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Attitudes towards participation in business development programmes

Business
development
programmes

An ethnic comparison in Sweden

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Abstract

Purpose – The aim of the study is to investigate whether there are any differences between the attitudes towards participation in development programmes of entrepreneurs who are immigrants and those who are native-born.

Design/methodology/approach – Several statistical methods, including a binary logistic regression model, were used to analyse a unique, firm-level dataset collected by the Swedish Small Business Forum in October and November 2012. The dataset was based on a questionnaire composed of 60 closed questions that was completed by 531 participants representing 395 companies.

Findings – Based on the analysis of 15 different attitude variables, the empirical findings are that immigrant managers/owners are more likely to show a positive attitude to participation in development programmes, in terms of nine of those attitude variables, than their native counterparts. Because there are no data about second generation of immigrants in the sample, thus, this category may have had an impact on the results. However, there is no possibility to identify any impact on the results.

Originality/value – There is no prior research focusing specifically on this question, and to the authors' knowledge, this study is the first that has attempted to deal with the issue. This study is based on a recent and unique database, and provides new evidence on the relationship between ethnicity and attitude towards participation in development programmes among entrepreneurs. Its context is different from that of prior research.

Keywords Business training and development programmes, Ethnic businesses

Paper type Research paper

1. Introduction

Immigrant businesses are widespread in European countries, and there is a good attitude towards immigrant entrepreneurship from both governments and host societies (European Commission, 2008; Rezania and Önal, 2009).

Twenty per cent of the Swedish population are of immigrant origin, i.e. immigrants of first and second generation (Statistics Sweden Population, 2012). Some of these people are unemployed, while those who are employed either have a job in the ordinary labour market or have created their own jobs by starting a business. According to the the International Business Association of Sweden (IFS), 20 per cent of all newly started



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businesses in Sweden have been started by immigrants (IFS, 2013). Tillväxtverket (the Swedish Agency for Economic and Regional Growth) reports that people of immigrant origin are keener than native-born Swedes to start businesses and become entrepreneurs (Tillväxtverket, 2013). The same tendency is also found in other Organisation for Economic Co-operation and Development countries (OECD, 2010). The main reason for the Swedish finding is that people of immigrant origin have got less attractive job opportunities in the labour market than native-born Swedes, so that running their own businesses is a good substitute (Tillväxtverket, 2013). They are, in other words, “necessity entrepreneurs” (Chrysostome, 2010). The question for us as researchers, however, is how to help these unprivileged potential business owners to become entrepreneurs or, if they are already entrepreneurs, how to help them to become better.

Regardless of the reasons behind the lack of attractive employment for immigrants in Sweden, one risk factor for bankruptcy for all entrepreneurs in Sweden has been a lack of business knowledge (Westholm *et al.*, 2003). As a result, we can suppose that if these immigrant individuals had more knowledge of business, they might increase their chances of survival, and would have better performance and, we would hope, more growth and employees in the long term. On the other hand, failure in entrepreneurship can be considered as a part of the learning process of entrepreneurship, regardless of ethnicity (Murray and White, 1986).

Normally, small business owners in Sweden, including those of immigrant origin, have access to sporadic or regular training and development programmes offered by various governmental authorities like ALMI företagspartner, Nyföretagarcentrum and the IFS. These organisations offer either specially tailored programmes for specific needs, or just general courses. The question is how these courses, programmes and educational schemes are perceived by immigrant entrepreneurs, and what attitude these groups have towards them. In the UK, there have also been government-supported programmes tailored for and directed at immigrant owners (Ram and Jones, 1998; DTI, 2003).

During recent decade, several Swedish studies have been conducted on support programmes directed to business owners, particularly to women and immigrant owners (Behrenz *et al.*, 2012; Riksrevisionen, 2007). Nevertheless, no studies have been conducted on the attitudes of the immigrant participants towards these programmes.

