idea to start a catering business.’ Since establishing her business she has managed to receive some management training from them.

Financing: Male responses

The respondents were very scything about financial institutions, ‘Banks give financial aid but it is always to their benefit not ours.’ Another respondent was equally negative about banks, ‘They call it a partnership but it is quite lopsided but without them you cannot expand. If there was an alternative I would go for it.’ The first port of call was personal and family money but for growth external sources of finance were essential (Gidoomal, 1997). ‘It is difficult to start up in business unless you have rich parents or relatives.’ Another deterrent to external finance and support was the bureaucracy involved, ‘When grants and aid are mentioned, the paperwork to fill in the forms is ridiculous that I don’t even try.’ The respondents were angry that their efforts were not acknowledged by public bodies, ‘We are creating employment all the time for the economy. But there has not been anybody who has come up to me and said thank you and how can we help you as well!’
Main Challenges: Female Responses

There were mixed feelings to being a woman in business, ‘I am not taken seriously by sales reps, they want to deal with my husband although I am quite capable of making decisions myself.’ In contrast, the property letting lady said, ‘I think that it is easier the fact that I am a woman. It helps me deal with the customers a lot more easily.’ On the whole, being female helped in dealing with clients but any external dealings with business representatives, accountants etc proved more challenging. It took longer to get established as a businesswoman and to be taken seriously: ‘A woman on her own in a competitive catering sector was a challenge. Others think that you don’t stand a chance of success. However, now people have realized that I have proved myself and made my mark.’

The main challenges facing these women were both personal and business related, ‘I hate having to make all the major decisions by myself.’ Difficulties arose when roles overlapped, ‘Juggling my business and my children, I just don’t have enough time’. There was also conflict between the roles traditionally assigned to Asian women and the need to succeed in the marketplace, ‘Family is important to me and it was not easy to manage the children when they were young, but as they grew they have been a great support to me and the business. Now that they are independent I have more time to devote to the business.’

Challenges had to do with business growth, as is the case with several other small businesses, ‘I am expanding my catering business and looking for new units.’ Or, ‘Procuring clients; marketing and developing my business’; or ‘I’m too reliant on my small group of existing clients.’

Main Challenges: Male responses

Time and volume of work was a constant challenge to all the respondents, ‘I work 70 hours per week’. There was, however, an attempt to ‘work smarter rather than harder’, ‘We are slowly
working towards more efficient labour management where we can go out more’. The respondents were averse to the excessive bureaucracy and legislation surrounding their time-consuming enterprises. The pharmacist, for example, had to deal with professional (medical) accountability, NHS regulations as well as employment legislation and regulation, ‘My business and professional roles are in conflict. From a business perspective, there are employment regulations, Inland revenue forms, as a pharmacist there is clinical governance, new journals to read each week to keep abreast of the latest information. Being a pharmacist and a business man is a difficult marriage.’ Others echoed these issues, ‘Employing people legally is a nightmare, there is so much paperwork to fill in, there are regulations for everything; I spend more time filling in forms than running the business sometimes I wish I did not have to employ anyone.’ It was easier coping with help from family or community contacts than employing people from outside, ‘Employees must have regular breaks, lunch hours etc. The family members just juggled all this, it was never an issue.’ Employing people appeared to be the most stressful part of the business and a deterrent to expansion, ‘The business has taken its toll.’

Probably as a result of these pressures, many entrepreneurs kept the business small and under their control. One respondent had a very narrow customer base, ‘Most of my customers are Asian cab drivers, I am totally reliant on them for my customers. They always want a good deal though so the profit margin is narrow.’ Despite this he claims, ‘I don’t want to expand.’ Others were more defensive about their businesses and how they were perceived, ‘Business people see my shop as a newsagent’s with dead end prospects. I have diversified into other areas e.g. photo processing, telephone cards, money transfers.’ Yet, niche markets were considered vital for the survival of these businesses, ‘For me finding a niche in this competitive sector was important and so we specialise in disability products. We can market ourselves with agencies and have different outlets.’
Additional observations

The number of employees who were not close family members ranged from none to under 10. Recruitment methods varied from word of mouth, advertisements in local newspapers and the job centre. The respondents had a positive approach to investment in training, ‘We encourage our employees to go for training. For example, one of our employees is on NVQ training. The sandwich making staff all have health and hygiene certificates.’ There was an emphasis in keeping up-to-date, ‘We try and train our employees in-house but sometimes we have to bring people in from outside to train all of on IT skills and new software.’

Employees were often, but not always, co-ethnic with the employer. In the catering business one woman claimed, ‘Most of my employees are recruited by word of mouth. Most of the employees are Asian women and they feel more secure working with other women. My driver is male. I am planning to recruit another five employees this year.’

The community was less important and helpful for women than men who are setting up their own businesses; joint family businesses benefited the most from support and help from their own community. One of the respondents was a member of the Chamber of Commerce. For the catering company owner the community played a greater part in the early stages of establishing the business, ‘The community has played a great part in my business but now my customers are not only Asian. I have many white customers, I cater for functions at the council, local banks. Indian food has become quite popular in the last few years. Now even at Christmas parties people want Indian food. The Asian community in particular has helped me in generating my business.’ The beautician was less favourably disposed towards her own community, ‘The Asian community has not helped my beauty business, nearly all my customers are white. They appreciate Eastern techniques and are open to new and alternative methods. Asians do not want to spend money on themselves and think beauty treatments are too extravagant.’
Summing up and Comments

According to the literature, first generations of Asian immigrants to the UK placed great importance on economic necessity and on avoiding unemployment (push factors). Evidence from the interviews suggested that the second and third generations are placing greater importance on the opportunities that exist within the UK and on taking advantage of the links with the country of origin (pull factors). This means that entry into business by the second generation is a positive choice and not the last resort. Despite these pull factor observations, second generation Asians still embark on businesses that require long hours of work, add low value, have a low growth potential and remain highly dependent on family networks and finances.

