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## Unfolding the Dynamics of Refugees' Entrepreneurial Journey in the Aftermath of Forced Displacement

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### Introduction

Refugee entrepreneurship (RE) entails the process of founding and developing ventures by refugees, who are individuals that have fled war, conflict, and persecution across international borders, in their new host country (Abebe, 2023). Having been forcibly displaced from their original contexts and relocated to completely foreign contexts, refugees often need to rebuild their lives from scratch, resulting in significant challenges when they undertake entrepreneurship (Harima, 2022). Scholars reveal that refugee entrepreneurs face complex and much harder obstacles to overcome compared to their immigrant counterparts (Alrawadie et al., 2019; Ram et al., 2022; Wauters & Lambrecht, 2008). Nonetheless, the global number of refugee business start-ups is on the rise (Desai et al., 2021). For instance, *The Economist* (2018)

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reported that even in resource-deficient settings like the Zaatari camp in Jordan, refugees have established over 3000 startups, generating a revenue of \$13 million per month. This paradox that refugees thrive in entrepreneurship despite their detrimental challenges is labeled the “paradox of refugee entrepreneurship” (Collins et al., 2017). As such, the question remains as to how refugees, after undergoing disruptive life circumstances in their most extreme form, can start and grow their ventures and generate societal wealth through their businesses (Jiang et al., 2021). Nonetheless, current RE literature provides limited insight to address this question.

While RE research dates back to the 1980s (Fass, 1986), it has been gradually expanding but rapidly within the last few years with a growing body of literature (Desai et al., 2021). However, much of the existing knowledge has primarily tended to focus on refugee entrepreneurial entry as driven by ethno-cultural characteristics linked to the home country (Bizri, 2017; Gold, 1988, 1992; Halter, 1995) and their experience of disadvantages in the host country structure (Barak-Bianco & Rajzman, 2015; Garnham, 2006; Johnson, 2000). As such, many studies primarily focus on the antecedents of RE while also considering it a group-level phenomenon determined by cultural and structural factors rather than individual journeys. At the same time, the paradigm featured in the bulk of extant RE literature views refugees as submissive to their surroundings or external factors and does not show how they act independently to manage their circumstances (Abebe, 2023). However, the last few years have seen emerging streams of literature focusing on the contextual responsiveness of refugees (Harima, 2022; Obschonka et al., 2018; Ram et al., 2022; Refai et al., 2018). These studies show the relevance of individual entrepreneurial agency in the specific case of refugees, who need to manage their disruptive circumstances and orchestrate their career paths.

Our study draws on and extends the current scholarly conversation on RE by investigating how recently arrived refugees proactively pursue entrepreneurship in their host country after forced displacement. We build on the notion of “embedded agency” (Garud et al., 2007) as an underlying concept to complement the overwhelming situational and circumstantial focus of RE research. The embedded agency approach provides the conceptual foundation to theorize on refugees as individual entrepreneurial agents who consciously reflect, decide, and actively orchestrate their entrepreneurial path under “substantial adversity” (Shepherd et al., 2020), and within the frame set by their home and host country contexts. To capture this empirically, we applied a process research design and inductively studied 21 refugees from Syria who fled the violent “Syrian Conflict” to Sweden during the period coinciding with the “European refugee crisis” of the mid-2010s and engaged in

RE. Relying on rich qualitative data drawn from 40 interviews, which were collected over two years, and a theory-building inductive analysis (Gioia et al., 2013), we provide a conceptual framework unfolding the dynamics of refugees' entrepreneurial journeys.

We make four contributions to the literature on (refugee) entrepreneurship. Firstly, we focus on the process of RE and develop a theoretical model that outlines the dynamics of this process, including the different phases, underlying mechanisms, and enabling factors of this process. Our processual approach updates the current static or snapshot approach, which mainly considers cultural and structural-level factors that influence refugees' entrepreneurial entry. Secondly, we expand the realm of entrepreneurship literature by providing an inductive comprehension of the phenomenon in the context of individuals experiencing extreme life disruption as opposed to those who benefit from a continuous life flow and accumulated resources. Thirdly, we achieve a balanced application of the agency/structure dialectic to RE, departing from the concept of embedded agency (Garud et al., 2007). We highlight how refugees' ability to proactively orchestrate their entrepreneurial journey, reflecting their entrepreneurial agency, is intertwined with detrimental circumstances and structural barriers arising from forced migration. Our approach chimes with recent studies (Ram et al., 2022; Villares-Varela et al., 2022) in providing a balanced role to refugee entrepreneurial agency, a factor less accounted for by the prevailing perspectives on RE (Abebe, 2023) but vital in the case of refugees who need to rebuild their lives after relocation.

The study has three implications for policy and practice. Firstly, by highlighting the pre-organizational intricacies of RE, the study provides insights for policymakers on appropriate intervention strategies to improve its preconditions and outcomes. Secondly, the study demonstrates that refugees pursue viable business opportunities in the later stages of their journey, but their initial businesses are necessity-based and informal, with small profit margins and long working hours. This increases the risk of perpetuating segregation and inequality rather than promoting integration. However, specific policies and entrepreneurial support systems for refugees can help alleviate this issue by enhancing their entrepreneurial skills and knowledge of business rules and regulations in the host country through early training. This way, they can pursue more viable business opportunities from the outset. Finally, for aspiring refugee entrepreneurs, our study clearly shows the mechanisms by which they can rework their disadvantages and expedite their entrepreneurial journey.

## Conceptual Background

### Refugee Entrepreneurship

RE is an emerging field of research that has gained increasing attention in recent years, particularly in the aftermath of the “refugee crisis” of the mid-2010s (Desai et al., 2021). At its core, RE provides a conceptual framework for investigating the complex interplay between refugeehood and entrepreneurship, which is further influenced by issues such as gender, ethnicity, and social class (Adeeko & Treanor, 2021). Refugeehood pertains to the situation of being a refugee, which is typified by extreme life disruption triggered by involuntary and abrupt displacement from one’s home country and resettlement in often completely foreign contexts (UNHCR, 2022). Entrepreneurship refers to the process of establishing and growing a business (Gartner, 1985). RE, therefore, can be defined as the process of founding and developing a venture carried out in a new host country by individuals who have fled their countries of origin due to war, conflict, or persecution across international borders (Abebe, 2023; Fuller-Love et al., 2006). Refugee entrepreneurs are forced migrants who undertake entrepreneurial activities during their early resettlement in the host country, where they have been granted refugee status according to international law (Heilbrunn et al., 2018). RE is a form of entrepreneurship distinguished by the additional challenges that refugees face as a result of their liabilities linked with their refugee status and foreignness while attempting to establish and expand businesses in their host countries.

RE is not an entirely new phenomenon, as forced migration has existed throughout human history (Bernard, 1977). However, as an area of research, it is still in its infancy. For many years, the topic did not receive much attention within the broader field of scholarship on refugees’ economic behavior, which primarily focused on their wage labor outcomes (Abebe, 2023). Research on migration and entrepreneurship mainly concentrated on voluntary migrant entrepreneurs, and analysis of refugee entrepreneurs was often subsumed under the established research stream on immigrant entrepreneurs by conflating the two, despite ontological differences arising from their departure motives, migration patterns, and legal circumstances (Heilbrunn & Iannone, 2020). Although Gold (1988, 1992) acknowledged the distinctiveness of RE and called for separate analysis, his ideas were not widely recognized for many years until the recent “refugee crisis.” However, RE has now become globally significant for both political and academic reasons due to its

potential benefits for refugees' socioeconomic integration and host societies (Harima et al., 2021). The current scholarly urgency and increased research interest in the topic indicate that RE is becoming a vibrant area of research with a rapidly accumulating body of knowledge, in contrast to its modest origins in the 1980s and sporadic development over the years (Desai et al., 2021). Given the growing number of refugees, RE is likely to gain more prominence in the future.

