How to Integrate Refugees Into the Workforce – Different Opportunities for (Social) Entrepreneurship

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The literature on the role of (social) entrepreneurship for the vocational integration of refugees is scare. Drawing on examples of successful (social) enterprises, this paper aims to address this gap by proposing a typology of refugee and refugee-related (social) entrepreneurship, using Germany as main example. It aims to provide a framework for future research on these kinds of entrepreneurship by identifying three types of entrepreneurship for refugees and two by refugees, namely social intrapreneurship, intermediary concepts and job creation for refugees as well as refugee entrepreneurship and refugee social entrepreneurship by refugees.

**Keywords**: social entrepreneurship, refugees, vocational integration, work, framework, entrepreneurship by refugees, entrepreneurship for refugees, intrapreneurship.

JEL: L31
1. Introduction

In 2016, the forced displacement of more than 65.6 million individuals globally reached the highest numbers on record, even exceeding the previous record in 2014 and 2015 (UNHCR, 2015a, 2016, 2017). As described by Charnoff (2015), “Globally, conflict and violent persecution have displaced more people than at any time since World War II”. In countries such as Turkey, “[...] the largest refugee-hosting country worldwide [...]” (UNHCR, 2015b) or the Lebanon, which has the largest number of refugees in relation to its national population (232 refugees per 1,000 inhabitants; UNHCR, 2015a), these developments have already led to major humanitarian crises.

Thus, one of the major challenges, today and in the future, will be to integrate refugees. Since the successful integration into workforce has a positive impact on long-term societal integration (Ager and Strang, 2008; Phillimore and Goodson, 2006), there is a great need and potential for research on how to foster this and overcome challenges like missing language skills or difficulties with the expected qualifications. However, this is challenging in different ways. Even though current figures are still not available, it appears that the qualifications of refugees do not match or meet required standards (Brücker, Hauptmann and Vallizadeh, 2015). Furthermore, even if certificates or diplomas are available, these documents are not necessarily officially recognized in host countries to the full or to some extent (Chiswick and Miller, 2007; Dietz et al., 2015; Mirbach and Triebl, 2010; OECD, 2006). Therefore, innovative and sustainable concepts are needed that can be used to integrate refugees into the workforce.

For this reason, we draw attention to entrepreneurial activity that can, we argue, offer many opportunities for both entrepreneurs and refugees, and these could be exploited with social or more traditional approaches to entrepreneurship. As we see a huge gap between the ad hoc awareness in science and practice, we followed the research question: What are relevant (social) entrepreneurial concepts to foster the vocational integration of refugees? To identify and categorize these concepts, we conducted a literature review and, since studies on social entrepreneurship by and for refugees are scarce, added successful cases of matching entrepreneurial activity. Based on the results, we carve out different perspectives on the topic and propose a research framework for further classification and better understanding on how entrepreneurial activities play a critical role for refugee integration. As all these activities are context-specific, as the refugees’ situation and their options are bound to a large extent to the country’s context, we decided to focus on the situation in Germany, but also consider further important examples from abroad.
2. Important Parameters for Refugee Integration

Before addressing the complex challenge of how to integrate refugees in the workforce, we first need to clarify our understanding of the term *refugee*, as this definition has profound implications for (social) entrepreneurial activities, for example with regard to legal status. As the situation with and about refugees is rather complex, the definition of the term “refugee” is important. In a next step, the importance of work for integration and the need for (social) entrepreneurial activities will be discussed.

