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THE REASONS BEHIND RELUCTANCE OF SUDANESE IMMIGRANTS IN ESTABLISHING A BUSINESS ENTERPRISE IN FINLAND

Bachelor's Thesis 2013

ABSTRACT

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The aim of the study was to understand various factors that lead to reluctance of Sudanese immigrants to engage in entrepreneurial activities. The theoretical framework establishes major factors that determine whether an individual is likely to become an entrepreneur. In more concrete terms, the focus is on psychological factors such as the propensity to take risk, sense of self-efficacy, need for achievement, need for autonomy and locus of control. In addition to these purely psychological factors, it was also proposed that the awareness of establishment procedure can also have effect on individual's motivation to become an entrepreneur.

This theoretical framework was applied to a sample of Sudanese immigrants with 43 respondents. Questionnaire survey was used to assess the factors proposed in the theoretical framework. By conducting data analysis, it could be seen that autonomy, locus of control, achievement, and risk propensity measure are all highly correlated with motivation to establish business. It was somehow surprising to find that awareness of establishment procedures was not correlated with motivation to do business. Autonomy alone has highest independent significant effect on motivation to do business and locus of control seems to have second highest effect as well. From these results, it can be concluded that autonomy has the highest independent and significant effect on motivation to establish business. The lower the sense of autonomy the lower is the motivation to establish business and thus higher reluctance to establish business among Sudanese immigrants in Finland.

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1 INTRODUCTION

1.1 Background

According to Pirhonen (1992) as cited in (Heikkilä & Peltonen, 2002) immigration can be seen as the movement of human capital from one country to another and at the same time it is a part of the growth process of human capital. From the innovation point of view, immigration is seen as the effect of bringing new skills and abilities to the labor force (skills in work, language proficiency, and foreign contacts) and modernization (at the individual level, ability to take risks, courage, freedom from prejudice) which has influences on development trends in technology, entrepreneurship and internationalization

Since Sudan gained independence from joint British-Egyptian administration in 1956, there have regularly been problems with drought, famine and war. Sudan has seen regular turnover of governments, many of them military regimes controlled by northern Sudanese interests favoring Islamic-oriented policies. Disputes with largely non-Muslim southern Sudanese over access to power and resources have resulted in two extended periods of civil war (Museum Victoria Australia, 2013). Similarly; there is also a large divide in terms of ethnicity, language and religion among Sudanese people. These differences between the northern part and the southern part of Sudan have led to violent clashes such as two civil wars in the last 150 years. These factors have led to mass immigration from Sudan to other parts of the world.

The first major Sudanese emigrants arrived in Finland as quota refugees in 2001 and the very first of these arrived in Finland from Egypt between May and October 2001, as part of its official United Nation quotas, numbered 300 (Negus, 2001). Before that, a few Sudanese migrants arrived in Finland to pursue educational opportunities in both undergraduate and post graduate institutions across Finland. Almost all of these immigrants came from the various ethnic groups in the southern part of the country.

Since then, many Sudanese have gained access into Finland as refugees. Adoption of Finnish Aliens Act on 1982 and subsequent revision in 1991 and 2004 has strengthened the legal protection of foreigners and granted foreigners permission to appeal be-

fore the courts. Therefore, the number of foreign immigrants to Finland including the Sudanese immigrants is likely going to rise in the future. It is worth mentioning that most of the Sudanese refugees in Finland are from Southern Sudan. The Sudanese in Finland are dispersed all over the national territory.

At the same time, Finland received a lot of immigrants from Russia and Estonia as result of dissolution of the Soviet Union, and there was also an increase in the amount of asylum seekers and refugees from Somalia and former Yugoslavian area (Alitolppa-Niitamo & Söderling, 2005). Later during the Asian financial crisis in 2000, there was increased immigration from Afghanistan, Iran, Iraq and Sudan, to mention just a few countries (Myrskylä, 2010). Furthermore, the expansion of the EU along with new statutes about free movement of people within the area, have added to the amount of foreigners in Finland (Rapo, 2011).

The number of immigrant entrepreneurs is growing in Finland due to the flow of the immigrants. At the end of 2010, foreign citizens resident in Finland numbered 167,954; making up 3.1 % of the population (OSF 2010). According to Finnish Enterprise Agencies, around 6,500 businesses operating in Finland are established by foreigners, which indicate that setting up one's own business is a good way for an immigrant to find work in Finland. Alternatively distinct differences exist between various nationalities in terms of entrepreneurship. The Turks are remarkably active at starting businesses, and the Asians in particular stand out as being eager entrepreneurs. Until recently, the immigrants of Sudanese origin have not been very interested in becoming entrepreneurs. (Helsingin Sanomat, 2006.)

Despite that expectations, and extensive support for immigrants available in Finland, it still differs from other EU countries with respect to relatively modest self-employment rates among the immigrants/refugees population. While native Finns could be expected to be an advantage for entry into self-employment, the high self-employment rates of Turkish, Russians, and other citizen from EU countries over immigrant/refugees from Sudan would suggest that among non-Finns, other factors play a role. In this context, according to the data available from Finnish Migration Service, (2010) the number of Sudanese immigrants is 1113 making 0.7% of total immigrant population. Out of this, very small percentage of the immigrant Sudanese population

is involved in any kind of entrepreneurship activities. Compared to this, for instance, the other immigrant populations are very actively involved in establishing and running small and medium sized enterprises

Salmenhaara, (2002) described how almost “one third of all immigrants who have Finnish citizenship are unemployed”. Among some nationalities, unemployment has been considerably higher. Refugees and asylum seekers especially have had difficulties in finding a job in Finland and many are working in sectors where income is low and the employment situation is unstable. Immigrants are mostly employed in industry and in the service sector, and mainly in sectors such as cleaning and public transportation.

Therefore, it would be very interesting to find out why there is relatively low self-employment rate among individuals immigrant from Sudan. It is also worth exploring why Sudanese immigrants have been less successful in establishing businesses compared to for example, immigrants from Turkish, Russians and other European nationalities. The reason for this may be that Sudanese immigrants only arrived later in small batches compared to other nationalities is questionable because it has already been thirteen years since the first batch of Sudanese immigrants arrived. These are some of the major questions that this thesis aims to answer.

On the one hand, one might suspect that higher educated individuals among immigrants from different nationalities such as from other EU countries, Russia, and US; have more alternatives for entrepreneurship. On the other hand, less educated immigrants, as in the case of immigrant/refugees from Sudan in Finland, might face difficulties in finding a job. In spite of that it is rare to see entrepreneurs among immigrants from Sudan. This also leads to the most important question: why are immigrant from Sudan not active entrepreneurs?

The importance of small and medium-size enterprises in the Finnish society has grown during 1990s. In 1997, there were about 213,000 enterprises in Finland of which SMEs represent 99.8%, and the share of the self-employed is 40% of the total enterprise stock (Heinonen, 2000). This indicates that small business are becoming increas-

ingly important in creating jobs and suggest also that the entrepreneurship and self-employment is becoming probable alternative as well in Finnish society.

1.2 The objectives of the study and its limitations

The aim of this thesis is to explore the reluctance and inabilities of Sudanese immigrant population in Finland to engage entrepreneurial activities. In doing so, the objective of the thesis is to find out the causes for this apparent problem through study of the actual Sudanese immigrant population, and at the end suggest some methods to alleviate this problem. It can be expected that studying Sudanese immigrants and their motivations and reluctances behind establishing businesses will also contribute to societal good. For example, it could give some indication regarding design of policies to increase entrepreneurial activities among this community.

Considering the fact that alongside Somalis, the Sudanese are among the oldest groups of African foreigners have settled in Finland, it is pertinent that a research of this kind be carried out on the entrepreneurship of the Sudanese in their new society. This is particularly because Finland is a country quite new to the phenomenon of immigration, as the largest influx of immigrants outside Europe started arriving Finland only after 1990. More specifically, the research questions can be formulated as follows:

How can Sudanese immigrant's reluctance in establishing their own business be explained?

The purpose of this thesis is not to explore all of the causes in detail and their explanation is beyond the scope of this study. However, it is quite obvious that unawareness of the legal stages to establish a business, getting financial support and interacting with public supporting agencies can lead to reluctance in immigrants from Sudan to engage in entrepreneurial activities. This research focuses on psychological variables more than the unawareness of establishments procedures in all its detail.

1.3 Definitions

In this section, some of the important concepts used in the thesis are outlined:

1.3.1 Entrepreneurs

Although there is only limited consensus about the defining characteristics of entrepreneurship, the concept is almost as old as the formal discipline of economics itself. The term "entrepreneur" was derived from the medieval French word *entrepreneur*, or "one who manages, undertakes or controls" and was originally used to refer to a person who was a leader in a battle (Banges & Jr. Pinson, 1999). The term was formally introduced to the field of economics by French economist Richard Cantillon who defined entrepreneur as an "agent who buys means of production at certain prices in order to combine them" into a new product (Schumpeter, 1934). The idea of leadership to entrepreneurship was added only later by another French economist J.B. Say and his focus was in the ability of entrepreneurs to organize people to build a productive enterprise (Schumpeter, 1934).

Similarly, an entrepreneur has also been defined as "an innovator of business enterprise who recognizes the opportunities to introduce a new product, a new process, or an improved organization, and who assumes risk to raise the necessary money, assemble the factors for production, and organize and operation to exploit the opportunity" (Banges & Jr. Pinson, 1999). Other scholars such as Zimmerman, Scarborough, and Wilson (2008) define entrepreneur again as "those individuals who create a new business while facing risk and uncertainty to gain provide and growth for the business". This process involves identifying business opportunities as well as putting together necessary factors of production to capitalize on them. Similarly, The Global Entrepreneurship Monitor GEM project defines entrepreneurs as "people who are active as adults in the process of setting up a business they will (partly) own and/or currently owning and managing an operating young business" (Reynolds; Bosma; Autio; & Hunt, 2005).

The official statistics in Finland also give two more definitions of an entrepreneur. The first definition by Employment Statistics defines entrepreneurs as a person aged between 18-74 who had a self-employed person's pension insurance, who was not unemployed during the last working day of that year and were not enlisted in military or civil service during the last week of the year. A person can also be beneficiary to self-employed person's pension insurance if the wage earned from entrepreneurial income is more than the normal employment relationship. Entrepreneurial income does not

have to only exceed the wage from employment relationships but it can also be any other specified level set by the Labor Force Survey (Statistics Finland, 2009.)

The second definition of entrepreneur is given by the Labor Force Survey which defines it as any individual who use factors of production of their own to engage in economic activities with their own self volition and their own risk. An entrepreneur can be a freelancer or he or she can also be part of the paid labour force (also referred to as employed employer). Similarly, a person who owns at least half of the limited company either alone or with his or her family can also be referred to as entrepreneurs (Statistics Finland, 2009.)

1.3.2 Business Enterprise

According to the EU Commission, an enterprise is “any entity engaged in an economic activity, irrespective of its legal form. Thus, the self-employed, family firms, partnerships and associations regularly engaged in an economic activity may be considered as enterprises”. (European Commission, 2003)

OECD (2001) defines enterprises “the smallest combination of legal units that is an organizational unit producing goods or services, which benefits from a certain degree of autonomy in decision –making, especially for the allocation of its current resources. An enterprise carries out one or more activities at one or more locations.”

The statistics of Finland classify enterprise according to its size into the following categories as shown in table 1. Finland has adopted the EU classification to categorize SMEs.

Table 1: Classification of Enterprises (European Commission, 2003)

Micro enterprise	Enterprises employing fewer than 10 salary/wage earners and having an annual turnover or balance sheet total lower than 2 million Euros*
Small enterprises	Enterprises employing fewer than 50 salary/wage earners and having an annual turnover or balance sheet total lower than 10 million Euros*
Medium-sized enterprises	Enterprises employing fewer than 250 salary/wage earners and having an annual turnover or balance sheet total lower than 43million Euros*
Large enterprises	Enterprises employing more than 250 salary/wage earners and having an annual turnover or balance sheet total exceeding 43 million Euros

*SMEs definition is formed from combining of the class of Micro, small, and Medium-sized enterprise.

1.3.3 Immigrant Entrepreneur

An immigrant entrepreneur has been defined quite simply as “persons who have immigrated to a new country and started a business there” (Volery, 2008). Some other scholars such as (Chaganti& Green, 2000, pp. 127-128) define an immigrant entrepreneur further as “an individual who as recent arrivals in the country, start a business as mean of employment. This group may involve a migration network linking migration, former migrants and non-migrants with common origin and destination.”

2 LITERATURE REVIEW

2.1 Qualities of a successful entrepreneur

According to Knight (1921) no individuals are born already as entrepreneurs or non-entrepreneurs. Rather, most individuals are opportunists who have the ability to turn to entrepreneurship when the risk-adjusted returns are promising from entrepreneurial venture. Alternatively, most individuals can also return to paid-employment when the risk-adjusted returns are not favorable. In essence, Knight (1921) is of the opinion that any individual have the potentiality to become a successful entrepreneur.

There is limited consensus about the defining characteristics of a successful entrepreneur. According to (Say & Schoorl, 2013) personal characteristics such as judgment; perseverance and experience are defining characteristics of a successful entrepreneur. Similarly, (Knight, 1921) argued that entrepreneurs face uncertainty from the unknown availability of natural resources, technological change and fluctuating prices. Although factor prices are contractible and certain, output prices (and hence profits) are not. Hence; entrepreneurs need to possess particular characteristics such as self-confidence, judgment, a venturesome nature, foresight and luck. One of Knight's (Knight, 1921) key contributions was to recognise that the decision to work for someone else or an entrepreneur depends on the risk adjusted relative rewards in each sector. As we have seen anyone has potential to become an entrepreneur.

(Timmons J. A., 1994, ss. 45-46), describes an entrepreneurial mind to mean the attitudes and behaviour of successful entrepreneurs.

“They work hard and are driven by an immense commitment and determined perseverance; they see the cup half full, rather than half empty; they strive for integrity; they burn with competitive desire to excel and win, they are dissatisfied with the status quo and seek opportunities to improve almost any situation they encounter; they use failure as a tool for learning and eschew perfection in favour of effectiveness; they believe they can personally make an enormous difference in the final outcome of their ventures and their life.”