The body of literature emerging in the RE research stream is primarily rooted in the social sciences and humanities fields, with limited theory development within the entrepreneurship scholarly conversation. For the most part, RE research has been dominated by scholars from fields such as cultural anthropology, sociology, economic geography, and psychology, while entrepreneurship and management scholars have only recently begun to investigate the topic (Heilbrunn & Iannone, 2020). The predominance of social sciences and humanities scholars has significantly influenced the current understanding of RE. Although there is a wealth of knowledge on group ethnocultural characteristics, resources, and macro-level structural factors that affect refugees' entry into and outcomes in entrepreneurship, the literature lacks a deeper understanding of individual refugee actors and their agency in the entrepreneurial process (see reviews by Abebe, 2023; Lazarczyk-Bilal, 2019). In other words, the current literature primarily explains the determinants of RE but does not provide accounts of the dynamics of entrepreneurship as actively organized by individual refugees. Therefore, the conceptualization of RE as an entrepreneurial undertaking and occurrence requires further development by emphasizing the perspectives of individual refugee actors, their agency, and the processuality of entrepreneurial activity. This study seizes this opportunity to address and deepen our understanding of RE.

## **Understanding the Dynamics of Refugee Entrepreneurship: The Embedded Agency Approach**

Many RE studies are conceptually grounded in cultural, structural, and mixed embeddedness (ME) perspectives derived from sociological research on immigrant entrepreneurship. Studies informed by cultural theories focus on refugees' entrepreneurial predisposition, enabled by their home cultural values, beliefs, group characteristics, and possession of ethnocultural resources (Campbell, 2007; Gold, 1988; Halter, 1995; Kaplan, 1997). Those with structural theories, on the other hand, focus on how disadvantages in the economy's structure, labor market policies, and regulatory-institutional

conditions in the host country influence refugees' entry into entrepreneurship (Garnham, 2006; Kupferberg, 2008). Other studies departing from the ME framework fuse aspects of cultural and structural perspectives (Price & Chacko, 2009; Wauters & Lambrecht, 2008). However, these perspectives often emphasize the weight of external factors in the analysis of RE and lack conceptual foundations to account for the dynamics of RE by explaining how refugees voluntarily decide to start a business and proactively orchestrate their journey toward it. As a result, in the literature, refugee entrepreneurs are frequently understood as being submissive to external factors and their circumstances, rather than how they act as entrepreneurial agents and overcome their constraints.

Nevertheless, in recent years, a number of scholars have begun to theorize on the active involvement of refugees in entrepreneurship as they rebuild their lives and career paths (Obschonka et al., 2018; Ram et al., 2022; Shepherd et al., 2020). These studies provide different accounts of refugees' contextual responsiveness as they engage in entrepreneurship to rebuild their lives and career paths. While scholars acknowledge the exercise of entrepreneurial agency by refugees, they often do not clearly define its interplay with external factors or the structural context, instead emphasizing refugees' individual traits such as identity (Adeeko & Treanor, 2021; Refai et al., 2018), resilience (Shepherd et al., 2020), and motivations (Mawson & Kasem, 2019). There are a few exceptions that provide an understanding of the interplay of contextual factors and the personal agency of refugee entrepreneurs (Ram et al., 2022; Villares-Varela et al., 2022). These studies argue that external factors and conditions facing refugees shape their entrepreneurial actions while also constraining them. Therefore, as entrepreneurial agency in the context of RE must be seen as having relative autonomy, it is necessary to have a balanced theoretical exploration of RE that captures the interplay between agency and structure.

The embedded agency approach (Garud et al., 2007) provides the conceptual backdrop to complement the current focus on situational and circumstantial factors in research on entrepreneurship by refugees. This concept addresses the longstanding debate between structure and agency in the literature on institutions and entrepreneurship. It contends that an overemphasis on structure or context in early institutional literature and RE research can result in causally deterministic understandings that exclude individuals' volitional choices and purposeful behavior. At the same time, an excessive emphasis on agency in entrepreneurship research can lead to a lack of understanding of the context in which it takes place. The embedded agency approach brings together the tenets of institutional and entrepreneurial theories under one

concept and highlights the mutuality between structure and agency (c.f. Gartner, 1985; Jack & Anderson, 2002). It suggests that external circumstances and structures do not necessarily limit agency but rather provide the platform and resources for the unfolding of (refugee) entrepreneurship (McMullen et al., 2021). Informed by this approach, this study strives to capture the true dynamics of the phenomenon by investigating how refugees proactively orchestrate their entrepreneurial journeys despite facing various disadvantages and adverse circumstances and within the framework of their home and host country contexts.

## Methodology

### Research Design and Participant Selection

Our research question involves developing a process-oriented theory that explores the dynamics of refugees' entrepreneurial journeys after they are forced to migrate to a new host country. Due to the limited number of existing studies that theorize on the refugee entrepreneurship process, our study focuses primarily on building a theory rather than testing one. To accomplish this objective, we are using a qualitative, inductive research approach with a longitudinal orientation. This approach enables us to start with the research question in mind and detect new theoretical ideas and insights on RE emerging from the data. It also allows us to capture the specificities of the refugee entrepreneurial journey and foster a better understanding of its processual nature (Gioia et al., 2013). Additionally, this research design enables us to stay close to our refugee participants and capture the dynamics of events that occur before, during, and after their flight, as well as their entrepreneurial journey after relocation. These dynamics could have otherwise been overlooked in survey-based designs (e.g., Obschonka et al., 2018). By capturing these details, we aim to deepen our understanding of the refugee entrepreneurial journey and its distinct nature.

The study focuses specifically on Syrian refugees who were relocated to Sweden as a result of the violent conflict in Syria since 2011. The choice to focus on this group is supported by their high proportion during the study period, with more than 6.8 million Syrians being forced to flee due to the civil war (UNHCR, 2022). The study exclusively focuses on Sweden to ensure that differences in institutional contexts do not impact refugees' entrepreneurial journeys (Harima, 2022). During the period known as the "European refugee

crisis,” Sweden was one of the European countries that accepted the highest number of refugees per capita (Konle-Seidl, 2018). In Sweden, refugees typically stay at camps until a decision is made on their asylum application, which can take 6 to 18 months. Successful applicants receive a residence permit based on their refugee status, with Syrian refugees arriving before Fall 2015 receiving permanent residence permits and those arriving after receiving temporary ones. All refugees participate in the “establishment program” for immigrants (Etableringsprogrammet) to prepare for the labor market, including language and cultural training and skill validation (Konle-Seidl, 2018). The political and institutional context in Sweden during the study period was relatively favorable toward refugees and RE. However, our model may be context-specific and require further testing to explain RE in other contexts.

We employed a purposive sampling approach to select participants for our study based on theoretical relevance criteria (Eisenhardt & Graebner, 2007). Participants had to be (1) Syrians who fled the civil war, (2) with legally recognized refugee status in Sweden, and (3) either self-employed or operating their businesses in Sweden as recent arrivals. To ensure that the participants’ experiences were unique to refugees, we excluded those who had obtained Swedish citizenship, which would have given them access to international markets and made them act like transnational entrepreneurs (Halilovich & Efendić, 2021). Besides, we selected participants who were “acute refugees” according to Kunz’s Kinetic Model of Refugee Theory (1973), meaning they were forced to leave Syria suddenly and without preparation, unlike “anticipatory refugees,” who could sense danger early and depart in an orderly fashion. Moreover, we confirmed that the participants had started their businesses during the early stages of their resettlement in Sweden, when they were still acutely experiencing the challenges of being a refugee and facing uncertainty about their future. These measures allowed us to capture the unique circumstances and behaviors associated with RE that stem from the challenges of being a refugee and adjusting to a foreign environment and different institutional frameworks, setting them apart from immigrant entrepreneurs (Harima et al., 2021).

