

Expatriate Entrepreneurship

The Role of Accelerators in Network Formation
and Resource Acquisition

Nedim Efendic



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Entrepreneurship among immigrants is an increasingly important socio-economic phenomenon. To date, immigrant entrepreneurship research has focused on immigrants that decide to engage in self-employment after having established themselves in the host country. Whereas this is arguably the case for the vast majority of immigrant entrepreneurs, it does not cover the field in its totality. This dissertation is devoted to the study and analysis of those that emigrate in order to launch a new venture. I denote this novel group of entrepreneurs as expatriate entrepreneurs, and I place them into the context of research on entrepreneurship among immigrants. This dissertation also examines how accelerators impact expatriate entrepreneurship. Using a multiple case study at the world's three first government-funded acceleration programmes that target expatriate entrepreneurs, I show that by their ability to support network formation and resource acquisition, accelerators are major facilitators of expatriate entrepreneurship.



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*To
My Family*

Foreword

This volume is the result of a research project carried out at the the Department of Management and Organization at the Stockholm School of Economics (SSE).

This volume is submitted as a doctor's thesis at SSE. In keeping with the policies of SSE, the author has been entirely free to conduct and present his research in the manner of his choosing as an expression of his own ideas.

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Stockholm, November 1, 2016

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Chapter 1

Introduction

Immigrants have pushed the frontiers of development because of their adaptability, propensity to innovate, and ability to amass knowledge across cultural and geographical barriers (Goldin, Cameron, & Balarajan, 2011). An increasing number of the world's population is emigrating, making cross-border migrants a progressively important socio-economic phenomenon (Aliaga-Isla & Rialp, 2013; Kourtit & Nijkamp, 2011). In 2015, 244 million people were residing outside their country of birth (so-called international migrants)—a 41% increase since 2000 (United Nations, 2015a). Most people emigrate due to a significant change in life conditions, such as war, political persecution, or economic hardship. There are approximately 20 million refugees among the 244 million international migrants (United Nations, 2015a). A significant proportion of immigrants become entrepreneurs in the host country, and as a group they are crucial in generating economic growth in many nations (Audretsch & Keilbach, 2008; Lemes, Almeida, & Hormiga, 2010).

Thus far, research on entrepreneurship among immigrants builds on the notion that launching a business in the host country is a decision taken after relocation. Whereas this is arguably the case for the vast majority of immigrants, it does not cover the field in its totality. My thesis is devoted to the study and analysis of those that emigrate in order to launch a business. This phenomenon of relocation to another country to start a firm has received scarce scholarly attention (Ndoen, Gorter, Nijkamp, & Rietveld, 2002). I denote this particular group of enterprising immigrants as “expatri-

ate entrepreneurs” and describe them as entrepreneurs who become immigrants because they decide to launch a venture in a foreign country that offers them attractive business prospects. I aim to contribute to the field by researching the expatriate entrepreneurship phenomenon and placing it into the context of entrepreneurship among immigrants.

My research also has important policy implications, especially given that policy-makers are increasingly looking to support entrepreneurs who exhibit high-growth potential rather than aiding ventures with low-growth prospects (Carter, Mwaura, Ram, Trehan, & Jones, 2015; Shane, 2009). Currently, both developed and developing countries are trying to attract highly skilled talent, leading to unprecedented opportunities for entrepreneurs to migrate across national borders (Beechler & Woodward, 2009; Goldin et al., 2011). This phenomenon has been fuelled by a growing pool of people willing to engage in cross-border migration coupled with modern transportation that has made it cheaper and faster to move between countries (Tung & Lazarova, 2006; United Nations, 2015a).

The realization that relatively few fast-growing ventures can make a sizeable impact on a country’s economic trajectory has contributed to an increasing number of countries launching start-up visa programmes to attract foreign entrepreneurs (Smale, 2015). For instance, Canada, the UK, New Zealand, and Singapore, among many other countries, offer foreign entrepreneurs the possibility to apply for visas so that they are able to immigrate to launch a business (Sumption, 2012). The existence of a start-up visa is a pre-condition for the prevalence of expatriate entrepreneurship on a global level. However, there are exceptions on the regional level, such as the European Union, which allows free movement of labour and entrepreneurs within the borders of the Union. The rising number of countries offering start-up visas has instigated competition for expatriate entrepreneurs between countries. To make their countries more attractive to presumptive expatriate entrepreneurs some nations have over the last six years established accelerator or incubation programmes, which are publicly financed and offer an incubation environment designed to attract and retain expatriate entrepreneurs.

Incubation and acceleration programmes have been used by governments as an economic development tool for a long time (Stevenson & Lundström, 2001), in order to provide assistance during the challenging early phase of new venture creation (Kuratko & Sabatine, 1989). The purpose of these accelerators is to support entrepreneurs with a variety of resources, some of the more important being assisting with building networks, providing credibility, and supporting resource acquisition (Tötterman & Sten, 2005). It is known that incubators and accelerators create a resource munificent context, which mediates the relation between the host environment and the entrepreneur (Amezcuca, Grimes, Bradley, & Wiklund, 2013). Accelerators and incubators play a crucial role in alleviating an entrepreneur's lack of social connections (Baum & Oliver, 1991), which is important because networks provide access to resources (Elfring & Hulsink, 2003). This, combined with the expatriate entrepreneurs' lack of local market knowledge, language skills, and host country networks ties suggests that accelerators could be very important for expatriate entrepreneurs to overcome these challenges. This phenomenon, which I denote as accelerator-facilitated expatriate entrepreneurship, is the main focus of my thesis.

Purpose and research questions

This thesis aims to highlight a new segment of immigrant entrepreneurs that has received little scholarly attention, namely expatriate entrepreneurs. As such, it is novel as well as important to investigate these entrepreneurs in detail, not only to characterize them and place them in the field, but also to understand the impact of resource acquisition and network formation for their venture creation and how accelerators affect these processes.

- **Research question one.** What are the boundaries of the expatriate entrepreneurship phenomenon and how is it different from other types of entrepreneurship among immigrants?

Research on entrepreneurship among immigrants has, so far, mostly ignored the intentions for migrating (Crockett, 2013). Expatriate entrepre-

neurs are different from most entrepreneurs because they settle in a host country in order to launch a venture. Thus, when an expatriate entrepreneur settles in the host country he/she starts working on exploiting the business opportunity immediately upon arrival. However, at this point, he/she might not speak the local language, his/her family might be left behind in their home country, he/she might lack network ties to host country actors, and the regulatory and institutional environment and entrepreneurial contexts are new to him/her. These characteristics, together with the purpose of emigration, make expatriate entrepreneurs presumably very different from other types of entrepreneurs. To define expatriate entrepreneurs, I investigate how similar or different they are from the other types of entrepreneurs among immigrants that have been classified by researchers so far.

- **Research question two.** How do accelerators facilitate network formation for expatriate entrepreneurs?

Networks are important for the creation and survival of start-ups (Aldrich, Rosen, & Woodward, 1987; Granovetter, 1973). We know that during the start-up phase there is a close link between the personal network and the emerging entrepreneurship network (Larson & Starr, 1993). Low embeddedness of expatriate entrepreneurs in networks in the host country, especially in the early stages of new venture creation, could limit their access to the required information for proper exploitation of an entrepreneurial opportunity and resource acquisition. Understanding how expatriate entrepreneurs generate and use networks is important, as this has considerable impact on how their ventures perform. Potentially, accelerators and incubators can be crucial for expatriate entrepreneurs' network formation, as a major task of incubators¹ is to create networking opportunities and ties with other actors (Sá & Lee, 2012). Few studies have looked at the social aspects related to business incubation or acceleration (Tötterman & Sten, 2005), and no prior studies have considered the contribution of accelerators

¹ I refer to research performed on incubators as also applicable for accelerators due to the strong similarities between incubators and accelerators.

in developing network ties for entrepreneurs that launch ventures immediately after immigrating.

- **Research question three.** How do accelerators facilitate resource acquisition for expatriate entrepreneurs, and what role is played by networks?

In order to begin operations after identifying a business opportunity, entrepreneurs need to accumulate a wide range of resources. Start-ups need to access, mobilize, and deploy resources (Garnsey, 1998). The establishment of new ties by a start-up is seen as an important mechanism for mobilizing resources (Davidsson & Honig, 2003; De Carolis, Litzky, & Eddleston, 2009). Each network relationship can provide a firm with critical resources (Pettersen, Aarstad, Høvig, & Tobiassen, 2016). However, current research does not cover how networks affect access to resources for expatriate entrepreneurs, who start exploiting the business opportunity immediately after arriving in the host country. It is plausible that due to their recent cross-border migration, many expatriate entrepreneurs might be affected by not having extensive host country network ties when they start the venture, which in turn might negatively affect their ability to acquire resources. Accelerators are important for facilitating resources for start-ups (Dahles, 2005; Keuschnigg & Nielsen, 2003). Moreover, acceleration programmes markedly assist entrepreneurs with establishing business networks (Hansen, Chesbrough, Nohria, & Sull, 2000). The field has yet to uncover how accelerators affect resource acquisition for expatriate entrepreneurs.

Delimitations

In this thesis I am using Gartner's (1985) definition of entrepreneurship, which sees it as consisting of the planning, organizing, and founding of new ventures. Moreover, I define entrepreneur as "a major owner and manager of a business venture who is not employed elsewhere" (Brockhaus, 1980: 510). Thus, I decided not to differentiate between entrepreneurs and self-employed according to the degree of risk or innovativeness that character-

izes their ventures. For the purpose of expatriate entrepreneurship research, there is no need to differentiate between self-employed and entrepreneurs. In addition, my theoretical foundation is firmly set in immigrant entrepreneurship research. Thus, Human Resource Management (HRM) research is not part of this thesis as HRM focuses on wage work, and thus does not incorporate self-employment (Connelly, Hitt, DeNisi, & Ireland, 2007; Siljanen & Lämsä, 2009).

Despite the fact that cross-border entrepreneurial migration can be driven by many factors, I have decided to focus on opportunity-driven entrepreneurs. This is because my goal is to research those entrepreneurs who emigrate to start a venture and not because of various necessity-driven or lifestyle motivations. An integral part of expatriate entrepreneurship is that the decision to pursue entrepreneurship abroad is taken primarily for exploiting a business opportunity. I limit the main case study to investigate expatriate entrepreneurs participating in acceleration programmes because I aim to understand the role of accelerators for expatriate entrepreneurs' network formation and resource acquisition. Expatriate entrepreneurs participating in acceleration programmes receive additional benefits from the programme that in turn facilitate venture creation. Nevertheless, I acknowledge that accelerator-facilitated expatriate entrepreneurship is an extension of the original expatriate entrepreneurship phenomenon.

Outline of the thesis

Chapter 2 gives an introduction to cross-border entrepreneurial migration and explains how start-up visas facilitate the growth of the phenomenon. I use hand-collected data from 14 OECD countries that offer start-up visas for expatriate entrepreneurs in order to understand both the scale and the setup of these visas. Chapter 3 describes the theoretical frame of reference, which is used as a foundation to define expatriate entrepreneurship and to address my research questions. In that chapter I also review network formation research and how networks affect resource acquisition. Furthermore, I present a conceptual framework for researching accelerator-facilitated expatriate entrepreneurship.

In Chapter 4 I use a pre-case study to establish whether the traits of expatriate entrepreneurs are different from those of other types of immigrant entrepreneurs. Chapter 5 presents the methodology applied in the main case study. Chapters 6, 7, and 8 describe the three cases: Start-Up Chile, Sirius Programme and Launchpad Denmark, respectively. In each of these chapters I also describe the embedded cases, provide key insights from the interviews with the accelerator staff, and conduct a within-case analysis at the end of each chapter. This is followed by a cross-case analysis in Chapter 9, in which I compare the three cases with each other. Chapter 10 summarizes the findings and states the contribution of my research to both theory and practice. I also present avenues for future research.

Chapter 2

Cross-border entrepreneurial migration

Research focused on categorizing the reasons for immigration has primarily identified four large groups of immigrants: refugees, family migration, undocumented workers, and labour migrants (Baycan-Levent & Nijkamp, 2009). Whereas the emigration rate of highly skilled workers is 5.5%, the corresponding rate for low-skilled workers is 0.9% (Beechler & Woodward, 2009). Notably, the rate for highly skilled emigration grows faster year-over-year (Beechler & Woodward, 2009). Differences in real wages and aging populations in the destination countries are driving cross-border mobility (Pritchett, 2006). However, entrepreneurial migration is, thus far, a phenomenon studied mostly in the context of intra-country migration, which focuses on entrepreneurs moving from rural to urban areas due to socio-economic hardship (Ndoen et al., 2002). For entrepreneurial migration, the principal driving force identified in most studies is not the exploitation of a business opportunity but the search for employment opportunities by entering self-employment in the new region (Wood, 1981).

There is little data on the scope of the entrepreneurial migration phenomenon. Data from the U.S. indicates that approximately 1.6% of all foreign-born entrepreneurs that launched technology firms in the U.S. came to the country solely in order to launch a business (Wadhwa & et al., 2007). Thus, the data suggest that the vast majority of U.S. immigrants did not emigrate primarily to start a business. However, one should take into ac-

count that obtaining a visa for an entrepreneur who wants to launch a business in the United States is very challenging, and hence the size of the phenomenon might be larger in countries with less-stringent immigration regulations.

Even if cross-border entrepreneurial migration is limited in scale it is still worthy of study. Countries that are able to identify and attract high-potential entrepreneurs to launch fast-growing ventures substantially improve their economic development, since rapidly growing firms generate the vast majority of new net jobs (Henrekson & Johansson, 2010). Thus, immigration policies aimed at expatriate entrepreneurs who have the potential to start fast-growing ventures could have a great impact on the country's economy, even if it is a small phenomenon in terms of the absolute number of entrepreneurs that decide to start a venture abroad. Governments hire experts to vet the business ideas, qualifications, and financial resources of potential expatriate entrepreneurs, as governments seek to attract only, or mostly, high-potential entrepreneurs. Additionally, all start-up visa issuing OECD countries except Canada put pressure on the entrepreneurs to succeed by giving them a residence permit that is limited in duration. Hence, the vast majority of residence permits given to expatriate entrepreneurs are temporary and only prolonged if the businesses are performing well. Governments see the use of conditional residence permits as a way of ensuring that only successful entrepreneurs are able to stay in the longer term.

Start-up visas

Regulatory barriers often impede the possibilities of expatriate entrepreneurs to launch a business in any desired country. In virtually all instances, expatriate entrepreneurs need to obtain residence permits in order to reside legally in the country in which they are launching a venture². Some countries have introduced residence permits denoted “start-up visas”. These visa programmes have been launched in order to draw expatriate entrepreneurs

² Certain countries have entered treaties that enable free movement of people/entrepreneurs. For instance, the EU enables its citizens to launch a venture in any EU country without having to apply for a start-up visa.

who will contribute to growing the country's economy by launching firms and thereby creating employment and/or tax revenue. Start-up visa programmes could be seen as an evolution of the business immigrant programmes that were first introduced in the 1970s (Ley, 2003). However, there are substantial differences. Compared to business-immigrant programmes or investor visas, start-up visa programmes focus more on the business prospects of the venture than on the resources that the expatriate entrepreneur launching the venture possesses and can bring into the host country. Business immigrant programmes and investor visas were introduced mainly to attract wealthy foreign entrepreneurs with extensive business experience by offering them a path for citizenship in the host country. All investor visas place high requirements on the applicants' financial and/or human resources, commonly stating the minimum amount of jobs that should be created as well as the minimum investment the entrepreneur needs to commit in order to be able to obtain and prolong the residence permit. By contrast, start-up visas put less emphasis on the applicant's personal wealth, education, and previous entrepreneurial experience (Efendic, Volchek, & Terjesen, 2015).

Policy-makers are increasingly recognizing that many cross-border entrepreneurs are, in contrast to business immigrants, not driven to immigrate in order to obtain citizenship but instead focus on how conducive the entrepreneurial ecosystem is for exploiting the business opportunity. They recognize that the institutional and regulatory setting in the country can constrain or empower entrepreneurs, making it a competitive disadvantage or advantage, respectively, compared to other countries. This has wide implications; those countries that do not have an attractive entrepreneurial ecosystem conducive to venture growth might have difficulty competing with countries that have a formidable entrepreneurial ecosystem and offer a start-up visa programme. Nonetheless, countries that do not possess an ecosystem conducive to growth might still attract expatriate entrepreneurs by choosing to set less-stringent requirements on human and financial resources. Another possibility is to incentivize expatriate entrepreneurship by offering participation in an accelerator programme.

Participation in an accelerator programme for expatriate entrepreneurs requires, in many cases, the existence of a start-up visa. The accelerator-

facilitated start-up visa was first introduced in 2010 in Chile, in connection with the launch of Start-Up Chile (SC). Often the accelerator-facilitated visas are given as part of government programmes offering enrolment in acceleration programmes. These programmes provide participating expatriate entrepreneurs with an incubation environment. As part of these programmes, entrepreneurs usually obtain mentorship, equity-free funding, office space, and help settling in. The accelerator-facilitated visas do not have a minimum requirement for personal assets in order to be considered for obtaining the visa.

To investigate the prevalence of start-up visa programmes and the differences between them, data was collected on OECD countries that offer start-up visas. The choice to collect information only on OECD countries was made because they all have relatively high GDP per capita, which might make them more attractive as start-up countries for expatriate entrepreneurs. Furthermore, the most entrepreneurial nations, i.e. those that are highly ranked in the Global Entrepreneurship Development Index (GEDI), are more likely to draw expatriate entrepreneurs. The GEDI shows that nine of the ten most entrepreneurial countries in the world in 2014 are OECD members (GEDI, 2015). As of 1 July 2015, start-up visas are offered in 14 OECD countries: New Zealand, Australia, Italy, Germany, Ireland, Sweden, South Korea, Finland, the United Kingdom, Chile, Canada, Denmark, Spain, and the Netherlands (Efendic et al., 2015).³ The OECD countries that offer start-up visas are presented in Table 2.1. At the time of the study, only Denmark, Chile and the United Kingdom were offering accelerator-facilitated visa programmes. All three countries were ranked among the twenty most entrepreneurial nations in the world according to the GEDI index.

Table 2.2 presents hand-collected data on start-up visas in 14 OECD countries. The table lists the number of start-up visa applications and the number of start-up visas granted. It is apparent from this table that there are notable differences between start-up visas, so, I have chosen to separate start-up visas into three categories: self-employment start-up visas, accelerator-facilitated start-up visas, and start-up visas for innovative businesses.

³ Some countries that are not members of the OECD also offer start-up visas. Singapore, which is not an OECD member, was one of the countries that pioneered the start-up visa.

- i) “Self-employment start-up visas are given to entrepreneurs regardless of the industry of their proposed business; the granting of the visa is conditioned on the positive assessment of the business prospect by the authorities, and that the entrepreneur can fulfil the requirements to either support himself/herself or surpass a net assets threshold.” (Efendic et al., 2015: 9)

- ii) “Accelerator-facilitated start-up visa is a novel type of visa that is offered to expatriate entrepreneurs who are admitted to be part of an incubator or acceleration programme. These programmes provide support services and grants to help the entrepreneurs establish operations and to cover start-up expenses and living costs during the start-up phase.” (Efendic et al., 2015: 9)

- iii) “Start-up visas for innovative businesses are given to expatriate entrepreneurs who launch businesses in industries that the government classifies as innovative.” (Efendic et al., 2015: 9)

By reviewing the data presented in the Table 2.1 and Table 2.2, it is clear that many OECD countries have introduced start-up visas relatively recently. The data also shows that assessment criteria are often focused on vetting the business plan at the application stage and then reassessing the actual performance of the venture after a specific amount of time. Except Canada, the countries give an initial visa for a maximum period of three years. After that period, the performance of the venture is assessed and a decision is taken on whether the entrepreneur will be offered a prolonged visa that ultimately can lead to permanent residency.

Table 2.2 addresses the question of the scope of the expatriate entrepreneurship phenomenon. The number of start-up visas issued in most OECD countries is relatively small when put in relation to the number of work-related visas issued to foreigners. New Zealand issues the most start-up visas per capita, followed by Chile and Sweden.⁴ The data also shows

⁴ The Netherlands and Italy are not part of the comparisons, since the data in Table 2.2 for these countries only includes the number of visas in the innovative business stream and does not cover the visas granted in the self-employment stream.

that there are considerable differences between countries in regards to the start-up visa acceptance rate. No data was available on the number of start-up visas that have been prolonged after the initial visa had expired.

In this chapter I have set the stage for researching expatriate entrepreneurship by discussing start-up visas. However, it is important to acknowledge that not all start-up visa holders are expatriate entrepreneurs, as, for instance, an entrepreneur that plans to open a host country subsidiary for his home country business can also be eligible for a start-up visa. However, expatriate entrepreneurship is facilitated by the existence of start-up visas. Without the existence of these visas, expatriate entrepreneurs would often be unable to legally settle in the host country. In the next chapter I describe the theoretical frame of reference used to address my research questions.

Table 2.1. Entrepreneurship visas around the world

Country	Start-up visa classification	Required funds/resources/training	Venture assessment	Time granted on visa	Year initiated	Programme name
Australia	Self-employment	Net business and personal assets in excess of A\$1.5 million (US\$1.2 million) and annual business turnover of at least A\$3 million (US\$2.3 million) or have obtained at least A\$1 million (US\$0.8 million) in VC funding	Background and experience; or nominated by state authority	1 year	2012	Business talent or business innovation and investment programme
Canada	Self-employment	The business idea or venture must obtain support from a designated organization such as a VC fund, investor group, or business incubator/accelerator. The amount of required funds depends on the type of organization: C\$200,000 (US\$157,000) (VC); C\$75,000 (US\$59,000) (Angel investor); none (incubator)	Each designated organization has its own evaluation criteria	Permanent	2013	Entrepreneur start-up visa programme
Chile	Accelerator-facilitated	None. The Chilean government provides approx. US\$40,000 and does not take an equity stake	Accepted by Start-Up Chile accelerator	1 year	2010	Start-Up Chile
Denmark	Self-employment and accelerator-facilitated	Access to sufficient financial means to run the business	Expert panel evaluates business plan	1 year	2013	Self-employment visa
Finland	Self-employment	Access to sufficient financial means to run the business and support oneself	Government-vetted business plan	2 years	2013	Self-employment visa
Germany	Self-employment	Prove that five jobs will be created and €250,000 (US\$280,000) will be invested	Test of business viability, entrepreneurial experience, level of capital investment, and employment effects	3 years	2012	Self-employment visa
Ireland	Self-employment	€75,000 (US\$93,000) for start-ups	Recognized as high-potential start-up	2 years (additional 3 years after review)	2012	Start-up entrepreneur programme
Italy	Innovative start-up	€50,000 (US\$53,000)	Government-vetted innovative business idea	2 years	2014	Restart Italy
Netherlands	Innovative start-up	Working with a mentor/facilitator based in the Netherlands, an innovative product, and sufficient resources to reside one year in the Netherlands	A product or service that is innovative	1 year	2015	Start-up permit
New Zealand	Self-employment	NZ\$100,000 (US\$74,000) (excluding working capital); waived if business is in science, ICT, or other high-growth export-oriented sector	Full-time job creation or significant contribution to the economy	1 year + 2 years	2014	Entrepreneur work visa

Country	Start-up visa classification	Required funds/resources/training	Venture assessment	Time granted on visa	Year initiated	Programme name
Spain	Self-employment	Health insurance coverage and sufficient monetary assets to cover living expenses in Spain	Government-vetted business plan	1 year	2013	Ley de Emprendedores
South Korea	Innovative start-up	No start-up capital required. However, a minimum of 80 OASIS points required (collected by having patents or attending start-up classes). In addition, the entrepreneur should possess a B.Sc. degree and have a registration certificate for a tech business	Business performance is assessed every year	Renewed annually as long business is viable	2013	D-8-4 Start-up visa
Sweden	Self-employment	Sufficient funds to support oneself, equivalent to SEK200,000 (US\$23,000), for at least 2 years	Government-vetted business plan, knowledge of sector, and proficiency in Swedish or English	2 years	2008	Self-employment visa
United Kingdom	Self-employment and accelerator-facilitated	UK Tier 1: Obtain at least £50,000 (US\$74,000) from a qualified investor or in excess of £200,000 (US\$296,000) from another source; two jobs need to be created within two years; UK Graduate: receive backing from higher-education institution that has developed a process for supporting entrepreneurs; create two jobs within two years	Higher-education institution or investor-vetted business plan	2 years	2011	Entrepreneur visa, graduate entrepreneur visa, or pro-specific entrepreneur visa

Source: Efendić et al. (2015). Notes: Compiled from national governments' legislation and Migreat (2014). Note that the Netherlands and Italy offer both a self-employment start-up visa and a start-up visa for innovative businesses. In this table I only present data for the innovative stream for these two countries. Denmark provides start-up visa and also has the LaunchPad Denmark pilot programme, which is an accelerator-facilitated visa programme. The UK provides start-up visas and also has the Sirius Programme, which is an accelerator-facilitated visa programme.

Table 2.2. Data on the number of start-up visas

Country	Type of visa	Year	Number of resolved entrepreneurship visa applications	Number of issued entrepreneurship visas	Acceptance rate of entrepreneurship visa applications	Total number of work-related visa applications***	Total number of issued work-related visas***	Acceptance rate of work-related visas (%)	Entrepreneurship visa applications to total work-based visa applications (%)	Issued entrepreneurship visas to total work-based visas issued (%)
Australia	Business Talent and Business Innovation streams	Est. for 2014	717 ⁵	330 ⁶	46%	n.a.	63945 ⁷	n.a.	n.a.	0.52%
Canada	Entrepreneur Start-up Visa Programme	2013	n.a.	208 ⁸	n.a.	n.a.	64765 ⁹	n.a.	n.a.	0.32%
Chile	Start-up Chile	2014	4724 ¹⁰	540 ¹¹	11%	n.a.	n.a.	n.a.	n.a.	n.a.
Denmark**	Self-employment visa	2013	n.a.	38	n.a.	9816 ¹²	7808 ¹³	79.54%	n.a.	0.49%
Finland**	Self-employment visa	2013	118 ¹⁴	65 ¹⁵	55%	5682 ¹⁶	4873 ¹⁷	86%	2.08%	1.33%
Germany**	Permit for self-employed	2013	n.a.	1690	n.a.	n.a.	31931 ¹⁸	n.a.	n.a.	5.4%
Ireland**	Start-up Entrepreneur	2012 and	18 ¹⁹	10 ²⁰	56%	n.a.	2600 ²¹	n.a.	n.a.	0.4%

⁵ Annual estimate based on 894 entrepreneurship visa applications received between January 2013 and March 2014. The number includes Business Talent and Business Innovation streams in the Business Innovation and Investment Program, both provisional and permanent.

⁶ Annual estimate based on 411 entrepreneurship visas issued between January 2013 and March 2014. The number includes Business Talent and Business Innovation streams in the Business Innovation and Investment Program, both provisional and permanent.

⁷ Annual estimate based on 128,550 work-related visas issued between January 2013 and December 2014. The number includes all labour migrants except those issued entrepreneurship visas in Business Talent and Business Innovation streams in the Business Innovation and Investment Program, both provisional and permanent.

⁸ Includes permanent residents, which belong to entrepreneurs and self-employed sub-categories (dependents are not included).

⁹ Includes all permanent labour migrants

¹⁰ Annual estimate based on 1,866, 1,684, and 1,174 applications from foreign entrepreneurs in Rounds 9, 10, and 11, respectively, of the Start-Up Chile programme that took place during 2014.

¹¹ Annual estimate based on 101, 204, and 235 acceptances of foreign entrepreneurs in Rounds 9, 10, and 11, respectively, of the Start-Up Chile programme that took place during 2014.

¹² Includes all resolved applications for labour migrants: schemes under the job plan, other wage-earners, trainees and specialists, and residence permits for working purposes. The value is an approximation.

¹³ Includes all visas granted to labour migrants: schemes under the Job Plan, other wage-earners, trainees and specialists, and residence permits for working purposes.

¹⁴ Includes all received and resolved self-employment visa applications.

¹⁵ Includes all granted self-employment visas.

¹⁶ Includes all received and resolved work visa applications.

¹⁷ Includes all granted work visa applications.

¹⁸ All labour migrants except those who obtained self-employment visas.

¹⁹ Annual estimate based on 35 applications filed from April 2012 to March 2014 (Goube, 2015).

²⁰ Annual estimate based on 20 applications approved from April 2012 to March 2014 (Goube, 2015).

²¹ Migration inflows for 2012 (OECD, 2014).

Country	Type of visa	Year	Number of resolved entrepreneurship visa applications	Number of issued entrepreneurship visas	Acceptance rate of entrepreneurship applications	Total number of work-related visa applications***	Total number of issued work-related visas***	Acceptance rate of work-related visas (%)	Entrepreneurship visa applications to total work-based visa applications (%)	Issued entrepreneurship visas to total work-based visas issued (%)
	& Immigrant Investor	2014								
Italy**	Restart Italy	2012 and 2015	28 ²²	17 ²³	60%	n.a.	57000 ²⁴	n.a.	n.a.	0.03%
Netherlands**	Start-Up Permit	2014/2015	93 ²⁵	11 ²⁶	12%	12590 ²⁷	10758	86%	0.7%	0.1%
New Zealand	Entrepreneur Work Visa	Est. for 2014	505 ²⁸	492 ²⁹	97%	44123 ³⁰	39825 ³¹	91%	1.1%	1.2%
Spain**	Ley de Emprendedores	Est. for 2014	146 ³²	73 ³³	50%	n.a.	209'005 ³⁴	n.a.	n.a.	0.03%
South Korea	Start-Up Visa	Est. for 2015	n.a.	3 ³⁵	n.a.	n.a.	404'256 ³⁶	n.a.	n.a.	n.a.
Sweden**	Self-employment visa	2014	422 ³⁷	219	52%	15976 ³⁸	12152	76%	2.6%	1.8%

²² Full-year estimate based on 25 applications received between 24 June 2014 and 18 May 2015.

