

**Becoming an Entrepreneur: How Chinese Immigrants in Canada Created an  
Entrepreneurial Identity**

by

Zhen Zhang

A thesis submitted in partial fulfillment of the requirements for the degree of

Doctor of Philosophy

in

Strategic Management and Organization

Faculty of Business  
University of Alberta

© Zhen Zhang, 2014

# **Becoming an Entrepreneur: How Chinese Immigrants in Canada Created an Entrepreneurial Identity**

## **ABSTRACT**

My study attempts to answer important questions about how individuals develop an entrepreneurial identity, and what the role of family is during the identity transition process. To do this, I combined three streams of literature: identity theory, family capital theory, and the immigrant entrepreneurship literature. My research setting was Chinese immigrant entrepreneurs in Alberta, Canada. I employed a qualitative methodology that relied on in-depth interviews with 30 Chinese immigrant entrepreneurs discussing their stories of business start-ups. The data were then analyzed using a grounded theory approach. My analysis showed that the immigrant entrepreneurs went through three stages to construct their new identities: exploring possible selves, crafting a new identity, and consolidating identity through self-narratives. My analysis also showed that family plays an important role at each stage of identity transition. At the exploration stage, the family provides emotional support and companionship, shows belief in the entrepreneurs, and encourages the entrepreneurs to exploit their potential. At later stages, family capital is more instrumental, reducing the need for external resources. Furthermore, I found that family capital is inherently paradoxical; the interviewees revealed that family could contribute both positively and negatively to business ventures. That is, family ties that were once supportive to the business could easily transition into a hindrance; and likewise, family

hindrance also had the potential to turn into family support. I then identified five strategies that immigrant entrepreneurs have adopted to manage the paradox. My study contributes to the identity work literature by delineating the process of exploratory identity construction and advancing the understandings of entrepreneurial identity construction. It also contributes to family capital theory by highlighting the significance of family in facilitating identity transition, and revealing the sometimes detrimental effect of family capital. Finally, in an effort to move away from contextual and structural hypotheses as sole explanations for the high rate of self-employment among immigrant entrepreneurs, my study draws attention to the micro-level behaviour of immigrant entrepreneurs, and provides a useful starting point from which we can deepen our understanding of the agency of immigrant entrepreneurship. Implications for policy and practice are also discussed.

## **PREFACE**

This thesis is an original work by Zhen Zhang. The research project, of which this thesis is a part, received research ethics approval from the University of Alberta Research Ethics Board, Project Name “The identity construction of immigrant entrepreneurs”, Pro00025847, Nov.15, 2011.

## **ACKNOWLEDGEMENT**

I especially wish to thank my supervisor, Trish Reay for her ongoing guidance, encouragement, and overall support throughout the process of developing and completing this dissertation. She selflessly shared her time and knowledge to read, comment on, and revise my dissertation draft even during her busiest time. I learnt a lot from our discussions and from working with her. Without Trish's help, I could not have finished this dissertation on time. I'm also very grateful that Trish gave me a chance and believed in me. She has been a great mentor, both intellectually as a scholar and personally as a colleague. Every time after discussing with her, I felt motivated and energized. Trish, I am greatly indebted to you and thank you for making this learning process so valuable!

My heartfelt appreciation goes also to my friend Zhanqiang Zhao and Ying Dong who helped to get access to my interviewees. Writing is a solitary process. Zhanqiang, I cherish so much the time when you listened patiently to my ideas and shared with me your experiences and thoughts!

I greatly appreciate the 30 entrepreneurs whose stories I have collected. Thank you for participating in my study and sharing your valuable stories with me.

Finally, I dedicate this dissertation to my parents and my sister in China for their unconditional love and understanding during the long years of my education.

## TABLE OF CONTENTS

<b>CHAPTER 1 Introduction.....</b>	<b>1</b>
Introduction.....	1
 <b>CHAPTER2 Chinese Immigrants and Businesses in Canada.....</b>	 <b>11</b>
First wave: Early settlers as laborers.....	12
Second wave: Immigrants from Hong Kong.....	14
Third wave: Immigrants from the People's Republic of China.....	17
 <b>CHAPTER3 Literature Review.....</b>	 <b>21</b>
The immigrant entrepreneurship literature.....	21
The cultural approach.....	22
The structuralist approach.....	24
The interactionist approach.....	28
Canadian research on immigrant self-employment.....	30
Summary.....	33
The identity literature.....	35
What is identity.....	35
Significance of identity in entrepreneurship.....	36
Identity construction in organization studies.....	40
The role transition literature.....	41
Identity work studies.....	43
Summary.....	46
The family capital literature.....	48
What is family capital.....	48
Family social capital.....	50
Family human capital.....	53
Family financial capital.....	55
Potential dark side of family capital.....	56
Research questions.....	59
 <b>CHAPTER 4 Methodology.....</b>	 <b>61</b>
Research design and method.....	61
Research setting.....	63
Data collection.....	65
Data analysis.....	68
Trustworthiness.....	69
 <b>CHAPTER 5 A Process Model of Entrepreneurial Identity Creation.....</b>	 <b>71</b>
Stage 1 Exploring possible selves.....	73

Testing the water.....	74
Exposure to new practices.....	75
Experiencing identity conflicts.....	76
Breaking with past selves.....	77
Difficulty identifying with others.....	79
Dissatisfaction with possible future selves.....	80
The role of family at the exploration stage.....	81
Stage 2 Crafting an entrepreneurial identity.....	83
Confirming entrepreneurial self after trigger events.....	83
Establishing self-efficacy.....	85
Building optimal distinctiveness.....	89
The role of family at the crafting stage.....	93
Stage 3 Consolidating the identity through self-narrative.....	96
Pursuit of self-development.....	96
Searching for autonomy.....	97
Improving family solidarity.....	99
Serving the community.....	100
The role of family at the consolidating stage.....	102
The paradox of family capital.....	105
Family support becoming a hindrance.....	106
Family hindrance transforming into support.....	108
Managing the paradox of family capital.....	111
Separating business from family.....	112
Influencing family members.....	113
Walking the middle path.....	114
Seeking support from family members.....	115
Sacrificing business for family.....	117
Summary.....	118
 <b>CHAPTER 6 Discussion.....</b>	 <b>122</b>
Summary of findings.....	122
Theoretical implications of the research.....	125
A process view of entrepreneurial identity construction.....	127
Rethinking family capital.....	131
Understanding immigrant entrepreneurship.....	136
 <b>CHAPTER 7 Conclusion.....</b>	 <b>141</b>
Implications for policy.....	143
Implications for practice.....	146
Future research.....	148
 <b>BIBLIOGRAPHY.....</b>	 <b>168</b>

<b>APPENDICES.....</b>	<b>184</b>
<b>Appendix A.</b> Notification of Approval.....	184
<b>Appendix B.</b> Research Information Sheet.....	185
<b>Appendix C.</b> Research Participant Consent Form.....	188
<b>Appendix D.</b> Interview Guide.....	189



## LIST OF TABLES

<b>Table 1.</b> Characteristics of Business owners.....	150
<b>Table 2.</b> Data Exemplars for Second-Level Constructs.....	152
<b>Table 3.</b> Stages of Entrepreneurial Identity Creation.....	158
<b>Table 4.</b> Data Exemplars for Coping Strategies.....	159
<b>Table 5.</b> Summary of the Mechanisms and Consequences of Five Strategies....	161

## LIST OF FIGURES

<b>Figure 1.</b> The Number of Chinese Immigrants to Canada between 1980 and 2011.....	162
<b>Figure 2.</b> Data Structure.....	163
<b>Figure 3.</b> A Process Model of Entrepreneurial Identity Creation.....	166
<b>Figure 4.</b> The Paradox of Family Capital.....	167

## **Chapter 1 Introduction**

The founding process of new firms is fraught with challenges and problems. While entrepreneurship research has accumulated a large body of work investigating the survival and performance of start-up firms, our knowledge about how individuals initiate a new firm remained limited until scholars began to pay attention to the gestation process of the “nascent entrepreneur” (Davidson & Honig, 2003). “Nascent entrepreneur” refers to an individual who not only gives serious thought to a new business, but also takes serious actions in entrepreneurial activities (Aldrich & Martinez, 2001). In past decades, scholars have attempted to identify various factors that characterize nascent entrepreneurs, including the possession of human capital (education, prior work experience), social capital (Davidson & Honig, 2003), and favorable cognitive scripts and risk perception (Gatewood, Shaver, & Gartner, 1995; Simon, Houghton, & Aquino, 2000). Those studies were successful in identifying stable attributes that explain the engagement of nascent entrepreneurs; however, they failed to address the dynamism of the process and the agency of the individual in undertaking entrepreneurial endeavors.

My study fills this gap by providing a process model of how individuals create entrepreneurial identities. Recently, a few conceptual and empirical studies have recognized the role of entrepreneurial identity in guiding the founding activities. These studies show that the notion of possible selves, the images one has about who one might become, would like to become, or fears becoming in the

future, triggers one's entrepreneurial passion and intention (Cardon, Wincent, Singh, & Drnovsek, 2009; Kumar, 2007). In particular, when entrepreneurial identity is salient and central to an individual, he or she will be motivated to engage in entrepreneurial opportunity exploitation (Farmer, Yao, & Kung-Mcintyre, 2011), and persist despite the challenges and difficulties in the founding process (Hoang & Gimeno, 2010). While those studies pinpoint the importance of identity in motivating and guiding organizational founding; researchers largely assume entrepreneurial identity is inherent in the person, shedding little light on situations when individuals act as active agents, engaging in conscious "identity work", and finally creating an entrepreneurial identity (Sveningsson & Alvensson, 2003). Yet such agentic endeavors proliferate in immigrant groups. Numerous immigrants, making full use of their resources, have successfully become self-sufficient via entrepreneurship and achieved economic success (Rath, 2000).

Identity transition is prevalent in my current study of Chinese immigrants who came to Canada as professionals or skilled workers. Almost all of them had no business experience before they came to Canada; most of them told me they never thought about themselves becoming entrepreneurs while in China, and many are the first businesspersons in their families. In the face of change, crisis, or breakdown in some aspect of their lives, they reflected on who they are and what they want to do, and now as a result they chose to become entrepreneurs.

Research attempting to provide explanations of why immigrants engage in entrepreneurship is diverse, but we know little about the process of how these individuals create an identity and become who they are. I believe this omission is

significant for two reasons. First, creating new firms is usually fraught with challenges. Many people have the intention of operating their own business but hesitate to take action. As indicated in a survey conducted in Germany, of the 17 percent of the German population who considered entrepreneurship as an alternative career choice, only two percent actually implemented their ideas (Hoang & Gimeno, 2010). The unpredictability of the future and the uncontrollability of the start-up process make identity creation risky. Given that we do not understand this process, more research attention is clearly needed. Second, immigrant entrepreneurs often face dramatically different cultural contexts in the host country; unfamiliarity exacerbates their difficulties of resource mobilization and opportunity exploitation (Carnabuci & Wezel, 2011). It thus becomes particularly interesting to observe that despite the difficulties and challenges, hundreds of thousands of skilled immigrants who had no business experience made a choice to launch their first business in Canada in the past decade. The exploration of how those skilled immigrants successfully create their entrepreneurial identities not only broadens our understanding of entrepreneurial identity construction, but is also relevant to those individuals, both immigrants and native-born citizens, who aspire to start their own businesses but have not yet done so.

To answer the question of how immigrants create an entrepreneurial identity, I turn to three streams of literature for guidance: identity theory, the family capital literature, and the immigrant entrepreneurship literature. Each perspective provides insights into my study; however, I found none was adequate

in accounting for the findings in my study. In specific, the identity literature in organizational studies has provided a solid theoretical foundation for my study, but I believe the existing findings on identity work cannot be simply transferred or generalized to the topic of entrepreneurial identity construction because the latter is different from identity work within established organizations. Ibarra (2007) described entrepreneurial identity construction as the situation when “there is no clear or easily identifiable next position to assume or obvious role models to emulate” (Ibarra, 2007:6). From my interviews, I observed that my respondents spent a lot of time reflecting on who they were and searching for who they could become before jumping into venture creation. In this sense, the entrepreneurial identity is emergent in the searching process rather than given by the organization. In addition, because the disengagement from an old identity and engagement in the new identity are voluntary, justification of career change for themselves and for others is also an integral part of identity creation. Furthermore, because individuals in established organizations mainly follow a planned occupational path, identity work in the current literature focuses mostly on how individuals reconcile multiple identities, or tailor organizational roles to one’s own identity. They have missed the essential parts of searching for a new identity and developing a justification for voluntary career change as part of creating an entrepreneurial identity. Thus, I believe the existing studies on identity work are inadequate in addressing this topic. We need new mechanisms to explain entrepreneurial identity creation.

Although both mainstream entrepreneurship and family capital literature provide ample evidence that family generates a distinctive profile of resources that become the competitive advantage to new ventures (Cramton, 1993; Nordqvist & Melin, 2010; Steier, 2007), it is surprising that attention to the immigrant family in the literature is quite limited. I believe that family contributes to entrepreneurial identity construction for two reasons. First, family is the most direct and important social unit that immigrants rely on when they arrive in a new country. Gibb, Hamdon, and Jamal (2008) described how immigrants settling in a new environment are suspended in a liminal state in which they feel distanced from their homeland and familiar social networks, but also excluded from full participation in their new world. In this regard, the immigrant family, core to social networks within immigrant groups, acts as a critical source in mobilizing resources for the businesses (Sanders & Nee, 1996). Second, family is likely more important in immigrant-owned firms than in others, especially in cultures emphasizing collectivistic orientation, and therefore, altruistic behavior (Danes, Lee, Stafford, & Heck, 2008; Kidwell, Hoy, & Ibarreche, 2012). For example, Wong, McReynolds and Wong (1992) note that in the Chinese culture, family members regard the business as a family property; they work hard and endure short-term family inconveniences for the survival of the business. Many immigrants in my study came to Canada with only their nuclear family members. Meanwhile, their networks and extended families were all in China. This lack of a strong familial local network makes the immediate family the most important resource that immigrant entrepreneurs rely on. For these reasons, I believe that the

immediate family plays a significant role in entrepreneurial identity creation, and identity work is necessarily embedded within the family context.

A review of the literature shows that scholars have thus far given little attention to family capital in immigrant entrepreneurship. In specific, free labor assistance and provision of start-up financial resources through family networks are the most commonly documented types of family capital identified in previous studies (Bates, 1997; Ram & Holiday, 1993; Sanders & Nee, 1996). In the rare cases when influence of family has been considered, scholars have mostly focused on positives, that is, how family capital facilitates immigrant entrepreneurship (Chang, Memili, Chrisman, Kellermanns, & Chua, 2009; Li, 1998; Song, 1997). However, it is questionable whether family capital has solely a positive effect. Indeed, the social capital literature reminds us that when economic actions are embedded within a social relationship, the consequences can be both positive and negative (Uzzi, 1997). Family capital, with its strong ties rooted in family relationships, should share similar characteristics with social capital. If this is the case, the one-sided focus on the positive impact of family capital may have actually missed the big picture.

Together, I have two research questions: 1) how do immigrant entrepreneurs create their entrepreneurial identities? And, 2) how does family contribute to the production of entrepreneurial identity?

I investigated the process of entrepreneurial identity creation in a sample of mainland Chinese immigrant entrepreneurs who started their first business in



Canada. Immigrant entrepreneurship is an excellent context for my study. All the entrepreneurs I studied belong to the “skilled worker” category of immigrants in Canada who identified themselves as professionals, had no or only rare prior business experience, and later chose to become entrepreneurs. It is well recognized that Mainland China has become the largest source country of immigrants in Canada since 1997, and Chinese immigrants are known as having high start-up rates both in Canada and in other parts of the world (Frenette, 2002; Waldinger, Aldrich, Ward, & Associates, 1990). An exploration of how they transformed the identity from professionals to entrepreneurs has critical implications for our understanding of entrepreneurial identity construction.

“How” and “why” questions can only be answered by qualitative approaches and by directly asking those people who are in the organization (Creswell, 1998; Reay & Zhang, 2014). Thus, I employed a qualitative methodology for my research. My strategy was to interview immigrant entrepreneurs and let them tell their stories of venture creation. Interviewees were initially identified through personal contacts, and then snowball sampling was adopted. In total, I conducted interviews in 30 Chinese immigrant businesses in Alberta, Canada. All the businesses were small businesses with at most 15 employees. This business profile, however, is not unusual in this locality. According to statistics from Government of Alberta, they estimated that in 2010, about 96 percent of businesses in Alberta were small businesses, and almost 63 percent were micro ones with one to four employees. However, small business employed over one third of all private sector workers and contributed 29 percent

of GDP in Alberta. The businesses I studied ranged from personal care, catering, to professional services, and high-tech firms. I attempted as much as possible to maximize diversity and variation of businesses. All the interviews were conducted in Mandarin so that the respondents could express their ideas and tell their stories in their mother tongue. Each interview started with the question such as “Could you tell me your story of immigration?” or “Could you tell me your story of starting the business?” The interviews were opportunities for entrepreneurs to construct their stories and make sense of their start-up endeavors through reflection. Each interview lasted between one and two hours. All interviews were audio recorded and transcribed to facilitate subsequent analyses.

The contributions of this study are fourfold. First, it contributes to the entrepreneurship literature by illustrating the dynamic identity creation process. Prior studies recognized the significance of entrepreneurial identity, but they generally assumed entrepreneurial identity as “given” and static. This study, however, provides a rare glimpse into the “becoming” nature of entrepreneurial identity and sheds lights on our understanding of how individuals engage in successful identity work and create entrepreneurial identities.

Second, this study adds to the identity literature by demonstrating the mechanisms of exploratory identity creation. In contrast to the literature examining how people strive to conform to occupational roles and maintain coherence across their various identities, my study shows how individuals construct new identities that are highly different from their previous occupation roles, and when the new identity is characterized by both high discretion and high

novelty. The current study thus provides an opportunity for scholars to gain a deeper understanding of substantial identity change that goes beyond traditional intra and inter organizational domains, and how such change is experienced and managed.

Third, this study contributes to the family capital literature by identifying the various, albeit understudied, roles of the family during the entrepreneurial process. I also point out that family capital has a “dark side” that has so far been neglected in the literature. In particular, attention to the paradox of family capital reminds us that prior research regarding the role of family may be short-sighted. To effectively manage the relationship between family and business, this study suggests that the strategy must shift from “keeping the family in place” to “balancing the positive and negative sides of the family”.

Fourth, this study stands in contrast to prior immigrant entrepreneurship literature which takes the contextual and structural factors as sole explanations for the high rate of self-employment among immigrant entrepreneurs. Instead, this research is based on a close analysis of the experiences of individual entrepreneurs and the influence of their families. It provides a useful starting point from which we can deepen our understanding of the micro-level behavior of immigrant entrepreneurship and how “entrepreneurship is socially and culturally situated in person’s life course” (Foss, 2004:102). Moreover, this research shows how immigrants, when faced with difficulties and challenges in the labor market, proactively take control of their own lives and create new identities. Therefore, my findings hold particular relevance for other groups of entrepreneurs

undergoing similar situations, such as new graduates or professionals who are out of work or under-employed.

The rest of the thesis proceeds as follows: In Chapter Two, I offer a descriptive overview of Chinese immigrant businesses in Canada, emphasizing the history of, and the current trends of immigrant entrepreneurship. In Chapter Three, I then provide a conceptual review of the immigrant entrepreneurship literature, identity theory, and family capital theory. This review allowed me to pinpoint key gaps in existing knowledge and formulate the research questions that guided my study. Next, in Chapter Four, I describe the methodology I adopted for this study. My analysis of the findings led to the development of a new process model of identity creation that I present in Chapter Five. Finally, in Chapter Six and Chapter Seven, I conclude with a discussion of the theoretical and practical implications of the study.

## **Chapter 2 Chinese Immigrants and Businesses in Canada: An Overview**

In this chapter, I will describe the history of the three cycles of Chinese immigration to Canada. The first wave started in the mid-19<sup>th</sup> century when Chinese people predominantly came to Canada as laborers to build the Canadian Pacific Railway. The major sources of laborers were two neighboring provinces of the Qing Dynasty: Fujian and Guangdong. The second wave began when the Canadian government adopted the “points system” in 1967 and selected applicants based on capabilities. With Britain and the People’s Republic of China (PRC) signing the 1997 handover agreement of Hong Kong (HK) to PRC, the number of Hong Kong (HK) immigrants to Canada increased dramatically from the mid-1980s, reaching its peak in the mid-1990s. Immigrants from Mainland China in this period were still small in number. They were mainly family members of Chinese people already immigrated to Canada and students from the 1989 Tiananmen Square events (Li, 2005). The third wave started in the late 1990s with the expansion of the market economy in Mainland China and Canada’s shift in policy to encourage economic-class immigrants<sup>1</sup> with strong skills to come to Canada (Li, 2003). Between the mid-1990s and today (2014), a large flow of Mainland Chinese have immigrated to Canada as professionals and skilled workers.

---

<sup>1</sup> Immigration to Canada falls into three broad categories: the family class, economic class, and the refugee class (Statutes of Canada 2001, c.27, s.12). Family class refers to close family members of a resident or a citizen of Canada. Economic class selects people based on their ability to become economically established in Canada, including skilled workers or professionals, business immigrants, and immigrants with Canadian experience. Refugees are admitted based on the United Nations criteria for refugees or on humanitarian grounds.

Each group of Chinese immigrants has its own distinct characteristics and background. My purpose is to provide a brief description of the shifting composition of Chinese immigrants in Canada in the past two hundred years. This is important background information for this study because the current wave of immigrants is significantly different from previous waves. However, I will focus on the most recent Mainland Chinese immigrants who arrived in Canada after 1997 under the “Federal Skilled Worker” immigration category. I place greater emphasis on this group because it has not received as much research attention as the previous waves.

### **First wave: Early settlers as laborers**

The first Chinese immigration to Canada dates back to 1858 during the Canadian Gold Rush. Chinese immigrants came mainly from the rural areas of Guangdong and Fujian provinces of the Qing dynasty and were recruited to fill the labor shortage in Canada. Concentrated on the west coast, the early settlers worked as laborers in various industries such as mining, railroad construction, and manufacturing. Additional Chinese laborers were imported to Canada especially between 1881 and 1885 when the Canadian Pacific Railway (CPR) was constructed. After the CPR was completed in 1885, the growth of organized labor subsequently made Chinese the target of exclusion. Canada passed its first federal anti-Chinese bill in the form of a head tax of \$50 imposed on every Chinese person entering Canada (Statutes of Canada, 1885, C.71). The tax amount was raised several times in the following years and reached as high as \$500 per Chinese person by 1903 (Statutes of Canada, 1903, c.8). In 1923, the federal

government issued the Chinese Immigrant Act that excluded all Chinese entering Canada (Statutes of Canada, 1923, c.38). The act was in effect until 1947 (Statutes of Canada, 1947, c.38).

Facing strong discrimination in the primary labor market and hostilities in society, many Chinese turned to employment in marginal sectors, and some ventured into ethnic businesses. Hand laundry service was the dominant type of business operated by early Chinese immigrants because it posed little competitive threat to other businesses in Canada. In the 1930s, restaurants replaced the declining laundry business and started to provide an economic refuge for the Chinese in the restrictive labor market (Li, 1982). The 1931 Census reported that Chinese employers and workers in the hand laundry and restaurant industry accounted for 46 per cent of the Chinese in Canada (Li, 1979).

Early Chinese businesses had four main characteristics. First, they were small and required long hours of work at low profit margins. Second, early immigrants working within the businesses were almost all males due to the restrictions the Act had in preventing their wives and children in China from entering Canada (Li, 1980). Thus, the early immigrants could not rely on their immediate family to provide help. Third, since the immigrants predominantly emigrated from the same province of China, they came to Canada because they had kinship ties. Earlier Chinese immigrants in Canada provided kinship assistance for their passage, and kinship ties provided them with a web of both close and distant relatives from which business partners could be drawn (Li, 1982). Finally, ethnic businesses were often developed as partnerships. This

ownership arrangement helped immigrants pool the resources needed to start a business. Partnership was typically informal and built on verbal agreements rather than written contracts. The business partners not only provided initial start-up capital, but also worked as additional laborers in restaurants which reduced the labor cost (Li, 1982).

### **Second wave: Immigrants from Hong Kong under the Business program**

Since the end of the Second World War until the mid-1980s, a series of changes in Canadian immigrant laws resulted in favorable conditions for Chinese immigrants to come to Canada. Hong Kong was the primary source of Chinese immigration during this period.

In 1967, the “points system” was adopted by the Canadian government, which based the selection of immigrants on their “education, skills and resources” rather than on their racial and religious backgrounds (Nash, 1994). Unlike those in the first wave, immigrants accepted by the point system came with professional and technical skills.

Further changes to the immigration policy in 1978 and 1985 expanded the admission of entrepreneurs and investors under the business immigration program. In the mid-1980s when Britain and the People’s Republic of China (PRC) signed the agreement leading to the 1997 handover of Hong Kong (HK) to the PRC, the emigration progress from Hong Kong to Canada was accelerated. As shown in Figure 1, the arrivals from either Mainland China or HK to Canada never exceeded 8000 a year before 1986, although HK tended to have a larger



volume of immigration. But from 1987, the number of HK immigrants tripled and reached 16,200, accounting for 80 percent of all Chinese immigration from Taiwan, PRC, and HK. This number continued to increase and reached its peak of 44,225 (accounting for 69 percent of all Chinese immigration) in 1994, and then it declined each year, dropping to 22,250 (accounting for 41 percent of all Chinese immigration) in 1997. In 1998, the number of immigrants from HK dropped dramatically to 8,000. The number continued decreasing after 2000. In contrast, PRC surpassed HK and became the largest source immigration country to Canada since 1998 until 2010.

[Insert Figure 1 about here]

In a more detailed analysis, Li (2005) reported that the expansion of immigration from HK was to a large extent driven by the increase in immigrants under the Business Program. In specific, the portion of business immigrants from HK rose from five percent in 1982 to more than 40 percent in 1986; and business immigrants accounted for 42 to 64 percent of all immigrants from HK each year between 1991 and 1995 (Li, 2005). Li attributed part of the large percentage of business immigrants from HK to the rapid growth of the economy in HK which facilitated the accumulation of entrepreneurial and professional wealth, and created financial conditions for emigration. Other studies confirmed this point, reporting that people in managerial, administrative, and professional occupations were more inclined to emigrate (Salaff & Wong, 1995).

However, the rate of return migration for HK immigrants between 1987 and 1997 was also high (Ley & Kobayashi, 2005). Skeldon (1995) estimated 12 percent of immigrants returned to HK in 1992. A survey conducted by a Chinese newspaper in Vancouver reported that 11 percent of the respondents' families had "astronaut" parents shuttling between HK and Vancouver regularly, and about 13 percent of respondents expressed the possibility of returning to HK (Li, 2005; Ming Pao, 1994).

Chinese business in Canada during this second wave period had the following features: First, the ethnic market was still the main focus. Historically, ethnic firms were small, labor intensive, and were often located in a Chinese residential enclave and operated by the owner and his kin. In the decades after the Second World War, Chinese firms with large capitalization and sizable operation began to emerge, in which case the investors might not necessarily be directly involved in the operation of the business (Li, 1993). Second, businesses providing professional services, such as accounting, travel agencies, insurance, and real estate, as well as legal and medical practice to ethnic communities, increased (Li, 1992). This rapid increase in the Chinese population broadened the clientele for professional services. Due to a lack of language abilities and unfamiliarity with institutional mechanisms, newcomers commonly sought out business owners of similar ethnic origin for services. The provision of professional services was further made possible by the growing number of second-generation Canadian Chinese entering the professional and skilled sector of society, as well as the growing number of professional and skilled Chinese middle-class immigrants who

were attracted by the new immigration policy. The third feature of this wave relates to the businesses that imported/exported and retailed ethnic products such as books, clothes, furniture, and jewellery. These businesses found a niche in the immigrant community (Wong & Ng, 1998), and had a close connection with China; the owners had excellent knowledge of the immigrants' taste and buying preferences. Some business owners were conducting transnational business, making full use of their business connections in Asia and taking advantage of the different economies in order to operate their businesses in Canada (Wong & Ng, 1998). Finally, competition in the ethnic market was fierce; the profit margins were low, and self-exploitation and family exploitation (long working hours but low wages for family members) were the main strategies to cope with competition (Wong & Ng, 1998).

### **Third wave: Immigrants from the People's Republic of China**

Since 1995, the economic growth of HK slowed down. What was worse, the Asian Financial Crisis of 1997 had a disastrous impact on HK, and shattered the financial basis of emigration. The number of HK immigrants dwindled to less than a thousand per year.

For Mainland China immigrants, it was another story. In the 1990s, Mainland China stepped up its efforts toward its acceptance into the World Trade Organization (WTO) and the Chinese government relaxed its passport restrictions on its citizens. In addition, the economy of China was prosperous, creating a rapidly expanding "middle-class". A survey conducted in Mainland China

indicated that the middle-class accounted for 15 percent of the working population in 2002, which amounted to about 110m people (The Economist, 2002).

Furthermore, in the late 1990s, the Canadian government put more emphasis on attracting economic-class immigrants; lists of occupations where there was a shortage of labor and high-tech occupations were given more weight in the point system. Finally, the growth of the 1997 financial crisis did not have as much of a negative effect on Mainland China as on HK. Thus, the 1990s witnessed a large flow of Mainland Chinese, mainly professionals and skilled workers, into Canada. Since 1998, the PRC outpaced HK, becoming the top source region for immigrants to Canada, and the economic-class immigrants accounted for about 80 percent of total immigration from China by 1999 (Li, 2005).

Although immigrants from Mainland China, HK, and Taiwan are all Chinese in ethnicity, the distinct places of origin have varying political, social and economic conditions. Thus, recent Chinese immigrants to Canada constitute a substantially different group from those of former years. Wang and Lo (2004) found that recent Chinese immigrants have a higher level of education and greater proficiency in language (English). They are also younger, with nearly half in the age group of 25-44, the most productive years of life. Data from the Canadian government also showed that between 2000 and 2011, at least 40 percent of all categories of immigrants to Canada have a university or above degree, and as many as 90 percent have technical, or professional occupational skills levels (Citizenship and Immigration Canada, 2012a). All these statistics indicate that recent Chinese immigrants have brought with them increased human capital.

The focus of this study is the most recent Mainland Chinese immigrants under the Federal Skilled Worker Program. They are mostly middle-class elites. This means they generally received a very good education, held stable, well-paying jobs, held high prestige in their native country, and earned a comfortable income in China. The main reasons for immigration to Canada include: the pursuit of freedom, the opportunity to reside in a relatively just society, to live in a better natural environment, and most importantly, to have better educational opportunities for their children. However, on arrival, in part because of a downturn in the Canadian economy, these immigrants found difficulty finding jobs in their own fields, many of them ending up in survival jobs (Man, 2004; Teo, 2007). As a result, some immigrants turned to entrepreneurship as an important means of self-actualization.

In 2012, the Canadian government proposed major changes to the Federal Skilled Worker Program to address the challenges of newcomers who were not able to work in their own fields (Citizenship and Immigration Canada, 2012b). Changes to the Federal Skilled worker program meant that the number of eligible occupations had been cut from 35 to 24; with an emphasis on English/ French language skills as the most important selection criteria by establishing a minimum threshold for immigration admission. There is now a preference for applicants with Canadian work experience. Younger applicants are also given preference (18-35 years given preference). In addition, internationally educated professionals must have their credentials evaluated before coming to Canada. It is expected that

the changes will help Canada to select the skilled workers who are most likely to succeed after arrival.

Overall, with these changes to the immigration policy and the current social cultural environment, the demographics of Chinese immigrants to Canada are changing, as well as the characteristics of the businesses they operate. Research on the businesses started by PRC skilled workers who arrived in Canada between 1997 and 2012 is limited, even though those immigrants now comprise a major portion of the total number of Chinese immigrants to Canada. These immigrants possess higher levels of human capital and professional work experience, but due to factors such as limitations in language abilities, and lack of accreditation for prior experience, they find it difficult to continue with their original career path established in their home country. Facing difficulties, some of them have forged their own paths and successfully become entrepreneurs. These features make it an interesting context to understand immigrant entrepreneurship. Since the third wave immigrants were not selected for their business experience, they (similar to many non-immigrant entrepreneurs) had to develop an entrepreneurial identity. Also, because the third wave Chinese immigrants arrived in Canada with only their nuclear families, they are relatively isolated in the Canadian context. They largely rely on their spouse for support, making the role of family critical to their entrepreneurial endeavors. In the next chapter, I will situate my study within three streams of organizational research that will orient my investigative journey.

### **Chapter 3 Literature Review**

In this chapter, I discuss the theoretical frameworks that help situate this study. The central focus of this review is to develop a theoretical understanding of how individuals construct their identities in organizations, how the family impacts the process of identity creation, and what we know about immigrant entrepreneurship. Three research areas have particular relevance: the immigrant entrepreneurship literature, identity theory, and family capital theory. Although the literature provides a theoretical foundation, I will explain why critical gaps in the literature remain. Furthermore, in this section, I discuss the implications these particular research areas have in contextualizing the current study.

#### **The Immigrant Entrepreneurship Literature**

Throughout the 1970s, with the increase in business activities carried out by groups of immigrants in both Europe and North America, considerable efforts have been expended to explain the entrepreneurial propensity of immigrants. The literature has focused mainly on the questions of why immigrant minorities engage in entrepreneurship and why certain ethnic groups are overrepresented (usually Asian immigrants) or underrepresented (usually black Americans) in the business population. Scholars attempting to answer the questions generally fall into three categories: the cultural approach, the structural approach, and the mixed embeddedness perspective.