2.1. Definition of “Refugees” and Integrational Influence of Work

The Geneva Convention defines refugees as individuals who had to leave the country of their nationality due to a “well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion” (UNHCR, 1954). Even though there is a debate on this definition in general and its narrow scope in particular (Robinson, 2012), the mandate provided by UNHCR had to be interpreted more broadly and extended significantly over the past twenty years (Betts, Loescher and Milner, 2012; Milner, 2014). As Glynn (2012) explains, “refugees in the twentieth century often comprised people escaping persecution, wars and humanitarian disasters”. In everyday discussions and in the media, the term refugee is often used interchangeably with words such as asylum seeker, or migrant, but there are crucial differences. Joly et al. (1992) even define five types of refugees in Europe. When it comes to refugees, many host countries distinguish between first asylum seekers (sought protection as refugee, but claim not yet assessed) and then “recognized refugees,” a distinction that has major implications concerning the legal status of a person. In contrast to refugees, migrants are often defined as people who “choose to move not because of a direct threat of persecution or death, but mainly to improve their lives by finding work, or in some cases for education, family reunion, or other reasons” (UNHCR, no date). The question, however, whether or not it is possible to categorically differentiate between refugees and migrants only based on the distinction between voluntary or forced migration is highly controversial (Seukwa, 2014). Often, “refugees are treated as just a part of the immigrant population without stating anything about them separately” (Wauters and Lambrecht, 2006).

While there are some factors, challenges, and difficulties that are shared by both refugees and migrants, it is important, as numerous scholars have argued (Bernard, 1977; Bollinger and Hagstrom, 2004; Cortes, 2004; Gitelman, 1978; Gold, 1992; Rose, 1985; Wauters and Lambrecht, 2006) to consider the differences when conducting research on refugees. Both target groups differ in terms of their demographic, family-related, social, occupational, and economic characteristics. For example, refugees often cannot rely on a social network, whereas migrants usually can. As
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they had to escape from their country of origin, refugees usually have no or only little access to their former resources. They normally will not only have no assets or certificates, but they are also less likely be familiar with the language spoken in the host country, in part because they often do not even know which country they will be able to reach. Not all refugees are suited for paid work, as some may be traumatized or lack the occupational skills needed in their host countries. All of these factors have a major impact on the lives of refugees and can severely limit opportunities for integration and participation.

Many refugees have already arrived and more are projected to come; for this reason, their integration has been at the center of public discussion in general and debates on policy in particular (Ager and Strang, 2008). Although there is no generally accepted model, definition, or theory for the integration of refugees (Castles et al., 2002), a helpful conceptual framework has been proposed by Ager and Strang (2008), which addresses what they describe as the ten core domains of integration. The first one is employment. The identification of vocational integration, which many researchers regard as the probably most important factor for social integration, affects many areas of life such as gaining economic value and independence, establishing contacts, receiving social recognition, improving language skills, or boosting self-esteem (Ager and Strang, 2008; Bloch, 1999; Coussey, 2000; Deakins, Ram and Smallbone, 2003; Juretzka, 2014; Kontos, 2003a; Phillimore and Goodson, 2006; Tomlinson and Egan, 2002; Van den Tillaart, 2007). Asylum seekers and refugees coming to the EU and to Germany possess know-how, talents, skills, and (working) experience that need to be recognized, developed, and promoted (EQUAL, 2007). It is important to note here that the persons most “capable of acting” are the ones who were the first to arrive in Europe (Hieronymus, 2014). Some of them have been regarded as highly skilled human resources (Fong et al., 2007; Klingholz, Reiner, Sievert and Stephan, 2014). Thus, integrating refugees could be seen as an integral part of securing enough skilled labor. Their potential is increasingly acknowledged by German society and those of other host countries (Juretzka, 2014). It therefore makes sense to support the integration of refugees into the labor market because it not only helps refugees, but also is beneficial to the economy and society as a whole.