The purpose of this study is to investigate whether there are any differences between the attitudes of immigrant and native-born entrepreneurs towards participation in development programmes. The remainder of the study is organised as follows. Section 2 reviews the previous empirical studies and presents the study hypothesis. Section 3 describes the sample, the independent and dependent variables and the model specification. Section 4 presents the empirical results of the study. The paper ends with some concluding remarks and discusses practical implications and limitations. Before continuing to next sections, some definitions are necessary to be mentioned. With ethnicity, we mean a country of birth other than Sweden. Despite the distinction between the terms Immigrant entrepreneurs and Ethnic entrepreneurs (Waldinger *et al.*, 1990; Collins, 2003), we use them as synonymous and mean business owners born outside Sweden, particularly from non-Western countries. In accordance with research (Rusinovic, 2006) and Statistics Sweden (SCB, 2012), we define first-generation immigrant entrepreneurs as those who immigrated to the host country, while the second-generation are their children were born here. The latter group shows more

similarity in entrepreneurship with native-born entrepreneurs than the first generation (Rusinovic, 2006).

2. Previous research

To the authors' best knowledge, despite there being a remarkable number of studies on immigrant businesses, and also a number of studies on business development programmes, there are few, if any, studies that concretely and specifically deal with business owners' attitudes towards such development programmes. We hope that our article contributes to a better understanding of this issue.

An immediate question one might ask is whether entrepreneurship can be taught (Garavan and O'Connell, 1994; Dana, 2001; Henry *et al.*, 2005). Dana's (2001) answer is "Yes", relying on the historical fact that, in previous centuries people learned entrepreneurship from older generations in master-subordinate or trainer-trainee relationships. There have been some differences in the terms used for business development programmes in the literature from English-speaking countries. In the USA and Canada, researchers have generally used the term "entrepreneurship education", whilst in Ireland and the UK, the term "enterprise education" has been more commonly used (Gibb, 1993). We follow Gibb (1987, 1993), as we find the latter term more relevant to our purpose because it refers to teaching the enterprise culture to business owners, and to improving their personal attributes in this context, and this term covers both small and large businesses.

One might wonder why entrepreneurs apply to participate in such programmes or why such programmes are important for society. Garavan and O'Connell (1994), with support from some earlier studies (Bannock, 1981; Sexton and Kasarda, 1991), argue roughly that the purpose and goal of such education and training programmes is to enable people to develop better entrepreneurial behavioural skills, allowing them to achieve a better career and increasing their capacity to learn even more. Much the same discussions are presented by Hills (1988), Cox (1996) and Hisrich and Peters (1998). Henry *et al.* (2005) argue briefly, using the support of Gibb and Cotton (1998), that such education and training programmes are important because the extremely quick changes of the world in which we live demand that entrepreneurs quickly adjust their knowledge to new circumstances through these programmes. In their evaluation of enterprise education programmes that have been conducted in five European countries, Garavan and O'Connell (1994) find that the most important aims of those attending have been to acquire knowledge germane to entrepreneurship, to acquire skills in the use of techniques, in the analysis of business situations and in the synthesis of action plans to identify and stimulate entrepreneurial drive, talent and skills, to undo the risk-averse bias of many analytical techniques, to develop empathy and support for all the unique aspects of entrepreneurship, to devise attitudes towards change and to encourage new start-ups and other entrepreneurial ventures. Hisrich and Peters (1998, p. 20) emphasise that such programmes offer technical skills, business management skills and personal entrepreneurial skills. In addition, Le Roux and Nieuwenhuizen (1996) indicated that participants in these programmes wished to gain knowledge about marketing, management, financial management, entrepreneurship and business planning.

There is a great deal of literature and previous empirical and theoretical studies on the motives and driving forces behind immigrants starting businesses, on their financing issues, on their networking, etc. When it comes to the point of participation in

training programmes, the reasons for such participation could be connected to immigrants' general need for more business knowledge (Chavan, 2003) or their need for support because they suffer under a number of unfavourable conditions that are typical for small minority-owned businesses (Ram and Smallbone, 2003). This is quite reasonable because without any business knowledge it is difficult to start a business with a great risk of failure (Cressy, 2006). Another reason might be that the business owner wishes to start a career by moving from an ethnically segregated market niche or enclave to a more mainstream activity; immigrants with higher education and greater skills find it easier to do this (Toussaint-Comeau, 2008, p. 30). Another possible reason is that many immigrants find it difficult to get funding from mainstream banks, and probably attend such courses in the hope of learning more about funding. In fact, it is very common for immigrant entrepreneurs to rely on funding and loans from families, friends and other ethnic networks because their applications are rejected by the banks. Studies by Basu (1998) and Dunstan *et al.* (2004), for example, confirm that financing for immigrants' start-ups depends more on access to advice from informal sources than advice from formal/mainstream sources.