According to Enterprise Finland, (2011) good qualities for an entrepreneur are hard-working, creative, bold, works on one's own initiative, strives for good results, determined, knows how to sell his/her product, prepared to take risks and can cope with uncertainty

Qualities of successful entrepreneurs also include the right types of experience in the area of business of established enterprise and good education in his business area. For a successful entrepreneur, it is also necessary be knowledgeable about information in trade journals, business periodicals, book research reports and other guides for establishing successful enterprise. Often successful entrepreneurs also get required knowledge by being in personal contact with their stakeholders. The term "stakeholders" is here used to mean suppliers, customers, trade associations, and others in the same business area. (Finnish Enterprise Agencies, 2011)

2.2 Motivations behind establishing business

There are many reasons motivating individual to become an entrepreneur. Reasons might stem from both an individual's wish and necessity. The reasons that motivate individuals to become entrepreneurs because of their own wish are referred to as positive or pull factors. On the other hand, causes that motivate individuals to become entrepreneurs out of necessity are referred to as negative or push factors.

2.2.1 Pull-factors

Pull factors, therefore, mean influences which pull people toward entrepreneurship. These can include such factor as desire for independence, achievement, recognition, social status, personal development and wealth. Pull factors make entrepreneurship more attractive, as it provides more autonomy, higher relative monetary pay-offs as well as opportunity to receive higher tax returns (Thurik & Dejardin, 2011).

Commonly, people who are motivated by the pull factor become entrepreneurs by their own free choice. This phenomenon can be observed more in wealthier economies particularly, so called *innovative and efficiency driven economies*. Furthermore the countries in the *efficiency-driven economies* are characterized by encouraging environment for entrepreneurial activities in terms of relatively good infrastructure, educa-

tion and efficiency which facilitates the entrepreneurial process. In contrast the people from the *factor-driven economic* group are characterized by weaker education and infrastructural facilities. In such countries, people are pushed to become an entrepreneur by necessity. (Global Entrepreneurship Monitor (GEM), 2012, p. 22)

2.2.2 Push-factors

Push factors mean those influences which push individuals toward entrepreneurship. It can include such factors as unemployment, job insecurity, insufficient income, job dissatisfaction or career limitations. Personal conditions of an individual such as divorce, retirement or a layoff can also cause individuals to “pull” towards entrepreneurs. All of these factors prompt a person to become an entrepreneur (Thurik & Dejardin, 2011)

According to some studies, entrepreneurs who are pushed to the entrepreneurial process can cope up with entrepreneurial life style better. Similarly, among those who have been pushed to entrepreneurial lifestyle and those with family from entrepreneurial background are more likely to be successful in establishing and running their business. However, women do not follow the same trait. However, it should be understood that there is no definitive “push” or “pull” factors; rather, a “pull” factor for an individual can be a push factor for another individual.(Mancuso, 1994; Shane et. al., 2003, 257-279)

2.3 Reluctance to establish business

According to (Reuvid, 2011), individuals can be classified into three segments based on their propensity towards entrepreneurship. He sees the group comprising of “thinkers” include those individuals who are thinking about establishing their own business. Similarly, group comprising of “doers” include those individuals who are already engaged in entrepreneurial activities or are self-employed. The third class of individuals, referred to as “avoiders” includes those people who are neither involved in any entrepreneurial activities nor are thinking of doing so in the future.

Also according to Vecchio (2003), the most important attributes that explains the motivation to become an entrepreneur, also referred to as the *Entrepreneurship's Big*

Five are locus of control, need for autonomy, need for achievements, risk-taking propensity and self-efficacy. In a similar vein, these factors also have the possibility to measure the reluctance to become and to remain an entrepreneur. All of these attributes are elaborated further in the sections below.

2.3.1 Risk-taking propensity

Entrepreneurs are characterized by their propensity to take risks. Therefore, an entrepreneur is motivated by greater potential for rewards in likelihood for loss in their decision making. However, the propensity to take risk is itself determined by many personality traits. There has been several researches (Jackson, 1976) and his model clearly associates personality traits such as the individual desire for societal attitude which includes individual's desire to seek sensations and the ability to control own external and internal environment.

This association can also be believed because some other methods to determine the risk-taking propensity such as Choice Dilemma questionnaire (Jackson, 1976) seem to be not associated as much. Existence of such diverse research findings have led to the development of cognitive-based approach (Palich & Bagby, 1995) which actually proposes that it is not the risk taking behavior that determines entrepreneurship but it is rather their ability to look for business opportunities in many different situations. In that respect, the low potential for those having reluctance to engage in entrepreneurial behavior could also be opportunities for risk-taking entrepreneurs.

At the end, it is about the psychological variables such as optimism or confidence that determine the willingness and ability of an individual to become an entrepreneur (Cooper, Woo & Dunkelberg, 1988). This can all be expected because several scientific studies have also been taken where individuals have been led to believe where they were competent decision makers. The resulting behavior among these individuals in the study resulted in their ability to find out opportunities instead of risky choices. Similarly, the group that was led to believe that they were not competent in decision making were also more liable to see threats rather than opportunities (Krueger & Dickson, 1994). This also reinforces the argument that it is in fact the personal charac-

teristics of the individuals which lead them to be entrepreneurs by taking risks or those who are reluctant and see even most opportunities as threats.

2.3.2 Self-efficacy

Self-efficacy has been defined as an individual's ability to organize and take decisions and on face value self-efficacy leads to success. Therefore, it can also be argued that an individual who has higher sense of self-efficacy are able to perform the tasks of an entrepreneur easily because entrepreneurship requires the ability to organize and take decisions. So, it is not surprising that some researchers have found that people with higher self-efficacy are also the ones involved in establishing business (Boyd & Vozikis, 1994, Scherer et. al, 1989)

On the other hand, those with less self-efficacy could be the individuals who are reluctant to establish business. People who are comparatively high on the dimensions of entrepreneurial self-efficacy perceive more opportunities in a given situation and feel competent to cope with perceived obstacles, anticipate more positive outcomes whereas people who are low on self-efficacy perceive more costs and risks (Boyd & Vozikis, 1994).

One of the reasons for this is that individuals' career choice is often made based on his/her assessment of capabilities to perform well in their career path. If somebody's sense of personal control is low, s/he will most likely be reluctant to become an entrepreneur because in entrepreneurial activities often one has to face a very low level of control. This can be extended not only to explain reluctance to establishing a business but also other activities at a later stage of entrepreneurship. For example, a person with low self-efficacy may fear company growth in order to keep the sense of control and may not perform well due to low self-efficacy which is also related to essential entrepreneurship skills.

2.3.3 Locus of control

People with a higher sense of "locus of control" are those who believe that they can determine their fate through their own behavior (Brockhaus 1982; Gasse 1982; Sex-

ton and Bowman 1985) .Higher internal locus of control has been associated with successful managers and entrepreneurs. (Brockhaus, 1982) in fact, argues that not only higher locus of control explains the success of managers and entrepreneurs, but it can also help distinguish between those who are likely to engage in entrepreneurial activities from those who are reluctant to do so. Therefore, it can be expected that higher the locus of control, or one's belief over the control of their own fate, the higher one is likely to become an entrepreneur. Conversely, if somebody believes that fate cannot be controlled by own behavior, he/she is more likely to be reluctant to become an entrepreneur.

2.3.4 Need of Autonomy

Autonomy has been explained as the ability of an individual to take self-initiative while performing job. It has been shown by researches (Roberts & Foti, 1998) that individuals who score low on autonomy scale or in other words, those who take less self-initiative are also the people who are satisfied with highly structured job environment with little autonomy. However, individuals who score high on autonomy scale tend to look for unstructured autonomous work environment where they have the opportunity to take more initiatives. Since, entrepreneurship is a much more unstructured autonomous work environment; researchers such as Yun et al (2006) also argue that people with high need for autonomy are also the people who are more likely to engage in entrepreneurial activities.

2.3.5 Need for achievement

Need for achievement is described as forces that drive an individual to improve, succeed, or excel in things considered both difficult and important (Glossary of Education, 2013). Similarly, business dictionary (Business Dictionary, 2013), defines need for achievement as characteristics of individuals that involves endurance and consistency in setting and meeting standards of achievement that they set for themselves. It is thought that need for achievement is influenced by both internal drives which are derived from the intrinsic motivation of individuals as well as external drives which include the expectations of others. From this definition of "need for achievement", it could be argued that this factor has positive effect on the individual

motivation to become an entrepreneur. Similarly, if individuals have less need for achievement, they will be more reluctant to establish businesses.

2.3.6 Immigrant's unawareness of business establishment procedures

In order to establish business for immigrants in Finland there are extensive and well developed process. The process can comprise many numbers of stages such as creating a business plan, choosing the form of business, documentation during the founding process, registration, getting license for establishing business and receiving starting fund. In addition to these legal steps to establish a business, immigrant interested in starting their own business should also be aware of taxation policies, insurance, and varied number of supporting public agencies such as Tekes, Finnvera etc. However, the purpose of this thesis is not to explore all of these processes in detail and their explanation is beyond the scope of this study. As explained in the limitations of the study, it is not possible to study all of these different factors in the study in limited scope such as this.

2.3.7 Conclusions of the literature review

After describing all the important factors that can affect reluctance of an individual to become an entrepreneur, all of these factors are summarized in figure 1 as a conceptual framework of the study. The figure also shows how two different set of factors have effect on reluctance to establish business. One set of factors discusses all the psychological variables and the other set of factors consist of awareness of business establishment procedures. This theoretical framework will be applied later in the data collected from questionnaire survey. The context applied to is the population of Sudanese Immigrants in Finland.

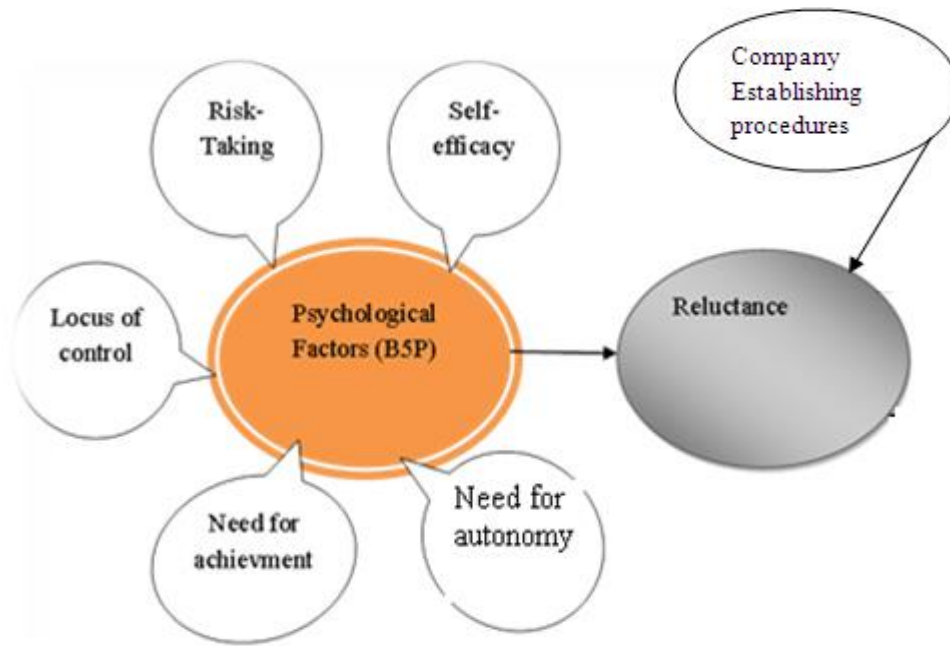


Figure 1 Conceptual framework of the study

3 METHODOLOGY

3.1 Research methods

The purpose of research is to explore the reluctance and inabilities of Sudanese immigrant population in Finland in getting involved in entrepreneurial activities. The research method used for this study is quantitative. Questionnaire survey will be used as the method of data collection. The goal of questionnaire survey is to measure the factors behind lack of interest among Sudanese immigrant in Finland to establish and operate small and medium enterprises (SME). Statistical software SPSS 19 and Microsoft Excel 2010 was used for data analysis.

3.2 Questionnaire Survey

Fowler (1984) defines questionnaire as a structured technique of data collection, whereby its respondents are asked with the same set of question(s) as variable(s). According to (de Vause, 1982) a survey is not a particular technique of collecting information that is only based on questionnaires, but it also involves other appropriate techniques and mechanisms such as interviews, observation, and content analysis. However, the primary method of data collection in this thesis was questionnaire survey only.

Well established scales were used to measure the concepts or constructs used in this thesis. The sources for these scales are explained further in the discussion and analysis section in more detail. The sample questionnaire is provided in appendix 1. In order to carry out this research, questionnaire survey was designed to measure various characteristics of the respondents in addition to variables measured through scales that could theoretically have impact on motivation for establishing businesses. 50 copies of questionnaire in English and Arabic were prepared. Taking into consideration education background of some respondents, questionnaires in Arabic were also necessary. Part of the questionnaire was filled in by the respondents in face-to-face manner and part of the questionnaire was sent by mail. Out of these, 25 were sent via mail post to immigrants from Sudan residence in cities of Helsinki and Vantaa area (Greater Helsinki area).

The questionnaire was filled by the respondents within two weeks' time, and the rest of the questionnaire (25) was distributed personally to the respondents in Kotka. The questionnaire was provided to 50 respondents, out of which 43 people returned the completed survey. The response rate was 86%. This is quite remarkable response rate but it can be explained with the author's familiarity with the Sudanese immigrants' community. Most of the time, questionnaires were also delivered personally and responses received at the same time. Most of the respondents were from the city of Kotka and Vantaa. The reason for this choice is because the researcher lives in Kotka and has good contacts with respondents from Vantaa. As the researcher belongs to a very small community of Sudanese immigrants in Finland access to respondents was easier.