2.2. The Need for (Social) Entrepreneurial Activity

Several strategies have been used to improve the vocational integration of refugees. The involvement of the state, churches and religious organizations, and the non-profit sector has increased in recent years, especially with the additional funding provided by the European Social Fund (ESF). Since the resources available are, however, neither sufficient nor adequate to address the needs of refugees, new solutions must be found to address the situation beyond what is known as a “care and maintenance” approach (Chanoff,
Social entrepreneurial activity can be crucial in this respect because it may help to develop and implement required innovative approaches, e.g., through the foundation of market-oriented social enterprises for disabled people as suggested by Gidron (2014). Social entrepreneurship has been described as delivering visionary and creative new (business) models that can solve social problems by discovering and exploiting opportunities to create sustainable social value (Bornstein, 2004; Mair and Marti, 2004; Zahra et al., 2009). Although some authors seek to move beyond definitional debates concerning social entrepreneurship (Grimes et al., 2013), there is still no common definition (Zaefarian, Tasavori and Ghauri, 2015; see Bacq and Janssen, 2011, Brouard and Larivet, 2009, Dacin, Dacin and Matear, 2010 and Nandan and Scott, 2013, providing lists of up to 37 different definitions). Many researchers agree, however, that social entrepreneurship is “the process of employing market-based methods to solve social problems” (Grimes et al., 2013) and that social entrepreneurial activity “[…] combines the passion of a social mission with an image of business-like discipline, innovation, and determination […]” (Dees, 1998, p. 1). As Wulleman and Hudson (2016, p. 183) state: “Social enterprises can be for-profit, NPOs, hybrids, in the private or public sectors, but have to achieve a social goal.” Agrawal and Gugnani (2014, p. 439) add that in social entrepreneurship “higher priority is given to promoting social value” than “capturing economic value.” These activities often specifically address needy or minority groups (Kidd and McKenzie, 2014; Wang and Altinay, 2012). According to the Schwab Foundation, social entrepreneurship aims to “[apply] practical, innovative and sustainable approaches to benefit society in general, with an emphasis on those who are marginalized and poor” (Schwab Foundation, no date). Frank (2006, p. 234) found non-profit entrepreneurs to “operate under a different incentive structure that for-profit entrepreneurs.” Martin and Osberg (2007) stated that “[t]he social entrepreneur’s value proposition targets an underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own.” This particularly applies to refugees, a “particularly vulnerable population” (Harris, Minniss and Somerset, 2014, p. 9202), and several successful companies have already been founded to address this gap.

Even though the combination of social entrepreneurship and the integration of refugees into the labor market seem to be a promising approach, research on these issues is scarce. A systematic review of successful examples, academic research, and the reports issued by organizations working with refugees showed that there are only very few peer-reviewed studies.

2.3. Analyzing Relevant Literature and Practical Cases

In order to get an overview of existing research and empirically based insights on using entrepreneurial activities as well as practical examples to improve the current environment for fostering refugees’ opportunities within
the labor market, we started to conduct a systematic literature review. We used a four-step search process based on keywords as presented in the following figure. The keyword combinations consist of different expressions used for refugees and entrepreneurial term components. Since our research focuses on bringing together refugees and companies, we also included terms for intrapreneurial activities as intrapreneurship describes entrepreneurship within existing organizations (Antoncic and Hisrich, 2001, 2003). After searching for articles and examples covering the determined combination or key terms, we checked them for fitting into our topic and removed those dealing with other questions, but using the same term combinations. For the remaining articles, we reviewed the cited literature and exemplary cases in the relevant fields. For these results, we repeated step two and checked them again for matching our topic et cetera.

Fig. 1. Systematic literature review process. Source: Own illustration, compiled by the authors.

This search process conducted within (scientific) literature databases and searching engines delivered a broad variety of interesting examples of entrepreneurial activities in the respective field. Unfortunately, we found far fewer research articles than expected. Even though we initially got quite a lot of hits, for several reasons most of them did not fit when having a closer look at them: a considerable amount of literature dealt with the so-called refugee effect, not dealing with refugees themselves, but describ-
ing the phenomenon of people choosing being an entrepreneur because of lacking alternatives, for example as a response to unemployment or poor future employment opportunities (Oladele, Akeke and Oladunjoye, 2011; Thurik et al., 2007).