²³ Full-year estimate based on 15 visas granted between 24 June 2014 and 18 May 2015.

²⁴ Migration inflows for 2012 (OECD, 2014).

²⁵ Full-year estimate based on 35 applications received during the first 4.5 months of 2015 (Goube, 2015).

²⁶ Full-year estimate based on for the first 4.5 months of 2015 (Goube, 2015).

²⁷ Includes applications in the categories: highly skilled migrants, talented migrants, and labour migrants during 2014.

²⁸ Full-year estimate based on 379 applications received over 9 months (July 2014–March 2015).

²⁹ Full-year estimate based on 369 work visa applications granted over 9 months (July 2014–March 2015).

³⁰ Full-year estimate based on 33,092 work-related visa applications received over 9 months (July 2014–March 2015). Includes the following visa application criteria: essential skills, graduate job search, long term skills shortage, and skilled migrant and talent (accredited employer).

³¹ Includes the following visa application criteria: essential skills, graduate job search, long term skills shortage, and skilled migrant and talent (accredited employer).

³² Full-year based on 183 applications received over 15 months (September 2013–December 2015).

³³ Full-year estimate based on 91 visas granted over 15 months (September 2013 – December 2015).

³⁴ Includes Trabajo: otras autorizaciones, Trabajo por cuenta propia and Trabajo por cuenta ajena.

³⁵ Full-year estimate based on 4 start-up visas granted over 18 months (October 2013–March 2015).

³⁶ Full-year estimate based on 33,688 work-related visas granted over 1 month (May 2015). Includes the following types of visas: D-1, D3-D9, E1-10.

³⁷ The total number of applications was 444, and 422 applications had been processed.

³⁸ The total number of applications was 15,702, and 15,976 had been processed.

** Data does not include firms established by EU nationals, as they do not need a visa to launch a firm in another EU country.

*** Dependents are not included.

Source: Efendic et al. (2015b)

Chapter 3

Theoretical frame of reference

I begin with investigating the current state of research in immigrant entrepreneurship and the related fields in order to identify the boundaries of expatriate entrepreneurship. Secondly, I highlight how networks and accelerators could contribute to resource acquisition. Finally, I present the conceptual framework that I formed for researching expatriate entrepreneurship.

Entrepreneurship among immigrants

A wide range of topics has been studied within the context of entrepreneurship among immigrants (Vinogradov & Elam, 2010). This has partially contributed to the lack of clarity of definitions from which research on entrepreneurship among immigrants suffers (Chaganti & Greene, 2002). Terms that are commonly used to define entrepreneurship among immigrants are immigrant entrepreneurship, ethnic entrepreneurship, and minority entrepreneurship (Chaganti & Greene, 2002). It is common to find in the literature that these terms are used interchangeably to define research on immigrants (Carter et al., 2015). For instance, in the U.S. and the U.K. researchers often use the terms ethnic entrepreneurship and ethnic minority entrepreneurship instead of immigrant entrepreneurship.

In this chapter I review previous research and the current consensus on the defining characteristics of different commonly used categorizations of entrepreneurship among immigrants, namely: immigrant entrepreneurship,

ethnic entrepreneurship, minority entrepreneurship, business immigrants, diaspora entrepreneurship, as well as transnational entrepreneurship and international entrepreneurship.

Immigrant entrepreneurship

Immigrant entrepreneurship has been studied within many disciplines by utilizing different types of research designs (Aliaga-Isla & Rialp, 2013). In connection with the increase in cross-border migration, scholarly interest in studying the labour-market participation of immigrants, both as wage workers and as entrepreneurs, has increased substantially (Dana, 1993; Tung, Chung, Wong, & Primecz, 2011). Common research topics in immigrant entrepreneurship are the study of differences between immigrants and natives in regards to their propensity for becoming entrepreneurs (Andersson & Hammarstedt, 2010) and exploring whether immigrant entrepreneurship is connected to socio-economic mobility (Hjerm, 2004).

Immigrant entrepreneurship research has focused almost entirely on ventures launched by immigrants in North America, Europe, and Oceania (Aliaga-Isla & Rialp, 2013). Hence, it disregards a large part of all migration happening between developing countries in Africa and Asia. The work conducted in the U.S. has looked mostly at large immigrant groups, which account for most of the immigrant inflow. The U.S. has a long history of immigrant entrepreneurship, and since 1880 immigrant entrepreneurs have been overrepresented in the country (Barrett, Jones, & McEvoy, 1996). In Europe there was relatively little immigration until World War II, after which it increased dramatically first through labour immigration but more recently and increasingly through refugee immigration (Baycan-Levent & Nijkamp, 2009). Most of the European studies collect data from Germany and the Netherlands (Aliaga-Isla & Rialp, 2013).

Research studies commonly divide immigrant entrepreneurs between i) immigrant entrepreneurs who started a business because of necessity and ii) those who ventured into entrepreneurship because they discovered an opportunity (Chrysostome & Lin, 2010). The bulk of previous research in the immigrant entrepreneurship field covers entrepreneurs that have launched a business out of necessity (Azmat, 2010) and in most cases run businesses

with low growth prospects. Additionally, research has shown that most of these ventures were launched by immigrants with low levels of human capital (Aldrich & Waldinger, 1990). Among the main reasons that immigrants launch firms out of necessity is the existing gap between the immigrants' qualifications and the skills required for the available jobs (Ndofor & Priem, 2011).

There is growing proof that immigrants are an important factor in launching high-tech and fast-growing firms based on the identification of an opportunity rather than out of necessity (Chaganti, Watts, Chaganti, & Zimmerman-Treichel, 2008). The heterogeneity of both immigrant entrepreneurs and the businesses they run makes it difficult to find all-encompassing theories for immigrant entrepreneurs. For instance, a highly educated immigrant entrepreneur that launches a high-tech firm might have more in common with a native that has launched a similar business than with an immigrant who out of necessity has started a business that mainly caters to other co-ethnics. Research has shown that a large stock of highly educated immigrants leads to greater levels of high-growth entrepreneurship (Neupert & Baughn, 2013). For instance, in the U.S., 25.3% of all technology firms incorporated between 1995 and 2005 were launched with an immigrant as founder or part of a team of founders (Wadhwa, Saxenian, Rissing, & Gereffi, 2007). Similarly, research by Saxenian (2002) highlighted the vast contribution of immigrant entrepreneurs that launched high-technology firms to the success of Silicon Valley.

It is known that fast-growing firms are crucial for generating jobs (Birch & Medoff, 1994; Delmar, Davidsson, & Gartner, 2003). In fact, a study revealed that the fastest-growing 1% of firms generate virtually all net job growth (Henrekson & Johansson, 2010). The observation that many immigrants run fast-growing firms (Efendic, Andersson, & Wennberg, 2015a) in combination with the job generation potential of fast-growing firms has not gone unnoticed among policy-makers, who are increasingly comprehending that immigrant entrepreneurship can play an important role in boosting economic development (Audretsch & Keilbach, 2008).

Ethnic entrepreneurship

Ethnic entrepreneurs were defined by Aldrich and Waldinger (1990) as exhibiting “a set of connections and regular patterns of interaction among people sharing common national background or migratory experiences” (p. 112). Ethnic entrepreneurship is mainly based on the entrepreneurs identifying themselves as such or on others assigning them a certain ethnicity (Aldrich & Waldinger, 1990). Therefore, an ethnic entrepreneur is not necessarily an immigrant, but often does belong to a minority group. The definition of an ethnic group has received wide attention, with many definitions being presented. A frequently used definition of an ethnic group was set forward by Yinger (1985), who defined it as a “segment of a larger society whose members are thought, by themselves or others, to have common origin and to share important segments of a common culture and who, in addition, participate in shared activities in which the common origin and culture are significant ingredients” (p. 27).

Ethnic businesses cater to the ethnic community and supplies them with products or services that are adapted to their special ethnic needs (Greene & Owen, 2004). These firms often target markets where there are limited economies of scale, which decreases the risk of larger competitors entering the market (Aldrich & Waldinger, 1990). Studies have shown that targeting this type of niche market can make it easier to establish a company. On the other hand, targeting an ethnic market, which is often small, limits the growth potential of the businesses that ethnic entrepreneurs are launching (Armour & Cumming, 2008; Jones, Barrett, & McEvoy, 2000; Rusinovic, 2008). In many cases, ethnic entrepreneurs lack social relationships outside their ethnic group, which pushes them to use ethnic resources such as capital from other co-ethnics or to use fellow co-ethnics as the preferred market segment (Basu & Goswami, 1999). Thus, ethnic entrepreneurship is facilitated when a large ethnic community lives in the same area.

Minority entrepreneurship

Minority entrepreneurship encompasses all entrepreneurs that do not belong to the majority population (Chaganti & Greene, 2002). Hence, it is a broad classification that incorporates entrepreneurs that belong to a minority, in terms of ethnicity, gender, or citizenship (Nestorowicz, 2011). By virtue of the definition, a minority entrepreneur may or may not be an immigrant and/or an ethnic entrepreneur. Thus, minority entrepreneurship is a much broader concept than immigrant entrepreneurship, as it covers the statistical minorities, regardless of whether it was them or their forefathers who immigrated. In studies covering the U.S., minority groups usually include groups such as Asians, Latinos, and American Indians, and sometimes women (Chaganti & Greene, 2002). A common finding in minority entrepreneurship research is that a key hurdle for viable small-business creation among minority entrepreneurs is the existence of barriers in terms of educational credentials, skills, and work experience (Bates, 2011).

Business immigrants

Some countries have established business immigrant programmes to attract entrepreneurs that have extensive previous venture experience and the financial assets to emigrate and sustain themselves in the host country (Ley, 2003). Generally, business immigrants are selected based on how successful they have been as entrepreneurs; countries often grant visas only to those who have a stellar track record of entrepreneurship in their home country. By focusing on historical performance, business-immigrant programmes make the assumption that the business immigrants will be able to transfer their business success into the host country. However, some researchers argue that the business immigrants' experience from the home country is not applicable in the host country (Clydesdale, 2008).

Importantly, business immigrants are, to a high extent, driven to emigrate by the desire to obtain a residence permit in the host country. Because business immigrants often select the destination country based on the possibility of obtaining a residence permit and not because of wanting to ex-

exploit a business opportunity, they often keep the mainstay of their business in their home country (Clydesdale, 2008). Sometimes they spend only the minimum amount of time in the host country required to obtain a residence permit (Ley, 2003). Another factor driving business immigration is the goal of obtaining a passport from a country that offers visa-free travel to many countries, since obtaining visas can be a time-consuming endeavour for people that travel often (Henley and Partners, 2016). An assessment of the business immigrant policy programmes in New Zealand showed that many of the business immigrants there resorted to passive investments, especially in businesses that did not require high-level skills and were regarded as being relatively safe investments (Clydesdale, 2008).

Diaspora entrepreneurship

Migrants and their descendants who maintain strong links with their homeland are called “diasporans” (Safran, 1991). These are, in effect, “social-political formations, created as a result of either voluntary or forced migration, whose members regard themselves as of the same ethno-national origin and who permanently reside as minorities in one or several host countries. Members of such entities maintain regular or occasional contacts with what they regard as their homelands” (Sheffer, 2003: 9). Hence, this group of entrepreneurs is characterized by residing in the host country but having started the venture in the home country. The role of the diaspora as a conduit for development in their homeland has received substantial scholarly attention, as they have proved to be important investors (Riddle, Hrivnak, & Nielsen, 2010). The businesses they establish in their homeland can bolster economic growth and lead to transfer of knowledge, experience, and resources (Molenaar & Joosten, 2006). Diaspora entrepreneurs are well positioned to discover business opportunities due to their embeddedness in a multi-territorial social context that entrepreneurs in the homeland would have difficulties noticing and exploiting (Riddle et al., 2010).

Transnational entrepreneurship

A research field related to immigrant and international entrepreneurship is transnational entrepreneurship. The central research question surrounding transnational entrepreneurship is the study of “how, why, and when individuals and/or organizations build new business organizations in currently adopted countries while relying on resources and opportunities that stem from maintaining business-related linkages with their country of origin” (Drori, Honig, & Ginsberg, 2010: 3). Transnational entrepreneurs are often defined as “individuals that migrate from one country to another, concurrently maintaining business-related linkages with their former country of origin, and the currently adopted countries and communities” (Drori, 2009: 1001). By virtue of being present in two countries, transnational entrepreneurs can access important information flows that facilitate the ability to both identify and exploit business opportunities, which without the access to the two spheres might not have been exploited. Transnational entrepreneurs are very proficient in coping with differences in institutional environments in at least two countries.

International entrepreneurship

Commonly, international entrepreneurship is described as the “discovery, enactment, evaluation, and exploitation of opportunities—across national borders—to create future goods and services” (Oviatt & McDougall, 2005: 540). During the last two decades several studies have found that firms’ internationalization processes have not taken place as predicted by the Uppsala model (Knight & Cavusgil, 1996). Instead, many firms have internationalized almost immediately after inception. Firms that have followed this internationalization pattern are called born global firms (Rennie, 1993). International entrepreneurship has the firm as the unit of analysis. This makes it different from transnational entrepreneurship and immigrant entrepreneurship, as both of them have the entrepreneur as unit of analysis.

I chose to include international entrepreneurship in this review, despite it being outside the realm of entrepreneurship among immigrants, because

it has a bearing on firms that soon after inception close down their operations in the home country and engage in expatriate entrepreneurship by relocating the firm to another country.

Defining expatriate entrepreneurship

From the literature review discussed above it is clear that research on entrepreneurship among immigrants is hampered by the fact that in many cases the same phenomenon is being described as ethnic, immigrant, or minority entrepreneurship (Greene, 1997). Expatriate entrepreneurs share several features with mainstream immigrant entrepreneurs and transnational entrepreneurs. However, expatriate entrepreneurs also possess unique distinctive features. The main difference is that expatriate entrepreneurs first decide to engage in self-employment abroad, while all the other discussed categories first decide to emigrate and then consider engaging in self-employment.

In contrast to business immigrants, expatriate entrepreneurs are driven mainly by the exploitation of business opportunities, not residency. For expatriate entrepreneurs the host country context is less important than for business immigrants; whereas expatriate entrepreneurs often launch a global business, business immigrants commonly seek to launch a local business that fulfils the requirements of generating jobs. Ley (2003) described the aim of business immigrant programmes to be “to entice entrepreneurs with a proven track record and substantial economic capital to relocate from their countries of origin, with citizenship being the prize for moving their families and commercial activities to new lands.” (p. 426). Hence, a key assumption underlying business immigration is that the “prize” of obtaining citizenship or permanent residency drives entrepreneurs to relocate. Expatriate entrepreneurs are driven primarily by the aim to exploit a business opportunity in a country whose business environment is conducive to the business endeavour. This is a major difference between these groups. Expatriate entrepreneurs also differ from business immigrants by not focusing as much on revenue in the host country, thereby making it less crucial to be accustomed to the local entrepreneurial ecosystem.

Unlike transnational entrepreneurs, expatriate entrepreneurs do not pursue opportunities whose business model relies on having strong business linkages to the home country. Following a similar logic, expatriate entrepreneurs avoid business ideas that are tied exclusively to a certain country for an extended time, as this makes it easier to engage in serial migration should they so desire. Moreover, they often choose a line of business whose market is global or regional so the business headquarters, and they themselves, can migrate if wanted or needed. This shows the sojourning characteristics of expatriate entrepreneurs: they want the freedom to relocate and pursue business opportunities all around the world. Expatriate entrepreneurs prioritize the pursuit of global networks and do not tend to establish networks within their own ethnic groups, making them different from ethnic entrepreneurs. Although they might have interactions with co-ethnics, these contacts are not in any way prioritized or regarded as more important than connections with other ethnic groups. A similar reasoning can be applied to whether they can be regarded as minority entrepreneurs. This depends on whether they are part of a statistical minority or not in the host country.

In terms of growth potential, expatriate entrepreneurs have an inclination to pursue businesses that have the potential to grow faster in the host country in order to compensate for the economic and human cost of leaving their home country. My review of start-up visas in the previous chapter identified that a general requirement for applying for a start-up visa is that the government vets the business plan. The need to have the business plan approved often means that expatriate entrepreneurs aim to launch a business that has the potential to become fast-growing. Hence ambition levels also make expatriate entrepreneurs different from typical immigrant and ethnic entrepreneurs, who often launch ventures due to necessity, commonly in industries where it is difficult to grow fast. Many immigrant and ethnic entrepreneurs rely heavily on family labour (Bonacich, 1987). This is something that expatriate entrepreneurs avoid; they often do not have family in the host country, and their families frequently do not possess the skills needed for the job.

Generally, entrepreneurs recognize opportunities based on previously acquired knowledge. However, expatriate entrepreneurs have limited previ-

ously acquired market knowledge of the country to which they are contemplating emigrating. They often make emigration decisions based on information gathered during brief visits and/or on what they have read or heard about the countries. While other categories of immigrant entrepreneurs can use the post-migration period to fine-tune the market knowledge (Constant & Zimmermann, 2006), this is not possible to the same extent for expatriate entrepreneurs. Notwithstanding these difficulties, expatriate entrepreneurs are able to assess whether the countries possess favourable entrepreneurial ecosystems for the new ventures that they are seeking to launch.

In summary, the main characteristics of expatriate entrepreneurs that differentiate them from other groups of entrepreneurs are:

- For expatriate entrepreneurs the motivation to start a business abroad is opportunity-based.
- Expatriate entrepreneurs exhibit a propensity for serial migration that is fuelled by the discovery of business opportunities.
- Expatriate entrepreneurs prefer launching businesses that target global markets and are not linked to specific countries, as they favour not being tied to a particular country.

Table 3.1 demonstrates how the expatriate entrepreneurship phenomenon is different from the other types of entrepreneurship among immigrants that were described above, with the main difference being their willingness to emigrate primarily in order to start a business. Thus, it is necessary to introduce the term “expatriate entrepreneur” to describe this new type of entrepreneur. However, because they share key characteristics with immigrant entrepreneurs, I choose to classify them as a subtype of immigrant entrepreneurs. Based on the literature review above, combined with the review of start-up visas, I define expatriate entrepreneurs as “highly mobile individuals who engage in cross-border migration in order to exploit a global business opportunity in an entrepreneurial ecosystem that is ideal for the venture and whose emigration decision is not affected by the desire to obtain residency in another country” (Efendic et al., 2015b: 23).

Table 3.1. Research on entrepreneurship among immigrants, transnational, and international entrepreneurship

		Research on entrepreneurship among immigrants							
		Expatriate entrepreneur	Immigrant entrepreneur	Diaspora entrepreneur	Business immigrant	Ethnic entrepreneur	Minority entrepreneur	Transnational entrepreneur	International entrepreneur
Definition		"Highly mobile individuals who engage in cross-border migration in order to exploit a global business opportunity in an entrepreneurial ecosystem that is ideal for the venture and whose expatriation decision is not affected by the desire to obtain residency in another country." (Efendic et al., 2015b: 23)	Immigrants that are pushed into entrepreneurship in order to survive economically. Sometimes the immigrant entrepreneurs are linked by a migration network. (Butler & Greene, 1997)	"Social-political formations, created as a result of either voluntary or forced migration, whose members regard themselves as of the same ethno-national origin and who permanently reside as minorities in one or several host countries. Members of such entities maintain regular or occasional contacts with what they regard as their homelands." (Sheffer, 2003: 9)	Entrepreneurs that have previously launched successful businesses and amassed significant wealth, who are partially motivated to relocate from their countries by obtaining citizenship. (Ley, 2003)	"Ethnic enterprises are small ventures located in immigrant neighbourhoods that employ co-ethnics, or others of the same nationality, race, or culture as the business's owner, and cater to an ethnic clientele." (Sequeira, Carr, & Rasheed, 2009: 1028)	Entrepreneurs that do not belong to the majority population (e.g. immigrants and ethnically defined launch firms due to lack of opportunities in the dominant culture. (Reynolds, 1991)	"Entrepreneurs that migrate from one country to another, concurrently maintaining business-related linkages with their former country of origin and currently adopted countries and communities." (Drori, Honig, & Wright, 2009: 1006)	Defined as the "discovery, enactment, evaluation, and exploitation of opportunities—across national borders—to create future goods and services." (Oviatt & McDougall, 2005: 540)
Motivation to start a business		Opportunity-based	Necessity-based	Necessity-based	Opportunity-based or necessity-based	Necessity-based	Necessity-based	Opportunity-based	Opportunity-based or necessity-based
Migration traits		Serial	One-way	One-way	One-way	One-way	One-way	Serial or one-way	Serial or one-way
Key characteristics		Businesses that can be launched from many potential host countries	Generally small and low-growth businesses that rely heavily on self-employment and family labour	Well positioned to discover business opportunities due to their embeddedness in a multi-territorial social context	Partially driven by the aim of obtaining residency in the host country and in many cases do not develop major enterprises in host country	Businesses that predominantly cater to an ethnic clientele	Entrepreneurs often need to overcome barriers in terms of educational credentials, skills and work experience	Maintain business linkages with both home and host countries	Businesses with a global market potential

The role of networks in entrepreneurship

In the late 1980s scholarly interest for probing the function of personal and business networks for start-up firms took off (Aldrich, Zimmer, & Jones, 1986; Birley, 1985). These investigators argued that networks are one of the most powerful assets that an entrepreneur can possess, as they give access to other networks, power, knowledge, and capital. Research on networks help us better comprehend entrepreneurial processes, because networks are imperative for identifying, evaluating, accessing, and exploiting opportunities (Slotte-Kock and Coviello (2010). Networks also are important for accelerating both the emergence and growth of the firm (Maurer and Ebers (2006). I define networks the same way as Hoang and Antoncic (2003), namely as “a set of actors (individuals or organizations) and a set of linkages between the actors” (p.168). These authors also divided networks into three components:

- Network content: the interpersonal or interorganizational relationships that can be used to access resources that other parties possess. Examples of resources that can be accessed are capital and intangible resources such as emotional support.
- Network governance: these are governance mechanisms that uphold and coordinate exchange within networks. An important aspect of network governance is trust, as it improves the quality of resources that can be accessed through networks (Larson, 1992). Another characteristic of network governance is the dependence on contracts that are implicit and underpinned by social mechanisms such as power (Krackhardt, 1990) and reputation loss (Portes & Sensenbrenner, 1993) instead of a threat of legal action.
- Network structure: the relationship pattern that is created as a result from ties between actors. The position in a network has a strong impact on resource mobilization.

Researchers have shown that identity-based networks, using ties to pre-existing actors, where social identity is more highly valued than economic potential, is more appreciated by entrepreneurs during the early stages of the entrepreneurial process (Hite & Hesterly, 2001). The same researchers showed that calculative networks, defined as egocentric networks where tie creation is driven by economic benefits, are generally of greater importance in the latter stages of a firm's development, as these types of networks are key to generating more diverse resources that are important for growing the company. Networks can be further divided into personal networks (e.g. friends and family) and professional networks (e.g. business networks and mentors) (Fernández-Pérez, Alonso-Galicia, Rodríguez-Ariza, & del Mar Fuentes-Fuentes, 2015). Professional networks provide access to information on local regulatory frameworks, funding opportunities, and other administrative processes, which is otherwise unavailable outside of the network structure (Granovetter, 1983).

Entrepreneurs that actively tap the resources of broad networks and receive strong support from them generally are more successful than those that have access to narrow networks (Bates, 2011). They can access more information on key business inputs by having diverse networks (Low & MacMillan, 1988; Terjesen & Elam, 2009), while trust is facilitated through highly embedded social networks (Coleman, 1990). According to Stephens (2013), the most important reasons for developing a business network are i) to acquire clients, ii) to increase networking potential, iii) to obtain support, iv) to bolster firm reputation, v) to come in contact with people with whom knowledge can be exchanged, and vi) to connect with people that have similar aims.

The social network is even more important for immigrant entrepreneurs than for native entrepreneurs, as it supplies the former group with important market information on the new environment and also conveys information on business opportunities (Thai & Turkina, 2013). Previous studies of the network activities of immigrant entrepreneurs often explored the integration of immigrants into new cultures (Greve & Salaff, 2003; Kloosterman & Rath, 2001). From the literature we know that entrepreneurship among immigrants is, to a key extent, linked to the size of their networks (Portes et al. 2002). Also the performance of immigrant entrepre-

neers depends on their integration into business networks (Burt, 2001). However, there is still a dearth of studies on business networks' impact on immigrant entrepreneurship (Stephens, 2013).

The role of networks in resource acquisition

The process of acquiring the resources that are necessary to establish a firm is called resource mobilization. Resources can be divided into the following categories: financial, human, social, physical, and organizational capital (Greene & Brown, 1997). Capital has been used by some researchers to describe resources that are useful for entrepreneurs (Coleman, 1988). Financial capital refers to monetary funds used to run the new venture (Bygrave, 1992). Human capital is an "individual's investment in personal productivity" (Light & Rosenstein, 1995: 122), while education and training are often presented as proxies (Colombo & Grilli, 2005). Physical capital encompasses tangible resources. Organizational capital refers to capital that is embedded in organizational relationship, meaning that it is embodied in the relationships between the firm's employees, and results in productivity improvements (Tomer, 1987). Social capital is defined in the next section.

Networks are extremely important for all type of entrepreneurs, as they are crucial for getting hold of resources (Elfring & Hulsink, 2003) such as support, information, and access to distribution channels (Greve and Salaff, 2003). Network resources have been shown to be crucial for start-ups (Coviello, 2006; Hite & Hesterly, 2001; Pettersen & Tobiassen, 2012). Therefore, entrepreneurs make substantial efforts in forming networks, and particularly in establishing networks that are adapted to the specific needs of the venture. It is important for entrepreneurs to recognize that networks change and transform from the pre-start-up stage to the establishment of the firm (Hite & Hesterly, 2001).

Acquiring resources is imperative for firm survival. However, a major obstacle for new ventures' ability to succeed with resource acquisition is the low survival rate of new firms. Because it is uncertain whether or not it will be a profitable exchange, those who possess resources are often reluctant to deal with new ventures. Nonetheless, entrepreneurs with rich social networks are better at attracting financial capital, recruiting competent staff,

and obtaining access to tacit knowledge (Stuart & Sorenson, 2005). Thus networks that facilitate resource acquisition can counteract firm failure. An entrepreneur's network is key for enabling the nascent venture to obtain resources that are not available internally (Ostgaard & Birley, 1994). This is important because entrepreneurs usually do not possess all of the resources needed to be able to seize an opportunity (Elfring & Hulsink, 2003). Social networks affect the possibility for the entrepreneur to obtain funding; for instance, venture capital firms prefer to invest in entrepreneurs that have been recommended by close contacts (Fried & Hisrich, 1994; Hsu, 2004). This is a way for investors to mitigate the information asymmetries between them and the entrepreneur(s), as the investors can utilize the network to gain input on the entrepreneur's reliability and integrity. Thus, entrepreneurs with extensive networks have a better chance of reaching potential investors and securing their investments. It is also important for start-ups to have access to tacit knowledge (Rivkin, 2001). Firms that can mobilize tacit knowledge enjoy a competitive advantage (Liles, 1974). The most common way for nascent entrepreneurs to access tacit knowledge is through existing contacts. This usually requires a strong social relationship between the parties that exchange the knowledge (Stuart & Sorenson, 2005). Similarly, networks can mitigate the uncertainties associated with the recruitment of employees; it is easier to recruit someone with whom the entrepreneur is already connected, because prospective employees can be hesitant to join a start-up due to the uncertainty in terms of the probability of success of the venture (Stuart & Sorenson, 2005).

Social capital

Social capital is a broader concept than networks, and it covers individuals networks as well as the resources that can be accessed through networks (Adler & Kwon, 2002; Nahapiet & Ghoshal, 1998). Bourdieu (1986) defined social capital as "the aggregate of the actual or potential resources which are linked to possession of a durable network of, more or less, institutionalized relationships of mutual acquaintance or recognition" (p. 248). Another common definition of social capital is "network engagement, norms, and trustworthiness leading to economic and/or political benefit"

(Lee, 2009: 247). Based on both definitions, it is easy to understand why social capital is often defined also as networking capital. Social capital is a process whose aim is to develop an environment conducive to the well-functioning exchange of resources and information (Anderson & Jack, 2002). Social capital does not only refer to the number of contacts, but it looks deeper into the contextual characteristics of the capital, making influential actors more highly valued. A key characteristic of social capital is that it is convertible and appropriable—for example, in the way that friendship can be used for a plethora of tasks. Because social capital generates income in the form of access, having relatively less social capital compared to native entrepreneurs could have important business implications for immigrant entrepreneurs in general, and for expatriate entrepreneurs in particular. For instance, not having access to influential actors in the host country makes it more difficult for both immigrant and expatriate entrepreneurs to obtain clients and find suppliers. However, it is an even greater problem for expatriate entrepreneurs than for other immigrant entrepreneurs because their residence permits are usually time-constrained.

Nahapiet and Ghoshal (1998) divided social capital into the following dimensions: structural, relational, and cognitive. Structural embeddedness covers the presence of social interactions between actors (Tötterman & Sten, 2005). It is optimal for an entrepreneur to be structurally in a position where it is possible to exploit and connect information, but that others are not able to do the same (Tötterman & Sten, 2005). Having an existing network also helps with the creation of new ties (Coleman, 1990). The transfer of successful business practices between actors is controlled by relational social capital (Nahapiet & Ghoshal, 1998) and it is driven by the prevalence of norms of trust. In addition, social capital norms are crucial facilitators of information exchange between actors (Lin, 2000). The norms also regulate what actions are considered to be acceptable and unacceptable. Trust is the most researched normative mechanisms in the context of relational social capital (Uzzi, 1996). There is strong evidence that higher levels of trust lead to higher levels of resource exchange (Lee, 2009). Cognitive social capital covers resources that denote a shared understanding of common goals, such as shared language and codes (Yli - Renko, Autio, & Sapienza, 2001). By having a shared understanding, actors gain in socio-psychological sup-

port and solidarity (Starkey & Tempest, 2004). Developing language skills that facilitate communication between actors is very much related to how motivated the parties are (Adler & Kwon, 2002). The development of narratives that are shared among the actors also favourably impacts the actors' desire to interact (Lee, 2009).

