

## TRANSNATIONAL ENTREPRENEURSHIP: THE CASE OF POLAND [1]

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#### **Abstract**

**Purpose:** The purpose of the paper is to present the phenomenon of transnational entrepreneurship on the example of Poland. The paper also presents studies addressing this topic.

**Methodology/approach:** This exploratory paper offers a general review of the phenomenon of transnational entrepreneurship in the Polish context. Available statistical data (GEM), as well as examples of existing studies are used to present the growing importance of transnational activities of immigrant entrepreneurs. The studies presented include Polish immigrants living in the US and several European countries, and immigrants from selected European and Asian countries who have moved to Poland.

**Findings and implications:** The authors point out the symptoms of growing practical and theoretical importance of transnational immigrant entrepreneurship. Despite such symptoms, studies on the phenomenon are quite scarce in Poland, as well as other CEE countries (e.g. Hungary). Directions for further studies are outlined.

**Originality/value of the paper:** The paper focus on the phenomenon of growing importance, which is currently understudied in the realm of Central and Eastern Europe. Research on migration in Poland does have a long tradition, but the popularity of research on immigrant entrepreneurship (including transnational activities) goes back no more than a few years.

**Keywords:** transnational entrepreneurship, immigrant entrepreneurship, migration

Paper type: General Review

#### 1. Introduction

Migration, ethnic minorities and related phenomena, such as transnational, diaspora, and refugee entrepreneurship have been the subject of both intensive scientific endeavours and a heated public debate. The latter influences and enhances research in various fields (such as economy, management, entrepreneurship, sociology, psychology, anthropology, public policy etc.). The

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recently growing interest in migration and diaspora studies does not mean that the subject is completely unchartered. For many years, migration processes have been explored by researchers worldwide, whose analyses also covered economic aspects of migration, including immigrant entrepreneurship (Dabić et al., 2020; Ram et al., 2017).

Immigrant entrepreneurship and transnational entrepreneurship research are a relatively new field of scholarly investigation. First studies devoted to this subject date back to the mid-20<sup>th</sup> century; initially, research was largely limited to the most popular and coveted migration destinations, such as the United States. In time, researchers became interested in exploring the phenomenon from other countries' perspectives. It was not until the end of 20<sup>th</sup> century that the subject gained currency worldwide.

Transnational entrepreneurial (TE) activities of migrants are one of the important dimensions of migrant entrepreneurship phenomenon. TE is also considered a rapidly emerging aspect of international business (Drori et al., 2009). Drori, Honig and Wright (2009, p. 1001) define transnational entrepreneurs as "individuals that migrate from one country to another, concurrently maintaining business-related linkages with their former country of origin, and currently adopted countries and communities". Same authors point out that the process of transnational entrepreneurship involves activities that are carried out in a crossnational context, and are initiated by actors embedded in at least two different social and economic contexts.

To understand immigrant entrepreneurship, as well as transnational entrepreneurship in the case of Poland, we need to start with its general migration background. The situation of Poland is particular, evidenced also by research carried out thus far. First of all, for many decades Poland was the country of migrants who left their homes in search of new opportunities abroad. In many countries, such as the US, Germany, and recently also the UK, Poles form a sizeable minority. At the same time, the inflow of migrants to Poland was limited. The situation has recently started to change and Poland is slowly becoming a host country, mainly for migrants from neighbouring countries, such as Ukraine. As a Member State of the European Union, Poland offers business opportunities and openness in terms of the flow of persons and goods. A large internal market and low unemployment are additional advantages: in many industries and areas of economy (hospitality, construction, agriculture etc.) demand for workers has been growing. Consequently, Poland has recently become more interesting as a host country for migrants looking for both short-term opportunities and a place in which to settle permanently. Nevertheless, this is still a relatively new phenomenon.

Given the tenor of the subject, the growing scale of migration phenomena and their dynamic character, immigrant and ethnic minority entrepreneurship

Beata Glinka Eszter Megyeri has become an important strand of entrepreneurship research. In the period following World War II, Polish researchers shied away from exploring massive migration movements from the late 19<sup>th</sup> and the beginning of the 20<sup>th</sup> century. The topic was considered taboo: migrants, in particular those who decided to leave Poland after WWII (mainly for political and economic reasons), were generally regarded as dissenters, or even enemies of the communist state. Consequently, despite its scale and complexity, the phenomenon did not attract a lot of attention of Polish researchers. Nevertheless, it must be noted that research on migration in Poland does have a long tradition: one of the most acclaimed early publications on migration, now considered a classic of sociological research, is *The Polish Peasant in Europe and America* by Florian Znaniecki and William I. Thomas (Thomas and Znaniecki, 1976/1918), published in the early 20<sup>th</sup> century.