## **The cultural approach**

Scholars in the cultural perspective point to the mobilization of endogenous ethnic resources (such as ethnic ties and ethnic solidarity) that contribute to business success. In his seminal book, Light (1972) claimed that Chinese and Japanese immigrants were successful in small business because the culture endowed them with useful resources. One example of such a resource was rotating credit associations in the ethnic community. The existence of rotating credit associations enabled penurious newcomers to pool their savings together and provided the seed money for the individual who intended to open a business. The credit of every member in the association was guaranteed by his family and was associated with the family's reputation. Hence, with trust and kinship embedded in the ethnic community, rotating credit associations provided sufficient capital for the small businesses operated by Chinese and Japanese immigrants, while banks were unable to provide equally efficient service to the small businesses operated by black Americans (Light, 1972).

Besides providing initial financial aid to entrepreneurs, ethnic social networks, especially family kin, have been well documented as being significant to immigrant firms. For example, familial networks have been found to be the most significant channel of recruitment for small ethnic businesses in England (Ram & Holiday, 1993). Other important examples include the following: religious beliefs institutionalized in Ismail Pakistani society integrate the whole community and community members assist newcomers to start businesses for the benefit of the overall community welfare (Green & Butler, 1996); the increase of



Chinese immigrants to Canada and their desire to conduct business in their mother language create market niches for ethnic businesses (Li, 1998); and, the collectivistic norms in the Hispanics community and past business experiences among community members greatly influence the intentions and decisions of ethnic entrepreneurs (Chang et al., 2009).

Another ethnic resource is human capital. Goldberg (1985) claimed that certain Chinese cultural elements, such as flexibility, hard work, family orientation, and value on education and land, contributed to the success of the Chinese entrepreneurship overseas. Bates (1985, 1987) noted that high levels of education and age (between 35 and 50) led to higher earnings for minority groups who were self-employed. In addition, the intensive use and advantage of familial labor is well documented. Nam and Herbert (1999) explored key success factors of Korean family businesses based on survey and interview data from Korean immigrant businesses in Metro-Atlanta. They showed that unpaid labor provided invaluable human capital to Korean immigrant businesses, and the spouse was the most important source of family labor. Of the 93 businesses they studied, more than 74 percent had family members who worked full-time in their businesses, and more than half the respondents (50.5 percent) reported having unpaid family labor. Among the unpaid family laborers, the majority were spouses (73.9 percent). Song (1997) studied children's labor in Britain and contended that children played a central role in the running of Chinese family take-away food businesses. Their roles took the form of both conducting labour-intensive shop work, "caring" work associated with language mediation for their parents. In

addition, Song declared that the reason that those young people helped out in the business had less to do with economic rationality, and more to do with family obligation and cultural identity.

Indeed, family members are found to be more committed (Min, 1984; Song, 1997), harder working (Kirchhoff & Kirchhoff, 1987; Ram & Holliday, 1993), and longer-serving than nonfamily members (Song, 1997; Wong, 1988). In addition, employing family members reduces monitoring costs (Cruz, Justo, & Castro, 2012; Jensen & Meckling, 1976). Furthermore, because of their tacit knowledge of both the firm and one another, family members are more adapted to the changing needs of the business (Baines & Wheelock, 1998; Ram & Holliday, 1993). Finally, families are more willing to work long hours during difficult times (Alvarez, 1990; Ram & Holliday, 1993), therefore, labor costs are generally lower than those for nonfamily members (Stewart, 2003; Wong, 1988).

### **The structuralist approach**

The structuralist approach is based on the premise that entrepreneurial initiatives are the consequence of the contextual factors of the host country rather than the deployment of particular ethnic resources. Several theories come under the umbrella of this approach.

*Middleman minority theory.* Bonacich (1973) argued that the concentration of ethnic groups in middleman occupations started from their sojourning nature. The sojourners were the immigrants who did not intend to settle down in the territory permanently. Examples of sojourner immigrants or

minorities include: the Jews in Europe, the Chinese in Southeast Asia, and the Japanese and Greeks in the United States. Sojourners were willing to suffer short-term deprivation to hasten their long-term objective of saving enough money to return to their homeland. They worked long hours, accepted low standards of living, and emphasized thrift; they selected occupations that were highly liquidable, such as middleman occupations which provided a link “between producer and consumer, employer and employee, owner and renter, elite and masses” (Bonacich, 1973:583); and they did not have the desire to assimilate. The sojourning minorities awakened hostilities in the host country, and the resulting hostilities created disadvantages in the primary job market, compelling the minorities to look inside the group for means of support and increased group solidarity (Bonacich, 1973).

*Disadvantage theory.* The middleman minority theory brings attention to the relationship between one’s disadvantage in the labor market and a tendency for self-employment. Light (1979) claimed that firm creation constituted an attractive alternative for the immigrants who faced up to the disadvantages in the labor market. One of the worst disadvantages is unemployment. Unemployment encourages people to seek non-wage income as an alternative. Other possible obstacles include a lack of fluency in language, gaps in training, and labor market discrimination against racial, ethnic, or religious subgroups. Disadvantage theory is supported by a number of studies. For example, Min (1984) claimed that Koreans often confronted serious language barriers that hindered their employment prospects. Waldinger (1986) observed that poor language ability and

foreign credentials that were viewed skeptically by potential employers impeded Asian immigrants to pursue other more attractive job opportunities. Bates (1999) compared the performance of Asian immigrant owned small businesses to that of Asian non-immigrant firms, and declared that highly educated Asian immigrant owners were more likely than others to be self-employed over time. His finding confirmed the hypothesis that self-employment was often a form of underemployment among Asian immigrants.

*Ethnic enclave theory.* With the rise in highly skilled foreign workers and professionals who migrated from developing countries to Canada and the U.S. in the 1980s, another theory has emerged in the literature that focuses on the expansion of ethnic enterprise in immigrant enclaves. The ethnic enclave theory, originally proposed by Wilson and Portes (1980), argues that contrary to the previous studies which claim that ethnic enterprises are usually small with no growth potential, enclave economy offers advantages for the ethnic businesses, and enables them to reproduce similar characteristics of monopolistic control which accounts for the success of many large enterprises in the primary economy. Those advantages include vertical integration and resource mobilization. Vertical integration connects ethnic sources of supply with consumer outlets. Resource mobilization means the unorthodox but effective mobilization of financial and human capital sources, such as pooling savings and employing new immigrants for the worst types of jobs (Wilson & Portes, 1980). The hypotheses that link the relative advantage in immigrant enclaves to the structure of the economy are further tested and supported in a comparative analysis of the Cuban and black

businesses in Miami (Wilson & Martin, 1982). The findings indicate that the more advantaged community, the Cuban enclave, is characterized by highly interdependent and integrated industries, while the less advantaged community, the black enclave, does not have these interdependent characteristics.

The structuralist approach and associated theories take into account the contextual factors in determining why minority members enter businesses. The immigrants either choose self-employment as a survival strategy because of the constraints in the labor market, or they are drawn into the enclave economy because of its comparable returns. However, the structuralist approach does not completely explain the complex pattern of immigrant entrepreneurship. The sojourner theory confronts interpretation difficulties. For example, Aldrich (1977) contended that the sojourning orientation made no difference in the business practices of Asians in London, as owners who planned to return to their homeland used the same strategies as those who had no intention of returning. Aldrich, Carter, Jones, and McEvoy (1983) replicated this finding with another sample of Asian business owners in three English cities. Disadvantage theory has also been challenged in that it cannot explain the underrepresentation of black Americans and overrepresentation of Korean and Chinese immigrants in the business population (Light, 1979). Studies on the economic returns of the entrepreneurs in the enclave, as well as outside of it, produce mixed results. For example, Zhou and Logan (1989) showed that positive returns for human capital were found among male immigrant workers in the enclave, but not among female workers or immigrant entrepreneurs. Using longitudinal data, Li (2000b) concluded that the

returns of self-employment were lower than employment for immigrants. This finding supports the hypotheses of disadvantage theory rather than enclave economy theory. There is a growing consensus that both ethnic resources and material constraints are useful in explaining immigrant entrepreneurship (Light, 1979; Light & Bonacich, 1988), which leads to the burgeoning of the third stream, the interactionist approach.

### **The interactionist approach**

The interactionist approach introduces the idea that immigrant entrepreneurship stems from the interaction of opportunities and resources rather than from cultural values or situational factors. The classic book written by Waldinger et al. (1990) introduces the interactionist approach and illustrates that entrepreneurs seize opportunities within a possibility set that is limited by the resources that they can access. The model distinguishes three factors: group characteristics, opportunity structures, and ethnic strategies. Opportunity structures consist of market conditions that favor certain products and services over the other, as well as immigrants' access to those opportunities. Group characteristics include traits, characteristics and resource mobilization capabilities. Ethnic strategies ultimately come from the interaction of all these factors. Ethnic immigrants adapt their characteristics and resources to the opportunities in the market conditions and carve out their own niches.

Waldinger et al. (1990) highlighted the role of economic structure in which business activities were embedded. In recent years, the emergence of the

mixed embeddedness perspective, introduced by Kloosterman, Van den Leun, and Rath (1999), seeks to understand ethnic entrepreneurship by locating it more explicitly in not only the socioeconomic, but also the political institutional context in which it operates. In this view, market and economic trends are enmeshed in institutions. Kloosterman et al. (1999) illustrated the mixed embeddedness using the case of Islamic butchers in the Netherlands. The butchers' story shows that the developing of immigrant entrepreneurship is not a one-way process, nor solely a government affair, but rather a dynamic process that involves different domains of embeddedness and in which many social actors may take part. Institutions such as the welfare system, the rules and regulations, neighborhoods, associations and business traditions, all determine the opportunity structure for business in general. Kloosterman (2010) further differentiated two strategic dimensions of opportunity structure: accessibility in terms of human capital and growth potential. Combining these dimensions generates four market openings and ethnic enclaves. These market openings are: 'vacancy-chain openings' requiring little human capital and having low growth potential; 'post-industrial/low-skilled openings' which still requires little human capital but has high growth potential; 'post-industrial/ high-skilled openings' with a considerable growth potential and high requirements of human capital; and lastly, high threshold and low growth potential which is quite uncommon unless there is strong discrimination. Each market opening has its own characteristics of what kinds of resources are needed, and what strategies and motivations are expected. The opportunity structure is shaped and driven by institutional forces that entail divergent patterns of

immigrant entrepreneurship. In sum, the particular form that ethnic firms take is the complex interplay between the micro-level of the individual entrepreneur and his or her resources, with the meso-level of the local opportunity structure, and the macro level of the institutional framework.

The interactionist perspective integrates both the culturalist and structuralist approaches, explaining the creation of ethnic firms through the interaction between internal group resources and external structural factors. Central to this perspective is the concept of “mixed embeddedness”, which locates the ethnic businesses in a wider social context and emphasizes the role of institutional frameworks in enabling or constraining immigrant entrepreneurship. Building on this, the mixed embeddedness perspective has important implications for the emerging phenomenon of transnational entrepreneurship insofar that it emphasizes the role the differences in national legal systems, policies on immigration, and socioeconomic institutional frameworks have as key influences.

### **Canadian research on immigrant self-employment**

It was not until the 1980s that Canadian researchers started to examine ethnic enterprise in a systematic way, a decade later than the pioneering work undertaken by American scholars (Hiebert, 2003). Given the head start taken by American scholars, most Canadian scholars have adopted the theories and methods developed by their American counterparts in explaining the self-employment tendencies among immigrants. In this section, rather than repeat the theories applied in the Canadian context, I will summarize four prominent



features of immigrant entrepreneurship reported in the recent literature, in particular, that of Chinese immigrant entrepreneurship in a Canadian setting.

First, researchers have found that the metropolitan milieu influences the entrepreneurial behavior of immigrant groups. Specifically, the self-employment tendency of immigrant groups differs in geography, with immigrants in large metropolitan areas such as Toronto and Vancouver, enjoying a particularly high propensity to become self-employed compared to those in other cities (Langlois & Razin, 1989; Razin & Langlois, 1996). In addition, entrepreneurs also exhibit different business characteristics across cities. For example, researchers have found that minority entrepreneurship in Toronto is concentrated mostly in white-collar activities, while those in Vancouver tend to gravitate toward blue-collar activities (Langlois & Razin, 1989).

Second, studies have suggested that self-employed entrepreneurs earn less than salaried workers in the mainstream economy, but entrepreneurs earn more than salaried workers in the enclave economy. Whether immigrants who engage in business are better off than salaried counterparts is a question receiving much attention. In earlier research based on census data, Li (1997) reported that immigrants engaging in self-employment received higher returns than their salaried counterparts. In another longitudinal study, Li (2000a) found that for those immigrants who entered Canada between 1980 and 1995, their revenue returns of self-employment were lower than their employment income. This area of research received greater clarification when researchers classified immigrant entrepreneurship into enclave economy and mainstream economy categories. The

most recent studies show that salaried Chinese workers earn more than self-employed Chinese in the mainstream economy, but self-employed Chinese immigrants in the enclave economy earn as much as, and in some cases, more than salaried workers in the enclave economy (Li & Dong, 2007). In this sense, the enclave economy offers some earning advantages for self-employed Chinese immigrants over their salaried counterparts. The mixed returns of self-employment suggest that it is likely the combination of the “push” effect of restricted job opportunities and the “pull” effect of higher returns of entrepreneurship that account for the high rate of immigrant entrepreneurship in Canada.

Third, immigrant entrepreneurs (especially visible minority) are found to have lower returns compared with native-born Canadians. There has been substantial research comparing immigrants’ earnings to those of native-born Canadians (Frenette, 2002; Li, 2000b; Li & Li, 2013). Researchers all agreed that immigrant groups earned less than their native-born counterparts, and this income gap is not likely to be closed in the foreseeable future (Aydemir & Skuterud, 2005). The literature has identified various factors contributing to immigrants’ declining relative earnings, including: foreign credentials, foreign accent, visible minority status, foreign experience, and deteriorating labor market (Aydemir & Skuterud, 2005; Li & Li, 2008; Picot, 2008). However, in a more recent study, Li and Li (2013) pointed out that the conventional understanding of earning disparity between immigrants and native-born Canadians were misleading. Rather, they explained that native-born Canadians earned more than their immigrant

counterparts, even when they have the same human capital. Thus, Li and Li (2013) claimed that much of the earning disparity should be attributed to unequal returns to immigrants and native-born Canadians in the labor market.

Finally, ethnic social capital (social ties) is reported to play an insignificant role in the earnings of immigrant business owners, but class resources including university level of education and proficiency in English are significant factors. Studies have shown that although in the past lower skilled immigrants had to mobilize resources based on ethnic solidarity due to the lack of class resources (Light, 1972), recent Chinese business owners can achieve mobility by relying on their human capital (Ooka, 2001). Evidence indicates that immigrants with stronger ethnic ties are embedded in the enclave economy and are likely to earn less than others with weaker ethnic ties (Li, 2008). Furthermore, studies also suggest that when other resources such as human capital and financial capital are absent, social capital cannot replace other forms of capital (Li, 2004). These findings indicate social capital is not universal. These studies also suggest both the usefulness and limitations of ethnic attachment for immigrants.

## **Summary**

Researchers in the field of immigrant entrepreneurship are focused on the questions of why immigrants engage in entrepreneurship and why some ethnic groups (usually Asian immigrants) have higher rates of self-employment than others. They look at the motivation of immigrant entrepreneurs mostly from the sociological structure perspective or the economic rational perspective. However,

how entrepreneurship is socially and culturally embedded within a person's life course is thus far missing from the research literature.

It is clear that the fate of developed economies and that of immigrants have become increasingly intertwined. To date, most of the studies on immigrant entrepreneurship are conducted at the ethnic group and national levels; however, very few scholars pay attention to individual immigrant entrepreneurs. I believe that no matter what the economic or institutional influences may be, they alone do not determine the establishment and success of immigrant businesses. Rather, a great deal depends on the ambition and abilities of the entrepreneurs. Entrepreneurship reflects an alternative choice that immigrants make to take control of their lives. Thus, in an effort to move away from the contextual and structural hypotheses as sole explanations for the high rate of self-employment among immigrant entrepreneurs, this study provides a useful starting point from which we can deepen our understanding of the agency of immigrant entrepreneurs.

In addition, it is unclear whether the role of family changes when the composition of Chinese immigrants shifts. Former studies have found that labor assistance, start-up financial assistance and fast recruitments through family networks were prevalent in the Chinese business community (Bates, 1997; Li, 1998; Light, 1972). However, the most recent PRC immigrants came to Canada with only their nuclear families. Because there is often a lack of local social networks for entrepreneurship (Salaff, Greve, & Wong, 2006), family may become the most direct and important social context on which they can rely. Thus,

I expect the role of family for recent Chinese immigrants may be different from earlier immigrants.

## **The Identity literature**

### **What is identity?**

Identity loosely refers to the subjective meanings and experience in association with the self-referral question “who am I?” (Alvesson, Ashcraft, & Thomas, 2008) According to Mead (1934), identity is far more than a static psychological personality, but rather a social and relational concept. It emerges within human community, and is constantly acquired and affirmed through social interaction. Specifically, Mead (1934) recognizes two dimensions of identity, one he called “I” and the other “Me”. “Me” is the perception of the attitudes of others; and “I” is the response to “me”. Taken together, social experience and perspectives from others help to constitute identity.

Two important identity theories are prevalent in the organizational field: identity theory (Stryker, 1968; Stryker & Burke, 2000) and social identity theory (Tajfel & Turner, 1979). Identity theory claims people inherently have multiple identities because they have occupied distinct positions and played distinct roles in their interactions and relationships within society. For example, an individual may have the identities of being a mother, wife and social worker. Those identities are organized in a salience hierarchy. When an identity is activated in a given situation, it becomes salient and then acts as a cognitive schema for guiding behaviors in the situation. Social identity theory contends that people tend to

categorize themselves and others into various social groups, according to gender, ethnicity, and age (Ashforth & Mael, 1989). Membership in a particular social category thus serves two functions: to enable the individual to evaluate himself or herself and others in a social environment; and to make predictions about behavioral choices and human actions. As such, through social roles (identity theory) and group memberships (social identity theory), a person attaches various meanings to oneself and thus forms their identity.

### **Significance of identity in entrepreneurship**

The entrepreneurship literature has accumulated a large number of theoretical and empirical studies identifying various factors that promote the formation of new businesses (Davidsson & Honig, 2003; Gatewood, Shaver, & Gartner, 1995; Rodriguez, Tuggle, & Hackett, 2009; Sorensen, 2007). Until recently, a small but burgeoning literature has examined how identities orient and motivate individuals to engage in entrepreneurship (Dobrev & Barnett, 2005; Hoang & Gimeno, 2010). Applying identity theory and social identity theory to the entrepreneurial field, the existing literature has delineated a number of ways that identity is significantly related to start-up activities. I categorize those studies into three types based on different roles that the identity plays during the venture creation process.

First, identity explains why founders give up their old work roles and engage in entrepreneurship. According to self-comparisons theory (Ashmore & Jussim, 1997:7), much of the meaning attached to the self is given by juxtaposing

with self-comparisons in the following ways: (1) the comparison with past selves (Albert, 1977), that is, who the person was in the past; (2) the notion of possible selves (Markus & Nurius, 1986), that is, who the person aspires to become in the future; (3) that is, the image of ideal selves (Higgins, 1987), that is, who the person would ideally want to be; and (4) the feared possible self (Kumar, 2007), that is, who the person would dread becoming. Self-comparisons form identity and motives, thoughts and actions to fulfill the desires. For example, in terms of future possible self-identity, Farmer, Yao, and Kung-Mcintyre (2011) proposed a model linking entrepreneurial identity aspiration with entrepreneurial behaviors. Entrepreneurial identity aspiration is defined as a possible but unrealized entrepreneurial self. They argued that the congruence between perceptions of the entrepreneurial role and self-identity would generate a strong aspiration towards a possible entrepreneurial self because congruence not only epitomized a positive self-appraisal, but made the entrepreneurs more sensitive and responsive to the role-consistent cues in their own behavior. Thus, congruence reinforces the entrepreneurial self-view and propels a stronger desire towards the possible entrepreneurial self. The strong desired self-view then leads individuals to proceed with opportunity exploitation.

In another study, Hoang and Gimeno (2010) conceptualized the founding process as a fundamental role transition. They claimed that how founders perceived their roles would mitigate uncertainty or negativity associated with the founding process. In particular, they suggested that when individuals regarded the founder role identity as representing a significant part of their lives, and when

they were able to see the founder role identity from multiple perspectives, they were less likely to give up in the face of challenges and difficulties, and were more likely to persist in venture creation. In this sense, entrepreneurial identity that is central and significant to the individual, orients him or her to venture creation activities.

Similarly, links between entrepreneurial identity and subsequent outcomes are also investigated by Cardon, Wincent, Singh, and Drnovsek (2009), Dobrev and Barnett (2005), and Kumar (2007). In all, these studies suggest that when a particular entrepreneurial self becomes salient to one's identity, the individual is motivated to engage in opportunity discovery and exploitation.

Second, some researchers suggest that entrepreneurial identity serves as an important cognitive framework and influences key decisions of the entrepreneur. The assumption underlying this stream of research is that people attach identity with different meanings. When applied to the entrepreneurship context, founders tend to behave in ways that are consistent with their identities, and therefore imprint their self-concepts on key dimensions of the entrepreneurial firms. For example, Fauchart and Gruber (2011) studied the identities of 49 firm founders in a sports related equipment industry and illustrated that the heterogeneous behaviors, actions, and outcomes were related to the founder's diversity of social identity. Specifically, entrepreneurs were found to attach meanings to the creation of a new firm based on their distinct self-concepts, such as profit seeking, community supporting, and political orientation. They were then named respectively: "Darwinian identity", "communitarian identity", and "missionary



identity”. The entrepreneurs normally possessed one pure identity or a hybrid identity that combined the primary types. Fauchart and Gruber’s (2011) suggested that individuals having a particular identity would identify and exploit opportunities significantly different from individuals with other types of identities.

Finally, identity is tied to strong emotions such as entrepreneurial passion and provides guidelines for entrepreneurial endeavor. Entrepreneurial passion is defined as the “consciously accessible, intense positive feelings” associated with the engagement of venture creation related activities (Cardon et al., 2009: 517). Contrary to the common view that passion is an individual’s inherent disposition, scholars argued that passion actually emerges when the behavioral engagement is congruent with the salient identity (Cardon et al., 2009). More specifically, when certain behavior affirms salient identity, it arouses positive emotions; when behaviors and identity are not consistent, activities are tagged with negative emotions. Over time, positive emotions increase in intensity after reinforcement, and in turn, become passionate, while negative emotions lead to avoidance. Entrepreneurs benefiting from the motivating energy of passion are expected to obtain goal related cognitions (challenge, commitment, striving), develop entrepreneurial behaviors (creative problem solving, persistence, and absorption), and ultimately achieve entrepreneurial outcomes (opportunity recognition, venture creation and growth).

Despite the compelling evidence that entrepreneurial identity is significant to new venture creation, most of the empirical and conceptual work treats

entrepreneurial identity as inherent characteristics, with the assumption that identity is central and enduring to an entrepreneur (Albert & Whetten, 1985). Few studies ask the question of how individuals create identities. Through talking with my respondents, I observed that almost all the entrepreneurs I interviewed had no business experience before they came to Canada, most of them were the first businessman in their family, and many of them said they had never thought of becoming an entrepreneur. Their identity transformation experience led me to question the prevailing assumption that entrepreneurial identity is inherent, and to further explore the process of identity creation.

Overall, the current entrepreneurial literature sheds little light in understanding the process of entrepreneurial identity creation. Many scholars of identity studies call for more research attention to identity process and more studies on understanding individuals and organizations in terms of “becoming” rather than “being” (Ashforth, 1998). It is imperative that we study entrepreneurial identity from a dynamic perspective, because this perspective holds a vital key to our understanding the complex, unfolding and evolving relationship between self, work, and organizations. Identity construction is an established field of research in organization studies. In the next section, I turn to the identity construction literature in organization studies to see how the existing research shed lights on entrepreneurial identity construction.

## **Identity construction in organization studies**

Career change, accompanied by identity change, is becoming increasingly frequent and important in people's working lives in modern society. In organization studies, two streams of literature are prevalent in understanding identity transformation and construction: role transition and identity work. Each stream detects identity construction from its unique perspective and provides insights for my study. However, there are gaps in the literature which remain unaddressed.

### **The role transition literature**

Research involving the role transition perspective suggests that role transition evokes the fundamental change of identity. In assuming the new role and adapting to the demands of the new context, the individual strives to construct a new self-definition. According to Louis (1980a), transitions occur when individuals move from one role to another in and between organizations, or when individuals change their job orientations while holding the same role. Role transition involves dramatic changes in behaviors, not only acquiring new skills and conducting new activities required by the new roles (macro role transition), but also adopting norms, perspectives and rules guiding appropriate behavior (micro role transition) (Ibarra, 1999).

There is no doubt that the founding activity involves a major macro role transition as individuals strive to exit the old work role and engage in the new founder role. The vast majority of role transitions research is conducted in the

macro level. One of the most influential studies by Louis (1980b) is about “newcomers experience in entering unfamiliar organizational settings”. In this study, Louis identified “surprise, contrast and change” as the key features of newcomers’ entry experiences, and described “sensemaking” as the mechanism that the newcomers used to cope with the new experiences. Sensemaking represents the conscious interpretation and meaning attribution in response to novelty and surprise in the environment. In making sense, the individual takes into consideration information and interpretations from others, and their own past experiences and predispositions. Based on sense making, newcomers then attribute meanings to discrepancies in the current situation and select corresponding behavior responses. Louis’s (1980b) model thus provides a cognitive framework for understanding role transitions.

Another notable study was conducted by Nicholson (1984). This study focused on the consequences of role transition rather than the process. Specifically, the author categorizes modes of adjustment into “replication, absorption, determination, and exploration”. The choice of mode is determined by both individual and situation influences including the requirement of the roles, the motivation orientations of the person, the person’s prior socialization experience, and the organization’s current socialization practices. Nicholson’s work role transitions framework points out the differences in personal adjustment outcomes. It also shows how transitions can sustain continuity or engender change in the person and in organizations.

More recently, models identifying phases of change and the corresponding features have begun to draw attention from scholars. For example, Dalton and Thompson (1986) identified four distinct stages in professional careers: apprentice, independent contributor, mentor, and sponsor. Each phase is characterized by different tasks, responsibilities, and relationships. They claim that those individuals who successfully learn skills and move through those stages have higher performance. Nicholson (1987) conceptualized newcomer transition cycle as composed of four phases: (1) the preparation phase which involves an awareness of the change, (2) the encounter phase which requires role exploration and individual sensemaking, (3) the adjustment stage which is related to the actual personal change, and (4) the final stabilization phase. Foil (2002) built on Lewin's (1951) theory of unfreezing, moving, and refreezing to build a model of identity transformation (deidentification, situated reidentification, and identification with core ideology) in organization. Through those phases, the leaders guide the organization members to detach from an old organization identity and reestablish a new identity. Similar transition studies are also conducted in topics such as CEO succession, especially in family firms (Handler, 1990; Le Breton-Miller, Miller, & Steier, 2004).

Overall, the role transition literature suggests that identity changes as individuals move forward along their career paths. It also identifies the phases when organization members leave an old identity behind and establish a new identity. However, the literature fails to detect the process of identity construction.

## **Identity work studies**

Identity work focuses directly on individuals' active construction of identity. Recent scholarship defines identity work as the activities involved with "forming, repairing, maintaining, strengthening or revising the constructions which are productive of a sense of coherence and distinctiveness" (Sveningsson & Alvesson, 2003: 1165). People are seen to engage in identity work when they constantly cope with fragmented or multiple identities in complicated organizational settings (Creed, Dejordy, & Lok, 2010; Ladge, Clair, & Greenberg, 2013), or when they negotiate and adapt to their new identities after the old ones are discontinued by specific events and transitions (Ibarra, 1999; Pratt, Rockmann, & Kaufmann, 2006). In either circumstance, the study of identity work involves an in-depth examination of the specific processes of identity construction.

For instance, in a study of how junior professionals navigate a transition from technical and managerial work to service roles, Ibarra (1999) revealed that observing successful role models was the key to adapting to new roles. The observation ranged from physical appearances to underlying qualities. Through observation, people built "a repertoire of possible selves" (Ibarra, 1999:773); they experimented with possible selves, selected and discarded certain possibilities to fit themselves. Pratt et al. (2006) detected identity construction of medical residents when "what one does" was incongruent with the early conceptualization of the identity. He claimed that achieving alignment between identity and work content motivated identity construction. When the two are misaligned, people

employ coping strategies to customize their identities to fit the work demands, and rectify who they are with what they do. In another study, Creed et al. (2013) uncovered micro mechanisms through which individuals became active agents in resolving personal experiences of challenging intuitional contradiction and marginalization. Similar to other identity work studies, they emphasized the importance of available cultural resources, such as role models, existing narratives, and traditions, in facilitating identity transformation,

The limitation of the above literature on identity work is that these studies focus on professional identity construction within and between established organizations with clear boundaries. In these situations, work roles are clearly specified and institutionalized in the organization; what individuals do is to tailor the self-identity to better fit occupation roles. We know little about the process when individuals explore alternative careers or possible selves, or when individuals must generate a new identity and learn about new possibilities. I am curious about how individuals construct a new identity.

Some studies have attempted to understand the exit process. One is conducted by Ebaugh (1988), described the exit experience of individuals who disengaged themselves from major areas of life, including familial roles, occupational roles, ideological groups (e.g., religion), and stigmatized roles (e.g., alcoholics). She found a strong pattern in the exiting process, and delineated the process as a four-phase model: first doubt; next, seeking alternatives; then, the turning point; and finally, learning to adapt to the ex-role after leaving. Ibarra (2007) proposed a theoretical model which differentiated the “institutionalized”

career change, that is, the routine passages following the organization career ladder, such as entry, promotion, and retirement, from the “non-institutionalized voluntary” career change, whereby individuals take the initiative to seek out career change, such as the founding process. The characteristics of “institutionalized” change is that an actual role change precedes identity change, and individuals make adjustments with the assistance of role models (Ibarra, 1999), organizational socialization practices (Louis, 1980a), or leadership (Fiol, 2002). “Non-institutionalized” transitions, however, constitute the lack of a clear role identity or role model, and the detachment from the old working role is not enforced but voluntary (Ibarra, 2007). Ibarra (2007) categorized “non-institutionalized” identity construction into three stages: exploration, provisional trial, and integration. In particular, early exploration alters established identity commitments, leading to the middle liminal period in which people in transition feel like “in-between” identities, and in the end, the construction process is completed when narratives help people to claim and integrate the new identity. Ibarra (2007) claims that liminality is a unique and critical buffering state for non-institutional identity change.

Ebaugh’s (1988) and Ibarra’s (2007) studies are important for this research and they provide a theoretical platform on which I can build an investigation on how individuals voluntarily disengage themselves from existing roles. However, both studies focus more on the exiting experience rather than the establishment of new identities. They do not answer my question of how individuals create new entrepreneurial identities.



## Summary

In any career change, the higher the magnitude or novelty, the more difficult and longer the identity construction process. Given that founder roles are broad in scope, ambiguous in content, and are involved with high levels of role novelty and complexity (Hoang & Gemeno, 2010), the construction of entrepreneurial identity is inevitably challenging and demands more research attention. What is missing in the literature is an in-depth investigation of the identity construction process of entrepreneurs. Therefore, the goal of this study is to investigate how individuals develop their entrepreneurial identity.

Immigrants, especially Chinese immigrants, have been found to have higher self-employment rates, compared with their native-born counterparts (Li, 2000a). It is my intention that by studying the identity evolution process of Chinese immigrant entrepreneurs, we may have a better understanding of the conditions that: propel their identity transition, and the conditions that provide implications for the entrepreneurial identity transition in general. In addition, identity transition does not happen in a vacuum. A few studies already emphasize impacts of social context in facilitating identity change, including the diversity of instrumental relations (Higgins, 2001), new contacts and weak ties (Ibarra, 2007), and the access to context-specific resources and information (Carnabuci & Wezel, 2011; Kunda, Barley, & Evans, 2002). While those studies emphasize the significance of external networks, they neglect one important social context---the family. I believe that family plays an important role in impacting identity construction. In the next section, I will review the literature on what we already

know about family capital and see how the current knowledge in the family capital literature increases our understanding of entrepreneurial identity construction.

### **The Family capital literature**

The fact that family represents one of the social contexts and exerts influence on the process of venture creation is well understood and accepted by entrepreneurship scholars. Research suggests that among approximately 3.5 million new ventures founded in the United States each year, most (77 percent) are born with the involvement of family, and another 3.8 percent rely on family involvement as time passes (Chua, Christman, & Chang, 2004). Even for those firms that are never officially described as family firms, upon closer analysis of the narratives of foundation, there still indicates a powerful family dimension (Steier, 2007). Habbershon and Williams (1999) introduced the concept “familiness” to describe the unique resources of firms with family involvement. However, what comprises the “family” aspects in the process of new venture creation still deserves more attention (Aldrich & Cliff, 2003; James, Jennings, & Breitzkreuz, 2012; Nordqvist & Melin, 2010; Rogoff & Heck, 2003).

### **What is family capital?**

Hoffman, Hoelscher, and Sorenson (2006) coined the term “family capital” to identify influence of family relationships on business. They refer to family capital as a special form of social capital limited only to family

relationships. They suggest that family social capital possesses two of three components of social capital: the structural and relationship components. Specifically, information channels serve as important social networks within family firms, as well as connect the firms with the outside world. In addition, strong family ties bring about network closure (Coleman, 1990), and therefore generate family norms. Furthermore, family norms, manifested in terms of obligations and expectations, reputation, identity, and moral infrastructure, control the appropriate behavior of family members, and engender trust and reciprocity in the family network. Finally, those features of family social capital are rare, inimitable and non-substitutable; therefore, family firms have a sustainable competitive advantage over other firms.