Social capital is sometimes divided into bonding and bridging forms (Putnam, 1995), where the latter term refers to resources embedded within weak ties, which are the type of social capital that can be facilitated by an incubator or accelerator (Levy, Peiperl, & Bouquet, 2013). These ties often give access to business-related resources and information (Chua, Ingram, & Morris, 2008; Granovetter, 1973; Lin, 1999; Seibert, Kraimer, & Liden, 2001). Social capital of the bonding form is embedded in networks of strong ties, which offer resources in the forms of emotional support and high-quality information. Being embedded is important, as risk and uncertainty are barriers to successful enterprise (Cooke & Wills, 1999). This is all the more important in the context of entrepreneurship among immigrants, as risk and uncertainty generally are higher when deciding to launch a venture outside the home country. Some researchers argue that ethnic networks constitute an important part of an immigrant entrepreneur's social capital, and that these might offset the common shortage of financial and human capital resources among immigrant entrepreneurs (Bird & Wennberg, 2016; Hart & Acs, 2011; Portes & Sensenbrenner, 1993).

Accelerators and incubators

Incubators are organizations that provide an environment that supports the creation of new ventures (Bergek & Norrman, 2008; Chan & Lau, 2005; Lindholm Dahlstrand & Klofsten, 2002). They are often classified in four categories: virtual incubators, incubators with walls, international incubators, and accelerators (Lewis, Harper-Anderson, & Molnar, 2011). The first incubator was established in the U.S. in 1959 (Hackett & Dilts, 2004). Incubators offer shared office space and business-support services in order to reduce overhead costs, and they facilitate the formation of internal and external networks (Bergek & Norrman, 2008; Chan & Lau, 2005; Clarysse, Wright, Lockett, Van de Velde, & Vohora, 2005). Accelerators are a more

recent concept than incubators, having emerged in the mid-2000s (Miller & Bound, 2011). Incubators and accelerators support start-ups in many ways, in particular by developing network ties with a range of actors. For instance, ties are often established with the incubator's or accelerator's management and staff, the other ventures that are part of the incubator and their staff, industry representatives, lawyers, consultants, investors, and accountants (Hackett & Dilts, 2004). These networks offer financial, human, and social capital to incubated firms through institutionalized structures for resource and knowledge transfer (Hansen et al., 2000; Mian, 1996).

The purpose of both incubators and accelerators is to facilitate firm growth by providing a support environment for entrepreneurs or companies. There are many similarities between incubators and accelerators. In fact, the similarities are so large that the terms are often used interchangeably.³⁹ However, the research community has yet to agree on how to precisely define accelerators (Lewis et al., 2011). The main difference between incubators and accelerators is that accelerators consider the start-up period to be short, and consequently often provide shorter programmes that focus on getting start-ups to grow fast. Whereas accelerator programmes usually last between three and six months, the average incubation period lasts considerably longer (Miller & Bound, 2011). In fact, incubators often do not establish time constraints, while accelerators always do. Moreover, accelerators also usually support companies in cohorts (Christiansen, 2009). Another difference between incubators and accelerators is the selection and admission criteria. For accelerators, admission criteria are usually very competitive, with applicants having to go through several rounds before being accepted. In comparison, incubators often have less-competitive selection criteria (Bruneel, Ratinho, Clarysse, & Groen, 2012). In addition, whereas incubators generally do not provide capital to their residents, accelerators commonly do.

Only approximately half of all new ventures survive for longer than five years (Aldrich, 1999). Given the fragility of new business ventures, combined with their importance in creating jobs, policy-makers are increasingly

³⁹ Of note, the cases studied in this thesis—LaunchPad Denmark, Start-Up Chile, and the Sirius Programme—have been categorized by me as accelerators because all of them give grants and admit cohorts. However, all three cases incorporate aspects of both acceleration and incubation programmes.

looking at ways to support new ventures and increase the probability that they will be successful. One strategy used by governments to achieve this is promoting the development of incubators and accelerators. Hence, incubators and accelerators can be seen as examples of organizational sponsorship that can, in relation to the context of incubators, be defined as “attempts to mediate the relationship between new organizations and their environments by creating a resource-munificent context intended to increase survival rates among those organizations” (Amezcuca, Grimes, Bradley, & Wiklund, 2013: 1628). The same group of researchers showed that the effect of organizational sponsorship in the form of an incubator is not clear-cut, because in certain environments incubators have a positive effect on firm survival rates, but in others they have a negative effect. However, there is no previous research on how accelerators affect ventures that have been established by expatriate, or even immigrant, entrepreneurs.

Accelerator's role in network formation and resource acquisition

There is a lack of research on the role of incubators and accelerators in the generation of networks (Collinson & Gregson, 2003; Tötterman & Sten, 2005).⁴⁰ This is surprising given that incubators and accelerators often give access to both internal and external networks (Hansen et al., 2000; Hughes, Ireland, & Morgan, 2007), thereby providing the entrepreneurs access to resources that they need and otherwise would have difficulties obtaining (Rice & Matthews, 1995). Examples of network resources to which accelerators and incubators give access to are information, knowledge, and reputation (Pettersen et al., 2016). On the other hand, studies also indicate that incubators are generally able to give access to generic, but not to non-generic (idiosyncratic), network resources (Pettersen et al., 2016). Entrepreneurs often need private networks in order to mobilize non-generic network resources. The private networks are generally unrelated to the participation in an accelerator or incubator. In early phases of new venture creation, the network ties to friends, business contacts, and family are very useful for obtaining critical resources (Hoang & Antoncic, 2003). We know

⁴⁰ Due to the similarities between accelerators and incubators, and because accelerators are regarded to be a type of incubator, research findings on incubators are also applicable to accelerators.

that pre-existing contacts, and especially family and friends, are an important source of resources for new ventures (Hara & Kanai, 1994; Zimmer & Aldrich, 1987). Having access to networks that provide for instance emotional support, is key for making the entrepreneurs more resilient and thereby increasing the probability that they will continue with the business endeavours (Brüderl & Preisendörfer, 1998; Gimeno, Folta, Cooper, & Woo, 1997).

Entrepreneurs who start a venture soon after immigration often have very limited networks in the host country, and their requirements in terms of the assistance needed to build networks are probably higher than those of native entrepreneurs. Thus, the accelerator's ability to provide synergy and networking opportunities between the participants as well as to support the creation of trustworthy relationships with external stakeholders is very important for newly arrived immigrant entrepreneurs (Tötterman & Sten, 2005). Incubators and accelerators provide the opportunity to co-locate with other start-ups and assist with obtaining a central position in business networks. An important reason for an expatriate entrepreneur to join an accelerator is the accelerator's ability to help them generate a larger pool of network resources than would be possible for the entrepreneur to achieve if trying to build a network entirely by himself or herself.

All types of entrepreneurs seek ways of increasing their legitimacy by obtaining the support of parties that are considered as highly reputable, as this helps them in their relationships with resource holders such as potential investors (Hoang & Antoncic, 2003). The ability of accelerators to increase an entrepreneur's legitimacy and credibility can improve an immigrant entrepreneur's ability to mobilize resources. For all of these reasons, accelerators can significantly impact entrepreneurship and therefore it is of utmost importance to investigate whether accelerators can be of crucial help for immigrant and especially expatriate entrepreneurs whose businesses might suffer from the lack of initial embeddedness.

Explaining entrepreneurship among immigrants

The most common conceptual frameworks used to explain immigrant entrepreneurship focus on human capital, culture, social capital, ecological

factors, economic factors, and immigrant-specific barriers (Vinogradov, 2008). Middleman minority theory has historically been one of the primary economic explanations used by researchers to describe immigrant entrepreneurship (Bonacich, 1973). Middlemen act as intermediaries between people belonging to a minority and majority groups. They are economically driven sojourners, whose aim is not to settle permanently in a country. Middleman minority entrepreneurs often develop strong ties to co-ethnics in both the host and the home countries. In their business endeavours they often rely on family members and/or co-ethnics. Some researchers argue that middleman theory's ability to explain immigrant entrepreneurship is limited, as the theory presupposes that middleman minority entrepreneurs launch businesses in a limited number of industries and sectors (Sanders & Nee, 1996). This theory also struggles to explain opportunity-based high-growth immigrant entrepreneurship, since it is not compatible with hiring predominantly dependents or ethnic group members and being an intermediary between a majority and minority group.

Cultural differences are another factor that has been widely researched by scholars seeking to explain immigrant entrepreneurship. Researchers utilizing cultural theory have investigated cultural characteristics of ethnic groups, being able to show in some cases that entrepreneurship is culturally more attributed to some ethnic groups than to others (Teixeira, Lo, & Truelove, 2007). Factors such as a propensity to work hard, being part of an interlinked diaspora, risk tolerance, and ethnic tradition have an impact on the propensity to become entrepreneurs and can be considered an ethnic resource (Fregetto, 2004; Masurel & Nijkamp, 2004). The differences in ethnic resources mean that certain immigrant groups have cultural values that are more conducive to entrepreneurship than do other groups.

Another cultural explanation for immigrant entrepreneurship is the disadvantage theory. This theory argues that immigrants are in a less favourable position for launching a business than their native counterparts. This is because they are constrained by a number of factors, such as discrimination, lack of education in the host country, and credentials from other countries, all of which ultimately impact their behaviour (Fregetto, 2004). The disadvantage theory is based on the notion that entrepreneurship among immigrants is the result of necessity. Blocked mobility theory is a

theoretical framework, similar to the disadvantage theory, and is used by some researchers to explain how barriers on the structural level adversely affect the immigrants' ability to succeed. The term "blocked mobility" refers to the fact that discrimination restricts the immigrants' ability to find jobs (Li, 1997). Thus most of this research focus on immigrant entrepreneurs that have been pushed into entrepreneurship due to blocked mobility. Other theories commonly used in immigrant entrepreneurship research are those that focus on class divisions between immigrant groups (Yoon, 1991). For instance, if some immigrant group have more material resources, this can facilitate the process of becoming an entrepreneur. The disadvantage and the blocked mobility theories are not particularly suitable for explaining entrepreneurship by individuals who have the possibility to switch employers or engage in serial migration, because structural barriers at one job may be resolved by emigrating to another country or joining another company.

Conceptual frameworks for explaining entrepreneurship among immigrants are generally divided into two categories: interactive or monocausal, depending on whether they are designed to take into account the interplay between immigrant entrepreneurs and the economic and social environment (interactive) or not (monocausal) (Peters, 2002). The aforementioned interplay can be especially important for expatriate entrepreneurs, as they are unfamiliar with the host country environment. This assumption is supported by Clydesdale's (2008) finding that New Zealand's business immigration programme did not perform well mainly because of the discrepancies between the environment and individual characteristics. This was a consequence of New Zealand's government selection criteria, which focused on the traits of the entrepreneur and disregarded exploring whether or not there could be a misfit with the entrepreneurial ecosystem (Clydesdale, 2008).

New venture creation among immigrant entrepreneurs in general, and particularly for expatriate entrepreneurs, is a multidimensional phenomenon, meaning that many of the unidimensional frameworks that have been used in the past are not optimal for understanding the phenomenon. Unidimensional models are useful for comparing entrepreneurs with non-entrepreneurs, but they are less useful for understanding a complex phe-

nomenon such as expatriate entrepreneurship, where it is necessary to focus on a plethora of factors instead of on a single factor. Thus, trying to explain the expatriate entrepreneurship phenomenon with monocausal models would be overly simplistic, and an interactive conceptual framework that accounts for the interdependency between the expatriate entrepreneur and the economic and social environment is needed. Two commonly used multicausal models in immigrant and ethnic entrepreneurship are Waldinger's interactive model (Waldinger, Aldrich, Ward, & Blaschke, 1990) and the mixed embeddedness model (Kloosterman & Rath, 2001). Both models assume that in order to give an overview of immigrant and ethnic entrepreneurship one must consider the interaction between demand and supply factors instead of merely looking at single factors as do monocausal explanations.

Mixed embeddedness is a widely used non-monocausal model. This concept was introduced by Jan and Kloosterman (2000) to highlight that immigrants are embedded in social, economic, and institutional contexts that interact with each other. It was innovative given that at that time most research on entrepreneurship among immigrants did not take into account the institutional and economic context (Kloosterman, Van der Leun, & Rath, 1999). The mixed embeddedness framework argues that the rise of ethnic enclaves is explained by the interplay between the entrepreneurs' characteristics and the economic and political environment. Before the mixed embeddedness framework, embeddedness was used only in reference to the social characteristics of co-ethnics, and therefore it did not consider that entrepreneurs are acting within an institutional and economic setting. The economic and institutional contexts are in fact important; market conditions are embedded in institutions and are key in explaining where the business opportunities are for immigrant and ethnic entrepreneurs.

Another widely used non-monocausal model is Waldinger's interactive model. Waldinger's model argues that the strategies being applied by ethnic entrepreneurs depend on the interaction between opportunity structures (i.e., the demand for products/services) and group characteristics (the supply, i.e., what the entrepreneur is able to deliver), rather than on a single characteristic independently. Waldinger's model is often used to argue that the development of an ethnic community is the key source of business op-

portunities. Issues that immigrant and ethnic entrepreneurs encounter because of the interaction between opportunity structures and resources often lead to the creation of ethnic strategies in order to solve problems such as lack of capital, skills, or customers, among others (Boissevain, Blaschke, Grotenbreg, Joseph, Light, Sway et al., 1990). Whereas this assumption might still be valid for some immigrant entrepreneurs that start a business out of necessity, it is highly unlikely that this is the case for expatriate entrepreneurs, as the lack of business potential in ethnic industries keeps them from launching firms targeting ethnic groups.

Despite being interactive, neither the Waldinger nor the mixed embeddedness model is suitable for researching expatriate entrepreneurship due to their focus on ethnic entrepreneurship. In particular, the mixed embeddedness model was constructed mainly for explaining necessity entrepreneurship (Vinogradov, 2008), and therefore it is unsuitable for opportunity-driven immigrant entrepreneurship. Waldinger's interactive model argues that the market conditions limit entrepreneurship by immigrants by making it difficult to enter sectors where economies of scale and/or high entry costs decrease the chance of success. Therefore, Waldinger foresees opportunities for immigrant and ethnic entrepreneurs in underserved markets, industries where it is unlikely that an immigrant can start a fast-growing business. However, there is evidence that many immigrants have succeeded in launching fast-growing firms in highly competitive markets (Chaganti et al., 2008). Access to ownership is another component of Waldinger's model that pre-supposes that immigrant and ethnic entrepreneurs have trouble competing with native entrepreneurs. This aspect does not affect expatriate entrepreneurs because they are often highly qualified and possess economic resources that enable them to compete with native entrepreneurs. Among the factors that spur immigrants into entrepreneurship, Waldinger's model postulates that immigrants might experience blocked mobility in the job market and therefore choose to pursue entrepreneurship. By contrast, expatriate entrepreneurs are driven by opportunity entrepreneurship, and thus their main aim is to launch a business in a country that offers the best chances of success.

A framework for researching accelerator-facilitated expatriate entrepreneurship

Gartner's (1985) framework was the first used to study the process aspects of entrepreneurship, i.e. the process of how organizations emerge. Gartner argues that the diversity among entrepreneurs and their ventures is large, and it is therefore necessary to create subgroups encompassing individuals with similar characteristics: "it is not enough for researchers to seek out and focus on some concept of the 'average' entrepreneur and the 'typical' venture creation" (p. 697). The framework developed by Gartner focuses on facilitating the understanding of the differences between the new ventures that are created, thereby differentiating this model from the vast amount of research that focus instead on understanding the differences between entrepreneurs and those who are not entrepreneurs (Moroz & Hindle, 2012). Gartner's framework offers a better position for comparing different kinds of new ventures than does Waldinger's interactive model.

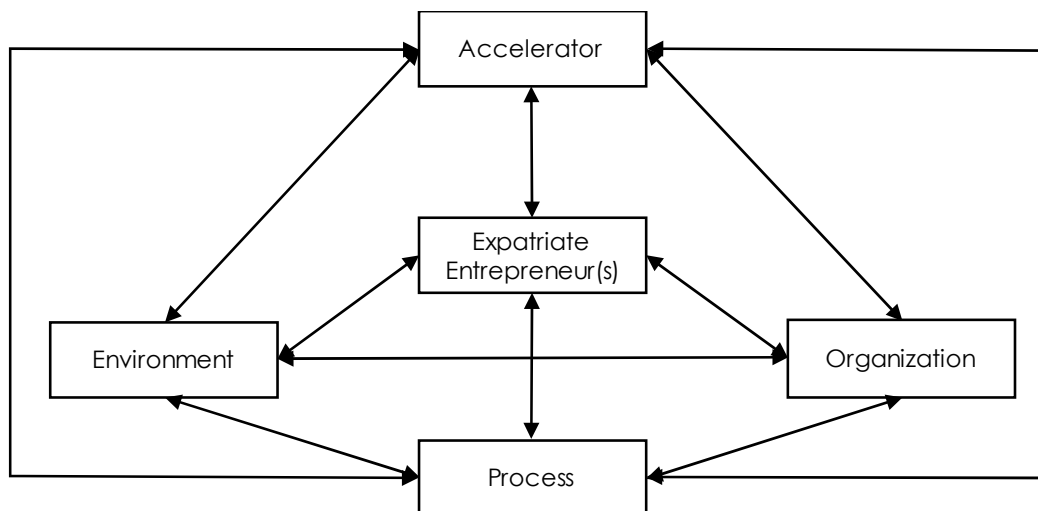
Gartner's framework integrates four perspectives into the entrepreneurial venture creation: i) the individual characteristics of the entrepreneur, ii) the environment where the venture is created, iii) the type of organization that is created, and iv) the process that leads to venture creation. This framework is also suitable for understanding expatriate entrepreneurship, as it provides all the dimensions needed to study the wide range of activities that are involved in new venture creation by this type of entrepreneurs. By new venture creation I mean "the organizing of new organizations" (Gartner, 1985; p. 697). In particular, I use the Gartner framework to uncover the characteristics of expatriate entrepreneurs and how the entrepreneurial process occurs while they are in the acceleration programme.

However, Gartner's (1985) framework needs adaptations in order to better describe the creation of new ventures by entrepreneurs that engage in expatriate entrepreneurship by taking part in an acceleration programme. The first adaptation that I make involves the role of the accelerator in the venture creation process. One tangible way that governments try to aid entrepreneurs is through the creation of accelerator or incubator programmes. Accelerators are important, as they facilitate the operations of start-ups by

addressing or strengthening their resource and competence needs (Dahles, 2005; Keuschnigg & Nielsen, 2003). Even in highly developed innovation systems, knowledge sharing and innovation processes are often bounded by a firm's borders or are limited to strong network ties which immigrant entrepreneurs tend to lack (Chesbrough, 2003). In this regard, accelerators are crucial for forming networks for their members (Collinson & Gregson, 2003). In particular, accelerators help the entrepreneurs establish networks with important actors (Hansen et al., 2000). Therefore, accelerators might significantly facilitate expatriate entrepreneurship.

Gartner (1985) considered accelerators or incubators as being part of the environment. Given that my study focuses on accelerator-facilitated expatriate entrepreneurship, I have chosen to extract the accelerator from the environment dimension and add it as a separate dimension in the framework. Figure 3.1. presents the adapted Gartner model that I use as an overarching framework for my study. Below, I provide details on each of the analytical dimensions of the adapted model for accelerator-facilitated expatriate entrepreneurship.

Figure 3.1. Framework for accelerator-facilitated expatriate entrepreneurship



Adapted from Gartner (1985)

Accelerator

My framework places the accelerator as an integral part of expatriate entrepreneurship, with the purpose of highlighting the key role accelerator programmes play in accelerator-facilitated expatriate entrepreneurship by influencing the venture creation. The organization dimension is impacted, for instance, by virtue of the fact that the accelerator facilitates the incorporation and administration of a firm. Accelerators also strongly influence the environmental dimension from the perspective of an expatriate entrepreneur, as they mediate the connection between the expatriate entrepreneur or his/her organization and the environment. Accelerators can also affect the individual dimension by giving resources and conferring networks.

Individual(s)/Expatriate Entrepreneur(s)

This dimension covers the characteristic of the individual expatriate entrepreneur(s) that is/are engaged in starting the venture. By looking at the predisposing factors, I focus on establishing and highlighting the major factors that differentiate expatriate entrepreneurs from mainstream immigrant entrepreneurs. This is achieved by interrogating and analysing the entrepreneurs' backgrounds. The descriptions of the embedded cases focus on i) whether the motivation to start a business abroad is opportunity driven, ii) the entrepreneurs' propensity for serial migration, and iii) whether entrepreneurs have a preference for global markets.

Environment

An environment that supports new venture creation facilitates entrepreneurship, so this dimension of the framework covers the environment in which the venture is active. The environment is considered to be relatively static, meaning that entrepreneurs have little ability to change environmental conditions. Both the national and the entrepreneurial framework conditions influence the entrepreneur's capacity to identify and exploit a business opportunity and to acquire resources (Bosma, Coduras, Litovsky, & Seaman, 2012). These factors can significantly affect how expatriate entrepreneurs view the business landscape in the country, and include the quality of institutions, the infrastructure, macroeconomic stability, healthcare, train-

ing, sophistication of the financial market, and size of market. The entrepreneurial ecosystems differ significantly across countries. For instance, some countries offer lower corporate taxes, special incentives for new businesses, and better availability of financial capital and/or human capital.

This thesis also investigates how accelerators help expatriate entrepreneurs deal with new national and entrepreneurial framework conditions in the host country. In the analysis, environment is split into i) market conditions and ii) the regulatory and institutional environment in the host country. These are important environmental factors for considering engaging in expatriate entrepreneurship, actually engaging in expatriate entrepreneurship, and subsequently, for deciding whether to reside in the host country long-term.

Organization

My framework differentiates between the expatriate entrepreneurs and the organization, by defining an organization as the established legal entity. This means that the registering of a firm is necessary for the existence of an organization. I agree with Gartner's view that the type of business created by the entrepreneur affects venture creation and thus, it is an important dimension of such process. Nevertheless, because my thesis aims to identify the role of the accelerator in network formation and resource acquisition, I chose not to differentiate between the organization's and the expatriate entrepreneur's networks and resources. This is due to the fact that during the early stages of new venture creation, such as during participation in an acceleration programme, there is a considerable overlap between the networks and resources of the expatriate entrepreneur and those linked to the organization that he/she might have established. In addition, I expected that a share of the expatriate entrepreneurs participating in the acceleration programmes would not succeed with establishing an organization while in the programme. Thus, I do not cover this dimension in depth.

Process

This dimension covers the actions that the expatriate entrepreneur uses to get the venture started. The entrepreneurial process is often defined as "all the functions, activities, and actions associated with perceiving opportuni-

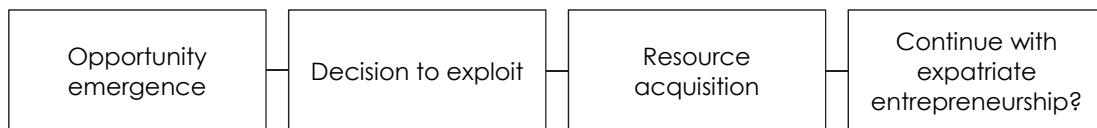
ties and creating organizations to pursue them” (Bygrave & Zacharakis, 2009: 2). Gartner’s model identifies six particular actions that take place in the venture creation process; even so, his process dimension is static and does not discuss in which sequence the activities occur (Moroz & Hindle, 2012). In recent years, an increased interest in the process perspective within the field of entrepreneurship has been evident, with a plethora of articles being published in the field (Baker, Gedajlovic, & Lubatkin, 2005; Sarasvathy, 2001; Shane & Venkataraman, 2000). However, immigrant entrepreneurship research still has only incorporated a process view to a very limited extent.

Therefore, I chose to incorporate in my study a process perspective adapted for accelerator-facilitated expatriate entrepreneurship, identifying the following four phases: i) emergence of opportunity, ii) decision to exploit opportunity, iii) resource acquisition, and iv) continue with expatriate entrepreneurship (see Figure 3.2). This thesis covers the entrepreneurial process from the point at which the expatriate entrepreneur is admitted to the accelerator through most of their time inside the programme, but does not address the pre- and post-acceleration phases of the venture creation. Hence, of the four aforementioned phases, I focus on phases i (decision to exploit opportunity) and ii (resource acquisition) because they are the stages that predominantly occur during participation in the accelerator.

The stage emergence of opportunity consists of the existence of opportunities and of the discovery of opportunities. The opportunity first has to be clearly identified and a viable business plan needs to be presented before the venture can be considered for admission into the accelerator programme. Thus, at this stage the entrepreneur has not been admitted to the acceleration programme, and therefore it is outside the scope of my study. At the next stage, decision to exploit opportunity, the entrepreneur has been admitted to the accelerator. Consequently, the accelerator becomes a factor when the entrepreneur is calculating the opportunity costs and expected gains that are important when deciding whether to launch a venture. We know that psychological and sociocultural factors, together with human capital, strongly influence whether the entrepreneur launches the venture (Elam, 2014; Shane, 2003). From the perspective of my study I investigate how the pre-disposing factors of expatriate entrepreneurship, the condu-

civeness of the environment, and access to the accelerator affected the decision to exploit a business opportunity. In the following stage, resource acquisition, it is necessary to mobilize resources in order to exploit a business opportunity. Previous research shows that entrepreneurs with extensive social networks are better at recruiting highly qualified labour, raising financial capital, and obtaining tacit knowledge (Stuart & Sorenson, 2005). In this stage I focus on investigating what role the accelerator plays in forming networks and acquiring resources for expatriate entrepreneurs. The last stage, continue with expatriate entrepreneurship, is outside the scope of my study as it occurs after the expatriate entrepreneur has completed the acceleration programme. Nevertheless, I briefly touch on how the network formation and resource acquisition that occurs while the expatriate entrepreneur is part of the acceleration programme affects whether they decide to continue with venture creation.

Figure 3.2. The key stages in the venture creation process for accelerator-facilitated expatriate entrepreneurship



The framework described above will be used when presenting my empirical and theoretical findings. It is suitable for researching accelerator-facilitated expatriate entrepreneurship because it includes the accelerator as a separate dimension and because the entrepreneurial process has been divided into four stages to better reflect the acceleration process. In the next chapter I present a pre-case study that I conducted in order to investigate differences between expatriate entrepreneurs and other entrepreneurs that have launched a company soon after immigration.

Chapter 4

Pre-case study

This pre-case study⁴¹ was conducted to establish whether the traits of expatriate entrepreneurs are different from those of other types of immigrant entrepreneurs. The aim is to highlight the fact that, as in the case of mainstream entrepreneurship research, there are also large differences among immigrant entrepreneurs. By determining the major differences, it will become clearer if a more fine-grained classification of immigrant entrepreneurs is needed. Given my research questions, my lack of control of contexts, and the fact that I was investigating a contemporary topic, I chose to use an exploratory case-study approach. Moreover, a case study was highly suitable because the borders between the expatriate entrepreneurship phenomenon and the context were not clear (Yin, 1984).

This pre-case study's main question is: are entrepreneurs that emigrate in order to start a business different from other immigrant entrepreneurs in terms of migration traits and the business characteristics? Based on research question one, I chose the unit of analysis in the pre-case study to be the individual entrepreneur. The pre-case study covers the period from the decision to emigrate to the stage in which the entrepreneur is in the process of establishing or has recently established the new venture.

Key for the success of this pre-case study was to be able to identify early-on an immigrant entrepreneur's reasons for emigration. From the outset it was clear that uncovering the motivations for engaging in emigration

⁴¹ Part of this study was reported in conference papers (Efendic & Yetis, 2012, 2013).

might be difficult. The reasons for migration can be multi-faceted, and I wanted to explore in which ways expatriate entrepreneurs differ from entrepreneurs that have started a company soon after immigrating to a new country. Thus, I tried to locate entrepreneurs that had launched a business shortly after immigrating by conducting searches on LinkedIn and in the Factiva database. Unfortunately, this turned out to be an unfeasible approach, as I was not able to conclude with certainty the reasons for emigration. This strengthened my belief that identifying expatriate entrepreneurs based on publicly available data would be difficult.

My research on start-up visas showed that certain countries were more likely to attract expatriate entrepreneurs. Within these countries there were cities that seemed to be particularly attractive for expatriate entrepreneurs. In addition, the information technology (IT) is an industry with a large proportion of immigrant entrepreneurs, whose businesses often are not tied to a specific country or region, making it more likely that some of them would engage in expatriate entrepreneurship. Together, these facts prompted me to focus on the IT industry and the following three countries: Spain, Sweden, and India. Spain and Sweden are European Union countries, meaning that in addition to the start-up visas they grant there was the possibility that a significant amount of intra-EU expatriate entrepreneurs were active in those countries. India was chosen based on it being a hub for IT. Another important reason for choosing Spain was that Barcelona had just launched the Barcelona Activa website. This website is run by the Barcelona business authority and is used *inter alia* to promote Barcelona as a city for entrepreneurs. At that time, one aspect that differentiated the website from many similar ones run by other cities around the world was that it actively promoted itself to expatriate entrepreneurs. It contained information on starting a business in Barcelona and the names of some immigrant entrepreneurs that had recently moved to Barcelona and started businesses. However, the motivation that these entrepreneurs had for moving to Barcelona was not presented clearly on the website. Nonetheless, it was clear that all the individuals mentioned had started a business immediately or shortly after immigrating.