Other “mismatches” can be traced back on the applied terms. All terms, particularly migrants, refugees and ethnic minorities, are used often and by many, but there is no clear differentiation – sometimes they are used interchangeably, some authors make differences. Often, “refugees are treated as just a part of the immigrant population without stating anything about them separately” (Wauters and Lambrecht, 2006, p. 510). Indeed, as shown above, there are some factors, challenges and difficulties, which are similar for migrants and refugees. Nevertheless, there are good reasons to do separate research as both target groups differ in basic parts of their demographic, family-related, social, occupational and economic characteristics (Bernard, 1977; Bollinger and Hagstrom, 2004; Cortes, 2004; Gitelman, 1978; Gold, 1992; Rose, 1985; Wauters and Lambrecht, 2006).

The review process of practical entrepreneurial activities in the field of vocational integration of refugees was conducted comparably, but through public search engines as Google, as well as our existing networks in both the “third sector” and the refugee networks. We compared and analyzed the identified examples with regard to their approach towards refugees and their concrete action taking: What does the (social) entrepreneur or the initiative do? Are they approaching refugees or migrants? Do they support refugees in finding existing jobs, creating jobs or starting to be self-employed? Who founded the initiative, a local or a refugee? Who are their employees?

Based on both, the systematic literature review and the review process of entrepreneurial activities, we found different perspectives on (social) entrepreneurship, which will be discussed as follows.

3. Different Perspectives on (Social) Entrepreneurship and Refugees

3.1. Types of Refugee Focused Entrepreneurship

When it comes to refugee entrepreneurship, different types of entrepreneurial activity can be observed. Considering practical examples and research on related fields (such as migrant entrepreneurship), two different types of entrepreneurial activity are discerned: entrepreneurship for and entrepreneurship by refugees. In the following, we will focus on these two types and identify subtypes. In both cases, entrepreneurial activity can reduce refugees’ dependency on aid and foster their ability to promote a sustainable integration into the workforce and society in general (Rigeterink and Rogers, 2000). This activity can be a response to a wide range of social
issues, and the new ventures can have very different organizational forms or structures, since social entrepreneurship can take the form of, for example, non-profit organizations in the public sector as businesses following a social mission (Roper and Cheney, 2005).

3.1.1. Entrepreneurial activity for refugees

Existing companies’ internal concepts (social intrapreneurship)

In this survey, only a few examples of intrapreneurial efforts involving refugees have been identified. The authors argue, however, that there is considerable potential for future activities in this area. According to Bode and Santos (2013), social intrapreneurs respond to perceived shortcomings in society and utilize the resources of the firm to provide market-based solutions to address them. Spitzeck (2010) provided a similar definition: “Social intrapreneurs create innovations which are both socially and financially beneficial by leveraging the resources and capabilities of their organizations.” Grayson et al. (2014) similarly defined social intrapreneurs as “[…] people within a large corporation who take direct initiative for innovations that address social or environmental challenges while also creating commercial value.” Intrapreneurial activity can begin in companies or other organizations and could, as it will be shown below, have a social impact by fostering refugee employment.

There are a few examples that indicate that intrapreneurial approaches can be effective. For instance, the Toronto Region Immigrant Employment Council (TRIEC) already applies innovative solutions to immigrant employment and considers entrepreneurial and intrapreneurial approaches (TRIEC, 2015). Chipotle, primarily known for selling food, established a foundation supporting refugees in different ways (Chipotle, 2015). Schmitz and Scheuerle (2012) examined three German Christian non-profit organizations operating in the field of social integration and social services. One of these worked with refugees. The paper stressed the potential of social intrapreneurship and provided a research agenda, but it also noted that most of the studies on social entrepreneurship do not consider intrapreneurship. More specifically, Schmitz and Scheuerle (2012) described intrapreneurship as an “[…] almost neglected perspective in the discourse on social entrepreneurship.” It is emphasized that intrapreneurial activities could increase refugee employment.