Due to the specificity of our selection criteria and the “hard-to-reach” nature of refugee populations (Bloch, 2004), we employed a snowballing strategy (Sulaiman-Hill & Thompson, 2011) to identify study participants. We utilized the contacts of a research assistant of Syrian origin who was employed at Lund University and had previous experience working on government-sponsored refugee integration projects to recruit 17 participants. Additionally, the first author utilized an established contact (Atkinson & Flint, 2001) from his participation in entrepreneurship training for refugees during the crisis to recruit four participants. Table 20.1 provides brief



Table 20.1 Participant's characteristics

Participants	Sex	Age	Education	Pre-adversity experience	Arrival date	Location	Type of business	Company date
Participant 1	M	49	Accounting degree	Accountant; credit manager	2014	Landskrona	Small kiosk	2017
Participant 2	M	42	Engineering degree	Property developer; owner of a real estate	2014	Landskrona	Water scooters, kayaks, and beach gear renting shop	2017
Participant 3	M	40	Engineering degree	Engineer in a company selling generator sets; worked in family business in the same branch; work experience in emirates	2014	Malmö	A small watch shop	2016
Participant 4	M	43	Elementary	Grew up in a family that owned roastery	2015	Malmö	Syrian speciality nut store	2017
Participant 5	M	22	High school	No formal work experience, but grew up in a family business.	2012	Lund	A combined food retail store and hairdressing store	2018
Participant 6	M	30	No university education	He had been developing own business	2011	Stockholm	Online store for oriental treats	2019
Participant 7	M	35	Uncompleted university education	Owned a business in Syria	2014	Stockholm	Importing and selling Syrian dessert online	2019
Participant 8	F	40	No university education	Owned her business in Lebanon	2018	Uppsala	Informal apparel trading	2019
Participant 9	F	45	University education	Co-owned a business with husband	2017	Umeå	Work-integrated cooperative	2019
Participant 10	M	40	Primary school	Owned different types of businesses	2015	Ronneby	Syrian bakery	2018

(continued)

Table 20.1 (continued)

Participants	Sex	Age	Education	Pre-adversity experience	Arrival date	Location	Type of business	Company date
Participant 11	M	42	Degrees in auto mechanics and business administration	Accountant in an oil company; owned manufacturing workshop on the side	2015	Ronneby	Supermarket	2019
Participant 12	M	29	Interrupted environmental engineering degree	No formal work experience	2017	Stockholm	Online platform for Arabic clothes	2019
Participant 13	F	50	Degree in advertising, design and printing	Co-owned a printing press with husband	2015	Malmö	Women's beauty center	2018
Participant 14	M	52	No formal education	Owned dairy product trading	2014	Karlskrona	Small shop for Syrian dairy products	2019
Participant 15	M	54	Highschool education	Owned an apparel store	2015	Ronneby	Arabic clothing store	2018
Participant 16	F	35	Degree in media and journalism; diploma in teaching	Teaching math and informatics; owned an educational channel	2015	Karlskrona	E-platform for children	2018
Participant 17	M	40	Highschool	Owned an apparel business	2015	Kallinge	Arabic clothing line for women and children	2017
Participant 18	F	45	No formal education	Grew up in an entrepreneurial family; sales person in her husband's wedding shop	2017	Lund	Informal décor service for weddings and birthdays	2019

Participant 19	M	54	Chartered accounting license, and diplomas in business	Accountant in different countries	2015	Lund	Small restaurant	2017
Participant 20	M	35	Low formal education	Owned a bakery for 20 years	2014	Lund	Syrian bakery	2018
Participant 21	F	37	Informatics engineering degree	IT support for tech company	2014	Örebro	E-platform for programming kids	2019

descriptions of each of the 21 refugee entrepreneurs. They are listed in the order of their first interview.

## Data Collection

Data for this study was collected between 2018 and 2020 with the aim of gaining an in-depth understanding of the dynamics in the personal lives of refugees, both before, during, and after flight, and their overall entrepreneurial journey. Multiple rounds of in-depth individual interviews were conducted, with all participants except two interviewed over two rounds. During the first round, participants were asked open-ended questions to explain their previous lives and backgrounds, forced migration experiences and their impact on their lives, sources of entrepreneurial motivation and types of businesses, challenges in resettling and starting their businesses, and overall entrepreneurial activity in Sweden. The average length of these interviews was around 50–60 minutes per participant. The author and a researcher colleague examined the transcriptions in order to develop early insights for the following round.

The second round focused more on gaining an in-depth understanding of the RE process, although some follow-up questions were also included to triangulate previous responses. The interview guide was designed to encourage informants to provide a chronological account of the preconditions for their venture founding activity, as well as pre-entry and startup stages. Participants were asked for detailed accounts of their venture development activity and plans, with exit strategies excluded from the study as it was too early for participants to discuss them. A timeline-based interview approach was used to verify and explain how events related to the entrepreneurial journey unfolded chronologically, which helped guard against memory failure associated with retrospective accounts (Miller et al., 1997). Table 20.2 shows that the average length of the second-round interviews was about 1 hour and 25 minutes.

All rounds of interviews except for four were conducted in the informants' mother tongue of Arabic to capture the nuances and ensure data quality (Chidlow et al., 2014) by a well-trained Syrian research assistant employed at Lund University, under the supervision of the author and a researcher colleague. Face-to-face meetings or Skype calls were used to collect data, and all interviews were recorded; those in Arabic were immediately translated into

**Table 20.2** Data sources

Participants	Interview 1 date	Length in hours	Interview 2 date	Length in hours	Interview formats
Participant 1	17/08/2018	2:00	03/06/2019	1:34	In person
Participant 2	10/09/2018	1.37	15/08/2019	1:57	In person
Participant 3	17/09/2018	2:27	N/A	N/A	In person
Participant 4	24/10/2018	2:40	N/A	N/A	In person
Participant 5	19/11/2019	2:00	10/08/2020	1.30	In person, Skype
Participant 6	09/01/2020	2:30	22/08/2020	1:45	Skype
Participant 7	22/01/2020	1:45	23/08/2020	1:20	Skype
Participant 8	23/01/2020	2:00	25/08/2020	1:30	Messenger
Participant 9	28/01/2020	2:00	27/08/2020	1:30	Skype
Participant 10	04/03/2020	2:30	29/08/2020	1:15	Skype
Participant 11	21/03/2020	2:00	31/08/2020	1:45	Skype
Participant 12	30/01/2020	1:30	13/10/2020	1:00	Skype
Participant 13	05/05/2020	1:45	17/10/2020	1:20	Skype
Participant 14	09/03/2020	1:45	21/09/2020	1:30	Skype
Participant 15	28/03/2020	2:00	19/09/2020	1:45	Skype
Participant 16	27/04/2020	1:45	09/09/2020	1:15	Skype
Participant 17	25/02/2020	2:00	21/09/2020	1:00	In person
Participant 18	19/06/2020	1:30	15/10/2020	1:35	In person
Participant 19	06/07/2020	3:30	21/10/2020	1:15	In person
Participant 20	07/07/2020	1:30	13/10/2020	1:10	Skype
Participant 21	07/07/2020	2:00	09/10/2020	1:25	Skype

English, and all of them were transcribed word-for-word, creating more than 500 pages of text for the final analysis.

## Data Analysis

Although our data analysis began during the interviewing process (Charmaz, 2006), it evolved in three iterative stages, involving sorting, reducing, and theorizing (Gioia et al., 2013), with the goal being to uncover theoretical constructs unfolding the dynamics of RE.

### First-Order Codes: Creating a Time-Sensitive Representation of Critical Events Unfolding in the Lives of Refugee Entrepreneurs

We began by sorting the empirical material to bring order and structure to our data. We spent a significant amount of time analyzing the details and identifying initial categories. Our analysis of the interview material focused on

identifying critical events during refugees' life transitions, such as preflight, flight, asylum seeking, reestablishment, and entrepreneurial carrier periods, as well as their interpretations of these events. Using the informants' own terms and phrases, we created initial labels reflecting key instances and events in each period, which were later converted into summaries, resulting in over 200 first-order codes. We highlighted sections in the data that revealed refugees' experiences of loss, trauma, resilience, motivations for entrepreneurship, and resource mobilization. We then sorted the first-order codes chronologically (Rennstam & Wästerfors, 2018) and developed an order of events reflecting the basic steps in the life transition process of refugees, with a focus on their entrepreneurial journey.