3.3 Sample characteristics

The sample consisted of 50 respondents from the area of Kotka and greater Helsinki (Vantaa and Helsinki). Figure 2 shows that majority of the respondents were from Kotka region (55.8%) followed by respondents from greater Helsinki region including from Vantaa (23.3%) and Helsinki area (16.3%). According to the research design, the sampling strategy should have been random, but the sampling strategy in this case was purposive due to very few numbers of candidates that could be included in the sample (Sudanese immigrant population).

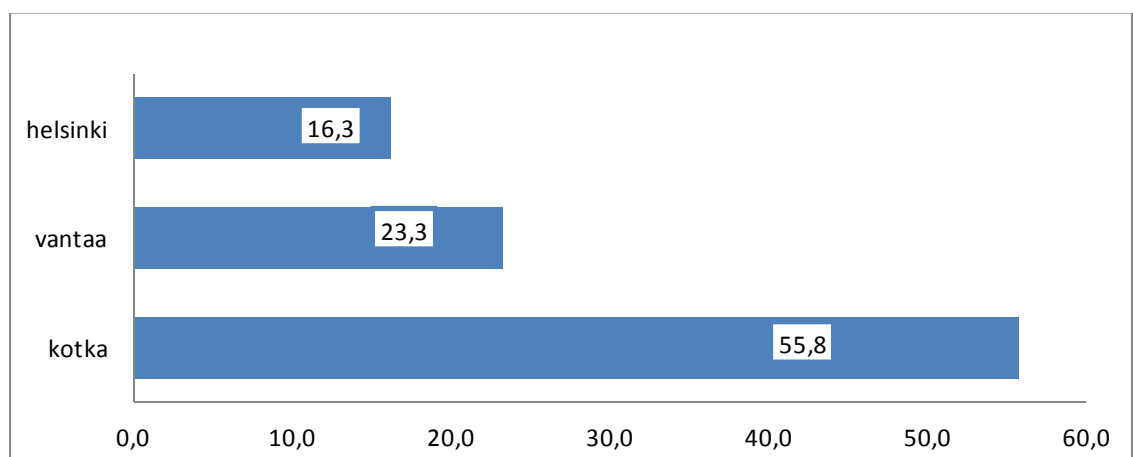


Figure 2 The percentage of respondents divided according to their home region

Since the focused group of this study was the immigrants from Sudan in Finland, I contacted all the possible candidates in Kotka and greater Helsinki region. According to the data available from Finnish Migration Service, the number of actual Sudanese immigrants is 1113 (Finnish Migration Service, 2010). Due to the limited scope of this research and the time constraint, it was possible to only contact 50 respondents in total out of which 43 of them filled the questionnaire. The sample could be still considered to be representative of the population, for a variety of characteristics which will be discussed in section 3.4.

4 FINDINGS

4.1 Level of education

The questionnaire survey (Appendix 1) consisted of questions asking the level of education of the Sudanese immigrants. It was thought that the level of education could have an effect on entrepreneurial activities of Sudanese immigrants. The results are presented in Figure 3.

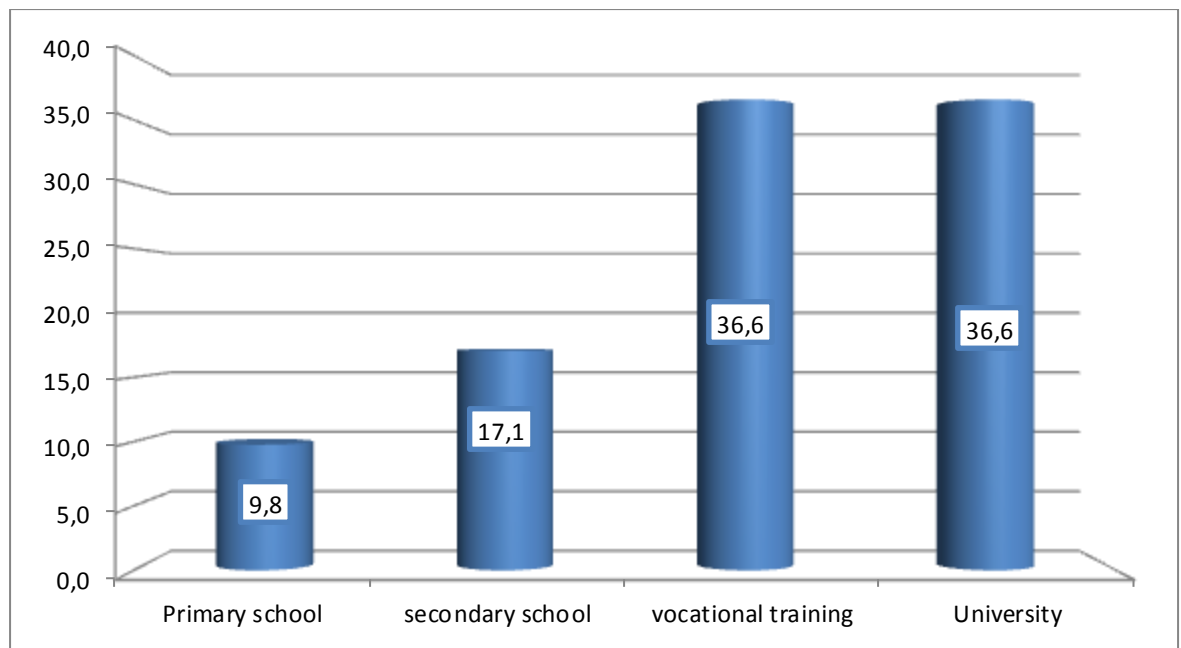


Figure 3 The level of education of the Sudanese immigrants in the sample

From Figure 3 it can be seen that majority of the respondents in the sample were highly educated. 36.6% of the sample said that they are attending or completed vocational training and same percentage of the sample also said that they are attending or completed University education. Low percentage of the sample seem to have only basic education i.e. 17.1% have only attended secondary level of education and 9.8% have gained only primary level of education.

4.2 Duration of stay in Finland

In addition to level of education, the respondents were also asked about their duration of stay in Finland. This question was included in the questionnaire because it was

thought that duration of stay in Finland for any Sudanese Immigrant in Finland can have effect on their entrepreneurial behavior, that is if the respondents have been staying in Finland for a long period of time they could possibly have more information or skills to be highly engaged in entrepreneurial activities. Table 2 shows the duration of stay in Finland for the respondents. Among the respondents, the maximum duration in years was 10 and the minimum number of years in duration was 1.5 years. 7% of the respondents have been staying in Finland for less than 5 years and majority of the respondents (93%) have stayed in Finland for more than 5 years. In addition to that, data analysis showed that 15 of the respondents are living for nine years (35.7%), 14 of them living for eight years (33.3%), 9 of them are living for 10 years (21.4%), and the rest of the respondents have been staying in Finland for other number of years but still less than 10 years.

Table 2 Duration of stay in Finland for the sample

Groups	Duration of stay in Finland (in years)	Percent of the sample (%)
Duration < 5 years	1-5	7
Duration > 5 years	5-10	93

4.3 Finnish language ability

The respondents were also asked about their ability to communicate in Finnish language. This factor was included in the questionnaire survey because it could be expected that if the respondent can communicate easily in Finnish language, perhaps it will facilitate the entrepreneurial activities in the respondents in terms of their motivation to establish business in Finland. It can be expected that a Sudanese immigrant who has good ability to communicate in Finnish has the ability to ask for information, get contacts and search for establishment procedures him or herself. Figure 4 shows the sample divided according to their level of Finnish language ability. It shows that 11.63% of the sample have excellent Finnish language ability, 16.28% poor, 30.23%

fair and 41.86% have good Finnish language ability. It can be said that majority of the respondents in the sample set had overall good Finnish language abilities.

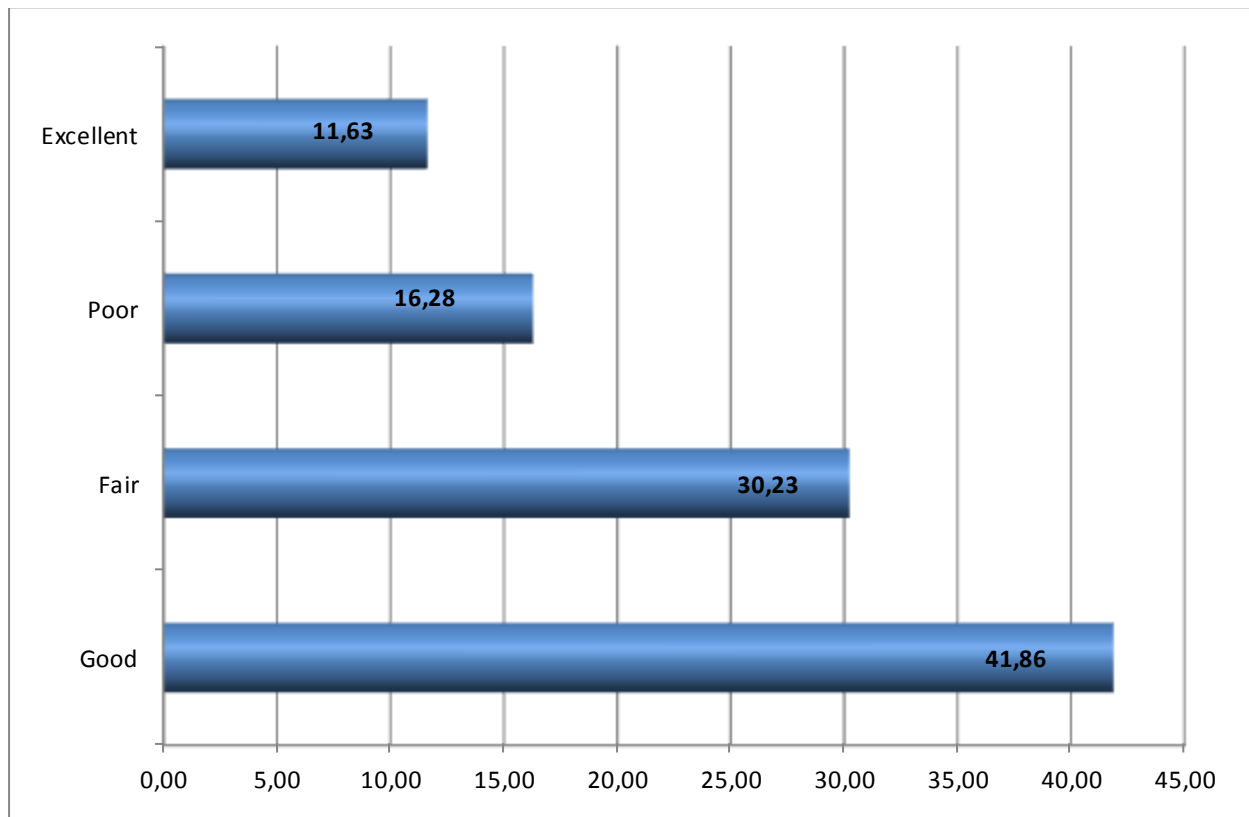


Figure 4 Finnish language abilities of Sudanese immigrants in Finland

4.4 Gender, Age, Previous work experience

In addition to other factors, the questionnaire survey also included questions regarding gender of the sample. The gender of the respondents was equally distributed (Female 51%, 22 and Male 49%, 21) and is shown in Figure 5.

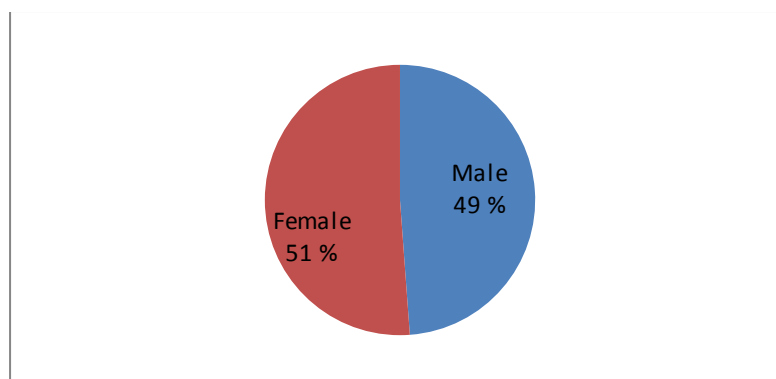


Figure 5 Gender distribution of the sample set

Similarly; the questionnaire survey also included questions regarding the distribution of age among the sample. 9.3% of the sample consisted of respondents aged between 20-25, 48.8% of the sample consisted of respondents in between 26 and 40 and 41.9% of the respondents were 40 years or older. It is shown in table 3.

Table 3 Distribution of the age in the sample

Age	Frequency	Percent
20-25	4	9.3
26-40	21	48.8
More than 40	43	41.9

Similarly, the questionnaire survey also included questions regarding the current work status of the respondents. It was important to include this question in the questionnaire survey because current work status can also have high influence in the motivation or reluctance of Sudanese immigrants in Finland engaging in entrepreneurship activities. Current work status was categorized into employed, unemployed, involved currently on study or training or already working as entrepreneur. This can be much clearer from the questionnaire survey presented in Appendix 1. The results in Figure 6 shows that 18 of participant are unemployed (41.9%), 17 persons are employed (39.5%), 8 are currently involved in study/training (18.6%), and none of the participant are entrepreneur yet. It was quite surprising to find that none of the respondents in the sample are engaged in entrepreneurial activities and majority of the participants are in between 26 to 40 years of age.