Intermediary concepts (social entrepreneurship)

Some other activities observed during the research project aimed to integrate refugees into the labor market, for example, by bringing together refugees and companies or offering training. Since these activities are meant to mediate between refugees and potential employers, they are called intermediary concepts, which can be primarily observed in the non-profit sector. For example, the organization Refugee Action, which supports refugees
concerning a wide range of issues, is part of an initiative bringing together refugees and employers using the Internet platform jobtarget.co.uk (Refugee Action, 2015). The Refugee Council offers advice on employment and support services to refugees in the UK (The Refugee Council, 2015). Jane Leu, the founder of “Upwardly Global,” described how she came to the conclusion that private and governmental efforts have failed to integrate refugees with a professional background into the workforce, and she therefore established a non-profit organization. This organization helps refugees to find a job that matches their skills (Brock, 2008; Upwardly Global, 2011). ISeek is another example of an organization supporting refugees during their job search by, e.g., introducing different employment services offered by other organizations or the government on their website (ISeek, 2015). A recent German example is the launch of a job search engine targeting refugees and companies, www.workeer.de. As shown by critics such as Bloch (2004), there are similar activities that seek to connect refugees and potential employers in other countries.

As indicated by a few recent examples, the integration of refugees into the labor market has, however, also great potential for social ventures pursuing “[…] a hybrid business model [that] combines conventional business management practices and market discipline with real accountability for social and environmental outcomes” (Olsen and Galimidi, 2009). The authors see a considerable potential especially for new social ventures whose business activity, i.e., offering services such as matching processes, diversity and integration consulting, and legal support to companies will contribute to solving increasing social problems related to the core business model, namely getting refugees to work. One of these ventures, Impact Dock, a start-up in Hamburg, Germany, aims to match refugees and key players from local companies for mutual benefit by means of a cross-mentoring approach as the first step (Impact Dock Hamburg, 2015). There are several advantages for companies and the mentors provided by them: increasing their attractiveness as prospective employers, reducing organizational blindness, access to high competencies, building up high loyalty, and improving intercultural competencies. Mentees may benefit by establishing new contacts, acquiring vocational insights, and even receiving job offers. The vision of Impact Dock is to develop a network and implement a process that makes it raise awareness among businesses and the general public concerning the (high) potential of refugees as prospective employees. Besides concepts such as the one by Impact Dock, there is an enormous variety of social business models that aim to mediate between refugees and employers. Some offer IT-based matching tools or educational and job-training concepts, whereas others offer childcare and thereby enable refugees with children to enter the labor market.

Research has not paid attention to these and related intermediary concepts yet, although some studies have indirectly addressed this issue. In
their article examining social entrepreneurial identity, Bull et al. (2008) at
least discuss an example involving refugees. Conducting a case study using
a narrative approach, the authors focus on a social entrepreneur and his
story founding a refugee help center in Australia. Among other services,
the center seeks to prepare refugees for the labor market.

Generating refugee employment (social entrepreneurship)
In addition to these intermediary concepts, there are also those that
aim to create jobs for refugees. Integrating refugees into the workforce by
generating specific employment can lead to (business) models that reflect
the competencies of refugees and that foster employee diversity. A grow-
ing number of such activities can be observed worldwide. For example, the
UNHCR piloted a project that provided support to social entrepreneurs
who aimed to expand or create new jobs for refugees and asylum seekers
and that included a competition for the best projects, which were awarded
equipment and funding for their first month of operation (UNHCR, no
date). A quite similar project called Ankommer (Arrivers) was recently
eu), which is meant to support the founding of start-ups with the specific
purpose of creating jobs for refugees. In addition to projects such as Ank-
ommer, there are also smaller local projects that pursue similar goals. For
example, Bosnian Handicrafts, which was founded by Lejla Radonic and
supported by the Schwab Foundation, employs female refugees displaced
by the war in Bosnia in a handicrafts business (BHcrafts, no date). Another
social business is Palestyle, a company offering handbags and clutch bags
hand-stitched by a Palestinian woman living in a refugee camp in Lebanon
(Redvers, 2014). Even (pop-up) restaurants that, for instance, use other
restaurants as a venue when these are not open during regular business
hours or vacations can draw on the cultural background of refugees. They
offer multi-national food and provide information on refugees, their nations,
and their personal stories, especially concerning their flights. In this manner,
they can offer opportunities for employment and raise awareness at the
same time (see, for example, the LOKAL, Lüneburg Leuphana University
– Schub, no date).