The benefits of family social capital are further emphasized by Arregle, Hitt, Sirmon, and Very (2007) who claim that family social capital can be transferred to family firms and can create organizational social capital through a number of mechanisms, such as institutional isomorphism, organizational identity and rationality, social network overlap, and human resource practices. Pearson, Carr, and Shaw (2008) add a third source to family social capital—the cognitive component. They explain that the cognitive dimension refers to the shared language and collective understanding developed within the family to maintain collaboration and common goal achievement. Altogether, Pearson, Carr, and Shaw (2008) note that the three resources of family social capital lead to organizational capabilities of efficient information exchange and effective cooperation, which together comprise competitive advantage for the firms.

Danes et al. (2009) broaden the concept of family capital from including not only the family social capital, but also “the total bundle of owning-family member resources composed of human, social, and financial capital” (Danes et al., 2009: 201). In addition, the authors recognize three characteristics of family capital: storability, transformability, and interaction. Storability means the owners can store the three components when they are not using them. Transformability indicates one form of capital can be transformed into another. Thirdly, interaction suggests that the three components are not isolated but bundled together, whereby action occurring in one component can affect another. Danes et al. (2009) note that the three forms of family capital explain a significant portion of family firms’ achievements.

In my study, I adopt Danes et al.’s comprehensive definition of family capital because this definition recognizes the resources possessed by all family members, whether or not they work in the firms. In the following section, I summarize what we already know about the effects of family capital on family business and entrepreneurship.

### **Family social capital**

Social capital is a term used to describe the valuable resources embedded within networks of relationships (Coleman, 1988), providing network members with trust and respect (Uzzi, 1997), privileged access to information (Burt, 1997), and reputation and status (Nahapiet & Ghoshal, 1998). Family capital shares similar characteristics with social capital in terms of creating value through social

relationships, but due to strong roots in family ties, family capital has its own set of unique characteristics compared with social capital in general.

Family social capital is defined as “goodwill among family members” (Danes et al., 2009: 202). Family social capital includes both a structural component, referring to information channels formed through family social networks, and a relationship component, which takes the form of family norms including obligations and expectations, reputation, identity, and moral infrastructure (Hoffman et al., 2006). Family norms usually create trust and a principle of reciprocity among family members from the early lives of young children. Meanwhile, since trust and reciprocity form the foundation of social capital, family is also recognized as the “builder and source” of social capital (Bubolz, 2001:129).

Empirically, studies have shown that family social capital has provided distinct benefits to entrepreneurship. At the opportunity recognition stage, family is described as the idea incubator. Studies show that entrepreneurs often rely on a small circle of family members to discuss their business ideas (Greve & Salaff, 2003); family settings and family reunions are the normal place where individuals merge their knowledge and come up with business ideas (Steier, 2007). At the opportunity exploitation stage, pre-existing close and extended familial ties developed through the history of family interactions are found to become social networks within the organization. Internally, entrepreneurs rely on their relatives for contacts, resources, and expertise (Anderson, Jack, & Drakopoulou-Dodd, 2005). Externally, family social networks connect the business with the outside

world and facilitate access to outside professional organizations and resources (Hoffman et al., 2006).

Steier's (2007) case study better illustrates how family social capital facilitates new venture creation. In the story, an entrepreneur gathered initial financial support through a family friend who had a former transaction history with the father and therefore built trust with the family. The initial angel investors then became conduits and brought in other investors that included at least one family member. This pattern was repeated and friendship ties continued to be enriched. Over time, family ties formed an intense financial network which not only provided advice, resources and support to the business, but also functioned as a vehicle for the firms in terms of marketing and achieving legitimacy. Altogether, Steier (2007) concluded that family ties established a certain level of trust through which family social capital could be more easily translated into financial capital compared to building new relationships with strangers. In another study, Chang et al. (2009) investigated the sources of social capital that nascent entrepreneurs used when starting a new firm. They found that family members' nonfinancial help, such as encouragement in the preparedness stage and voluntary help during hectic times helped entrepreneurs to be better prepared for venturing, and strongly influenced the start-up decisions. Furthermore, Sorenson, Goodpaster, Hedberg, and Yu (2009) focused on two relationship aspects of family social capital, including moral infrastructure and norms, and related family social capital with family firm performance. Moral infrastructure consists of a set of beliefs about family, business, the community, and the interaction among those

entities (Hoffman et al., 2006). Such beliefs results in internalized behaviors, norms, expectations and obligations. They claim that when families establish a business, family social capital, such as the beliefs and norms prominent in the family, are likely to be carried over to the business, and contribute to firm performance.

### **Family human capital**

Family human capital is “skills, abilities, attitudes, and values of family members” (Danes et al., 2009: 203). Family has been found to play a significant role in fostering certain entrepreneurial traits and values through conscious or unconscious socialization of children (Dyer & Handler, 1994; Mauer, Neergaard, & Linstad, 2009; Whiston & Keller, 2004). Moreover, entrepreneurial knowledge and skills are found to be transmitted over generations (Fairlie & Robb, 2007; Hoy & Sharma, 2009). An important finding is that the probability of self-employment is two to three times higher among the children of business owners than among the children of non-business owners (Dunn & Holtz-Eakin, 2000; Fairlie, 1999; Hout & Rosen, 2000).

At the business start-up stage, the most frequently addressed human capital is unpaid family labor. The contributions of the family to the labor supply of the business have been widely recognized, especially in micro and small enterprises (MSEs) (Cruz, Justo, & Castro, 2012; Heck & Trent, 1999; Shanker & Astrachan, 1996). In a survey enriched with interviews in 86 micro-businesses, Baines and Wheelock (1998) confirmed that dependence on family members for

labor within small firms in the UK was the norm rather than the exception. Nearly half of the respondents who lived with a spouse had a high level of spouse participation. They noted that a spouse's labor was a vital resource without which a struggling organization would fail to survive. In a similar vein, Matzek, Gudmunson, and Danes (2010) concluded that spousal involvement led to earlier break-even time, higher business productivity and higher couple relationship quality. Anderson et al. (2005) found that even those family members who had no formal involvement in the business, still assisted in the business through providing hands-on assistance and helping with day-to-day business tasks in pressing times. Steier (2007) revealed that spouses who did not officially participate in the day-to-day activities of firms, still played important informal roles in key decisions.

Despite the advantages derived from employing family members, some researchers also observe potential harms when family members work in the same firm. Studies indicate that hiring family members has the disadvantage of narrowing a firm's pool of potential recruits (Lansberg, 1983; Ward, 1987). Heck and Walker (1993) warned that relatives who depended on family ties for employment could be the least competent. In a similar note, Dyer (2006) noted that when nepotism was the norm in the business, family members who were incompetent might be placed in key positions, thus putting firm performance at risk. Cruz et al. (2012) revealed that employing family members in MSEs contributed to increased sales, but decreased profitability, and therefore the



benefits of kinship ties did not offset the costs of using firm resources inefficiently.

In summary, family participation, either in the form of co-ownership, formal employment, or unpaid practical support, brings family dynamics into business, while at the same time, makes venture creation activities more complex than commonly perceived. Whether or not to include family members in the business is an important decision for entrepreneurs (Dyer & Handler, 1994). As suggested by Dyer (2006), human labor can either be an advantage or disadvantage, depending on the life-cycle stage of the firm. How entrepreneurs deal with the human capital dilemma deserves more research attention.

### **Family financial capital**

Family financial capital is composed of both monetary and physical assets (such as real estate, equipment, etc.) owned by family members (Danes et al., 2009: 204). Sirmon and Hitt (2003) refer to family financial capital as “patient capital” because the investments from family ties are often offered to sustain the development of the business and are not required to be paid back immediately. Family provides initial capital that reduces the urgency of cash flow problems or facilitates the entrepreneur’s abilities to acquire loans (Chua, Chrisman, Kellermanns, & Wu, 2011). Families are also found to be a “resource of last resort” in that entrepreneurs often turn to family members for financing after they exhaust all other possibilities such as banks, angel investors, and venture capitalists (Steier & Greenwood, 2000). Furthermore, Carter (2011) claimed that

in comparison with waged households, entrepreneurial households face a more complex financial situation because the financial rewards of entrepreneurship were “uncertain and irregular” (Carter, 2011: 47). The entrepreneurial households may manage uncertainty in a number of ways, including: frugal consumption and strong savings (Cagetti & De Nardi, 2006; Quadrini, 2000), waged employment undertaken by other family members (Devine, 1994), and diversification of household incomes over a wide range of economic activities (Carter, Tagg, & Dimitratos, 2004; Gentry & Hubbard, 2004; Mulholland, 1996). All these activities subsidize entrepreneurship and reduce the burden of household income generation.

### **Potential dark side of family capital**

The mainstream entrepreneurship and family business research has demonstrated how the three components of family capital create value in the business creation process. Those distinctive features of family capital are rare, inimitable and non-substitutable. Therefore, family capital provides a sustained competitive advantage for venture creation.

While existing entrepreneurship research celebrates the contributions family have made in the actual entrepreneurial process, some scholars have voiced different opinions. For example, Rodriguez et al. (2009) examined the relationship between family capital characteristics and new venture start-up rates in the United States. They found heads of households must first address certain minimum household needs (such as financial and health needs) before they

founded the business. In circumstances when family members had poor health, or when the individual had a large family to support, the probability of launching new firms would be quite low. Steier (2009) agreed with this finding and claimed that each family exhibits differing configurations of resources. While family ties provide access to a network and thus have a positive effect on venture creation, the same ties may have a negative effect if the entrepreneurs have to allocate resources for more basic family needs such as health care. In this sense, the conventional knowledge in the entrepreneurship literature that family acts as opportunity platforms for new venture creation is valid only under certain conditions.

The social capital literature also reminds us that when economic actions are embedded within a social relationship, the consequences can be both positive and negative. For instance, embeddedness may cause high maintenance costs (Hansen, 1998), result in free riding and reduce the initiatives for innovation (Portes, 1998), and make firms in the networks ignore new information outside the network and become vulnerable to external changes (Uzzi, 1997). Social capital is thus a “double-edged sword” that has both positive and negative effects (Adler & Kwon, 2002). It is likely that family capital, with its strong roots in family relationships, shares similar characteristics to social capital.

Another literature that helps me to understand the potential negative aspects of family capital is the work family interface. Scholars in the work family interface area have recognized that the roles of being a spouse or parent are potentially incompatible with those of being a business owner. Indeed, the

incompatibility of role demands creates tensions and stress on the new venture (Danes & Morgan, 2004; Werbel & Danes, 2010), decreases human capital available to business (Rothausen, 2009), and undermines business performance (Jennings & McDougald, 2007). In this sense, spouses become potential resource drains for married entrepreneurs (Loscocco, 1997; Parasuraman & Simmers, 2001; Van Auken & Werbel, 2006).

All the evidence leads me to think further about the coexistence of both positive and negative facets of family capital, and thus I employ a paradox lens to detect the complex, ambiguous and changing features of family capital. Paradox refers to “contradictory yet interrelated elements” that exist simultaneously and persist over time (Lewis, 2000: 760). A good illustration of the distinguishing features of paradox is the Taoism symbol of yin yang--- opposing forces coexisting in harmony. Researchers believe that paradox either originates and persists within an organizational system (inherent) or is created by actors through cognition and subsequent rhetoric (social construction) (Smith & Lewis, 2011). Studies have shown that when individuals face paradox, they usually choose one agenda and defend it, in order to maintain consistency (Cialdini et al., 1995; Vince & Broussine, 1996). In rare situations, individuals with cognitive and behavioral complexity and emotional equanimity are likely to embrace paradoxical tensions by opening up both/and possibilities (Smith & Lewis, 2011; Smith & Tushman, 2005).

The literature suggests that family is a place replete with emotion while business is based on rationality; when the boundary between the two is blurred,

research suggests that emotion leads to behaviors that rational thought would seldom support (Pham, 2007). As a result, there is the ever-present hazard of family members paying attention to their own interests rather than to those of the business. We already know from Rodriguez et al.'s (2009) study that family financial capital has potential negative effects on entrepreneurship. If this is the case, while we pay attention to the contributions family capital has made to entrepreneurship, it becomes questionable whether those effects are solely positive. If family capital has both positive and negative characteristics, it raises important questions about how entrepreneurs cope with the paradox.

### **Research Questions**

In summary, based on what I have learned from the immigrant entrepreneurship literature, studies that investigate how immigrants start a new firm and how family impacts entrepreneurship are quite rare. I also know from the mainstream entrepreneurship literature that entrepreneurial identity is significant in guiding individual actors to take on venture creation activities, but most of the empirical and conceptual work treats entrepreneurial identity as “given” – something people have, or do not. From my study and observation, I found that my respondents spent a lot of time reflecting on who they are and searching for who they could be, before jumping into a new venture creation. In this sense, entrepreneurial identity emerges through a search process rather than existing as an individual characteristic. However, the emerging nature of entrepreneurial

identity and the agency of individual entrepreneurs in developing their own identities are rarely touched on in the literature. Little research has examined how individuals create new identities.

In addition, both family capital theory and the immigrant entrepreneurship literature show that the context of family has a significant impact on entrepreneurial activities. The literature also suggests that family has the potential to facilitate or hinder identity construction. However, the literature on immigrant entrepreneurship has given little attention to the role of family in the entrepreneurial process. Furthermore, when the influence of family is considered, it has focused mostly on the positive aspects of family involvement, such as how family supports immigrant entrepreneurship. But since immigrants typically rely on family as their key social network, we can assume that they may similarly (or perhaps with more intensity) experience a mix of positive and negative effects.

I, therefore, ground my study in the literature reviewed above and ask the following two questions: how do immigrant entrepreneurs create entrepreneurial identities for themselves? And, how do their families foster or constrain the identity creation? In the next section, I describe the methodological approach adopted to answer these questions.

## **Chapter 4 Methodology**

### **Research Design and Method**

This research is exploratory with the purpose of theory building rather than theory testing. To answer “how” questions, researchers often study phenomena in real-life settings and learn from the people themselves (Myers, 2009; Reay & Zhang, 2014). Therefore, I undertook a qualitative methodology to answer my research questions. A qualitative approach not only enabled me to start with a general focus, and with research questions and theoretical frameworks in mind, but also allowed for new theoretical ideas and insights to emerge from the field. With the qualitative approach, I was able to move back and forth between data and theory, and capture the dynamics and complexities inherent in the setting. A qualitative approach also helped me to capture thick descriptions of the experiences of immigrant entrepreneurs in a naturally occurring context and to understand the actual meanings that actors ascribe to their actions (Gephart, 2004).

My interests in understanding the lived experience of immigrant entrepreneurs and their identity creation process place the research within an interpretivist paradigm. In an interpretivist perspective, there is no one objective reality waiting to be uncovered. Instead, meanings of reality are socially constructed (Berger & Luckmann, 1966). Thus, most important to interpretive researchers is not hypothesis testing, but the description and understanding of “members’ meanings and the implications that divergent meanings hold for social

interaction” (Gephart, 2004: 457). Through systematic processes of inquiry and analysis, interpretive researchers develop thick second-order interpretations of people’s first-order lived experiences as well as memorable examples that enrich the setting (Gephart, 2004; Locke, 2001).

I conducted semi-structured interviews where I asked the respondents to tell stories about their start-up experiences. These stories are called vignettes (Miles & Huberman, 1994; Reay & Zhang, 2014). My goal as a researcher was not to obtain the objective “facts” from the talk, but instead was to elicit the rich accounts of subjective experiences, through the talk. In this way, I was able to access the experiences and voices of immigrant entrepreneurs that may have been ignored in the past.

For the analysis, I took a process orientation and attempted to approach entrepreneurial identity in terms of patterns over time. Mohr (1982) differentiated variance models and process models in claiming that a variance model is concerned with variables and causal relationships, while a process model takes sequence and ordering to be critical. Van de Ven (2007) made a similar point and listed six contrasting assumptions of a process model compared to those of a variance model. He pointed out that central to process explanations are the events, that is, “what the key actors do or what happens to them”. Thus, the process approach takes time and timing into account, and is consistent with my research interests which centre on the development of identity. Another feature of the process approach is that it focuses on actionable knowledge. As stated by Langley and Tsoukas (2010), understanding that organizational practice B is more



effective than A is not enough; moreover, we have to know how to produce practice B. In this sense, theorizing the process of moving from A to B and the context of its application produces “know-how” knowledge (Langley, Smallman, Tsouka, & Van de Ven, 2013). Therefore, I believe a process orientation is consistent with my research interests and can help me to answer the question of how individuals develop their entrepreneurial identity.

### **Research Setting**

The Canadian government recognizes that immigrant entrepreneurship contributes significantly to economic development, and it has been endeavoring to attract immigrants who would quickly become self-employed. In the 1980s, the “business immigrants” category was introduced to bring experienced business people to Canada. The current study is an excellent natural experiment because “skilled workers/professionals” who had no prior business experience were recruited. In specific, the data in my study came from interviews with 30 Mainland Chinese who arrived in Canada under the “skilled workers/professionals” immigration category and was running business in Alberta, Canada.

I have chosen Mainland Chinese immigrant entrepreneurs as my respondents for several reasons. Firstly, Mainland China has been the largest source country of immigrants to Canada in the last decade. Chinese immigrants are also known to have the highest start-up rates in the world (Bates, 1997; Waldinger et al., 1990). In addition, I came from Mainland China myself. My familiarity with Confucian values, in addition to my exposure to western values,

prompted me to realize that the entrepreneurial experience of Chinese immigrant entrepreneurs may be quite distinct from those described in the mainstream literature. Furthermore, with the recent growth of China's economy and the introduction of the open-door policy, individuals who immigrated to Canada from Mainland China in the past 15 years are quite different from those who came to Canada as laborers a century ago, and from those who emigrated from Hong Kong due to political reasons in the 1980s. Most literature about Chinese immigrant entrepreneurs concentrates on the latter two groups. The immigrants I focus on, however, are the most recent immigrants from Mainland China. They are mostly middle-class individuals who had good professional jobs in Mainland China, but gave up their comfortable lives there to pursue a "paradise dream" in Canada, often starting a new life in middle age. I admire their courage to give up what they already had, have sympathy for the difficulties they have encountered on their new journey, and applaud what they have achieved in the new world. Finally, Chinese culture is known to be a culture of high context communication, that is, many words are left unsaid and meanings have to be inferred from context (Hall, 1976). Speaking the same language and sharing common values with the respondents gives me the advantage of being context sensitive and able to better understand the meanings that respondents give.

An earlier study that compares the entrepreneurial behaviors of 65 ethnic groups in Canada's 25 metropolitan areas indicated that immigrant entrepreneurs exhibit different characteristics in different metropolitan milieus (Razin & Langlois, 1996). Thus, in my study, I focused on entrepreneurs in only one

province, Alberta, rather than the whole of Canada, in order to minimize differences of geography and policy differences on the entrepreneurial process. Alberta is one of the top three Canadian provinces in which Chinese immigrants choose to settle (Citizenship and Immigration Canada, 2012). Alberta also has one of the highest numbers of small businesses (firms having fewer than 50 employees) on a per capita basis (Government of Alberta, 2011). In 2010, there were 39 small businesses for every 1000 people in the province, far exceeding the Canadian average of 31. Between 2000 and 2010, there were 15.5 percent new small businesses created in the province, the highest founding rate in Canada (Government of Alberta, 2011). This high rate of new venture creation combined with the relatively large number of Chinese immigrants made Alberta an excellent location for my study.

### **Data Collection**

Data collection took place between November 2011 and May 2013. Ethics approval was received from the University of Alberta Research Ethics Board (See Appendix A). Participants were initially identified through personal contacts on a Chinese immigrants' website in Edmonton. This forum was founded by one of my respondents in 2004, and it has become the largest online Chinese community in Alberta with approximately 10,000 members, all of whom are Chinese immigrants currently residing, or planning to reside, in Edmonton. Every day, thousands of Chinese immigrants log into the website to exchange thoughts, share information, and make friends. In addition, this is an important place where entrepreneurs pay to post advertisements so that potential customers in the

Chinese community are aware of their products or services. I have friends connected with the website who know some of the entrepreneurs, so I asked my friends to contact them to see whether they would be willing to participate in my research. I also tried contacting entrepreneurs directly through the phone numbers they left on the advertisements, but was usually declined by them saying they were too busy. “*Guan xi*” (or relationship) is particularly important in the Chinese community. It is through relationships that I contacted my initial two respondents. Snowball sampling was then adopted. I asked respondents to recommend other entrepreneurs and distribute my contact information to their acquaintances. Some declined indirectly saying they did not know other entrepreneurs, but others introduced new respondents to me. Clearly, the sampling was not random, but driven by individuals whose experiences evidenced emerging themes. For example, after realizing there were gender differences in perceptions of family roles, I intentionally included more female entrepreneurs in the sample.

Grounded theory relies on an iterative process of analyzing data and collecting data until “theoretical saturation” is reached (Glaser & Strauss, 1967). Overall, the interviews were conducted in 30 businesses. The original aim of my study was to invite the business owners to talk about their experience with the business and family. During the second phase (after my candidacy exam), some spouses were also added, to complement as well as confirm the stories I collected from the business owners.

I attempted as much as possible to maximize diversity and variation of the businesses. The industries the entrepreneurs were involved in included: catering,

construction and renovation, personal care, professional services, and high-tech firms. The characteristics of businesses are presented in Table 1. The age of businesses ranged from one to ten years. All were small businesses with at most 15 employees, and some had only the founder(s). All of the entrepreneurs came to Canada under the “skilled worker” category (or they had obtained the “skilled worker” immigrant status before they started the business). All of the entrepreneurs had a bachelor’s degree or above. For most entrepreneurs, this was the first company they built up. Only two entrepreneurs had any business experience before they came to Canada. The majority (22 out of 30) were male.

[Table 1 about here]

Interviews were conducted in Mandarin so that interviewees could express their ideas and tell their stories in their mother tongue. At the commencement of each interview, I explained to the respondents the nature and confidentiality of my study. Each interview started with the ice-breaking question of “could you tell me your story of immigration” and then shifted to the “official” topic of “could you tell me your story of starting the business?” and “what is the role of the family?” (For details of interview questions, please see Appendix D). The interview guide provided both structure and flexibility for my study. During the interview, I also asked probing questions to let interviewees expand on their answers. Interviews were appropriate for my study because they provided opportunities for entrepreneurs to construct their stories and make sense of their start-up endeavors by reflecting on their experiences. Each interview lasted between one and two

hours. All interviews were audio-recorded and transcribed to facilitate subsequent analyses.

### **Data Analysis**

Several strategies were adopted in this process. First, I became closely acquainted with the data. I accumulated unforgettable experiences, including memories, the observation of body language and emotions of the interviewees, and feelings of my own lived experience while talking to the participants face to face. In addition, I transcribed and translated all the interviews. The transcribing process brought back more memories of the interview and increased familiarity with the data. Furthermore, reading the interview transcripts many times, moving back and forth between literature and transcripts, and writing notes in the margins all helped me to become more aware of what was in the data.

I then coded the data using NVIVO, a qualitative data analysis software program. The analysis was composed of two stages. The purpose of the first stage was to discover the themes and concepts in the data and group them into categories. This stage involved reading the transcripts line by line and extracting the relevant narratives or “vignettes” when participants talked about identity and family (Miles & Huberman, 1994; Reay & Zhang, 2014). This process generated a set of 163 narratives of identity construction, 43 narratives about coping strategies, and 97 narratives about family roles. Next, looking within and between vignettes, the data were coded into broader categories. This process led to 42 nodes with identity construction, 15 nodes related to family roles, and five nodes

concerning coping strategies. In the second stage, the analysis was refined to develop more abstract description while searching for the relationships among the first-level categories that allowed them to be grouped into second-level constructs. I present these constructs and the representative quotations in Table 2. Figure 2 provides a visual representation of how I moved from first-level to second-level constructs.

[Table 2 about here. Figure 2 about here.]

### **Trustworthiness**

Two central concepts in describing the credibility of scientific research are reliability and validity. Reliability refers to replicability, that is, whether future researchers would draw the same conclusions if they were to have similar opportunities to view the data; validity means whether the results accurately represent the phenomena being explored (Silverman, 2006).

For my study, validity was partially achieved while I conducted most of the interviews in the respondents' workplace. Being on site provided me with the opportunity to contextualize the entrepreneurs' interviews and get a better sense of the organizational milieu. In addition, I conducted the interviews over a 20-month period. The first interview was in November 2011, and the last interview was conducted in May 2013. The prolonged engagement in the field and my access to the informants after the interviews allowed me to discuss my interpretations with the participants and reach a degree of confirmation. Finally, validity was reached while I conducted data gathering and data analysis together.

This grounded analysis experience made me become more attentive to each interview while it was being produced. It also provided a further check as I constantly compared the theoretical themes generated through the data.

It is also important to employ strategies to ensure the reliability of the research. Silverman (2006) mentioned two ways to achieve reliability in qualitative work: by describing the data collection and analysis strategies in detail in the report, and by making explicit how the particular theoretical themes are generated. Thus, to augment the reliability of my study, I followed disciplined steps to collect and analyze data, and made the methodology information transparent. I have included the interview protocol in the Appendix D to provide a general idea of the nature of the interviews. In the Findings section, I have given as many specific examples as possible to illustrate how particular interpretations were produced and how others were excluded. Furthermore, during the analysis process, I remained open to new insights and engaged in triangulation of multiple analyses (Patton, 2002). This was primarily achieved in frequent discussions with my supervisor. In those discussions, I presented tentative theoretical analyses, displayed data, and at times, even expressed confusion and frustration with the data. The triangulation also came from my presentation of preliminary results at the peer-reviewed conference where the data were scrutinized by members of the larger research community.





## Chapter 5 A Process Model of Entrepreneurial Identity Creation

“The development of the business idea was a long process. Originally, I was content with being a scientist. But the job was very unstable. I was laid off when the company ran out of budget. I asked myself: is this what I desired when I gave up being a professor in China and came to Canada? To be laid off again and again? No, definitely not. I don’t want to hand over my destiny to others anymore. I could create my own destiny!”

-----Entrepreneur W

“The understandings and support from my family members mean a lot to me.”

----- Entrepreneur G

The above excerpts describe how the entrepreneurs remarked on their career change decisions, and the role of their family in the entrepreneurial process. When we stand outside and look back, it seems so natural and straightforward to leap directly from a desire for change to the implementation of change, but the real transition process is often long and fraught with fear, uncertainty, insecurity, and self-doubt. Researchers have found that among the 17 percent of the population who considered entrepreneurship as an alternative career option, only two percent actively tried to do so; the rest were still in the planning phases (Hoang & Gimeno, 2010). How do those successful in identity creation cope with the uncertainty in the new world? Even though there is an increasingly large literature on entrepreneurship, we still know very little about what is really involved in the identity creation process.

In this chapter, I will present my findings based on the stories of 30 immigrant entrepreneurs who had little or no previous business experience, but managed successfully to start up a new business in Alberta, Canada, and develop a new sense of who they are, that is, they constructed an entrepreneurial identity. My qualitative analysis of the data shows that individuals went through three stages of entrepreneurial identity construction: (1) exploring possible selves, (2) crafting an entrepreneurial identity, and (3) consolidating that identity through self-narrative. These stages did not always occur in sequence. Although most individuals transitioned through each of the three stages, some engaged in all stages simultaneously or in various combinations. Table 3 illustrates a list of activities involved in each stage, and Figure 3 gives a visual representation of the entrepreneurial identity creation process.

[Insert Table 3 and Figure 3 about here]

My analysis also shows that family plays an important role at each stage of identity transition. At the exploration stage, family members provide emotional support and encouragement, demonstrate their beliefs in the entrepreneurs, and help the entrepreneurs become more willing to exploit their potential. At the later stages, family capital is more instrumental, taking the forms of financial and human capital provision, and reducing the need for external resources. Interestingly, I find that family capital is inherently paradoxical. Interviewees revealed that family could be both positive and negative; family ties that were supportive to business could easily switch to something quite unpleasant. For example, love can turn into interference; financial assistance can turn into

possession; and, advising can turn into control. Likewise, family hindrance also had the potential to become family support. Furthermore, I have identified five strategies that immigrant entrepreneurs employed to manage this paradox, and delineated the mechanisms and consequences of each strategy respectively. Those five strategies are: (1) separating business from family, (2) influencing family members, (3) walking the middle path, (4) seeking support from family members, and (5) sacrificing business for family. In particular, the strategy of walking the middle path and seeking support from family members were adopted the most by respondents in this study.

In the following sections, I first discuss the three stages of identity evolution, showing how individual actors build their identities gradually and how family can impact the identity construction process at each stage respectively. Then I present the paradox of family capital, detailing the strategies that entrepreneurs have employed to manage the paradox.

### **Stage 1: Exploring Possible Selves**

Identity transition begins when the individual reaches out for new options beyond his or her anticipated career path. The interviewees told me that early explorations were usually small-scale, low-cost, and part-time investments. These small-scale explorations allowed the actors to experiment with new possible identities in a limited and controllable range without risking changing jobs immediately. Throughout the trial process, my respondents gradually developed a

clear self-knowledge of “what I want, what I like, and who I want to be” based on the information accumulated, lessons learned, and insights gained.

### **Testing the water**

Central to the exploration stage is to “get one’s hands dirty”. I heard from the entrepreneurs that identity transition is not a linear progression from an existing identity to a new one, but the new identity is continuously shaped by experimenting with new and different alternatives. My interviewees suggested that direct involvement in possibilities was the most efficient and effective way to rectify fantasies, since there were always new issues and information to be dealt with. An entrepreneur gave me an example of his childhood experience of selling ice-cream and how that experience made him realize the difference between “planning business” and “doing business”:

...so my playmate and I decided to sell ice-cream. We planned to buy them at a bargaining price of 0.2 dollars and sell at 0.3 dollars. If we sold 100 pieces a day, it would be 10 dollars--- a lot of money for kids at that time! What a great business idea! But when we did carry a box of ice-cream with the bicycle and walked in the street, we realized a huge problem--- both of us were too shy to hawk along the street, so no person knew we were selling ice-cream. At last, we ate the most by ourselves (Entrepreneur S).

Specifically, at the start, some of my participants consciously knew that they wanted to choose self-employment as a career in the future, but for various reasons, knew it may not have been the right time to take action. So they made use of the exploration stage to intentionally build the resources needed which could then lead to future transformation.

I desired to operate my own business in finance industry. But I had few social networks since I came to Canada only for a short period. Also if I jumped into finance full-time and without any income guaranteed, the livelihood of the family would be threatened. So I took a circular road while retaining my technician job. I made friends through organizing activities in the Chinese community, and became a ‘celebrity’. Many of my clients now are my friends made at that time or referred by them. In addition, I studied in my spare time to get the broker license and started to broker mortgage loans part-time (Entrepreneur K).

Internet and e-business provide convenience to those who would like to try out new possibilities. Some entrepreneurs reported they did not purposefully seek self-employment as a career alternative at the beginning. Rather, they conducted e-business part-time as an extra-curricular activity to increase family income or to enrich their work identity.

My interest in doing business is long overdue. Actually since I was an IT specialist, I had my business on ebay, part-time. I ordered goods from China, and sold them on ebay. Because ebay sets up many restrictions on sellers, my profits were not high. My interests lasted for years but I didn’t consider committing to it until I was laid off. Later, when I was laid off, I thought business is a good option for me, so I didn’t search for any new jobs but opened my own business directly. (Entrepreneur E)

The entrepreneurs said vague options became clearer after the try-outs.

That is, they observed whether the business was right for them in the act of doing, and further built their confidence from the experience.

### **Exposure to new practices**

Many of my respondents told me, at the beginning, they lacked a clear idea of “what I want to be” in the future; however, through exposure to new practices, they fortuitously picked up a new skill or developed a new hobby.

Those experiences encouraged them to attend new activities and communicate with new people. They said that their access to information increased, possibilities enlarged, and opportunities widened. Gradually they began to see themselves as entrepreneurial. One entrepreneur told me he was a moderator of an online real-estate discussion group in his spare time. He gradually gleaned a lot of technical knowledge and developed a keen interest in analyzing the real-estate market. This interest in real estate fueled him to become a realtor ten years later. Now, he is not only a realtor; but he also manages a real estate team composed of four members, and is opening a second company that involves land and construction. There are other stories about how people explored new identities based on their own skills or hobbies. For example, a craftsman learned about a market opportunity and opened a store selling building materials; a wife who cut her family members' hair to save money later became a hairdresser; and an athlete who massaged herself to relieve tensions and injuries started her own massage business.

### **Experiencing identity conflicts**

My analysis indicates that all respondents experienced a feeling of “broken self” related to the immigration experience. Immigrants told me that their earlier sense of themselves as “competent and promising” was threatened in the new environment: the immigration experience breaks them away from previous good jobs, high income, and high social status. They felt lost in the new environment and began to search for new meanings of self. They reported three types of identity conflicts: breaking with past selves, difficulty identifying with others, and dissatisfaction with possible future selves. All together, these identity

conflicts made them realize that their old identity was outdated and problematic. These identity conflicts propelled my interviewees to explore new possibilities and change.

#### Breaking with past selves

Immigrant entrepreneurs told me that the initial landing days were very tough. They were pressed every day with the goal of finding a job in the shortest time for survival. Almost all of them had the experience of doing labor jobs (full-time or part-time) in the first few years of being in Canada. The labor work experience contrasted greatly with their previous professional jobs in China. They told me that they were regarded as elites in Chinese society--- had generally received an excellent education, held high paying work positions, had high levels of prestige, and earned a very good income; but labor work is regarded as a lower job with little or no prestige in Confucian values. Thus, many immigrants were ashamed to tell friends and family members living in China what they were doing in Canada.