The growing popularity of research on immigrant entrepreneurship, focused on both Poles leaving the country and foreigners settling in Poland, goes back no more than a few years (Brzozowski and Kaczmarczyk, 2018). This new interest in the topic has at least three sources: first, general entrepreneurship research has been developing and new global trends have been quickly seized by Polish academics; second, the migration debate has been rapidly gaining ground both in Poland and throughout Europe; and third, the scale of migration to Poland as a transit country, and increasingly also as a target country, has been steadily growing. Migrant entrepreneurship has been the subject of research carried both in Poland and abroad, resulting in a growing number of publications (see e.g. Andrejuk, 2017; Brzozowski, 2019; Glinka, 2013, 2018; Glinka and Hensel, 2020; Glinka and Jelonek, 2020; Wysieńska, 2012).

A recently published report on Polish migration studies after 1989 (Horolets et al., 2018), prepared and published by the Institute for Migrations Studies of the Polish Academy of Sciences includes a section on economic aspects of migration (Brzozowski and Kaczmarczyk, 2018). It clearly evidences the growing interest of scholars, which has translated into a number of new studies and publications; immigrant entrepreneurship (analysed from economic, managerial and sociological perspective) is an important area of scholarly investigation.

The community of Polish immigrant entrepreneurs and of immigrant groups in Poland is now more thoroughly explored, even though several research gaps can still be identified. In some cases, longitudinal studies are necessary; other research areas, in turn, require access to either broader or more detailed data.

The purpose of this paper is to address one of important aspects of immigrant entrepreneurship: transnational activities of migrants. The authors present the phenomenon of transnational entrepreneurship on the example of Poland. The studies addressing this topic are analysed.

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The paper is organised as follows: we begin with an analysis of quantitative data from the Global Entrepreneurship Monitor [2] (GEM) project. It refers to immigrants (first- or second-generation), their entrepreneurial activities and transnational ties. The subsequent section is devoted to analyses of immigrant entrepreneurs' transnational activities based on existing studies (mostly qualitative) exploring two dimensions: Polish immigrants living abroad (in the US and several European countries), and immigrants from selected European and Asian countries who have moved to Poland. A summary and conclusions are presented in the final section, along with an outline of directions for further studies.

## 2. Transnational Entrepreneurship – GEM evidence for Poland

The growing number of studies testifies to the importance of immigrant entrepreneurship in Poland. Research carried out throughout the world confirms the importance of transnational entrepreneurs, as they contribute to the creation of wealth at the level of regions and countries. In the case of Poland this phenomenon is still understudied.

As many researchers point out (e.g. Brzozowski and Kaczmarczyk, 2018; Glinka, 2013), migration studies are hindered by one sizeable challenge: insufficient accessibility and quality of statistical data on migration available in Poland. High quality official data on migration processes and dynamics simply do not exist, which compels researchers to base their estimations on incomplete data obtained internally or from various EU sources. This is why Global Entrepreneurship Monitor reports, based on internationally comparable data, can be especially useful in this respect.

Unfortunately, the GEM project results show that in Poland the number of respondents declaring to be born abroad, or to have at least one foreign-born parent (first- and second-generation immigrants) is quite low, and so is the number of immigrant entrepreneurs, or those who engage in transnational activities. Although statistically insignificant, some of the data shall be referred to below.

A team from the Polish Agency for Enterprise Development (PARP) was in charge of the Polish part of GEM project; data were collected in April 2016 on a sample of 2,000 respondents (aged 18–64). In 2016 study, questions on migration and potential transnational links were included in the questionnaire. Collected data were analysed and presented in a GEM report for Poland published in 2017 (Tarnawa et al., 2017).

Even though the number of people migrating to Poland has been recently growing, Poland is undoubtedly among European countries with the smallest share of migrants in total population. GEM report for Poland confirms this. The number of foreign-born respondents (first-generation immigrants), and those who declared having foreign-born parents (second-generation immigrants) was low; few of them are entrepreneurs or plan to start a business. These results, considered

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17 respondents (less than 1%) declared being born abroad (first-generation immigrants) in one of the following countries: Ukraine (the largest group), Belarus, Lithuania, Germany, Russia, Armenia and the USSR (before its collapse). 114 respondents declared that at least one of their parents was born abroad (second-generation immigrants; this group also includes first-generation immigrants, as respondents could indicate both). Only 4 foreign-born respondents declared running their own businesses (0.2% of the sample, and slightly more than 1% of respondents who declared running their businesses), 4 claimed that they were preparing to become entrepreneurs (2 of them also assert having already run their business). In addition, 14 second-generation immigrants claimed to run their own business or being in the process of establishing a firm (this group does not include first-generation immigrants).