Of course, hybrid forms combining these kinds of ventures and those
based on the intermediary concept can be observed as well. One of these
is run by Jem Stein, who restores bicycles with the help of young refugees
and give them to others. According to Stein, “Bikes, for refugees who have
nothing, are literally a means of social mobility – getting out and about to
get a job” (Pozniak, 2013). Another example is CUCULA, a company that
produces and sells furniture produced by refugees and that thereby provides
them with vocational training for the labor market (CUCULA, no date).

As indicated by these examples, there are several possibilities for inte-
grating refugees into the labor market, but these have yet to be examined
The survey of the literature only yielded a few studies on social entrepreneurship involving refugees. In their article on the general understanding of social entrepreneurship, Roberts and Woods (2005) at least mentioned the possible impact that social entrepreneurial activity can have by creating jobs for refugees. Barraket et al. (2014) addressed refugees as a target group for entrepreneurial activity in their paper on concepts and classifications of social enterprises in Australia. As an example, Barraket et al. refer to Rewi Alley, a social entrepreneur who coined the term “Gung Ho,” which means “work together,” and who provided work for refugees escaping from China starting in 1937. To analyze opportunity identification in social entrepreneurship, Corner and Ho (2010) conducted multiple case studies focusing on an exemplary social enterprise, the Trade Aid Incorporated (TAI), a company supporting Tibetan refugees by selling their handcrafted goods.

3.1.2. Entrepreneurial activity by refugees

In addition to examining social ventures created providing crucial support to refugees, the authors also consider entrepreneurial activity by refugees. Depending on their legal status, refugees can either found their own business or become social entrepreneurs in projects or organizations.

Refugees' self-employment (business entrepreneurship)

Even though self-employment is a frequently proposed option in the literature on the vocational integration of refugees, this legal status is only granted in countries such as Germany to refugees who are allowed to stay and have been recognized as asylum seekers. Most studies that examine refugee entrepreneurship suggest that this involves refugees founding their own company and thereby creating their own places of employment. This approach allows refugees to gain both economic value and social recognition (Deakins, Ram and Smallbone, 2003; Kontos, 2003a; Van den Tillaart, 2007). Because it reduces unemployment among refugees and fosters their integration into society, this kind of venturing can be described as social entrepreneurship (or as social entrepreneurial activity), even though these ventures are not social ventures, but traditional businesses.

Refugee entrepreneurs can be found in a variety of business fields. Some organizations have identified different examples of successful refugee entrepreneurs, who may sell artificial flowers, open hair cutting salons, become involved in automotive sales, own video production companies, or sell different products (e.g. Robb, 2015; UNHCR/Dunmore, 2015; Wolfington, 2006). Many refugee entrepreneurs can be identified in the food business, for example as founders of grocery stores or restaurants (Ayadurai, 2011; Fong et al., 2007) About one third of the entrepreneurs in the Indian bicycle industry are refugees from Pakistan (Singh, 1994).