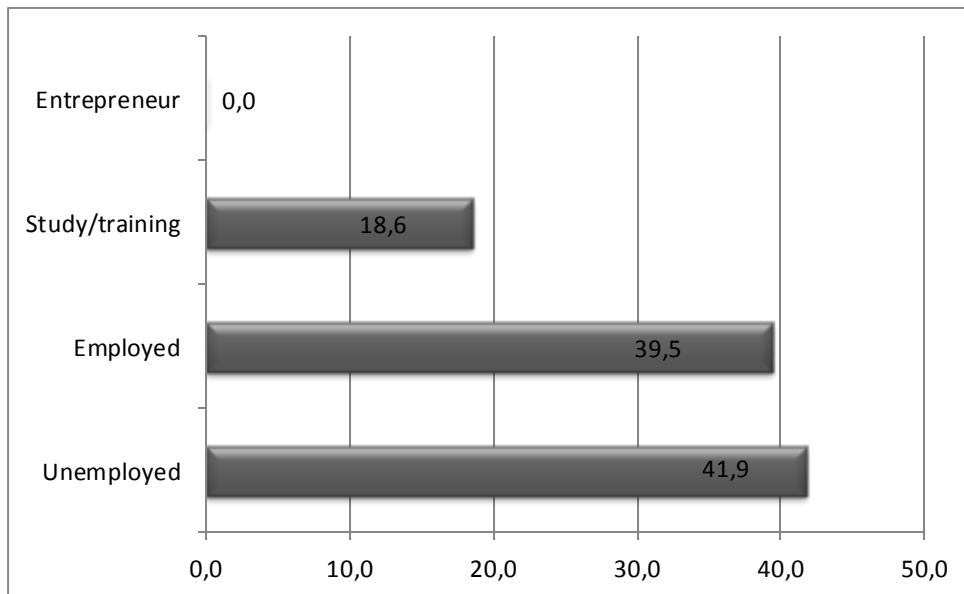


Figure 6 Previous work experiences of the participants

In addition to these, it was also necessary to ask the participants whether they have previously engaged in entrepreneurial activities such as establishment of their own business. 21 (50%) of the participants said yes to that question and the rest 21 (50%) of the participants answered no to that question. 1 of the respondent had missing value for this question. It can be much clearer from Figure 7.

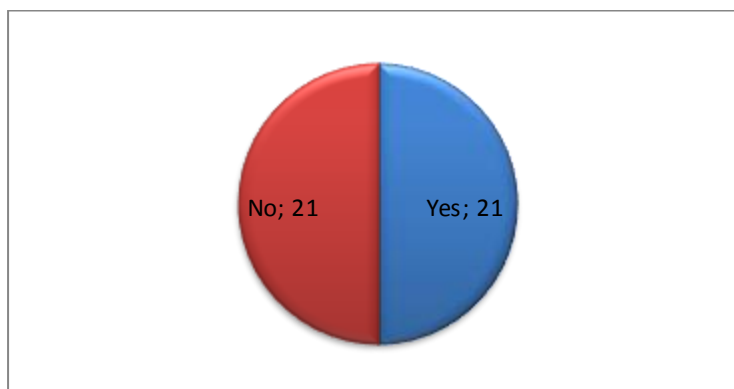


Figure 7 The percentage of participants who have engaged (yes) and not engaged in entrepreneurial activities.

4.5 Previous work experiences before coming to Finland

The questionnaire survey also included question regarding the previous work experiences of the Sudanese immigrants before they came to Finland. It was necessary to include this question as well because it can be said that those participants who have previously been employed or have been entrepreneur would have better chances of continuing to engage in entrepreneurial activities or look forward to being an entrepreneur. In table 4, it can be seen that majority of the participants in the survey (24, 55.8%) of them were previously employed, (8, 18.6%) of them were involved in training or study of some kind and (8, 18.6%) of the participants were engaged previously in entrepreneurial activities.

After description of the sample characteristics, next chapter shows and elaborate on the results after the data analysis of various measurement scales that were thought to affect the reluctance or motivation of Sudanese immigrants in Finland to engage in entrepreneurial activities namely, awareness of establishments procedures, motivation to establish business, general self-efficacy measures (GSE), need for autonomy, need for achievement, risk potency and locus of control.

5 DISCUSSION AND ANALYSIS

The previous section consisted of explanation of different sample characteristics. In this section, various other psychological measurements that were thought to impact the motivation to establish business namely; motivation to establish business, general self-efficacy measures (GSE), need for autonomy, need for achievement, risk potency and locus of control will be discussed in detail. The focus will also be in awareness of establishment procedures.

5.1 Awareness of business establishment procedures

In the questionnaire survey (Appendix 1), measures to find out how much the participants were aware of business establishment procedures were also asked. The items used in the scale were derived from previous bachelor's thesis written on the subject of ethnic entrepreneurship (Rommel, 2007). The measurement adopted in this study consists of ten items. The scale included the following items:

- *I am aware of where to financial support*
- *I think the administrative procedures to establish a business are difficult*
- *I am afraid that I will lose money if I establish my own business*
- *I am afraid that I am putting my family also in risk if I start my business*
- *The legal processes to establish a business are difficult to understand for me*
- *I do not understand anything about taxation process*
- *I am afraid that my Finnish is not sufficient to become an entrepreneur*
- *I am not so sure if I will get legal advice when I require*
- *I might have to pay more taxes if I start my own business*
- *I do not have enough time to look for information about starting a business*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 8.

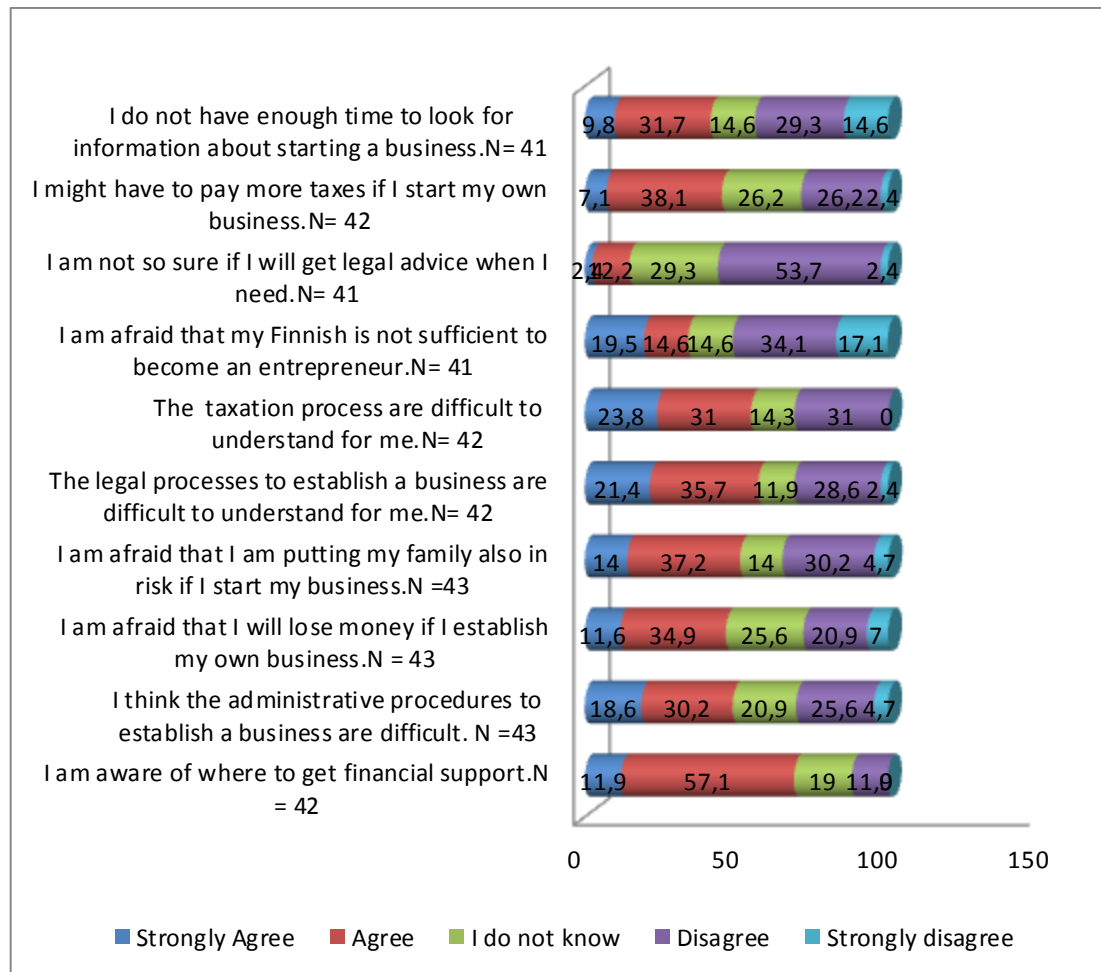


Figure 8 Awareness of business establishment procedures among the participants

Figure 8 reveals that regarding the awareness to get financial support to establish a business 57.1% of the participants agreed, 19.0% do not know, 11.9% strongly agree and 11.9% disagree with the same statement. It could be said that majority of the participants (57.1%) readily agree that they do not have sufficient information regarding places to obtain financial support from. The second item consisted of question related to the awareness of administrative procedures required to establish a business. To this question, 30% of participants respond by agree, 25.6% disagree, 20% they do not know, and 18.6% are strongly agree and only 4.7% strongly disagree with the statement that administrative procedures to establish a business is difficult. There was not a clear set of agreement regarding this question among the participants.

Item 3 dealt with the participant's fear of losing money if they got involved in establishing business. Figure 8 reveals that majority of the participants agree with the statement (34.9%), 15 of the total respondents (25.6%) do not know, 9 of them dis-

gree (20.9%), and 5 of them strongly agree (11.6%) with the statement. In that sense, majority of the participants think that they will lose money if they establish their own business. When asked whether by engaging in entrepreneurial activities, they will put their family as well in risk (item 4), 16 of the respondents (37.2%) agree with the statement, 30.2% of participants disagree with the statement, 6 people which count for 14.0% of the participants do not know, and only 4.7% strongly disagree with the statement that they are putting their family at risk if they start their own business. Majority of the participants still think that they are putting their family members at financial risk if they establish their own business.

Item 5 dealt with the awareness of legal procedures needed to establish business among the participants. 15 of them agree (35.7%), 12 people disagree (27.9%), 9 out the participant strongly agree (20.9%), 5 people do not know (11%) and only one person strongly disagree that legal process are difficult to understand. There was missing data in one of the respondents. It seems like majority of the participants still feel that the legal processes needed to establish businesses are difficult to understand. Similar, item 6 deals with the awareness of taxation procedures needed to establish a business. Figure 8 shows that 13 people of participant agree with the statement and the same number (31%) disagree with the statement. 10 people responded by strongly agreeing (23.8%), and 6 people do not know about taxations processes (14.3%). No strongly disagree response was recorded. In this case also, there were not clear agreement or disagreement with the statement but majority seem to think that taxation processes are understandable.

Item 7 dealt with the participants' own ability of Finnish language and whether that was hampering their chances of establishing new businesses. 41 out of 43 participant answered this question out of which 14 of them disagree which count for 34.1%, 8 person agree (19.5%), 7 person strongly disagree (17.1%), 6 person agree and the same percentage do not know if their Finnish is or not sufficient to become an entrepreneur (14.6%). It would seem that majority of the respondents think that their Finnish language abilities are sufficient to establish business (34.1%). Similarly, item 8 related to the participants' view about whether they would receive legal advice when they need to establish a business. 22 of participant disagree with the statement and count for (53.7%), 12 people do not know whether they will get legal advice (29.3%),

5 of the participants agree (12.2%), and one person strongly agrees and other person strongly disagrees with the statement (2.4%). More than 50% of the people are actually sure that they will be able to get legal advice when they need to establish a new business.

In item 9 the participants were asked whether they would have to pay additional taxes if they established a new business. 38.1% agree, 26.2% disagree and the same number do not know if they will pay more taxes when they start their own business. Only 3 people (7.1%) strongly agree and one person strongly disagree (2.4%) with the statement. In that respect majority of the participants think that they will have to pay higher taxes if they want to establish a new business. Similarly, the last item, item 10, focused on whether the participants have enough time to look for information regarding establishment of new businesses. This question was thought to be important because time available to look for information regarding establishment procedures can also strongly affect the general level of awareness of the establishment procedures. Figure 8 shows that 13 persons agree (31.7%), 12 disagree (29.3%), 6 persons strongly disagree and the same percentage do not know (14.6%), and 4 person strongly agree (9.8%). Therefore, the majority of the participants did not have any problems in managing time to look for information regarding establishment procedures.

However, since the goal of including all of these items was to actually measure the awareness of establishment procedures among Sudanese immigrants, the items were added and averaged to get the overall idea about awareness (Pallant, 2010). The reliability of all of these items was checked using Cronbach's alpha and the number was 0.63 which is acceptable (Pallant, 2010).

5.2 Motivation to start business

Motivation is a well-defined psychological construct and in this thesis motivation was measured by using already developed scale that is used to measure motivation. In the questionnaire survey (Appendix 1), measures to find out motivations of participants to establish business were also asked. In order to measure the motivation to start business the scale items were derived from previous research by (Taormina & Lao, 2007). Originally, it was developed to measure the entrepreneurial motivation among Chi-

nese entrepreneurs but this is also relevant in this case as well. Out of many items some of the items were chosen. The final measurement consisted of 8 items. The items included the following items:

- *I want to be a business owner.*
- *I want to profit from my own work*
- *I like to be told how to do my job*
- *I enjoy having authority at work.*
- *I like to control my own time at work.*
- *I think that having a business can improve my financial status.*
- *I see a good future for myself if I start a business.*
- *I like to make business decisions.*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 9.