Nevertheless, training and education in entrepreneurship do not necessarily need to come from public/governmental agencies, but may also come from entrepreneurs' own networks (Dubini and Aldrich, 1991). Earlier research (Werber, 1990; Ward, 1991) has indicated that some minority groups rely mostly on advice from informal sources – mainly family and friends, and research by Dana (1993) found that Italian entrepreneurs in Canada received assistance from their own ethnic networks, which contributed mentorship, training and access to business ideas, market information on technical issues and many other things. Other studies (Iyer and Shapiro, 1999) found that it was important for immigrant businesses to receive such assistance from their own networks. These are possible reasons why these groups neither apply for nor participate in such programmes. In addition, one more reason for low interest among some minority groups is that these programmes are considered not to be specially tailored for these target groups (Bank of England, 2002). Ram and Smallbone (2003) also emphasised that the British Government's Small Business Service (SBS), in their service to Black- and ethnic minority-owned businesses, lacked effectiveness and an awareness of the particular needs of such businesses. An evaluation of a government-supported business services agency directed at Asian businesses in the UK pointed out both strengths and weaknesses. In general, the results were positive, but they indicated that the programmes should be more specifically tailored towards such groups and their specific needs, which differ from those of mainstream businesses in various aspects (Fallon and Berman Brown, 2004). Other studies (Fadahunsi *et al.*, 2000; Dhaliwal, 2008) mention a lack of awareness among entrepreneurs as the reason. Also immigrant entrepreneurs with earlier negative experiences of these programmes or those with a lack of time would not participate (Dhaliwal, 2008).

Another question a reader might ask is whether the business owner's attendance at such programmes has any positive impact on the business and the owner's business culture. Earlier studies emphasise that attending these programmes has an overall positive impact on the later results of the business (Chrisman, 1989; Chrisman *et al.*, 1990). Studies by, among others, Basu (1998) and Robb and Fairlie (2009) have shown that immigrant entrepreneurs' human capital and, in particular, their education generally have a positive impact on their businesses. One immediate and spontaneous

assumption that can be made here is that the positive impact of such training programmes on a business will be greater when the knowledge obtained in these programmes increases the owner's already high accumulated human capital. As a result, immigrant owners with lower human capital resources have a chance to strengthen their knowledge through attendance at such programmes.

A previous study performed by *Fayolle et al. (2006)* showed a strong relationship between entrepreneurship education programmes and entrepreneurial intentions among students, and a fairly positive impact on their perceived behavioural control. Another study conducted by *Oosterbeek et al. (2010)* showed an almost opposite result for students who received the education. There are different ways to measure or evaluate the impact of such programmes in general (*Block and Stumpf, 1992; Vesper and Gartner, 1997*).

After considering some issues in the previous paragraphs, still a question is what business owners think about participation in such programmes, and what their attitude is towards such efforts. Earlier studies in the UK by *Jones and McEvoy (1986)* and *Ram and Deakins (1995)* showed that African/Caribbean owners were more likely to use the services offered by public enterprise agencies than either White owners or South Asians. A relatively recent investigation of the attitudes towards so-called business support provision in the UK (*Dhaliwal, 2008*) confirms these results. African/Caribbean owners had the most positive attitudes towards such programmes, while owners from Asia had a moderately positive attitude. The other ethnic groups relied more on informal support networks. One possible reason, which is supported by this study, is that this established African/Caribbean group is less successful at getting bank loans and suffers from a lack of informal networks (*Dhaliwal, 2008*).

Hussain and Matlay (2008) investigated the provision of vocational education and training in small ethnic minority businesses in the UK. They interviewed 66 owners/managers of small ethnic minority businesses who were of both genders and also had different levels of education. The respondents were, in general, receptive to this training provision. Further, the authors showed that owners operating in manufacturing industries were more positive about such provision than those operating in the services sector. In addition, those in charge of larger firms were more positive than those running small firms.