From the Barcelona Activa website I obtained the names of the entrepreneurs and their respective companies. My strategy for collecting infor-

mation in Barcelona was centred on reaching out to the people whose profiles were posted on the Barcelona Activa website and asking them if they would be willing to provide more information about their reasons for emigration. I used LinkedIn to locate the entrepreneurs and evaluated their profiles to first assess if it was possible to understand their reasons for moving to Spain and launching a business. From LinkedIn I could also, in some cases, assess the time elapsed between their last job in the home country and the launch of their new business in Spain. Based on this publicly available information I made a list of those entrepreneurs that had indeed launched a business immediately or soon after immigration. In addition to identifying entrepreneurs on Barcelona Activa, I read forum posts on starting a business abroad and the profiles of immigrants that were participating in meetups focussed on starting a business abroad. From Meetup.com and InterNations.org profiles I identified additional entrepreneurs that matched the criterion of starting a business soon after immigrating. All the short-listed entrepreneurs who had LinkedIn profiles were sent a message via LinkedIn. All interviews were conducted and analysed by myself.

In this pre-case study, the selection of cases was based on theoretical sampling, as I wanted to collect data that would be suitable for the development of the theoretical framework (Eisenhardt, 1989). For the multiple-case design I focused on heterogeneity and not replication. The selection was made based on the fact that publicly available sources indicated each case had a different reason for emigration, and the unifier for all cases was that they had launched a business within the IT industry shortly or immediately after immigrating. I contacted eight entrepreneurs, five of whom replied and were willing to participate in interviews; three were located in Barcelona, one in Stockholm, and one in India. As part of the data collection I travelled to Barcelona and personally visited and observed the local entrepreneurial environment. Of the three interviews in Barcelona, only one could be conducted face-to-face because two of the entrepreneurs were not in Barcelona at the time of my visit. In total, three of the interviews were conducted over Skype. All five interviewees requested to remain anonymous. The interviews were semi-structured, meaning that I had writ-

ten questions but that I also could, when needed, ask spontaneous questions.

The interviews were carried out between June and November 2012. They were all transcribed and analysed by both cross-case and within-case methodologies (Miles & Huberman, 1994). To facilitate the coding of the data I used Dedoose, a cloud-based mixed-method analytical software. I used predefined codes that matched the main research themes. I chose to apply “lumper” coding first, in order get an overview of the empirical content. The lumping approach is useful when one wants to categorize a phenomenon (Saldaña, 2012). After lumper coding all the transcripts, I engaged in more nuanced sub-coding. New codes were added during the coding process when new, interesting themes emerged. The coding scheme used for this multiple-case study is presented in Table 4.1.

Table 4.1. Coding scheme used for pre-case study

	Expatriate entrepreneur	Coding
Motivation to start a business	Opportunity-based	Category: Expatriation reason Subcategory 1: Internal Code: Business opportunity Code: Family reasons Code: Work Code: Studies Code: Life quality Code: Residence permit Subcategory 2: External Code: War Code: Economic hardship Code: Prosecution Code: Regulatory environment Code: Institutional environment
Migration traits	Serial	Category: Migration History Subcategory: Youth Code: Lived abroad

		Code: Studied abroad Subcategory 2: Adulthood Code: Studied abroad Code: Worked abroad Code: Started firm abroad Code: Country of residence
Business characteristics	Business ideas that allow launching and running the business without being tied to a particular country	Category: Business Model Subcategory: Industry Code: Global business Code: Regional business Code: Domestic business Code: Transnational business Code: Ethnic business

Within-case analysis

Entrepreneur G—reason for emigration: job and quality of life

Entrepreneur G was born and schooled in Germany. The first company he established was incorporated in Germany. While living there he longed to relocate to Barcelona, because he thought the city offered a great quality of life. He managed to obtain a job at a consulting firm in Barcelona, but after working there for a while he decided to quit his job and launch his own business. At the time, he and a co-founder had identified a global business opportunity and decided to start the company in Barcelona. The reasons for launching the venture in that city were that both co-founders were living there, the availability of qualified software developers, and that salary levels were attractive from an employers' perspective. Another important aspect of their decision to launch in Barcelona was that it was relatively easy to attract qualified staff from the whole world to Barcelona, especially young people who were drawn to the city's nightlife and appealing climate. Moreover, at the time, the Spanish authorities offered a very favourable start-up loan with very competitive conditions. Entrepreneur G's networks, both in Germany and in Spain, were important when starting the business. He had managed to build a large network during the short time that he

worked for the company in Spain. The network in Germany was especially important for raising initial funds needed to launch the business, while the network in Spain was useful in overcoming issues with the incorporation of the firm, as this turned out to be more complicated than expected. Having native Spanish speakers in his network, some of who had experience launching a business, was important. His and the co-founder's networks were also very important for recruiting staff. Almost from the beginning most of their revenue came from exports, and that made them decide to establish a subsidiary in the U.S. This way they would be closer both to clients and to leading venture capitalists. After some time, Entrepreneur G chose to relocate to the United States and head the subsidiary there. This decision was not driven purely by business logic; he also felt that the move to the United States would help him expand his network and grow professionally.

Entrepreneur N—reason for emigration: family

Entrepreneur N spent his formative years in the Netherlands. By the time he finished university he was highly proficient in Spanish. He decided to relocate to Barcelona because his girlfriend was from that city. Soon after moving to Barcelona, he got a job at an IT company, but after approximately one year he decided to leave this job and launch a venture with a friend who also was a foreigner living in Barcelona. He decided to launch the firm in Barcelona not only because his girlfriend lived there but also because he felt at home in the city. Another factor in favour of launching the firm there was the low start-up costs compared to many other cities in Western Europe. Initially, he relied heavily on his girlfriend's network. Her parents were especially useful because they were experienced entrepreneurs and they put him in touch with, for example, reputable lawyers and accountants. The local network was also useful as a source of encouragement. Additionally, his friends back home in the Netherlands were important for vetting the business opportunity. However, they could not contribute much in regards to the execution, because they were young and none had experience from running a firm. As the business opportunity was global, he chose to internationalize the business almost immediately after inception.

Entrepreneur S1—reason for emigration: launching a business

Entrepreneur S1 hails from Sweden but emigrated to India in order to start a business. Prior to moving to India, he had a great deal of experience starting and running firms in Sweden. The reason for emigrating to India was the identification of a business opportunity, for which he regarded that India was the best location. The decision to launch the business in India was taken despite the fact that he had no prior knowledge of the Indian market. He decided subsequently to leave India and establish a new venture in Barcelona. Due to the nature of the business, it could have been launched in any country that could provide a reliable internet connection. The decision to move to Barcelona was based on the fact that it had been ranked as one of the best places in the world for IT start-ups. Moreover, the country had low value-added tax rates, which was very important given that he was planning to launch an e-commerce business. In addition to the aforementioned business reasons for launching the business in Barcelona, he considered that the quality of life was high there. His e-commerce venture has global ambitions. All his ventures are funded either by his own savings or from the cash-flow that the businesses generate. When he moved to Spain he did not speak Spanish, but he started taking Spanish classes soon after arrival. At the time of the interview he was working intensely on forming local networks. His approach to network formation is that it is “always possible to build up networks”, and he often uses personal networks as business networks as well, and vice versa. His strategy for expanding his network is to attend gatherings for entrepreneurs. Entrepreneur S1 joined a government-run incubator in Barcelona, which has been very useful for expanding his network.

Entrepreneur S2—reason for emigration: adventure

S2 was raised in Sweden. Both he and his wife wanted to live abroad, which they saw as an adventure. While traveling in Asia they visited India, and both of them wanted to experience living there. He then identified a business opportunity within the IT sector in India. At the time of the interview he ran an IT company with more than 30 employees. Most of his firm's clients are outside of India. He considers the country to be a good place for IT companies due to its highly educated and English-speaking work force.

Prior to moving to India he had extensive experience working with international clients, having previously established a successful IT company in Sweden. By selling his Swedish company he obtained the capital needed to emigrate and launch a venture in India. The Swedish embassy in India provided useful advice on how to proceed with the establishment of the firm. From his days as an entrepreneur in Sweden he had an international network, but he did not have any contacts in India. However, the clients from his Swedish venture were very important as some of them became the first clients of his Indian company. The Nordic countries are his most important markets. He does not consider networks to be very important for client acquisition. His firm has few but large clients, and generally works with the same clients for many years. However, he considers global networks to be more important than local networks in regards to finding customers. He is open to emigrating for the purpose of starting a company.

Entrepreneur C—reason for emigration: post-graduate education

The pursuit of a graduate degree made Entrepreneur C emigrate from China to Sweden. During her graduate studies in Sweden she was contacted by people who wanted her to work for them. Hence, she considers that her decision to become an entrepreneur was largely driven by the fact that there was a large demand for her IT skills. The type of IT business she runs could be established in almost any county. She considers Sweden to be a good location as it is a world leader in both IT and design, and her business is active in the intersection of these two fields. Clients in China are, according to her, not willing to pay as much as Swedish clients for design services. She also considers that the Swedish entrepreneurial ecosystem is very conducive to entrepreneurship. In addition, the quality of life is high in Sweden. Her network is international, due to the fact that she had spent some time living in the United Kingdom. When she established the firm in Sweden she had a limited local network. However, this was also the case in her home country, as she had studied a different field in China, meaning that she had few contacts within the design community there. Hence, she considers that she would have not had a considerably larger business network if she would had decided to launch in China. Nevertheless, her opinion is that networks are very important for business success. They are imperative for

acquiring clients and for exchanging best practices. She would like to have larger networks, as she believes that would help develop the business. Therefore, she now prioritizes attending events for entrepreneurs in order to expand her network.

Cross-case analysis

Table 4.2 summarizes each case entrepreneur in relation to whether they exhibit traits that are consistent with being expatriate entrepreneurs.

Table 4.2. Summary of the pre-case study entrepreneurs

	G	N	S1	S2	C
Motivation to start business	Identified a global business opportunity while living in Barcelona. Chose Barcelona as it is a good place to start business	Identified a business opportunity in the IT sector while working in Barcelona	Identified a global business opportunity. Moved to Barcelona for the quality of life and because he had seen Barcelona in the top of every ranking for cities in which to launch an IT firm	More a coincidence than anything else. While traveling, he noticed that IT was growing rapidly in India. He and his wife thought that settling down abroad would be an adventure.	Clients reached out to her with job offers during her studies
Migration Traits	He liked Barcelona, so while living in Germany he looked for a job in Barcelona.	Worked for one year in Barcelona before launching his own company. His girlfriend lived in Spain	He left Sweden to launch a company in India, before emigrating to Spain in order to launch a company	He ran a consulting company in Sweden before he moved to India	She came to Sweden to study in 2003 and she took two post-graduate degrees in Sweden
Business	Global	Global	Global	Global	Global

characteristics	business, not linked to a particular country	business	business. He could have launched the firm anywhere in the world	business. It has a subsidiary in Sweden	business
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Findings from the pre-case study

Why did these entrepreneurs decide to emigrate? In the case of Entrepreneur N the most important reason to emigrate was personal: his girlfriend was from Barcelona, which drove him to start working there. Subsequently he launched a business there. For Entrepreneur C the most important reason for emigrating to Sweden was to pursue graduate studies. She was approached during her studies by clients who were impressed by her skills and wanted her to work for them as a freelancer. This means that in both cases the business conditions were not in the foreground when deciding to emigrate. In the case of S2, both he and his wife wanted to live outside Sweden in order to experience living abroad. He found India to be an attractive market and identified a business opportunity in the IT sector. Conversely, S1 emigrated to Barcelona because that city was highly ranked as an IT start-up hub and because Spain offered low value-added tax rates. Hence, the attractive conditions in Spain were key to convincing him to launch a business in Spain. None of the case entrepreneurs engaged in emigration in order to obtain a residence permit. This means that none of the case entrepreneurs can be classified as business immigrants.

From this pre-case analysis, it was clear that Entrepreneurs S1 and S2 possessed the most similarities with the definition of an expatriate entrepreneurs. Hence, I chose to do a cross-case analysis to compare them to each other. S1 and S2 did not have any contact with co-ethnics in the host country. Neither did they try to acquire resources from co-ethnics, and their target market was not other Swedes. Therefore, both of them can not be considered to be ethnic entrepreneurs. S1 can not be regarded as a transnational entrepreneur because he did not use business ties in his former country of residence. However, S2 often travels from India to visit cli-

ents in the Nordic countries and initially used his business ties in Sweden to obtain contracts. S2 has also opened a subsidiary in Sweden. This suggests that S2 should be categorized as a transnational entrepreneur.

S1 was attracted to Spain by both the business environment and the quality of life. This entrepreneur has engaged in serial migration by already having launched a venture in India prior to moving to Spain. The business venture in Spain is in an industry that is highly mobile, meaning that he can easily transfer the business to another country. In summary, entrepreneur S1 was the only case entrepreneur who fulfilled the criteria for being categorized as an expatriate entrepreneur. Table 4.3 summarizes the characteristics of the case entrepreneurs.

Table 4.3. Pre-case study case entrepreneurs

Entrepreneur	G	N	S1	S2	C
Country of origin	Germany	Netherlands	Sweden	Sweden	China
Previous entrepreneurial experience	Yes	No	Yes	Yes	No
Previous knowledge of destination country	Yes	Yes	No	No	No
Previous professional experience or education abroad	Yes	Yes	Yes	No	No
Prior or subsequent experience starting a firm abroad	Yes	No	Yes	No	No

As all the interviewees had launched or started working on launching a business shortly or immediately after immigrating, I was also interested in understanding their views on the role of networks for immigrant entrepreneurs. This is relevant because expatriate entrepreneurs, having resided only briefly in the host country, might possess limited network ties to actors in the host country. Therefore, I analysed the pre-case study cases to under-

stand whether there were significant differences between the expatriate entrepreneur case (S1) and the other four cases in regards to network formation.

Entrepreneur G's local network in Spain was important during the early stages of new venture creation. Networks are regarded as very important by Entrepreneur C, and she actively works on expanding her network by attending venues where entrepreneurs gather. Entrepreneur N relied heavily on obtaining key business ties through the networks of his girlfriend and her family. His network in the home country was important mainly in the opportunity identification stage. Entrepreneur S2 had a large international network but lacked local business contacts at the start-up stage.

The expatriate entrepreneur S1 exhibited a markedly different networking strategy from the other case entrepreneurs. He relied on building networks from scratch – a strategy that he also had utilized successfully in India. He is a firm believer that networks should be adapted to specific requirements of the new venture. He also enrolled in a government-run incubator programme, partially because he saw it as a way of expanding his network quickly. Moreover, Entrepreneur S1 conducted his own research into the business conditions in prospective countries before deciding whether to emigrate, thereby not relying on networks in the opportunity-recognition phase.

Nevertheless, S1 and the other four case entrepreneurs acknowledge that networks are imperative for business. This can be exemplified by Entrepreneur G's use of local networks for recruitment and Entrepreneur N's need of encouragement from local network actors. For S2, the network in Sweden was imperative for acquiring clients for his venture in India. S1 also considers that networks are important for a business, but he believes that local networks can be established upon arrival in the host country, so he considered that it was not very important that he lacked knowledge of the Spanish market, did not speak Spanish, and did not have a network in Spain. Because he was a successful serial entrepreneur, he had the financial assets to launch his business without external capital. This meant that he could rely less on pre-existing networks, and instead focus on forming a new network by participating in an incubator programme and attending gatherings for entrepreneurs.

To conclude, this pre-case study shows that the theoretical boundary conditions presented in the previous chapter exist among entrepreneurs. In addition, it suggests that expatriate entrepreneurs utilize networks in a different way than do other types of immigrant entrepreneurs. Importantly, by analysing expatriate Entrepreneur S1 I became aware that there could be easier and faster ways to help me identify this type of entrepreneur. This expatriate entrepreneur actively sought and prioritized the use of incubation programmes to help him establish his venture abroad. This revelation led me to search for incubators and accelerators that specialized in attracting expatriate entrepreneurs. At the time of my initial search there was only one programme that was funded by a government: Start-Up Chile. Subsequently, several similar programmes were launched around the world, an evolution that happened in tandem with the increased prevalence of start-up visas. Thus, shifting focus to expatriate entrepreneurs that joined accelerator programmes facilitated the process of identifying expatriate entrepreneurs. From the application criteria it would be a straightforward task to assess whether expatriate entrepreneurs would be eligible to apply. Finally, focusing my studies on expatriate entrepreneurs that participate in accelerators allowed me to investigate the impact this type of programme has on network formation and the acquisition of resources for expatriate entrepreneurs.

Chapter 5

Research design

The phenomenon of accelerators catering to expatriate entrepreneurs is new, and as discussed in previous chapters, there is a lack of prior research. Given that existing theories are not applicable, it is suitable to utilize qualitative data (Graebner, Martin, & Roundy, 2012; Tötterman & Sten, 2005). Since I am trying to understand expatriate entrepreneurship as a diverse social activity, a case-study research approach is well suited (Yin, 1984). Additionally, a case-study approach is appropriate for studies that focus on exploratory research and not on empirical testing (Mendenhall, Beaty, & Oddou, 1993). A case study is defined as “An empirical inquiry that investigates a contemporary phenomenon within its real-life context, when the boundaries between phenomenon and context are not clearly evident, and in which multiple sources of evidence are used” (Yin, 1984, p. 23).

In the pre-case study I chose the unit of analysis to be the individual entrepreneur, given that the objective was to understand how expatriate entrepreneurs are different from other types of immigrant entrepreneurs. However, my main study deals with the phenomenon of accelerator-facilitated expatriate entrepreneurship. Therefore, I chose the unit of analysis in the main case study to be the accelerator programmes that actively work on attracting expatriate entrepreneurs. This links back to my research questions two and three, both of which focus on the role of the acceleration programme in network formation and resource acquisition for expatriate entrepreneurs.

Each accelerator has a substantial number of expatriate entrepreneurs participating in the programme. These expatriate entrepreneurs are my embedded cases, and the expatriate entrepreneur is my subunit of analysis. I want to understand how the accelerator facilitates network formation and resource acquisition for the expatriate entrepreneurs, which makes it necessary to research both the accelerator itself (the cases) and the entrepreneurs that are participating (the embedded cases).

Expatriate entrepreneurship is an as-yet unexplored field, making it unsuitable for a descriptive case study. In descriptive case studies it is common to use previous theories in order to identify which variables are relevant to study. When investigating a new phenomenon, such as expatriate entrepreneurship, it is difficult to clearly formulate the research questions, making the study also not optimal for an explanatory case-study approach. Therefore, I chose to use an exploratory case-study approach because of the lack of control of behavioural events and because I was investigating a contemporary topic.

As with the pre-case study, I also chose a multiple-case design for the main study. Generally, multiple-cases are viewed as giving more robust results than single-case designs. Multiple-case-based research is advantageous both for testing previous theories empirically and for constructing new theoretical insights into the researched phenomenon (Eisenhardt, 1989; Maxwell, 1996; Rialp, Rialp, Urbano, & Vaillant, 2005; Yin, 1984). Furthermore, multiple cases enable replication, which is important as I am seeking convergent evidence.

Case selection

Identifying expatriate entrepreneurs is challenging because it requires recognizing the primary motive for emigration to be the pursuit of a business opportunity. The pre-case study made it clear that collecting data from incubators or accelerators would be optimal, as these are organizations that try to accelerate network formation and resource acquisition for entrepreneurs. Hence they provide the ideal setting for both identifying expatriate entrepreneurs and understanding the impact of accelerators on network formation and resource acquisition.

I searched for acceleration or incubator programmes that were specifically targeting expatriate entrepreneurs. At that time I came across an article in *The Economist* on Start-Up Chile (Economist, 2012). This novel programme was launched in 2010 in Santiago, Chile (CORFO, no date). Start-Up Chile was the first programme in the world whose main purpose was to attract expatriate entrepreneurs to immigrate to and launch their venture in a foreign country. In the first round, this programme did not even accept domestic Chilean entrepreneurs. Therefore it was an exceptional initiative that provided a unique setting for my research.

I then tried to identify other similar initiatives around the globe by performing keyword searches on the Internet. In this way, shortly after identifying Start-Up Chile, I came across LaunchPad Denmark, which was launched in 2013. Subsequently, in 2014 I identified the Sirius Programme in the U.K. All three initiatives were similar in the way they approached network formation and resource acquisition, as all programmes actively worked on helping the participants with these important tasks. Moreover, all three accelerators required that the entrepreneurs relocate and take residency in the host country for a minimum period of at least six months. In 2015, the French Tech Ticket – an initiative very similar to the Sirius Programme – was launched in France. The similarities between the French Tech Ticket and the Sirius Programme and the fact that both were on the same continent led me to believe that just by incorporating the Sirius Programme as a case I could reach theoretical saturation. In other words, the added learning from incorporating the French Tech Ticket would be of marginal importance, because I would have already observed the same pattern from the previous cases (Glaser and Strauss, 1967). Therefore, selection of the cases was made on the basis of purposeful sampling. Moreover, by studying accelerators in three different countries I aim to control for environmental variation (Eisenhardt, 1989). Consequently, LaunchPad Denmark, the Sirius Programme, and Start-Up Chile are the empirical setting for my dissertation. Each of the three accelerator programmes is a case. A summary of the three initiatives is presented in Table 5.1. Detailed information on each of these cases will be given in the next three chapters.

Table 5.1 Accelerator programmes targeting expatriate entrepreneurs

	LaunchPad Denmark	Start-Up Chile	Sirius Programme (UK)
Aim	To attract world-class entrepreneurs to grow their businesses in Denmark	To attract promising nascent entrepreneurs to launch their ventures in Chile	To attract international graduate entrepreneurs to launch ventures in the UK
Benefits	Accelerator programme Mentors Stipend Soft loan Training Help settling in Access to network	US\$40,000 grant per project One-year resident visa Workspace (desk & wi-fi) Network Alumni network	Financial support of £12,000 per team member Entrepreneur visa Shared office space Mentoring Networking
Requires moving to country?	Yes, for the duration of the 6-month programme	Yes, for the duration of the 6-month programme	Yes, for the duration of the 12-month programme
Prefer applicants with global, regional, or local ambitions?	Project should have a minimum of regional potential	Project must be globally oriented and easy to scale	Project should have worldwide potential and, ideally, be easy to scale internationally
Restrictions on applicants:	Speak English Preferably in sectors in which Denmark is world leader (e.g., cleantech and IT)	No projects focusing on consulting or import/export, as they are not easy to scale. Accepts both projects that are just an idea and projects that are already launched/ incorporated	All sectors and disciplines Open both to those who have started a business and those who just have an idea
Who is funding	Danish Business Authority	Created by the Chilean government, executed by CORFO	UK Trade and Investment
Open to local or expatriate	Expatriate entrepreneurs	Local and expatriate entrepreneurs	Expatriate entrepreneurs
Established	2013	2010	2014

Data collection

I utilized direct observations and systematic interviewing to collect data, and analysed it guided by the research questions (Pettigrew, 1990). Data was collected by three approaches: i) access to official and internal documents, ii) observations while performing site visits, and iii) interviews with expatriate entrepreneurs that were either finished with or in the mid/late stages of an acceleration programme, and with accelerators representatives. The interviews constituted the main source of data. Before the interviews, I collected data on the interviewees to serve as a source of ideas that could generate new questions or help me reformulate the existing ones. Press clippings and marketing information both on the embedded entrepreneurs and on the acceleration programmes were collected and analysed. I also used archival data such as documents that I obtained from the accelerators' management and emails between them and myself concerning my research and the acceleration programme. I performed site visits to all three acceleration programmes. From the visits of the co-working spaces and talking to some of the entrepreneurs and accelerator staff I created extensive field notes. The site visits to the shared offices were useful, as they gave me an understanding of the social context and how it possibly could influence the behaviour of the entrepreneurs. Of note, the usage of co-working spaces meant that the corporate environment embodied the accelerator itself rather than the particular entrepreneurs that were using the shared office. Thus I consider site interviews with expatriate entrepreneurs in shared offices to be less informative than site interviews with entrepreneurs that have their own dedicated offices, as in the latter case the office environment gives more clues to the corporate culture of the firm.

Selecting embedded cases was comparatively more difficult than selecting cases. Start-Up Chile and the Sirius Programmes were unwilling, due to privacy restrictions, to directly provide me with contact information of the entrepreneurs that participated in the acceleration programmes. Instead, they gave me the possibility to visit the facilities and approach the entrepreneurs while in the co-working space, or alternatively, to contact them directly using public information available about their projects. Sirius Programme had a booklet containing the names of all admitted ventures and

the entrepreneurs that were part of each venture. Start-Up Chile also had published the names of all the projects on their official website. Based on this, I could identify some of the entrepreneurs that participated in each programme and send them interview requests on LinkedIn. Before contacting them I read their LinkedIn profiles and other available information on the Internet in order to assess whether they indeed seemed to be expatriate entrepreneurs. In the case of Launchpad Denmark, an accelerator representative introduced me to all the participating entrepreneurs. Since Launchpad Denmark was a pilot programme with only a few participants I decided to interview all participants without previously attempting to identify if they were expatriate entrepreneurs. For requesting interviews, I personally conveyed interview requests when visiting the accelerators, or alternatively invited them via email to perform interviews. Not having a formal introduction by the accelerator programme in the case of the Sirius Programme and Start-Up Chile made it more difficult to obtain responses from the entrepreneurs, the majority of who did not reply to my request for interviews or did not have time to participate on short notice when asked in person during site visits.

Access to the accelerator's staff was straightforward in both the case of Start-Up Chile and Launchpad Denmark. However, it was considerably more difficult for the Sirius Programme. This programme had a two-tier structure: the Sirius programme itself, whose staff organized events for all Sirius participants, and five different accelerators in four cities that had been contracted by Sirius to provide an acceleration programme and office space. The Sirius programme staff declined to participate in the interviews but they permitted me to speak with the accelerator staff and the participating expatriate entrepreneurs. Hence, I reached out to all five accelerators that were part of the Sirius programme, but only one was interested in participating in the study. I visited this accelerator in person and while there I interviewed one of the accelerator representatives.

Semi-structured interviews were performed both with entrepreneurs and with accelerator representatives working at LaunchPad Denmark, the Sirius Programme, and Start-Up Chile. If there was a team of founding entrepreneurs, the main owner-operator (the individual running the day-to-day operations) was interviewed. Interview guides were developed: one ver-

sion was made for the accelerator staff, while another was made for the expatriate entrepreneurs. All interviews were conducted in English and lasted on average 75 minutes. This does not include the time that the interviewees spent filling out an online questionnaire. The interviews were taped and subsequently transcribed. In total, the transcribed interviews amounted to approximately 550 pages. The case descriptions were sent to all embedded entrepreneurs in order to make sure that they agreed with the content. Except for one entrepreneur that requested even more anonymity, no other interviewees requested changes.

In total, I interviewed five expatriate entrepreneurs and two accelerator representatives at LaunchPad over Skype or phone. In this case, a site visit was performed on two occasions to see the facilities and interact with the staff and the entrepreneurs. At the Sirius Programme, I interviewed five expatriate entrepreneurs and one accelerator representative, of whom the majority was interviewed by Skype. One site visit was conducted at one of the five Sirius accelerators. Site visits also were conducted in Start-Up Chile; one was done by myself and another site visit was conducted by a collaborator, Dr. Daria Volchek. A total of nine expatriate entrepreneurs and four accelerator representatives were interviewed at Start-Up Chile. I conducted three of those interviews over Skype and Dr. Daria Volchek conducted the remaining interviews in Chile. Importantly, we both used the same interview guide. I transcribed myself all the interviews that I conducted and all interviews discussed in this thesis were analysed solely by me.⁴²

The interviews with the embedded case entrepreneurs covered the decision to launch a business abroad, the environment in the host and home countries, how the accelerator supports them in their business endeavours, the impact of the accelerator community, and an array of questions on network formation and resource acquisition. The interview guide for the embedded entrepreneurs consisted of two parts; an online questionnaire (see Appendix A) and a personal interview (see Appendix B). The online questionnaire covered questions that often can be answered faster online than in-person, such as educational background and prior migration experience. This allowed me to liberate time in the interviews for questions that re-

⁴² The interviews conducted by Daria Volchek were transcribed by Maria Boychenko.

quired in-depth responses. Questions to accelerator representatives covered their role in the accelerator, a description of the acceleration process, the services provided, how they mentor/teach/assist participants, how the accelerator assists with acquisition of network and resources, and the role of the community. The interview guide used for the accelerator representatives (see Appendix C), aimed at receiving input on the impact of networks and resources from the perspective of the accelerator. No online questionnaire was used for interviewing accelerators representatives.

Because the majority of the embedded entrepreneurs requested anonymity, I avoided including in the study any information that could lead to their identification, and so the interviewee's identity remains anonymous. The embedded entrepreneurs' ability to stay in the host country and raise funding depended partially on the accelerators' opinion of their performance. This could have compromised their willingness to share negative opinions on the acceleration programme. However, being anonymous mitigated this problem. Also the accelerator representatives are presented anonymously, because it facilitated the discussion of the weaknesses of the programmes and how these could be addressed.

The data quality in this study is affected by the fact that there is a recall bias. Both Launchpad Denmark and the Sirius Programme were pilot programmes, meaning that it was unsure whether there would be a continuation. Moreover, by the time I got research access to Launchpad Denmark, the programme had already started. Thus, longitudinal studies were not possible and I decided to do a retrospective study instead. I acknowledge this as a caveat, because retrospective studies carry the drawback that interviewees can forget details over time.