Asian males, on the whole, have a greater degree of support and encouragement from both the family and the community. They tend to go into business to enjoy some independence and to be rewarded for their abilities and efforts. Many of the business issues they face are more indicative of the business activity undertaken than generational. Issues linked to their cultural background play a large part in the business, whatever it’s nature, and have a bearing on decisions made.

The interviews identified two levels of involvement by women in the sample. Firstly, women co-owning and operating their business with their spouses, where the male is the visible or dominant decision maker. Secondly, women partly or wholly owning the business and having control of the operations and decision making. Asian women claim that they are weak in finance and marketing skills and strong in the area of dealing with people. Attributes to success include customer service and willingness to work hard. The main barriers to success by females are claimed to be male conservatism, a perception of preferential treatment by banks and an assumed lack of knowledge. Women perceive that they do not have easy access to start up funds from banks and financial institutions and thus have to resort to
relatives and family reserves or their own savings. However, more and more women are approaching financial institutions with business ideas.

Both the literature and the evidence collected recognize a change from generation to generation. Second and subsequent generations of business owners are better integrated into the community and have been educated locally. Like other immigrants in the UK and elsewhere, there is some evidence that second generation Asians in the UK are moving away from enterprise and from what their parents stood for (Jacoby, 2000) They are better informed of Western business practices so that providers of support can be reached without concerns about distrust, closed doors and a lack of interest. There is some concern, however, that the ‘hard work’ ethic is not being carried forward by the second generation (‘Making a Fortune…the Asian Way’, BBC2 TV, 29 October 2003, 21.00-22.00 hrs).

Potential for ‘breakout’ exists, as many of these businesses are still relying on narrow, co-ethnic markets for custom. Growth is a challenge perceived as being hindered by lack of finance or the time and labour to expand. These businesses, despite adding low value and being labour intensive do have potential for growth, particularly by diversifying into other areas - as was the case with the news agency. Their evolution as businesses may parallel the pattern of change in distribution services.

This paper contributes to the growing body of literature on the diversity of ethnic minority businesses and to the boundary stresses between different dimensions, such as individual and family, generations or gender. The work highlights the need to explore further the extent to which the issues identified are related to the smallness of the businesses, to those interviewed, or to something peculiar to a generation or it’s culture. Even though generalisations would not be supported by the method and scope of this small scale project, there is no evidence that second and later generation Asians would necessarily behave in a different way to other
second generation immigrants. The expectation that younger and second generation entrepreneur start-ups will be in higher value-added activities (Ram & Smallbone, 2000), did not get support from this sample. Likewise, the evidence did not support the view that Asian women are necessarily at greater disadvantage than other women in the UK. Were this to be the case, it would be worth exploring more carefully the influence of culture and gender relationships in this particular set of immigrants. Men and women in the sample behaved differently towards enterprise. This is in keeping with observations in other studies (Cromie, 1987; Brenner et al., 1989) but differs from the findings of Chaganti (1996) and Sonfield et al., (2001), among others.

If the activities undertaken by the first generation are avoided by subsequent generation Asians, who will take over when the older entrepreneurs go beyond working age? Although outside the scope of this paper, issues of ownership and succession planning are likely to enter the academic arena in due course.

In contrast to some of the evidence gathered for this study, it should be remembered that Asian entrepreneurs have made outstanding contributions to many sectors of the economy. There are several senior consultants in medical areas, senior academics, local Councillors, Members of Parliament, members of the House of Lords and more than a handful on the list of the 100 wealthiest persons in the UK. Some of these are of the first generation who have found a way of working with their environment rather than sheltering from it. Others are sons or daughters of the stereotype corner-shop owners who have resisted low value-adding activities and achieved higher visible returns on their undoubted talent, intellectual assets and efforts.

References


Dhaliwal, S (1998) ‘Silent Contributors - Asian Female Entrepreneurs and Women in


Table 1: Findings

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<th>Observation</th>
<th>Age</th>
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<td>No.</td>
<td>Age</td>
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<td>Employment</td>
<td>Part-time/Full-time</td>
<td>Employment Bureaucracy</td>
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<td>48</td>
<td>Pq Hardware</td>
<td>3PT Independence</td>
<td>Avoid fall in sales; competition</td>
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<td>24</td>
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<td>Cousin, PT Independence</td>
<td>Long hours; loneliness</td>
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<td>Pt Kiosk</td>
<td>1FT, 6PT Succession to father</td>
<td>Expansion</td>
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**Female**

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<td>V Hair &amp; beauty salon 2PT Lack of alternative employment</td>
<td>Finance to expand; husband’s concerns</td>
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</tbody>
</table>

Abbreviations:

Ud= University degree; Pq= professional qualifications, e.g. accountant; Pt= Professional training; V= vocational training, e.g. car mechanic. PT= Part time; FT= full time.