We first landed in Montreal. A friend in Montreal helped us to rent a house. I started to look for a job a week after. The competition was fierce. Almost 100 people competed for a job in a restaurant, but the wage is only 5 dollars for an hour. I got the job due to the recommendation of my friend but it was part-time. I could not cover the living expenses of the family. A month later, I heard that there were more job opportunities in Edmonton, so we decided to move. I did a lot of labour work (pizza delivery, house moving helpers, and shelving in supermarket) before finding my first professional job. (Entrepreneur DD)

Immigrants saw that their economic status was degraded and their educational credentials and professional skills were not valued in the labor



market. Participants told me that when they compared their current positions with their past ones, they felt frustrated and started to question whether they have made wrong choices in life. One entrepreneur expressed her regrets this way:

Honestly, my job and salary were pretty good [in China]. I earned 15,000 Yuan per month. It was very high compared with the local wage. I was very young at that time, 23 years old, and I was not afraid of any risk or pressure. So I decided to see what the outside world is like. I told myself I could go back if I couldn't survive in Canada. But the fact is, life is a one-way journey. You do not have the opportunity to do U-turn. (Entrepreneur Q)

Another entrepreneur noted:

I wasn't very keen on immigration. In China, I worked in a state-owned bank. So did my wife. We both had very high salaries. One of the benefits of working in bank was that we spent only 20,000 Yuan to buy our house while its current market value was more than 1 million Yuan. So we didn't have any mortgage to pay. We lived with our parents who cooked for us and took care of our children. Life was very comfortable. (Entrepreneur E)

As Entrepreneur Q said I quoted "Life is a one-way journey. You do not have the chance to do U-turn." Participants told me that they were in a liminal state: that is, their new life was challenging; but even if they went back to China, they would not be able to get their previous jobs back. So the only way was to move forward.

Most of my participants chose to attend language classes in the daytime, work after class at a labour job earning minimum wage, while searching for a professional job related to their former occupation. Some attended local colleges and learned a new skill with a high market demand that guaranteed them a job to sustain their family. Another response was to run a business directly. Three interviewees in my study chose to open a business immediately after landing. One (Entrepreneur G) was successful: the entrepreneur initially bought a convenience

store for survival; two years later, he learned about a better opportunity and opened another manufacturing factory. Another interviewee failed (entrepreneur F): the business had been struggling for two years but could not build a competitive advantage in the market. When I interviewed him, the entrepreneur had just closed his business and decided to return to China. The third entrepreneur (Entrepreneur N) is still experimenting: she closed two businesses and is now running her third one:

When I was in China, I was an accountant. I was in a management position in a large company for almost 20 years. But my English is not good; I could not find a position in Canada comparable to the one in China. I didn't see any better choice (than doing business). (Entrepreneur N)

Difficulty identifying with others

Difficulty identifying with others occurs when my respondents felt like they do not fit in with the social group in the workplace. It was evident in relationship conflicts with colleagues, as well as disagreements with company values or policies:

My colleagues [in the hairdressing store] are all girls in their 20s. I am older than them but I feel they don't respect me. They asked me to do a lot of cleaning work. They reported to the manager I stole from their customers but I didn't. I was never treated like this in China. It is the elder who orders the younger, not the other way around. I changed several stores but it was more or less the same. I felt I didn't belong to that group. (Entrepreneur J)

Another entrepreneur stated:

I worked in a car shop and we changed the manager. I didn't get along well with the new manager. I had my own way of selling cars: I want my

customers to buy a car that they really like; I don't want to use the sales skills to fool them. The manager gave me a lot of pressure and forced me to use the sales skills. So I quit. (Entrepreneur T)

Four entrepreneurs (Entrepreneurs C/D/J/T) told me that experiencing conflicts was a direct impetus and one of the most important reasons that lead them to open their own businesses. Those individuals usually attributed the reasons for leaving their former jobs to the conclusions that their "personality did not match with the working environment."

Dissatisfaction with possible future selves

Dissatisfaction with possible future selves happened when there were discrepancies between "who I am" and "who I want to be". The discrepancies come from various sources, such as unchallenging work:

Although I got a secure job, I was bored with that kind of life. It was like you could foresee the rest of the days of your life. There was no change or challenge at all in my job. I had to surf the internet to kill time at work. (Entrepreneur L)

foreseeable career ceiling:

It is impossible to be a technical worker forever. The ideal career path is to do technical jobs for a period of time, and then move to the position of management. But due to language deficiencies, it would be unlikely for me to ever become a manager. (Entrepreneur AA);

And, limited job development opportunities:

I worked in a law firm. The lawyers have their own mastery but none of them are familiar with immigration law. I was in charge of the immigration cases. Nobody gave me any training since I was hired. I started from scratch. I did all the things by myself, from accounting, preparing payroll, marketing, making documents, and writing reviews. What the lawyers do is to sign their signature. I felt I didn't have much to

learn from that company anymore. What I lacked was a lawyer's license and the right to sign the document. Later when I got my license, I opened my company. (Entrepreneur U)

Dissatisfaction with possible future selves was noted by most entrepreneurs. They identified themselves with positive qualities such as “competent”, “self-motivated”, and “energetic”. However, their disadvantageous positions in the job market and limited career ladders reduced the possibility of making full use of their professional skills. They told me that they did not think they possessed any key entrepreneurial qualities at that moment. But the fear of becoming someone ‘ordinary’ motivated them to look for new possibilities. They treated entrepreneurship as an option that would allow them to apply their past and present experiences and their future perspectives as resources to develop their potential.

### **The role of family at the exploration stage**

*Emotional support* refers to the benefit that family provides to entrepreneurs through companionship and affection. All the participants described how family members gave them support and understandings while they were in the process of searching for a new identity. In particular, they reported that spouses were the first person who heard about their business ideas and plans. In my interview, support and understandings from family members were always mentioned by entrepreneurs as the first and most important contribution of the family. One entrepreneur described how his wife's encouragement gave him confidence:

When I talked about my plans to my wife, she was very supportive and encouraged me to pursue my dream. I don't think every wife would support her husband if he decided to quit a job with stable income and get involved in some risky and unpredictable profession. Her supportiveness gave me confidence to take the plunge. (Entrepreneur P)

*Companionship.* Besides the verbal expression of encouragement, family members also showed their support through companionship. Exploring new possibilities alone, especially in an unfamiliar cultural environment, is intimidating and stressful. Entrepreneurs told me that spousal support and involvement in exploring opportunities together helped them gather the courage to move out of their comfort zones and start to learn new things. Some referred spouses as “advisors”. In their words, “no matter how smart a person is, he or she needs to exchange ideas with others”. Discussion with family members about problems and concerns in the exploration of business opportunities also alleviates stress and boosts positive feelings. A female entrepreneur reflected on how her husband helped her to conquer the fears at the exploration stage:

I was hesitating to try it at the beginning. But he always stood beside me. We took English lessons together, researched the business information, studied for getting a license, and completed all the procedures for registration. If my husband didn't walk me through the initial periods, you would not see the independent me and my business today. (Entrepreneur N)

Overall, all the entrepreneurs highly valued the emotional support and companionship from family members. The entrepreneurs reported they gained confidence, courage, and motivation from family support. Furthermore, they were more willing to step out of comfort zones, to take the risk and try new possibilities.

## **Stage 2: Crafting an Entrepreneurial Identity**

The second aspect of crafting an entrepreneurial identity is characterized by the entrepreneurs' efforts to create the meaning of being an entrepreneur for themselves. Data analysis of their accounts suggests that building a new identity involves three basic tasks: confirming the entrepreneurial self, establishing self-efficacy, and building optimal distinctiveness. In the process of coping with challenges and overcoming problems, the new identity is negotiated and constructed.

### **Confirming entrepreneurial self after trigger events**

Interviewees told me that identity conflict, by itself, was necessary but insufficient to mobilize them to withdraw from their old identity; the decision to engage in a new identity required opportunities to make the new identity seem more viable than the old one. I found that immigrants in my study were pushed or pulled into the new identity crafted by either work-related triggers or family events.

Work-related triggers refer to changes in the work environment which disrupt the stability of the extant identity and point to a new direction for life. In my study, the experience of being laid off is the most frequently mentioned work trigger which cuts off the connections with the old identity. One entrepreneur described how he changed his way of thinking after he was laid off for the second time:

The first company I worked at was short of funding and soon became bankrupt. I had to find another job. The second company was quite similar: they employed a lot of people when the economy was good but laid off the scientists when the economy was bad. So I was laid off again and quickly found my third job. But from that moment, I started to ask myself, is this life I want to live? No. I want to have a stable job and conduct research that I like. Since the environment didn't allow me to live this life, I decided to change it and opened my own company.  
(Entrepreneur W)

There are also positive work triggers that pull my respondents towards a new identity, including obtaining a new qualification certificate, and encountering alluring products or market opportunities. In the following, an entrepreneur talked about how innovation led him to the decision of opening a business:

I discovered a bacterium that nobody else in the world had found. If I continued to work in the lab, this discovery virtually meant nothing to me. Yes, I could publish a paper, get the patent, but I am still an ordinary technician. I won't become a professor because of the patent. I won't have much salary increase either. I'm interested in doing business and I have been looking for a project since 2003. Here it is! I use the bacteria to produce renewable bio-fuel. It has business value. I believe the project I'm doing now is very promising. (Entrepreneur V)

Besides work triggers, family reasons can also be the turning points for reinforcing a new identity. Family triggers mentioned by my respondents include: family relocation forcing them to exit old identities and make a career choice; family financial situations improving, allowing individuals to feel secure enough to take risks and fulfill their entrepreneurial aspirations; family conflicts escalating, provoking my respondents to become independent; and finally cooperation and invitation from family friends and acquaintances, alluring them to engage in entrepreneurship. An entrepreneur explained how she decided to operate a business due to family relocation:

I was planning to register for a computer science program at University of Windsor and then look for an IT job after graduation. But shortly my husband got a job in Calgary. If I stayed in Windsor, we would be separated for years. So I moved with my family to Calgary. I started to think about other ways of make a living. My husband suggested we operate a business. But I had no clue at all about doing business. That was my first time. I was forced at the beginning, but later I started to enjoy it. (Entrepreneur M)

### **Establishing self-efficacy**

Self-efficacy represents the belief that “I am able to” mobilize the resources to operate a business. Without much prior experience of doing business, I found the entrepreneurs built their self-efficacy in two ways: (1) choosing the industry that they have knowledge, and (2) keeping a “zero mindset”.

My analysis shows that immigrant entrepreneurs were very cautious about the businesses they chose. The ability to discover and exploit opportunities has often been considered to be one of the most important indicators of a successful entrepreneur. They tend to choose business areas either because they are familiar with the industry/skills, or/and because they are familiar with the market/customers.

Interviewees believed that their previous and present experience in the industry and the possession of certain professional skills prepared them with the ability to make a realistic estimate of hot spots and future trends. For example, one entrepreneur described how his educational background and work-related experience helped him understand the market, and therefore, was able to seize the opportunity when it appeared:



My background is Chinese medicine. In 2000, I got a position as a chemist scientist in one of the largest chemistry companies in Canada. I was in Natural health lab. The lab was devaluated in the company at that time as no one forecast the future. In 2001, Health Canada started to regulate the industry [natural health products]. As an industry member, I contributed my knowledge and offered inputs into the regulation process. It was also during this process that I saw the opportunity in the industry and opened my own company. I would say I grasped the opportunity at the right time. Now the industry is mature; rare lucrative opportunities are left for new labs. (Entrepreneur X)

Familiarity with product preferences of their co-ethnic clients is also reported as an advantage. Grounded in their own experience, immigrant entrepreneurs mentioned that they were able to spot unaddressed needs, and subsequently offer products and services to their co-ethnic community. An entrepreneur told me “the importance is to do business you are familiar with.” However, due to the intense competition in ethnic enclaves, an analysis of strategic positioning becomes essential. The entrepreneur gave me an example of how an acquaintance he knew failed in business due to “blindly jumping in”:

When I choose my business, the two questions I thought most were “who are my customers?” and “what is my competitive advantage to attract them?” I once chatted with a business owner who sold Chinese flavour snacks. I asked him “who are your potential customers?” He said “Chinese students.” Then I said “If your customers are students, you should choose a location close to the university because many students don’t have cars.” He didn’t listen to me. In addition, his business operated only during daytime but the fact is, students were having classes at that time. No doubt, his business failed within a few months. (Entrepreneur R)

The disadvantage of operating a business in ethnic enclaves is that it is easy for other co-ethnics to imitate the same business when the entry barrier is low. One entrepreneur (entrepreneur E) explained that he chose the business

because it was proven to be successful in other cities such as Toronto and Vancouver. Thus, he was optimistic about operating a similar business in Edmonton. However, a few months after the establishment of the business, a similar business opened in the city. The two businesses then fell into fierce price competition for customers in the ethnic enclaves.

Self-efficacy comes from not only the mastery of the knowledge over familiar areas, but also a “zero mindset”. Mindset relates to how entrepreneurs think of success, failure and difficulty throughout entrepreneurship process. I term it “zero mindset” because entrepreneurs kept relating the worst days of immigration landing as critical, referring points, claiming that since they survived the days of doing labor work with limited income, nothing could be worse than those old days. I name it “zero mindset” also because entrepreneurs learned to reset their life to “zero” from their immigration experiences. In their words “we have to accept that the past life is gone” (entrepreneur B), and “since the moment I landed in Canada, I have prepared myself to start from the beginning” (entrepreneur Z). They apply the mindset to business and tend to start over from zero.

The benefit of detaching from past achievements is that entrepreneurs enjoy the process of exploiting their own potential more than the actual outcome of entrepreneurship. The following are several quotations about how the participants viewed success:

I just want to do something while I am still alive. Success or not is not what I can have control over. (Entrepreneur B)

I don't think success is the most significant thing. Compared to other people, I'm more easily contented. My definition of success is to achieve the goals I've made. I'm doing the business I enjoy. The revenue is increasing. My working time is flexible. I'm content with my current life. (Entrepreneur L)

I don't expect to make a fortune overnight. As long as the business is growing, I'm fine with it. (Entrepreneur A)

Besides relatively low expectations for success, the entrepreneurs have a clear cognitive picture of what the worst scenario could be and are psychologically ready for possible failure:

The process is more important than the result. Even if I failed, I'm happy that at least I tried. We will leave the world one day with nothing, no matter how much money we make. (Entrepreneur W)

I've been working for others in the first half part of my career. Now even if I tried but failed, I still can work for others again and make up the loss. So I'm not afraid of failure. (Entrepreneur V)

When we landed in Canada, we had only \$7,900 but we survived. Now I have more assets, and more work experience. Even if I failed in business, I can still stand up again. (Entrepreneur CC)

Moreover, the entrepreneurs showed a strong will to conquer difficulty and be persistent:

I believe there is no difficulty that cannot be solved. The key is to find ways to solve the problem rather than self-doubting. (Entrepreneur T)

In the most difficult time, my partner and I discussed over phone and face to face, time and time again, hours by hours. We evaluated every possible solution. But we never thought of giving up. We focus on how to make things work. (Entrepreneur P)

To sum up, I heard from interviewees that they developed self-efficacy in two ways. First, choosing a familiar industry gave the entrepreneurs confidence and a sense of control. Second, the "zero mindset" emphasized by almost every

respondent helped them to maintain a determined mind toward success, and to persist despite failure and difficulty. The two aspects together provided psychological strength of the entrepreneurs and boosted their self-efficacy. Self-efficacy allowed them to respond more positively toward negative feedback during the founding process and thus develop persistence.

### **Building optimal distinctiveness**

In the progression of establishing a new identity, I found the entrepreneurs in my study made efforts to balance between being both similar and distinctive to their competitors. In particular, the entrepreneurs in my sample purposefully chose established industries with which they were familiar or industries in which other Chinese entrepreneurs had succeeded. They believe that Chinese immigrant entrepreneurs face similar situations in mobilizing resources in general; therefore, they can easily establish legitimacy when choosing an industry in which other Chinese entrepreneurs have already succeeded while bypassing the businesses with high failure rates:

The first criterion is to choose a business that has been proved successful. Some Chinese entrepreneurs in Toronto and Vancouver are operating a business like mine and they are very successful. This is one of the reasons I chose this business. If others weren't able to succeed, it is very likely that I would fail too unless I was very familiar with the industry and had experience. (Entrepreneur E)

In addition, their identities as Chinese, Chinese immigrants, or Chinese entrepreneurs became salient, and oriented the entrepreneurs to engage in activities consistent with their identity. For example, one entrepreneur (Entrepreneur Q) proudly mentioned that her Chinese identity made it easy to spot

a niche in the market, that is, “in emergent situations, people have the impulse of speaking their mother tongue.” So she and her husband established the first and the only security company providing services in Mandarin in the city. Some entrepreneurs referred to certain qualities of Chinese people to explain their own identities:

We Chinese are strong-minded. We don't easily give up until the last moment. So do I with my company. (Entrepreneur L)

Probably only Chinese make a sacrifice like this: I told my partners that I wouldn't require high salaries when our business started. My salary only covered my lunch and gas fares in the first year. But I don't think the Canadians would do similar thing. They took whatever they deserved no matter what. (Entrepreneur W)

We Chinese provide the best service with low price. For example, even if the customer called me at 10 pm, I would deliver the product in half an hour, door-to-door service. But the other stores all close at 5 pm or 6 pm. (Entrepreneur B)

I find those entrepreneurs strongly identified with their Chinese identity; this identity enables them to constantly define themselves in relation to their ethnic group, and gauge their behaviors accordingly.

However, to be successful, the entrepreneurs also needed to differentiate themselves. They generally compared themselves to three other groups. First, the entrepreneurs compared themselves with native-born Canadian entrepreneurs. As the examples given above show, when entrepreneurs talk about certain qualities of Chinese people, they define themselves by identifying the commonality with Chinese, as well as making distinctions from local Canadians. Another way of

making a distinction is to emphasize their competitive advantage over their competitors. For example,

I have around thirty competitors. My advantage is having a reasonable price, high quality and good service. The business has been operating for 4 years; I didn't receive any negative feedback. I myself am responsible for the sales in the firm and I think this is very important in building reputation. Most of the time, even before the customers raise any concerns, I have already recognized those concerns and proposed solutions; they think I am very professional and thus they trust me very much. (Entrepreneur G)

The turn-around time of all other firms is 10 days. We started with five business days. It not only means that we meet customer needs in a timely manner, but it also shows the strength of our internal management too. Another advantage is that we are the only company to do plant analysis. (Entrepreneur X)

The entrepreneurs also see themselves as distinct from the stereotyped businessperson in the general sense. For example, one entrepreneur uses lifestyle to define himself.

I'm westernized. During weekends, I go fishing in summer and skiing in winter, socialize with friends -- this is the lifestyle I like. I'm not a money-driven person. If I opened a restaurant, I wouldn't have so much time to spend with family and friends. (Entrepreneur E)

The stereotype of a Chinese person is someone who is hard-working and who spends little time on outdoor recreation. The typical businesspersons are achievement-oriented and profit-focused. By using lifestyle to picture himself, the entrepreneur here identifies himself with a social group of westerners and constructs himself as an ordinary person who enjoys life, a loving father who is able to balance family life and business, and a businessperson who doesn't regard the acquisition of money as his sole goal.

Finally, by juxtaposing themselves with other Chinese immigrants who have salaried positions, the immigrants studied here asserted their entrepreneurial identity. For instance, one entrepreneur commented on how a different way of thinking leads to a different way of living:

Some of my former classmates are scientists in the USA. They searched for another job when laid off but never thought of operating their own business. But if they could change their way of thinking and assert that “I could create job opportunities for others,” it would be a total new world for them. But they didn’t take any action because they don’t have this way of thinking. I am different. I give up the job when I realized that is not the life I wanted. I dare to try new challenges. (Entrepreneur W)

Another entrepreneur talked about his personality:

I know many Chinese immigrants in the city. They are hesitant and cannot make a firm decision of whether they should go back to China or what they should do in Canada. I am the kind of person that will stick to my goals once I make the decision. I believe that personality and the way of doing things determines success. A person who succeeds in one place will succeed in another too. (Entrepreneur D)

In both examples, entrepreneurs described the characteristics that distinguish themselves from salaried Chinese immigrants. They attributed their successful identity transition to the ability of thinking outside the box or the persistent personality.

Together, I found the construction of optimal distinctiveness builds a unique identity for the individual, making them feel different from others. At the same time, the entrepreneurs gain self-esteem from the feeling that “what I am doing is important, special, and meaningful.” Optimal distinctiveness, therefore, establishes the meaningful sense of the self as an entrepreneur.

## **The role of family at the crafting stage**

The crafting of a new identity is a crucial stage, and determines whether the entrepreneur can transition successfully to the new identity. Indeed, my interviewees told me it was not easy to leave a career path where they had invested so much of themselves to enter a new zone full of uncertainty and unpredictability. My data shows that the entrepreneurs did not make this identity transition in isolation. In particular, the presence of family members facilitated the development of an entrepreneurial identity mainly through financial support. Financial support took two forms: the stock of family wealth determined whether individuals would take the leap to a new identity, and family funding reduced dependence on external resources while individuals built their identity.

*The stock of family wealth* significantly influenced whether my interviewees moved from identity exploration to confirmation. For the majority of respondents, the wellbeing of the family was their first and foremost goal. Since there are high risks associated with any business operation, they told me it was impossible to consider starting a business if their family did not have a sustainable income source. But those who had family wealth had more options. Below are contrasting statements by two entrepreneurs with different family wealth conditions:

I thought about doing business in the first few years but quickly rejected the idea because of family economic conditions. I had a family to raise. I continued to work until my wife had her first job in 2009. I made sure that her salary alone could cover our expenses. Then I quit my job and started the business. (Entrepreneur CC)



We had family savings. So survival was not a big concern for us. I have the luxury to do the things I really like. And I opened the business.  
(Entrepreneur N)

The significance of family wealth reflects the family-oriented nature of Chinese culture. In particular, the survival of the family is reported as the first priority for my interviewees; the individual has to subordinate his or her own needs to the needs of the family. In addition, the emphasis of family wealth is also related to the funding source of venture creation. Interviewees stressed the importance to Chinese people of emphasizing relationship exchange. It is a common practice that start-up firms utilize family savings and borrowed funds from extended family and friends as the major source of initial seed money. The immigrants in my study conducted business in ways deeply rooted in Chinese culture. They were reluctant to borrow money from a third party, such as the bank. In this sense, the Chinese immigrant entrepreneurs were conservative: they took risks within the affordability of family wealth; otherwise they withheld their entrepreneurial aspirations. Family wealth provided the platform, as well as constraints, for entrepreneurial aspirations.

*Family funding.* Twenty eight out of thirty entrepreneurs in my study reported that family savings and borrowed money from extended family and friends were the only source of their initial funding. Only two entrepreneurs (entrepreneurs D/T) had partial loans from a bank. Another feature of securing initial capital from family was that it conveys the signal to the individual that family members are supportive. The following is how one entrepreneur described how he interpreted the support of his parents:

My parents are conservative on spending money. But when I told them my final decision, they were very supportive and they provided the initial capital for me with almost 400,000 dollars. (Entrepreneur I)

Besides direct investing, family funding to the firm can also be indirect.

For example, the spouse who has a salary from a job often took on the payment of the entire family expenses alone in the first few years when the company revenue was not yet stable. One entrepreneur explained how his family depended on his wife financially in the beginning:

I couldn't take a penny home in the first year. My wife paid the mortgage, living expenses, and raised our kids. If she refused me at that time, I wouldn't be able to have what I have for today. (Entrepreneur V)

Another entrepreneur expressed similar gratitude for his wife's financial supportiveness which gave him the courage and freedom to do business:

My wife covers the family expenses with her salary so that I can concentrate on the business without worrying too much about bringing money home each month. (Entrepreneur Y)

Overall, family financial support, in the form of stock of family wealth and family funding, conveyed the message of financial security to the entrepreneur, and reduced the reliance on external resources for venturing. At the same time, with family members taking care of the family expenses on the back stage, entrepreneurs were able to focus on the frontier, and stave off financial difficulties in the initial periods of venturing.

### **Stage 3: Consolidating the Identity through Self-narrative**

A final stage of identity transition is to craft narratives that consolidate the new identity. After a long phase of oscillating between the old and the new identity, during the third stage, the entrepreneurs started to put a frame around their experience and create compelling stories for their new identity. In my analysis, the entrepreneurs were reluctant to portray themselves as profit-driven businesspersons. Rather, they defined themselves as active agents who have personal control over their own destiny. The narrative is mainly constructed from four perspectives: pursuit of self-development, seeking autonomy, improving family solidarity, and finally, serving the community. Again, these narratives are not mutually exclusive. The entrepreneurs usually described themselves with a combination of two or more elements.

#### **Pursuit of self-development**

The first category of narrative associated with entrepreneurial endeavour is that entrepreneurship satisfies the psychological needs of exploring self-potential. Individuals in this category construct themselves as self-motivating, and welcome a challenge. Engaging in entrepreneurship is, therefore, linked to continual learning and improving oneself. As the entrepreneurs stated:

I love this business because I am motivated to keep learning. Each case of the client is different, which challenges me to think of different ways to help the client. I love the challenge at work. (Entrepreneur U)

Doing business helps me to bring many ideas in my brain into action. Self-fulfillment is meaningful to me. It is more important than anything else. (Entrepreneur Y)

My respondents reported that the congruence between self-identity and entrepreneurial identity activates positive feelings and an intense passion for their work; passion then leads to more goal commitment and persistence. One entrepreneur described his passion towards his own business:

I don't have weekends nowadays but I enjoy it so much. Before, I was pushed to do things. Now, I have passion. I'm eager to know the results and what's next after each experiment. So I don't care whether it is Sunday or not. I work until I'm tired. Every security staff in the building knows me because I stay up late a lot. (Entrepreneur V)

Another one noted how she gained joy from work:

I gained the sense of achievement from work. This feeling is very important; you can hardly gain it from daily life. Especially when my customers recognize my work, I feel happiness. (Entrepreneur U)

Compared with the routine work they had done before, they describe running a business as something that they enjoy and from which they gain a strong sense of self meaning.

### **Searching for autonomy**

Entrepreneurs falling into the category of searching for autonomy construct themselves as enjoying the nature of their work more than the work itself. Interviewees said self-employment provides them with autonomy, flexibility and security, which cannot be offered by institutionalized salaried work. One entrepreneur described how autonomy is important to him:

I have a lot of autonomy now. I work for myself and don't need to report to the boss. Although I don't make a lot of money I feel satisfied. (Entrepreneur C)

In addition, the flexible nature of entrepreneurship gives the individuals freedom to act out other role identities that they value at the same time. For example, one entrepreneur described how his entrepreneurial identity is congruent with his identity as a community activist:

I organized many activities in the Chinese community. However, due to the nature of my former job being on call, I lost many opportunities to attend the social activities in community. I had to turn down my friends when they invited me. I felt I lost part of my identity. Now I feel much better. My time is quite flexible. What's more important, while I attend activities, I'm also networking and meeting my potential customers, which is really exciting. (Entrepreneur K)

Another entrepreneur described how her entrepreneurial identity gave her the freedom to balance work and family:

Entrepreneurship gives me freedom. I am able to do whatever I want: such as achieving my own dreams, attending social activities, etc. Besides, I have enough energy and time to take care of kids. If I have a regular job and go to work from 9 am to 5 pm each day, I don't have the energy to look after my kids. (Entrepreneur N)

Furthermore, since immigrant entrepreneurs usually face disadvantages in the job market, creating jobs for themselves provides them with a sense of security. For example, facing the situation of being laid off, one entrepreneur described his initial thoughts in the following:

After being laid off, I started to ponder and thought about what I really want to do in the future. I was a CNC operator at that time. The construction job is seasonal. Even if I find another job, it is very likely I will be laid off again in the future. Insecurity in the industry diminishes my commitment. Why cannot I control my own fate? Doing business was the most original thought in my mind and it popped out. (Entrepreneur P)

In all, entrepreneurship in this perspective gains meaning not because of how exciting the entrepreneurial work itself is, but because of its embracing nature: it allows the entrepreneurs to pursue other identities without losing their income source; and it provides security and stability to those who face disadvantages in the job market.

### **Improving family solidarity**

Entrepreneurs in the third category of narrative engaged in entrepreneurship not just to satisfy their personal desires and ambitions, but more for the family benefits. Two family goals were mentioned by my respondents as motivators of business creation: family financial freedom and family harmony. Family financial freedom drove them to work diligently to provide a better life style for their families. The immigrant entrepreneurs in my study regarded operating a business as an efficient and effective way of accumulating family wealth compared with waged work. As one entrepreneur mentioned:

The ideal life I dream for my family is that we can travel once or twice each year. The achievement of the goal depends on my income and the success of my business. So to get the life I desire, I have to work hard now. (Entrepreneur Z)

Family harmony is achieved because those entrepreneurs believe that they gain financial independence through operating the business; financial independence in turn helps them to win respect from their spouses. Entrepreneurship for them was less about making money and more about winning respect from their spouses, proving their independence, and even a means of discharging energy, as some entrepreneurs stated:

I'm not housewife material. If I stay at home all year round, I would feel bored and stressed. I would make a fuss about everything and find fault with my husband. I have to do some work to release my energy. That's why I do the business. (Entrepreneur I)

I had some conflicts with my husband. I felt that he looked down on me because I didn't work and I had to depend on him. So I started the business to prove myself; to prove that I don't depend on him. (Entrepreneur H)

It is interesting to note that I found gender difference in narrating how entrepreneurship improves family solidity. In specific, female entrepreneurs in this study tended to talk about operating a business in order to keep the family in harmony; while male entrepreneurs were more likely to describe how entrepreneurship helps to improve the financial situations of their families and achieve financial freedom.

### **Serving the community**

Finally, individuals employing the narratives of engaging in community service saw entrepreneurship as a way of serving the community by providing quality products and services. They saw their activities as facilitating the development of the community, and they themselves gained social recognition from the process. In the following, two entrepreneurs described how making the customers satisfied and helping others became their first priority:

As a realtor, it is true that transactions are important. But the most important thing is to help the customers find the house that they are satisfied with. I hope they buy the house because they like it, not because I use some tactics and sell the house to them. (Entrepreneur D)

Many people think we make a lot of money. I told them 'if you think our sole purpose is to make money from our customers, the business won't last long.' Survival of the business is important. But the mission of my

business is to help those people with needs. I did several cases for free because those customers couldn't afford the fee. (Entrepreneur U)

In particular, to address the customers' needs rather than to make profits is the value advocated by the entrepreneurs holding this perspective. Some of them mentioned building a non-profit organization as one of their future plans to contribute to the community. Also, donation is another topic mentioned frequently.

We donated money to a school in a village in China each year. But it was too little compared to the demands. I hope one day when our business is big enough, I have the ability to build a school for the kids and they go to school for free. (Entrepreneur M)

To summarize, the entrepreneurs in my study actively constructed who they are and what entrepreneurship means to them by drawing on the resources from their past and present experiences and future perspectives, as well as from their other identities. My interviewees said that the identity of businesspersons is associated with "profits-driven, greedy, and unscrupulous" characteristics in Confucius culture. However, in my study, the entrepreneurs made use of narratives to draw a distinction between themselves and the stereotyped businessperson image.

I identify myself as a scholar more than a businessman. In a moral sense, I cannot persuade myself to behave like a businessman. I am just an organizer in the firm. I can never become a businessman. (Entrepreneur W)

Entrepreneur W was a professor and dean at a prestigious university in China. He told me he considered his identity to fit somewhere between a scholar and businessman. So he called himself the organizer of the business. He was



reluctant to identify himself with the businessperson group because he assumed that businessperson was equal to “acquiring money regardless of means”. Rather, he identified himself as someone with moral responsibility. He mentioned how he gained the trust from angel investors in the early years of his company. He was also proud that the company was making returns to the stakeholders. Self-narratives, therefore, help my respondents to give meanings to their choices in life and maintain consistency with their former professional identity.

### **The role of family at the consolidating stage**

At this stage, entrepreneurs have completed their identity transition. They start to legitimize their new identity through narratives. On the one hand, family members continued to play important roles in the business. On the other hand, they began to ask for reciprocity from the entrepreneurs. My analysis indicates that entrepreneurs consolidated their identities by proudly narrating how business contributes back to family; whereby the interests of family are prioritized and emphasized, and the ability to serve family members makes entrepreneurial identity particularly meaningful.

#### **Demand for financial returns**

At the start-up stage, family financial capital may have assisted with the creation of the business. But in the first few years, the entrepreneurs may not have had resources to reciprocate the assistance back to the family. One entrepreneur described how his family made sacrifices for his business.

In the first year, I didn't have a salary. The company paid me 1000 dollars each month, for fuel and for lunch. I didn't support the family at all. In the second year, the financial situation in the company was better, but I got a routine salary, not very high, about 3000 dollars per month. In the fourth year, I got 6000. (Entrepreneur W)

The understanding and supportiveness of family in the early stages of business were greatly emphasized by the entrepreneurs. Without the financial support from the spouses and family, it would have been difficult for entrepreneurs to succeed in their businesses.

We had six partners when the company was set up. Two people backed out later because of different philosophies. For example, their wives didn't work, and they had to make money immediately to support the family. So it was hard for them to suffer the difficult times as we did. I understand them. (Entrepreneur Y)

However, family sacrifice does have its limits. Many entrepreneurs said that the first three years are the most difficult time because of liability associated with the newness of the business. If the business survived for the first few years, the financial pressure became much less burdensome, and the entrepreneurs had the ability to reciprocate the family's support:

I should thank the business for supporting my family. I don't need to debate the price anymore when my daughter aspires to attend some hobby clubs. (Entrepreneur Q)

My parents came to visit us this summer. I now have the financial ability to take the whole family to popular resorts and book comfortable hotels without caring too much about the price. I feel proud of myself. (Entrepreneur S)

This reciprocation not only means supporting the nuclear family, but the extended family as well. One entrepreneur articulated how her business supported a child in a relative's family:

She is my husband's brother's daughter. We financed her to study in Canada. Her family cannot afford her tuition and living expenses. In this sense, we helped to change the life fate of the girl. I think we did something marvelous! (Entrepreneur M)

I observed that entrepreneurs were so proud when they talked about how they were able to provide a better life for family members, and help the family members to achieve their own dreams.