As far as transnational entrepreneurship is concerned, the sample was even smaller. On the one hand, nearly 5.5% of respondents declared having lived in another country for several years and maintaining business-related connections with that country. Over 40% of respondents from this group are currently running a business or preparing to launch it, and 15% formalized their relations with their previous place of stay: they declared to be members or beneficiaries of an organization in Poland with links to their previous country of residence. Among first-generation immigrants, no positive answers were recorded in response to the following questions: Do you maintain business-related connections with your country of origin? and Are you a member or a beneficiary of an organization in Poland with links to your country of origin? Only one second-generation immigrant claimed to maintain active business-related contacts with fellow countrymen who also live in Poland; this person declared being in the process of launching a new business. In addition, 5 respondents from the second-generation immigrant group responded positively to the question: Do any of your business operations benefit from contacts with the country of origin of your parent who was not born in Poland?

Statistical data suggest that entrepreneurial activities of immigrants living in Poland and transnational entrepreneurship are of minor importance for the Polish economy. Statistically speaking, it is true. The number of transnational entrepreneurs operating in Poland is still insufficient to become subject to any serious quantitative analysis.

Nevertheless, some factors testify to the importance of this phenomena:

• The growing scale and the changing character of migration to Poland affect the scale of transnational activities; immigrants who intend to settle in Poland often see opportunities in maintaining relations with their ethnic networks and with businesses in their home countries;

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- Some ethnic groups are large enough to form an active diaspora; diasporas tend to cultivate various types of connections (including business ties) with their home countries;
- Thanks to an easier movement of people and goods, many immigrant entrepreneurs of Polish origin seek opportunities back in Poland, serving as intermediaries between different groups, or unique service providers.

Given the above, transnational entrepreneurs will have a growing impact on the Polish economy. Factors referred to above are illustrated in the following section, presenting results of some qualitative studies.

# 3. Migration and transnational diaspora entrepreneurship: examples from research

At least some qualitative studies on migration in Poland include examples of transnational entrepreneurship (even though most of them are not devoted solely to TE). There are studies aimed at describing and understanding the situation of immigrants living in Poland (e.g. Ukrainian, Vietnamese, or – in general – citizens of countries from the Far East), and of Polish immigrants living in different countries throughout the world (e.g. the US, the UK, Belgium, Germany). A number of studies address relations in border regions (close to Poland's frontier with Germany and Ukraine); others explore more distant settings.

## A. Polish immigrant entrepreneurs in Europe and in the US

A large number of studies explore Polish migration to the UK, which has soared, especially since Poland's accession to the EU in 2004. Many studies concentrate on social aspects of migration; several take into consideration labour market conditions (Kordasiewicz and Sadura, 2017). Only few research projects to date have focused on entrepreneurial activities of immigrants, and some of them were undertaken by international researchers (Knight, Lever, and Thompson, 2014; Porter, 2013; Vershinina, Barrett, and Meyer, 2011). The phenomenon of transnationality, in particular of transnational networks, was analysed by Porter in her PhD dissertation. She claims that it is an important factor affecting motivations and entrepreneurial activities of immigrants from Poland. Below we outline results of studies on Polish immigrants in the US, Germany and Belgium.

#### Polish immigrants in the US

For over a century, the United States of America was one of the major destinations of migrants from all parts of the world, and the most coveted target country of Polish migrants. Later, in particular after Poland's accession to the EU, the US somehow lost its appeal, especially to those who did not plan to settle abroad permanently. Still, the number of US citizens with Polish roots is considerable: ca. 9.5 millions of Americans (3% of the population) claim having

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The population of Polish immigrant entrepreneurs in the US has seldom been analysed and described from the point of view of economics or management sciences. The majority of studies concentrated on social, cultural, and political aspects of migration, as well as integration processes. Stereotypes abound, both in Poland and in the US: when we think of Polish immigrants in the US, we tend to imagine them as performing simple, manual work or employed in traditional businesses (for some empirical evidence see: Glinka, 2013, pp. 123–124). The study of Polish immigrant entrepreneurs performed by one of co-authors shows that their population is very diversified, and so are their resources and strategies employed, including transnational strategies.