Ram (1998) studied the delivery of such programmes from a new perspective, that of the providers, in four major British cities. Twenty-two respondents who gave publicly supported service programmes to immigrant owners indicated in their answers that there were some significant constraints on the effective delivery of such programmes to immigrant clients. Among others, the rationale for interventions was unclear, and the majority of the respondents believed that their service, compared to that offered by the mainstream providers (i.e. providers directed to non-immigrants), had a marginal effect.

In a relatively recent study by *Schlosser (2012)*, both mentors and mentees (immigrant entrepreneurs) were asked about their perceptions of certain workshops that were offered. They were generally positive about the programme and its different workshops and sessions, which gave combined business and legal information to their businesses, providing networking and promotional opportunities. The sessions on networking were particularly appreciated and were considered to be a success factor for the programme.

Inspired by these previous studies, the following hypothesis has been formulated:

H1. Immigrant managers/owners of companies are more likely to show a positive attitude towards participation in business development programmes than their native counterparts. In many micro- and medium-size firms, an entrepreneur can also be chief executive officer (CEO), owner and manager at the same time as clear by the reviewed literature. These three terms have been used in our paper not as totally synonymous but as the firm's leadership in these programmes.

3. The sample, the independent and dependent variables and the model specification

3.1 The sample

The study sample is based on a unique and firm-level panel database (secondary data) collected by the Swedish Small Business Forum in a survey in October and November 2012. A questionnaire containing 60 closed questions was completed by 531 participants representing 395 companies. The response rate was 44 per cent at company level, which can be considered quite high (Baruch and Holtom, 2008). The responses with missing ethnicity variables were removed from the sample, leaving a final sample of 511 answers. The respondents were the owners/manager of businesses, CEOs or, in some cases, both, and they had all attended a business training programme organised by Företagsakademien (which means The Business Academy) in Stockholm. Some of the respondents had attended more than one course.

3.2 Presentation of the independent and dependent variables

In the light of the relevant literature, 15 relevant variables (see the list of variables in Table II) were selected as the preliminary dependent variables. Before starting the multivariate analysis, ANOVA and correlation analyses were conducted to examine which variables were statistically significantly associated with the independent variable "ethnicity". With ethnicity means "native-born" and "born in other countries = immigrants". The respondents' attitude towards competence development was measured using a scale of 1 for agree and 0 for disagree. Based on the results of ANOVA, statistically significant differences between immigrants and native Swedes were found for nine dependent variables: Q1, Q2, Q5, Q7, Q8, Q9, Q11, Q13 and Q14. Subsequently, these variables were used in the correlation analysis and binary logistic model.

3.3 Model specification

The nine relevant dependent attitude variables were used in a binary logistic regression model to investigate the link between ethnicity and those attitude variables classified by ANOVA and correlation analysis as the relevant dependent variables. A logistic regression is the appropriate statistical technique when the dependent variable is a binary variable (e.g. Yes/No), and the independent variables are metric. In addition, logistic regression has the primary advantage that it does not make any assumptions of normality, linearity and homogeneity of variance for the independent variables.

$$\text{Attitude variable } Y = \alpha_0 + \beta_1(X1) + \varepsilon$$

where:

Y = Attitude variable (0 = No, 1 = Yes);

α_0 = constant;

X1 = ethnicity (1 = native, 2 = immigrant, the second-generation immigrants are not included in the category of immigrant); and

ε = error term.

The variables, firm age and size in term of number of employees, owner age and education level were tested and had not displayed statistically significant predictive power. Thus, they were removed from the models.

4. Empirical results

4.1 Descriptive statistics of sample

The descriptive statistics of the main characteristics of the firms and owners in the dataset are displayed in Table I. Around 62 per cent of the business owners were female, and roughly 88 per cent were born in Sweden. Nearly, 70 per cent of the respondents reported some college education, either a bachelor's degree or more advanced training in an undergraduate or graduate setting, while 27.7 per cent of respondents had finished secondary school. The age of the respondents was, on average, around 38 years, and the respondents were categorised by age into four