### Impacts on family relationships

Impacts on family relationships is another way that the entrepreneurs use to legitimize their new identities. However, impacts on family relationships can be both positive and negative. An example of a positive impact is when entrepreneurs talked about how they won respect from their partners when they became independent and exhibited business talents. Furthermore, they created, for themselves and others, positive role models for the next generation.

The influence on family is positive. For example, I set up a good role model for my daughter. She feels proud that her dad set up a successful enterprise from a zero beginning. (Entrepreneur B)

Alternatively, entrepreneurs expressed their frustration over the conflicts between being an entrepreneur as well as being a good father and husband.

I used to wash dishes and do some household chores with her [my wife]. But now I had less time. I came home usually late at night. She cooked the meals and raised our kids. (Entrepreneur AA)

I watched a video about interviewing some successful realtors. Almost all of them talked about how family was the most important to them. I don't think they were telling the truth. I want to be a good father and a good husband as well, but I find it too hard. For example, to be a good father, I have to spend a lot of time with my daughter, go to a lot of places with

her, and satisfy her all kinds of needs. But time is very limited. My customers are waiting for me. Either I choose to disappoint my customers, or I disappoint my family. (Entrepreneur D)

Obviously, striking a balance between family and business becomes the new concern. Sometimes, the negative impact on family relationships is so great, it can damage these relationships:

Our seven-year relationship failed. He couldn't give me the support and understanding I wanted. I have tried my best to balance work and family. But sometimes I have to pick up calls and I need to work at night. He didn't understand my career. (Entrepreneur I)

### **The Paradox of Family Capital**

My second research question asked about how immigrant entrepreneurs perceived the influence of family on business. Besides illustrating the critical roles of the family at each identity creation stage in the previous sections, the other feature of family capital is that it is paradoxical: all those factors making family capital valuable to entrepreneurship have the capacity to constrain the development of the business. In addition, the paradox of family capital is inherent and dynamic. On the one hand, positive and negative facets can occur both simultaneously and interdependently. However, on the other hand, this distinction is not permanent, and positive facets have the potential to transform into negative, and vice versa. In this sense, the paradox can never be eliminated. If the entrepreneurs are to obtain positive outcomes, it is imperative that they understand how to respond to the paradox and manage the transformation. In the following, I show how entrepreneurs presented the nature of family capital as

paradoxical, illustrating the intertwinement and potential transformation from positive to negative, and the other way around. Figure 4 provides a visual representation of the paradox of family capital.

[Insert Figure 4 about here]

### **Family support becoming a hindrance**

Family indeed plays a positive role by fostering venture creation and business growth. I coded supportive family capital into two categories: emotional support and instrumental support. Although entrepreneurs focused on the encouragement and assistance they received from family, they also expressed negative consequences such as worries, stress, disappointment, and interference.

In terms of emotional support, almost all informants reported how important the understanding and encouragement of family members were to them, and how family functioned as a place for relieving stress. Unfamiliarity with the Canadian business environment and lack of experience in entrepreneurship exacerbated their level of stress. Thus, emotional encouragement from family members became particularly meaningful to entrepreneurs. However, they also expressed how excessive care from family members might interfere or had actually interfered with business operations. The following quotes illustrated the paradox:

... I have a lot of stress at work. I need the understanding from my family. But when couples work together and have different goals, there would be conflicts. I heard about couples who divorced because of doing business...  
(Entrepreneur G)

The entrepreneur in the example was reluctant to describe his tension with family members explicitly (perhaps due to the indirect communication style in Chinese culture); but he implied that tensions were inevitable when family members participated in business, and he learned the lessons from his friends who failed in marriage that family involvement in business engendered conflicts. Another entrepreneur clearly stated the duality of family emotional support:

The family home is a place for relaxing. I feel stressed when I am at work because the business is always on my mind. I feel relaxed when I get home and see their faces. But I don't like it when they constantly nag me about what to do and what not to do in the business. I know they care about me, but sometimes I wish I could run away. (Entrepreneur R)

Similarly, the paradox is evident when family capital takes the form of instrumental support. On the one hand, the respondents made it clear that they valued the assistance from family and they listed several examples of practical support that they had received from family members. Specifically, family savings were usually mentioned as the major source of financial support for the businesses. Other forms of support included: family members offering to help work in the businesses during their spare time, spouses giving constructive advice, spouses subsidizing family expenses with their own salary incomes, and undertaking a large share of household chores. On the other hand, families could also become a hindrance when they put excessive demands on the business.

One entrepreneur talked about his former partner whose family members originally provided seed money to the business but had a short-term view of their investment:

...especially at the start-up stage, we didn't see revenue right away. But their family still kept the spending habits of buying luxury. They bought everything in trend but quickly found they were run out of money. Then they demanded the return of their investments as early as possible. But this is not the way of doing business... (Entrepreneur C)

The paradox becomes more obvious in the following quote when the entrepreneur sought constructive advice from the family, but her husband started to regard the business as a place for fulfilling his own aspirations and interfered with every single decision of the business:

I ask for my husband's opinions and he was very helpful in giving advice. But he interferes too much. He keeps pushing me to expand my investment in the business. (Entrepreneur M)

He offers to help me during weekend. But he doesn't follow the rules and secretly mixes inferiors with good products to sell them to customers. I'm infuriated. I told him 'I absolutely will not allow for any product quality problem. You would ruin my company's reputation if you keep those inferiors'. (Entrepreneur I)

In this sense, the instrumental assistance (advice, free help) as well as the emotional support (dependency, trustworthiness) coexist and contrast with the "dark side" of instrumental hindrance (increasing overheads, potential harm to the reputation of the firm) and emotional strains (arguments, stress, feeling being controlled, unmet expectations).

### **Family hindrance transforming into support**

My analysis shows that the transformation of family capital is not always one-directional from positive family roles to negative ones, but negative facets also have the potential to generate positive family capital. It is clear that tension in the family tremendously increases with the launch of a new business due to

financial resource allocation, and time conflicts between family and business.

However, my interviewees also told stories that demonstrated that family conquered hardship together and family became the backbone of business over time:

We had a lot of quarrels over money at the beginning and I felt like she wasn't supportive of my business at all. But later the business was in difficulty. It was a disaster for our family. I was at low point at that time. I was constantly talking about suicide. But she said 'no, you are not allowed to die. We can work it out together.' (Entrepreneur K)

The difficulty the Entrepreneur K described was a huge investment failure. The business was almost bankrupted and he felt hopeless. In his words, the difficulty encountered in business was a big test of the family relationship. He believed that most couples would have ended up with serious difficulties or even have divorced if they were in his situation. On the contrary, it turned out to be a good thing for his family relationship. After this difficult period, the couple developed trust. They appreciated each other's contributions and realized what was the most important in life. They worked together to pay off the debts. The business was also going well with understanding and support from the family. In another example, an entrepreneur talked about the transformation of her relationship with her husband:

He once complained that he felt like the home was a hotel to me and the company was my actual home. I knew nothing about his thoughts before. I was shocked. I started to change my priorities. Now we both are content. He is a big supporter of my business. (Entrepreneur H)



In both examples, hindrance (stress, quarrels, and misunderstandings) transforms into either instrumental support (financial assistance) or emotional support.

A third example of the transformation of family capital came from a couple who had different philosophies of operating business but became close partners and grew together. The female entrepreneur was a risk-taker, and her husband, who was also her business partner, was conservative. The husband gave a great deal of advice at the beginning, but this advice was seldom taken. Frustrated, the husband gradually withdrew himself from the business and the couple's relationship reached a low point. The turning point was when the female entrepreneur encountered difficulties in the market and she realized some of the advice previously given by her husband was helpful. So she started to take her husband's opinions more seriously. As remarked by the husband:

She starts to accept some of my business philosophies. I quit my job and I am more involved in the business than before. We spend a lot of time sitting together and exchanging ideas. (Entrepreneur O's Husband)

And the female entrepreneur stated:

My husband is my partner and advisor. The start-up process was not as easy as I imagined. Many things happened and I was almost crazy. We have different personalities. We had a lot of quarrels and conflicts in the past. But I gradually took the differences as good things in that we completed each other and learned from each other. I think we have found out our own way of collaborating with each other, both in business and in our relationship. We are developing new projects together now; he is also in charge of one area of my business. We reserve time for exchanging thoughts almost every day. (Entrepreneur O)

As demonstrated by Entrepreneur O, strains (quarrels, conflicts) can be successfully turned into both instrumental assistance (participation in business, advice) as well as emotional support.

### **Managing the Paradox of Family Capital**

In the preceding section, I noted that the influence of family on business was inherently paradoxical, with family support becoming a hindrance, and family hindrance transforming into support. I then identified five primary strategies used by immigrant entrepreneurs to cope with the paradox of family capital -- separating business from family, influencing family members, walking the middle path, seeking support from family members, and sacrificing the business for the family. I found that each entrepreneur followed at least one of these strategic approaches as a way to harness the paradox. Some even combined two or more strategies. Of the 30 entrepreneurs I have studied, six adopted a strategy of separating business from family, four chose to influence family members, eight walked the middle path, nine sought support from their spouse, and three sacrificed business for family.

I also observed gender difference in employing strategies. In particular, the strategy of separating business from family were all adopted by male respondents, while the strategy of sacrificing business for family were adopted by three female entrepreneurs. There were no obvious gender differences among the rest of the three strategies. Those strategies are illustrated in Table 4 and their mechanisms and consequences are summarized in Table 5.

[Insert Tables 4 and 5 about here]

### **Separating business from family**

The strategy of separation is represented when entrepreneurs deliberately cut off business-related issues from family. Six male entrepreneurs explained that they are reluctant to talk about the business while at home. As one respondent said:

I do not talk about business at home. Sometimes when I am asked and I have to find a topic to chat with my family, I would say ‘I just solved an annoying problem in business. I’m so fed up with it.’ So it is like I just tell my family a little bit afterwards to make them be assured that I am doing well with my business. (Entrepreneur C)

One of the reasons for doing this is to keep trouble and stress away from family, but what’s more, many entrepreneurs purposefully employ this strategy as a preventative measure to minimize interference from the family domain:

I don’t like them to tell me what to do and what not to do in business. Too many opinions make me confused. So I prefer them to leave me alone. (Entrepreneur R)

This theme became more apparent when I asked the entrepreneurs who adopted a separation strategy whether they wanted their spouses to engage in the business and help them. The answers were an absolute “no.” They explained that they hoped their wives could either stay at home or have their own paid jobs, but to combine their family lives with business lives was viewed as very likely to put both the marriage and business in danger. One entrepreneur even gave an example of how other couples divorced because of operating the business together:

I know couples who divorced because of different opinions towards business. So I don't like talking with my wife about the troubles and problems in business. In this way, we avoid conflicts. Another reason is that I think the man should bear more responsibility for the family. (Entrepreneur G)

This strategy is a passive attempt of suppressing the growth of constraining family capital. The entrepreneurs have a pessimistic view toward family involvement in business. Worrying about family help may turn into undesirable strains in the future, and entrepreneurs intentionally limit family involvement in business to prevent conflict.

### **Influencing family members**

When immigrant entrepreneurs feel that interference from the family brings conflicts into business, they turn to the strategy of “influencing family members” to actively solve the conflicts. In particular, entrepreneurs adopting this strategy attempted to exert power and purposefully change the values or behaviors of their family members to be consistent with their business philosophy. One entrepreneur (entrepreneur H) gave an example of how she persuaded her daughter to accept her doing work for the business at home. She provided a massage service to customers at home, but her teenage daughter found it inconvenient to see strangers (customers) when she got home. So the entrepreneur explained to the daughter what nice people the customers were and how important the income was to the family. She presented her explanation as if she was talking to a friend, and her daughter was finally persuaded.

In another example, a woman entrepreneur mentioned how she was bothered by her husband's interference in business. Her husband placed many

expectations on her business. At the beginning, she tried her best to meet those expectations to please him, but gradually she found she was over stressed and could not bear the interference anymore, so she started to change her way of dealing with the relationship between family and business. She developed her own voice:

I set rules for my husband. I told him ‘you should focus on your own job, and I should focus on my company. If we both make decisions for the company, there would be problems when we have different opinions. So the best way is, when I encounter some difficulties, I will ask you for help, and we can discuss the problems together and make a workable plan. As long as I can handle the business by myself, please don’t interfere in it’.  
(Entrepreneur M)

In both situations, family input has already hindered the development of the business. By adopting the strategy of influencing, the entrepreneurs proactively stopped the interference from family and regained balance.

### **Walking the middle path**

This strategy is employed when entrepreneurs strive to accommodate multiple demands and achieve harmony between family and business. For many immigrant entrepreneurs, balancing has been one of the important criteria that guide their start-up decisions. For example, one entrepreneur noted that an important reason that he chose the financing industry rather than others, such as the restaurant industry was that he took the factor of “spending time with family” into consideration. Therefore, he entered the industry in which he could allocate enough time to family and reduced potential time conflicts.

I take off at 6pm on weekdays and spend the whole weekend with my family. This is part of the reason why I chose the industry [of finance]. I let the business grow naturally. I also have time with my family after work. If I opened a restaurant, I wouldn't have as much time to spend with family and friends. (Entrepreneur E)

Still others stated that they chose the industry that didn't require a lot of start-up capitals, or they were thrifty on family expenditure in the first few years of running businesses. They mentioned an old Chinese saying "Liang Ru Wei Chu", meaning to adjust one's expenditure according to the income of the family. Most of our interviewees said they were reluctant to borrow loans from the bank, and family savings were the dominant source of initial capital. Thus, when the entrepreneurs invested in the business, they always considered at first whether the family could afford the risk.

All these balancing strategies are employed in the spirit of accommodating the demands from both family and business. The entrepreneurs constantly keep the paradox of family capital in mind and cautiously maintain a balance inside the paradox. This strategy is consistent with the Chinese "middle way" of thinking, which advocates maintaining an integrated life by balancing the extremes.

### **Seeking support from family members**

All entrepreneurs spoke of how they elicited help from their family members. It is different from the strategy of influencing which implies that the entrepreneurs had to exert powers to persuade family members. It is also different from the strategy of balancing, which demands that both family and business give up part of their benefits. When entrepreneurs initiate the strategy of seeking support from family members, it entails a voluntary sacrifice of family benefits in

the support of business needs. One entrepreneur talked about how his wife supported him by taking responsibility for most of the family chores so that he could focus on the business:

She [the wife] takes care of our kids and does household chores. I was very busy, day and night, in the first year. She cooked dinner according to my schedule and took care of everything at home. (Entrepreneur CC)

Other entrepreneurs also mentioned spouses alone paying mortgage and family expenses in the early years of businesses; spouses and children help in business after their regular work and study; and family members give professional advice and assistance.

Overall, this strategy ensures the growth of business by allowing family to make accommodations for business in term of finance, time, and labor. However, sacrifice is only temporary. In the long run, the entrepreneurs reported that they have to compensate the family (for example, in the form of financial returns, quality time) to re-establish the balance. As the entrepreneur stated:

My business brings a lot of burdens to family. In short term, it is negative. But in the long term, if I am successful, it will be positive. At least in terms of income, my business can support the family for years once succeed. (Entrepreneur V)

In this way, family and business collaborate together to endure the difficult times and expand the “pie”. But if the entrepreneurs keep seeking help from family without returns, family relationships risk having detrimental effects due to long-term sacrifice of family members. Therefore, the entrepreneurs have to be cautious in using this strategy to the extent that the positive facets will not eventually change into negative facets.

### **Sacrificing business for family**

In the face of the competing demands from both family and business, three female entrepreneurs chose to constrain the growth of business in order to reduce family-business conflicts. They had different reasons and different ways of employing the strategy. One participant explained that family was “Gui Su”, a Chinese idiom which means family is the ultimate place to which people belong. She mentioned the reason for starting the business was that she wanted to prove to her husband that she was independent. She also reported the feeling of having more power and influence in running the business. But family was always her priority. Thus, when the schedule of taking care of the children conflicted with that of operating the business, she chose, without hesitation, to close the business.

Another female entrepreneur who owned a hair salon stated that she had great ambition in operating that business when it started. But gradually, she found she was bound to the business day and night, and had little time to spend with family members, in particular with her son and her elderly parents. The thought that “the most important thing to a woman is family” was growing stronger and stronger in her mind. Three years after she started the business, she decided to suppress her career ambitions and shorten the hours of operation so that she might have more time with her family.

I thought about the growth of the business quite often and felt excited. But when I calmed down, I told myself ‘no, you cannot be so selfish’. Family is always the priority. I wanted to spend more time with my family. I regret that I didn’t realize this earlier. (Entrepreneur J)



There were also other tactics of sacrificing such as closing the current business and changing to a new one which did not demand as much family time, and moving the business to a new place due to the relocation of family members. Sacrificing strategy demands the business to be more accommodating to family. Therefore, family capital can restrict business growth.

### **Summary**

In this chapter, I have examined two research questions: 1) how do immigrants develop their entrepreneurial identities? And, 2) how do immigrant entrepreneurs perceive the influence of the family? Data analyses have shown results to be two-fold: first, immigrants create entrepreneurial identity through a process model of three stages; and second, family plays various roles at each stage. In addition, family capital is inherently paradoxical. In this section, I elaborate further on these latter findings.

I found that entrepreneurial identity construction of immigrants is composed of three stages: (1) exploring possible selves, (2) crafting an entrepreneurial identity, and (3) consolidating identity through self-narrative. Immigrant entrepreneurs did not always follow an orderly sequence in identity transition. Rather, some participants described themselves as engaging in several tasks simultaneously and with different degrees of iteration among exploring, creating, and consolidating their identity. In the first stage, the data shows that experimentation with a possible new identity helps dreams become a reality. More specifically, the experience of identity conflicts and exposure to new practices motivated individuals to experiment with possible selves and search for

new possibilities. However, these experiments do not lead to the emergence of a new entrepreneurial identity immediately. It is only through continuous, and sometimes iterative, experiments that entrepreneurial identity gradually becomes salient.

In the second stage, I found the major decision of exiting the old identity was usually triggered by crisis, changes, or opportunities happening in the work and/or in the family. Individuals were cut off from the old identity and started to craft a new one. In addition, they built the new identity through the goal of gaining optimal distinctiveness. That is, they had to achieve a balance between conveying legitimacy to the customers and being different from the competitors. Furthermore, to orient themselves to the new, and often risky entrepreneurial identity, individuals had to be psychologically prepared. My data shows that self-efficacy comes mainly from two sources: 1) knowledge about the industry which gives immigrant entrepreneurs confidence in technical matters; and 2) a “zero mindset” which prepares them to be persistent, and to focus more on the process rather than the results of entrepreneurship.

At the final stage, my study showed that the individuals rationalize and justify their identity change to consolidate their new identity. In particular, I observed that my respondents are reluctant to call themselves “businesspersons” because it is assumed to be related to the profile of conducting business with the sole purpose of acquiring money. Rather, they construct their stories from any of the following four perspectives: pursuit of self-development, searching for autonomy, improving family solidarity, and serving the community.

I also noted that participants differed in how they engaged in these basic processes, and that they did not always follow an orderly sequence among them. Some participants describe themselves as engaging in several tasks simultaneously and with different degrees of iteration among exploration, creating, and consolidation. But it is by going through the three stages, the immigrants successfully made their identity transition from professionals to entrepreneurs.

With regard to the impact of family on identity transition, I found the role of the family takes effect in various forms. Specifically, at the exploration stage, family provides emotional support and companionship. Indeed, entrepreneurs gained confidence, courage, and positivity from family members. Furthermore, they were more likely to walk out of their comfort zones and try out new things. At the identity crafting stage, the stock of family wealth and financial funding from family members reduced the need for external resources. Finally, at the identity consolidation stage, family started to require returns from the business. By providing monetary benefits to family members, entrepreneurs felt proud of their identities which reinforced what they were doing.

I also found that family capital can have detrimental effects to the business. I termed it “the paradox of family capital” as the positive and negative facets of family capital are not constant, but rather are becoming into each other. I have demonstrated that family support that is conducive to business can also have the potential to constrain its growth. Meanwhile, those family factors that hinder the business may also positively affect and facilitate business growth. Thus, how

to balance the contradictory facets of family capital becomes a significant concern for immigrant entrepreneurs. I then identified five primary strategies used by immigrant entrepreneurs to cope with the paradox of family capital-- separating business from family, influencing family members, walking the middle path, seeking support from family members, and sacrificing the business for the family. Each entrepreneur primarily followed one of these strategic approaches as a way to cope with the paradox. Some even combined two or more strategies.

Finally, I have also delineated the mechanism and consequence of each strategy. Specifically, I found that entrepreneurs were more likely to adopt separating or influencing strategies when attempting to prevent family support from becoming a hindrance. Entrepreneurs were more likely to employ the strategies of seeking support from family, or sacrificing for family, when they made efforts to transform family hindrance into family support. And finally, those who utilized walking the middle path strategy did not really consider paradox to be a problem as they were able to maintain a balance between the positive and negative facets of family roles.

The findings presented in this chapter are extensive; indicating that the process of identity creation is a complex process requiring the joint action of the entrepreneurs and their family members. In Chapter 6, I shall briefly review the empirical findings of my study and then explore their theoretical and practical implications.

## **Chapter 6 Discussion**

In this chapter, I present a brief summary of my study findings. I then examine the theoretical implications of the findings.

### **Summary of Findings**

I began my study by asking how Chinese immigrant professionals who had no prior business experience develop an entrepreneurial identity and how family contributes to their identity evolution. My study revealed that entrepreneurial identity became established through three stages: exploring possible selves, crafting a new identity, and consolidating identity through self-narrative. Figure 3 offers a visual representation of the findings.

I found that identity conflicts were commonly experienced by immigrants, especially when they moved into dramatically different environments. Both the feelings of discomfort stirred up by identity conflicts, and the exposure to new experiences, motivated immigrants to try out possible alternatives. Some individuals believed strongly that they wanted to be their own boss at the time of landing; exploration thus allowed them to accumulate relevant experience and build their social network, making entrepreneurship a reality. But most respondents lacked a clear sense of their potential selves. Exploration offered them the chance to discover their potential and learn new skills. At the identity exploration stage, support, encouragement, beliefs, and companionship from family members gave them confidence and courage, and thus they were motivated to engage in experimentation.

However, the process of exploration and experimentation was insufficient to lead to successful identity transition. Trigger events were the turning point that led individuals to leave the old identity and move to the next stage of crafting a new identity. I classified triggers into two categories: work-related triggers and life triggers. Also, I found that entrepreneurs had to be psychologically ready for risks and failure in the new identity. One feature they emphasized was a “zero mindset”; that is, they restarted their lives by going right back to the beginning, or to start from “square one”, or “zero”. This mindset helped entrepreneurs focus on the process rather than the result. I noted that a “zero mindset” made the immigrant entrepreneurs more persistent in the process despite the difficulties in venturing. Furthermore, central to the crafting stage, was to develop the importance and uniqueness of their identity through building optimal distinctiveness. I showed how immigrant entrepreneurs gained self-esteem and self-meaning from their new identities. Families at the second stage provided instrumental assistance, such as financial funding, which reduced the reliance on external resources.

Finally at the consolidation stage, entrepreneurs legitimated their identities and built the coherent story of identity creation. I found that entrepreneurs in my study were reluctant to relate their identities with typical businesspeople who regard the acquisition of money as the sole goal. Rather, their narratives centered around four perspectives, including: pursuit of self-development, searching for autonomy, building family solidarity and serving the community. Narratives helped the entrepreneurs to internalize their new identity as well as consolidate

between who they were with who they had become. The role of the family at this stage was to form relationships that served as cultural resources that entrepreneurs drew on to consolidate and justify their identities.

With regard to the second research question about how family contributes to identity evolution, I found that family was an important context that greatly supported identity transition. I have specified and described specific family roles at each stage of identity construction. In addition, I found family capital was inherently paradoxical. That is, family capital was not always positive; it also had a “dark side”. The two sides were dynamic; and in certain circumstances, they transformed into each other. I showed how positive family capital became negative, and vice versa. Having recognized the paradox of family capital, I then identified five strategies that Chinese immigrant entrepreneurs have primarily adopted to manage the paradox: separating business from family, influencing family members, walking the middle path, seeking support from family members, and sacrificing the business for the family. I pointed out that each entrepreneur followed primarily one of these strategic approaches as a way to harness the paradox; I also clarified the mechanism and consequence of each strategy respectively.

After summarizing the results of my study, I now turn to a discussion of the theoretical implications.

## **Theoretical Implications of the Research**

This study has contributed to three streams of literature: the identity work literature, family capital theory, and the immigrant entrepreneurship literature. I delineate the contributions below.

This research extends the literature on identity work. Although prior research has endeavored to delineate the process of identity work in the workplace, studies were conducted mainly within established organizations where participants had clearly-defined role identities. That is, the extant identity work literature has focused primarily on how professionals adjust their identities to accommodate the occupational roles. Examples include: the socialization of newcomers entering in the organization (Nicholson, 1984; Pratt, 2000); junior professionals navigating from technical and managerial work to more senior client advisory roles (Ibarra, 1999); and the identity change of medical residents throughout their entire residence programs (Pratt et al., 2006). I found three prominent patterns in these literatures. First, organizations play important parts in prescribing occupation choices and shaping the identity of its members. Individuals have little discretion over the role demands of their new identity; rather, the focus of identity work is the process by which individuals strive to better fit their own identities with the occupation roles they assume (Ibarra, 1999). Second, identity work has a heavy reliance on observing and imitating role models. Namely, participants do not construct new identities from scratch. Rather, they build a repertoire of possible selves through observing how role models display the role identity they were attempting to assume, ranging from physical



appearance and manners, to skills and techniques (Ibarra, 1999). Third, research on identity work generally focuses on individuals following a sequential career path, which means that previous role identity and related work experiences have become the important basis for new role identity construction (Ibarra, 2007).

The literature has not yet investigated the question of how individuals construct their new identity when it is dissimilar to their previous occupation roles, and when the new identity (in an entrepreneurial career) is characterized by both high discretion and high novelty of role demands (Hoang & Gimino, 2010). In seeking to fill this gap, I have investigated the identity construction process of a group of immigrants who were professionals but later chose to become entrepreneurs. The emergent model reveals a process that is more variegated than previously understood. The model is a contribution to the growing discourse on the dynamic and evolving nature of identity (Alvesson, Ashcraft, & Thomas, 2008; Ashforth, 1998; Gioia, Schulz, & Corley, 2000). Specifically, the process model that emerges from my study has important implications for our understanding of the exploratory and discovery mode of identity construction. For the individuals in my study, I concluded from the data that the immigration experience shattered their identity as prestigious professionals, broke their assumptions about themselves, and motivated themselves to create new identities from scratch. Different from identity work in professional settings, it appears that the processes of identity experimentation, mindset adjustment and narrative development are necessary for creating new identities and establishing new meanings in a career. In this sense, my study provides an opportunity for scholars

to gain a deeper understanding of substantial identity change that go beyond traditional intra and inter organizational domains, and how such change is experienced and managed.

### **A process view of entrepreneurial identity construction**

Transitions in work memberships, relationships, and roles are prevalent at workplace nowadays. While limited previous studies mostly focused on how individuals experience an exit from the old identity (Ebaugh, 1988; Ibarra, 2007), this study is a starting point for research that looks at the liminality of new identity creation in a non-employment context. That is, immigrants navigate through a process of creating new identity in the face of identity loss and limited career choices. The process model encompasses three key stages that help to better explain how immigrant entrepreneurs make an identity transition.

First, exploration is the first step for the dream of becoming an entrepreneur a reality. Previous literature has generally assumed that entrepreneurial identity is inherent, and individuals are motivated by strong emotions such as passion to engage in entrepreneurial endeavors (Farmer et al., 2011). My finding suggests that entrepreneurial identity could also be emergent. Many of the participants told me that they “had never thought of becoming entrepreneurs”, or if they were still in China, they “would not do entrepreneurship”. It is through the process of exploration that assists the aspiring individuals to become new people, hone new skills, and seek new opportunities. Varied experience and feedback from trial and error then help people to reflect on

their values, abilities and potentials (Schein, 1978), thus forming a repertoire of possible selves (Markus & Nurius, 1986), and finally entrepreneurial identity becomes salient and prominent. Similarly, Ibarra and Petriglieri (2010) touched on this idea and conceptualized “identity play” to refer to the process that “people experiment with a variety of possible selves without necessarily adopting any of them on a permanent basis” (Ibarra & Petriglieri, 2010: 17). This study extends the literature by providing ample empirical evidence explaining why exploration is triggered and how exploration is achieved.

Second, building optimal distinctiveness is another crucial part in leveraging the competences (knowledge, skills, and abilities) learned in the past to develop a new identity. I found that in crafting their entrepreneurial identity, immigrant entrepreneurs attempted to achieve optimal distinctiveness. On the one hand, they purposefully chose established industries with which they were familiar (relating to their prior work experience), or industries in which some co-ethnic entrepreneurs had succeeded (imitation), to gain legitimacy and belongingness. On the other hand, they attempted to differentiate themselves from various groups of competitors in different tactics (emphasizing distinctiveness). The strategy of optimal distinctiveness thus satisfies the needs for security as well as establishes a meaningful sense of self as an entrepreneur. This is significantly different from identity construction in professional settings which emphasizes identification with occupational role identity. By acknowledging the crucial role of building optimal distinctiveness, this study revealed the essence of the entrepreneurial identity construct and provided an important explanation for why

some individuals are successful in crafting entrepreneurial identity while others are not.

In addition, another important competence that is unique to those immigrant entrepreneurs is a “zero mindset” and high self-efficacy. Self-efficacy reflects an individual’s perception as to whether he or she has the desired abilities and skills to perform tasks (Bandura, 1986). Researchers have consistently reported that perceived self-efficacy facilitates agency in individuals (Bandura, 1986), and has a significant effect on entrepreneurial orientation and undertakings (Chen, Greene, & Crick, 1998; Shane, 2003). Although my analysis does not contradict the conventional wisdom that self-efficacy comes from the knowledge and experience people gain through former work experience and exploratory trials, it deepens our understanding that self-efficacy can be cultivated if we change our mindset about entrepreneurship. To be specific, I find my participants have high self-efficacy and are more willing to take risks because they have undergone immigration. They usually refer to the early landing days in the new country (with no job, limited savings, limited social network, and having language problems) as the reference point. As stated by one participant: “Even if I failed, it could not be worse than those early days.” I named attitude as a “zero mindset”. The possession of a “zero mindset” has prepared those immigrant entrepreneurs well psychologically for potential failure. They are more likely to focus on the process rather than the outcome; they have high self-efficacy, and are willing to persist despite difficulties. My research thus extends our understanding of the

sources of self-efficacy, emphasizing the importance of process-oriented thinking in facilitating new identity construction.

A final stage of the exploratory identity construction is justifying the identity transition using narratives; that is, the stories that entrepreneurs tell and use to justify and rationalize their change in identity. There is a recent stream of research on self-narratives, stressing narrative forms of expressing and claiming identity as an important means in role transitions (Ibarra & Barbulescu, 2010). I extend this literature by delineating the cultural repertoires that entrepreneurs draw on to consolidate their identities. Specifically, I found a distinguishing feature of these narratives to be the reluctance immigrant entrepreneurs have with relating their entrepreneurial identity with the profile of businessmen who run their business for profit. Rather, immigrant entrepreneurs picture themselves as individuals with high moral standards, and are motivated by the desire to fulfill their own potential, pursue freedom, and in particular, to create a better life for others, such as their family and the greater community. My participants told me that according to Confucian culture, the entrepreneurial profession is usually devaluated and not regarded as a decent profession; while Chinese collectivistic culture tends to place family as the top priority. By differentiating themselves from businessmen, but identifying with family, the narratives ultimately helped my participants construct coherent and appealing stories of who they are and why they do what they do. Although established theory has noted how individuals use narratives to fit their role identity, my study extends the current narrative literature

by illustrating the opposite effect; that is, how individuals employ narratives to fulfill their own needs and construct the profile they wish others to see.

In summary, my study identified three stages through which Chinese immigrants build their entrepreneurial identity: exploring possible selves, crafting a new identity, and consolidating identity through self-narratives. Although my respondents were Chinese immigrants who became entrepreneurs in the face of identity loss and limited career options, I believe the generic process can be illuminating to exploratory identity construction in other settings as well, such as new graduates or professionals out of work becoming entrepreneurs. Together they comprise the first empirically grounded process model detecting exploratory identity construction. The importance of the model is that it reveals a process that is both more precise and more varied than can be deduced from prior research. It therefore advances our understanding of creating a new identity and offers mechanisms that help to explain why some individuals are successful while others are not.

### **Rethinking family capital**

My study also sheds lights on how family capital facilitates or inhibits the development of entrepreneurship. Currently, we know much about how individuals conduct identity work, but we do not know enough about how contexts play a role in the identity creation of individuals. My study supports the concept that family context is an important factor in the success of entrepreneurial

identity construction. In the following, I detail the contributions to our understanding of each form of family capital respectively.

Family human capital. Ethnic businesses are often described as exhibiting a “family mode of production” (Waldinger et al., 1990), especially in Chinese ethnic firms (Light, 1972; Li, 1998). Although reliance on unpaid and committed family labor has been regarded as a key competitive advantage of many Chinese immigrant businesses (Song, 1997), I found several important features of family human capital in my study that are inadequately addressed in prior literature.

First, I found that family members no longer constitute the primary and sometimes sole labor source in the business. The most recent Chinese immigrants came to Canada with their nuclear family. I observed that the majority have their family members working outside the business, with no kin working for their business. The spouses usually have their own profession, such as in accounting, science, IT, teaching, and nursing. For the few who work in the business, their roles are co-entrepreneurs who share the responsibilities and have specific division of tasks.

Second, spouses assist in the business only during their spare time because business is normally regarded as a family property rather than the entrepreneur’s self-realization of a personal vision. The assistance takes the form of doing menial jobs, giving advice, contributing professional skills, such as accounting management, computer skills, and keeping an eye on the business while the entrepreneurs travel.