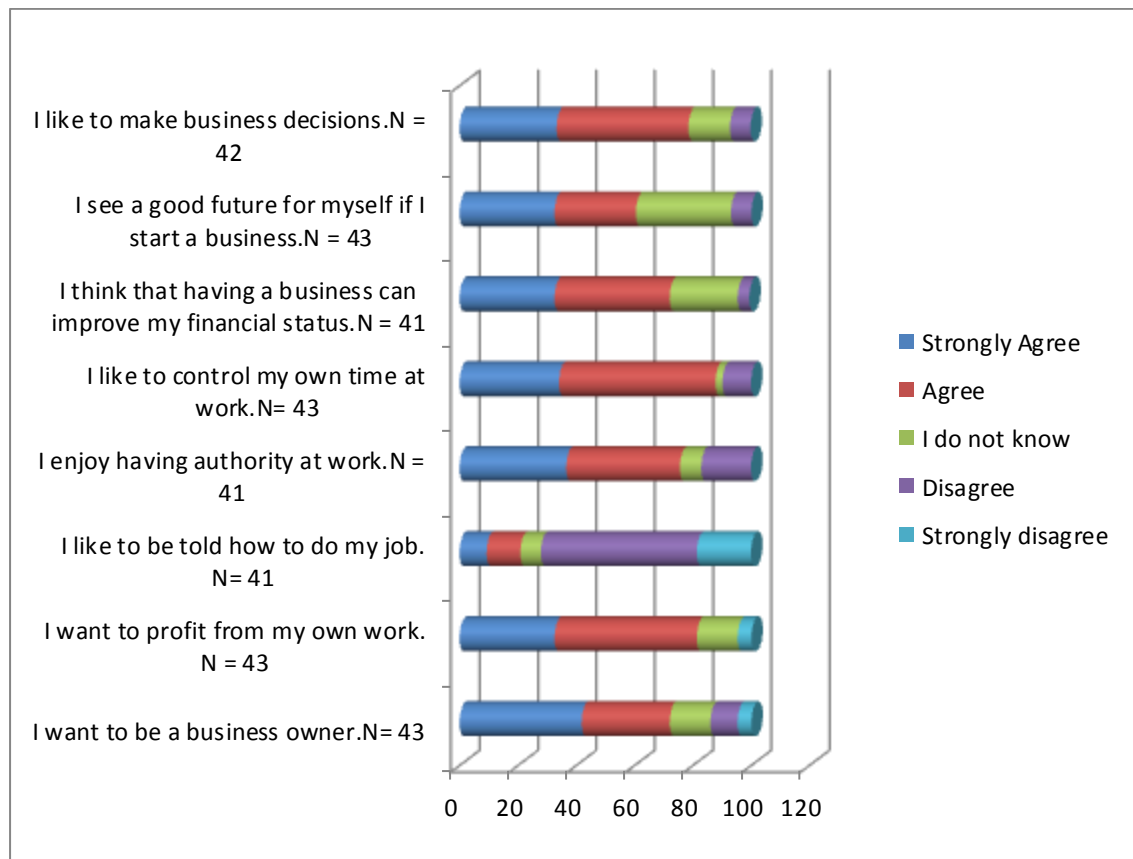


Figure 9 Motivation to start business among participants in the questionnaire survey

Figure 9 shows the results from the questionnaire survey. In item 1, participants were asked whether they have ever thought of being a business owner. 41.9% of the respondents totally agreed with this statement, whereas 30.2% of the respondents somewhat agree. In that respect, majority of the participants do want to be a business owner. In item 2 participants were asked if they liked the idea of profiting from their work. 32.6 % strongly agreed to this statement and 48.8% agree to this statement. In that sense again majority of the participants also want to profit from their own work. In item 3 participants were asked if they liked to be told how to do their job. Surprisingly in this context only 9.3% of the participants strongly agreed to the statement whereas 11.6% agreed to this statement. It shows that most of the participants either did not know or actually did like to be told how to do their job.

In item 4 participants were asked if they enjoyed having authority at work. 36.6% strongly enjoy having authority at work and 39% of them strongly agreed. In that sense most of the participants enjoyed having authority at work. In item 5 participants were asked if they would like to control their own time at work. 34.1% strongly agreed to this statement and 53.7% somewhat agreed to this statement. In item 6 participants were asked if they thought that having their own business can improve their financial status. 32.6% think that having a business can improve their financial status. In item 7 participants were asked if they can see good future for themselves if they start a business and 32.6% of the participants again strongly agree to this statement. In item 8 participants were asked if they would like to make their own business decisions. 33.3% strongly agreed to this statement. The level of agreement can be seen much more clearly in Figure 10.

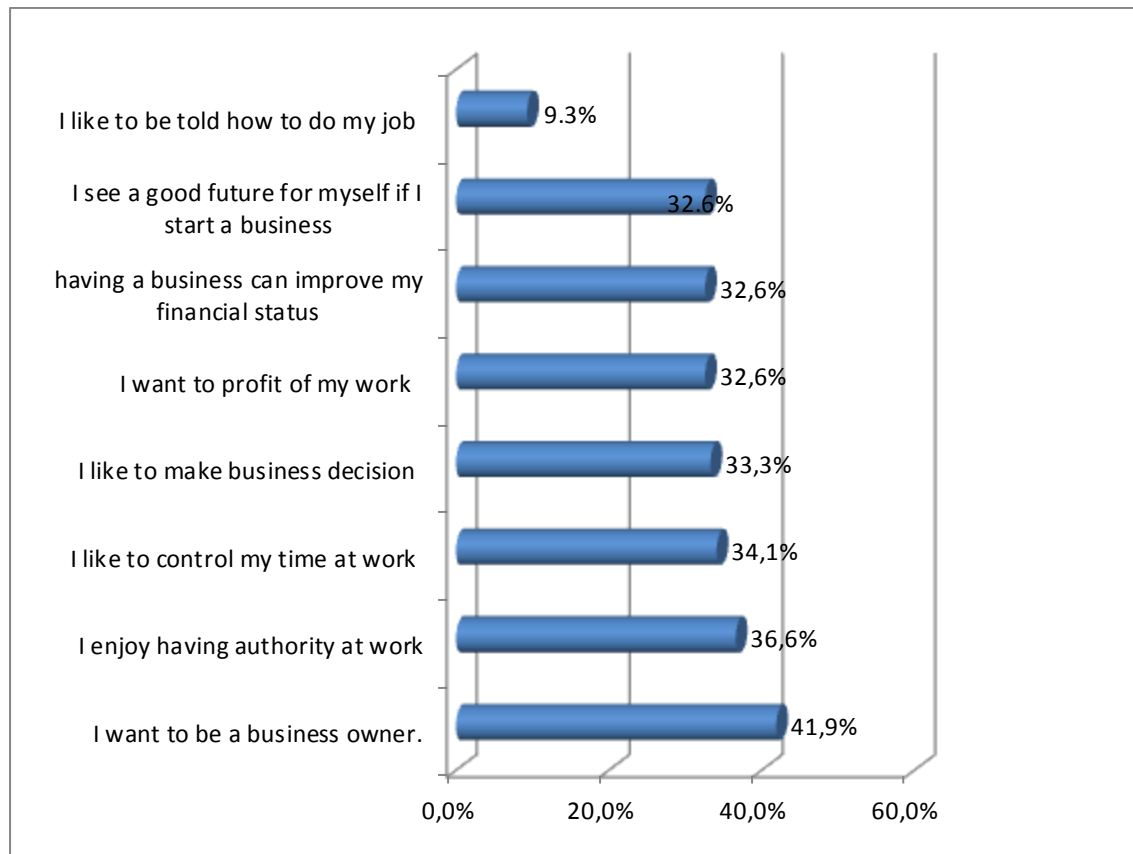


Figure 10 the level of agreement in participants regarding different motivational items

It can be clearly seen from Figure 10 that the most important motivational factor for Sudanese immigrants in establishing business is the prospect of owning one's own business (41.9%), having one's own authority over work (36.6%) and being able to control one's own time at work (34.1%).

However, since the goal of including all of these items was to actually measure the motivation to establish business among Sudanese immigrants, the items were added and averaged to get the overall idea about their overall motivation (Pallant, 2010). The reliability of all of these items was checked using Cronbach's alpha and the number was 0.8 which is extremely good (Pallant, 2010).

5.3 General Self-efficacy Measures

As explained in the theoretical section, self-efficacy has been defined as an individual's ability to organize and take decisions and on face value self-efficacy leads to suc-

cess. Some researchers have found that people with higher self-efficacy are also the ones involved in establishing business (Boyd & Vozikis, 1994; Scherer et. al, 1989). Since the goal for this thesis was to find out various factors that affect the motivation (and in turn reluctance) of Sudanese immigrants in establishing business, this scale was also included in the questionnaire survey (Appendix 1). In the questionnaire survey, measures to find out motivations of participants to establish business were also asked. General self-efficacy seems to be quite well developed construct in psychological research. For the purpose of this study, the General self-efficacy measures were taken from study done by Urban (2006). Urban developed this scale to measure entrepreneurial self-efficacy in a multicultural society specially when there are ethnic differences. This is highly relevant in this case also and therefore out of many items developed for the scale 8 items were chosen. The items included the following items:

- *I will be able to achieve most of the goals I have set for myself*
- *When facing difficult tasks, I am certain I will accomplish them*
- *In general, I think I can obtain outcomes that are important*
- *I will be able to successfully overcome many challenges*
- *Compared to other people, I can do most tasks very well*
- *Even when things are tough, I can perform quite well*
- *I am confident that I can perform effectively on different tasks*
- *I believe I can succeed at most any endeavor to which I set myself*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 11.

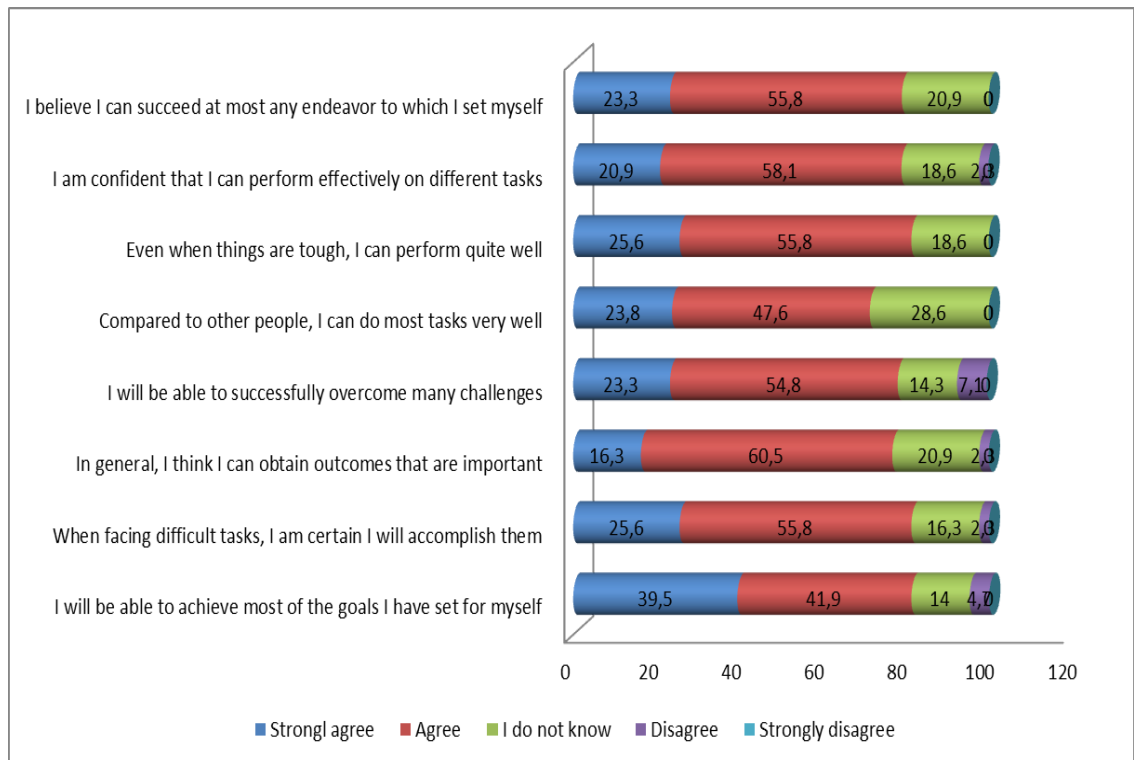


Figure 11 General self-efficacy (GSE) measures of Sudanese immigrants

Figure 11 reveals that in item 1, which asked whether participants are able to complete the task which they have set out to do for themselves, strongly agree received 39.5%, follow by I do not know which got 14% and only 4.7% was recorded for strongly disagree. In the ability to solve difficult questions (item 2), 24 of participants agreed (55.8%), 11 (25.6%) of participants strongly agreed and 16.3% were not sure or did not know. Similarly, item 3 focused whether the participants can obtain desired outcomes, 60.5% agree, 20.9% do not know, 7 participants (16.3%) respond with strongly agree and only 1% disagree with the same statement. In item 4, the questions dealt with the ability of participants to overcome any challenges, and 54.8% agreed that they can overcome challenges, 10 (23.3%) strongly agree and only 6 respondents (14%) do not know and 3 (7%) disagree.

Item 5 measured the ability of participants to perform certain tasks. Figure 11 shows that 20 participants (47.6%) agree that they can perform any tasks better than others, 12 (28.6%) do not know and 10 (23.3%) strongly agree. Item 6 consisted of measuring the resilience of participants i.e. their ability to perform even when things are going tough for them. 24 (55.8%) of respond agree that they can perform even when things

are going tough for them, 11 (25.6%) participants strongly agree, 8 (18.6%) that they do not know. Item 7 consisted of scales that measure the confidence level of the participants to perform better than others and figure 11 shows that highest percentage of the respondents agree (58.1%) followed by strongly agree (20.9%), I do not know (18.6%) and (2.3%) disagreed. Finally, to the statement "I believe that I can succeed at most of any endeavor to which set for me" 55.8% strongly agreed, 23.3% agreed and 20.9% do not know.

However, since the goal of including all of these items was to actually measure the general self-efficacy measures (GSE) among Sudanese immigrants, the items were added and averaged to get the overall idea about awareness (Pallant, 2010). The reliability of all of these items was checked using Cronbach's alpha and the number was 0.83 which is extremely good (Pallant, 2010).