Traditionally, Polish immigrant entrepreneurs used their transnational resources and networks in Poland either to import traditional Polish goods (mostly food and cosmetics), or to get access to potential employees (often seasonal) willing to move to the US. Also, many of them referred to the Polish community as their main target. Most often, it involved importing goods from Poland or manufacturing them locally, or offering services that would be in some way connected with Poland. Such activities can be considered as only partly transnational. Moreover, access to potential employees is now much more complicated than was in the 20<sup>th</sup> century. For seasonal workers, the US is not attractive, as the free movement within the EU creates more opportunities without the need to travel very far. Also, differences in wages between Poland and the US are not as high as they used to be, which makes potential benefits less attractive (especially when taking into account costs associated with travelling to the US, e.g. visa fees, transatlantic flights, etc.).

In time, more and more entrepreneurs started to redefine their strategy, or create new enterprises with a more transnational focus. It was possible as the Polish economy grew increasingly more open, while travelling and communication between continents became easier. More direct flights (or easy connections), affordable rates of international phone calls and Internet connection encouraged many entrepreneurs to make greater and more direct use of their ties with Poland. Some entrepreneurs decided to internationalize their activities and operate between the US and Poland (or, more broadly, Europe). This category includes both service providers (e.g. IT companies) and manufacturers. Some entrepreneurs decide to diversify their business activities and operate in Poland in segments not directly connected with their core business activity. For example, one of the largest wholesale distributors of Polish products has decided to invest in the hospitality sector in Poland. He lives in the US, but visits Poland several times per year to sign contracts and visit his hotels.

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To sum up, many entrepreneurs use (partly or fully) transnational resources and/or build transnational strategies for their businesses. Some of the most popular types of actions/strategies are:

- targeting the Polish community as the market for products or services,
- providing services connected with Poland (travel, shipments, money transfers etc.),
- mobilizing ethnic resources to obtain privileged access to goods and services,
- strengthening US-based business through internationalization and transnational activities,
- diversifying business activities and opening new enterprises in Poland.

## Germany - transnational entrepreneurs near the border

Geographical proximity and long traditions of Polish migration, as well as a combination of different historical factors influence the entrepreneurship of Polish immigrants in Germany. In 2015, Germany had the largest foreign-born population in Europe (ca. 12 million migrants); top-ranking groups were the nationals of Poland, Turkey, the Russian Federation and Kazakhstan (UN, 2018). Data from micro-censuses show that Polish migrants are the largest group among migrant entrepreneurs in Germany, outnumbering even Turkish immigrants (Skraba and Nowicka, 2018). According to Census data from 2011, around 15% of all self-employed migrants in Berlin were of Polish origin – way above the German average (Skraba and Nowicka, 2018, p. 27). For this reasons, Polish immigrants in Germany have been the subject of numerous studies, many of which focused on entrepreneurship and transnational entrepreneurship (Miera, 2008; Nawojczyk and Nowicka, 2018; Nawojczyk and Synowiec-Jaje, 2018; Skraba and Nowicka, 2018; Szarucki et al., 2016).

Miera (2008) claims that the transnational perspective is essential for understanding strategies pursued by Polish immigrant entrepreneurs in Germany. On the basis of her research (statistical data analysis combined with a qualitative study), she identified 4 main strategies followed by migrants from Poland:

- making use of personal mobility, as well as differences in prices and purchasing power between Germany and Poland to develop cross-border trade,
- recruiting transnational workers from Poland,
- targeting the Polish community as customers, and
- internationalizing business activities of companies established and based in Germany through the creation of branches in Poland.

In a more recent project, the research team combined the perspectives of entrepreneurs and of experts in order to analyse entrepreneurial activities of Polish immigrants and transnational migrants (Nawojczyk and Synowiec-Jaje,

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2018; Skraba and Nowicka, 2018). Anna Skraba and Magdalena Nowicka claim that migrants may contribute to revitalising neighbourhoods affected by economic stagnation and unemployment, infusing them with new energy, or reanimating selected sectors of the local economy. They demonstrate how Brandenburg, a relatively deprived region of Germany (formerly part of East Germany) that shares a border with Poland can profit from the entrepreneurial activities of Polish migrants. Skraba and Nowicka also propose exploring migrant entrepreneurship from a relational perspective, which places equal emphasis on social and economic developments in the place of origin and in the host country. They claim that the transnational perspective requires a refined analysis of regional disparities and asymmetries, and country-level (or even regional) data are hardly appropriate for understanding the context of regional cross-border migration (Skraba and Nowicka, 2018, p. 35). In the context of geographical proximity, transnational activities are pursued in different modes: some people decide to move houses and live abroad without changing their lifestyle or job; others move their business to Germany while living in Poland. Poles (especially those living in Brandenburg) can use transnational resources and transnational networks without having to physically move, even if a transnational entrepreneur is, by definition, one who uses the resources of both countries simultaneously to develop his/her business.