Third, the attitude of the entrepreneurs toward spousal help is perplexing. On the one hand, spouses are viewed as trustworthy, committed, and willing to provide help during difficult times. On the other hand, the involvement of family members is likely to introduce more conflict, creating more of a detriment than benefit for the business. Thus some of the entrepreneurs (in particular male entrepreneurs) in my study chose to separate spouses from the process of key business decision-making to avoid potential conflicts and relationship damage.

Family financial capital. The literature holds that Chinese immigrant entrepreneurs depend more heavily on family and friends for financial capital than on formal financial institutions (Bates, 1997). This feature is still prevalent among the entrepreneurs in my study. Twenty-eight out of 30 participants reported family savings and borrowed money from extended family members as the major sources of their start-up capital. However, I also observed two features of family financial capital, which are not well addressed in the literature.

First, at the idea incubation stage, I found family wealth significantly constrains the possibility of business creation. “To spend money depending on how much you have” is the principle held by the entrepreneurs. If they do not have enough money for start-ups, Chinese immigrant entrepreneurs are reluctant to borrow from the bank to achieve their business ideas because a loan will put the whole family into debt. They prefer to withhold their business ideas until family wealth allows them to; otherwise, they choose a business idea that does not require much capital.



Second, family members not only supply initial capital in the start-up stage, but also provide a range of financial assistance to facilitate business continuance. For example, in the initial years, family members may be responsible for expenditures, whereby the spouse takes primary responsibility of paying the mortgage and the everyday living expenses. In another example, when a business is experiencing difficult times financially, family members decide to take on the financial burdens together. Compared to the initial capital provision, those indirect but ongoing financial supports from family members are highly valued by the entrepreneurs.

In conclusion, in terms of family financial capital, my study can help future researchers better understand the underlying reasons why Chinese entrepreneurs prefer to rely on family for initial financing. It also enriches our understanding of the various forms of family financial capital that exist, indicating that these of capital are underrepresented in the extant literature.

Family social capital. Established theory in family business and entrepreneurship holds that family social capital, which refers to the contacts built through family networks, is important to entrepreneurship (Hoffman et al., 2006; Steier, 2007). However, I found that the most recent wave of Chinese immigrants usually lack family social capital because of their short duration in Canada. However, internal family social capital seems to be an important factor for success, but this point is not well documented in the literature. Internal family social capital takes the forms of emotional supportiveness, encouragement, companionship, and spouses' willingness to take care of a larger share of the

family's responsibilities. Positive family social capital conveys the message that family is supportive so that the entrepreneurs can focus on their businesses. However, positive social capital can also turn into negative capital when spouses interfere in business affairs, whereby conflicts can ignite and escalate. My study highlights the fact that the roles of family, in the form of internal family social capital, are more diverse than previously accepted from the extant immigrant entrepreneurship literature. My study also advances the family social capital literature by illustrating that the role of internal social capital remains of critical importance.

To summarize, my study extends the family capital literature in two ways. First, it shows that existing studies regarding the role of Chinese entrepreneurial families is outdated. By focusing on the most recent Chinese immigrant entrepreneurs, I found the Chinese entrepreneurial family plays a much more diverse role than previously documented in the literature. At the same time, some features that were characterized as unique to Chinese entrepreneurial families are no longer relevant. My study, therefore, advances our understanding of the role of the family in the immigrant entrepreneurship process. Second, I provided the empirical evidence exhibiting the detrimental effects of family capital, and pointed out the lack of attention given to this issue in the literature. Until now, family capital has mainly been regarded as positive in the entrepreneurial process. My study demonstrated that this overly simplistic and optimistic view of family capital is misleading. All resources, be they financial, human or social, can contribute negatively to the business venture. Having realized the detrimental

effect of family capital, my study conceptualized entrepreneurship in a new light by indicating that the key to successful entrepreneurial identity construction is not to simply sustain the family, but rather to employ strategies to balance the family role and manage the paradox.

### **Understanding immigrant entrepreneurship**

Immigrant entrepreneurship has emerged as an important topic of research in recent years. Scholars have frequently noted that the self-employment rates of immigrants are higher than native-born citizens, and immigrant entrepreneurship has contributed significantly to economic growth and job creation, especially in developed economies. Through in-depth interviews with 30 recent immigrant entrepreneurs, my study has important implications for understanding the motivation, as well as the mechanism of, immigrant entrepreneurship.

First, this research confirmed the interactionist perspective that engagement in entrepreneurship is a combining effect of the resources that immigrants possess, the disadvantages they encountered in the labor market, and the opportunities they discovered in the market. However, my analysis shows that “resources” and “disadvantages” have new meanings.

In term of resources, this research shows that for businesses operating in the enclave economy, the “social resources” that the ethnic community provides still play important roles. Specifically, Bates (2011) recognized three forms of social resources. I found those resources to be prevalent in the Chinese community; they create a competitive advantage for immigrant entrepreneurs in

crafting their entrepreneurial identity. One such social resource is that immigrant entrepreneurs have good knowledge of the product preferences and tastes of their co-ethnic clients; and therefore, they are better able to discover the potential business opportunities in the ethnic enclave and cater to their preferences. In this study, such niches include: specialty food restaurants; Canada-China transportation services; and Canada-China money transfer and exchange services. In these instances where mainstream businesses have a limited understanding of the demands of Chinese immigrants, businesses operated by co-ethnic immigrants gained a competitive advantage. The second social resource is the desire of immigrants to conduct businesses in their native language. The reason for this is not for just ease of communication, but also because immigrant clients believe that professionals speaking the same language are more trustworthy and are better able to give specific advice, simply by having the same cultural background and similar way of thinking. I found the desire to communicate and serve clients in the same language (i.e., Mandarin), underpinned the success of many professional services, such as law, insurance, finance, tourism, and real-estate. The third social resource is the recruitment of co-ethnic immigrant employees, since these employees appeared to be more trustworthy and easier to communicate with than those from a different ethnic origin. However, consistent with the previous literature, I also found depending on ethnic social resources constrained the growth potential of immigrant businesses operating in ethnic economies.

My study also suggested that some ethnic resources noted in the previous literature are becoming less significant. One such example is a rotating credit

association (RCA), which involves community members putting together savings to provide seed money for aspiring entrepreneurs (Li, 1998; Light, 1972). Rather, I observed that family savings is the most important source of financial capital for Chinese immigrant businesses. Another resource losing its significance is ethnic social capital. Although previous studies emphasized the importance of ethnic ties (Light, 1972; Ram & Holiday, 1993), recent literature notes that ethnic ties are playing a much less significant role in the Chinese community (Li, 2004, 2008; Ooka, 2001; Salaff et al., 2006). My study supports the latter view and shows how recent Chinese business owners usually rely on their own human and family capital.

Hence, my findings indicate that the literature about cultural endowments of ethnic resources is becoming outdated, and may even be misleading. It is clear that although earlier lower skilled immigrants had to mobilize resources based on ethnic solidarity due to the lack of class resources (Light, 1972), the most recent Chinese business owners have high human capital, and they came to Canada with nuclear rather than extended family, thus rely more on their class resources (their own human capital), and various other family resources to achieve business success. In this sense, my study suggests that more research attention to immigrant entrepreneurship should be diverted away from the ethnic group level to the family and individual levels.

In addition, with regard to “disadvantages”, scholars claim that immigrants were usually “pushed” by disadvantages in the labor market into entrepreneurship (Bonacich, 1973; Li, 2000a). The disadvantages commonly addressed in the

literature include: lack of recognition of former credentials gained in China while residing in Canada; lack of Canadian work experience; and language barriers (Li, 2013). My analysis suggests that the “push” effect did exist as many participants in my study decided to engage in entrepreneurship after they were laid off. But the “push” effect has new meaning for immigrants with increased human capital. More specifically, many participants told me it was not that they could not find other jobs in the market, but rather being laid off was the trigger which gave them the chance to stop and think what they really wanted in life. I noted that my participants experienced more or less three forms of identity conflicts before venturing: past-oriented, current-oriented, and future-oriented identity conflicts. However, many stayed in their comfort zone; that is to say, they were not “pushed” into entrepreneurship until trigger events happened. Thus, by providing a process model of how immigrants were “pushed” to leave an old identity to craft a new one, my study also has relevance for our understanding of the motivation and identity transition in other groups of entrepreneurs under similar “push” situations, such as new graduates who cannot find a job, and professionals who are out of work.

Finally, this work contributes to the immigrant entrepreneurship literature by providing new insights about why and how immigrants engage in an entrepreneurship endeavor. It is clear that the fate of the developed economies and that of immigrants have become increasingly intertwined. To date, most of the studies on immigrant entrepreneurship are conducted at both the ethnic group and national levels; however, very few scholars give due attention to individual

immigrant entrepreneurs. I believe that no matter what the economic or institutional influences may be, they alone do not determine the establishment and success of immigrant businesses. A great deal depends on the ambition and abilities of the entrepreneurs. I note that entrepreneurship reflects the alternative choice that immigrants make to take control of their lives. Thus, in an effort to move away from the contextual and structural hypotheses as sole explanations for the high rate of self-employment among immigrant entrepreneurs, my study provides a useful starting point from which we can deepen our understanding of the agency of immigrant entrepreneurs. My study demonstrates how immigrants take control of their lives and mobilize not only the ethnic and class resources that are often identified in the literature, but also their individual characteristics, such as ambition and competence, to realize the goal of self-employment. Therefore, this research advances our understandings of the proactive nature of immigrant entrepreneurship as part of developing an intentional and creative career trajectory.

## **Chapter 7 Conclusion**

In this study, I sought to explore the questions of how immigrants develop their entrepreneurial identities, and how they perceive the role of family. I developed answers to these questions by bringing together three streams of literature: identity theory, family capital theory and immigrant entrepreneurship literature. I find each literature provides valuable theoretical foundations for my study; however, none is adequate to answer the research questions posed in my study. Therefore, I adopted a qualitative methodology which allowed me to capture thick descriptions of the experiences of immigrant entrepreneurs in a naturally occurring context and to understand the actual meanings that actors ascribe to their actions (Gephart, 2004).

The research setting is Chinese immigrant entrepreneurs under the “skilled-workers” category in Alberta, Canada. I conducted in-depth interviews with 30 immigrant entrepreneurs in this locality. I asked respondents to tell their stories of identity creation and the role of family in the identity-building process. The data collected was then analyzed following grounded theory procedures. The results show that the evolution of identity go through three stages: exploring possible selves, crafting a new identity, and consolidating the identity through self-narrative. In addition, I found that family plays an important role in the identity process; however, family capital is inherently paradoxical in that it has both supportive and constraining functions. Finally, I delineated the strategies that immigrant entrepreneurs have adopted to cope with the paradox of family capital.



My study makes three general contributions to the literature. First, it contributes to the identity work literature in organization studies by addressing the largely overlooked process of exploratory and discovery identity construction. I claim that prior studies have focused mostly on how individuals work on their identities to accommodate occupational roles. However, until my study, we knew little about how individuals construct new identities with high novelty and high discretion. Entrepreneurial identity is one with such characteristics. The three-stage process model was developed based on the data in my study, and it deepens our understanding of exploratory identity construction, highlighting the specific mechanisms of successful identity transition.

Second, my study suggests that family is an important factor in the success of identity transition. While the family capital literature generally regards family capital as positive, my study shows that there can be a down side to family capital. Recognizing the detrimental effect of family capital, my study suggests that the strategic goal should be shifted from maintaining family capital, to balancing and managing the two sides of family capital.

Finally, my study also extends the immigrant entrepreneurship literature by focusing on the agency of individual entrepreneurs. Prior researchers in immigrant entrepreneurship tend to focus on ethnic resources and structural constraints to explain the high self-employment rates of immigrant entrepreneurs, but they neglect the individual motivations and competencies that immigrants have exhibited. By studying the identity creation of entrepreneurs and their various narratives, my study demonstrates how immigrants take control of their

lives and, therefore, provides a useful starting point from which we can deepen our understanding of the agency of immigrant entrepreneurs.

### **Implications for Policy**

It is a long standing policy for the Government of Canada to encourage immigration in order to solve problems of labor shortage caused by low birth rates and the increasing number of people reaching retirement age (The Globe and Mail, 2013). Especially starting in the late 1990s, since immigration policy has shifted toward admitting more immigrants in the economic class and selecting highly skilled immigrants, recent immigrants have higher levels of education and more years of professional work experience, in comparison with the immigrants who came to Canada before the 1960s (Citizenship and Immigration Canada, 2012a). However, despite increased human capital, studies indicate that there is a substantial declining trend in the relative employment rates and relative earnings of new immigrants compared with native-born Canadians (Frenette, 2002; Reitz, 2007). Entrepreneurship has been regarded as an important way that immigrants achieve upper mobility and diversify their income possibilities (Sanders & Nee, 1996). In this study, I documented the identity transition process of 30 Chinese immigrants who came to Canada under the “skilled workers” category, but later chose to become entrepreneurs. My study, therefore, has important implications for policy makers in three aspects.

First, my research revealed that financial resources are important to successfully start and operate a business. However, as illustrated, Chinese

immigrant entrepreneurs were reluctant to turn to banks for financial assistance; rather, they relied mostly on family savings or borrowed money from friends or relatives as the main sources of initial financial capital. I heard from my participants that part of the reason for this is that previous experiences in their home country taught them to use saved money rather than borrowed money. Another reason for this is that the businesses I studied were all small businesses (even micro businesses). The entrepreneurs told me that their businesses were too small to apply for any formal form of capital from a lending institution. Also, turning to banks for financial assistance was not particularly cost-effective since the application process was too tedious and risky to engage the bank with. Furthermore, my participants told me that running a business is always associated with uncertainty and risks; borrowing money from the bank creates time and financial pressure to repay the loans, while such pressure is relieved when using family savings or borrowed money from friends. Thus, my participants were willing to take risks only within the affordability of family wealth; otherwise they withheld their entrepreneurial aspirations. The implication for policy makers therefore is to continue to increase the availability of financing to small ethnic businesses. The Canadian government has provided a range of programs to support the development of small businesses. The Canada Small Business Financing (CSBF) program is one successful example. However, to be qualified for the program, the immigrant entrepreneurship is still in a disadvantaged position because of their small scale businesses and lack of credit history. To take the disadvantaged situations of immigrant entrepreneurship into account, and

provide those micro businesses with small-scale and easily accessible financial funding would potentially facilitate the development of immigrant entrepreneurship.

Secondly, in this study I focused on immigrants who were admitted to Canada based on their professional expertise, had little prior business experience, but were proactive and successful in building their business ventures. The implication for policy makers is to recognize that skilled worker program immigrants are also a strong driving force of entrepreneurial activities and economic growth. In contrast to many immigrants under business programs migrating between home and host countries (Li, 2005), I observed that these skilled worker entrepreneurs usually have strong intentions to stay in Canada and contribute greatly to the economic growth of the country. Therefore, they deserve more attention and support. Additionally, my interviewees told me that it is difficult for newly-landed immigrants to start a business because of their unfamiliarity with the Canadian culture and market. Rather, after several years of living in Canada, they got to know the market better and were more likely to be successful in exploiting business opportunities. The situation described by my interviewees partly explains why the entrepreneurial activities initiated by business program immigrants achieved low outcomes. These immigrants faced a dilemma because of the high business risks associated with hurried investments and the high price of removing their immigration condition if no investment was accomplished within the specified years. Therefore, another policy suggestion is

to remove the dilemma faced by business program immigrants and prolong their time to realize successful opportunities.

Finally, my study also shows that the role of immigrant family members has been undervalued in considering economic activities. My study showed that family members either directly engaged in entrepreneurship or actively supported the entrepreneurs to become self-employed. Without the support from the family, self-employment would become more difficult. The family system and business system are closely intertwined; therefore, when the government makes policy that provides economic security and social benefits to the family, it indirectly encourages people to take risks in business and promotes business. Consequently, if policy does not support the family system, the spirit of entrepreneurship will be hindered.

### **Implications for Practice**

My study also has implications for practitioners. In numerous studies and articles, entrepreneurs have been pictured as heroic figures that possess certain personality characteristics and are capable of identifying opportunities in the environment and transforming them into profits. My study, however, examines the small-scale immigrant entrepreneurs who came to a new country, grasped new directions in life and had a faith in their personal possibilities to make a change. By illustrating the process of individuals who had no previous business experience in becoming entrepreneurs, my study provides guidelines to those who have entrepreneurial intentions but hesitate to take actions. It has particular

relevance for other groups who undergo similar “push” situations as these immigrants who were looking for new opportunities, such as new graduates who are not able to find an ideal job in the labor market, and professionals experiencing identity conflicts or job loss.

Moreover, the process model shows that individuals go through three stages to create new entrepreneurial identity: exploring possible selves, crafting a new identity, and consolidating identity through self-narratives. The implications are that the aspiring entrepreneurs must walk out of their safe zones and learn by experimenting. Dreams will never become reality if immigrants do not venture out into new territory. In addition, my study shows that the cultivation of the “zero mindset” which focuses more on the process of entrepreneurship rather than the outcome is crucial. The “zero mindset” provides aspiring entrepreneurs a new perspective of looking at the gains and loss in the venturing process. Furthermore, many of my participants advised that choosing a familiar industry or market will reduce risks; at the same time, they warn that entrepreneurs must discover their own distinct abilities to achieve a competitive advantage. Therefore, finding the optimal balance between familiarity and distinctiveness is what determines why some entrepreneurs are successful while others are not.

My study also demonstrates that the support from family members is vital for entrepreneurship. Many of my participants withheld their aspirations until the family had a steady source of income. They appreciate the sacrifice that their family members have made, especially during the early stage of venturing. They also remark on the cases when some of their partners have withdrawn from the

business because of a financial crisis in the family, or the interference from family members. There is no doubt that a supportive and understanding family is the foundation for successful entrepreneurship. With that said, I noted that family capital can also have a detrimental side. I have delineated five strategies that entrepreneurs in my study employed to manage the paradox of family capital. I note that each strategy has its respective mechanism and consequence. Thus, future entrepreneurs may become aware of the available strategies, and are advised to choose the strategies that are best suited to deal with their situation, complete with its own set of unique family relationships, challenges, and entrepreneurial desires.

### **Future research**

Two directions for future research follow directly from this study. First, while this research largely examined the identity construction of Chinese immigrants under “skilled workers” category who were running businesses in Alberta Canada, the generalizability of the study is inevitably limited. Further research may replicate the study in other immigration settings and other ethnic groups to see whether a similar identity transition process involving the family will emerge.

In particular, in this study I focused solely on Chinese culture and Chinese immigrant families. I found a special meaning that my respondents attribute to entrepreneurship is to “improve family solidarity”. That is, the prosperity of the family is one of the most important motivators of their engaging in venturing. My study also indicates some particular strategies (e.g., walking the middle path)

adopted by Chinese immigrant entrepreneurs to manage the paradox of family capital. These characteristics are consistent with the collectivistic orientation of Chinese culture in which family is emphasized more than the individual. However, previous studies suggest that family functions differently across culture (Danes, Lee, Stafford, & Heck, 2008; Kidwell, Hoy, & Ibarreche, 2012). Given the broad categories of immigration, the existence of diverse immigrant groups, and the geographic differences among cities in Canada, further exploration of the role of family in other ethnic groups should lead to new insights.

Second, a study that attempts to look for patterns of identity creation and family involvement that differ between those who are successful and those who are less successful would be most helpful. Currently in this study, I interviewed the immigrant entrepreneurs who are successful in building their entrepreneurial identities, and most of them achieve family success as well. However, I also heard from my respondents that people they know failed in doing business, or people who are doing business failed in their marriage. Future exploration of the less successful sample of entrepreneurs may provide evidence of differences in trajectories or pacing of identity creation. In addition, future research might reveal that some elements of Figure 3 are more essential or more common in the process of identity reconstruction than other elements. A comparison study of both successful and less successful entrepreneurs would thus generate a deeper understanding of the identity creation and family dynamics in entrepreneurship.



**TABLE 1**  
**Characteristics of Business Owners**

<b>Interviewees</b>	<b>Industry</b>	<b>Size (employees)</b>	<b>Age (year of foundation)</b>	<b>Gender</b>
A	Security System	2	2011	Male
B	Construction and Renovation	1	2005	Male
C	Insurance	2	2004	Male
D	Real Estate	4	2009	Male
E	Finance	3	2010	Male
F	Arts	2	2004	Male
G	Construction and Renovation	7	2007	Male
H	Personal Service	1	2004	Female
I	Retail	3	2011	Female
J	Beauty	1	2008	Female
K	Mortgage	1	2009	Male
L	Tourism	3	2004	Male
M	IT	5	2004	Female
N	Household Appliances	1	2011	Female
O	Finance	4	2011	Female
P	Energy	10	2009	Male
Q	Security System	10	2001	Female
R	Food & Drinks	8	2009	Male
S	Entertainment	6	2009	Male

T	Food & Drinks	10	2007	Male
U	Consultancy	3	2011	Female
V	Biotechnology	3	2012	Male
W	Biotechnology	15	2003	Male
X	Pharmacy	10	2004	Male
Y	Chemistry	10	2007	Male
Z	Transportation	4	2012	Male
AA	Restaurant	11	2010	Male
BB	Food & Drinks	6	2009	Male
CC	Computer appliances	6	2005	Male
DD	Restaurant	7	2006	Male

**TABLE 2**

**Data Exemplars for Second-Level Constructs<sup>2</sup>**

<b>Second-Level Construct</b>	<b>Exemplars from the Data</b>
<b>Breaking with past selves</b>	<p>“When I was in China, I was an accountant. I was in a management position in a large company for almost 20 years. But my English is not good; I could not find a position in Canada comparable to the one in China. I didn’t see any better choice (than doing business).” [N]</p> <p>“Honestly, my job and salary were pretty good in China. I earned 15,000 Yuan per month. It was very high compared with local wage. I was very young at that time, 23 years old, and I was not afraid of any risk or pressure. So I decided to see what the outside world is like. I told myself I could go back if I couldn’t survive in Canada. But the fact is, life is a one-way journey. You don’t have the opportunity to do U-turn.” [Q]</p>
<b>Difficulty identifying with others</b>	<p>“I knew better ways to do things but company rules and policy didn’t allow me to try it. Since I could not change the policy, I could change myself and leave the company.” [C]</p> <p>“I worked in a car shop and we changed the manager in the mid. I didn’t get along well the new manager. I had my own way of selling cars: I want my customers to buy a car that they really like; I don’t want to use the sales skills to fool them. The manager gave me a lot of pressure and forced me to use the sales skills. So I quitted.” [T]</p>
<b>Dissatisfaction with possible future selves</b>	<p>“It is impossible to be a technical worker forever. The ideal career path is to do technical jobs for a period of time, and then move to the backstage of management. But due to language deficiencies, it would be very difficult for our Chinese to be a manager.” [AA]</p> <p>“Although I got a secured job, I was bored of that kind of life. It was like you could foresee the rest days of your life.</p>

<sup>2</sup> The attributions following quotations indicate a letter code for each individual.

	<p>There was no change or challenge at all in job contents. I had to surf the internet to kill time during working hours.” [L]</p>
<b>Exposure to new practices</b>	<p>“I saw my friend cutting hair for her husband at home [to save money]. I thought I could do it too. So I started to cut hair for my husband, my son, and later some neighbors and friends.” [J]</p> <p>“I was a white-collar manager in China. I never thought of doing blue-collar work because Confucian value believes that those laboring with brain are to be served and those toiling with brawn are to serve. After immigration, I worked as a blue-collar technician at first and it changed my view toward the job. If I were in China, my potential would be still suppressed. I didn’t know that I am an entrepreneurial material.” [G]</p>
<b>Testing the water</b>	<p>“I took a circular road while retaining my technician job. I made friends through organizing activities in the Chinese community, and became a ‘celebrity’. Many of my clients are my friends made at that time or are referred by them.” [K]</p> <p>“My interest in doing business is long overdue. Actually since I was an IT specialist, I had my business on e-bay, part-time. I ordered goods from China, and sold them on e-bay. Because e-bay sets up many restrictions on sellers, my profits were not high. My interests last for years but I didn’t consider committing to it until I was laid off. Later, when I was laid off, I didn’t search for any new jobs but moved to operate my own business directly.” [E]</p>
<b>Knowledge about the industry</b>	<p>“I am very optimistic about the industry. There are many potential customers. It is a big market, both domestically and internationally. I wish I could have more energy and time to do more marketing.” [U]</p> <p>“In 2001, Health Canada started to regulate the industry [natural health products]. As an industry member, I contributed my knowledge and offered inputs into the regulation process. It was also during this process that I</p>

	<p>saw the opportunity in the industry and opened my own company. I would say I grasped the opportunity at the right time. Now the industry is mature; rare lucrative opportunities are left for new labs.” [X]</p>
<b>The “zero mindset”</b>	<p>“Since the moment I landed in Canada, I have prepared myself to start from the beginning. Mindset rules. I can start all over again even if I failed one day.” [Z]</p> <p>“I am very confident. I believe no difficulty is unconquerable and no problem is irresolvable. No matter what difficulties I encountered, I never thought of giving up my business. Instead I put all my energies on making it better.” [T]</p>
<b>Building optimal distinctiveness</b>	<p>“The first criterion is to choose a business that has been proved successful. Some Chinese entrepreneurs in Toronto and Vancouver are operating this business and they are very successful. This is one of the reasons I chose this business. If ancestors didn’t succeed, it is very likely that I would fail too unless I was very familiar with the industry and had experience.” [E]</p> <p>“The turn-around time of all other firms is 10 days. We started with five business days. It not only means that we meet customer needs in a timely manner, but is related to internal management too. Another advantage is that we are the only company to do plant analysis.” [X]</p>
<b>Work-related triggers</b>	<p>“I worked as a legal assistant years ago. Later I received my own immigration consultant certificate, so I quitted the job and set up my own company.” [U]</p> <p>“The reason (for quitting job and opening business) was that I discovered a bacterium that nobody did in the world. To operate a business successfully, you should have a good project. I’m interested in doing business and I have been looking for the project since 2003. Here it is! I believe the project I’m doing now is very promising.” [V]</p>
<b>Family-related triggers</b>	<p>“I was planning to get a computer science degree in University of Windsor and take on a professional job after graduation. But my husband found a job in Calgary. If I</p>

	<p>pursued my study in Windsor, we would be separated for years. I gave up my original plan and bought a printing store in Calgary. I had no clue at all about doing business. That was my first time.” [M]</p> <p>“My husband was an expert in Electronics industry when he was in China. When we got married, he came to Canada. But it was hard to find him a job. So we decided to turn our language disadvantage into advantage and opened Edmonton’s first safety company serving in Mandarin and Chinese.” [Q]</p>
<b>Emotional support</b>	<p>“When I talked about my plans to my wife, she was very supportive and encouraged me to pursue my dream. I don’t think every wife would support her husband to quit a job with stable income and get involved in some risky and unpredictable profession. Her supportiveness brings me confidence to take the plunge.” [P]</p> <p>“My husband is supportive of whatever I do as long as I am happy.” [O]</p>
<b>Companionship</b>	<p>“I was hesitating to try out at the beginning. But he always stood beside me. We took English lessons together, researched the business information, studied for getting a license, and completed all the procedures for registration. If my husband didn’t walk me through the initial periods, you would not see the independent me and my business today.” [N]</p> <p>“He [the husband] accompanied me to examine the location of possible stores on weekends, and gave me advice.” [J]</p>
<b>Family wealth stock</b>	<p>“I didn’t open the company until my wife had a stable job and I don’t need to worry about the financial sources of family. I have to make sure that my family survives at first.” [CC]</p> <p>“We saved enough money and had planned to open a store after immigration. So money was not a big issue for us at the beginning.” [N]</p>

<b>Family funding</b>	<p>“My initial capital came from the savings of the family. I also borrowed some money from relatives in China.” [DD]</p> <p>“My wife has a good job and her salary covers the family expense even if I don’t work. So I can freely do what I want to do. And I don’t need much about the family.” [W]</p>
<b>Instrumental support/hindrance</b>	<p>“Some of my partners withdrew from the business because of family reasons. For example, in the first few years, operating the business didn’t make much money. But their families demanded a lot, for example, buying luxury, go to college. If they didn’t change spending habits, they would quickly find out they were short of money. And our partnership ended up finally.” [C]</p> <p>“My initial capital came from the savings of the family. 30,000 dollars is not a small sum of money for my family. I had to think really carefully.” [J]</p>
<b>Emotional support/strain</b>	<p>““In 2011, I lost almost 200,000 dollars because of investment failure. I told my wife what happened. She didn’t blame me but supported me to get through the hardship.” [K]</p> <p>“My husband likes to get involved in my business. I feel stressful when he pushes me.” [M]</p>
<b>Pursuit of self-development</b>	<p>“I’m doing business absolutely not solely for making money. I’m fulfilling my own value. Self-fulfilling is the most important to me.” [Y]</p> <p>“I enjoy the process (of operating business). In the past ten years, I experienced a lot of different things, went to different countries, talked with different shareholders, etc. I wouldn’t have experienced this if I were still a scientist. I enjoy the process and gain a lot from the process.” [W]</p>
<b>Searching for autonomy</b>	<p>“I have a lot of autonomy now. I work for myself and don’t need to report to the boss. Although I don’t make a lot of money but I feel satisfied.” [C]</p> <p>“Being an entrepreneur doesn’t look like as good as we see from outside. I work longer hours than regular employees</p>

	and I don't take holidays. But I am happy and motivated. I don't feel regretted of what I'm doing." [BB]
<b>Improving family solidarity</b>	<p>"The ideal life I dream for my family is that we can travel once or twice each year. The achievement of the goal depends on my income and the success of my business. So to get the life I desire, I have to work hard now." [Z]</p> <p>"I'm not a housewife material. If I stay at home all year round, I would feel bored and stressful. I would make a fuss about everything and find fault with my husband. I have to do some work to release my energy. Doing the business helps family harmony." [I]</p>
<b>Serving the community</b>	<p>"As a realtor, it is true that transaction is important. But the most important thing is to help the customers find the house that they are satisfied with. I hope they buy the house because they like it, not because I use some tactics and sell the house to them." [D]</p> <p>"Many people think we make a lot of money. I told them 'if you think our sole purpose is to make money from our customers, the business won't last long'. Survival of the business is important. But the mission of my business is to help those people with needs. I did several cases for free because those customers couldn't afford the fee." [U]</p>
<b>Financial returns to family</b>	<p>"I should thank my business to provide us with enough revenue to live a good life in Canada." [Q]</p> <p>"My sister-in-law opened a business in China last year. We invested in her business to support her." [X]</p>
<b>Impacts on family relationships</b>	<p>"Our seven-year relationship failed half an year ago. He couldn't give me the support and understanding I wanted. I have tried my best to balance work and family. But he didn't understand my career and we had a lot of quarrels." [I]</p> <p>"The influence to family is positive. I set up a good role model for my daughter. She feels proud that her dad set up a successful enterprise from a zero beginning." [B]</p>



**TABLE 3****Stages of Entrepreneurial Identity Creation**

	<b>Stage One: Exploring possible selves</b>	<b>Stage Two: Crafting an entrepreneurial identity</b>	<b>Stage Three: Consolidating the identity through self-narrative</b>
<b>Activities</b>	<ul style="list-style-type: none"><li>• Experiencing identity conflicts</li><li>• Exposure to new practices</li><li>• Testing the water</li></ul>	<ul style="list-style-type: none"><li>• Confirming entrepreneurial self after trigger events</li><li>• Establishing self-efficacy</li><li>• Building optimal distinctiveness</li></ul>	<ul style="list-style-type: none"><li>• Pursuit of self-development</li><li>• Searching for autonomy</li><li>• Improving family solidarity</li><li>• Serving the community</li></ul>
<b>The role of family</b>	<ul style="list-style-type: none"><li>• Emotional support</li><li>• Companionship</li></ul>	<ul style="list-style-type: none"><li>• Stock of family wealth</li><li>• Family funding</li></ul>	<ul style="list-style-type: none"><li>• Demand for financial returns</li><li>• Impacts on family relationship</li></ul>

**TABLE 4**  
**Data Exemplars for Coping Strategies<sup>3</sup>**

Strategies	Exemplars from the Data
<b>Separating business from family</b>	<p>“I do not talk about business at home. Sometimes when I am asked and I have to find a topic to chat with my family, I would say ‘I just solved an annoying problem in business. I’m so fed up with it.’ So it is like I just tell my family a little bit afterwards to make them be assured that I am doing well with my business.” [C]</p> <p>“I know couples who divorced because of different opinions towards business. So I don’t like talking with my wife about the troubles and problems in business. In this way, we avoid conflicts. Another reason is that I think the man should bear more responsibility for the family.” [G]</p>
<b>Influencing family members</b>	<p>“I set rules for my husband. I told him ‘you should focus on your own job, and I focus on my company. If we both make decisions for the company, there would be problems when we have different opinions. So the best way is, when I encounter some difficulties, I would ask you for help, and we can discuss the problems together and make a workable plan. As long as I can handle the business by myself, please don’t interfere in it.” [M]</p> <p>“My business is home-based. I respect my husband and ask for his opinion if anything happens. I told him if he didn’t like anything what I was doing, he could tell me. One time, my daughter said to me ‘mom, I don’t like to have someone else at our house when I come home.’ Then I explained to her ‘this customer is a nice person. Mom needs to do this job and our family needs the money’. We talked to each other just like friends, and she finally agreed.” [H]</p>
<b>Walking the middle path</b>	<p>“To me, business and family don’t have conflicts. It’s not like in China. In China, after work hours, I need to socialize, normally drinking, with the managers, the coworkers and the customers to have good relationships with them. But I don’t need to do</p>

<sup>3</sup> The attributions following quotations indicate a letter code for each individual.