While only some studies state that especially ventures by migrant entrepreneurs coming from developing countries are of low added value, mar-
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originally innovative, and often not profitable (Light and Rosenstein, 1995; Waldinger, 1999, ©1996), it is, in light of the high number of practical examples and in combination with other empirical studies, very likely that these dimensions are also important when it comes to other refugee entrepreneurs. As Else, Krotz and Budzilowicz (2003) stated, “Refugee entrepreneurs are truly the genuine article. Like entrepreneurs everywhere, they are focused on measurable results, want fast and effective business development services, and are keenly interested in becoming self-sufficient.” This observation is supported by Macchiavello (2010), who argued that “[i]nstead of being regarded as shiftless, destitute and dishonest, they are given a psychological boost by being perceived as would-be-entrepreneurs worthy of trust.” Thus, fostering entrepreneurial activity of refugees is frequently recommended (Ayadurai, 2011).

Whereas these three studies explicitly address the situation of refugees, the literature has primarily focused on the importance of self-employment of ethnic minorities. In recent decades, many studies have investigated what is now referred to as “minority” or “ethnic entrepreneurship” (Hammarstedt, 2001; Kloosterman and Van Der Leun, 1999; Kontos, 2003b; Leung, 2003; Li, 2000; Masurel et al., 2002; Pécout, 2003; Portes, 1995; Spener and Bean, 1999; Tienda and Rajman, 2004; Waldinger, Aldrich and Ward, 1990). However, these studies either do not pay attention to refugees as a separate group or, if research about refugees in the vocational context can be found, self-employment is hardly ever covered as a separated field of research (Beiser and Hou, 2000; Bollinger and Hagstrom, 2004; DeVoretz, Pivnenko and Beiser, 2004; Valtonen, 1999).

There are, however, exemplary studies that do focus on refugee entrepreneurship. For example, Gold (1988, 1992) compared the specific situation of recent refugees to that of economic immigrants and analyzed its impact on entrepreneurial activities. He focused on refugee businesses in the US and evaluated the prospects of refugee self-employment with a distinct emphasis on the characteristics, resources, and motives of self-employed refugees. In their work on the integration of refugees into the Norwegian labor market, Hauff and Vaglum (1993) examined how the traumatic experiences of refugees may affect entrepreneurial activity. Fong et al. (2007) analyzed the challenges and success factors of refugee entrepreneurs in Texas. Ayadurai (2011) specifically focused on female refugees initiating entrepreneurial ventures in Kuala Lumpur, whereas Wauters and Lambrecht (2006) studied refugee entrepreneurship in Belgium. They described refugee entrepreneurship as “[…] killing two birds with one stone. By promoting this kind of entrepreneurship both the integration of refugees in society can be aided and entrepreneurship in general can be boosted” (p. 509). While this and the other studies discussed above address very different contexts, they all stress the particular potential of refugee entrepreneurship and the specific challenges refugee entrepreneurs have to face and overcome.
Refugee social entrepreneurship

Refugee entrepreneurs can also found a business that matches directly the criteria of social entrepreneurship. This hybrid venture can address the social issues of integrating refugees into the labor market in a variety of ways. They can do so by engaging in the same kind of social entrepreneurial activity discussed above, namely ventures that either hire refugees or act as intermediaries. As suggested by the “protected market hypothesis” (Light, 1972), the initial markets for ethnic entrepreneurs are their respective communities: “If ethnic communities have special sets of needs and preferences that are best served by those who share those needs and know them intimately, then ethnic entrepreneurs have an advantage” (Aldrich and Waldinger, 1990). It is very likely that this is also true for refugees and that they may develop entrepreneurial solutions for problems that are also their own or that are experienced by those living in close relation to them. One example is the Red Lion Bakery, founded by a Sierra Leonean refugee in a refugee camp. As the demand for products increased, he trained other refugees and employed them (Cavaglieri, 2010). A Liberian refugee founded a school that is free of charge for the children in his refugee camp and developed it into an organization offering a variety of programs today (VAAFD, no date). To foster social entrepreneurship among refugees, programs such as RISE (Refugee Initiative for Social Entrepreneurs) offer programs to empower, support, and fund this kind of entrepreneurship (Spear et al., 2013).