Maria Nawojczyk and Lidia Synowiec-Jaje show that transnationalism requires appropriate infrastructure, e.g. a network of organisations providing support to entrepreneurs from a particular country of origin in their native language (Nawojczyk and Synowiec-Jaje, 2018). They claim that certain elements of such infrastructure aimed at Polish immigrant entrepreneurs exist in Germany (especially in Berlin). They also point out that the proximity of Berlin fosters constant movements of Polish entrepreneurs between their homeland and Germany. On the basis of their research, they have distinguished several types of entrepreneurs, classified according to location and the organisation of their private and working lives:

- entrepreneurs who have permanently relocated to Germany with their families; some of their family members and friends still live in Poland, so they see their extended families a few times a year. The majority of them maintain business ties with Poland, e.g. with Polish subcontractors, business partners, employees etc.;
- entrepreneurs who constantly move between Poland and Germany; their personal life is in Poland, while they do business predominantly in Germany;
- Polish entrepreneurs operating under the German law, who have registered their business at a German address, but manage their business from Poland. These cases are rare, as greatly improved infrastructure has facilitated travelling between Poland and Germany.

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## Polish immigrants in Belgium [3]

The population of Polish immigrants in Belgium is smaller than in the US or Germany, and divided into two distinct groups. The first consists of diplomats, EU officials and people employed in the institutions and agencies of the European Union. The second are the remaining Polish immigrants, settling temporarily or permanently in Belgium. From the perspective of transnational entrepreneurship, the second group is far more interesting.

The majority of Polish immigrant entrepreneurs are first-generation migrants, although there is a number of descendants of Poles who settled in Belgium in the wake of World War II. Among more recent migrants, the largest group come from Podlasie, a region in the north-east of Poland, relatively poor compared to the country's central and Western regions. Moreover, Polish immigrants in Belgium are particularly active in one field: construction. Thus, the majority of Polish businesses are construction enterprises, or companies providing services (rarely manufacturing goods) that target the Polish community. There are exceptions, but the above types of enterprises clearly prevail. Polish construction companies have become major players on the market, especially in Brussels, where they target local customers. Their transnational activities consist mainly in the mobilization of ethnic resources in Poland in order to get access to potential employees (mainly from Podlasie). Unlike Polish entrepreneurs in the US, those who operate in Belgium can take advantage of the relatively easy access to employees from Poland. A number of construction entrepreneurs constantly move between Poland and Belgium; as in some cases, members of their families still live in Poland. Service providers mainly target customers from the Polish community. Many companies offer services in Polish language, e.g. legal assistance, shipment of goods to Poland, regular transportation services to Podlasie etc. Those entrepreneurs use their language skills and contacts in both countries to develop their businesses. Another group of entrepreneurs use networks in Poland to import goods directly and sell them (in corner shops or supermarkets) both to locals and (mainly) members of the Polish community. Some entrepreneurs manufacture typical Polish goods, especially those that cannot be imported from Poland, e.g. bread or other products with a short shelf life.

The final, small group of entrepreneurs operate in other sectors and use transnational contacts to internationalize develop their business. For example, certain entrepreneurs operate partly in Poland to get access to more affordable workforce, and to enter the markets of neighbouring countries. In general, Polish entrepreneurs in Belgium resort to strategies that are, to some extent, similar to those observed in Germany and the US. The most popular are:

- getting access to transnational workers from Poland (Podlasie),
- targeting the Polish community as the market for goods and services, such as food production (bread), transportation and advisory services;

Beata Glinka Eszter Megyeri  internationalizing business activities of companies established in Belgium through the creation of branches in Poland, or moving some activities to Poland.

#### B. Immigrant entrepreneurs in Poland

Poland is home to immigrants from many countries. Migrants from neighbouring countries (Ukraine, Belarus) prevail, but the communities of Asian migrants (especially Vietnamese, Indian and Chinese) are also quite numerous. Researchers exploring this subject tend to focus not on transnationalism (and transnational entrepreneurship), but on matters related to transnational resources, ethnic networks and migrants' relations with their home countries.

## Immigrant entrepreneurs from the Far East in Poland

Despite the geographical and cultural distance, many migrants from Asian countries have chosen to live in Poland. The majority represent recent migration flows; however, there are examples of much longer traditions, especially in the case of Vietnamese immigrants. Entrepreneurial careers are very popular among members of Asian immigrant communities (Glinka and Jelonek, 2020). Although culturally very different, these communities have certain common characteristics.