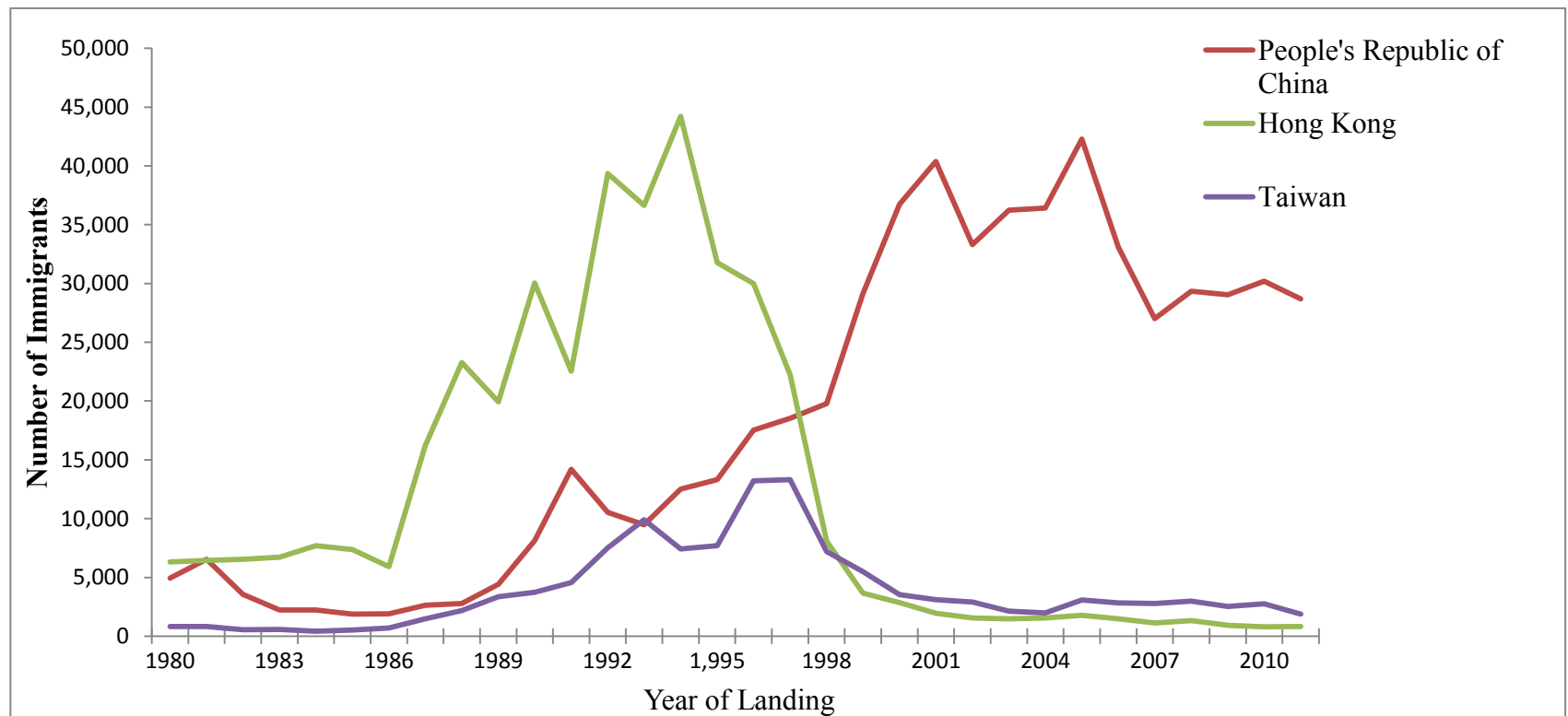
	<p>business at dinner table in Canada. I get things done at work and spend time with my family and friends after work. No conflicts at all.” [P]</p> <p>“I take off at 6pm on weekdays and spend the whole weekend with my family. This is part of the reason why I chose the industry [of finance]. I let the business grow naturally. I also have time with my family after work. If I opened a restaurant, I wouldn’t have as much time to spend with family and friends.” [E]</p>
<b>Seeking support from family members</b>	<p>“My husband is my partner. When my business is in the bottle neck, I usually seek for his advice and we discuss together what the next step should be.” [M]</p> <p>“In 2011, I lost almost 200,000 dollars because of investment failure. I told my wife what happened. She didn’t blame me but supported me to get through the hardship. My daughter agreed to take out the money from RESP (Registered Education Savings Plans) which we saved for her college education. She also lent me 10,000 dollars which she saved for years from part-time jobs. They were all very supportive to me.” [K]</p>
<b>Sacrificing business for family</b>	<p>“Family is the most important to me. I would sacrifice no matter what for the family. This is my principle. There is a Chinese saying: family harmony leads to prosperity in all undertakings.” [N]</p> <p>“I gradually realize family is the most important in recent years. No matter how much money I make, no matter how successful my career is, those things are just possessions. Only family, my husband and my son are real to me. When I came to Canada 10 years ago, my son was a kid. Now he is a big man who is going to college next year. I have spent so little time with them in the past ten years. I feel regret.” [J]</p>

**TABLE 5****Summary of Mechanisms and Consequences of Five Strategies**

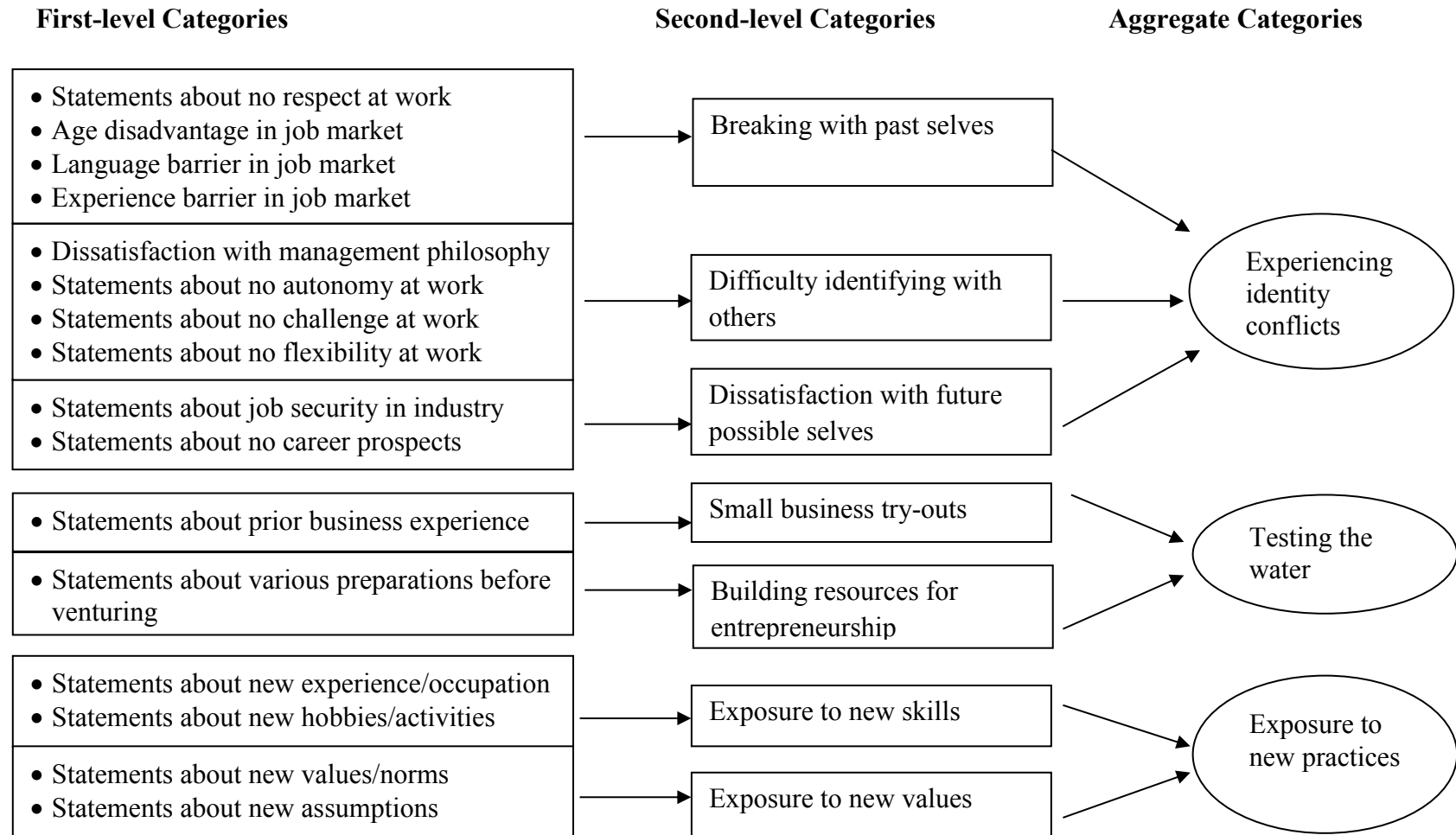
<b>Strategy</b>	<b>No. of business</b>	<b>Mechanism</b>	<b>Consequences</b>
<b>Separating business from family</b>	6	Preventing family support from turning into hindrance	Minimum family involvement in business
<b>Influencing family members</b>	4	Stopping family support from becoming into hindrance	Limited family involvement in business
<b>Walking the middle path</b>	8	Holding the balance; Paradox is not a problem	Family and business are balanced
<b>Seeking support from family members</b>	9	Transforming family hindrance into support	Family sacrifices in short-term, but if reciprocated, both family and business benefit in the long run
<b>Sacrificing business for family</b>	3	Removing strains in the family relationship	Family relationship improves at the cost of limited firm growth

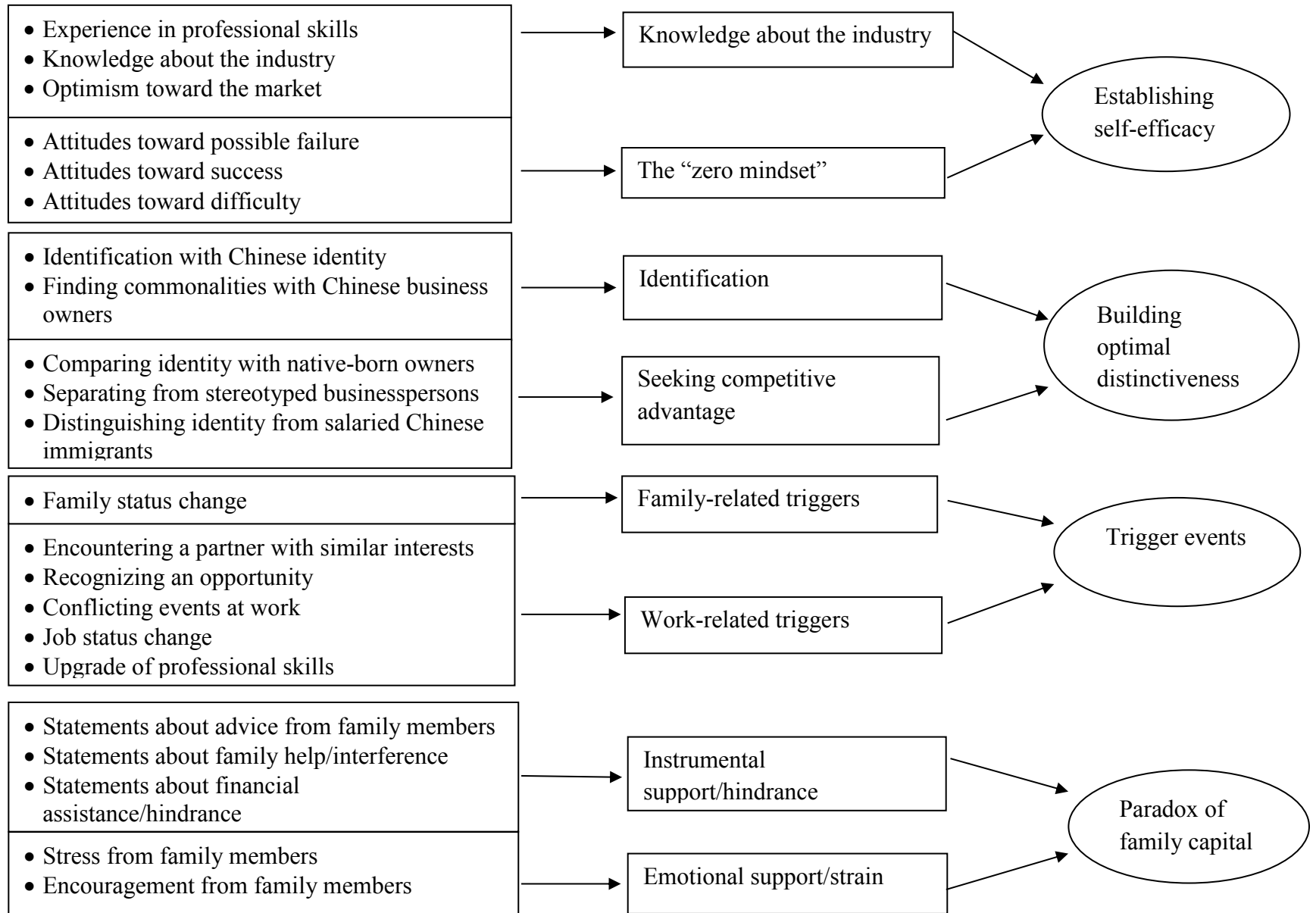
**FIGURE 1**

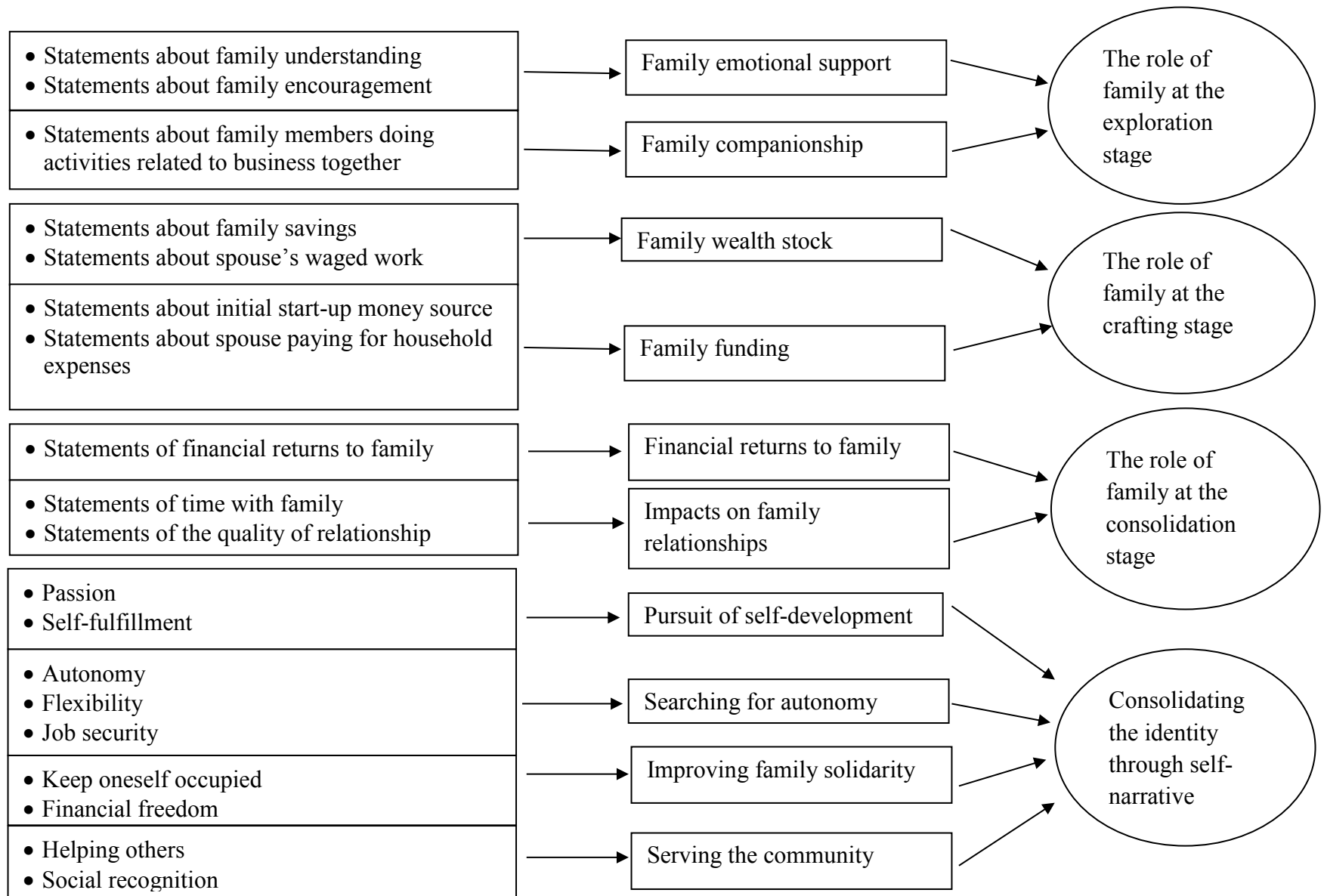
**The Number of Chinese Immigrants to Canada between 1980 and 2011**



**FIGURE 2**  
**Data Structure**



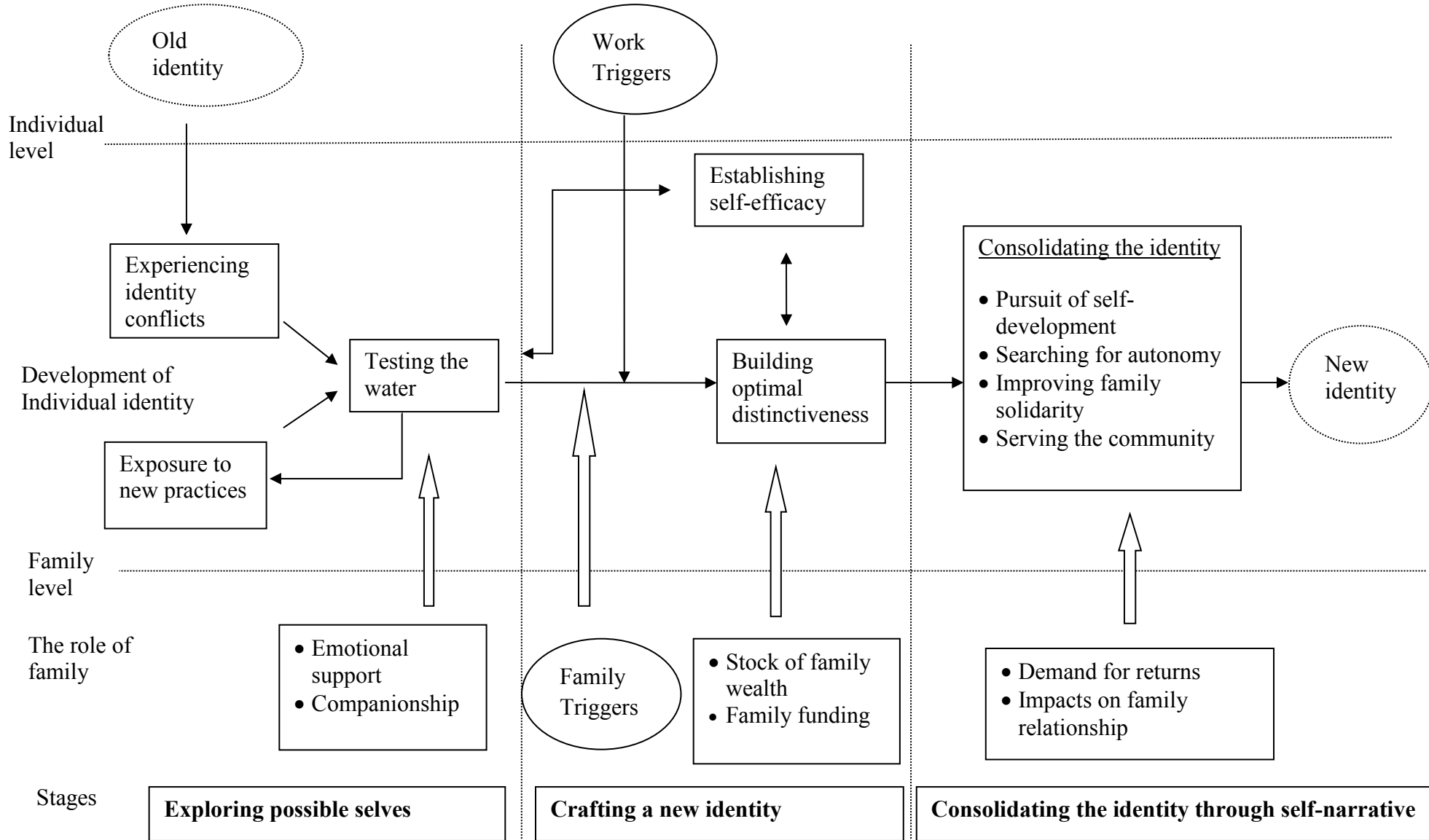




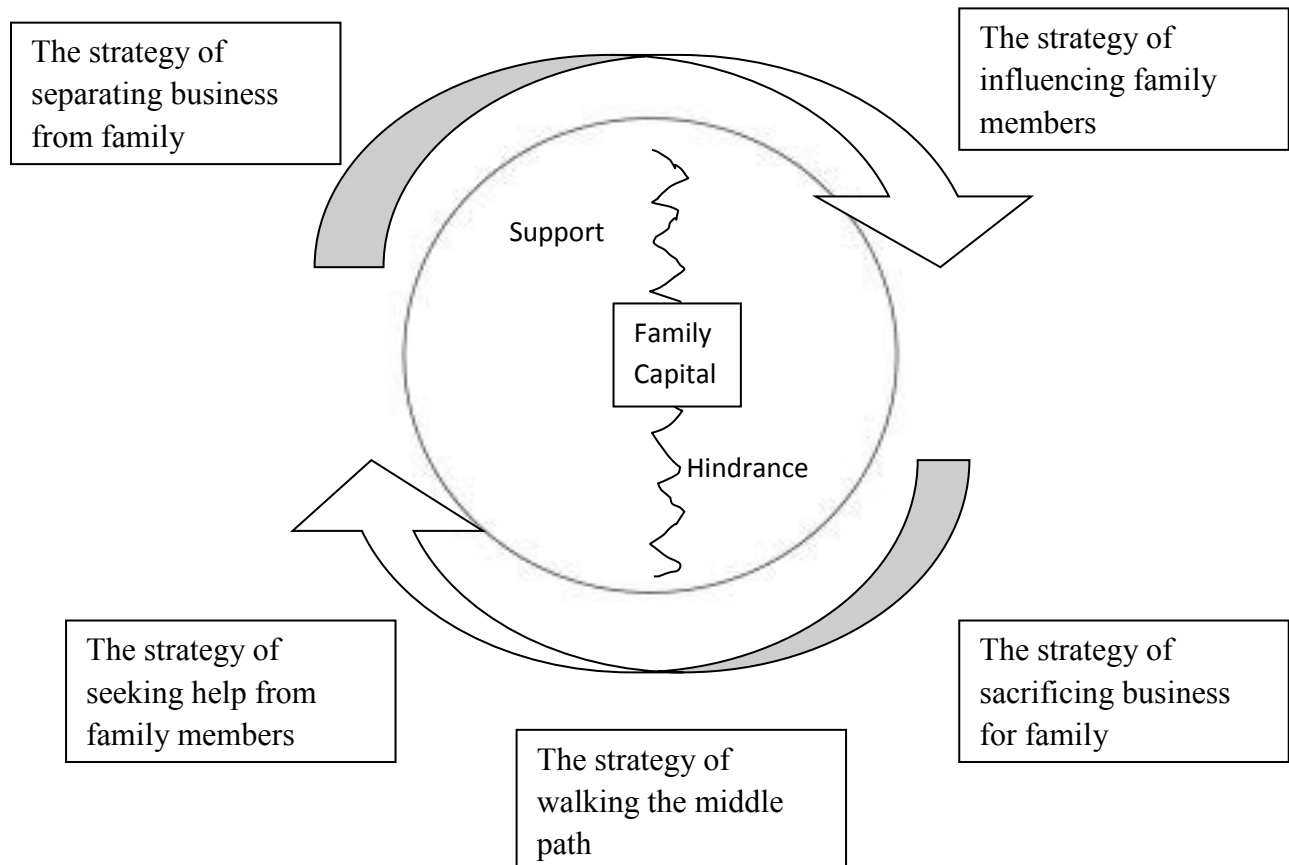


**FIGURE 3**

**A Process Model of Entrepreneurial Identity Creation**



**FIGURE 4**  
**The Paradox of Family Capital**



## Bibliography

- Adler, P.S. & Kwon, S. 2002. Social capital: Prospects for a new concept. *Academy of Management Review*, 27(1): 17-40.
- Albert, S. 1977. Temporal comparison theory. *Psychological Review*, 84: 485–503.
- Albert, S., & Whetten, D.A. 1985. Organizational identity. *Research in Organizational Behavior*, 7: 263-295.
- Aldrich, H. 1977. *Testing the middleman minority model of Asian entrepreneurial behavior: Preliminary results from Wandsworth, England*. Paper presented at the annual meetings of American Sociological Association, Chicago.
- Aldrich, H.E., Carter, J., Jones, T., & McEvoy, D. 1983. From periphery to peripheral: The south Asian petite bourgeoisie in England. In I. H. Simpson & R. Simpson (Eds.), *Research in the sociology of work*, vol.2: 1-32. Greenwich, CT: JAI.
- Aldrich, H.E., & Cliff, J.E., 2003. The pervasive effects of family on entrepreneurship: toward a family embeddedness perspective. *Journal of Business Venturing*, 18 (5): 573–596.
- Aldrich, H. E., & Martinez, M. 2001. Many are called, but few are chosen: An evolutionary perspective for the study of entrepreneurship. *Entrepreneurship: Theory and Practice*, 25(4): 41-56.
- Alvarez, R. 1990. Mexican entrepreneurs and markets in the city of Los Angeles: A case of an immigrant enclave. *Urban Anthropology*, 19(1-2): 99-124.
- Alvesson, M., Ashcraft, K.L., & Thomas, R. 2008. Identity matters: Reflections on the construction of identity scholarship in organization studies. *Organization*, 15(1): 5-28.
- Anderson, A.R., Jack, S., & Drakopoulou-Dodd, S. 2005. The role of family members in entrepreneurial networks: Beyond the boundaries of the family firm. *Family Business Review*, 18 (2): 135–54.
- Arregle, J., Hitt, M., Sirmon, D., & Very, P. 2007. The development of organizational social capital: Attributes of family firms. *Journal of Management Studies*, 44(1): 73-95.
- Ashforth, B. E. 1998. Becoming: How does the process of identification unfold? In D. A. Whetten & P. C. Godfrey (Eds.), *Identity in organizations: Building theory through conversations*: 213-222. Thousand Oaks, CA: Sage.

- Ashforth, B.E., & Mael, F. 1989. Social identity theory and the organization. *Academy of Management Review*, 14: 20-39.
- Ashmore, R.D., & Jussim, L. 1997. *Self and identity: Fundamental issues*. New York: Oxford University Press.
- Aydemir, A., & Skuterud, M. 2005. Explaining the deteriorating entry earnings of Canada's immigrant cohorts, 1966-2000. *Canadian Journal of Economics*, 38(2): 641-672.
- Baines, S., & Wheelock, J., 1998. Reinventing traditional solutions: Job creation, gender and the micro-business household. *Work, Employment & Society*, 12 (4): 579–601.
- Bandura, A. 1986. The explanatory and predictive scope of self-efficacy theory. *Journal of Clinical and Social Psychology*, 4: 359-373.
- Bates, T. 1985. Entrepreneur human capital endowments and minority business viability. *The Journal of Human Resources*, 20(4): 540–554.
- Bates, T. 1987. Self-employed minorities: Traits and trends. *Social Science Quarterly*, 68: 539–551.
- Bates, T. 1997. Financing small business creation: The case of Chinese and Korean immigrant entrepreneurs. *Journal of Business Venturing*, 12: 109-124.
- Bates, T. 1999. Exiting self-employment: An analysis of Asian immigrant-owned small businesses. *Small Business Economics*, 13: 171-183.
- Bates, T. 2011. Minority entrepreneurship. *Foundations and Trends in Entrepreneurship*, 7: 151–311.
- Berger, P., & Luckmann, T. 1967. *The social construction of reality*. New York: Penguin Press.
- Bonacich, E. 1973. A theory of middleman minorities. *American Sociological Review*, 38: 583-594.
- Bubolz, M. 2001. Family as source, user, and builder of social capital. *Journal of Socio Economics*, 30: 129-131.
- Burt, R. S. 1997. The contingent value of social capital. *Administrative Science Quarterly*, 42: 339-365.
- Cagetti, M., & De Nardi, M. 2006. Entrepreneurship, frictions and wealth. *Journal of Political Economy*, 114(5): 835–870.
- Cialdini, R., Trost, M., & Newsom, J. 1995. Preference for consistency: The development of a valid measure and the discovery of surprising behavioral implications. *Journal of Personality and Social Psychology*, 69: 318–328.

- Cardon, M., Wincent, J., Singh, J., & Drnovsek, M. 2009. The nature and experience of entrepreneurial passion. *Academy of Management Review*, 34(3): 511-532.
- Carnabuci G., & Wezel F. C. 2011. Back to the future: Careers transition at the dawn of capitalism: The immigration of merchants from the Southern Netherlands to Amsterdam, 1578 - 1602. *Organization Studies*, 32(12): 1621-1637
- Carter, S. 2011. The rewards of entrepreneurship: Exploring the incomes, wealth, and economic well-being of entrepreneurial households. *Entrepreneurship: Theory and Practice*: 39-55.
- Carter, S., Tagg, S., & Dimitratos, P. 2004. Beyond portfolio entrepreneurship: Multiple income sources in small firms. *Entrepreneurship and Regional Development*, 16: 481-499.
- Chan, J. B., & Chung, Y.W. 1985. Ethnic resources and business enterprise: A study of Chinese business in Toronto. *Human Organization*, 44: 142-154.
- Chang, E., Memili, E., Chrisman, J., Kellermanns, F, & Chua, J. 2009. Family social capital, venture preparedness, and start-up decisions. *Family Business Review*, 22(3): 279-292.
- Chen, C., Greene, P., & Crick, A. 1998. Does entrepreneurial self-efficacy distinguish entrepreneurs from managers? *Journal of Business Venturing*, 13: 295-316.
- Chua, J., Chrisman, J., & Chang, E. 2004. Are family firms born or made? An exploratory investigation. *Family Business Review*, 17: 37-53.
- Chua, J. H., Chrisman, J.J., Kellermanns, F.W., & Wu, Z. 2011. Family involvement and new venture debt financing. *Journal of Business Venturing*, 26: 472-488.
- Citizenship and Immigration Canada**. 2012a. Facts and figures 2012: Immigration overview – Permanent and temporary residents. Ottawa: Minister of Public Works and Government Services Canada.
- Citizenship and Immigration Canada**. 2012b. News release: Revised Federal Skilled Worker Program Unveiled.  
<http://www.cic.gc.ca/english/departement/media/releases/2012/2012-08-17.asp>. Aug.17.
- Coleman, J. S. 1988. Social capital in the creation of human capital. *American Journal of Sociology*, 94, Supplement: S95-S120.
- Coleman, J. S. 1990. *Foundations of Social Theory*. Cambridge, MA: Harvard University Press.

- Cramton, C. D. 1993. Is rugged individualism the whole story? Public and private accounts of a firm's founding. *Family Business Review*, 6(3): 233–261.
- Creed, W.E., Douglas, D. R., & Lok, J. 2010. Becoming the self of the stories we tell: Resolving institutional contradictions through identity work and role use. *Academy of Management Journal*, 53(6): 13336-1364.
- Creswell, J. W. 1998. *Qualitative inquiry and research design: Choosing among five traditions*. Thousand Oaks, CA: Sage.
- Cruz, C., Justo, R., & Castro, J. 2012. Does family employment enhance MSEs performance? Integrating socioemotional wealth and family embeddedness perspectives. *Journal of Business Venturing*, 27: 62-76.
- Dalton, G.W., & Thompson, P. 1986. *Novations: Strategies for career development*. Glenview, IL: Scott, Foresman.
- Danes, S.M., Lee, J., Stafford, K., & Heck, R. 2008. The effects of ethnicity, families and culture on entrepreneurial experience: An extension of sustainable family business theory. *Journal of Developmental Entrepreneurship*, 13(3): 229-268.
- Danes, S. M., & Morgan, E. A. 2004. Family business-owning couples: An EFT view into their unique conflict culture. *Contemporary Family Therapy*, 26: 241–260.
- Danes, S. M, Stafford, K., Haynes, G., & Amarapurkar, S. 2009. Family capital of family firms. *Family Business Review*, 22(3): 199-215.
- Davidsson, P., & Honig, B. 2003. The role of social and human capital among nascent entrepreneurs. *Journal of Business Venturing*, 18: 301 – 331.
- Devine, T. 1994. Changes in wage-and-salary returns to skill and the recent rise in female self-employment. *American Economic Review*, 84(2): 108–113.
- Dobrev, S., & Barnett, W. 2005. Organizational roles and transition to entrepreneurship. *Academy of Management Journal*, 48(3): 433-449.
- Dunn, T., & Holtz-Eakin, D. 2000. Financial capital, human capital, and the transition to self-employment: evidence from intergenerational links. *Journal of Labor Economics*, 18 (2): 282 – 305.
- Dyer, J.W.G. 2006. Examining the family effect on firm performance. *Family Business Review*, 19(4): 253-273.
- Dyer, J.W.G., & Handler, W. 1994. Entrepreneurship and family business: Exploring the connections. *Entrepreneurship: Theory and Practice*, 19 (1): 71–83.