Observations, interviews, and archival data were used for triangulation. When analysing the interviews, I applied both cross-case and within-case methodology (Miles & Huberman, 1994). To facilitate the coding of the data I used Dedoose, a mixed-method analytical software. I used structural coding, because in the first round of coding I wanted to segment data that related to my research questions (Saldaña, 2012). I assigned constructed codes based on conceptual ideas and academic theory terms. This facilitated the process of cross-comparison. The reason for choosing to perform such a deductive coding analysis instead of an inductive coding analysis was that

my main goals were to be able to compare both within the cases and across the embedded cases. I also identified quotes and passages that I deemed to be significant, i.e., what I considered to be so called “codeable moments”. New codes were added during the coding process when new and interesting themes emerged. Subsequently, I reviewed my coding procedure by looking at the relationship among the existing codes. This enabled me over time to reduce the number of codes. The structural codes used for the main study are summarized in Table 5.2.

Table 5.2. Structural codes used in main case study

	Purpose	Coding
Resource acquisition	Role of the accelerator programme in resource acquisition for the expatriate entrepreneurs	Category: Market knowledge Category: Financial capital Category: Labour Category: Tacit knowledge Category: Start-up funding Category: Contacts Subcategory of Contacts: Abroad Subcategory of Contacts: At home
Relational social capital	Role of social capital	Category: Relational social capital Subcategory: Trust Subcategory of Trust: External trust Subcategory of Trust: Internal trust Subcategory: Legitimacy Subcategory of Legitimacy: In the host country Subcategory of Legitimacy: Globally Category: Credibility Subcategory of Credibility: In the host country Subcategory of Credibility: Globally
Cognitive social capital	Role of social capital	Category: Language Category: Shared narratives
Structural social capital	Role of social capital	Category: External network ties Subcategory of External network ties: Professional networks Subcategory of External network ties: Expansion of external networks Subcategory of External network ties: Networks with

		other expatriate entrepreneurs
Migration traits	Linkages to other countries	Category: Serial migration Category: Ethnic connections Category: Links to other countries
Firm characteristics	Geographical business scope	Category: Global, regional, or local business Category: HQ in home country
Entrepreneur characteristics	Traits of the expatriate entrepreneurs	Category: International education Category: International work experience Category: Long-term plans Category: Language Category: Willingness to run an international business
Motivation for expatriation	Reasons for engaging in expatriate entrepreneurship	Category: Family reasons Category: Co-founder lives there Category: Refugee Category: Relocated firm to host country Category: Wanted higher quality of life Category: Wanted residency Category: Wanted to start a new business Subcategory of Wanted to start a new business: Attracted by accelerator Subcategory of Wanted to start a new business: Favourable e-ship ecosystem Subcategory of Wanted to start a new business: Labour regulation Subcategory of Wanted to start a new business: Lacked resources in home country Subcategory of Wanted to start a new business: Taxation Subcategory of Wanted to start a new business: Transparency of doing business
Accelerator-specific questions	Role of accelerator	Category: Attracting expatriate entrepreneurs Category: Networking Category: Intra-Sirius accelerator differences Category: Target start-up group/industry Category: Entry/residential requirements Category: Immigration regulation Category: Mentoring Category: Retaining expatriate entrepreneurs Category: Services offered Category: Accelerator's partners Category: Initial contact with an accelerator
Networks	Categories of networks	Category: Way of using networks Subcategory: Ethnic networks

		Subcategory: Personal networks Subcategory: Professional networks
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The three main cases are presented in the next three chapters. I provide general information on each accelerator programme and its role in network formation and resource acquisition. This information derives mainly from the analysis of official and internal documents, observations during site visits, and interviews with accelerator representatives. Subsequently, I describe each of the embedded cases based on the interviews performed. After each accelerator case, I aggregate all the information and perform a within case analysis.

Chapter 6

Case 1: Start-Up Chile

According to the Global Competitiveness Report 2015–16, Chile is the 35th most competitive nation in the world and the most competitive one in Latin America (Schwab & Sala-i-Martin, 2016). In 2016 the World Bank ranked Chile 56th out of 190 countries in the ease of starting a company (World Bank, 2016). In 2014 the overall investment in R&D amounted to 0.4% of GDP (OECD, 2016). International migrants made up 2.6% of the population in 2015 (United Nations, 2015b).

The Start-Up Chile accelerator programme was created in 2010 by the Chilean government. It is fully funded by the national government, with annual expenses of approximately USD15 million (Melo, 2012). The Chilean Ministry of Economy, Development, and Tourism is responsible for promoting Start-Up Chile, while the Chilean Economic Development Agency (CORFO) is responsible for its execution. CORFO states that the overarching objective of the programme is “to attract and retain human capital with an international perspective that initiates projects with high global growth potential, strengthening the entrepreneurship ecosystem, supporting a culture of innovation in Chile, and connecting with the world through the international networks and its various actors, with whom the entrepreneurs meet and communicate on a daily basis” (CORFO, no date: 2).

The idea to establish an accelerator for expatriate entrepreneurs originated from the personal experience of one of the founders, who lived in Silicon Valley and knew how difficult it was for entrepreneurs to get a visa

to start ventures in the U.S. He understood that the situation was similar in many other countries, and realized that there was a potential for Chile to attract high-potential entrepreneurs to start their ventures in Chile and use the country as a platform for going global. The idea to import entrepreneurs was to some extent similar to a successful policy that Chile implemented in the 19th century, namely giving free land to North European immigrants for the development of the agricultural sector in the country. The logic then was similar to the one Start-Up Chile uses now: “If you don’t have it and cannot make it fast enough, import it” (Applegate et al., 2012: 7). The difference with Start-Up Chile is that instead of giving the foreign entrepreneurs land, the Chilean government now gives them a work permit, seed capital, a shared office, and the ability to access networks and talent (Applegate et al., 2012). Start-Up Chile was the first policy programme that offered equity-free funding to foreign entrepreneurs. The entrepreneurs that are selected to be part of Start-Up Chile are given a one-year visa and approximately USD40,000 in non-equity seed capital.

Start-Up Chile chooses to be industry agnostic, meaning that it does not prioritize applications that are in industries where Chile has a competitive advantage. Instead, the programme opts to focus on the skills of the entrepreneurs. This translates to a wide variety of industries being represented among Start-Up Chile entrepreneurs. However, there is a requirement for the projects to have global potential. According to the Start-Up Chile staff, a major contributor to the success of Start-Up Chile is that the programme itself is run as a start-up—it makes decisions independently from the government, uses lean start-up methodology, and iterates its offering based on feedback from the stakeholders.

The admissions requirements for Start-Up Chile are:

- Minimum age of 18 years.
- If the business is already established, it cannot be older than two years.
- The team leader must be dedicated 100% to working with the project.

The selection criteria and their weights are:

- Participants (weight: 50%): the quality of the human resources and their networks.
- Project (weight: 50%): the quality of the project and the existence of a market for it.

The applications are made online and the judges who review and score the applications are from around the world. Based on these scores the top 200 projects are selected and are then submitted for a final selection by Innova Chile's Subcommittee of Entrepreneurship and Innovation. There are three application rounds per year, and in each round up to 100 start-ups are admitted to the programme, of which 80–90 choose to enrol for the six-month programme. On average each start-up brings 1.8 people, meaning that in each round approximately 150 entrepreneurs join the programme.

The USD40,000 in seed money is given as a grant to reimburse for costs incurred. From a Chilean perspective, the goal is to make the country an entrepreneurial hub in Latin America by facilitating the interaction between foreign and Chilean entrepreneurs. This happens through requesting that all expatriate entrepreneurs engage in social-impact activities and share their entrepreneurial experiences with local Chilean entrepreneurs. Therefore, instead of asking for equity in exchange, Start-Up Chile requires that the entrepreneurs contribute to enhancing the entrepreneurial culture in the country. This principle of reciprocity is called Return Value Agenda (RVA) and is a central part of Start-Up Chile's objective to assure the development of Chile's entrepreneurial environment. It is expected that the entrepreneur invests about 10% of their work time in collecting RVA points by participating in activities that will have a positive impact on the country, for instance by giving lectures at schools or universities, being a mentor for a start-up, or arranging meetups. The entrepreneurs can come up with their own events or they can choose to participate in RVA events organized and advertised every week by Start-Up Chile. In order to make sure that not all RVA events take part in the capital city, the entrepreneurs are given extra points the farther from Santiago the event takes place.

Start-Up Chile is built on the premise that entrepreneurs are best suited to recognize opportunities and that they will move to where the opportunities are. This is the main reason why admitted entrepreneurs are only re-

quired to stay in Chile during the six-month programme, even though they are given a 12-month visa. However, after the programme ends, Start-Up Chile continues to support entrepreneurs that decide to stay in Chile to remain working on their ventures. Importantly, the one-year work visa is a residential non-temporary visa, which enables them to run a company and work in Chile.

Start-Up Chile: network formation and resource acquisition

Start-Up Chile helps all the entrepreneurs with the opening of bank accounts, getting a Chilean ID, registration at the police, general advice on finding a lease, getting a mobile phone subscription, and the one-year visa. Entrepreneurs also are given a shared office in Santiago where they have access to hot desks and participate in classes arranged by Start-Up Chile covering a diverse set of subjects, such as lean start-up methodology and pitch training. The first week of the programme is mainly an intense introduction week, where entrepreneurs are given an overview to the socio-economic makeup of Chile and the idiosyncrasies of the average Chilean person. From the initial day, all participant teams are paired with a *padrino* (“godfather”), who is a member of the Chilean business community. The pairing with the *padrino* is made by matching interests and languages. The *padrino* welcomes the entrepreneurs at the airport when they arrive, takes them to their accommodations, and talks with the entrepreneurs once or twice per month throughout the programme.

During the onboarding process, the entrepreneur is allocated their own accountant and meets regularly with the acceleration team to analyse the business model and to set goals to accomplish. Based on this analysis, the start-ups are sorted into platoons designed to maximize peer learning, and milestones are established for the next six months. Start-Up Chile has 18 staff members and the programme is oriented so that the entrepreneurs learn to a high extent from each other, as a considerable part of the training is done using peer-to-peer learning. Start-Up Chile focuses on providing connections and cash; the training is expected to arise mainly from within the community and teams themselves. For example, the Start-Up Chile Academy is a website where Start-Up Chile members can optionally register

if they would like to teach other participants. The entrepreneurs also share with other Start-Up Chile participants their progress and problems they have encountered. There is a group gathering to help solve problems during their entrepreneurial journey. Being a start-up itself, Start-Up Chile at the beginning had limited resources at its disposal and thus had to prioritize how to spend its constrained resources. The limited resources also made it impossible to offer a comprehensive educational programme during the first two years of the programme. Over time, the educational component has grown and is now an increasingly important part of the programme.

Importantly, the programme also offers an optional mentorship programme, which involves meetings with qualified mentors who have specific areas of expertise. This mentorship component of Start-Up Chile was introduced in round one. The mentors are not only a great source of knowledge, but also can provide useful contacts. In addition, Start-Up Chile has connections with many corporations and can more easily setup a meeting with a representative of one of these companies if a participant needs to come in contact with them.

Approximately five years after its inception, Start-Up Chile has become a large community of entrepreneurs, consisting of the current participants and graduated alumni. Based on feedback by the entrepreneurs, the programme management soon understood that one of the most important assets of Start-Up Chile lies in its community and the global network that it constitutes, and has over time focused more on developing the community and the networks of the entrepreneurs.

Examples of initiatives that have been gradually added to help the entrepreneurs develop their networks are the *padrinos*, the Start-Up Chile Academy, the introduction of tribes, and Friday lunches for all participants. In addition, the meetups arranged by Start-Up Chile play an important role in the development of both personal and professional networks. Furthermore, a Facebook group consisting of the accelerator management and all Start-Up Chile participants eases the communication between all entrepreneurs.

At the end of each six-month programme there is a “demo day” where the top 20% of the projects are allowed to pitch their businesses to investors. Because being selected to take part in the demo day is considered a

seal of approval and can facilitate the process of getting external funding, the chance to participate in this event creates competition and motivation among the Start-Up Chile members to perform well.

Statistics from the 10th round of Start-Up Chile showed that 29% of all participants were from Chile, 30% of the participants were from other South American countries, 30% were from North America, and the rest were from other countries worldwide. Most of the interaction between the Chilean and the international entrepreneurs takes place in the shared office, considered by the programme management as the best way to foster interactions as opposed to obliging entrepreneurs to exchange knowledge, a tactic they believe would have the opposite effect. By having both local Chilean and expatriate entrepreneurs participating in the same programme, there will be an exchange of knowledge between the two groups and networks will be established that might last after the programme has ended.

Start-Up Chile interviews

The Start-Up Chile (SC) expatriate entrepreneurs that were interviewed are presented in Table 6.1.

Table 6.1. Interviewed Start-Up Chile Entrepreneurs

Designation	Role
SC 1	Expatriate Entrepreneur
SC 2	Expatriate Entrepreneur
SC 3	Expatriate Entrepreneur
SC 4	Expatriate Entrepreneur
SC 5	Expatriate Entrepreneur
SC 6	Expatriate Entrepreneur
SC 7	Expatriate Entrepreneur
SC 8	Expatriate Entrepreneur
SC 9	Expatriate Entrepreneur
SC 10	Expatriate Entrepreneur
SC 11	Expatriate Entrepreneur

SC staff members that were interviewed are presented in Table 6.2.

Table 6.2. Interviewed Start-Up Chile staff

Designation	Role
SC Staff 1	Accelerator representative
SC Staff 2	Accelerator representative
SC Staff 3	Accelerator representative
SC Staff 4	Accelerator representative

I began by reviewing whether the interviewed entrepreneurs were in fact expatriate entrepreneurs. Start-Up Chile also admitted teams in which one or more of the founders were Chileans. Of note, this was not the case in the first rounds of the Start-Up Chile programme, when only foreign entrepreneurs were admitted. They subsequently chose to also admit Chilean entrepreneurs. Nevertheless, the vast majority of the participants in all rounds have been foreigners who were not residing in Chile before participating in Start-Up Chile. After conducting the interviews I decided to exclude two of the embedded cases (Cases 3 and 8), because both ventures only participated in Start-Up Chile as a strategy to open regional headquarters for their ventures, and did not consider relocating the global headquarters to Chile. Table 6.3 summarizes the embedded cases that were verified to be expatriate entrepreneurs and are therefore included in the Start-Up Chile case. A detailed description of how I reached the conclusion that these entrepreneurs are indeed expatriate entrepreneurs will be presented in the next sub-chapter.

Table 6.3. Start-Up Chile embedded cases

Embedded Case	Nationality of interviewee	Interviewee/ Founder highest level of education	Role of interviewee	Company future market
SC 1	Asia or Oce-	B.Sc.	Co-founder	Global

	ania			
SC 2	North America	B.Sc.	Founder and CEO	Global
SC 4	South America	M.Sc.	Founder and CEO	Global
SC 5	South America	M.Sc.	Founder and CEO	Global
SC 6	Europe	M.Sc.	Founder and CEO	Global
SC 7	South America	High School	Founder and CEO	Global
SC 9	North America	B.Sc.	Co-founder	Global
SC 10	Asia or Oceania	B.Sc.	Co-founder	Global
SC 11	Asia or Oceania	B.Sc.	Founder and CEO	Global

Embedded case: SC entrepreneur 1

This team of entrepreneurs run a project that offers an online service that will be marketed to a global market. At the time of the interview there were six employees, including the two co-founders. The two co-founders are from a lower middle income country in Asia. One of the co-founders heard about the Start-Up Chile programme back home through a post on an online community for entrepreneurs. The location of the firm did not matter from a business perspective, but it did from a talent-attraction standpoint, as the founder wanted to be in a country where there is plenty of talent. A key reason for applying to Start-Up Chile was the existence of a community, as he regarded this as one of the greatest benefits of participating in the programme.

Network formation and resource acquisition

The local Chilean entrepreneurs in his cohort often had families or friends in the city, and thus spent most of their free time with them instead of interacting with the foreigners. On the other hand, most of the foreign entrepreneurs did not have families in Chile, and thus they spent much time together developing a strong feeling of camaraderie. *“You’re like living togeth-*

er, working together, you know? Like I know every single guy from my generation who's here, we hang out together, we play sports together, we go out on weekends together." Being this close, especially between foreign entrepreneurs, was conducive to the establishment of trust. In contrast, SC 1 mentioned not feeling the same level of trust when meeting entrepreneurs from other accelerators that he would feel when meeting someone from Start-Up Chile. The strong trust and reciprocity ties between SC participants had many positive impacts on their business. For example, after a SC alumni shared with him some contacts to help his business, he, as a token of his appreciation, helped her make many useful contacts in his home country. Therefore a core asset of the Start-Up community is that the members help each other proactively.

While at Start-Up Chile, he used mentors whom he described as very competent and key contributors to the success of his business. When asked about the most important resources that Start-Up Chile gives its participants, the entrepreneur highlighted the community. *"If the whole community work together, that's a big thing that can happen, you know, nothing can help you more than a community."* He also pointed out that the network created an alternative fall-back option—if one entrepreneur's project failed, a broad network could allow him/her to join other start-ups in the programme. In addition, the networking opened opportunities for future collaboration. For him, the second most important service offered by the programme was the provision of approximately USD40,000 in equity-free funding. Also important was the autonomy conferred by SC; for example, the accelerator does not constrain the entrepreneurs' choices of how to spend the money. SC 1 also sees the legitimacy conferred by the SC programme as being substantial in Chile. *"It is a big deal to get into Start-Up Chile, while in [home country] is not as big of a deal as in Chile."*

Future plans

SC 1 does not want to go back to his home country. Instead, he plans to spend another couple of months in Chile and then move to a new country to experience yet another entrepreneurial ecosystem.

Embedded case: SC entrepreneur 2

In this case, the entrepreneur is the sole founder and employee of the venture. He has developed an online business, which is not incorporated, neither in his home country (a high income country in North America) nor in Chile. He read about Start-Up Chile on the Internet, and being able to be part of an accelerator was the key reason for applying to the programme. What attracted him most was that Start-Up Chile did not take any equity from the participants.

Before moving to Chile he already spoke Spanish, and while still in his home country conducted market research on Chile using desktop research and by contacting previous Start-Up Chile alumni. Regarding geographical location, he thinks if one is from the Americas, the distance between Chile and one's home is not a major factor, as it is easy to stay in touch with Skype or Google Hangout.

The entrepreneur sees Start-Up Chile as being different from other acceleration programmes because it is *“very focused on social return, on you know, running workshops and giving speeches. It is kind of big PR thing. PR not just for itself but PR for the idea of entrepreneurship.... Most incubators or accelerators are just about the bottom line, but Start-Up Chile has more depth, have a very much kind of social consciousness at this part. Which is cool, I really like that.”*

Network formation and resource acquisition

The entrepreneur said that the main reason for applying to the programme was the high level of support that he would obtain by being part of the acceleration programme. *“I was feeling kind of frustrated, unsupported, and the idea of having support, you know, financial support, community, even network, honestly I would say that was a huge thing, that was the main thing.”* Such was the importance of getting support that SC 2 mentioned he would have applied to other accelerator programmes if he had not been accepted to Start-Up Chile.

He considers that Start-Up Chile has been important in growing his network within the community. *“Here we are always together, always working together, so that really encourages us a lot. And then, [SC management] do a lot, they organize activities, a weekly lunch. So, yeah, I think they do a lot to bring us together.”* He views these types of networks very positively not only for the current

business but also for future ones, as he would be able to reach out to the people that he met at Start-Up Chile. By working at the same shared office, he knows the strengths and weaknesses of the other participants, and due to the sheer size of the SC community, he has now contacts in many countries.

Given that so many of the participants were foreigners and were not able to tap their home country networks, they instead became each other's networks. The entrepreneur considers the level of trust among the Start-Up Chile community members to be very high. According to him, being part of Start-Up Chile confers trust in the participants, because being accepted into the programme shows a level of rigor and proves that one has met a certain standard. The entrepreneur considers the Start-Up Chile community to be very strong and helpful. *"Just today, I was having trouble getting push notifications working and someone I don't even know spent half an hour with me helping me to debug. So, yes a huge amount of trust, huge amount of sharing."*

For him, networking is the most important thing the programme has to offer. *"The network is incredible. And I don't mean that in any kind of blue sense of like acquaintances, but really the people I got close with, it's like you know, just an incredible amount of diversity, talent, perspective. I'm really thankful for that."* Another favourable aspect of being part of the programme was that he was able to observe how other entrepreneurs were behaving and understand better which patterns are conducive to failure and which ones are conducive to growth.

In terms of the ability of Start-Up Chile to help with the resource mobilization process, the entrepreneur sees a lot of potential for development and improvement. As a matter of fact, he sees that SC management are already devoting more focus on helping the participants with resource acquisition. For instance, they are going to introduce a database that *"includes everyone that has had contact with investor or an angel, in which they are able to enter information so that we can create the most comprehensive resource about how they grew their start-up in Chile."*

He feels that he learned much more from other expatriate entrepreneurs than from local participants, as the former group are always around. On the other hand, the local Chilean participants often have family commitments meaning that they are spending less time interacting with the

Start-Up Chile community. In terms of knowledge exchange, he believes that the light-touch approach utilized by Start-Up Chile is effective. *“I think there is definitely a formal structure for facilitating it, there are the tribes: marketing tribe, hacking tribe, and there are formal workshops. But in my opinion that’s not really how true learning knowledge get disseminated. The real stuff happens informally, especially when you’re kind of struggling with something, you open up about it whether you’re struggling with a programming or a marketing issue, and you turn to someone and ask for their expertise, that’s when you really learn.”*

Future plans

His original and current plan is to be in Chile for 10 months, but he does not know what will happen afterwards.

Embedded case: SC entrepreneur 4

This venture is a broker of online services; it has been incorporated in Chile and has two co-founders. According to the interviewed co-founder, the physical location of the business does not matter at all since their business could be located anywhere. He sees Start-Up Chile as the perfect start-up environment and Chile as a good market with favourable demographic for their business. The entrepreneur is from an upper middle income country in South America, and considers Chile to be the most advanced country on that continent. Moreover, due to its high Internet penetration, Chile is a very good launch market for internet ventures and it also is suitable as a test market for the business idea.

He did not consider launching the venture in his home country because of political instability. When deciding to launch the venture, both co-founders were residing in Europe, participating in a post-graduate programme. Both felt mobile and they did not know where the venture would be launched. They heard about Start-Up Chile from another student, who in turn had a friend who was a Start-Up Chile alumni. After reading up on the programme, they felt that Start-Up Chile would be a good investment, and decided to apply.

When considering whether to take part in the acceleration programme they reasoned that *“we can keep on trying getting money in [a European country],*

which is pretty much broke, as a country, that's the truth. Because we're paying salaries out of our pockets we're going to have to shut down, basically. Or we can go to Chile, test, try. In the worst-case scenario, things get sour, we still have a MBA degree, a title, a very good experience."

Network formation and resource acquisition

The entrepreneur sees that one major advantage of taking part in Start-Up Chile is being part of a structured programme. This brings several advantages when compared to moving outside the boundaries of an organized programme. For instance, the paperwork related to the immigration process is streamlined, and most other things are also relatively well organized. Additionally, he highlighted that interacting as a foreigner with Chileans, both within SC and outside, gives an opportunity to offer and receive opinions and to establish networks. Thus he believes the natural curiosity associated with being a foreigner facilitates interactions with locals, which in turn facilitates the creation of networks.

He experienced a lot of trust between the members of Start-Up Chile. *"I think there is a higher trust between each other, because we're part of the same group of people, we have the same things to lose or the same things to gain. And in that regard, we're kind of the same and of course, this creates a bond. And once these bonds are created, trust follows."* Furthermore, the diversity of the participants, in terms of ethnicity and industry experience, made him learn more than he would have in an environment with participants of the same background.

He also mentioned the importance of platoons: groups of approximately eight start-ups that meet every week to discuss each other's business-related problems. He emphasized that these types of advisory meetings are very different from pitch meetings, and the entrepreneurs do not need to be careful not to show any weakness. Thus platoon meetings were, according to him, highly conducive towards building trust.

In terms of the resources that the programme has contributed to the entrepreneur, he ranks the money given by the programme as the most important one. Second is the mentorship conferred by the programme; these mentors told them in a blunt way what they considered was working and what was not. The third most important benefit of being part of Start-Up Chile is the certification of having been selected to the programme. This is

an official indication of approval, which he thinks makes others less likely to dismiss the company. Start-Up Chile also helps with access to investors. There are a limited number of investors in Chile. Start-Up Chile has good relationships with most of them, and the majority of these investors will participate in the demo day. The entrepreneur believes that it is easier to get funding if you are a member of Start-Up Chile than if you are not part of the programme.

Future plans

The entrepreneur sees himself staying for at least another year in Chile. However, he has thought about moving to another country after that, mainly due to the lack of venture capital in Chile. He most probably will choose the United States, as he believes that it is easier to get investment there. However, he also says that if he were to get investment in Chile, he would be happy to stay.

Embedded case: SC entrepreneur 5

This business is an online service, whose geographic scope is global. This venture has two founders: SC 5 and a second founder who provides funding but is not actively involved in the firm. Both are from a Spanish-speaking South American country. They are planning to enter markets sequentially, avoiding markets where large competitors are already present.

He first heard about Start-Up Chile through a friend in his home country who had participated in the programme. He mentioned that since many entrepreneurs from his home country have participated in the programme, it is quite common to run into Start-Up Chile alumni. However, the decision to launch a business in Chile was made even before the decision to participate in Start-Up Chile. The major reason for this was that Chile has a more stable economy, a much lower tax rate, and a greater availability of venture capital than their home country. Along the same lines, the entrepreneur emphasized that the grant supplied by Start-Up Chile was an important factor in his decision to apply, because it meant funding without having to give away equity. The entrepreneur has spent many years working for leading firms, and also has previous experience running his own firm.

His previous work experience has taught him that institutional factors matter if one is going to be able to successfully run a venture.

Although he relocated because of the better business conditions in Chile, his wife and children are still in his home country. Nevertheless, he considers that the relatively short distance between his home country and Chile is manageable; especially in case of a family emergency it is very important for him to be able to go home as soon as possible. As with every Start-Up Chile participant, he received a temporary residence permit, but he also has already applied for a permanent residence permit. Chile will be the hub for all his business dealings, and he wants his tax residency to be also relocated to Chile as soon as possible.

Network formation and resource acquisition

SC 5 was very surprised at how smooth the transition was from his home country to Chile. During the first week the accelerator programme helped him with obtaining a visa and opening a bank account. He believes that being part of Start-Up Chile adds legitimacy and credibility to his business. *“It’s a gigantic validation, at least on a South American level. I do not know in the rest of the world. But I guess that Start-Up Chile being so well perceived all around the world is a big validation also outside of Latin American community.”*

The level of trust between the participants is higher than with outsiders. *“I know that [other SC members] are in the same situation as me, so I understand the limitations and I understand the possibilities. I know that at least for the next six months they are as serious as me. In the same way that I said that SC is a validation for you, it is a validation of you.”* On the other hand, so far he feels somewhat disappointed with the level of reciprocity among the Start-Up Chile members when it comes to sharing contacts. He has shared his contacts with other entrepreneurs, but few have returned the favour. He also is surprised that the Start-Up Chile members seem to prefer to ask for help through the online dashboard rather than approaching people face-to-face.

During his time at Start-Up Chile, he needed to report to two people: an “executive”, who is in charge of making entrepreneurs comply with certain processes, and an accountant, who is responsible for checking that each venture achieves its milestones. He is also somewhat disappointed with the level of commitment among the executives. *“If you ask me, Do you*

have any contacts?’, I would say I don’t but let me ask someone who might know someone and you will find it. I found something that was bad: when I asked my executive something that I thought will be easy he was like ‘Oh, I don’t know’.” As for the optional mentoring programme, SC 5 chose not to have a mentor, because he believed that he had enough business experience not to need mentoring. In fact, at this point in his career he sees himself as more of a mentor than a mentee.

As a Spanish speaker, language is not an obstacle for him. However, he observed that foreign entrepreneurs that did not speak Spanish had a more difficult time taking advantage of all the benefits of Start-Up Chile, especially when going outside the Start-Up Chile community.

Future plans

His long-term plans are to incorporate his company in Chile and receive the permanent resident status.

Embedded case: SC entrepreneur 6

This business is a B2C online application and has three founders; two of them are active full-time in the company, while the third is a part-time employee. The entrepreneur and founder SC 6 is from a high income European country and had first incorporated the business in another South American country before moving to Chile to be part of Start-Up Chile. The decision to launch abroad was not considered problematic, as she had experienced living outside her home country for several years. As for why she chose South America, she saw that this continent was somewhat behind in Internet adoption, and some web-based business ideas that had taken off in Europe still had not been launched in some South American markets. Thus, she took the opportunity to clone a successful European or U.S. concept and launch it in South America. The entrepreneur considers that the geographic location is important in regards to the commercial presence. However, the geographic location of the development is not. She considers the availability of venture capital in Chile to be much higher than in all other South American countries, with the exception of Brazil.

Network formation and resource acquisition

For this entrepreneur, funding is the most important resource that the programme offered her company. *“They invest in project stages when it is very difficult to find support, you can find support somewhere else but usually they ask for a lot of equity to put in the money. But SC is quite fair because they invest in you and ask you to give back to the community but they do not take away equity from you, which is quite important. Otherwise you are totally squeezed in the next round that you need to grow.”* She also values that Start-Up Chile facilitated the process of getting a residence permit, something that otherwise would have been complicated.

As for many other participants, another important aspect of the programme is the reputation and credibility received by being part of Start-Up Chile. According to her, a new venture does not have any credibility, and each entrepreneur needs to build credibility from scratch. The good reputation that Start-Up Chile conferred upon the participants is a big advantage for all the start-ups that are participating.