### **Second-Order Categories: Linking Empirical Observations to Abstract Concepts**

In the next stage, we reduced the data into a more manageable set by focusing on the most relevant first-order themes. Drawing on the basic stages of the entrepreneurial process (Gartner et al., 2004), we tentatively categorized informants' entrepreneurial journey into three phases: pre-conditions for business startup, pre-entry, and startup and development, for analytical purposes. We reorganized the first-order codes based on these phases and then categorically reduced them by studying and evaluating them, selecting 34 initial codes that revealed patterns. To make sense of our empirical findings, we engaged with a diverse body of literature on migrant, refugee, and mainstream entrepreneurship, following established practices of qualitative data analysis (Gioia et al., 2013). Some literature (e.g., Bayon et al., 2015; Townsend et al., 2010) was not part of our a priori conceptual framework but was closely related to the emerging themes from the coding and used to label the second-order codes. For example, we used the existing literature (Townsend et al., 2010) to term the two first-order concepts that showed refugees' positive beliefs and feelings about understanding the host country to start and manage a business as *perceived entrepreneurial self-efficacy*. Finally, we grouped all selected first-order codes with common themes and linked them to higher-level conceptual categories (i.e., second-order codes) that captured the embedded meanings.

## Developing a Process Model

After coding our data and abstracting it into conceptual themes, we moved on to the last step of our processual analysis, which was to find out how the concepts we had found interact with each other. We went back and forth between the first-order themes and the literature until we settled on 12 second-order concepts, which we then put into four overarching aggregate themes. The first three dimensions represented the stages in refugees' entrepreneurial journey, which we coded as *detrimental entrepreneurial resource circumstances*, *re-acquisition of entrepreneurial resources*, and *entrepreneurial action and exploration*. The final aggregate theme represented the factors explaining the transition from one stage to the next, which we coded as *enabling factors*. Finally, we uncovered the dynamic interrelationships between the identified second-order concepts themselves as well as with the four aggregate themes to form the building blocks of the process model that unfolds the dynamics of RE, as presented in Fig. 20.3, after multiple iterative versions (Gioia et al., 2013). The data structure that illustrates the link between these concepts and first-order observations is presented in Figs. 20.1 and 20.2, and the model is discussed in the discussion and conclusion section.

## Findings

This section presents our findings on how the entrepreneurial journey of refugees unfolds after their forced displacement to a new host country, based on empirical observations of Syrian refugee entrepreneurs in Sweden. Our data analysis identifies three phases, and we explain the dynamics of entrepreneurial behaviors inherent in each phase along with the enabling factors that trigger the transition from one phase to the next.

***Phase 1. War, violence, and conflict, and subsequent forced displacement, leading to detrimental entrepreneurial resource circumstances.***

Refugees face detrimental entrepreneurial resource circumstances as a result of their experience of war, violence, and conflict, as well as their subsequent forced displacement to completely foreign contexts. The emerging data structure emphasizes that three factors—*homeland resource loss*, *restrained cognitive framing*, and *hindered interaction in the host country*—interact recursively to cause this.

***Homeland resource loss*** entails the permanent destruction or deactivation of refugees' pre-disaster physical, social, financial, and human capital resources critical for venture founding and development activity (Harima, 2022). Our

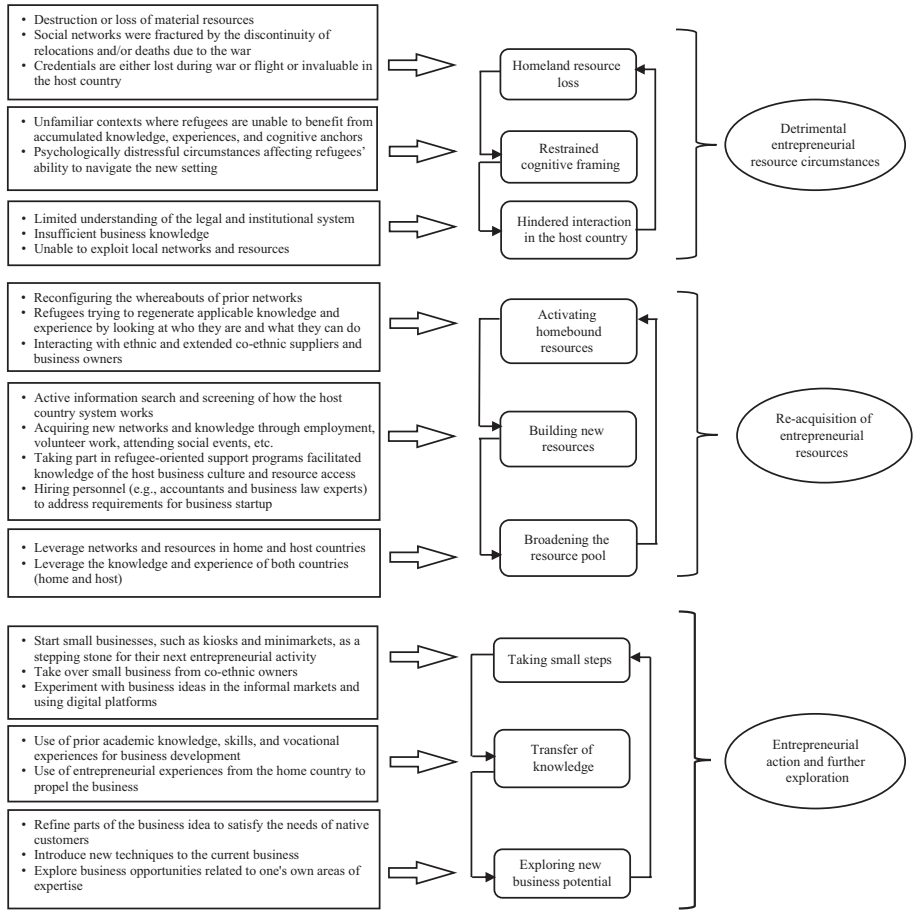


Fig. 20.1 Data structure for the phases of RE

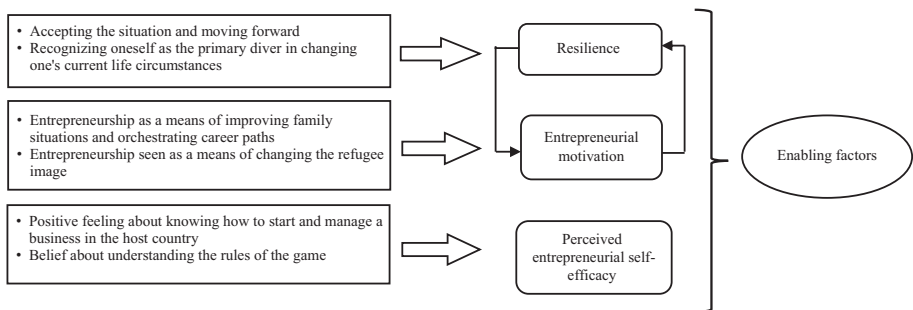


Fig. 20.2 Data structure for the enabling factors



informants stated that their physical capital resources, such as real estate, properties, and shops, as well as their credentials, were destroyed due to extensive barrages and shelling during the Syrian war. Participant 2 stated, *"I had a real estate business in Aleppo, and it was burned to the ground."* Additionally, participants mentioned that they were left with nothing, having used their years of savings to pay for ransoms and smugglers or not being able to access them after relocation. Participant 13 illustrated this by saying, *"My husband was kidnapped by ISIS, and we had to pay [our savings] to get him back."* Furthermore, refugees' social networks became fractured due to the loss of pre-existing contacts and relationships in Syria, caused by death (Participant 14: *"Two of my best suppliers for my business were killed by airstrikes"*) or separation from friends, family, and acquaintances because of the discontinuity of relocations (Participant 19: *"...after these years, I still don't know where most of my friends and relatives are."*)