Variables	Frequency	(%)	Valid (%)	Cumulative (%)
<i>Gender</i>				
Female	317	62.04	62.28	62.28
Male	192	37.57	37.72	100.00
Total	509	99.61	100.00	
Missing	2	0.39		
Total	511	100.00		
<i>Ethnicity</i>				
Native	449	87.87	87.87	87.87
Immigrant	62	12.13	12.13	100.00
Total	511	100.00	100.00	
<i>Education</i>				
Elementary school or equivalent	14	2.74	2.75	2.75
Secondary school	127	24.85	24.95	27.70
University education less than 3 years	115	22.50	22.59	50.29
University education more than 3 years	253	49.51	49.71	100.00
Total	509	99.61	100.00	
Missing	2	0.39		
Total	511	100.00		
<i>Age (years)</i>				
Less than 30	44	8.61	8.73	8.73
31-50	287	56.16	56.94	65.67
51-60	129	25.24	25.60	91.27
More than 61	44	8.61	8.73	100.00
Total	504	98.63	100.00	
Missing	7	1.37		
Total	511	100.00		

Table I.
Summary of
descriptive statistics
for characteristics of
respondents

groups. The highest concentration of respondents (56 per cent) was found in the 31-50-year-age category.

Concerning industrial affiliation, around 80.5 per cent of all firms were active in the services sector and 5.5 per cent in the manufacturing sector; the remaining 11.3 per cent were retail firms. The firms were, in general, young micro-firms with an average age of 2.6 years, and they had, on average, three employees.

4.2 Descriptive statistics of dependent variables

To examine the relationship between ethnicity and the attitude of participants towards attending business development programmes, the respondents were asked to express their opinions about participation in these programmes. Fifteen different items were used to measure attitude, with each being scored as 1 for agree and 0 for disagree. The score is therefore 1 if the respondent has a very strong positive attitude towards competence development; otherwise, it assumes the value 0.

Table II summarises the descriptive statistics for the dependent variables, including mean, standard deviation and number of observations. As can be observed from the results of the descriptive analysis, the mean values of the attitude variables for the immigrant group are generally higher than the corresponding values for the native group. In addition, the values for the standard deviations of the attitude variables for the immigrant group are generally lower than the corresponding values for the native group. This means that the responses of the immigrant group tend to be more homogeneous than those of their native counterparts. A significance test was conducted to analyse which variables are statistically significant in explaining the differences between the native and immigrant groups. The null hypothesis is stated as follows:

H₀. There is no significant difference between the native and immigrant groups in their attitudes towards the competence development programme.

As shown by the results of the ANOVA, presented in Table III, statistically significant differences are found between the two groups for 9 of the 15 attitude variables at the 5 per cent significance level. However, there are no significant differences between the two groups with regards to the six remaining attitude variables.

4.3 Correlation analysis of link between ethnicity and attitude towards participation in the development programme

Table III exhibits the results of the correlation analysis between the independent variable (ethnicity) and the nine attitude variables. From the table, it can be observed that there is a positive and significant correlation between the independent variable and the nine dependent variables at the 5 and 10 per cent significance levels. This means that ethnicity has a positive association with the attitude variables. Furthermore, there is also a positive and significant correlation between the attitude variables at the 5 per cent level.

4.4 Impact of ethnicity on various proxies for attitude variables

The results of the binary logistic regression models for the relationships between the independent variable, ethnicity and the nine relevant dependent variables are

Categories/ Measurements	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15
<i>Native</i>															
Mean	0.817	0.777	0.759	0.791	0.793	0.806	0.742	0.755	0.813	0.759	0.808	0.788	0.797	0.759	0.690
SD	0.387	0.417	0.428	0.407	0.406	0.396	0.438	0.431	0.390	0.428	0.394	0.409	0.402	0.428	0.463
N	449	449	449	449	449	449	449	449	449	449	449	449	449	449	449
<i>Immigrant</i>															
Mean	0.927	0.927	0.818	0.873	0.909	0.909	0.873	0.891	0.964	0.873	0.945	0.891	0.945	0.891	0.782
SD	0.262	0.262	0.389	0.336	0.290	0.290	0.336	0.315	0.189	0.336	0.229	0.315	0.229	0.315	0.417
N	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55
<i>Total</i>															
Mean	0.829	0.794	0.766	0.800	0.806	0.817	0.756	0.770	0.829	0.772	0.823	0.800	0.813	0.774	0.700
SD	0.377	0.405	0.424	0.401	0.396	0.387	0.430	0.421	0.377	0.420	0.382	0.401	0.390	0.419	0.459
N	504	504	504	504	504	504	504	504	504	504	504	504	504	504	504
<i>Levene</i>															
Significant	0.000	0.000	0.035	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001
<i>Welch</i>															
Significant	0.007	0.000	0.300	0.100	0.009	0.020	0.010	0.005	0.000	0.025	0.000	0.031	0.000	0.006	0.134
ANOVA: F	4.200	6.795	0.940	2.060	4.244	3.484	4.587	5.139	7.958	3.580	6.379	3.220	7.158	4.864	1.950
ANOVA: Significant	0.041*	0.009**	0.333	0.152	0.040*	0.063	0.033*	0.024*	0.005**	0.059	0.012*	0.073	0.008**	0.028*	0.163