- Ebaugh, H. R. 1988. *Becoming an ex: The process of role exit*. Chicago: University of Chicago Press.
- Fairlie, R. 1999. The absence of the African-American owned business: An analysis of the dynamics of self-employment. *Journal of Labor Economics*, 17(1):80–108.
- Fairelie, R., & Robb, A. 2007. Families, human capital, and small business: Evidence from the characteristics of business owners survey. *Industrial and Labor Relations Review*, 60(2): 225-245.
- Farmer, S., Yao, X., & Kung-Mcintyre, K. 2011. The behavioral impact of entrepreneur identity aspiration and prior entrepreneurial experience. *Entrepreneurship: Theory and Practice*: 245-273.
- Fauchart, E., & Gruber, M. 2011. Darwinians, communitarians, and missionaries: The role of founder identity in entrepreneurship. *Academy of Management Journal*, 54(5): 935-957.
- Fiol, C. 2002. Capitalizing on paradox: The role of language in transforming organizational identities. *Organization Science*, 13: 653-666.
- Flap, H., Kumcu, A., & Bulder, B. 2000. The social capital of ethnic entrepreneurs and their business success. In J. Rath (Ed), *Immigrant business: The economic, political and social environment*: 142-161. Houndmills: MacMillan.
- Foss, L. 2004. Going Against the Grain: Construction of entrepreneurial identity through narratives. In D. Hjort & C. Steyaert (eds), *Narrative and discursive approaches in entrepreneurship: A second movement*: 80-104. Cheltenham: Edward Elgar.
- Frenette, M. 2002. *Do the falling earnings of immigrants apply to self-employed immigrants?* Statistics Canada, Catalogue no. 11F0019MIE—No. 195.
- Gatewood, E.J., Shaver, K.G., & Gartner, W.B. 1995. A longitudinal study of cognitive factors influencing start-up behaviors and success at venture creation. *Journal of Business Venturing*, 10: 371-391.
- Gentry, W.M., & Hubbard, R.G. 2004. Entrepreneurship and household saving. *Advances in Economic Analysis and Policy*, 4(1): 1–52.
- Gephart, R. 2004. From the editors: qualitative research and the Academy of Management Journal. *Academy of Management Journal*, 47(4): 454-462.
- Gibb, T., Hamdon, E., & Jamal, Z. 2008. Re/claiming agency: Learning, liminality and immigrant service organizations. *Journal of Contemporary Issues in Education*, 3(1): 4-16.

- Gioia, D., Schulz, M., & Corley, K. 2000. Organizational identity, image, and adaptive instability. *Academy of Management Review*, 25(1): 63–81.
- Glaser, B. G., & Strauss, A. 1967. *The discovery of grounded theory: Strategies for qualitative research*. Chicago: Aldine.
- Goldberg, M. 1985. *The Chinese Connection*. Vancouver: University of British Columbia Press.
- Government of Alberta**. 2011. Alberta small business profile. [http://albertacanada.com/files/albertacanada/SP\\_EH-SmallBusProfile2011.pdf](http://albertacanada.com/files/albertacanada/SP_EH-SmallBusProfile2011.pdf).
- Greene, P.G., & Butler, J. S. 1996. The minority community as a natural business incubator. *Journal of Business Research*, 36(1): 51-58.
- Greve, A., & Salaff, J. 2003. Social networks and entrepreneurship. *Entrepreneurship: Theory and Practice*, 28(1): 1-22.
- Habbershon, T., & Williams, M. L. 1999. A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review*, 12(1): 1-26.
- Hall, E.T. 1976. *Beyond Culture*. New York: Doubleday.
- Handler, W. C. 1990. Succession in family firms: A mutual role adjustment between entrepreneur and next-generation family members. *Entrepreneurship: Theory and Practice*, 15(1): 37-51.
- Hansen, M. T. 1998. *Combining network centrality and related knowledge: Explaining effective knowledge sharing in multiunit firms*. Working paper, Harvard Business School, Boston.
- Heck, R., & Trent, E. 1999. The prevalence of family business from a household sample. *Family Business Review*, 3: 209-219.
- Heck, R., & Walker, R. 1993. Family-owned home-business: Their employees and unpaid helpers. *Family Business Review*, 6(4): 397-415.
- Hiebert, D. 2003. Canada: A false consensus? In R. Kloosterman & J. Rath (Eds.), *Immigrant entrepreneurs: Venturing abroad in the age of globalization*: 39-60. Oxford: New York.
- Higgins, E. T. 1987. Self-discrepancy: A theory relating self and affect. *Psychological Review*, 94: 319–340.
- Higgins, M.C. 2001. Changing careers: the effect of social context. *Journal of Organizational Behavior*, 22 (6): 595-618.



- Hoang, H., & Gimeno, J. 2010. Becoming a founder: How founder role identity affects entrepreneurial transitions and persistence in founding. *Journal of Business Venturing*, 25: 41-53.
- Hoffman, J., Hoelscher, M., & Sorenson, R. 2006. Achieving sustained competitive advantage: A family capital theory. *Family Business Review*, 19(1): 135-145.
- Hout, M., & Rosen, H. 2000. Self-employment, family background, and race. *Journal of Human Resources*, 35 (4): 670–92.
- Hoy, F., & Sharma, P. 2009. *Entrepreneurial family firms*. New Jersey: Pearson Prentice Hall.
- Ibarra, H. 1999. Provisional selves: Experimenting with image and identity in professional adaptation. *Administrative Science Quarterly*, 44: 764-791.
- Ibarra, H. 2007. *Identity transitions: possible selves, liminality and the dynamics of voluntary career change*. Working paper no. 51, INSEAD, Fontainebleau, France.
- Ibarra, H., & Petriglieri, J. 2010. Identity work and play. *Journal of organizational change management*, 23(1): 10-25.
- James, A., Jennings, J., & Breitzkreuz, R. 2012. Worlds apart? Re-bridging the distance between family science and family business research. *Family Business Review*, 25th Anniversary Special Issue, 25: 89-110.
- Jennings, J.E., & McDougald, M.S. 2007. Work-family interface experiences and coping strategies: Implications for entrepreneurship research and practice. *Academy of Management Review*, 32: 747–760.
- Jensen, M., & Meckling, W. 1976. Theory of the firm: Managerial behavior, agency cost and ownership structure. *Journal of Financial Economics*, 3 (4): 305–360.
- Kidwell, R.E., Hoy, F., & Ibarreche, S. 2012. “Ethnic” family business or just family business? Human resource practices in the ethnic family firm. *Journal of Family Business Strategy*, 3: 12-17.
- Kirchhoff, B., & Kirchhoff, J. 1987. Family contributions to productivity and profitability in small businesses. *Journal of Small Business Management*, 25 (4): 25–31.
- Kloosterman, R. 2010. Matching opportunities with resources: A framework for analyzing entrepreneurship from a mixed embeddedness perspective. *Entrepreneurship and Regional Development*, 22(1): 25-45.

- Kloosterman, R., Van den Leun, J., and Rath, J. 1999. Mixed embeddedness: (In) formal economic activities and immigrant businesses in the Netherlands. *International Journal of Urban and Regional Research*, 23: 253-267.
- Kumar, M. 2007. Explaining entrepreneurial success: A conceptual model. *Academy of Entrepreneurship Journal*, 13(1): 57-77.
- Kunda, G., Barley, S. R., & Evans, J. 2002. Why do contractors contract? The experience of highly skilled technical professionals in a contingent labor market. *Industrial & Labor Relations Review*, 55: 234-261.
- Ladge, J., Clair, J., & Greenberg, D. 2012. Cross-domain identity transition during liminal periods: Constructing multiple selves as “professional and mother” during pregnancy. *Academy of Management Journal*, 55(6):1449-1471.
- Langley, A., Smallman, C., Tsoukas, C., & Van de Ven, A. H. 2013. Process Studies of Change in Organization and Management: Unveiling Temporality, Activity, and Flow. *Academy of Management Journal*, 56(1): 1-13.
- Langley, A., & Tsoukas, H. 2010. Introducing 'perspectives on process organization studies'. *Process, sensemaking, and organizing*, 1: 1-26.
- Langlois, C., & Dougherty, C. 1997. *The longitudinal immigration data base*. Ottawa: Citizenship and Immigration Canada.
- Langlois, A., & Razin, E. 1989. Self-employment among ethnic minorities in Canadian metropolitan areas. *Canadian Journal of Regional Science*, 12: 335-354.
- Lansberg, I., 1983. Managing human resources in family firms: The problem of institutional overlap. *Organizational Dynamics*, 12: 39-46.
- Lary, D., & Luk, B. 1994. Hong Kong immigrants in Toronto. In R. Skeldon (Ed.), *Reluctant Exiles?*: 139-62. Armonk, NY: M. E. Sharpe.
- Le Breton-Miller, I., Miller, D., & Steier, L. 2004. Towards an integrative model of effective FOB succession. *Entrepreneurship: Theory and Practice*, 28(4): 305-328.
- Levie, J., & Smallbone, D. 2007. Immigration, ethnicity, and entrepreneurial behavior. In M. Minniti (Ed.), *Entrepreneurship: The engine of growth*, vol.1: 157-180. Praeger Publisher: Greenwood Publishing Group.
- Lewin K. 1951. *Field theory in social science*. Harper and Row: New York.
- Lewis, M. 2000. Exploring paradox: Toward a more comprehensive guide. *Academy of Management Review*, 25:760-776.

- Ley, D. 2000. *Seeking Homo Economicus: The strange story of Canada's business immigration program*. Research on immigration and integration in the metropolis (RIIM) working paper series no.00-02, Simon Fraser University, Vancouver.
- Ley, D., & Kobayashi, A. 2005. Back to HongKong: return migration or transnational sojourn? *Global networks*, 5(2): 111-127.
- Li, P. 1979. An historical approach to ethnic stratification: The case of the Chinese in Canada, 1858-1930. *Canadian Review of Sociology and Anthropology*, 16: 320-332.
- Li, P. 1980. Immigration laws and family patterns: Some demographic changes among Chinese families in Canada, 1885-1971. *Canadian Ethnic Studies*, 12(1): 58-73.
- Li, P. 1982. Chinese immigrants on the Canadian prairie, 1910-47. *Canadian Review of Sociology and Anthropology*, 19(4): 527-540.
- Li, P. 1992. Ethnic enterprise in transition: Chinese business in Richmond, B.C., 1980-1990. *Canadian Ethnic Studies*, 24: 120-138.
- Li, P. 1993. Chinese investment and business in Canada: Ethnic entrepreneurship reconsidered. *Pacific Affairs*, 66: 219-243.
- Li, P. 1994. Self-employment and its economic return for visible minorities in Canada. *New Approaches to Employee Management*, 2: 181-199.
- Li, P. 1997. Self-employment among visible minority immigrants, white immigrants, and native-born persons in secondary and tertiary industries of Canada. *Canadian Journal of Regional Science*, 20: 103-118.
- Li, P. 1998. *The Chinese in Canada*. Don Mills: Oxford University Press.
- Li, P. 2000a. Economic returns of immigrants' self-employment. *The Canadian Journal of Sociology*, 25 (1): 1-34.
- Li, P. 2000b. Earning disparities between immigrants and native-born Canadians. *The Canadian Review of Sociology and Anthropology*, 37 (3): 289-311.
- Li, P. 2004. Social capital and economic outcomes for immigrants and ethnic minorities. *Journal of International migration and integration*, 5(2): 171-190.
- Li, P. 2005. The rise and fall of Chinese immigration to Canada: Newcomers from Hong Kong Special Administrative Region of China and Mainland China 1980-2002. *International Migration*, 43(3): 9-34.
- Li, P. 2008. The role of foreign credentials and ethnic ties in immigrants' economic performance. *Canadian Journal of Sociology*, 33(2): 291-310.

- Li, P., & Dong, C. 2007. Earnings of Chinese immigrants in the enclave and mainstream economy. *Canadian Review of Sociology and Anthropology*, 44(1): 65-99.
- Li, P., & Li, E. 2008. University-educated immigrants from China to Canada: Rising number and discounted value. *Canadian Ethnic Studies*, 40 (3): 1-16.
- Li, P., & Li, E. 2013. Decomposing immigrants' economic integration in earnings disparity: racial variations in unexpected returns. *Canadian Ethnic Studies*, 45(3): 81-94.
- Light, I. 1972. *Ethnic enterprise in America*. University of California Press, Berkeley.
- Light, I. 1979. Disadvantaged minorities in self-employment. *International Journal of Comparative Sociology*, 20: 31-45.
- Light, I., & Bonacich, E. 1988. *Immigrant Entrepreneurs*. Berkeley and Los Angeles: University of California Press.
- Locke, K. 2001. *Grounded theory in management research*. Thousand Oaks, CA: Sage.
- Loscocco, K.A. 1997. Work-family linkages among self-employed women and men. *Journal of Vocational Behavior*, 50: 204-226.
- Louis, M. 1980a. Career transitions: Varieties and commonalities. *Academy of Management Review*, 5(3): 329-340.
- Louis, M. 1980b. Surprise and sense making: what newcomers experience in entering unfamiliar organizational settings. *Administrative Science Quarterly*, 25: 226-251.
- Man, G. 2004. Gender, work and migration: deskilling Chinese immigrant women in Canada. *Women's studies international forum*, 27(2): 135-148.
- Marger, M., & Hoffman, C. 1992. Ethnic enterprise in Ontario: Immigrant participation in the small business sector. *International Migration Review*, 26: 968-981.
- Markus, H., & Nurius, P. 1986. Possible selves. *American Psychologist*, 41: 954-969.
- Matzek, A., Gudmunson, C. & Danes, S. 2010. Spousal capital as a resource for couples starting a business. *Family Relations*, 59: 60-73.
- Mauer, R., Neergaard, H., & Linstad, A. 2009. Self-efficacy: conditioning the entrepreneurial mindset. In A.L. Carsrud and M Brännback, (Eds.), *Understanding the entrepreneurial mind*: 233 - 257. Heidelberg: Springer.

- Mead, G.H. 1934. *Mind, self and society*. Chicago, IL: University of Chicago Press.
- Meyers, M. 2009. *Qualitative research in business and management*. London: Sage.
- Miles, M.B., & Huberman, M.A. 1994. *Qualitative Data Analysis* (2nd ed.). Thousand Oaks: Sage.
- Min, P. 1984. From white-collar occupations to small business: Korean immigrants' occupational adjustment. *The Sociological Quarterly*, 25: 333-352.
- Ming Pao. 1994. *Vancouver's astronaut families*. April 7: A11.
- Mohr, L.B. 1982. *Explaining organizational behavior*. San Francisco: Jossey-Bass.
- Mulholland, K. 1996. Gender power and property relations within entrepreneurial wealthy families. *Gender, Work and Organization*, 3(2): 78-102.
- Nahapiet, J., & Ghoshal, S. 1998. Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, 23: 242-266.
- Nam, Y., & Herbert, J. 1999. Characteristics and key success factors in family business: The case of Korean immigrant businesses in Metro-Atlanta. *Family Business Review*, 12: 341-352.
- Nash, A. 1994. Some recent developments in Canadian immigration policy. *The Canadian Geographer*, 38: 258-261.
- Nicholson, N. 1984. A theory of work role transitions. *Administrative Science Quarterly*, 29: 172-191.
- Nicholson, N. 1987. The transition cycle: A conceptual framework for the analysis of change and human resource management. *Research in Personnel and Human Resources Management*, 5:167-222.
- Nordqvist, M., Hall, A., & Melin, L. 2009. Qualitative research on family businesses: the relevance and usefulness of the interpretive approach. *Journal of Management and Organization*, 15: 294-308.
- Nordqvist, M., & Melin, L. 2010. Entrepreneurial families and family firms. *Entrepreneurship and Regional Development*, 22(3-4): 211-239.
- Ooka, E. 2001. Social capital and income attainment among Chinese immigrant entrepreneurs in Toronto. *Asian and Pacific Migration Journal*, 10(1): 123-145.

- Parasuraman, S., & Simmers, C. 2001. Type of employment, work-family conflict and well-being: A comparative study. *Journal of Organizational Behavior*, 22: 551–568.
- Patton, M.Q. 2002. *Qualitative research and evaluation methods*. Thousand Oaks, CA: Sage Publications.
- Pearson, A.W., Carr, J.C., & Shaw, J.C. 2008. Toward a theory of familiness: a social capital perspective. *Entrepreneurship: Theory and Practice*, 32: 949-969.
- Pham, M. 2007. Emotion and rationality: A critical review and interpretation of empirical evidence. *Review of General Psychology*, 11(2): 155-178.
- Picot, G. 2008. *Immigrant economic and social outcomes in Canada: Research and data development at Statistics Canada*. Analytical Studies Branch Research Paper Series Catalogue No. 11F0019M, No.319. Ottawa: Statistics Canada.
- Portes, A. 1998. Social capital: Its origins and applications in modern sociology. *Annual Sociology*, 24: 1-24.
- Pratt, M. 2000. The good, the bad, and the ambivalent: Managing identification among Amway distributors. *Administrative Science Quarterly*, 45: 456-493.
- Pratt, M., Rockmann, K., & Kaufmann, J. 2006. Constructing professional identity: The role of work and identity learning cycles in the customization of identity among medical residents. *Academy of Management Journal*, 49(2): 235-262.
- Quadrini, V. 2000. Entrepreneurship, saving, and mobility. *Review of Economic Dynamics*, 3: 1–40.
- Ram, M., & Holiday, R. 1993. Relative merits: Family culture and kinship in small firms. *Sociology*, 27(4): 629-648.
- Rath J. (Ed.) 2000. *Immigrant business: The economic, political and social environment*. London: Macmillan Press.
- Razin, E., & Langlois, A. 1996. Metropolitan characteristics and entrepreneurship among immigrants and ethnic groups in Canada. *International Migration Review*, 30: 703-727.
- Reay, T., & Zhang, Z. 2014. Qualitative methods in family business research. In L. Melin, M. Nordqvist & P. Sharma (Eds.), *The Sage Handbook of Family Business*: 573-593. London, England: Sage.

- Reitz, G. 2007. Immigrant Employment Success in Canada, Part I: Individual and Contextual Causes. *Journal of International Migration and Integration*, 8: (1), 11-36.
- Rodriguez, P., Tuggle, C., & Hackett, S. 2009. Examining ethnic entrepreneurship: An exploratory study of how “family capital” impacts new venture start-up rates across ethnic groups. *Family Business Review*, 22(3): 259-272.
- Rogoff, E., & Heck, R. 2003. Evolving research in entrepreneurship and family business: Recognizing family as the oxygen that feeds the fire of entrepreneurship. *Journal of Business Venturing*, 18: 559-566.
- Rothausen, T.J. 2009. Management work-family research and work-family fit: Implications for building family capital in family business. *Family Business Review*, 22: 220-234.
- Salaff, J., & Wong, S. Exiting Hong Kong: Social class experiences and the adjustment to 1997. In R. Skeldon (Ed.), *Emigration from HongKong*: 177-212. HongKong: Chinese University Press.
- Sanders, J.M., & Nee, V. 1996. Immigrant self-employment: The family as social capital and the value of human capital. *American Sociological Review*, 61(2): 231-249.
- Sassen, S. 1988. *Mobility of labor and capital: A study in international investment and labor flow*. New York: Cambridge University Press.
- Saxenian, A. 2002. Silicon Valley’s new immigrant high-growth entrepreneurs. *Economic Development Quarterly*, 16: 20-31.
- Schein, E. 1978. *Career dynamics: Matching individual and organizational needs*. Reading, MA: Addison Wesley Publishing Company.
- Shane, S.A. 2003. *A general theory of entrepreneurship: The individual-opportunity nexus*. Cheltenham, UK: Edward Elgar.
- Shanker, M., & Astrachan, J. 1996. Myths and realities: Family businesses’ contribution to the U.S. economy-A framework for assessing family business statistics. *Family Business Review*, 9(2): 107-119.
- Shepherd, D., & Haynie, J. 2009. Birds of a feather don’t always flock together: Identity management in entrepreneurship. *Journal of Business Venturing*, 24: 316-337.
- Skeldon, R. 1995. Emigration from HongKong, 1945-1994: the demographic lead-up to 1997. In R. Skeldon (Ed.), *Emigration from HongKong*: 51-77. HongKong: Chinese University Press.
- Silverman, D. 2006. *Interpreting Qualitative Data: Methods for Analysing Talk, Text and Interaction* (Third edition). London: Sage

- Simon, M., Houghton, S. M., & Aquino, K. 2000. Cognitive biases, risk perception and venture formation: How individuals decide to start companies. *Journal of Business Venturing*, 15(2): 113-134.
- Sirmon, D.G., & Hitt, M.A. 2003. Managing resources: Linking unique resources, management and wealth creation in family firms. *Entrepreneurship: Theory and Practice*, 27(4): 339–358.
- Smith, W. K., & Lewis, M. 2011. Toward a theory of paradox: A dynamic equilibrium model of organizing. *Academy of Management Review*, 36(2): 381-403.
- Smith, W. K., & Tushman, M. L. 2005. Managing strategic contradictions: A top management model for managing innovation streams. *Organization Science*, 16: 522–536.
- Song, M. 1997. Children's labour in ethnic family business: The case of Chinese take-away business in Britain. *Ethnic and Racial Studies*, 20(1): 690-716.
- Sorensen, J.B., 2007. Closure and exposure: mechanisms in the intergenerational transmission of self-employment. In M. Ruef & M. Lounsbury (Eds.), *Research in the sociology of organizations*, vol. 25: 83-124. Bradford: Emerald Group Publishing Limited.
- Sorenson, R. L., Goodpaster, K. E., Hedberg, P. R., & Yu, A. 2009. The family point of view, family social capital, and firm performance: An exploratory test. *Family Business Review*, 22: 239-253.
- Statutes of Canada*, 1885. An act to restrict and regulate Chinese immigration into Canada, Chapter 71.
- Statutes of Canada*, 1903. An act respecting and restricting Chinese Immigration. Chapter 8.
- Statutes of Canada*, 1923. An act respecting Chinese Immigration. Chapter 38.
- Statutes of Canada*, 1947. An act to amend the immigration act and to repeal the Chinese immigration act. Chapter 19.
- Steier, L. 2007. New venture creation and organization: A familial sub-narrative. *Journal of Business Research*, 60 (10): 1099–107.
- Steier, L. 2009. Where do new firms come from? Households, family capital, ethnicity, and the welfare mix. *Family Business Review*, 22 (3): 273-278.
- Steier, L., & Greenwood, R., 2000. Entrepreneurship and the evolution of angel financial networks. *Organization Studies*, 21 (1): 163–192.
- Stewart, A. 2003. Help one another, use one another: Toward an anthropology of family business. *Entrepreneurship: Theory and Practice*, 27 (4): 383–96.



- Stryker, S. 1968. Identity salience and role performance: The relevance of symbolic interaction theory for family research. *Journal of Marriage and the Family*, 30(4): 558-564.
- Stryker, S., & Burke, P. 2000. The Past, present, and future of an identity theory. *Social Psychology Quarterly*, 63(4): 284-297.
- Suddaby, R. 2006. What grounded theory is not. *Academy of Management Journal*, 49: 633-642.
- Sveningsson, S. & Alvesson, M. 2003. Managing managerial identities: Organizational fragmentation, discourse and identity struggle. *Human Relations*, 56(10): 1163-1193.
- Tajfel, H., & Turner, J. C. 1979. An integrative theory of intergroup conflict. In W. G. Austin & S. Worchel (Eds.), *The social psychology of intergroup relations*: 33-47. Monterey, CA: Brooks-Cole.
- Teo, S. 2007. Vancouver's newest Chinese diaspora: settlers or immigrant prisons? *GeoJournal*, 68:211-222.
- The Economist*. 2002. China's middle class: to get rich is glorious. January 17.
- The Globe and Mail*. 2013. Rethinking immigration: The case for the 400,000 solution. <http://www.theglobeandmail.com/news/national/time-to-lead/rethinking-immigration-the-case-for-the-400000-solution/article4170229/>. Jul. 15.
- Waldinger, R. 1986. *Through the eye of the needle: Immigrants and enterprise in New York's garment trades*. New York: New York University Press.
- Waldinger, R., Aldrich, H., Ward, R., & Associates. 1990. *Ethnic entrepreneurs: Immigrant business in industrial societies*. Newbury Park, CA: Sage.
- Wang, S., & Lo, L. 2004. *Chinese immigrants in Canada: Their changing composition and economic performance*. Working paper No. 31, Toronto: Centre of Excellence for Research on Immigration and Settlement.
- Ward, J.L. 1987. *Keeping the Family Business Healthy*. San Francisco: Jossey-Bass.
- Werbel, J., & Danes, S. 2010. Work family conflict in new business ventures: The moderating effects of spousal commitment to the new business venture. *Journal of Small Business Management*, 48(3): 421-440.
- Whiston, S.C., & Keller, B.K. 2004. The influences of the family of origin on career development. *The Counseling Psychologist*, 32 (4): 493-568.

- Wilson, K., & Martin, W. 1982. Ethnic enclaves: A comparison of the Cuban and black economies in Miami. *American Journal of Sociology*, 88(1): 135-160.
- Wilson, K., & Portes, A. 1980. Immigrant enclaves: An analysis of the labor market experiences of Cubans in Miami. *American Journal of Sociology*, 86(2): 295-319.
- Wong, S. L. 1988. *Emigrant entrepreneurs: Shanghai industrialists in Hong Kong*. Hong Kong: Oxford University Press.
- Wong, B., McReynolds, B., & Wong, W. 1992. Chinese family firms in the San Francisco Bay area. *Family Business Review*, 5: 355-372.
- Wong, L.L. & Ng, M. 1998. Chinese immigrant entrepreneurs in Vancouver: A case study of ethnic business development. *Canadian Ethnic Studies*, 30: 64-85.
- Woo, E. 1997. The new entrepreneurs and investors from Hong Kong: An assessment of the business program. In E. Laquian, A. Laquian & T. McGee (Eds.), *The silent debate: Asian immigration and racism in Canada*: 315-330. Vancouver: Institute for Asian Research, UBC.
- Uzzi, B. 1997. Social structure and competition in interfirm networks: The paradox of embeddedness. *Administrative Science Quarterly*, 42(1): 35-67.
- Van Auken, H., & Werbel, J. 2006. Family dynamic and family business financial performance: Spousal commitment. *Family Business Review*, 19, 49 – 63.
- Van de Ven, A. 2007. *Engaged Scholarship: A Guide to Organizational and Social Research*. Oxford, UK: Oxford University Press.
- Vince, R., & Broussine, M. 1996. Paradox, defense and attachment: Accessing and working with emotions and relations underlying organizational change. *Organization Studies*, 17: 1–21.
- Zhou, M., & Logan, J. 1989. Returns on human capital in ethnic enclaves: New York City's Chinatown. *American Sociological Review*, 54(5): 809-820.

## APPENDIX A

### Notification of Approval

Date: November 15, 2011

Study ID: Pro00025847

Principal Investigator: Zhen Zhang

Study Supervisor: Patricia Reay

Study Title: The identity construction of immigrant entrepreneurs

Approval Expiry Date: November 13, 2012

	Approval Date	Approved Document
Approved Consent Form:	11/15/2011	Chinese version of participant consent form
	11/15/2011	Participant consent form.docx

Thank you for submitting the above study to the Research Ethics Board 1. Your application has been reviewed and approved on behalf of the committee.

A renewal report must be submitted next year prior to the expiry of this approval if your study still requires ethics approval. If you do not renew on or before the renewal expiry date, you will have to re-submit an ethics application.

Approval by the Research Ethics Board does not encompass authorization to access the staff, students, facilities or resources of local institutions for the purposes of the research.

Sincerely,

Dr. Stanley Varnhagen  
Chair, Research Ethics Board 1 (Acting)

## **APPENDIX B**

### **Research Information Sheet**

My name is Zhen Zhang. I am currently a phd student at the School of Business at the University of Alberta. You are invited to participate in my research study about the identity construction of Chinese Immigrant Entrepreneurs in Canada. The purpose of this study is to analyze how Chinese immigrant entrepreneurs build their entrepreneurial identities in the new institutional environment. The findings from this study will inform the public and the government about the start-up experiences of Chinese immigrant entrepreneurs and the challenges faced by them, as well as provide recommendations on how to address these challenges. The study is conducted to fulfill my dissertation requirements. The findings will not be used for any commercial purposes.

Your participation will require about an hour of your time answering some questions about entrepreneurship. For your convenience and comfort, the interview will be conducted at your place of work or a mutually agreeable place. The interview will be recorded on a digital auto recorder. The choice to record or not to record is your decision. If the interview will not be recorded, I will take extensive notes. You can request the digital voice recorder be turned off at any point in the interview and I shall comply.

I anticipate no risks from this research or your participation in the research other than the time burden which interviews may impose. You may potentially benefit from this study by discovering more about yourself and your business. You may also benefit by the potential improvement of assistance from the government.

After I have collected the data, I may contact you to verify my findings. If I contact you, you will be asked whether or not you agree with my findings, and have the opportunity to clarify any findings that I may have misinterpreted. Your collaboration in the verification process will aid me in achieving more accurate conclusions.

Any information that is collected from you and which can be identified with you will remain confidential—I shall not disclose nor reference your name(s) in any written or verbal account of the research unless you are willing to provide me with written permission which allows such disclosure. In addition to being used in support of my dissertation, the findings of this study will be used for writing research articles in journals, as well as for presentations at conferences. All the recordings collected will be transcribed by the researcher. Pseudonyms will be used on all transcripts, as well as in the final report. The audio recordings will be deleted after transcription is done. The transcript files will be stored in a computer

with passwords. The printed transcript will be locked in a drawer. Only the researcher has access to passwords and keys of the drawers. I am the only individual who will have access to raw data. [Note: if you do wish to allow your identity to be disclosed, please explicitly indicate this condition above your signature on the consent form.]

I would like to request your voluntary participation in this study. You are under no obligation to participate in the study. You may withdraw from the interview at any point during the interview. You may withdraw from the study any time up until analysis is begun, after which point your data will be included in the final research report. To withdraw from the study, simply indicate me the fact by phone or email. You have the right to request a copy of the recorded interview, as well as the accompanying transcript. You have the right to obtain a copy of the research findings. If you wish to obtain any of these materials, please contact me by phone or email.

If you have any questions or concerns about this study at any time please feel free to contact myself.

The plan for this study has been reviewed for its adherence to ethical guidelines by a Research Ethics Board at the University of Alberta. For questions regarding participant rights and ethical conduct of research, contact the Research Ethics Office at (780) 492-2615. Contact information is provided below. This office has no direct involvement with this project. Thank you for considering participating in this project!

**Principal Investigator :**

Zhen Zhang  
PhD student of Strategic  
Management and Organization  
University of Alberta School of  
Business  
Email: [zzhang4@ualberta.ca](mailto:zzhang4@ualberta.ca)  
Ph. 780-700-3774

**Research Ethics Office:**

308 Campus Tower  
8625 – 112 Street  
Edmonton, AB T6G 1K8  
Email: [reoffice@ualberta.ca](mailto:reoffice@ualberta.ca)  
Ph. 780-492-2615  
Fax: 780-492-9429

**Supervisor:**

Trish Reay  
Professor of Strategic Management  
and Organization

University of Alberta School of  
Business

Email: Trish. [Reay@ualberta.ca](mailto:Reay@ualberta.ca)

Ph. 780-492-4246

## APPENDIX C

### Research Participant Consent Form

☐ I have read and understood the Research Information Sheet. I agree to participate in this study titled “the identity construction of Chinese immigrant entrepreneurs in Canada” and understand that I can withdraw at any time.

☐ I allow the researcher to record the interview.

_____	_____	_____
Participant (Printed Name)	Signature	Date

_____	_____	_____
Researcher (Printed Name)	Signature	Date

## APPENDIX D

### Interview Guide

The following ten questions are the core questions of the interview. I wanted to collect their stories of entrepreneurship, family impact, and identity change. Thus I started the question rather vague and broad. I then asked probe questions to help the individual if necessary as well as to elicit further information

1. Could you tell me your story of immigration to Canada?
  - Did you have family members/relatives/friends in Canada/Edmonton?
  - What were the aspects that attracted you the most for immigration?
2. Could you tell me how you came up with the idea of starting a business?
  - Why did you choose entrepreneurship?
    - What is your motivation?
    - Why did you choose this industry?
    - Why didn't you choose other industries such as\*\*?
    - Did you have business experience before?
    - Did you think about the possible business failure?
  - How did your family members think about entrepreneurship?
    - Do any of your family members operate business?
    - Did family influence your start-up decision? How so?
    - Did your spouse work?
    - Were there negative aspects of family? Could you give me examples?
3. What resources did you need to start a business?
  - Where did you get those resources?
  - Did family play roles here? How so? Could you give me examples?
  - Were there negative aspects of family? Could you give me examples?
4. Could you tell stories about the challenging moments in your organization?
  - Is the business going well as you have planned?



- How did you solve the difficulties?
- Any roles of family here?
- 5. Could you tell me stories about the successful events happened in your organization?
  - What is the competitive advantage of your business?
  - What is your future plan for the business?
  - Have you considered letting your children succeed the business?
  - What are your expectations towards your children?
- 6. How do you answer the question of “who are you?”
  - What identities do you have?
  - Are there any conflicts among identities?
  - Did you hear about complaints from your spouse?
  - How do you solve the conflicts?
- 7. What does entrepreneurship mean to you?
  - What defines an entrepreneur for you?
  - What joys do you gain from entrepreneurship?
  - Did your life change before and after doing business?
  - Can you describe an ideal picture of your business/life?
  - What does entrepreneurship mean to your family?
  - What do other people (your family, your friends) say about your entrepreneurship?
- 8. In general, what are the roles of family in entrepreneurship?
  - Any negative impacts of family?
  - How do you balance the positive and negative aspects of family?
- 9. What aspects do you think government and province policies have done well in helping you with venture creation?
  - What aspects do you think they still need to improve?
  - What new programs of government will attract you the most?

10. Is there anything you would do differently with respect to establishing a business in Canada, if you had to do it over again?

----Do you have any advice for other newcomers who want to set up business in Canada?