According to our analysis, when refugees experience the loss of homeland resources, it creates new context and psychologically distressing circumstances. This causes them to lose their cognitive anchors, or what is familiar to them. We describe this as **restrained cognitive framing**. In cognitive psychology, "cognitive framing" refers to how individuals interpret and respond to information based on their prior knowledge (Huhn et al., 2016). Refugees facing restrained cognitive framing are unable to use their accumulated knowledge, skills, and cognitive anchors, resulting in psychological distress that affects their ability to react, navigate, and adapt to their new environment (Jiang et al., 2021). Participant 1 reflects on this situation as follows: *"When I realized that I had lost everything, I was so affected psychologically that I wasn't able to function normally, perform tasks, or plan for my future for some time."* Similarly, Participant 19 states, *"With everything being new, I don't feel that I belong here... I also realized that I couldn't use any of my previous knowledge or skills, [...] this affected me as I did not know how to react."* Our data reveals that the loss of cognitive anchors, coupled with additional stressors and challenges in the host country, such as language, further hinders refugees' interaction in the host country.

**Hindered interaction in the host country** entails refugees' limited capacity to navigate and exploit externally complex networks and resources in the host country's social, economic, and institutional environments (Schnell & Sofer, 2002). Participant 11 states, *"[...] being in a new country and the nature of different people and the language [...] limit my capabilities and do not give me the opportunity to put all my energy into it."* Our results suggest that refugees' hindered interaction further exacerbates the loss of home country resources. Participant 21 stated, *"As my knowledge of how things work here is limited, my*

*home country experiences and knowledge continue to be irrelevant.*” Hence, the iterative mechanism by which refugees lose resources means that they continue to encounter detrimental resource constraints before engaging in business startup activity.

Despite their adverse situations, refugees are driven forward to rebuild their lives by manifesting strong dimensions of **resilience** (see also Obschonka et al., 2018; Shepherd et al., 2020). Resilience serves as a positive driving force for RE by allowing refugees to function positively and overcome previous and current adversities. Participant 11 states, “[...] *With everything that happened to me, the most important thing is to accept the situation and move forward [...] This is normal when you leave your country.*” Strong resilience, in turn, drives refugees’ **entrepreneurial motivation**, as stated by Participant 6: “*I am not a son of this country [...] I have to be the main driver to change my life situation [...] That is why I was motivated to start a business.*”

Our data demonstrates that refugees were motivated toward entrepreneurship by a combination of intrinsic and extrinsic factors. For example, some were motivated to change the refugee image, as stated by Participant 11: “[...] *I can’t accept the status I am looked at as a refugee. I was determined to start this business [...] I kept going until I made it happen.*” Others were motivated by extrinsic factors, such as improving their family’s economic situation, as stated by Participant 9: “*I [was motivated] to start this business because my husband became disabled due to the war, and after we moved [to Sweden], I had to support him and the family [...] that is why I was persistent despite the challenges.*” As reflected in these excerpts, our data overall indicates that refugees’ resilience enhances their entrepreneurial motivation, and vice versa, and the interplay between the two helps refugees rebound from adverse circumstances and drive them forward in the entrepreneurial journey.

Our overall analysis shows that refugees face a greater risk of harm and danger compared to migrants because they are forced to move suddenly and unexpectedly, resulting in experiences of destruction and dangerous journeys that lead to the loss of essential resources such as finances and relevant credentials needed for entrepreneurial activities (Harima, 2022). In contrast, migrants who plan ahead have more time to choose a resettlement country and leave with their resources intact, making them better equipped to utilize their resources back home and in third countries to pursue opportunities. Additionally, migrants tend to have better psychological readiness to adapt to new environments (Leong, 2014). Trauma and sudden displacement cause severe cognitive disruptions for refugees, affecting their interaction and knowledge base and making it challenging for them to access critical entrepreneurial resources (Jiang et al., 2021). Therefore, unlike immigrant

entrepreneurs, refugees need to engage in additional steps to (re)acquire entrepreneurial resources.

***Phase 2. Re-bouncing from the adversity of forced displacement triggering re-acquisition of entrepreneurial resources.***

While refugees recover from the adversity of forced displacement and are motivated to start businesses, being aware of their precarious resource situation prompts them to engage in resource-seeking behaviors. As shown in Fig. 20.1, the interplay of three second-order themes underlies refugees' resource re-acquisition process relevant for undertaking entrepreneurial action: *activating homebound resources*, *building new resources*, and *broadening the resource pool*.

After deciding to start their businesses, refugees proactively engage in resource-seeking behaviors by ***activating homebound resources***. This entails revitalizing accessible or available resources related to their home country by reconfiguring them and reinterpreting their value and function for business startup in the new host environment (Harima, 2022). In contrast to voluntary immigrants, whose resources from home are often automatically transposed into their new environment (Christensen et al., 2020), our data shows that refugees must reconfigure their prior networks and resources with the help of both their remaining and new connections to reactivate entrepreneurial resources. For example, Participant 7 stated: *"After deciding to have my business, I thought about how to get the necessary resources. [...] Then, I started to look for the whereabouts of my previous business networks. [...] you know some of them are dead; others are dispersed. After several efforts, I found two of them, who lent me money and also found ways to supply me with products."* Other participants leveraged their relevant knowledge and experience from their home country by looking at the knowledge at their disposal (Participant 10: *"I have knowledge of the behavior of Syrian customers and products. That was my major resource when I thought of starting a business in Sweden."*). Additionally, some participants (e.g., participant 20) actively socialize with co-ethnic and extended co-ethnic business owners and suppliers to obtain information and financing.

Developing an initial resource repertoire through activation enables refugees to build up new resources in the host country. Participant 10 explains, *"[...] being aware of the value of my previous knowledge is relevant because it gives me the base to further build new connections and understand how things work [in Sweden]."* ***Building new resources*** refers to various activities that refugees undertake to assemble relevant entrepreneurial resources in the host country (Harima, 2022). Some refugees actively seek and screen information in order to understand how the Swedish system works. Participant 1 shares, *"After my*

*decision [to start a business], I started to actively look for information about the Swedish system.*" In some cases, refugees hire accountants and lawyers to gain a good understanding of the business environment and its different requirements and procedures. Participant 8 says, "[...] *I paid a Swedish accountant on an hourly basis. He provided me with all of the information I required.*" Other refugees start to build new networks through different activities such as internships, employment, voluntary work, attending social events, and more. Participant 9 explains, "*I started working at Umeå municipality, and this helped me meet different people and expand my network.*" Many participants actively participate in refugee support programs provided by the Swedish state, where they acquire relevant knowledge of the Swedish administrative and legal structure for doing business and accessing finance.

Building new resources helps refugees with ***broadening the resource pool*** as they can leverage knowledge, experience, networks, and resources in both their home and host countries. Participant 2 explains, "*This helps me expand my possibilities. I reached out to all my previous business networks and connections, who are dispersed in different places after the war, to provide me with any help they can. At the same time, I explored all my options in this country.*" Participant 11 concurs with this statement, saying, "*When you start a business as a refugee in a new country after losing everything, you always start with your previous knowledge and experience and help from your close networks. Then, you understand the country in which you start a business. In that way, you have more resources.*" Broadening the refugee's resource pool further triggers the activation of homebound resources, reflecting the iterative nature of resource mobilization in RE. Participant 1 explains, "*The more knowledge and information I get here, the more I clearly see how all my skills and experiences from my home country are relevant.*"

Engaging in resource-seeking behavior enhances refugees ***perceived entrepreneurial self-efficacy***. Actively searching for the necessary resources to establish themselves in a new country can boost refugees' self-efficacy, or their confidence in their ability to accomplish goals, increasing their motivation and determination to succeed as entrepreneurs (Townsend et al., 2010). This stands in contrast to immigrants who had the opportunity to prepare for their move and may have already established networks, connections, and financial resources in their destination country, providing them with a strong sense of belief and advantages in starting their business (Christensen et al., 2020). Participant 19 stated: "*No one came with information to tell me how to do this. I found everything by myself through trial and error, but this has created positive feelings that I can manage this [starting a business].*" Similarly, Participant 2 remarked, "*I know the game now [...] I know how to run things. I think I can*

*handle [the next steps].*" Our findings overall suggest that refugees' entrepreneurial mobilization process develops their belief in their capacity to perform tasks and roles associated with venture founding and development.