Notes: Q1: the overall quality of education was very high; Q2: the training satisfied my educational needs very well; Q3: very little went wrong during the business development programmes; Q4: the cost of attending the training is very low given the quality of the training; Q5: overall, participation in the training was valuable for my company; Q6: given my experience of the Enterprise Academy, overall, I am very satisfied; Q7: the programme has exceeded my expectations; Q8: when I think of ways to develop the skills of management and employees in a micro-enterprise, participation in this training has been an ideal way; Q9: I am very happy with my/our participation in the programme, seen in relation to the cost of attending; Q10: the company will participate in upcoming projects initiated by Företagsakademin FA AB; Q11: I/we will recommend other companies to participate in future training sessions; Q12: participation in education has been a great way to develop my enterprise; Q13: participation in education has been a great way to develop myself; Q14: I've got the tools, knowledge and inspiration to develop the company/participate in the development of the company; Q15: participating in the Business School has inspired me/us to make further investments in skills; *, **statistically significant at the 5 and 1% level respectively

Table II.
Mean, standard deviation, and number of dependent variables, classified by ethnicity

Table III.
Results of the
correlation analysis
of the independent
and dependent
variables

Variables	Ethnicity	Q1	Q2	Q5	Q7	Q8	Q9	Q11	Q13	Q14
Ethnicity	1.00	0.091*	0.116**	0.092*	0.095*	0.101*	0.125**	0.112*	0.119**	0.098*
Significant Q1	0.04	1.00	0.01	0.04	0.03	0.02	0.00	0.01	0.01	0.03
Significant Q2	0.04	0.837**	1.00	0.803**	0.737**	0.742**	0.804**	0.786**	0.798**	0.700**
Significant Q5	0.116**	0.837**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Significant Q7	0.01	0.00	1.00	0.778**	0.738**	0.711**	0.746**	0.741**	0.763**	0.697**
Significant Q8	0.092*	0.803**	0.778**	1.00	0.713**	0.744**	0.790**	0.798**	0.820**	0.777**
Significant Q9	0.04	0.737**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Significant Q11	0.095*	0.737**	0.738**	0.713**	1.00	0.688**	0.700**	0.706**	0.736**	0.687**
Significant Q13	0.03	0.00	0.00	0.00	0.688**	1.00	0.00	0.00	0.00	0.00
Significant Q14	0.101*	0.742**	0.711**	0.744**	0.688**	1.00	0.805**	0.785**	0.767**	0.718**
Significant n.	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.125**	0.804**	0.746**	0.790**	0.700**	0.805**	1.00	0.896**	0.880**	0.789**
	0.00	0.786**	0.741**	0.798**	0.706**	0.785**	0.896**	1.00	0.887**	0.769**
	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.887**	1.00	0.00
	0.119**	0.798**	0.763**	0.820**	0.736**	0.767**	0.880**	0.887**	1.00	0.813**
	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.098*	0.700**	0.697**	0.777**	0.687**	0.718**	0.789**	0.769**	0.813**	1.00
	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n.	504	504	504	504	504	504	504	504	504	504

Notes: *, ** statistically significant at the 5 and 1% levels, respectively

presented below. The results show the coefficient estimations, the standard errors and the p -value for testing the null hypothesis that the coefficient of each covariate is equal to zero.