5.4 Locus of control

As explained in the theoretical section, a person with a higher sense of "locus of control" is the person who believes that he/she can determine his/her fate through own behavior (Brockhaus 1982; Gasse 1982; Sexton and Bowman 1985). Higher internal locus of control has been associated with successful managers and entrepreneurs. In the questionnaire survey (Appendix 1), measures to find out locus of control of participants were also asked. In order to measure locus of control, well known Rotter's scale (Rotter, 1975) was used which originally consisted of 13 items. This scale was developed by Rotter in 1954 as a test of personality in his theory of social-learning. Out of those 13 items, in this study only relevant 8 items were taken and so the measurement consists of 8 items. The items included the following items:

- *Many of the unhappy things in people's lives are partly due to bad luck*
- *People's misfortunes result from the mistakes they make.*
- *In the long run, people get the respect they deserve in this world.*
- *No matter how hard you try, some people just don't like you.*
- *Getting a good job depends mainly on being in the right place at the right time.*
- *This world is run by the few people in power, and there is not much the little guy can do about it.*

- *When I make plans, I am almost certain that I can make them work*
- *In my case, getting what I want has little or nothing to do with luck.*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 12.

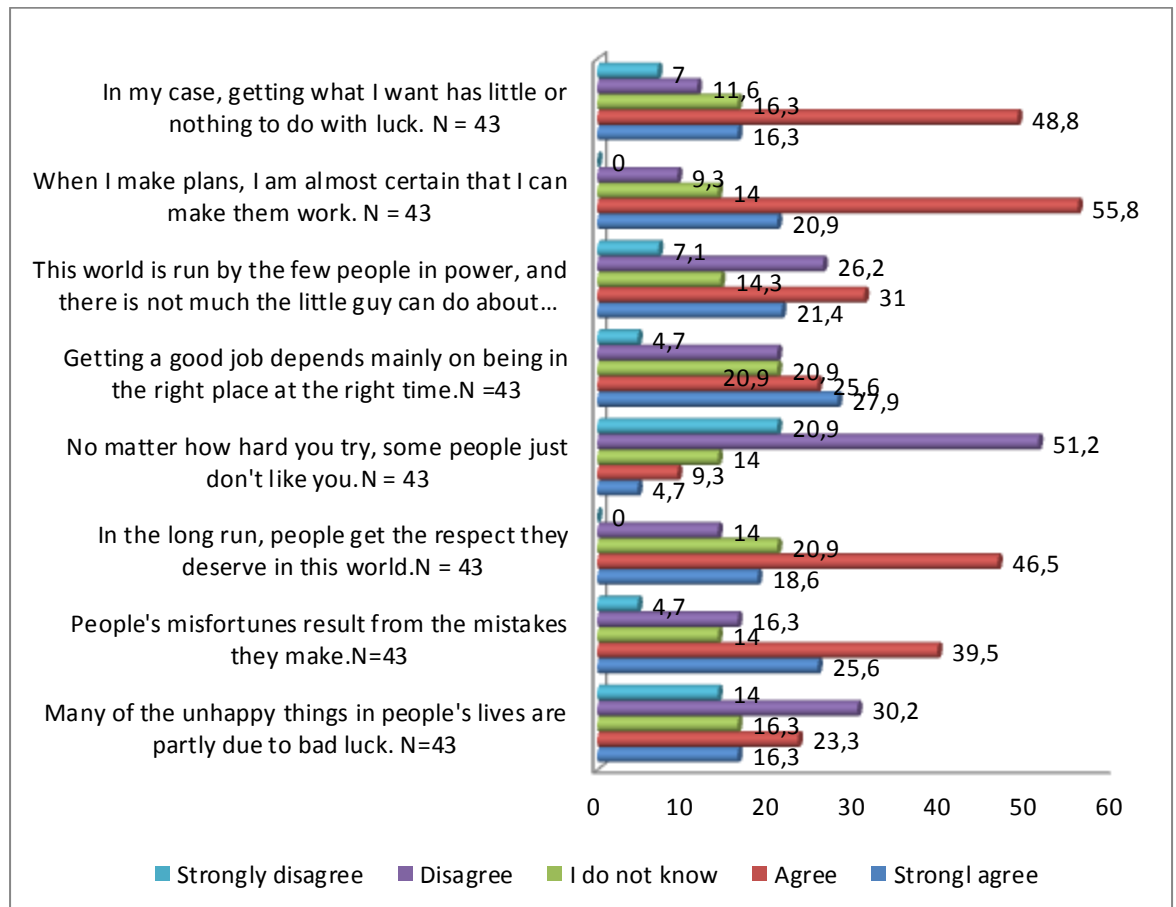


Figure 12 Locus of control for the Sudanese immigrants in Finland

The measure for locus of control consisted of eight items in total. They were formulated to measure the locus of control of Sudanese immigrants. To the statement, “unhappy things in people lives are partly due to bad luck” 30.2% disagree, 23.3% agree, 16.3% do not know, 14% strongly disagree. In item 2 participants were asked whether they think that the misfortunes in life result from the mistakes that they make and 39.5% agree, 25.6% strongly agree, 16.3% disagree, and small minority strongly disagree. In that sense, most of the Sudanese immigrants do view that the misfortunes in their life result from the mistakes that they have done. Item 3 dealt with the statement,

“in long run people get the respect they deserve in this world” and 20 of participants (46.5%) agree, 9 people (20.9%) do not know, 8 persons (18.6%) strongly agree, and 6 persons (14%) disagree.

Item 4, consisted of the question “No matter how hard you try, some people just don't like you” which measures if there are some people with strong fatalistic attitude. 4.7% of the respondents strongly agree to this statement and 9.3% also agree with this statement. In that sense, there are not many fatalistic people in the sample. Item 5 included the statement “Getting a good job depends mainly on being in the right place at the right time”, again another measure to determine how individuals view their locus of control or to what extent do they think that they are in control of their own life. 27.9% strongly agree with this statement and 25.6% agree. Similarly, item 6 measured the response to the statement: “the world is run by the few people in power and there is not much the little guy can do” and regarding this statement 21.4% strongly agree and 31% agree. In this case, the sense of locus of control in the immigrant population is low, in that they think they cannot individually make so much difference to their situation.

Item 7, in the locus of control scale, measures the response to the statement “When I make plans, I am almost certain that I can make them work”. Strong agreement to this statement can reveal that the locus of control among the Sudanese immigrant is high. Figure 12 reveals that 20.9% of the sample strongly agrees to this statement and additional 55.8% of the samples agree as well. It would mean that the sense of locus of control by this statement alone in the Sudanese immigrant population is high. Lastly, item 8 measures the response to the question, “in my case, getting what I want has little or nothing to do with luck”. Again; agreement to this statement would mean that the sense of locus of control for Sudanese immigrant is high, that is, they would think that they are more responsible for their own life. Figure 12 reveals that 16.3% strongly agree and the majority 48.8% agree as well, which shows that Sudanese immigrants do have strong sense of locus of control.

However, since the goal of including all of these items was to actually measure locus of control among Sudanese immigrants, the items were added and averaged to get the overall idea about their locus of control (Pallant, 2010). The reliability of all of these

items was checked using Cronbach's alpha and the number was 0.63 which is satisfactory (Pallant, 2010).

5.5 Need for autonomy

As explained in the theoretical section, autonomy is the ability of an individual to take self-initiative while performing job. It has been shown by researches (Roberts and Foti, 1998) that individuals who score low on autonomy scale or in other words, those who take less self-initiative are also the people who are satisfied with highly structured job environment with little autonomy. In the questionnaire survey (Appendix 1), measures to find out sense of autonomy were used. The different items included were derived from the research of Bekker and Assen (2006), who developed this scale to measure differences in autonomy based on the differences in gender. Although, the original scale consists of more than 30 items, it was not possible to include all of them in this research with limited scope. Instead, out of those items, 8 items were chosen which seems to be most relevant to our case and so the measurement consisted of 8 items. The items included are the following:

- *I feel a strong need for other people's advice and guidance*
- *I believe that I can solve new problems on my own*
- *I need a lot of time to get accustomed to a new environment*
- *I find it hard to start new activities on my own*
- *I often don't know what my opinion is*
- *Usually it is very clear to me what I like most*
- *If I am asked what I want, I mostly know the answer immediately*
- *Hearing the opinions of other people often makes me change my mind*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 13.

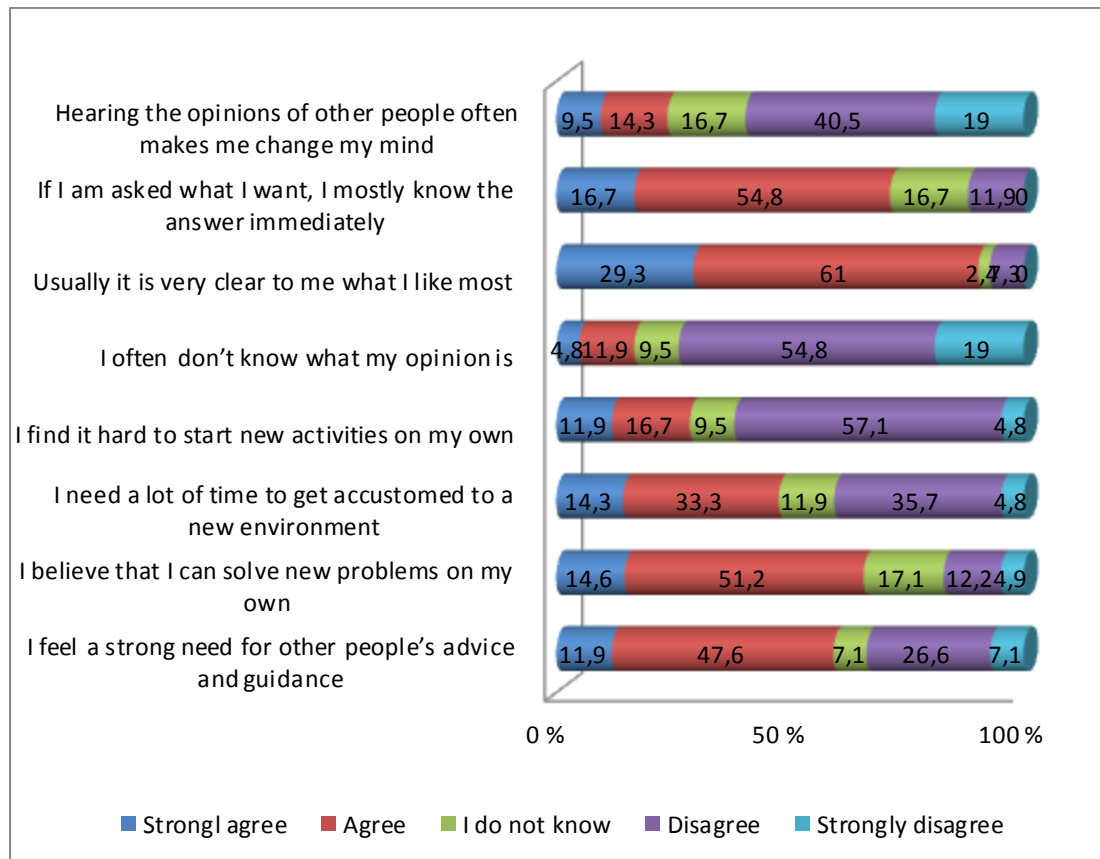


Figure 13 Need for autonomy for Sudanese immigrants

The measure for need for autonomy again consisted of eight items in total. They were formulated to ask the immigrants from Sudan how they agree with the statements that measure their need for autonomy. To the statement, “I feel a strong need for other people’s advice and guidance” 5 of the respondents (11.9%) strongly agree and 20, (47.6%) just agree with the statement. In item 2 participants were asked whether they think that they can solve new problems on their own and 6 of the respondents 14.6% strongly agree and 21 of the respondents (51.2%) agree. In that sense, majority of the Sudanese immigrants seem to have strong sense of autonomy as they feel that they can solve problems on their own. Item 3 dealt with the statement, “I need a lot of time to get accustomed to a new environment” and 6 participants (14.3%) strongly agree and 33.3% just agree.

Item 4 consisted of the question “I find it hard to start new activities on my own” which measures the autonomy of the Sudanese immigrants in terms of entrepreneurial behaviour. 11.9% of the respondents strongly agree to this statement and 16.7 % only

agree with this statement. In that sense, majority of the immigrants disagree with the statement (57.1%) or it is difficult for these respondents to start new activities on their own. Item 5 included the statement “I often don’t know what my opinion is”, again another measure to determine to what extent individuals are autonomous. However, in this case, majority of the respondents (54.8%) disagree with the statement which would mean that majority do have a strong sense of what their opinion is and are autonomous. Similarly, item 6 measured the response to the statement: “Usually it is very clear to me what I like most” and regarding this statement 29.3% strongly agree and 61% just agree. In this case, the sense of autonomy in the immigrant population is high, and they are articulate about their needs.

Item 7 in the sense of autonomy scale, measures the response to the statement “If I am asked what I want, I mostly know the answer immediately”. Strong agreement to this statement would indicate strong sense of autonomy among Sudanese immigrants. Figure 13 reveals that 16.7% of the sample strongly agrees to this statement and additional 54.8% of the samples agree as well. It would mean that the sense of autonomy by this statement alone in the Sudanese immigrant population is high. Lastly, item 8 measure the response to the question, “hearing the opinions of other people often makes me change my mind”. Again, agreement to this statement would mean that the sense of autonomy for Sudanese immigrant is low, as they are not so sure about what they think for themselves. Figure 13 reveals that 9.5% strongly agree and the majority 40.5% disagree, which shows that Sudanese immigrants do have strong sense of autonomy.

However, since the goal of including all of these items was to actually measure overall sense of autonomy among Sudanese immigrants, the items were added and averaged to get the overall idea about self-autonomy (Pallant, 2010). The reliability of all of these items was checked using Cronbach’s alpha and the number was 0.6 which is satisfactory (Pallant, 2010).

5.6 Need for achievement

As explained in the theoretical section, need for achievement is described as forces that drive an individual to improve, succeed, or excel in things considered both diffi-

cult and important (Glossary of Education, 2013). Similarly, business dictionary (Business Dictionary, 2013), defines need for achievement as characteristics of individuals that involves endurance and consistency in setting and meeting standards of achievement that they set for themselves. It can be argued that the higher the need for achievement, the higher the motivation to engage in entrepreneurial activities. In the questionnaire survey (Appendix 1), measures to find out need for achievement were used. The psychometric test for need for achievement was popularized by (McClelland, 1965) and in fact was also thought to be a predictor of entrepreneurial success. Although, the original scale consists of many items, here the scale consists only of 8 items. The scale included the following items:

- *It makes me look bad when somebody else is working too hard*
- *I like it when people say in front of others that I am doing a good job.*
- *In a tight situation, I like it when I am in charge and the blame or praise will come to me.*
- *In fantasies about my career, often I am in a group and they are praising me.*
- *I am basically a competitive person, and I compete just for the sake of competing.*
- *Most people who know me say I am ambitious.*
- *When it is about job and money, it is a good to let someone else be in charge, in case things go badly*
- *I regularly list my goals where I can see them during the day.*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 14.