***Phase 3. Perceived entrepreneurial self-efficacy triggering entrepreneurial actions and further exploration.***

Our data indicates that the development of perceived entrepreneurial self-efficacy drives the transition to the phase where refugees undertake entrepreneurial action and further exploration. During this phase, refugees utilize their available resources to establish a venture and engage in the gradual development of new business possibilities. As shown in Fig. 20.1, this phase can be explained by three iterative second-order codes: ***taking small steps***, ***transfer of knowledge***, and ***exploring new business potential***.

***Taking small steps*** refers to a strategy in which refugees become self-employed in the host country by starting or taking over small businesses with manageable risks. This approach allows them to test out different business possibilities and gain a better understanding of the host country's business environment (Zhang & Chun, 2018). Taking small steps can thus manifest as taking over small businesses or starting new ones with minimal risk. Excerpts from Participant 1 illustrate this point: "*When I started thinking about my own business, [I asked myself]: what kind of business can I manage in this country? Can I have a construction company? Or do I start small and learn the business step by step? So, I said to myself, the easiest thing is to have a small business, which doesn't need a lot of qualifications, and try my luck with it.*" Some refugees started small businesses, such as kiosks and minimarkets, as stepping stones for their next entrepreneurial activity. Participant 3 explains, "*I started this small shop for the sole purpose of collecting information for the next step.*" Participant 5 took over a small supermarket from a co-ethnic owner where he worked for two years and says, "*I knew this business well and the customers, and when I sorted out the finances, I bought the store.*" For some refugees, the internet provides a medium for experimenting with business ideas without a significant investment of resources.

Even after mobilizing resources, refugee businesses at this early stage are typically necessity-oriented and operate in informal or low-value sectors with small profit margins and long working hours (e.g., Participants 8 and 18). While these businesses may be challenging to operate, this approach allows refugees to mitigate the risks associated with starting a business in a new and unfamiliar environment. This approach enables them to test the viability of their ideas and potentially scale up or pivot their business as they gain more knowledge and resources.

Taking small steps helps refugees understand the context of the host country and facilitates the transfer of their knowledge to the country. **Transfer of knowledge** refers to the cognitive process by which refugees recognize that their vocational and entrepreneurial experiences and qualifications from their home country can be applied and used for business development in the host country. Participant 19 describes, “*The experience I got from [the initial activities], like the registration, knowing the procurement, and all the details and steps that I went through in opening the business, allowed me to understand the Swedish bureaucracy much more. [...] this has made me realize that I can now apply my previous knowledge and experiences in the business and tap into better business opportunities.*” Participant 14 also states, “*I have learned a lot through this business. I’ve grown into a more mature person. I have grown in all aspects. [...] now, I can even use my previous [entrepreneurial] experiences to further develop my business.*”

Overall, the data suggests that refugees can benefit from taking small steps in their business procedures, as this can help them better understand the context of the host country and facilitate the transfer of their knowledge from their home country. Through this transfer of knowledge, refugees can leverage their previous entrepreneurial experiences and knowledge to navigate the host country’s institutional context, leading to better business opportunities. As they gain experience and confidence, they can scale up their businesses toward a more stable and prosperous entrepreneurial career. By starting with small-scale business activities that facilitate the transfer of knowledge, refugees can enhance their entrepreneurial abilities and explore new business potential in their new environment. However, compared to voluntary immigrants, who plan their move in advance, are more explorative from the beginning, and are more willing to take bigger risks and pivot (Christensen et al., 2020; Cortes, 2004), refugees often start small and gradually build their businesses due to the challenges of forced displacement and resettlement. This approach allows them to mitigate risks and gradually gain experience and resources to grow their businesses.

**Exploring new business potential** for refugees involves actively seeking out fresh opportunities to develop their current ventures or embark on new entrepreneurial ventures, drawing on their past experiences and qualifications. This may entail refining certain aspects of their current business or modifying existing practices using knowledge from their previous entrepreneurial endeavors. Some of the participants in the study considered this stage an opportunity to improve and grow their business by utilizing their previous experience and knowledge (“*I want to re-shuffle the larger part of this business and make it more profitable and efficient through new techniques. [...] my*

*previous business experience in this area will be relevant*" - Participant 19). The data also indicates that some refugee entrepreneurs explore business opportunities related to their areas of academic knowledge and vocational experience (*"I now want to tap into a new business [...] related to my previous expertise [in auto mechanics] [...] some kind of manufacturing involving heavy machinery. [...] What I learnt from here is that it doesn't need to be big from the beginning but I can start by taking small steps and gradually develop it"* - Participant 11).

Participants expressed their intention to gradually develop their businesses with small steps, learning as they go and applying their skills to explore new business potential. This highlights the iterative nature of the process. The data also shows that several participants planned to pursue international business opportunities after obtaining Swedish citizenship, indicating their ambition and willingness to expand their business beyond the host country (*"When I get my Swedish citizenship sooner [hopefully], I plan to pursue the possibility of business trading between Syria, the United Arab Emirates, and Sweden"* - Participant 3). This highlights that RE is a temporal phenomenon, and the acquisition of citizenship marks a significant step in the process by opening up new opportunities for refugees and potentially changing the trajectory of their businesses.

## Discussion and Conclusion

### A Dynamic Process Model of Refugee Entrepreneurship

In this section, we present an integrated processual model (Fig. 20.3) that synthesizes our findings and unfolds the dynamics of RE. The model is based on the premise that entrepreneurship is shaped by extreme life disruption in the refugee context, which has been referred to as "substantial adversity" (Shepherd et al., 2020). Although there are theoretical explanations of entrepreneurs responding to unfavorable events (Shepherd & Williams, 2020), the circumstances faced by refugee entrepreneurs are particularly extreme. These circumstances include the complete destruction of their original context that had been favorable to them, exposure to trauma related to violent conflicts and perilous flight, resettlement in unfamiliar settings, and complex legal issues (Harima et al., 2021). As a result, our model demonstrates that entrepreneurship in such circumstances is a dynamic process encompassing three iterative phases: adverse entrepreneurial resource circumstances caused by forced displacement; bouncing back from adversity, triggering re-acquisition of entrepreneurial resources; and developing perceived entrepreneurial