The first wave of Vietnamese immigrants reached Poland in the 1960s and the 1970s. The majority of immigrants were undergraduate, graduate and postgraduate students who came to Poland in order to study at Polish universities following an agreement between the communist governments of Poland and Vietnam. It was assumed that, upon graduation, they would return to their home country. However, many decided to settle in Poland permanently. It is believed that this group of well educated people, conversant with both Polish and Vietnamese culture, helped other groups of Vietnamese immigrants to enter Poland and contributed to the creation of a migration network (Górny et al. 2007). The prevailing form of economic activity amongst the Vietnamese is self-employment, which distinguishes them from other groups of immigrants. For this reason, from the point of view of entrepreneurship research, the Vietnamese are a particularly interesting group (Brzozowska, 2015; Glinka and Brzozowska, 2015; Wysieńska, 2012).

The number of **Chinese** migrants living in Poland is also quite significant and it has doubled over the last decade (Wardęga, 2017). The majority of Chinese immigrants in Poland live in the capital and in surrounding areas, i.e. Mazowieckie Voivodship. They tend to concentrate in several centres closely linked with their business activity, among which Lesznowola (Chinese Trade Center in Wólka Kosowska) as the largest. Other important hubs of their activity are Jaworzno-Jeleń (Chinese Wholesale Centre), Bydgoszcz, Stalowa Wola (Klorek and Szulecka, 2013). The Chinese are a flexible ethnic group and they are willing to change their place of residence – both in China and abroad – if the situation

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requires them to do so or if new business opportunities arise. Their reluctance to integrate with the local community make this even easier. The Chinese tend to opt for entrepreneurship/self-employment and work mainly in small businesses (mostly owned by Chinese immigrants). Members of the Chinese community cooperate closely with one another.

**Indian** immigrants have settled mainly in central Poland and in larger cities: over half their population reside in Warsaw, its suburbs, and neighbouring towns and villages (mainly in Raszyn and Wólka Kosowska). Smaller communities live in Lodz, in Silesia and in the region of Lesser Poland. In places where large Indians communities have formed, many businesses and social organizations have been established, as well as places of religious worship (e.g. Sikh Gurdwara in Raszyn).

Economically, Indians tend to be well integrated; the majority are relatively young and fairly well educated (high school or university graduates), with income above the national average. Many Indians decide against competing with Poles on the job market; instead, they prefer to create their own businesses and employ other Indians, and also Poles. Indians run restaurants and fast food joints, engage in textile manufacturing, import furniture, trade in Indian/Asian foods, pharmaceuticals and cosmetics. Some studies show that Indians are more willing to use their ethnic networks for social rather than business purposes (Nestorowicz, 2013).

The **South Korean** group is considerably smaller than the three described above. According to data obtained from the Korean Embassy and Korea Foundation, the majority of immigrants are young and highly educated; approx. 15–20% of them run their own business, mostly restaurants and educational services. A relatively large number are employed by Korean *chaebols* operating in Poland (e.g. Samsung, LG, KIA). The majority of Koreans live in cities: Warsaw, Krakow and Poznan.

As Andrejuk and Oleksiyenko show on the example of Vietnamese and Chinese immigrants, Asian entrepreneurs often capitalize on the cultural resources of their ethnic groups (Andrejuk and Oleksiyenko, 2018). It must be stressed, however, that ethnic resources are highly valued mainly by those running traditional businesses targeted at members of their own ethnic community. At the same time, as researchers point out, all entrepreneurs willingly use some of their ethnic capital – both cultural and social – to develop their business. This often includes transnational resources and ties. They list the following as the most frequent forms of capitalising on ethnic resources (Andrejuk and Oleksiyenko, 2018, pp. 90–91):

 employment of co-ethnics, which is considered a method of minimizing cost and maximizing the utility of business ventures; many workers have skills acquired in their home countries that are useful in business (e.g.

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- cooking), and are relatively less demanding as employees (due their lack of foreign language skills which is true in particular in the case of Chinese immigrants and unfamiliarity with Polish legal regulations);
- capitalizing on cultural competencies in certain sectors of business –
  immigrants very often create enterprises in sectors that allow to put to
  advantage cultural competencies and emphasize cultural assets as a source
  of competitive advantage; thus, they tend to operate in the segment of
  catering/Horeca or alternative medicine;
- reference to the cultural patterns of co-ethnic friendship, solidarity and intra-group loyalty;
- establishing transnational links to cooperate with ethnic business partners both in Poland and in the home country.