The results of the logistic regression models are reported in Table IV, and indicate that the independent variable ethnicity is relevant and significant in explaining the change in all the nine dependent variables. Consistent with the study hypothesis, these results clearly confirm that ethnicity, with a high coefficient, strongly influences the nine dependent variables. The positive nature and significance of the coefficients show that firm owners/managers who are immigrants are more likely to have a positive attitude towards participation in development programmes than their native counterparts.

The odds ratio, Exp (B), implies generally that the likelihood of immigrants showing a positive attitude is greater than the likelihood of natives doing so. For example, concerning variable Q1 (the overall quality of education was very high), a respondent from the immigrant group is 2.85 times more likely to agree than a native respondent.

In the same way as the t -test in multiple regressions, the Wald statistic indicates whether the coefficients for each predictor differ significantly from zero and hence make a significant contribution to predicting the results. Several diagnostic tests, including the Omnibus and Classification Accuracy tests, are used to investigate the validity of the models. Table IV shows the Omnibus test for all the model coefficients, providing an overall indication of how well the model performs. This basically tests the null hypothesis that the coefficients for the independent variables are equal to 0. These results indicate that, as per the chi-square test, the overall models are significant (chi-squares are high, and $p < 0.05$ for all dependent variables). Moreover, to assess how well the model actually predicts the linkage between ethnicity and the dependent variables, classification accuracy tests are carried out. These tests compare the prognosticated results to the observed results, and show high overall accuracy rates for all variables (between 75.60 and 82.94). The value corresponding to the classification accuracy of Q9 is the highest, and Q7 shows the lowest classification accuracy value. The results show that the independent variable ethnicity displays a very strong classification power. Furthermore, the high explanatory power of the model is confirmed by other diagnostic validations like the Cox and Snell, Nagelkerke R^2 and Wald tests.

Comparing the predictors for the nine logistic regression models presented in Table IV, it can be noted that explanatory power of the sixth variable (Q9: I am very happy with my/our participation in the programme, seen in relation to the cost of attending) is greatest, in terms of the coefficient ($b = 1.808$) and odds ratio (Exp (B) = 6.10). On the other hand, the fourth variable (Q7: The programme has exceeded my expectations, where $b = 0.871$ and Exp (B) = 2.39,) represents the lowest explanatory power of all the variables.

In summary, the empirical findings are in agreement with the hypothesis because they partly confirm that immigrant managers/owners are more likely to show a positive attitude towards participation in a development programme than their native counterparts. However, there are no significant differences between the two groups for six out of the fifteen attitude variables.

Table IV.
Results of the first
logistic regression
analysis:
independent variable,
ethnicity

Independent variable	B	SE	Wald	df	Significant	Exp(B)	Chi-square	Omnibus test	Classification accuracy	Cox and snell R^2	Nagelkerke R^2	Wald
<i>Q1</i>												
Ethnicity	1.047	0.533	3.852	1	0.49*	2.85	5.01	0.03	82.94	0.01	0.02	178.31
Constant	0.452	0.574	0.620	1	0.431	1.57						
<i>Q2</i>												
ethnicity	1.296	0.531	5.943	1	0.015*	3.65	8.25	0.00	79.37	0.02	0.03	149.78
Constant	-0.046	0.567	0.007	1	0.936	0.96						
<i>Q5</i>												
Ethnicity	0.960	0.483	3.948	1	0.047*	2.61	4.94	0.03	80.56	0.01	0.02	159.49
Constant	0.382	0.524	0.532	1	0.466	1.47						
<i>Q7</i>												
Ethnicity	0.871	0.419	4.325	1	0.038*	2.39	5.17	0.02	75.60	0.01	0.02	159.49
Constant	0.184	0.458	0.161	1	0.688	1.20						
<i>Q8</i>												
Ethnicity	0.975	0.446	4.770	1	0.028*	2.64	5.90	0.01	76.98	0.01	0.01	130.1884
Constant	0.150	0.485	0.096	1	0.755	1.16						
<i>Q9</i>												
Ethnicity	1.808	0.730	6.127	1	0.013*	6.10	10.56	0.00	82.94	0.02	0.03	178.31
Constant	-0.33	0.760	0.199	1	0.656	0.71						
<i>Q11</i>												
Ethnicity	1.413	0.606	5.438	1	0.020*	4.11	8.00	0.00	82.34	0.02	0.03	173.72
Constant	0.027	0.640	0.002	1	0.966	1.03						
<i>Q13</i>												
Ethnicity	1.483	0.605	6.003	1	0.014*	4.41	9.01	0.00	81.35	0.02	0.03	165.88
Constant	-0.113	0.639	0.031	1	0.859	0.89						
<i>Q14</i>												
Ethnicity	0.950	0.446	4.532	1	0.033*	2.59	5.58	0.02	77.38	0.01	0.02	133.45
Constant	0.199	0.486	0.169	1	0.681	1.22						