Also for this entrepreneur the level of trust among the Start-Up Chile participants is higher than it is outside the community *“because you know, you deal with professional people that were already selected among others, they are serious people with interesting backgrounds and experience, and it’s certainly safer and more enriching than just talking to anyone on the street”*. The trust manifests itself in that the SC members can ask straight questions and get straight answers, which is for the interviewee a very important component when launching a venture. Having a high degree of trust within the community also is conducive for sharing network contacts outside the accelerator programme.

She sees some caveats regarding the mentoring programme. According to her, parts of the programme are rather general and should be geared more towards the specific needs of each business. *“Generally I believe in very specific tailor-made mentoring, so I have mentors that deal with me according to my knowledge and the lack of my knowledge. So the general education does not interest me too much. So I think they were doing the best that they could in terms of general mentoring and then it is up to each entrepreneur to build their own network of specific advisers and mentors.”* Nonetheless, the entrepreneur sees it as positive that the SC programme organizes many events where one can interact and open doors with the local business community, and that SC helps to tap into resources provided by this local business environment. Similarly, another component

that helped this entrepreneur build her network in Chile was participating in the Return Value Agenda (RVA) events. In general, the exchange with local Chilean entrepreneurs took place every day for her.

Future plans

The interviewee was admitted to and plans to join another acceleration programme in another country in South America.

Embedded case: SC entrepreneur 7

This entrepreneur hails from an upper middle income country in South America. Prior to joining Start-Up Chile the entrepreneur was part of another accelerator in a different South American country that was also not his home country. He chose to join the previous accelerator not only because he had a business idea that he wanted to develop, but also, to a large extent, to meet other entrepreneurs and access enough resources to start building a successful business. While in the previous acceleration programme he first heard about Start-Up Chile through a friend of a friend.

This expatriate entrepreneur chose Chile based on the favourable business conditions. He does not believe he would have moved to Chile in order to start-up a business if it were not for Start-Up Chile because “[Chile] is very remote, it is very isolated, it is far from everywhere.” When comparing starting a business in Chile through the Start-Up Chile acceleration programme or going about it by himself, the entrepreneur concludes that “sometimes I picture what would be coming here by myself not knowing anything about Chile and trying to start a business. It would be way challenging.”

Interestingly, this entrepreneur mentions that before starting a venture abroad, he thought it would be a difficult thing to do. However, he now realizes that it would have been much more difficult to launch a company in his home country than it was in the other two countries. In particular, his country’s unstable political situation and its weak legal framework that does not inspire trust make it hard to develop long-term plans. In that sense, Chile is much more mature, and therefore more attractive as a business hub. Moreover, the time zone in Chile is favourable to conducting businesses with both Europe and the U.S., which is an important advantage.

Network formation and resource acquisition

SC 7 highly values the assistance provided by the programme. He highlights the good onboarding service from Start-Up Chile. *“So for me it was easy in Chile, they gave me consular visa even before coming in here. So when I arrived here for the first time, I was already a resident and they took care of my bank account, my credit card, and my national IDs in only a couple of weeks. They helped me find an apartment and introduced me to a hundred new friends. So I was all set up, by the first month I was Chilean already.”*

According to the entrepreneur there is a lot of trust between members of the Start-Up Chile programme. He further noted that the trust is not just conveyed among members of one generation, but rather across all generations of Start-Up Chile entrepreneurs. Moreover, he stresses the fruitful interaction between local and foreign entrepreneurs. Chilean entrepreneurs that want to internationalize especially can benefit by participating in Start-Up Chile because foreign entrepreneurs can help them establish operations abroad.

He believes that a core strength of the community is the willingness to help each other, with most participants buying into the programme’s values that the community in itself is a central component of the acceleration programme. The entrepreneur describes the feeling of camaraderie as, *“It feels like you went to college together, it feels like you have so much in common. You end up talking about life, about business and something can be done there. It’s good.”* The bonds created within the community lasted after the programme finished. For instance, he himself has travelled to a European country to visit the alumni who first welcomed him to the Start-Up Chile programme. Networking with other entrepreneurs is for him not only important but personally interesting: *“The second day I came here we were having lunch with people from everywhere. It was like the U.N. Everybody has own perspectives about stuff. We are similar in many things, but everybody has different background and different way of thinking. I love it.”*

When ranking the diverse resources that the programme conveys, for him the network facilitated by the programme takes first place. *“Every year they are bringing like 300 teams, people from everywhere and these people are very interesting people. It is people that make a positive influence in your life, who you are going to get to see again hopefully in the future in their countries. Or possibly, business partners or*

people who can give very good advice how to do stuff. For me that's the most important thing, that keeps me here." The second most important aspect is the grant given to participants, as the amount of funding can be the factor that makes or breaks many businesses and the money given by the Start-Up Chile programme is large enough to give many of the entrepreneurs an extensive runway. The third most important component is the learning that is enabled by the programme and the participants. *"In my personal experience, being here in SC it's like being in an MBA, but you don't pay, they pay you instead. So I learned from the mentors, from older people here, from entrepreneurs how to make business. And how to make different kind of businesses and what are the different challenges for each one of them."* He feels that by participating in the programme he is now a better entrepreneur than he was before. The entrepreneur thinks that Start-Up Chile gives legitimacy and credibility to the entrepreneurs in Chile. However, he does not see that it adds much credibility when venturing outside Chile.

The entrepreneur stayed in Chile after the programme and has since noticed and experienced more challenges by no longer participating in the programme. *"SC made everything super easy. It was all set up. Now it's a different situation because I'm not in the programme anymore and I have to live by myself, which is not too much difficult. There is bureaucracy here but still it is not that difficult compared to other South American countries."*

When asked about the difficulties experienced by expatriate entrepreneurs starting a business in Chile he mentioned human capital as a big problem in the country, especially in relation to availability of software engineers. Having at least one co-founder who is a software engineer could result in a huge advantage for the SC participants. He also noted that the language is often a barrier for non Spanish-speaking SC participants who come in contact with the local population, as the vast majority of Chileans do not speak English well.

Future plans

He stayed in Chile after graduating from the Start-Up Chile programme. The prevailing reason for staying was that he had a Chilean girlfriend.

Embedded case: SC entrepreneur 9

This team came from a high income country in North America-, where they had already launched the venture and started to generate sales. They first considered relocating the business based on the search for better weather conditions than the cold winter weather they had in the city in which they were living. At the same time, they came across an article in Forbes describing the perks of the Start-Up Chile programme. The two co-founders then decided to apply to the programme because they saw it as a big opportunity to gain six months' of funding as well as the possibility to work in the summer season in Chile. Going abroad was not something that they had actively been pursuing, although they had previously considered cities in North America with warmer climates.

The entrepreneur does not consider that the location of the business is important in regards to developing the software, creating the business plan, and starting to execute it. However, for their particular venture their customers are major financial institutions, so the location became important later on. They then realized that for selling their product it was important to be able to speak with senior managers who were not located in Chile. Because of this issue, he believes that the Start-Up Chile is best suited for entrepreneurs that are targeting the South American market.

Network formation and resource acquisition

This entrepreneur and his co-founder took part in one of the early rounds of Start-Up Chile. During this round there were fewer participants, meaning that each participant received more personal attention from Start-Up Chile management. That also meant that the Start-Up Chile management conferred much of their vast personal network to all the participants, including many senior people who were very helpful when developing the businesses. *“The founding members of Start-Up Chile introduced me to people that helped me a lot.”* He remembers the importance of the management organizing and promoting social events. *“[One of SC’s founders] took us for dinner with a bunch of his friends who happened to be business people. Just eating dinner and having drinks, you are starting to become friends. ‘What about this, what about that?’ Or, for*

example, [name of accelerator representative], her husband is an executive in a company. Meeting people through friends is how business gets done."

Also through the Start-Up Chile programme management he was introduced to other people who later became part of his professional network. For instance, the Start-Up Chile staff facilitated the exchange of English and Spanish language lessons between him and a Chilean participant. These informal language sessions transformed their relationship into friendship, and subsequently into a business partnership. This indicates that the level of integration with Chilean society was high, probably stimulated by the fact that in the early rounds the ratio of Start-Up Chile staff to entrepreneurs was higher than in the subsequent rounds.

The level of trust and collaboration among the participants was high. *"I'd say in our round it felt a lot like your first year in university, everybody is having different experiences, you have to learn together. There was a lot of collaboration between the start-up teams. Looking at where we are now, I have a company that I established with a former Start-Up Chile participant from my round. We used the software platform of another Start-Up Chile guy that was in our round. I'm doing an apartment-services company that I started with two guys from my round. I teach entrepreneurship classes with content I created with another Start-Up Chile guy. So, there is a lot of collaboration."* When asked why he thinks this high degree of collaboration happened in SC, he replied that it was not only because there were many motivated entrepreneurs participating in the programme but also because the programme's management put in place the conditions that facilitated the collaboration.

In terms of direct help received from the programme, the most important factors for this entrepreneur are, in order of priority, the one-year visa, the help with opening a bank account, and the collaboration between participants. *"There are not many places in the world where you can just arrive and basically the next day you are able to start working. But this was exactly something that was enabled by Start-Up Chile. Just opening a bank account in Chile can be very complicated and can take a very long time, so getting help from Start-Up Chile to open a bank account in two days is really important. The third most important aspect of the programme was peers, as they were very smart and motivated people that were willing to share thoughts and work together."* The programme also provides the participants with ample credibility and legitimacy. Moreover, the interviewee high-

lights the benefits of receiving the grant, as this often provides the entrepreneurs the time needed to get the product or service ready to launch.

Future plans

The interviewee stayed in the country after graduating from the programme, and went on to launch several ventures in Chile, many of which were launched with other Start-Up Chile participants or people he had met through the Start-Up Chile programme.

Embedded case: SC entrepreneur 10

This online B2B business targets a global market. It was launched by SC 10 and a second co-founder, both of whom are from a lower middle income country in Asia. Since it is a global business, the interviewee believes that it could have been launched from any country.

They became aware of the programme through one of the co-founder's friends who had previously taken part in Start-Up Chile and wrote a promotional blog about the programme. This and other online sources commenting on the success of the programme enabled them to learn crucial information—for instance, that upon arriving to Chile one should bring enough money in order to sustain oneself for the two-month wait until receiving the money from the Start-Up Chile programme.

They decided to relocate to Chile to start their business based on the favourable conditions of Chile and the Start-Up Chile programme. If Start-Up Chile had not existed, the entrepreneur would have stayed in his home country and developed the business there. Chile offered them a better ecosystem and greater availability of venture capital than their home country. The Chilean infrastructures, in terms of access to high-speed Internet as well as the road networks, are in his opinion very good and further promote the development of businesses.

At the same time that they were accepted into Start-Up Chile, they also were admitted to an accelerator in their home country. Nevertheless, one important aspect when choosing Start-Up Chile over the accelerator back home was the experience of living abroad. Participating in this programme

was an opportunity not only to meet new entrepreneurs but also to live in a new country and experience a new continent.

On a more negative note, he considers corporate taxes to be too high in Chile—not so much for the employee, for whom taxes are actually favourable, but from the employer’s perspective. He also believes that it is important for succeeding in Chile to be able to speak the language, especially if one is running a business that is targeting the local market. This is also true for an effective integration into the local society, as he experienced that only a relatively small number of Chileans could speak English well.

Network formation and resource acquisition

The availability of venture capital in Chile was another relevant factor for choosing to move to Chile. However, the interviewee suggests that in order for Chile to retain more entrepreneurs that graduate from the Start-Up Chile programme it would be preferable to further improve the access to growth funds after the programme finishes. Otherwise SC risks losing many of its graduates to Silicon Valley or other locations where it is easier to access capital.

For this entrepreneur, the Start-Up Chile programme plays an important role in creating trust among participants. By being in the SC community many things become easier. For instance, when someone has business queries related to Chile, someone else in the community almost always has already encountered the same problem and can offer guidance. Community peer-learning is also important, especially between participants of the same generation. However, the interviewee sees potential for improving collaborations across generations.

The community also was important for him to get guidance and advice. Moreover, he considers having a local advisor to be very important, because the locals know what is important in the local context—something foreigners in the beginning have difficulties gauging. He also spoke positively about the mentorship programme. *“They connected me with [the mentor] and he gave a lot of good suggestions about my start-up.”*

When asked to list the most beneficial programme services, he said that the most important was, *“Network of entrepreneurs. Helping you to create a base in a new country...”*. Thereby, he acknowledges that by being part of Start-Up

Chile his personal and professional networks have grown dramatically. *“It’s just a good combination of private and professional contacts you gain from SC. Before I came here there were only friends from [home country]. Now I have friends from all over the world. Now you have access to some investors, good contacts, and good networks. It’s just very resourceful and useful. I have made such good contacts from SC.... In my generation there were people from Harvard, Stanford, Oxford, people who worked in governments, people from big financial corporations, Goldman Sachs, people who work in Google, Microsoft, people who run funds like hedge funds. It’s amazing and you don’t get to meet those people in day-to-day life, it is very difficult. So I am very thankful to SC for that.”*

Furthermore, the acquired personal networks had an important practical role for doing business. *“In Chile when they do business with you they want to know you on a personal basis. If you are trying to gain some contract or some business relationships it just doesn’t happen like, ‘OK, I am looking for product, I am looking for service, I have money, let’s just shake hands.’ You have to go out, meet a person for a couple of times, build personal network for personal understanding and then they do the business.”*

In terms of legitimacy and credibility, the entrepreneur thinks that Start-Up Chile’s effect is limited because there has not yet been a big success among the Start-Up Chile participants. *“Once we see that, the level of trust will increase dramatically. SC hasn’t had that success yet and part of the reason is that it’s a public programme, so people are not personally involved in putting money. Also, the selection process wasn’t that mature at the beginning. It has refined over time for getting better teams. These are reasons why I believe they haven’t had any big success. But I’m sure it will happen because they are investing in so many start-ups and the whole idea is improving with time. I believe it is just a matter of time.”*

Future plans

The interviewee stayed in Chile after completing the Start-Up Chile programme. A major reason for deciding to stay was that he wanted to develop his business and that he had a girlfriend who lived in Chile.

Embedded case: SC entrepreneur 11

This Internet venture was already established in his home country, a high income country in North America. The country in which the business is headquartered does not matter for the entrepreneur. He read about Start-Up Chile on the Internet. Because he had always wanted to live in South America and the Start-Up Chile programme seemed to be a good opportunity, he decided to apply.

Network formation and resource acquisition

He experienced a lot of trust among the members of the Start-Up Chile community. In addition, through the SC community he came to know outside people. However, he believes the programme could do even more to help facilitate the establishment of networks within SC and between SC participants and local Chileans and Chilean entrepreneurs alike.

In his particular case, due to the stage and nature of his business it was not necessary to network in Chile to a large extent in order to grow his venture. Thus he did not feel that much interaction with the local Chilean community was required for global business development. Nonetheless, he saw many other Start-Up Chile members who developed close relationships with Chilean entrepreneurs, and he thinks those relationships were of mutual benefit. Chilean businesses seemed to be keen to collaborate with Start-Up Chile participants because the programme is widely considered innovative, and so it is also of benefit for the local Chilean entrepreneurs to work with Start-Up Chile entrepreneurs.

The interviewee points out that, in general terms, the programme offers too little guidance and mentorship. This lack of guidance was not detrimental to his business given his extensive business experience, but he thinks many of the other start-ups would have benefited from more guidance. He also mentions that the programme would benefit if it would offer interns to work with the SC participants, whose expenses could be covered by a grant received from the programme. Making local interns available would help not only the SC participants but also the local community.

According to SC 11, the most positive aspect of the Start-Up Chile programme is the access to the community of entrepreneurs. The legitima-

cy and credibility associated with being part of Start-Up Chile also is valuable to him. He comments that his participation in SC was mentioned in the press in his home country. The interviewee did not need any external funding, and therefore he has no opinion about whether it is easy or difficult to raise money in the country, but he does believe that the grant provided by the programme is a big plus. Being part of Start-Up Chile also helped him understand the entrepreneurial pattern in Chile, as he interacted with Chilean entrepreneurs that were part of the accelerator.

In describing the process of expanding his network, he said, *“Just by socially meeting with people and just getting to know what other people were doing and what other start-ups were out there. I worked from home and in the evening I would go out and meet people and found out what other people were doing.”* As for services provided by Start-Up Chile such as access to lawyers, accountants, or mentors, he did not use them because he did not need them.

Future plans

He initially planned to move back to his home country after the programme finished, but ultimately decided to stay in Chile.

Within-case analysis: Start-Up Chile

In this sub-chapter I aggregate all the information on Start-Up Chile. I will be analysing: i) whether the embedded entrepreneurs are indeed expatriate entrepreneurs ii) how accelerators interact with the environment and iii) the accelerators impact on network formation and resource acquisition. I will start by addressing the boundary conditions of expatriate entrepreneurship.

The accelerator programme and the boundary conditions of expatriate entrepreneurship

The objective of this section is to reveal whether engaging in cross-border entrepreneurial migration by taking part in an accelerator programme fulfils the boundary conditions of expatriate entrepreneurship introduced in chapter 3: i) motivation to start a business abroad is opportunity driven, ii) propensity for serial migration, and iii) preference for global markets. Now I

will investigate whether the entrepreneurs participating in Start-Up Chile fulfil these criteria.

I will start with an analysis of whether the motivation to start a business abroad for the Start-Up Chile expatriate entrepreneurs was opportunity-driven. Table 6.4 highlights for each embedded case the reasons for participating in expatriate entrepreneurship.

Table 6.4. Reason for expatriation

Embedded case	Reason for expatriation
SC 1	<i>"I think for guys like me if I can work with a community of people it will be like the best thing that can happen. Like a lot of times motivations goes down, there's no boss who will tell you, 'Do this thing'. And hence the community, the pure community makes a huge difference. So a programme like this is a big, big boost for me, because I can now be with other people who are doing the same thing."</i>
SC 2	<i>"It didn't matter for me first, in Chile or United States or anywhere really. But I mean Start-Up Chile was attractive because it has this equity-free idea, I liked the social-impact idea, I liked that it is in Chile, I didn't know much about Chile, so it was that adventure kind of idea."</i>
SC 4	<i>"We were going to launch in Barcelona, but then we applied to this. We're mobile we don't really care so, for us, because it was a good investment coming here."</i>
SC 5	<i>"We needed some entity in order to invoice around the world and we decided it was going to be in Chile, even before Start-Up Chile."</i>
SC 6	<i>"You know, it was circumstantial and it was something that I wanted to do, and Latin America was full of opportunities and it was cheaper to try it here than somewhere else."</i>
SC 7	<i>"If someone told me that I would end up here I wouldn't believe it. I never thought of this. Someone in [previous country of residence] told me 'I was in a Start-Up Chile.' I said, 'Tell me more about it.' And he told me about it and I thought, 'It makes sense. OK, I think I can make it as well'."</i>
SC 9	<i>"So, it actually wasn't on our radar to go abroad, we had launched, we had sales. Not a lot of sales. And we thought we needed another six months to figure out exactly what's the business model was going to be. And when the opportunity for Chile came up, it was basically six months of free money. Summer instead of winter, it wasn't necessarily that we wanted to go abroad. The opportunity came up and we did it."</i>
SC 10	<i>"Just because of Start-Up Chile, otherwise I would have been in [home country], creating some start-ups. It was just a good opportunity and it also puts me on the same time zone as the U.S., which I think is a good benefit."</i>

SC 11	<i>"I just happened to be browsing the internet during my lunch at my full-time job back in [home country] and I saw an article in a news site maybe TechCrunch or something like that, that mentioned Start-Up Chile. I had always wanted to come and live in South America, but I never found out a way to do it. So yeah, as soon as I read it, I applied."</i>
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Few of the interviewed entrepreneurs had seriously considered engaging in expatriate entrepreneurship before making the decision to join Start-Up Chile. A recurring theme in most of the interviews is the fact that it was only upon hearing about Start-Up Chile that they realized that it could be possible to move to another country in order to start a business. Prior to knowing about Start-Up Chile they were unfamiliar with the concept of cross-border entrepreneurial migration. There was also a difference between the first-time entrepreneurs, who seemed to have less knowledge of cross-border entrepreneurial migration, and the serial entrepreneurs, who had, to a greater extent, thought about engaging in expatriate entrepreneurship. One could speculate that as the concept of cross-border entrepreneurial migration becomes more mainstream, more entrepreneurs will be proactively looking at engaging in expatriate entrepreneurship, with or without the presence of accelerators.

For many of the interviewees the existence of the acceleration programme and the funding that was associated with being selected was important when making the decision to participate in the programme. The vast majority of the interviewees felt that it would be much more difficult to launch a successful business without the support of an accelerator. SC 7 mentioned that Chile would not have been his first choice to launch a business if it was not for the existence of the Start-Up Chile programme. The reason for not having Chile as the first choice was the geographic location, as he considers it to be far from everything. This suggests that countries which are not sufficiently attractive by themselves to compete with those that have some of the most developed entrepreneurial ecosystems, such as the U.S. and Singapore, might have to offer competitive acceleration programmes as an incentive to attract expatriate entrepreneurs.

The role of the community was highlighted by SC 1. This entrepreneur considered, even before applying, that the community would be a key facili-

tator of resources and a motivator. By becoming part of the accelerator one becomes an actor in a network that can be a key source of success for the business and also for developing a personal network for creating a social environment during one's free time.

All the interviewed entrepreneurs commented that they decided to participate in Start-Up Chile as a result of having identified an opportunity. However, in some cases the opportunity was amplified by being able to exploit the business opportunity in the context of an accelerator programme. Many of the interviewees would not have engaged in expatriate entrepreneurship if they had not been accepted to the Start-Up Chile accelerator programme. Others mentioned that they would have engaged in expatriate entrepreneurship even without being admitted to an accelerator; however, in this scenario the majority would not have chosen to launch the business in Chile. Only one of the entrepreneurs said they would have launched a business in Chile regardless of whether they were admitted to Start-Up Chile or not.

Arguably the accelerator plays an important role in convincing expatriate entrepreneurs to choose specific countries over others. Additionally, expatriate entrepreneurship requires financial resources to support the venture and personal expenses until the business can support itself and the entrepreneur. Several of the entrepreneurs mentioned that the possibility of obtaining funding was in fact very important in making the decision to engage in expatriation. They also (e.g., SC 2) highlighted the fact that it was very generous from the Chilean government to give a grant without requiring equity in the business. This was especially important for participants who did not have enough savings to engage in expatriate entrepreneurship. Thus the interviews revealed that funding constitutes a significant barrier for engaging in expatriate entrepreneurship, and that Start-Up Chile, by giving funding, provided the entrepreneurs with the means to engage in expatriate entrepreneurship.

Now I analyse the next criterion for being an expatriate entrepreneur: Do the expatriate entrepreneurs that participated in Start-Up Chile exhibit a propensity for serial migration that is driven by the discovery of business opportunities?

Table 6.5. Serial migration traits

	Serial migration traits
SC 1	<i>"I want to work from some other ecosystem, I would like to work from Brazil and see how it is. I also want to check New York and Poland if possible and see how it is."</i>
SC 2	<i>"I'm kind of no, not staying. I'm probably going to do Code for America."</i>
SC 4	<i>"At the beginning, I thought we'll stay for at least a year. Now, I am not so sure about certain things that I don't like here and, honestly, getting investment here is pretty much next to impossible if you're not a company making a million dollars per year. So, we're looking to get investment in the U.S. and if we do we probably going to have to move to the U.S."</i>
SC 5	<i>"There is a pitch process at the end and the demo day but only few companies will get selected. Ideally, I would like to be selected to demo day. If I get selected, then maybe I will be able to pitch and even be successful and will be able to close the round of financing. After six months I will incorporate my company here and I am planning to get status of permanent resident. So, I will keep hanging around here."</i>
SC 6	<i>"Chile was too tiny for us, we would be crushed by expenses and it would not be justified by the volume you could reach. We were just selected to [an accelerator in South America]. I will move to [another country in South America] in October."</i>
SC 7	<i>"I did not intend to stay in Chile for a long term, I was not planning to stay anywhere for a long term. I've been living a year in every country I could since I left [home country]. So, my plan is to go and spend one year in Europe that I have been delaying for a long time. I don't think there is nothing left for me here in Chile, I would come back if I ever wanted to start a company again, definitely."</i>
SC 9	<i>"Our vision was always to stay for six months and leave. And we did stay for six and then we left. And we worked for another six or eight months in [home country], then ended up selling the business. I was not sure what to do next. I had studied Spanish in the first six months. I decided to go back [to Chile] and learn the rest. My plan was to stay six to nine month, but things worked here and I'm still here."</i>
SC 10	<i>"I stayed on in Chile after the Start-Up Chile programme finished. My current start-up is not part of SC, the only reason I'm in the Start-Up Chile premises now is because I am still allowed to work on the premises."</i>
SC 11	<i>"I just stayed here[in Chile], I did not really ever ask the question of myself what to do next."</i>

From the quotes presented in Table 6.5, it is clear that serial migration traits are prevalent among the majority of the entrepreneurs. When asked, they all are ready to move to other countries should considerably better opportunities appear. Start-Up Chile's admission process does not consider whether the entrepreneurs will stay in Chile after graduating from the programme. The admission process was centred on selecting the best applicants, regardless of the probability that they would stay in Chile after the programme finished. Interestingly, one of the entrepreneurs that I interviewed left Chile and then decided to return. This indicates that bonds between the country and the entrepreneurs are created, such that even if the entrepreneurs leave the country they might consider returning if the right opportunity presents itself. Some of the expatriate entrepreneurs considered it difficult to communicate with people outside the Start-Up Chile environment, as they found that the general knowledge of English was low. This group felt that they therefore could not participate in many events that were held in Spanish, and that by not speaking Spanish their local business development in Chile was adversely affected. Hence, not being able to communicate with natives was one reason for leaving Chile.

Many of the interviewed expatriate entrepreneurs decided to move on to other entrepreneurship ecosystems after the Start-Up Chile programme finished. A fairly high proportion of these entrepreneurs believed that other entrepreneurship ecosystems offered better chances of raising finance compared to Chile. This suggests that it is of great importance for accelerator programmes to engage in helping expatriate entrepreneurs come in contact with investors. Compared to San Francisco, London, Stockholm, and some of the other leading entrepreneurial ecosystems, Santiago does not have a well-developed venture capital and business angels industry. This means that there are few actors that are able to provide funding to graduates of Start-Up Chile. This is something that Start-Up Chile has identified as a weakness and has tried to correct by introducing the chance to be selected to the Scale programme after having graduated from Start-Up Chile, an opportunity which offers approximately USD85,000 in growth funding.

Many of the participants of Start-Up Chile had engaged in serial migration before joining Start-Up Chile. SC 6, for instance, had both worked and studied in several European and South American countries before joining

Start-Up Chile. After the programme finished she decided to move to another South American country in order to further develop her business.

The final criterion to be analysed is whether expatriate entrepreneurs prefer businesses that have a global market and are not linked to a certain country. One of the criteria for being admitted to Start-Up Chile is that the business is scalable, preferably into a global business, but at a minimum to a regional business. Hence all the entrepreneurs that were interviewed had business ideas that were at least regional when coming into the programme. The vast majority had global ambitions. In general, the type of business that the entrepreneurs launched was almost exclusively within the information technology field. This type of business often does not require substantial capital expenditures in fixed assets, meaning that the businesses could be moved from one country to another without major difficulties. In most cases, the entrepreneurs could easily relocate to other countries and bring their business with them. The entrepreneurs considered that both they and their businesses were very mobile.

Are the embedded entrepreneurs participating in Start-Up Chile expatriate entrepreneurs?

As anticipated, necessity has almost no bearing on the decision to engage in expatriate entrepreneurship. Instead, the identification of an opportunity is the primary factor. Some of these entrepreneurs said that deficiencies in their local entrepreneurial ecosystems make it difficult to exploit the business opportunity from their home country. Thus, in those cases, one can say that the quest to move to a more favourable entrepreneurial ecosystem in order to launch the business was a push factor.

All of the embedded entrepreneurs show a willingness to engage in serial migration. They show a willingness to look for an even better environment in which to run a business. Hence the levels of mobility among expatriate entrepreneurs are very high. As mentioned by those who decided to leave Chile after the programme finished, lack of external funding is a major reason driving mobility in the case of Start-Up Chile. However, it is important to consider that despite the entrepreneur's willingness to migrate, the serial migration process is often constrained by the ability to receive a

start-up visa. Some countries, as discussed earlier, have very high requirements for granting residence permits to entrepreneurs or allowing firms to change domicile, and some do not have visa-free travel treaties with many other countries. This puts significant constraints on the ability to freely engage in serial migration.

In order to be accepted to SC, entrepreneurs need a scalable idea that can expand beyond the borders of Chile. The vast majority of the entrepreneurs that get accepted have global ideas. None of the entrepreneurs that were interviewed had business ideas whose target market was only Chile. Hence all the entrepreneurs fulfilled the requirement that they were running a business that was not tied to a specific country or market.

Based on the analysis conducted above, I consider that all of the embedded cases fulfil the three main criteria to be considered expatriate entrepreneurs. They engaged in cross-border entrepreneurial migration driven primarily by the identification of a business opportunity, they are highly mobile across national borders, and their businesses preferably target global markets.

The environment's impact on expatriate entrepreneurship

Market conditions

Chilean market conditions were difficult to assess for entrepreneurs considering becoming expatriate entrepreneurs. An accelerator representative pointed out that in the first couple of Start-Up Chile cohorts, many of the entrepreneurs mentioned that they lacked information on the Chilean entrepreneurial ecosystem before moving to the country. The entrepreneurs had trouble understanding how the opportunity exploitation was going to be affected by the prevalent market conditions in Chile. Another accelerator representative said that Start-Up Chile staff visited Silicon Valley in order to personally pitch the Start-Up Chile programme to potential entrepreneurs, because they feared that the entrepreneurs' unfamiliarity with the Chilean start-up ecosystem would preclude many from applying. The uncertainty of not knowing what to expect made it difficult for presumptive participants both to decide whether to apply to the programme

and how to prepare before arriving to Chile. In this case, the accelerator programme played a very important role in providing information on market conditions. In later iterations of the Start-Up Chile programme the entrepreneurs became much better informed about the entrepreneurial ecosystem. A major facilitator was, according to one SC representative, that the alumni of the programme had written so much about the programme on blogs and there were even books released by participants on how it is to take part in the programme. In addition, the participants could reach out to the accelerator's staff and ask them questions regarding the Chilean market and about running a company in Chile.