Our recent research project [4] (Glinka and Jelonek, 2020) supports many of the findings of other researchers (e.g. Andrejuk and Oleksiyenko, 2018). The qualitative part of the study (75 anthropological interviews) also evidenced that the majority of Asian communities build relatively strong diasporas in Poland: on the one hand, they create specific safety networks for newcomers; on the other hand, they impose their own rules which, at least to some extent, may hinder integration with the local community. These diasporas differ in terms of their openness, e.g. Indians are considered to be more open than the Chinese, who tend to form specific ethnic enclaves (e.g. in Wólka Kosowska near Warsaw). Korean immigrants in Poland are a case apart, as they often combine work for large organizations with running their own business or create businesses that provide services to larger Korean companies. In the case of Asian immigrants, a variety of organisations have been established to support ethnic entrepreneurs and/or their cooperation with Polish enterprises, such as chambers of commerce, business councils etc. Immigrant entrepreneurs from Asia very often create businesses that allow them to use different kinds of transnational resources. They used ethnicity as a source of competencies and perceive it as a competitive advantage of their companies. In general, they can count on the support of their diasporas. In this context, it must be noted that the strength of a diaspora and the amount of help offered to co-ethnics depends on many factors; time is one of them. Migration to Central Europe in general, and to Poland in particular does not yet have long-established traditions, and therefore diasporas are not as strong as in many European countries or in the US. For many years, the size of Asian ethnic communities was so limited, that it did not allow its members to fully capitalize on their ethnic ties. As these communities grew and became more firmly established, forms of support afforded to co-ethnic evolved. According to research carried out as part of our project, the main transnational activities include:

• using transnational ties (in both home and host countries) to attract employees,

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- building imitation strategies in order to conquer the local market or to reduce risks – implementing business concepts typical of the home country, or typical of members of one's ethnic community in the host country,
- using transnational ties to gain privileged access to goods and services from one's country of origin, and use them in the host country,
- building transnational enterprises based in two countries.

## Immigrants from Ukraine in Poland

Immigrants from Ukraine attract a growing attention of researchers (Andrejuk, 2017; Bieniecki and Pawlak, 2010; Górny et al., 2016; Klimek, 2016), first and foremost due to the sheer size of this group. As mentioned above, according to both official statistics and unofficial estimations, Ukrainians form the largest group of immigrants in Poland. They reside throughout the country, however, large cities, as well as different-sized towns located near the Polish-Ukrainian border are home to largest Ukrainian communities. Some studies explore social aspects of migration, social integration, and/or short-term labour migration of seasonal workers from Ukraine to Poland (Korniychuk and Wenerski, 2016), while several researchers have focused directly on entrepreneurial activities (Andrejuk, 2017). It must be noted, however, that Ukrainians living in Poland do not tend to establish businesses as often as Asian immigrants (described above).

In her qualitative study of immigrant entrepreneurs from Ukraine, Katarzyna Andrejuk points out that entrepreneurship and self-employment are not the most frequent strategies of this ethnic group in Poland; those who decide to create their own business, plan to settle in Poland at least temporarily. The researcher claims that an active participation of Ukrainian immigrant entrepreneurs in social ethnic networks is rare. She adds that "The heterogeneity of the Ukrainian community [in Poland] makes it impossible to create a 'diasporic' identity as such" (Andrejuk, 2017, p. 251), and the sense of belonging to a migrant community must be constructed within smaller groups. This means that few Ukrainian immigrants are truly engaged in the life of their diaspora. The study also shows that the processes of adaptation to the new reality and the development of a new identity by Ukrainians who decide to settle in Poland often creates a growing sense of foreignness and detachment from one's home country and the style of life that prevails there. For many migrants social and professional advancement in Poland require a certain separation – detachment from their previous life and their home country in both geographical and mental sense.

This separation can, however, be partial and/or it does not always prevent one from using ethnic resources, especially in business-related activities. Andrejuk describes certain behaviours and business approaches that can, at least partly, be identified as based on transnationality. The simplest strategy consists in using

Beata Glinka Eszter Megyeri one's entrepreneurial experience gained in Ukraine to develop a business in Poland. In her publication, Andrejuk recounts cases of entrepreneurs who operate in Ukraine and, in addition, start a new business in Poland, often close to the boarder, to benefit from having two interconnected business ventures in two countries. Some of these businesses did not prove profitable in the long run, but several entrepreneurs have not only succeeded, but plan further expansion and internationalization [5].

Andrejuk also points out that many entrepreneurs use some of their transnational resources to manage businesses and build market strategies. These are not fully transnational ventures in terms of general strategy, interrelations, and moving between contexts. Entrepreneurs, however can use ethnicity as a brand, develop their businesses on the basis of Ukrainian products, create ethnic businesses, or use/bring in Ukrainian workforce. This translates into the creation of specific types of businesses, such as travel agencies or employment agencies. In many cases personal networks in Ukraine can also help immigrant entrepreneurs to target new customers and potential customers.