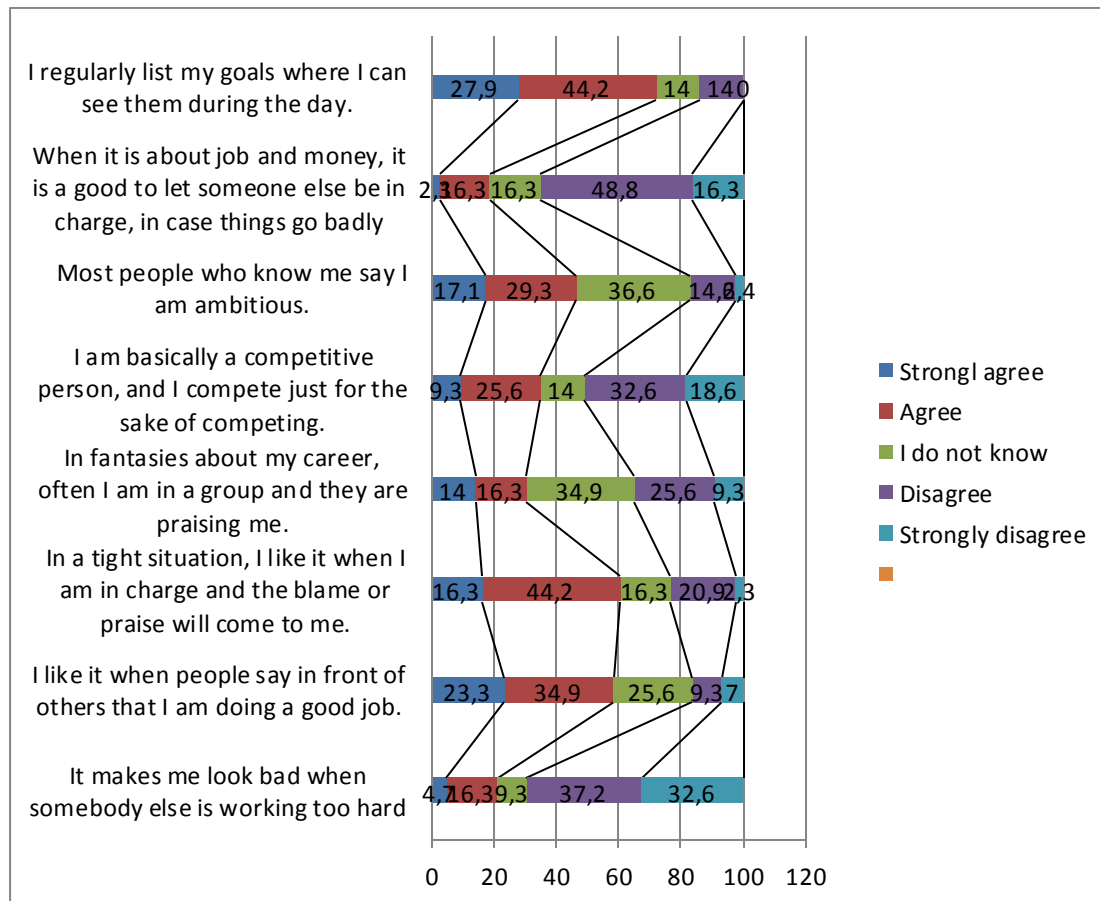


Figure 14: The need for achievement among Sudanese immigrants

The measure for need for achievement again consisted of eight items in total. They were formulated to know about the need for achievement in Sudanese immigrants. To the statement, “It makes me look bad when somebody else is working too hard” only (4.7%) strongly agree and majority either disagree or strongly disagree (37.2%, 32.6%) with the statement which in a sense would mean that others’ hard work is not a significant motivation to achieve something. In item 2 participants were asked whether they liked when they are praised in front of others. 23.3% of the respondents strongly agree and (34.9%) agree making majority of the participants to like being praised in front of others. Item 3 dealt with the statement, “In a tight situation, I like it when I am in charge and the blame or praise will come to me” and (16.3%) strongly agree and 44.2% just agree making it possible to infer that majority of the participants like to be in charge even in difficult situations.

Item 4 consisted of the question “In fantasies about my career, often I am in a group and they are praising me” which measures the need for achievement of the Sudanese immigrants in terms of entrepreneurial behaviour. 14% of the respondents strongly

agree to this statement and 16.3 % also agree with this statement. What was surprising in this statement was that majority of the participants were not so sure what they think. Perhaps it reflects the modesty in Sudanese immigrants. Item 5 included the statement “I am basically a competitive person, and I compete just for the sake of competing.”, again another measure to determine how individuals are motivated by the need for self-achievement. However, in this case, majority of the respondents (32.6%) disagree or strongly disagree (18.6%) with the statement which would mean that majority do not think they want to be competitive for the sake of competition. Similarly, item 6 measured the response to the statement: “Most people who know me say I am ambitious.” and regarding this statement majority 36.6% are not sure and the response was almost equally divided between strongly agree (17.1%) and disagree (14.6%) making it difficult to exactly pinpoint their attitude.

Item 7 measures the response to the statement “when it is about job and money, it is a good to let someone else be in charge, in case things go badly?”. Strong agreement to this statement means that there is less desire for achievement among the immigrants. Figure 14 reveals that only 2.3% of the sample strongly agrees to this statement and majority 48.8% of the samples disagree. It can be said from this statement that immigrants do like to take initiative and not rely on others when it is about strong decisions. It would mean that the need for achievement by this statement alone in the Sudanese immigrant population is high. Lastly, item 8 measured response to the question, “I regularly list my goals where I can see them during the day?”. Again, agreement to this statement would mean that the need for achievement for Sudanese immigrant is high, as they are sure about their goals and list them regularly. Figure 14 reveals that 27.9% strongly agree and the majority 44.2% also agree, which shows that Sudanese immigrants do have strong need for achievement.

However, since the goal of including all of these items was to actually measure the overall need for achievement among Sudanese immigrants, the items were added and averaged to get the overall idea about need for achievement (Pallant, 2010). The reliability of all of these items was checked using Cronbach’s alpha and the number was 0.63 which is satisfactory (Pallant, 2010)

5.7 Risk taking propensity

As explained in the theoretical section, entrepreneurs are characterized by their propensity to take risk. Therefore, an entrepreneur is motivated by greater potential for rewards in likelihood for loss in their decision making. However, the propensity to take risk is itself determined by many personality traits. It can be argued that higher the ability to take risks, higher is the motivation to engage in entrepreneurial activities. In the questionnaire survey (Appendix 1), measures to find out risk taking propensity were used. Risk propensity measure is quite a well-developed construct in psychology research and there are well developed scales to measure risk propensity. For this study, the risk propensity measure was taken from the research done by Schussler and Axhausen (2011). Originally, the writers develop this scale to measure risk propensity to apply in transport modelling but it seems to be relevant in this case as well. Out of many scales that the writers Schussler and Axhausen, (2011) use, I chose some of them and so the measurement consisted of 8 items. The scale included the following items:

- *I would go on a 2 week vacation in a foreign country without booking ahead*
- *I engage in dangerous sports, e.g. paragliding , bungee jumping*
- *I would co-sign a loan for a new laptop for a friend*
- *I would lend my best friend an amount of money equivalent to one month's income*
- *I would bet a day's income in a casino*
- *I would accept a job that is paid solely based on commission*
- *I do not worry if I am at the airport at the latest possible time*
- *I start earlier if I have to drive an unfamiliar route*

All of the questions were measured in Likert scale i.e. strongly agree (5), agree (4), I do not know (3), disagree (2) and strongly disagree (1). The results of each individual item are shown in Figure 15.

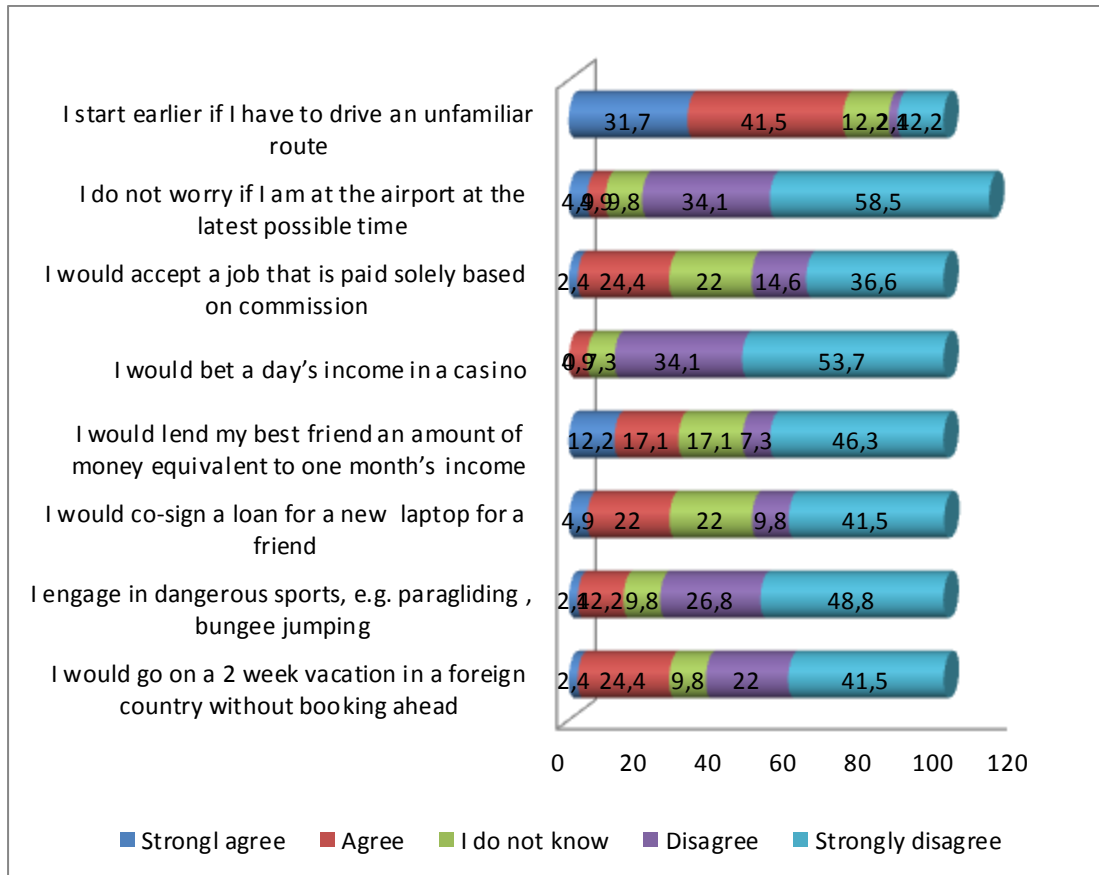


Figure 15 Risk taking propensity among Sudanese immigrants

The measure for risk taking propensity again consisted of eight items in total. They were formulated to ask the immigrants from Sudan how they agree with the statements that measure their risk taking propensity. To the statement, “I start earlier if I have to drive an unfamiliar route” majority of them (31.7%) strongly agree and majority agree (41.5%) with the statement which would mean that Sudanese immigrants want to take less risks and be on the safer side. Item 2 in the scale asked “I do not worry if I am at the airport at the latest possible time”. 58.5% of the respondents strongly disagree and (34.1%) just disagree, making majority of the participants to worry about being late at the airport and so to take fewer risks. Item 3 dealt with the statement, “I would accept a job that is paid solely based on commission” and again majority of them (36.6%) strongly disagree and 14.4% just disagree making it possible to infer that majority of the participants like to take lesser risks as willingness to accept a job only based on commission can be regarded as risky.

Item 4 consisted of the question “I would bet a day’s income in a casino” which measures the risk taking propensity of the Sudanese immigrants in terms of entrepreneurial behaviour. 53.7% of the respondents strongly disagree to this statement and 34.1 % also disagree with this statement. This would imply that majority of the immigrants are really risk averse. Item 5 included the statement “I would lend my best friend an amount of money equivalent to one month’s income”, again another measure to determine individuals’ risk taking propensity. Not surprisingly again, majority of the respondents (46.3%) strongly disagree or disagree (7.3%) and making it possible to infer that perhaps Sudanese immigrants are extremely risk averse. Similarly, item 6 measured the response to the statement: “I would co-sign a loan for a new laptop for a friend” and regarding this statement majority again 41.5% strongly disagree.

Item 7, measures the response to the statement “I engage in dangerous sports, e.g. paragliding, bungee jumping etc.” Strong agreement to this statement means that there is propensity to take risks among immigrants as these sports are inherently risky and includes the elements of danger. Figure 15 reveals that 48.8% of the samples strongly disagree. It can be said from this statement that immigrants do not like to take high amount of risks. Lastly, item 8 measures response to the question, “I would go on a two week vacation in a foreign country without booking ahead”. Again, agreement to this statement would mean that the risk taking propensity for Sudanese immigrant is high, as they want to visit an unknown place without adequate preparation and thus take risks. Figure 14 reveals that 41.5% strongly disagree and the majority 22% also disagree, which shows that Sudanese immigrants do not have high risk taking propensity and are risk averse.

However, since the goal of including all of these items was to measure the overall risk taking propensity among Sudanese immigrants, the items were added and averaged to get the overall idea about self-autonomy (Pallant, 2010). The reliability of all of these items was checked using Cronbach’s alpha and the number was 0.62 which is satisfactory (Pallant, 2010)

5.8 Correlation between different variables

In order to find the relationships between different variables the correlations between them were measured. The results are presented in table 4.