Notes: * **, statistically significant at the 5%, respectively 1%, level

5. Conclusions and discussion

The paper focusses on an important issue, investigating the attitudes towards participation in development programmes of micro-firm owners in Sweden, through an ethnic comparison between business owners/managers. Several methods including a binary logistic regression model have been used to analyse a unique and new firm-level panel database. The empirical findings indicate that immigrant managers/owners are more likely to show a positive attitude towards participation in development programmes, in terms of 9 out of 15 attitude variables, than their native counterparts. The findings confirm, for example, that the immigrant managers/owners were, on average, more satisfied with the quality of education than the native group. It might be the result of well-tailored workshops and sessions that fulfilled the needs of these relatively unprivileged groups (Schlosser, 2012; Bank of England, 2002, Dhaliwal, 2008). They also regarded participation in business development programmes as a valuable tool, giving knowledge and inspiration to develop the skills of management and employees in micro-firms. This satisfaction can be interpreted as a sign of the effectiveness of the efforts made and of the awareness of the needs of the target groups (Ram and Smallbone, 2003; Fallon and Berman Brown, 2004). Because there is no information about second generation of immigrants in the sample; thus, this category may have had impact on the results. However, there is no possibility to identify any impact of this on the results.

The findings show that there has been a need for knowledge among the owners of small firms, and that this need has been satisfied to a greater extent for immigrant owners. The results confirm that participation was an answer to the lack of resources which, in this case, was a lack of business knowledge and information (Chavan, 2003). Perhaps this was an attempt to avoid an eventual bankruptcy (Westholm *et al.*, 2003) to escape from unfavourable conditions (Ram and Smallbone, 2003), to obtain better entrepreneurial skills or careers (Garavan and O'Connell, 1994) or quite simply to update and adjust their knowledge (Henry *et al.*, 2005). On the other hand, the results mean that native-born entrepreneurs seem have had more access to such knowledge and, as result, they feel less need to acquire it. This means that such efforts are more important for immigrant entrepreneurs and can decrease the gap between native-born and immigrant entrepreneurs both in the short and the long term.

However, this study addresses some concrete social and economical challenges to Swedish policymakers, social scientists and immigrant business owners. To not contribute immigrants with such business support programmes can, in short and long term, among others, lead to loss of thousands of jobs and billions Crowns for the Swedish economy, less export and growth, alienation, exclusion and immigrants' insufficient integration in to the society. Social scientists also need to do more specific research on this issue with new research questions.

Finally, this study fills a knowledge gap for policymakers, as the study is the first in Swedish context that deals with immigrant entrepreneurs' attitudes towards such training programmes. Based on the insights provided by the study, policymakers can encourage the start-up of new immigrant businesses through facilitating the participation of immigrants in business development programmes. Because young micro-firms, especially those owned by immigrants, do not typically have sufficient resources to organise their own training programmes, their owners should use the outside education and training resources that are offered and, for example, participate in

government-sponsored training programmes. The findings also confirm that policymakers should, in accordance with earlier research, consider the significance of carefully tailored programmes that really fulfil immigrant entrepreneurs' need and desire.

This study has a number of limitations. First, the dataset used in study merely consists of Swedish micro-firms. Second, the attitude towards participation in business development programmes is context-related behaviour. Consequently, the findings may not be generalised to firms operating in other countries and/or contexts. Furthermore the sample lacks classifications in first and second generation of immigrants, classification in owners/manager and CEOs, as well as specific information on countries of birth. Thus, future study should take into account these variables. In addition, a deeper understanding of the issue requires a qualitative analysis of the question.

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