Most of the entrepreneurs that had global business ideas did not consider the geographical location of the market to be a major constraint. This was especially the case among the entrepreneurs that were running business-to-consumer ventures. Those who had launched business-to-business ventures expressed a greater need for being able to interact face-to-face with their customers. The latter point was highlighted by one of the interviewees who considered it to be a disadvantage to run a firm headquartered in South America, because relatively few global firms have their HQ there. This means that when they needed to meet senior executives they needed to fly to the U.S., Europe or Asia, which was expensive and time consuming.

The interviews also revealed a divergence of how geographic distance between home and host country was measured and viewed between entrepreneurs who do not have a partner or children back in their home country and those who have. All of the interviewees with a spouse and/or children decided to emigrate first without their families in order to establish the company and considered relocating the whole family only later if the business takes off. Having to commute between Chile and another South American country where his family was located took up much time and was expensive, according to SC 5. This indicates that for those participants with a family, whether or not the family can come to the host country critically influences the entrepreneur's choice of joining and staying long-term in the host country.

When making the decision to engage in expatriation, not speaking Spanish was not perceived as a large obstacle. In fact, some of the entre-

preneurs even mentioned that they saw the possibility of learning Spanish as one of the benefits of participating in the programme. Nonetheless, once they were participating in the programme some of the interviewees experienced that they could not take advantage of the full potential of living in Chile, due to the language barrier. This language barrier was considered a bigger problem in daily life. According to most interviewees, the general Chilean population's English skills were limited, making it more difficult to integrate into society.

Institutional and regulatory environment

The institutional framework that the entrepreneurs encountered in Chile was often very different from the one in the home market. The result was that the entrepreneurs often lacked knowledge about the new institutional setting, which in turn increased the risk and uncertainty of the whole venture and made it more challenging to exploit the business opportunity. In addition, the lack of knowledge of the regulatory environment in the host country was an additional barrier faced by the expatriate entrepreneurs participating in Start-Up Chile. The unfamiliarity with the new regulatory environment had a negative impact on the ability to exploit a business opportunity. Importantly, the Start-Up Chile accelerator programme helped mitigate the institutional and regulatory barriers by providing a source of reliable information.

The interviews support the view that the institutional, regulatory, and political environment in the country to which the entrepreneurs are considering moving has a substantial impact on whether the entrepreneurs choose to engage in expatriate entrepreneurship or not. The ecosystem plays a big role in whether an expatriate entrepreneur decides to go to a specific country and whether to stay in the country long-term after moving there. Interestingly, perceptions of the institutional and regulatory environment in Chile varied considerably depending on the embedded entrepreneur's country of origin. Those entrepreneurs from low- and middle-income countries expressed a much higher level of satisfaction with the Chilean entrepreneurial ecosystem than did entrepreneurs from high-income countries. In addition, those from low- and middle-income countries pointed out that the political environment was also a determinant. The political uncertainty

in their home countries made it risky and difficult to launch a business; by comparison, the political situation in Chile is very stable and thus more appealing for launching a business. On the other hand, the entrepreneurs from high-income countries were also satisfied, but less so; this has to do with the fact that many of them came from countries that have some of the world's most favourable entrepreneurial ecosystems. This indicates that, without their Start-Up accelerator programme, Chile might have difficulty attracting entrepreneurs from the world's best entrepreneurial ecosystems.

The interviews with both accelerator representatives and the entrepreneurs revealed a generally positive opinion of the entrepreneurial framework conditions in Chile. The entrepreneurial environment was in general well researched by the expatriate entrepreneurs before they made the decision to engage in expatriate entrepreneurship and join Start-Up Chile, partially thanks to Start-Up Chile staff and the Start-Up Chile community. Most of the entrepreneurs highlighted that they could have launched or headquartered the venture in almost any country in the world, due to the nature of their business. However, they considered that the existence of the acceleration programme dramatically increased Chile's value proposition. In terms of the framework conditions, entrepreneurs as well as accelerator representatives agreed that the lack of financing in Chile is a major disadvantage for the programme and in turn for the expatriate entrepreneurs. Importantly, the accelerator itself took initiative to correct this flaw by launching a fund that provides growth funding to the most promising graduates of Start-Up Chile.

The national framework conditions in Chile were perceived as being very conducive to entrepreneurship both by the accelerator representatives and the participant entrepreneurs. All the embedded cases considered the Chilean government, at the time of their participation in the programme, as being business friendly. Additionally, many of them found the concept of designing an acceleration programme predominantly for foreign entrepreneurs to be very innovative. Several of the entrepreneurs mentioned that they considered Chile to be the most advanced economy in South America and a very suitable test market for Internet business models due to its high internet penetration. Moreover, the Internet infrastructure in the country

was advanced, which enabled the launch and growth of business ventures that required fast and reliable Internet connections.

All the interviewed accelerator representatives mentioned that having talented foreign entrepreneurs was very important for instilling an entrepreneurial culture and creating cross-border networks in a homogenous country. Nonetheless, for the participants themselves the lack of people with an international orientation was a problem at the time of recruiting people, as the pool of potential employees with an international background was limited in Chile.

The impact of the accelerator on network formation and resource acquisition

The onboarding services offered by Start-Up Chile were considered to be very valuable according to the SC entrepreneurs. A SC representative highlighted that the introduction week is intense and comprehensive, during which the entrepreneurs are given information on the socioeconomic makeup of Chile as well as an introduction to social norms and culture. Start-Up Chile additionally takes care of arranging the start-up visa and opening a bank account, which also was very valuable and time saving for the SC entrepreneurs.

Despite being rather small at first, the acceleration component of Start-Up Chile has grown in importance over the years. Appreciation for Start-Up Chile's limited acceleration component varied among participants. Those who enjoyed the light touch approach often pointed out that the key source of learning was the community and the informal learning gained by participating in this programme. This is interesting and probably attributable to the fact that Start-Up Chile admits a large pool of talented individuals who have complementary backgrounds, enabling a great deal of informal learning. The interviewees with more previous entrepreneurial and/or work experience exhibited a tendency not to miss a larger educational component in the programme. This is probably related to the fact that the previous experience is applicable when launching a new venture, regardless of the fact that the country context has changed. However, the entrepreneurs with less

work experience often mentioned that they would have liked to see a more comprehensive educational programme.

Many participants perceived the mentoring programme as a very positive component of Start-up Chile. The benefit of this programme was highlighted by SC 1, who considered the mentor he was assigned during the Start-Up Chile programme to be a key contributor to the success of the business. One of more experienced entrepreneurs (SC 6) mentioned that most of the mentors had general expertise, while she would have liked to have seen mentors with more specialized skills adapted to the specific needs of each expatriate entrepreneur. For some time, there was a significant demand for mentors, as there were only 15 mentors and their knowledge did not cover some areas of expertise that were requested by the Start-Up Chile participants. To alleviate this problem, the Start-Up Chile management decided to accept international mentors who coach from outside Chile using Skype. This resulted in the number of mentors growing to 50 and a dramatic increase in the areas of expertise covered by the mentors. Having an optional mentor programme means that several of the interviewed entrepreneurs chose not to have mentors, especially the entrepreneurs with previous work experience. It is feasible to hypothesize that the programme would benefit by making mentorship mandatory. It is likely that even very experienced entrepreneurs can learn from mentors, providing that the mentor's knowledge is complementary to that of the entrepreneur's.

The programme also provides participants with a *padrino*, a member of the Chilean business community who helps the entrepreneurs in different ways, including welcoming them at the airport when they arrive in Santiago for the first time. The *padrinos* are matched according to common interests and language ability. The role of the *padrino* is not primarily to give business advice, but to provide important insight into the Chilean mindset, thereby serving as a useful source of tacit knowledge. In comparison with traditional mentorship programmes, the *padrino* concept is more geared towards helping the expatriate entrepreneurs with creating social bonds with natives. Moreover, the benefits of this type of interaction proved to be bidirectional. Many of the interviewed entrepreneurs highlighted that *padrinos* also benefited from the communicating with the expatriate entre-

preneurs, as it gave them contacts abroad and in many cases helped them improve their English language skills.

To motivate high performance, the programme introduced the chance to pitch the business at the end of the programme, the so called “demo day” for the 20% of ventures that performed the best. Many of the interviewees said that it was very important to be selected for the demo day. However, there was little indication that the pressure to participate in demo day created a competitive environment with negative ramifications on the exchange of knowledge between the participants. By not having similar business ideas, most of the interviewees recognized the importance of reciprocity. They felt that if someone helped them they should return the favour if they had the opportunity to do so. They also appreciated the future benefits of these interactions. SC 2 believed that by helping each other they created bonds that might result in future collaborations, or even that new companies could be started together by alumni.

All interviewees considered the certification effect associated with being selected to the programme to be important. They believe that having been selected among many applicants is a validation that an impartial jury considered their business project to have potential. Some expressed that this validation was especially useful in the South American market, but also was substantial outside of the continent as well. Thus having the opportunity to gain the credibility and legitimacy conferred upon one’s venture by Start-Up Chile is a big advantage. As SC 6 pointed out, lack of a track record when launching a venture often diminishes credibility and legitimacy. In turn, this highlights the importance of the acceleration programme’s ability to promote itself in the global entrepreneurial community. In fact, Start-Up Chile has now become a household name in this community.

Several of the entrepreneurs (e.g., SC 7) mentioned that the ability to recruit skilled employees in Chile, especially software engineers, was a significant difficulty. Many of the interviewees had the impression that Chileans are reluctant to work for start-ups, preferring to work instead for large corporations. The same problem applied to finding interns, as they too wanted to do internships at well-known corporations. In this regard, participation in the Start-Up Chile programme was also particularly useful. Being

part of Start-Up Chile, a well-known programme, gave the business legitimacy and made more people interested in working for the venture.

Many of the entrepreneurs (e.g., SC 6) highlighted the importance of the USD40,000 grant that was given to all participants. This grant is given at the moment of the initiation of the venture, when it is difficult to raise grants or investments. Hence it is very favourable for the entrepreneur. Instead of taking equity in the start-up, Start-Up Chile requires that the entrepreneurs give back to the entrepreneurial community by participating in the Return Value Agenda activities.

Almost all of the interviewees mentioned the network conveyed by the programme as one of the most important benefits obtained from participating in Start-Up Chile. Some even said that the ability to continue the affiliation with new generations of Start-Up Chile participants could promote and prolong their stay in Chile after graduation (see SC 7). Start-Up Chile management did not need to force the exchange of knowledge, since a shared-office-space design facilitated knowledge exchange effortlessly. Later rounds of Start-Up Chile accepted as participants both expatriate entrepreneurs and local Chilean entrepreneurs. This carries the advantage of being able to establish ties with both domestic and foreign entrepreneurs. Indeed, the interviewed expatriate entrepreneurs considered it very important to be able to exchange information with the local Chilean entrepreneurs. Nonetheless, several of the expatriate entrepreneurs (e.g., SC 1) raised the issue that the foreign entrepreneurs were much more accessible, because the local Chilean entrepreneurs already had family and friends in the country.

Since its inception Start-Up Chile has heavily relied on peer-to-peer learning. They have chosen to keep the Start-Up Chile management and operations team relatively small for the size of the programme. Instead, given that the number of alumni is already large, they have chosen to utilize the sheer scale of the programme as a key source of resource mobilization. Start-Up Chile management devotes considerable resources to nurturing the Start-Up Chile community. The Start-Up Chile network is global, and as the community grows it becomes an increasingly important part of the programme.

The existence of a strong SC community has become an important reason for applying to the programme. Hence the community is seen as a key aspect being able to successfully seize the business opportunity. Importantly, the community is also to a great extent the focus of social life for the expatriate entrepreneurs. By joining an accelerator targeting expatriate entrepreneurs, the community becomes a part of the business opportunity that the entrepreneurs want to exploit. Much like graduating from a top-tier MBA programme, the networks of the graduates can be a life-long facilitator of resources around the world. As intended by the programme management, the Chilean entrepreneurial community is now connected with the global business community to a much larger extent than before the existence of Start-Up Chile.

The programme has also managed to instil and promote the concept of reciprocity among its members. The participants mentioned that they did not feel the same level of trust when they were dealing with someone who was not part of the Start-Up Chile community. Hence, there seems to be considerable room to improve the ties between Start-Up Chile and the rest of the entrepreneurial ecosystem in Chile. Many of the interviewees mentioned that the strong sense of community was conducive to the establishment of trust, especially among the members who spent also a considerable part of their free time together. These strong bonds were common between the expatriate entrepreneurs, but less frequent between the expatriate entrepreneurs and local Chilean entrepreneurs participating in programme. It seems that a key explanation for this was that the local Chilean entrepreneurs chose to spend their free time with their family and friends who were not part of Start-Up Chile. On the contrary, the majority of the expatriate entrepreneurs had no family living in Chile and most of their friends were colleagues at Start-Up Chile. These tighter bonds between expatriate entrepreneurs were used to mobilize resources from each other rather than from local Chilean entrepreneurs. This is somewhat problematic, because local Chilean entrepreneurs can be a key source of resources given that they possess the country knowledge and have networks that also are useful to expatriate entrepreneurs. This indeed had negative repercussions on the ability of the programme to keep the expatriate entrepreneurs, as creating strong ties with the local entrepreneurship environment increases the chances that the

entrepreneurs would choose to stay in Chile after that the programme is finished.

Chapter 7

Case 2: Sirius Programme

In the United Kingdom there were 5.2 million businesses in 2014, an increase of approximately 330,000 businesses since 2013 (Ward and Rhodes, 2014). The UK is the world's 10th most competitive economy according to the Global Competitiveness Report 2015–16 (Schwab & Sala-i-Martin, 2016). In 2015 the World Bank ranked the UK 17th out of 189 countries in ease of starting a company (World Bank, 2016). In 2014 the overall investment in R&D amounted to 1.7% of GDP (OECD, 2016). International migrants made up 13.2% of the population in 2015 (United Nations, 2015b).

The Sirius Programme was initiated and funded by the UK government's United Kingdom Trade and Investment Unit (UKTI) department. The programme's objective was to attract recent graduates from all over the world who have started a business within the last two years or who have business ideas and want to launch their businesses in the UK. The Sirius Programme had two tracks. One was the Business track and the other was the Ideas track. The Business track was for applicants that were already putting their idea into practice, while the Ideas track was for applicants that had an initial concept but had not put it into practice yet. The Sirius Programme also differed from Start-Up Chile and Launchpad Denmark by having a two-tier structure. One tier was the Sirius Programme itself, which organized seminars and events and helped leverage the network and resources of UKTI, while the daily acceleration programmes were delegated by Sirius to five independent accelerators.

UKTI chose to outsource the implementation of Sirius to the large international consulting company PA Consulting, which in turn contracted five leading acceleration programmes around the UK to host the expatriate entrepreneurs. The five accelerators that took part in the Sirius Programme were Entrepreneurial Spark, Ignite 100, Oxygen Accelerator, Accelerator Academy, and The Bakery. The accelerator programmes were located in London (2 accelerators), Birmingham, Glasgow, and Newcastle. The entrepreneurs that were admitted to the Sirius Programme were not able to choose which of the five acceleration programmes they would join. Instead, the accelerators chose which teams they wanted to admit, based on the fit with the industry focus of the accelerator and the other teams already taking part in the accelerator. If more than one accelerator wanted to admit a team, Sirius Programme management decided which accelerator would host which team.

The acceleration programme that I could access was run as a non-profit venture. Prior to becoming part of the Sirius Programme the accelerator did not specifically target expatriate entrepreneurs. The interviewed accelerator representative considers the experience of having expatriate entrepreneurs to be very positive and hopes that there will be a continuation of the Sirius Programme. Of note, the accelerator's other participants that were not Sirius members were businesses that had a global or regional potential. For instance, lifestyle businesses were not admitted to the accelerator.

Responsibilities were divided between PA Consulting and the accelerator programmes. PA Consulting staff were responsible for marketing the programme, the selection process, and assisting the expatriate entrepreneurs with obtaining a UK residence permit. In addition, they served as liaisons between the Sirius Programme participants and the UKTI. For example, when the Sirius participants needed the assistance of the UKTI's staff in China, this was arranged through the PA Consulting staff. Sirius Programme management also occasionally organised training seminars and workshops. However, the vast majority of the acceleration programme that the entrepreneurs obtained was given by the accelerator in which the expatriate entrepreneurs were placed. Both the Sirius Programme and the individual accelerators conducted a review of the performance of the Sirius participants every month. If the Sirius teams did not deliver on 70% of the

objectives for three consecutive months, the Sirius Programme was entitled to cancel the participation of the team.

As for preconditions for applying to the programme, the team members either had to have recently graduated or had to do so before the programme's start date, and entrepreneurs had to hold a B.Sc., M.Sc., M.A., M.B.A., or a Ph.D. degree. An independent panel selected the winners. Subsequently, the shortlisted teams were interviewed by at least one of the five accelerator programmes of the Sirius Programme in order to decide whether the accelerator would offer them a place. The selection criteria for the entrepreneurs that had business ideas but had not yet incorporated a business were:

- team members' qualifications
- entrepreneurial skills of the team
- global market potential of the business
- potential impact of the business on the UK economy.

The corresponding selection criteria for early-stage businesses that were relocating were:

- feasibility of the product/service
- current and future finances of the venture
- competence of the team members (sole entrepreneurs were not allowed to apply)
- marketing strategy
- potential impact of the business on the UK economy.

The admission rate for Sirius was 10%, meaning that 200 entrepreneurs were admitted to the programme. The pilot programme's first admission round was in December 2013, while the last admission round took place in December 2014. One important condition for taking part in the programme was to commit to spend 12 months in the UK. Additionally, participant entrepreneurs needed to spend at least eight hours per workday working on their respective Sirius projects. Admits to the programme who

were not UK citizens needed to be eligible to work in UK or able to obtain a Tier 1 (Graduate Entrepreneur) visa. The Sirius Programme was the sponsor of the visa for those entrepreneurs that needed one. Also, the headquarters of the business had to be in the UK, and all property rights needed to be transferred to the UK firm that was established in connection with starting the Sirius Programme.

Sirius programme: network formation and resource acquisition

Amongst the benefits offered by the Sirius Programme were spending 12 months at one of five leading UK accelerators, help with the relocation to the UK, assistance with obtaining a visa, financial support in the amount of £12,000 per team member for one year, shared office space, extensive mentoring, and assistance with finding customers for the firm's products or services. There was no fee for participating in the Sirius Programme, hence the entrepreneurs did not need to give up any equity in order to take part in the accelerator.

Shortly after joining the Sirius Programme, all the expatriate entrepreneurs needed to participate in an induction in London. The expatriate entrepreneurs also received assistance from the accelerator with filing the documentation for establishing a UK company. The expatriate entrepreneurs needed to arrange their own accommodation. However, since the particular accelerator studied is located in a city where it is relatively easy to find housing; this was a straightforward process for most expatriate entrepreneurs.

The Sirius entrepreneurs shared the co-working space with local entrepreneurs who are part of the accelerator programme, thereby giving them plenty of opportunity to interact with each other. The accelerator representative pointed out that the open office is conducive to building professional and personal networks among the accelerator participants. The accelerator management was eager to promote knowledge exchange between all the entrepreneurs taking part in the accelerator. They actively encouraged the entrepreneurs to spend as much time as possible working at

the accelerator's shared office, as this is something they believe facilitates knowledge exchange.

All accelerator members received the support of more than 50 mentors along with extensive networking opportunities by taking part in mandatory events, workshops, and pitch practice, among others. Each team that joined the accelerator was assigned a coach who worked for the accelerator programme. Each coach could work with up to 40 entrepreneurs, and, importantly, coaches were assigned a mix of Sirius and non-Sirius teams, so they were able to put teams in touch when they thought one or both parties could benefit. At the acceleration programme that I interviewed, the expatriate entrepreneurs met with their respective accelerator coach every other week. During those meetings the coaches discussed the progress that the Sirius teams had made since the last meeting. They also discussed whether the coach could be of assistance to the Sirius team in any way—for instance, by introducing the team to a mentor for a specific query.

According to the accelerator representative, having networks is very important for the expatriate entrepreneurs' ability to acquire resources, and a significant part of the value added by the acceleration programme is the strategic partners, as they are important network components that help mobilize resources. The accelerator's representative considered that networks were the most important resource for expatriate entrepreneurs. In terms of differences between local and Sirius accelerator members, she did not see a major difference in the ability to establish a formidable professional network. According to the representative, it came down to the characteristics of the entrepreneur and their ability and willingness to network. The accelerator representative pointed that the Sirius participants could also benefit from using the networks that they had in their home countries.

To help the Sirius entrepreneurs, the accelerator staff made every effort to make their vast business network available for the Sirius team members. This meant that if the Sirius team members wanted to meet with a major company, the accelerator staff would do their best to make an introduction between the entrepreneur and the company, if they had previous contact with that company. Another key aspect facilitating the resource acquisition process was the participation of the accelerators' mentors, as they are the industry experts. The mentors' networks were well suited for the specific

businesses the expatriate entrepreneurs were running. Mentors were chosen based on their expertise in the field, and they were thereby able to help the entrepreneurs acquire market knowledge. In fact, it was mainly through mentors that the accelerator helped the entrepreneurs with the mobilization of market knowledge.

The expatriate entrepreneurs also were able to leverage the extensive partnerships that the accelerator had with the industry in order to mobilize resources. These partnerships included accounting firms, law firms, business gateways, and different actors in the public-sector ecosystem. Tacit knowledge is a resource that is often mobilized through networks. The accelerator's representative considers tacit knowledge to be important in particular for expatriate entrepreneurs, because entrepreneurs from another country are often unfamiliar with the way things are done locally. The networks, especially with local entrepreneurs, can assist the entrepreneurs with learning quickly how business is conducted in the host country. The entrepreneurs also had the opportunity to collaborate with accelerators located in other cities. In terms of getting assistance with establishing personal networks, coaches focussed on how the business was progressing and engaged in a participant's external life only if it was affecting their business. This meant that the accelerator did not organize social events, partially because they believe entrepreneurs are able to organize social events by themselves.

The accelerator programme offered the Sirius teams the possibility to take part in investor showcases, meaning that they could present their businesses to investors and try to raise money through these events. Another important resource that the accelerator's representative believe Sirius participants obtained from the programme was funding. This gave the expatriate entrepreneurs a "runway" of approximately one year, during which they could develop their business. This is one of the most important examples of how the accelerator programme helped the expatriate entrepreneurs with raising capital. In regards to recruiting, the accelerator programme introduced the expatriate entrepreneurs to the local job centre if they needed help recruiting additional staff, and to other accelerator members who had recently recruited, so that they could learn from them.

Sirius interviews

The Sirius Programme (Sirius) expatriate entrepreneurs that were interviewed are presented in Table 7.1.

Table 7.1. Interviewed Sirius entrepreneurs

Designation	Role
Sirius 1	Expatriate Entrepreneur
Sirius 2	Expatriate Entrepreneur
Sirius 3	Expatriate Entrepreneur
Sirius 4	Expatriate Entrepreneur
Sirius 5	Expatriate Entrepreneur
Sirius 6	Expatriate Entrepreneur
Sirius 7	Expatriate Entrepreneur
Sirius 8	Expatriate Entrepreneur

Sirius accelerator representatives that were interviewed are presented in Table 7.2.

Table 7.2. Accelerator representatives

Designation	Role
Sirius Staff 1	Accelerator representative

Before analysing the interviews, I had to ensure that all Sirius entrepreneurs were indeed expatriate entrepreneurs. This was necessary because the Sirius Programme admitted teams with up to one team member who was a UK citizen. Furthermore, the Sirius Programme also admitted foreign entrepreneurs that had graduated in the UK and therefore were already living in the UK when they applied to the programme. I tried to identify the aforementioned non-expatriate entrepreneurs based on publicly available information, but it often was not possible to judge whether the entrepreneurs

were expatriate entrepreneurs before actually interviewing them. After the interviews I excluded three of the eight embedded cases. Sirius Embedded Case 2 and Embedded Case 5 were excluded because in each case the co-founder was studying in the UK at the time of applying to the Sirius Programme. Sirius Embedded Case 8 case was excluded because one of the founders was from the UK. Table 7.3 summarizes the embedded cases that were verified to be expatriate entrepreneurs and therefore were included in the Sirius Programme case. A detailed description of how I reached the conclusion that these entrepreneurs are indeed expatriate entrepreneurs will be presented in the next sub-chapter.

Table 7.3. Sirius embedded cases

Embedded case	Nationality of interviewee	Interviewee highest level of education	Role of interviewee	Company future market
Sirius 1	North America	B.Sc.	Founder and CEO	Global
Sirius 3	Asia	B.Sc.	Founder and CEO	Global
Sirius 4	Europe	M.Sc.	Founder and CMO	Global
Sirius 6	South America	B.Sc.	Founder and CEO	Global
Sirius 7	Europe	M.Sc.	Founder and CEO	Global

Sirius Programme management declined to make their staff available for interviews. However, they gave me permission to collect data from the acceleration programmes by interviewing the accelerator's staff and the expatriate entrepreneurs participating in the programme. Not being able to interview the Sirius staff was not a major concern, because the vast majority of the interaction between the expatriate entrepreneurs and the Sirius Programme took place through the accelerators staff and not through Sirius staff. In addition, I was able to learn much about the interaction between the Sirius staff and the Sirius entrepreneurs by asking the latter group.

There was also extensive public information on the Sirius Programme, which facilitated understanding the role and responsibilities of the Sirius staff.

I reached out to the five accelerators that made up the Sirius Programme, inquiring whether they would be willing to participate in the study. One accelerator programme agreed to participate in the study and made their staff available for interviews. Importantly, the acceleration programmes in each of the Sirius accelerators are fairly similar, with no substantial differences in the type of acceleration programme that is conducted across the five accelerators, something that I verified by talking to entrepreneurs at different Sirius accelerators. When I reached out to the entrepreneurs based on their LinkedIn profiles it was, in most cases, not possible to know in which of the five accelerators they were located. Given the similarities of the five accelerator programmes, I decided to interview teams from several accelerator programmes. Two of the five embedded cases are from the accelerator that gave me permission to interview their staff and visit the accelerator's shared office in the UK.

Embedded case: Sirius entrepreneur 1

This electronics start-up has two co-founders, both of whom are from an upper middle income country in North America. The co-founders applied to a business-plan competition, and won while still studying at university. They did not have any prior experience in business or entrepreneurship, nor were their study fields related to business or management. They initially heard about the Sirius Programme upon seeing a flyer describing the programme in their home country. A key reason for applying to the Sirius Programme was that they considered the access to resources to be much greater in the U.K. than in their home country. Having a business in the UK was important to them, as it is a country with a large community of potential buyers for their product.

The Sirius Programme had a staff member that was responsible for liaising with Sirius 1 and checking the progress of their business project. That person also was their contact with UKTI in case they needed help with something. Examples of queries discussed with the representative in-

cluded reviewing *“what kind of people we are looking for or what are we struggling with; and [the Sirius employee] will find like the best way to reach the people that we need.”* In addition to the support from the Sirius Programme, they had support from coaches and mentors working for the accelerator. The mentor community consisted of experienced entrepreneurs with different areas of expertise. Sirius 1 was assigned to three specific mentors, but they also had access to other mentors when needed, being able to decide themselves *“who will you talk with. [The accelerator] would give you the phone number and the email so you can be in direct contact with [the mentors].”*

Network formation and resource acquisition

Sirius 1 received assistance from the Sirius Programme with applying for the start-up visa. Before starting the acceleration programme given by the local accelerator they took part in the Sirius Programme induction that was given to the entire Sirius cohort. At the induction they listen to lectures on the UK economy, state of entrepreneurship in UK, key global trends and on the benefits of participating in the Sirius programme. Furthermore, they received sales training and listened to lectures by experts in fields such as PR, law, and technology. They also were given the opportunity to approach the lecturers and other Sirius team members to discuss specific topics on which they wanted input. At the end of the induction there was a large networking event where the Sirius entrepreneurs had the opportunity to meet business people from around the UK.

Talks or workshops were given regularly at the accelerator. Often the accelerator had tickets to different events, which were given to participants who expressed interest. In addition, Sirius Programme staff sent regular emails *“where they share good news from different teams, as well as they talk about different opportunities for pitching, for securing investors, or workshops they are running to know better different kinds of stuff, like having better business model, manufacturing or better pitch.”*

The Sirius Programme often approached them when a new team joined the Sirius Programme in the same city so that they could help with the new team’s transition and establish bonds between each other. Sirius 1 said that *“there is this environment of trust and support between us”* and that at the accelerator *“they have a bigger community where everybody is helping and that is mainly to the*

business and company things, as well and sometimes in a personal matter there would be people willing to help". Furthermore, being part of the Sirius Programme granted participants legitimacy and credibility. Sirius 1 said, "so when people see that we are part of the UKTI, that we have mentoring with [the acceleration programme], that we have that kind of backup. That enhances the credibility of [our company] and is really important. So for us, yeah that was a strong trust point that we have been selected by the UKTI and that we had been mentored by [the accelerator]."