Table 4 Correlation between different variables

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	--														
2	,24	--													
3	,14	0,45**	--												
4	-,36*	,04	,22	--											
5	,20	,09	-,20	,21	--										
6	,54	,09	,11	-,05	-,04	--									
7	,00	-,24	-,16	,17	-,00	,20	--								
8	-,46**	-,46**	-,27	-,09	,01	-,27	,06	--							
9	-,39*	-,00	-,23	-,25	,08	,17	-,16	,12	--						
10	-,36*	-,11	-,22	,05	-,06	-,09	-,11	,18	,28	--					
11	-,03	,06	,01	-,09	-,17	,15	,20	-,12	,00	,27	--				
12	-,16	,10	-,21	-,04	-,04	,11	-,00	-,08	,20	,48**	,43**	--			
13	-,11	,17	,04	-,06	-,10	-,07	-,21	-,22	,27	,53**	,09	,59**	--		
14	-,34	-,16	,08	-,14	-,16	-,17	-,19	,11	,27	,43**	,35*	,33*	,48**	--	
15	-,14	-,09	-,26	-,12	,05	-,31	-,02	,32	,10	,34*	,11	,27	,25	,20	--

*Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

1=Education level; 2=Stay in Finland; 3=ability in Finnish; 4=Gender; 5=Age; 6=Previous work experience as entrepreneur; 7=Current job status; 8=Work before coming to Finland; 9=Awareness of establishment procedures; 10=Motivation; 11=GSE measures; 12=Locus of control; 13= Self autonomy; 14=Need for achievement; 15=Risk taking propensity

From table 4, it can be seen that there were no instances of multicollinearity (Pallant, 2010) as there were no correlation higher than 0.9. Still, the highest correlation was seen between self-autonomy and locus of control and the correlation was (0.59, $p < 0.01$). Based on this table alone, self-autonomy will be highly and positively affected with locus of control that Sudanese immigrants have. This also makes sense because the higher the people have good locus of control i.e. they are in control of their

own decisions; the more they are likely to take decisions independently (self-autonomy).

This was followed by correlation between motivation and self-autonomy (0.53, $p < 0.01$) i.e. motivation and self-autonomy had highly positive relationships. It would suggest that the more the participants were self-autonomous the more they would have motivations to engage in new entrepreneurial activities. This was followed by correlation between need for achievement and self-autonomy (0.48, $p < 0.01$). This also seems to make sense considering that those people who have the strong urge to succeed or high need for achievement would also be the people who would want to take decisions independently. Similarly, there were also high and positive correlations between motivation and need for achievement (0.43, $p < 0.01$) and also motivation and locus of control (0.48, $p < 0.01$).

Table 4 shows that there was also significant and positive correlation between locus of control and general self-efficacy measures (0.43, $p < 0.01$). Similarly, positive and high correlation could also be seen between ability in Finnish language and stay in Finland (0.45, $p < 0.01$) which makes sense because the higher the person has stayed in Finland the more that person would be expected to have learned the Finnish language. In table 4, there are also other correlations between different variables such as between previous work before coming to Finland and risk propensity measures (0.32, $p < 0.05$); between risk propensity measures and motivation to do business (0.34, $p < 0.05$); between GSE (General self-efficacy measures) and need for achievement (0.35, $p < 0.05$), between locus of control and need for achievement (0.33, $p < 0.05$) and finally between education level and gender (0.36, $p < 0.05$), which also makes sense because considering Sudanese immigrant population it could be expected that female members would have lower education than their male counterpart.

However, from table 4 it was surprising to see some significant negative correlations between different variables. For instance, highest significant negative correlation was seen between work before coming to Finland and stay in Finland (-0.47, $p < 0.01$). It would suggest that the higher the participant has stayed in Finland the less work experience that person would have in Sudan and vice versa. Similarly, there was also significant negative correlation between level of education and work before coming to

Finland (-0.46, $p < 0.01$). Similar types of negative and significant correlations were also seen between level of education and awareness of establishment procedures (-0.39, $p < 0.05$), which was a bit surprising because normally it can be expected that highly educated people would also be the ones being more aware of the establishment procedures. Similar kinds of relationships were also seen between motivation and level of education (-0.36, $p < 0.05$) and need for achievement and level of education (-0.34, $p < 0.05$) which would suggest that level of education is quite an important variable in determining many of the other measures.

6 CONCLUSIONS

6.1 Summary of main findings

In the case of immigrants from Sudan, it seems like “push” as well as “pull” factors as described in the conceptual framework of the study combine together to create higher level of motivations for entrepreneurship. In addition to that, the Finnish government has also made significant efforts to improve the position of immigrants in Finland. The Finnish integration law is extensive and, has a fairly well-developed structure. The law requires all the municipalities to have an integration program, on the basis of which individual integration paths for all immigrants are built, the aim of which is full membership of society and employment. However, in reality it would seem like Sudanese immigrants are still reluctant to establish new businesses. The purpose of this study was to find out how this can be explained.

The data consisted of 43 respondents. It could be seen from the data analysis, that majority of Sudanese immigrants in the sample were well educated with 36.6% of the population highly educated and all of them at least have completed primary level education. Majority of the Sudanese immigrants also have stayed for more than 5 years in Finland (93%). Most of them also spoke good Finnish language. It was seen that 41.86% of the sample are good speakers while 11.6% of the sample are excellent speakers. The gender in the sample was equally divided. Majority of the respondents (48.8%) also seem to be in the entrepreneurial age (26-40 years). Half of the sample have engaged in previous entrepreneurial activities while the other half has not. From this data, it seems reasonable to think that all of these factors are conducive for entrepreneurial activities for Sudanese Immigrants. As majority of Sudanese immigrants are highly educated, have stayed in Finland for a long time and can speak Finnish language well, it should be that they should be engaged in entrepreneurial activities. The data analysis indicates why in fact this is not happening.

Data analysis included discussions on measurement of various psychometric tests or the measures of various personality tests that were found to effect entrepreneurial activities. Some of the psychometric measures were locus of control, need for achievement, need for autonomy, risk taking propensity and general self-efficacy. In addition

to that, it was also thought that awareness of business establishment procedures can affect motivation to establish business. All of these different scales were measured by using several items that were derived from the literature review. Questionnaire survey was used to measure these attitudinal questions.

There was a strong positive relationship between self-autonomy and locus of control. Based on this research alone, self-autonomy will be highly and positively affected with locus of control that Sudanese immigrants have. This also makes sense because the higher the people have good locus of control i.e. they are in control of their own decisions; the more they are likely to take decisions independently (self-autonomy). There was also a very strong relationship between motivation and self-autonomy i.e. motivation and self-autonomy had highly positive relationships. It would suggest that the more the participants were self-autonomous the more they would be having motivation to engage in new entrepreneurial activities. Similarly, there were also strong positive relationships between need for achievement and self-autonomy. This also seems to make sense considering that those people who have the strong urge to succeed or high need for achievement would also be the people who would want to take decisions independently. *Therefore, it is clear that self-autonomy is the most important factor affecting motivation to establish business. However, self-autonomy itself is affected by locus of control and need for achievement. It was somehow surprising to find that awareness of establishment procedures was not correlated with motivation to do business.*

6.2 Managerial recommendations

For companies which are interested in increasing entrepreneurial activities in Finland using Sudanese immigrants, the most important criterion that explains their motivation or reluctance is their own sense of autonomy. This could also be relevant to various governmental and non-governmental organizations that aim to or are involved in increasing entrepreneurial activities in immigrant community. If motivation to establish a new business is to be instigated in immigrants, increasing the sense of self-autonomy is important for the immigrants. Immigrants perhaps due to different cultural, national and social backgrounds do not already have the sense that they are not always free to pursue what they desire.

In addition to that, the results also showed that the locus of control affects self-autonomy. Locus of control reflects the area of influence that any individual can make. If the perceived locus of control is already low it will inevitably lead to low sense of autonomy. It might be that immigrants already have fatalistic attitude that they cannot make significant change to their life and their surroundings beforehand and which also lead them not to be engaged in entrepreneurial activities.

Although, it is really difficult to change something as intangible and ingrained as locus of control and sense of autonomy in immigrants, an education program that makes immigrants aware that they are free to pursue their dreams and free to do something for the betterment of their own life can perhaps increase the level of motivation in immigrants for engaging in entrepreneurial activities. It was also seen that it is the low sense of achievement that leads to less self-autonomy which in turn affects motivation to establish business. Programs that instill the sense of achievement in immigrants could also lead to higher motivation in engaging in entrepreneurial activities.

6.3 Suggestions for further research

First of all; this research, although, focused on Sudanese immigrants, only covered the areas from Kotka and the greater Helsinki area. Similarly, the sample size also consisted only of 50 respondents which though sufficient for research of limited scope such as this is definitely not sufficient to produce a generalizable result. To what extent these findings can be generalized for all Sudanese immigrants in Finland or Sudanese immigrants in general living in other countries is open to question. Researches which include a large sample of Sudanese immigrants in Finland or Sudanese immigrants living in other countries would be an area for further research.

Second, in this thesis, only questionnaire survey was used as a method of data collection where English was used as the language even though it is not the native language of the respondents. To what extent did the respondents understood the questions and responded to it is not so clear. The degree of honesty of the response could have also been checked with follow up questions. Similarly, other methods of data collection, such as interviews could have generated more personalized accounts that explain low motivation among the Sudanese immigrants in engaging in entrepreneurial activities.

Further research should include other data collection method and the reliability and validity of the responses.

Third, comparative study between Sudanese immigrants and immigrants of other nationality could also be an interesting and informative area for further research. This could show for example, what exactly is unique about the Sudanese immigrants in comparison to other immigrants. To what extent are these immigrants from other nationalities motivated to engage in entrepreneurial activities and if similar kind of factors drive their entrepreneurial motivation is a very interesting question that needs to be answered.

Fourth, it was also seen that almost half of the respondents had previous experiences as entrepreneurs back in Sudan or in other countries where they have been living previously. If I were to conduct this research further, I would focus on these respondents and try to find out why, although they have previous entrepreneurial experiences they are not willing to do the same in Finland. Probably, more explorative research methods such as in- depth interview could have the possibility to generate broad discussions on this phenomenon.

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APPENDICES

Appendix 1: Questionnaire Survey

Please fill in the questionnaire to the best of your abilities.

Home town: _____

1. Education level:
 Primary school level Secondary School level
 Vocational training University level

2. I have stayed in Finland for: _____ Year(s)

3. Please rate your ability in Finnish language
 Excellent Good/ Fair Poor

4. Gender: Female Male

5. Age: 20 - 25 26 - 40 41 and above

6. Do you have any previous work experience as entrepreneur?
 Yes No

7. What is your current job status?
 Employed
 Unemployed
 Studying or training
 Entrepreneur

8. What did you do before coming to Finland?
 I was employed
 I was involved in trading /retail
 self-employed / entrepreneur
 Unemployed
 Others, Please specify _____

9. Awareness of establishment procedures

How much do you agree that the following statements describe you?

	Strongly Agree	Agree	Disagree	Strongly disagree
I am aware of where to get financial support				
I think the administrative procedures to establish a business are difficult				
I am afraid that I will lose money if I establish my own business				
I am afraid that I am putting my family also in risk if I start my business				
The legal processes to establish a business are difficult to understand for me				
This taxation process are difficult to understand for me				
I am afraid that my Finnish is not sufficient to become an entrepreneur				
I am not so sure if I will get legal advice when I need				
I might have to pay more taxes if I start my own business				
I do not have enough time to look for information about starting a business				

10. Motivation to start a business

How much do you agree that the following statements describe you?

	Strongly Agree	Agree	Disagree	Strongly disagree
I want to be a business owner.				
I want to profit from my own work				
I like to be told how to do my job				
I enjoy having authority at work.				
I like to control my own time at work.				
I think that having a business can improve my financial status.				
I see a good future for myself if I start a business.				
I like to make business decisions.				

11. General self-efficacy (GSE) measures

How much do you agree that the following statements describe you?

	Strongly Agree	Agree	Disagree	Strongly disagree
I will be able to achieve most of the goals I have set for myself				
When facing difficult tasks, I am certain I will accomplish them				
In general, I think I can obtain outcomes that are important				
I will be able to successfully overcome many challenges				
Compared to other people, I can do most tasks very well				
Even when things are tough, I can perform quite well				
I am confident that I can perform effectively on different tasks				
I believe I can succeed at most any endeavor to which I set myself				

12. Locus of control

How much do you agree that the following statements describe you?

	Strongly Agree	Agree	Disagree	Strongly disagree
Many of the unhappy things in people's lives are partly due to bad luck				
People's misfortunes result from the mistakes they make				
In the long run, people get the respect they deserve in this world				
No matter how hard you try, some people just don't like you				
Getting a good job depends mainly on being in the right place at the right time				
This world is run by the few people in power, and these can crush the little guy can do about it				
When I make plans, I am almost certain that I can make them work				
In my case, getting what I want has little or nothing to do with luck				

13. Need for autonomy

How much do you agree that the following statements describe you?

	Strongly Agree	Agree	Disagree	Strongly disagree
I feel a strong need for other people's advice and assistance				
I believe that I can solve new problems on my own				
I need a lot of time to get accustomed to a new environment				
I find it hard to start new activities on my own				
I often don't know what my opinion is				
Usually it is very clear to me what I like most				
If I say what I want, I usually know the answer immediately				
Hearing the opinions of other people often makes me change my mind				

14. Need for achievement

How much do you agree that the following statements describe you?

	Strongly Agree	Agree	Disagree	Strongly disagree
It makes me look bad when somebody else is working harder				
I like it when people say in front of others that I am doing a good job				
In a tight situation, I like it when I am in charge and the blame or praise will come to me				
In business about my career, when I am in a group and there are passing me				
I am basically a competitive person, and I compete just for the sake of competing				
Most people who know me say I am ambitious				
When it is about job and money, it is a good to let someone else be in charge, to ease things for both				
I regularly list my goals where I can see them during the day				