Just as in the case of other ethnic groups, transnational activities of Ukrainian entrepreneurs in Poland are not fully developed and have yet to be thoroughly explored by researchers.

#### 4. Conclusions

Migration-related issues form an important field of research in Poland, due to both their theoretical value and potential practical application. The consequences of the growing scale and the evolving character of international migrations are evident. However, certain areas of economic activities of migrants require more attention of researchers, e.g. immigrant entrepreneurship in general, and refugee entrepreneurship and transnational entrepreneurship in particular. Although neither refugee entrepreneurship nor transnational entrepreneurship are large-scale phenomena, their social importance and impact on increasingly diversified and multicultural societies, as well as the economic consequences of such processes, justify substantial research efforts.

Traditionally a sending country, Poland is facing a considerable challenge related to becoming a transit country and, increasingly, also the target destination for many immigrants. Even though Poland is among European countries with the lowest share of immigrants in its population (between 1.5 and 2.5%, depending on the source of data and the estimation method used), the role of migrants in the society and economy is far from marginal. Many foreigners settle in Poland permanently (or for long periods of time) and create their own enterprises that play increasingly important roles in local economies. Polish economy can also benefit from the activities of immigrants who have left Poland, but use their transnational resources to develop their businesses. Among them, the most significant are:

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- creating employment opportunities for those who cannot find employment
  on the local market and would have difficulties in finding a job (e.g. due to
  their lack of language skills); this activity may, however, have an adverse
  effect: although wages paid by some Polish entrepreneurs may be lower
  than the average in a given market, new employees often accept them
  anyway, as their income is still higher than it would be in Poland;
- creating international market for Polish products and boosting the
  international activity of Poland-based companies; entrepreneurs who
  target Polish communities abroad, and very often also local customers
  in the host country, may create opportunities for Polish manufacturers.
  These entrepreneurs mobilize local networks, find local producers and
  introduce their products into new markets;
- direct investment in Poland opening branches or creating new businesses; investments in real estate.

Immigrant entrepreneurs from different countries who live and operate in Poland also tend to engage in certain transnational activities and mobilize diaspora's resources, or use home-country networks to build business strategies. It must be noted, however, that due to relatively limited experience with larger-scale migration to Poland, this area of activity is has only begun to develop.

Only recently has the phenomenon of immigrant entrepreneurship become an area of scholarly investigation within the field of migration studies, hence numerous gaps that need be filled by further research. First of all, the statistical image of immigrant entrepreneurship – as well as migration activities in general – remains incomplete. Several blind spots, including transnational entrepreneurship, have yet to be addressed by surveys. GEM survey data referred to in earlier parts of this paper show that neither immigrant entrepreneurship nor transnational entrepreneurship are statistically significant phenomena in Poland. This creates a serious obstacle for both data collection and the reliability of statistical analyses. Another blind spot, probably even harder to explore with surveys, is refugee entrepreneurship.

This leads us to the conclusion that, in a country such as Poland, more qualitative and quantitative studies focused on transnational entrepreneurship may be needed. At this stage, a more thorough, qualitative description and analysis are essential. Quantitative studies should supply information that will complete this picture, verify certain assumptions, and allow for intergroup comparisons. Also, comparative research may enrich the picture of transnational entrepreneurship in the region (e.g. with countries sharing similar historical and transitional background in CEE, like Hungary).

Given the scale of the phenomenon, case-based comparisons are more likely than statistical observations. It is probable, though, that the development of the phenomenon will soon make possible sound international comparisons based on reliable statistical data.

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#### **Notes**

- [1] This paper was partly prepared on the basis of the project Entrepreneurship of immigrants from the Far East in Poland, financed by National Science Centre [Narodowe Centrum Nauki] UMO-2016/21/B/HS4/00767.
- [2] We wish to thank PAED (Polish Agency for Enterprise Development), and in particular Anna Tarnawa, for allowing us to access GEM research data.
- [3] This section is based on the results of an unpublished qualitative study of Polish immigrant entrepreneurs in Belgium carried out by the Authors of this paper.
- [4] Project: Entrepreneurship of immigrants from the Far East in Poland, financed by National Science Centre [Narodowe Centrum Nauki] UMO-2016/21/B/HS4/00767. During stage one, interviews were conducted with migrants from Vietnam, China, South Korea, India and Philippines.
- [5] It must be noted that the study was focused on micro entrepreneurs, so ambitions of expansion or spectacular growth were, by definition, quite limited.

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