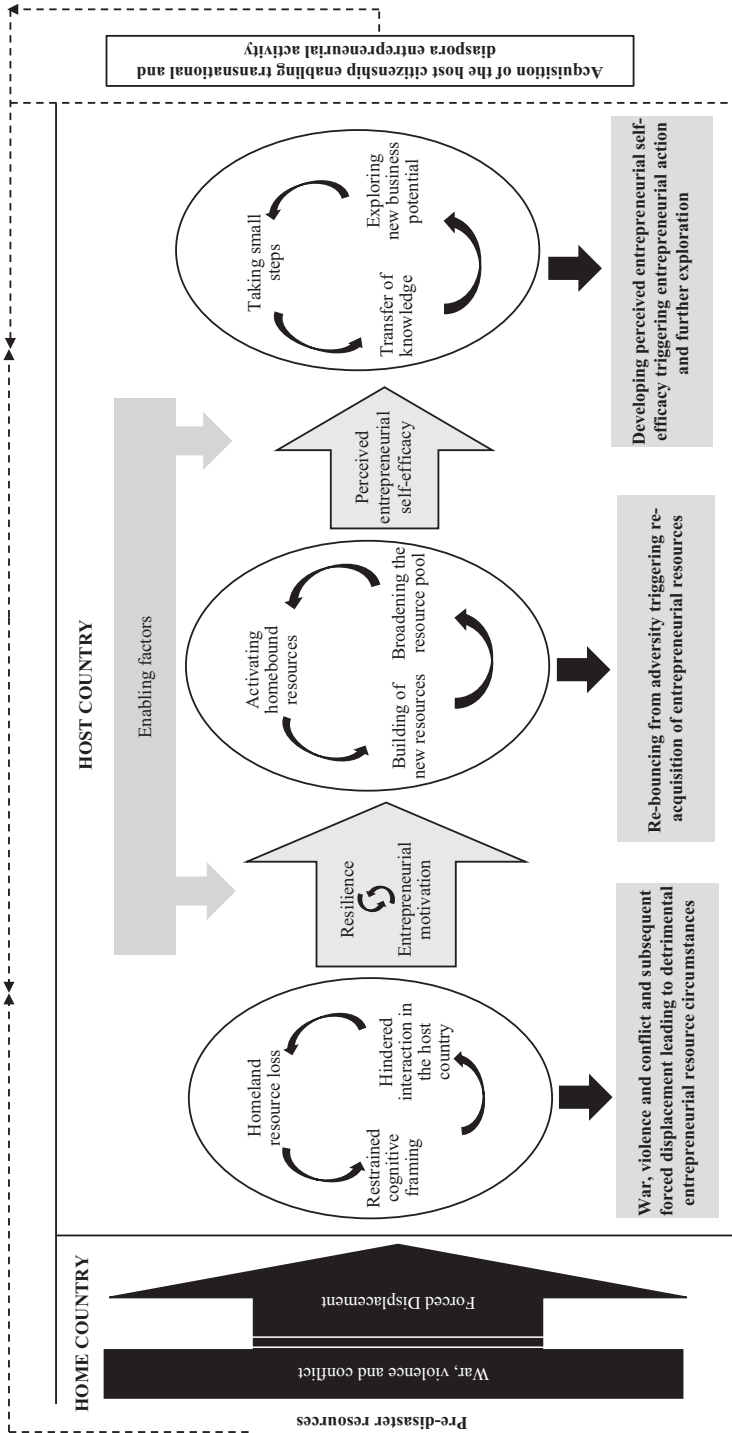


Fig. 20.3 A dynamic process model of refugee entrepreneurship



self-efficacy, triggering entrepreneurial action and further exploration of opportunities. The transition from one phase to another is driven by enabling conditions that demonstrate refugees' personal capabilities to proactively rebuild their personal and professional lives. By emphasizing how refugees actively influence the prerequisites of venture founding and development, our model highlights the individual agency of refugees, which generates the energy necessary to move from a disadvantaged position toward being entrepreneurial agents in the host society and generating societal wealth through their ventures. Below, we provide a more detailed explanation of our dynamic model in light of the empirical data and relevant literature.

The RE process differs from entrepreneurship in non-disruptive contexts, such as in the case of voluntary immigrants, where individuals continuously benefit from accumulated resources (Vinogradov & Elam, 2010). However, compared to immigrants, refugees face a greater risk of harm and danger as they are forced to move suddenly and unexpectedly, resulting in the loss of essential resources such as finances and relevant credentials needed for entrepreneurial activities (Harima, 2022). Hence, refugees often experience detrimental entrepreneurial resource circumstances due to the loss of home country resources caused by forced disembedding from their original context, which is either completely destroyed by war or no longer exists as it did (Giddens, 1990; Harima, 2022). The loss of home country resources has catastrophic impact, creating unfamiliar and distressful circumstances for refugees, which can restrain refugees' cognitive framing, leading to further underembeddedness due to their hindered interaction in the host country and limiting their capacity to navigate and exploit external complex networks and resources (Jiang et al., 2021; Schnell & Sofer, 2002). Our results suggest that refugees' underembeddedness further leads to the loss of home country resources, creating an iterative and cyclical process. In contrast, immigrants and ethnic minorities tend to have better psychological readiness to adapt to new environments and can form ethnocultural networks and intra-ethnic and enclave resources that support their entrepreneurial activities (Gold, 1992; Wauters & Lambrecht, 2008).

One model illustrates that the mechanism by which refugees suffer from detrimental entrepreneurial resource circumstances is iterative/cyclical rather than stemming solely from the dual processes of disembedding and underembedding, as explained by Harima (2022). The iterative and cyclical nature of the process of refugees losing entrepreneurial resources highlights the unique challenges they face when pursuing entrepreneurship compared to voluntary migrants. Therefore, our model reveals that, unlike immigrant entrepreneurs, refugees need to engage in additional steps to (re)acquire entrepreneurial

resources. The differences between refugees and immigrants demonstrate how the context of migration can influence the ability to (re)acquire entrepreneurial resources and the importance of understanding the unique challenges that refugees face during the entrepreneurial process.

Despite the adverse circumstances perpetuating resource constraints, refugees are driven forward in their entrepreneurial journeys by the interplay of resilience and entrepreneurial motivation. Resilience refers to refugees' positive functioning in rebuilding their lives (Obschonka et al., 2018). Passive responses are not likely to be effective in this context, and refugees must take entrepreneurial action to succeed (Shepherd et al., 2020). Refugees' intrinsic and extrinsic entrepreneurial motivation further strengthens their resilience and vice versa, enabling them to recover from the hardship of forced displacement and spark the reacquisition of resources. As Harima (2022) argues, forced displacement evokes refugees' cognitive processes, making them aware of their resource loss and constraints and leading them to engage in resource-seeking behaviors. Our model reveals that refugees first seek to activate any remaining or deactivated resources in their home country. Reactivating these resources serves as a foundation for building resources in the host country, expanding the refugees' resource base, triggering further reactivation of homebound resources, and so on. In contrast, migrants who plan their migration to a specific country may not go through a similar process, as they have time to research and prepare for their move (Christensen et al., 2020). However, refugees must adapt their deactivated resources to the new context, whereas immigrants have the foresight to plan for this in advance.

Our model presents a more dynamic perspective on the resource mobilization process in RE. Harima (2022) has suggested that refugees undergo a disembedding process that leads to re-embedding in their home country, while their underembedding results in re-embedding in the host country. The outcomes of these two separate processes help refugees mobilize resources through resource activation and building, respectively. However, our framework reveals that this is a cyclical/iterative process rather than a direct and dual one. We found that refugees develop an initial resource repertoire through the activation of accessible resources, which provides the base to build new resources in the host country. Building resources, in turn, broadens refugees' resource pool, allowing them to leverage knowledge, experience, networks, and resources in both their home and host countries, further triggering the activation of additional homebound resources, and so on. This finding expands the insights put forth by Jiang et al. (2021) that only highlight the value of resources after disruption (i.e., those built in the host country) as more beneficial to the RE process than prior resources (i.e., those reactivated

from the home country). Overall, our model considers resource mobilization in RE as a recurrent process that links both home and host countries, in contrast to other approaches that highlight the duality of refugee resources (Harima, 2022; Jiang et al., 2021; Sandberg et al., 2019).