While there are many other initiatives in addition to the ones described above, there are, to the best of our knowledge, only a handful of studies – Gold (1992), Teasdale (2009, 2010) and Merie (2015) – on this important topic. In the study already mentioned above, Gold (1992) showed that self-employed refugees in the US founded their business with the intention of hiring co-ethnic employees. In his studies, Teasdale (2009) draws back on a case study dealing with a social enterprise founded by a group of refugees and asylum seekers, who produced a theatrical play based on their collective experiences. As shown by a study conducted by Merie (2015), which focused on refugees’ perception of entrepreneurship and social entrepreneurship, refugee social entrepreneurship can be a promising strategy for integrating refugees, as they have a high potential for being social entrepreneurs.

3.1.3. Typology of Refugee focused entrepreneurship

As shown above, several types of (social) entrepreneurial activity can be identified by distinguishing between two perspectives on entrepreneurship, namely for and by refugees. Activities by non-refugees (for refugees) can be divided into social intrapreneurship, which involves internal entrepreneurial efforts, and social entrepreneurship, which either results in job opportunities for refugees or intermediary solutions bringing together refugee employees and employers. The entrepreneurial activities of refugees are mainly seen as refugee business entrepreneurship to create and foster self-employment.
Refugee entrepreneurship can, however, also include social entrepreneurial activity or even specifically focus on issues related to the daily lives of refugees. In this case, it is also possible to distinguish between ventures that hire refugees and intermediary concepts (for refugees by refugees). There are, of course, also other hybrid concepts that do not match one of the types of entrepreneurial activities for refugees that we propose here. Figure 2 provides an overview of the types of entrepreneurial activity that can be used to integrate refugees in the labor market.

Fig. 2. Entrepreneurial activity as a means to integrate refugees into the labor market: activities and possibilities for future research. Source: Own illustration, compiled by the authors.

4. Conclusion

In light of the recent dramatic increase in the number of refugees worldwide, their integration becomes more and more important. As vocational participation is one of the key factors for successful integration into society, many actors have begun to explore different possibilities and ideas; these approaches are, however, not sufficient. To address this shortcoming, we propose a greater emphasis on (social) entrepreneurial approaches which could facilitate the integration of refugees into workforce and society. In their comprehensive survey of the literature on migrant businesses, Menzies, Brenner and Fillion (2003) noted that many studies “[…] point to the limitations of current knowledge, the lack of currently viable theoretical models and the necessity for future theoretically grounded research.” As our results show, entrepreneurial activities for refugees have received even less academic attention. Studies on (social) entrepreneurship by and for refugees are scarce, and more research needs to be conducted on all perspectives on entrepreneurial activities. In our review, we identified a few
important studies examining different dimensions of refugee (social) entrepreneurship. There is, however, potential for improvement in terms of both quality and quantity. More specifically, sustainable approaches need to be developed, and these need to be promoted to a greater extent than they have in the past.

Especially through our analysis of entrepreneurial activities, we found several strategies to achieve refugee integration, leading to a typology of potential research areas. Following the proposed structure of (social) entrepreneurial activities, we argue, many possibilities for future research on the vocational integration of refugees shall be pursued. Even though the practical approaches are multiple and diversified, they are as well too unique and often too prototyped to be scalable. A further limitation of our research is the focus on mainly German or European practical examples, as it shows the specific challenges in the highly restricted European market, where many informal activities are simply forbidden. Addressing research questions within these different categories, future research can most certainly provide and develop a solid knowledge base to inform practice about how to become more effective and efficient. Entrepreneurial activities by and for refugees are promising research areas that should be investigated carefully to learn “[...] how to translate research findings into solutions” (Rousseau, 2006, p. 267). In other words, there is a great demand for practically oriented research in each of the fields we examined to support the development of approaches that foster the long-term integration of refugees.

References
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