Re-acquiring resources enhances refugees' perceived entrepreneurial ability, which leads to a positive perception of their capacity to undertake entrepreneurship, prompting them to take entrepreneurial action and explore opportunities (Townsend et al., 2010). Our model shows that, at this stage, refugees' entrepreneurial action involves setting up ventures on a small scale by taking small steps to test out business possibilities and gain a better understanding of the host business environment. In this regard, our study supports previous arguments that refugee ventures are often survival-oriented or necessity-driven, easy-to-implement, and located in the informal and low-value sectors (Luseno & Kolade, 2023). But we show that taking small steps enables the transfer of refugees' pre-disaster human capital and enhances their self-confidence in their actual entrepreneurial ability (Bayon et al., 2015), enabling them to actively explore new opportunities for either developing their existing ventures or taking further steps based on their skills and qualifications, thereby repeating the cycle. In contrast, voluntary migrants who plan their move in advance are more exploitative from the outset and are more willing to take bigger risks and pivot (Cortes, 2004). Immigrants who have the opportunity to prepare for their move may have already established networks, connections, and financial resources in their destination, home, and other countries, giving them a strong sense of belief and advantages in creating better business opportunities (Christensen et al., 2020). Refugees attain this stage with the acquisition of a new nationality, which reinstates their homeland access and enables them to explore opportunities in the international market, making their entrepreneurial behavior more similar to that of transnational and diaspora entrepreneurs (Halilovich & Efendić, 2021). In our model, this marks the boundary of RE.

## Research Contributions

While much of the existing literature on RE has examined the reasons behind refugees' engagement in entrepreneurial activities in their host countries, less attention has been paid to the actual processes involved in starting and developing their ventures and how their entrepreneurial journeys are structured. For example, previous studies have explored how refugees' ethnocultural characteristics and resources (Campbell, 2007; Gold, 1988, 1992; Halter, 1995),

as well as the economic and institutional environment in the host country, or a combination of both (Price & Chacko, 2009; Tömöry, 2008; Wauters & Lambrecht, 2008), influence their entrepreneurial motivations following resettlement. However, our study focuses on the process of RE and develops a theoretical model that outlines the dynamics of this process, including the various phases and underlying mechanisms, as well as the enabling factors that facilitate the transition from one phase to another. Our findings demonstrate how refugees are able to bounce back from adversity and become successful entrepreneurs by building their personal capabilities and proactively influencing the prerequisites for starting and developing their businesses.

Second, this study expands the realm of entrepreneurship research by providing an inductive comprehension of the phenomenon in the context of refugees, who face severe life disruption. Prior research has highlighted the significance of recognizing opportunities (Bhave, 1994) and the role of human and social capital (Jack & Anderson, 2002; Mamabolo & Myres, 2020; Vinogradov & Elam, 2010) in establishing and developing ventures, but has not explored how individuals facing war, conflict, and forced displacement can manage this process. Our study reveals that entrepreneurship in the refugee context is characterized by unfavorable resource loss and constraints, necessitating the cultivation of entrepreneurial abilities and behaviors like resilience, resource reactivation, and resource building. Unlike in non-disrupted scenarios where capital resource accumulation propels the process's continuity, the refugee context necessitates a focus on personal agency and adaptability. By broadening the purview of entrepreneurship research to include extreme life disruption, our study demonstrates how individuals can still create wealth and successful ventures despite confronting significant challenges.

Our final contribution departs from the concept of embedded agency (Garud et al., 2007) to offer a balanced application of the agency/structure dialectic to RE. Prior research has portrayed refugee entrepreneurs as facing insurmountable obstacles and taking a passive role in addressing them or has attributed their entrepreneurial behavior to cultural and structural factors, both of which overlook the interplay between individuals and their context (Abebe, 2023). However, we highlight how refugees' ability to proactively orchestrate their entrepreneurial journey, which reflects their entrepreneurial agency, is intertwined with detrimental circumstances and structural barriers arising from forced migration. We use the embedded agency approach as a sensitizing concept to explore the interplay between refugee entrepreneurs (as agents) and their contexts (as structures). This approach recognizes how forced migration shapes refugees' pursuit of entrepreneurship in two directions. On

the one hand, the extreme life disruption associated with it drives refugees to become small business owners in order to circumvent their life situation. On the other hand, it created detrimental circumstances that constrained their business entry and further progression in the entrepreneurial process but also enabled them to build their capabilities to move forward. Hence, our approach chimes with recent studies (Ram et al., 2022; Villares-Varela et al., 2022) in providing a balanced role to refugee entrepreneurial agency, a factor less accounted for by the prevailing cultural, structural, and mixed embeddedness perspectives (Abebe, 2023) but vital in the case of refugees who need to rebuild their lives after forced displacement.

### **Implication for Policy and Practice**

Beyond its research contributions, our study offers implications for RE policy and practice. Our study has revealed a cyclical process of resource loss and mobilization that refugees experience during their journey toward founding and developing their ventures. The loss of resources from their home country creates unfamiliar and distressful circumstances in the host country, hindering their ability to navigate and understand the new context. As a result, they require additional support to mobilize resources before starting a business. To expedite the process of RE, we recommend two policy actions. Firstly, policymakers should create initiatives that enable refugees to use their previous human capital by developing appropriate tools for skill assessment and qualification recognition. This will allow refugees to benefit from their accumulated cognitive abilities (Jiang et al., 2021) and facilitate the building of new resources in the host country, which is crucial for venture founding and development, and also enable the reactivation of additional home country resources. Secondly, policymakers could organize trainings related to language, cultural knowledge, and business rules and regulations for refugees as early as the asylum-seeking phase. This will support refugees' efforts to build up host country resources and better equip them to navigate the new context. These policy actions can facilitate the resource mobilization process for refugees, leading to a more successful journey toward entrepreneurship and economic self-sufficiency.

Our findings also show that refugees often take small steps and establish ventures on a limited scale, even after mobilizing entrepreneurial resources. This is because they want to test the waters and explore business opportunities before fully committing themselves. It is only after gaining self-confidence in their entrepreneurial abilities that they engage in opportunity-driven

entrepreneurship, which involves pursuing business opportunities with a higher level of ambition and risk-taking. As such, our findings highlight that, due to their limited entrepreneurial skills and unfamiliarity with the host country's business environment, most of the businesses established by refugees are necessity-based, informal, and of low value. This underscores the importance of providing tailored entrepreneurial support infrastructures for refugees, such as startup incubators and training programs (Meister & Mauer, 2019). These initiatives can offer practical support to aspiring refugee entrepreneurs by empowering them and developing their skills, ultimately helping them to overcome the challenges they face in the host country's business environment and achieve success. Such support structures should offer business training, advisory, and coaching services, as well as knowledge of local market mechanics, as these help refugees leverage their personal capabilities and enhance their entrepreneurial knowledge, skills, and competence. Such practical support schemes boost refugees' actual entrepreneurial self-efficacy (Bayon et al., 2015) during pre-startup, allowing them to pursue more viable business opportunities from the start.

## Limitations and Research Outlook

While our study provides valuable insights into the dynamics of RE, it has certain limitations. Firstly, we relied on retrospective interviews, which could have been subject to recollection bias. To mitigate this, we structured our questions around event sequences and asked informants to verify their accounts (Miller et al., 1997). However, future research could use longitudinal designs and prospective data collection methods to capture the real-time nature of refugees' entrepreneurial behaviors (Langley, 2009). Secondly, our participants are all from Syria, where entrepreneurship is highly valued (Mawson & Kasem, 2019), and this may raise questions about the homogeneity of our sample. To address this, future research should test our conceptual model on refugees from different ethnic backgrounds. Thirdly, our sample size of 21 may be considered small, but we believe it is sufficient for our initial efforts in theorizing the entrepreneurial journey of refugees. However, we acknowledge the value of including data from field observations and other data sources from different stakeholders in future studies (Überbacher, 2014). Fourthly, our model shows a linear process of RE, but it may not apply to failed refugee entrepreneurs, which could be an interesting aspect to consider in future studies. Finally, the institutional environment in which refugees undertake entrepreneurship plays a crucial role in shaping their experiences

and outcomes (Harima et al., 2021). Studying the topic in other contexts may yield different findings, and we encourage cross-national and cross-continental research designs. This will further enrich our understanding of the nature, dynamics, and specificity of RE.

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