The knowledge exchange between entrepreneurs within and outside of the Sirius Programme was *"really frequent, as we are located in this accelerator, where lots of companies are working and some of them are in the same stage as we are, so [the accelerator] arranged events or seminars where we have to work in teams with other companies. That is when you meet more people, and sometimes you share what you are struggling with, or they share what they are struggling with, and that is when you start getting some advice or giving some advice. So it is like 24/7. When someone is stuck, some people need help with something, they only post it and lots of the entrepreneurs read it and give their opinions and their solutions. The knowledge exchange is on a daily basis."*

Future plans

Their goal is to *"have our company here [UK] in the beginning and then expand to Europe and then expand to [a country in North America] but we know that for us to be successful we should be having a very first start in the UK."* If they are not successful generating enough sales to continue running the business in the UK, they believe it will be difficult to stay in the UK. If the venture does not take off in the UK they most likely will have to return to their home country and start applying for jobs. In terms of applying to other accelerator programmes, it is possible that they would apply to other programmes after the Sirius Programme is finished.

Embedded case: Sirius entrepreneur 3

This venture's main founder moved from his home country, an upper middle income country in Asia, to the United Kingdom in order to launch the venture. The company is in the hardware industry. The founder considers that the country where the business is headquartered is central to the suc-

cess of the business, due to his belief that customers are more prone to start business dealings with firms who are headquartered in Europe or the U.S. than with those located in developing countries. Within Europe, Sirius 3 considers that the UK is especially suitable for launching a business, because there is a large financial industry that can potentially provide funding to the ventures. For a short period the business was incorporated in his home country, but this firm was closed down in connection with the relocation to the UK. The founder heard about the Sirius Programme from a friend.

Network formation and resource acquisition

The expatriate entrepreneur considers that by being part of the Sirius Programme it was easy to understand the norms and values in the entrepreneurial environment. For this entrepreneur the entrepreneurial community *“is very helpful in some sense, there are a lot of people that have grown businesses themselves and have become big businesses and are willing to help smaller businesses; so there are lot of people that you can get advice from.... In this sense the UK is really much more advanced in the start-up field [than my home country].”*

According to Sirius 3 the accelerator co-working space was important for obtaining connections. *“When you are based in a co-working space you get connected to so many people which give new opportunities to the business.”* The physical location of the co-working space was also important— their particular accelerator was located in the middle of a city district where there are many other start-ups, making it easier to come in contact with other entrepreneurs. Additionally, by the accelerator being based in a major city in the UK, there were many international events that the entrepreneurs could attend in order to expand both their professional and personal networks. Sirius 3 says that he met a lot of people through both the Sirius Programme and the accelerator programme.

The entrepreneur pointed out that sharing offices with other expatriate entrepreneurs was also very important because these entrepreneurs were in the same stages and face similar issues. Sirius 3 said that there was a lot of trust between the entrepreneurs that were participating in the programme *“because ... there is a sense of trust between the different start-ups, and we understand that all the start-ups have their own projects. So all of them freely give advice to each oth-*

er and try to get feedback on their own projects.” In the beginning, after joining the accelerator programme, they had weekly meetings where each team presented what they had done during the last week. Over time, the number of meetings organized by the accelerator decreased as all the teams became busy working with their projects and did not need as much support as in the beginning. In addition, Sirius Programme management arranged meetings to connect entrepreneurs with other Sirius teams that were located in other cities or with investors or lawyers, as this could be useful for the development of their ventures. They also benefited from the support of the Sirius staff, as *“each five or six Sirius firms have Sirius advisors that regularly checks how things are going and provides advice and contacts when needed.”*

A very important part of the programme was the large number of mentors who were made available by the accelerator. *“We had a wide variety of mentors. Every one or two days we meet five, six mentors and in total we met I think more than seventy or eighty mentors that came from different industries and different companies, that gave us great connections to different people and the advice we got from these people was very valuable.”* In addition to these connections conferred by the accelerator, Sirius Programme management also contributed some very important contacts. This was especially the case with foreign contacts. Through the Sirius Programme the expatriate entrepreneurs could access the UKTI’s network in other parts of the world. Sirius 3 benefited extensively by being able to leverage the resources of the British government through UKTI. The UKTI has very good connections with businesses around the world, and they provided valuable introductions to these companies for all Sirius participants. When the UKTI introduced Sirius 3 there was a high probability that the *“other companies will give you more resources, support, and help instead of us going and just knocking on their door and asking if they can help us.”*

The legitimacy and credibility conferred by being part of the programme was also important. *“It is very helpful when you are introducing the company to investors or different people they have a great view, that we have gone through a selection programme and this selection programme is by the UK government.”* One of the most important resources they acquired by taking part of the programme was the grant. Without the grant, Sirius 3 said that he would have been forced to take a part-time job in the UK, and without being able to

devote himself full-time to the venture, progress would have been much slower. Sirius 3 said that the funding received by the Sirius Programme would be enough to let them focus on the venture for a full year.

Future plans

Sirius 3's plan is to stay in the UK. However, he has not planned too far in the future, as ultimately the decision depends on the support available in the UK. So far he is very satisfied, so he thinks that he will stay in the country long term.

Embedded case: Sirius entrepreneur 4

Team Sirius 4 consists of three individuals, all from a high income EU country. They launched an information technology B2C firm in the UK. The type of service they bringing to the market is covered by legislation that varies across EU countries. In addition to the fact that the UK is a promising market for their service, the United Kingdom has very favourable legislation, making it a good country for the headquarters of their business. This favourable UK legislation was the key reason for applying to the Sirius Programme. Another important reason for applying to the programme was the access to venture capital in the United Kingdom. Their venture will require venture capital in the future, and the interviewed co-founder of Sirius 4 believes that more venture capital is available in the UK and so, it would be easier to obtain the funding in the UK than in their home country. Also compared to their home country, the corporate and personal taxation of income is much more beneficial in the UK. This did not influence their decision to move the company, but they consider it an additional advantage of being headquartered in the UK. The venture was initially launched in the home country, but when they joined the Sirius Programme they relocated the venture to the UK.

Network formation and resource acquisition

Sirius 4 worked in a co-working space where more than 50 companies are located. This gave them ample opportunities to find synergies with other accelerator participants. *“When you need legal assistance you will find a legal start-*

up or you will meet some tech consultancy and you will find an application developer that could help you test your application. So absolutely I think that the Sirius Programme ensured us of good networking.” Moreover, Sirius 4 considers the level of trust between the Sirius participants was high. Since Sirius participants were almost never direct competitors, sharing information and exchanging knowledge between the Sirius entrepreneurs was a natural occurrence that they consider to be very rewarding. This is demonstrated by the fact that the Sirius entrepreneurs often shared contacts between each other. For instance, when one of the Sirius participants came across a contact that was not helpful for their business, they knew enough about other Sirius ventures to realize that this particular contact might be very helpful for someone else’s business. By helping others, they believed that there is a high chance that they in turn will receive help in the future. So there was a dimension of reciprocity in the Sirius Programme.

The Sirius Programme and the accelerator helped Sirius 4 with everyday issues that are straightforward for someone who has been living in the United Kingdom for a long time, but not for expatriate entrepreneurs who are new to the country. The Sirius Programme’s staff or the accelerator staff gave them quick replies to common questions, which was very useful and saved them time.

Sirius 4 benefited from the accelerator programme’s network by obtaining necessary advice to further develop the venture. For instance, the accelerator had a lawyer who shared an office within the co-working space. This made it very easy and convenient when they had a legal question. When they needed to get in touch with a competent accountant they asked both the accelerator staff and the other entrepreneurs in the accelerator. The Sirius Programme also helped the entrepreneurs find clients. In this case, the Sirius Programme introduced them to two partners who might be potential clients of Sirius 4.

In terms of networking with other expatriate entrepreneurs, Sirius 4 feels that they especially benefited from getting advice from entrepreneurs that are from their home country. They found it easier to connect with someone coming from their home country in regards to private life matters. For specific issues, such as those related to relocation from the home coun-

try to the host country, it is easier to understand when the information comes from someone who has made exactly the same move.

Sirius 4 considers that the most important resource is having a good team. In their specific case it would have been difficult to build a good product without having a high-quality team. The second most important resource is having money available in order to facilitate the company's growth, and the third most important resource is networks.

Future plans

The entrepreneur is open to engaging in serial migration. *‘For me I always thought UK was the first step, to get the first institutional investment from a group of angel investors. Then perhaps when it comes to getting the VC money, moving to the U.S. could be still the most likely scenario. The venture capital (VC) industry in the United States is quite wide-spread and well-structured and loads of opportunities. I am not saying it is the same in the UK, but they are getting there. At the same time, the U.S. is still a step forward in respect to the UK.’* However, for the foreseeable future they believe that they will stay in the UK as the business has been established there and they want it to grow in the country.

Embedded case: Sirius entrepreneur 6

This venture was founded by four entrepreneurs who first established the company in their home country, an upper middle income country in South America, but as part of entering the Sirius Programme they relocated the venture to UK. They believe that the Sirius Programme was a great chance to internationalize their business, since the type of IT business that they are running is well suited for the UK market. They learned about the Sirius Programme in connection with winning an entrepreneurship competition in their home country. At the prize ceremony a UKTI employee told them about the Sirius Programme and encouraged them to apply. Because all four team members are from a non-EU country, they received support from UKTI with obtaining the Tier 1 visa.

Network formation and resource acquisition

The team benefited from networking with the other team members at their accelerator programme. However, they did not have as much opportunity to network with the Sirius team members who are based in other cities, mostly due to the difficulties associated with the geographical distance. They consider that there was a higher level of trust between Sirius team members. *“Being a Sirius team too help us to create a connection. Of course that we trust people from our acceleration programme that we know, they are more trustful than someone we just met because we are all from Sirius.”*

Being part of the Sirius Programme meant that most of the networks consist of other Sirius members; there was limited contact with the UK entrepreneurial community outside the scope of the accelerator. They are looking to establish networks with locals, as they regard this as vital for business success. They still have many more contacts in their home country, where they are well known due to having received extensive press coverage. That is one important reason why their professional networks are much larger in their home country than in the United Kingdom.

During their time in the UK they are hoping to validate the business idea, so they do not focus on raising capital. Their priority in the UK is to gain sales contacts, namely people who can help them sell their products. That is what they feel they currently lack, so they are focussing their business efforts on this area. Having been selected to participate in the Sirius Programme is also important for the firm’s legitimacy. For them, it is especially important that UKTI was behind the programme, as it is a very reputable organization.

Future plans

They are considering staying in the UK for 2–3 years and then leave a sales operation in the UK while running the company from a warmer country.

Embedded case: Sirius entrepreneur 7

Their business is an Internet marketplace. The geographic location of the business is not considered very important. The other team members are

spread across several countries, making it to a large extent a virtual firm. The business started in the home country of the founders while they were part of an incubator programme. There, a talent scout working for UKTI approached them and suggested they apply to the Sirius Programme. After being accepted to the Sirius Programme, they were assigned to a small city in the UK. Their shared office was located in a remote part of this small city, making it difficult to access it on a daily basis. Because the office was located far from where most participants lived, there were not many people participating in the after-work social events.

The Sirius Programme team regularly contacted them to receive progress reports and connect them with useful contacts. The accelerator staff was more hands-on and easier to access, as they could be reached at the co-working space.

Network formation and resource acquisition

During their time in the Sirius Programme they took part in a three-month accelerator programme organized by the accelerator. They also participated in trainings, such as on intellectual property rights in the United Kingdom. Being in the UK also carried the advantage of being able to access a bigger pool of talent and paying lower wages than in their home country, which made it less expensive for them to employ staff. Sirius 7 was allocated to a separate shared office, which only hosted expatriate entrepreneurs. Sirius 7 saw this as a negative aspect, because it was harder to interact with local entrepreneurs and obtain answers to questions that most local entrepreneurs could have answered. Instead, they had to rely on the acceleration staff to answer those questions. The acceleration programme arranged for accountants to lecture about company accounts. The accelerator also brokered favourable rates with these accountants, which the Sirius members could take advantage of if they needed accounting or bookkeeping services.

In terms of expanding their networks, Sirius 7 considers this to be both an online and offline process. Their network was broadened by attending a vast number of networking events and by getting introduced to relevant people through the accelerator or the Sirius Programme. Obtaining venture capital was an important reason for joining the Sirius Programme. *“One of the reasons for moving was that we thought it would be easier for us to raise funds in the*

United Kingdom. The accelerator participants in general helped each other a lot. This was manifested, for instance, by giving each other introduction to potential investors. There was no worry about competition, as the other start-ups did not offer similar services, so most participants felt that the more we can boost each other, the better.”

According to Sirius 7, the most important resources when launching a venture in a host country are networks, as they provide the best way to get answers to all types of questions. It is especially for customer acquisition, as it reduces the customer acquisition cost. Sirius 7 felt that they were ahead of most other participants in terms of how far along they were in the business cycle. This had implications for the knowledge exchange, as the firms that are further along the business cycle had less to learn from the novices than vice versa. In terms of differences between the home country and the host country in regards to networks, the entrepreneur considers that “*everything is easier for me in [home country]. I do not think that it would be necessarily easier for a British person to start-up a business in [home country], but as a [national of the country of origin] it is easier to start-up a business in your home country. For instance, when I am looking for a lawyer, then an aunt knows a lawyer. Everything is network-based. That network I don’t have at all in the United Kingdom, and that has been challenging for us. And then I think, yeah, the funding would have been easier in [home country], except the human capital that we spoke about earlier.*” Still, they were able to use some of the resources and networks from their home country while launching the business in the UK.

Future plans

The overarching aim is to do what is beneficial for the business. So in case there would be a major opportunity in the United States, then Sirius 7 would be willing to move there. However, the interviewee wants preferably to return to the home country. Regardless of whether the interviewee returns or not, the long-term aim is that the headquarters of the business stays in London.

Within-case analysis: Sirius programme

The within-case analysis in this sub-chapter is based on all data collected on the Sirius Programme.

The accelerator programme and the boundary conditions of expatriate entrepreneurship

I will begin by addressing whether the entrepreneurs that join the Sirius Programme fulfil the boundary conditions of expatriate entrepreneurship. The three main criteria that characterize expatriate entrepreneurship are: i) motivation to start a business abroad is opportunity driven, ii) propensity for serial migration, and iii) preference for global markets.

First I will address the criterion of whether the entrepreneurs that participated in the Sirius Programme launched a business abroad because pursuing an opportunity. Table 7.4 presents the motivation for engaging in expatriate entrepreneurship for each of these embedded cases. It will be used to investigate whether the reason for expatriation was indeed the pursuit of a business opportunity.

Table 7.4. Reason for expatriation

Case	Reason for expatriation
Sirius 1	<i>"We did not have economical resources, the social resources and the knowledge to do this by ourselves in [home country]. We were like, we definitely have to try to get into the programme, as they do have all these resources that we can get, as the networking, the financial support and all of that."</i>
Sirius 3	<i>"We were doing research and had a company, but it was not successful because we did not have good international relations back in [home country], we did not have good connections and there were a lot of issues in regards to business. We thought that the UK would be a good opportunity to relocate and start the business."</i>
Sirius 4	<i>"First of all, a matter of regulations for us, and then secondly what was really attractive about the UK is the financial landscape, which is totally different from the [home country] one, because of the number of investors that there are here and the opportunities that you could get in the UK right now."</i>
Sirius 6	<i>"UK supports businesses in this part of the economy and we thought here could be a good place to grow."</i>
Sirius 7	<i>"We just wanted to be in an ecosystem where we could get some inspiration and some funding."</i>

Interestingly, the majority of entrepreneurs were familiar with the concept of cross-border entrepreneurial migration. They consider it to be something that should always be evaluated when starting a venture. This indicates that cross-border entrepreneurial migration is becoming increasingly mainstream, at least among young university graduates that are considering launching ventures with global ambitions. The implication is that the local entrepreneurial ecosystem is being evaluated during the opportunity-identification phase in the creation of a new venture.

In general, the entrepreneurs participating in the Sirius Programme were very fond of the positive attitude in the United Kingdom towards entrepreneurship. Most of the participants had a very favourable opinion of the UK even before hearing about the Sirius Programme. Some of them considered the UK to be one of the best countries in the world in which to launch a business. Furthermore, all interviewees considered the United Kingdom to be a financial hub, which they believed would have positive ramifications in regards to raising capital. The ability to raise capital was a common denominator for all the interviewees, because the types of ventures that were selected to participate in this programme relied on business models that often required external funding. Participating ventures would need to raise additional funding during or after the accelerator programme, and hence for most interviewees just having the opportunity to launch a company in the UK constituted an opportunity in itself.

From the beginning, the Sirius Programme was marketed heavily as an initiative by the UK Trade and Investment authority. Having such a reputable and well-known initiator made many of the participants perceive that, by being selected to participate in the Sirius Programme, they will automatically gain a considerable amount of legitimacy and credibility. Hence the legitimacy that the UKTI conferred on the entrepreneurs that became part of the programme added to the business opportunity. In addition, the education component of the programme was provided by five established and reputable accelerators. The entrepreneurs interviewed showed appreciation not only for getting access to UKTI's know-how but also for joining these acceleration programmes which were operated by organizations with a long experience of running successful acceleration programmes.

Importantly, the entrepreneurs made the decision to apply to the Sirius Programme because they had identified an opportunity. In general, compared to staying in their own countries, the interviewees felt that by engaging in expatriate entrepreneurship and becoming part of the Sirius Programme they would be in an entrepreneurial ecosystem more conducive to business growth and that would allow them to mobilize more resources. As discussed before, all of the interviewed entrepreneurs considered that the UK had among the best entrepreneurial ecosystems in the world and they were grateful to the UK government for enabling them to launch their ventures in the country. Hence in the case of the Sirius Programme, the United Kingdom itself had a huge pull on the entrepreneurs. In order to be selected to the programme, the majority of the team needed to be recent university graduates. As such, many of them would have lacked the funding to move to the UK to launch a company had it not been for this accelerator programme. This was especially relevant for the non-EU entrepreneurs, for whom getting a start-up visa can be difficult. These entrepreneurs gained an extra benefit from participating in the programme, as the Sirius Programme sponsored their visas.

Next I investigate whether the entrepreneurs participating in the Sirius Programme exhibit a propensity for serial migration that is fuelled by the discovery of business opportunities. Table 7.5 summarizes the serial migration traits of the entrepreneurs interviewed.

Table 7.5. Serial migration traits

	Serial migration traits
Sirius 1	<i>"If we achieve to have this successful crowdfunding campaign, or if we secure an investor before the programme finishes, we have the opportunity of being here in the UK.... But if we do not achieve this, it will be really difficult for us to stay in the UK."</i>
Sirius 3	<i>"It depends on how the situation goes with the programme and with the support I will receive over there. Until now it has been really good, and I think I am going for the long term."</i>
Sirius 4	<i>"I always thought UK was the first step... moving to the U.S. could be still the most likely scenario."</i>
Sirius 6	<i>"The first plan is to stay here but we need to see if the cost of life is very expensive and if we are not going to have UK support anymore."</i>

	<i>So we are waiting to see if can get some customers to support us here. If we don't we will probably get back to [home country]."</i>
Sirius 7	<i>"Having the business in London and having the headquarters in London was and it is the plan, even though I would not be living there full-time."</i>

The quotes presented in Table 7.5 show that the Sirius participants are in general satisfied with the programme and the way their businesses have evolved in the United Kingdom. However, for many of the entrepreneurs, staying in the UK upon programme completion is contingent on being able to secure additional funding. Given that most of their businesses are not expected to break even during the acceleration period and the cost of living is very high in the United Kingdom, they find it difficult to stay in the country without additional funding. However, virtually all entrepreneurs believe that the United Kingdom is an optimal ecosystem for raising money and it is seen as a big advantage over other entrepreneurial ecosystems. For some, the accelerator programme's grant was a pre-condition for being able to launch a venture in an expensive ecosystem such as the United Kingdom. Hence the serial migration traits are initially highly linked to the prospects of obtaining additional money after the programme ends. Interestingly, in terms of serial migration, while the high availability of funding in the UK decreases the probability of serial migration, the elevated price levels push entrepreneurs to engage in serial migration.

Many of the participants have a history of serial migration, having worked and/or studied in different countries. They said they are ready to move to another country should better opportunities present themselves. Sirius 7 was unhappy that her team had not been placed in an accelerator in London. This indicates that domestic migration also can occur after the programme has finished, as this team might move to London after the programme is completed. As for cross-border migration, Sirius 7 has already decided that she will be leaving the UK despite the fact that she wants her company to continue being headquartered in and run from the UK. Sirius 6 also said that in the long run the founders would like to leave sales operations in the UK but move the HQ to a warmer country. This shows that entrepreneurs are sometimes differentiating between what is the best for the development of the company and their own quality of life, and that

some expatriate entrepreneurs believe that they can run the company remotely from another country.

The last criterion defining an expatriate entrepreneur is whether the market for one's products and services are global. In this case, a precondition for being accepted to the Sirius Programme was that the business should have a global market potential. As a consequence, all the entrepreneurs that I interviewed had businesses that targeted the global market. Several of the entrepreneurs said that the UK, and especially London, was a great location for launching global businesses given that English is the official language and the UK is a very cosmopolitan society. In addition, by UK being part of the European Union the entrepreneurs can easily access all other European countries. Most of the businesses were in the domain of Information Technology, which made the businesses very mobile, enabling both the entrepreneurs and the businesses to move across country borders.

Are the embedded entrepreneurs participating in the Sirius programme expatriate entrepreneurs?

For Sirius entrepreneurs, the overarching reason for engaging in cross-border entrepreneurial migration was the pursuit of an opportunity. None of the entrepreneurs was pushed into entrepreneurship out of necessity. However, some of the participants from low- and middle-income countries expressed that it would have been very difficult to develop their business ideas back in the home country, where the entrepreneurial ecosystem was not sufficiently developed to support high-tech ventures. In many cases, the attraction of launching a company in the UK was in itself a large opportunity. The UK is ranked as a highly entrepreneurial country (GEDI, 2015), which in combination with being a finance hub and having English as the official language makes it a very attractive country for entrepreneurs. Indeed, being able to launch their ventures in the UK while also participating in an acceleration programme under the auspices of the renowned UK Trade and Investment was perceived as a very beneficial package for the expatriate entrepreneurs applying to the Sirius Programme.

The entrepreneurs also showed a willingness to participate in serial migration. Although the vast majority of the entrepreneurs were recent gradu-

ates, many of them had already studied or worked abroad before moving to the UK. They made staying in the UK conditional on their businesses continuing to grow. As Sirius 3 pointed out, a critical factor for that to happen was the existence of growth capital. *“If I see that the government is not helping, and for instance, if we do not find the investors here, then we would try to find them in different countries and might join some other programmes, but we will try to keep our HQ in London.”* For Sirius 1, exploring opportunities and applying to acceleration programmes in other countries will be done regardless of what happens with his venture in the UK. His reasoning is that it is important to review their options in order to be able to make decisions that are best for the business.

Finally, all interviewees were running ventures that targeted already or aimed to target global markets. This was also a precondition for being admitted to the Sirius Programme. Hence this expatriate entrepreneur criterion was accomplished by virtue of fulfilling the applications terms. The interviewees generally considered the United Kingdom and the acceleration programme as providing a great platform for internationalization.

In summary, the analysis of the three boundary criteria of expatriate entrepreneurship shows that all the embedded cases fulfil the criteria for being called expatriate entrepreneurs. Their decision to become entrepreneurs in the UK was guided by the wish to exploit a business opportunity. Some had engaged in serial cross-border migration before joining the Sirius Programme, and all expressed openness to engage in further cross-border migration. They all launched businesses that were global. The ability to participate in the Sirius Programme was considered a great opportunity, because it provided a way to bridge some of the most problematic constraints when it comes to engaging in expatriate entrepreneurship, namely lack of funding and difficulties with obtaining a start-up visa.

The environment's impact on expatriate entrepreneurship

Market conditions

The vast majority of the interviewed entrepreneurs participating in the Sirius Programme expressed a very favourable opinion of the market condi-

tions in the UK. They considered the UK to be a very open economy and one of the best countries in the world in which to launch a new business. Conducting market research on the UK was considered by the Sirius participants to be relatively easy since most of these participants were very proficient in English. This made collecting information on market conditions much easier. They could, for instance, research the market on the Internet by themselves and easily communicate with relevant people in the UK. The ability to communicate in the official language substantially decreased the difficulty of launching a business in the UK. It also made it less important to have an accelerator that could work as a trusted source of information. This indicates that accelerators are less important when entrepreneurs understand the language of the country.

Given that Sirius was a pilot project, the participants did not have the opportunity to reach out to previous cohorts of the programme in order to obtain valuable information on market conditions, which in turn added uncertainty at the time of the decision to apply to the programme. On the other hand, Sirius staff visited many entrepreneurship events and universities to present the accelerator programme. This gave potential applicants the ability to ask questions directly to Sirius Programme staff. In addition, uncertainty was decreased by the fact that the UKTI was the project's main originator. Having a famous government body such as the UKTI as the originator provided the applicants with reassurance that it would be a well-managed programme.

The participants regarded the geographic location of UK as positive. The fact that UK is a member of the European Union, its central location in Europe, and its easy access to many other countries in the world were considered important factors for establishing an international business from inception and also facilitating periodic visits to their home countries. The Sirius Programme mainly targeted recent graduates. Therefore most of the participants were relatively young, and consequently fewer of them had a family. Bringing a partner or family to a new country was often considered risky given that the outcome of the start-up ventures is uncertain at the beginning. In these cases, it is common that the family is left behind, leading the expatriate entrepreneur to want to travel back to the home country frequently.

The Sirius Programme required that all the participants had to start a company in the UK and, when applicable, transfer all the property rights to the UK entity. In this scenario, double-taxation treaties, and free-trade agreements became very important. The entrepreneurs considered it important to have the headquarters of a firm in a country with good business conditions. Sirius 3 thought the location of the headquarters was very important for a firm's counterparties. *"First, when looking for the company [the counterparties] check the headquarters and see where it is located. Usually European countries and American countries, especially the UK, have high statistics and high goals, which draws investors who would like to buy products from companies headquartered there."*

Institutional and regulatory environment

The interviewed entrepreneurs expressed very favourable views of both the institutional and regulatory environments in the UK, compared to those in their own home countries, and considered it more conducive to entrepreneurship. Even at the application stage they felt that they already had a decent understanding of the culture and norms in the UK. It is possible that the fact that the United Kingdom is a political and economic powerhouse in the world has ramifications on the perceived understanding of the entrepreneurial ecosystem among the entrepreneurs who were contemplating joining the Sirius Programme.

Regulatory and institutional factors have a substantial impact on the Sirius Programme's ability to draw entrepreneurs, especially from countries where the institutional and regulatory environment was functioning less well. They also subsequently impacted how positively the entrepreneurs perceived the programme. The national framework conditions were considered by the entrepreneurs to be very conducive for launching and running a fast-growing company, and constituted a key reason for starting a venture in the UK. Similarly, government policies were seen as being very pro-business. The most positive feedback on UK's entrepreneurial ecosystem was given by the participants who came from less developed countries. For those entrepreneurs that were from outside the European Union and from low- and middle-income countries, the regulatory and political environment in the UK was an important reason for joining Sirius. One of the

entrepreneurs that came from a middle-income country said that he was positively surprised by how good UK's institutional and regulatory environment was compared to the situation in his home country.

The analysis of the interviews indicates that there are differences between the entrepreneurs that took part in the programme depending on whether they came from within the European Union or not. In general, the entrepreneurs coming from European Union considered that the process of settling in the UK and opening up a business was easier. This had to do with the fact that as European Union citizens they did not need to apply for a visa in order to settle in the UK. Another example is an entrepreneur from a high-income European Union country, whose main reason for launching the firm in the UK was the very favourable regulation for the particular type of businesses they wanted to launch, which ended up saving them considerable money and time. Registering the company in the UK was considered to be straightforward.

The accelerator also served a useful role by offering the ability to obtain feedback on aspects that are difficult to know when starting up a venture in a new country. The notion that the accelerator was very useful for everyday issues was shared by many. According to Sirius 4, *"You need to open a bank account and of course I asked the guys at Sirius which bank I should go to. Because it is a new country and you need someone to advise you on everyday issues."* Another entrepreneur said that by being new to a country the lack of knowledge about the price levels could lead to local suppliers taking advantage of them, so the ability to verify price quotes with accelerator representatives was very useful. For instance, Sirius 2 mentioned consulting with the accelerator representatives as to whether the amount charged by the accountant they used was appropriate for the services rendered. Being part of an accelerator also was useful for quickly gaining an understanding of the social norms and culture in the UK, *"as we are from a different country with a different culture and with different rules"* (Sirius 1).

Because the Sirius Programme was a government initiative executed by the UKTI, it also plays an important role in providing feedback to the government on the pros and cons of the entrepreneurial ecosystem in the UK. The evaluation of the Sirius Programme could be a key source of infor-

mation for the government on how to adjust the entrepreneurial ecosystem so it becomes even more conducive to expatriate entrepreneurship.

The impact of the accelerator on network formation and resource acquisition

In order to be granted a start-up visa in the UK, non-EU expatriate entrepreneurs need to have access to significant amounts of money to fulfil the minimum-investment criteria defined by the government. This minimum level of financial assets makes obtaining a start-up visa a viable path for only a limited pool of non-EU entrepreneurs. The Sirius Programme was mainly targeting young entrepreneurs who recently finished graduate school. Since young entrepreneurs usually have not had the time to amass wealth that could be used for obtaining a start-up visa in the UK, the sponsorship of the Sirius accelerator programme for obtaining the Tier 1 (Graduate Entrepreneurship) visa was key in enabling many of the non-EU participants to launch a business in the UK. If they had applied for a start-up visa without the support of the Sirius Programme, they would have been forced to “raise at least £50,000 (US\$74,000) from a qualified investor or at least £200,000 (US\$296,000) from another source” (see Table 2.1). Hence the Sirius Programme played an important role in mediating the need for financial capital.

The Sirius Programme had a two-tier structure. There was an overarching accelerator programme run by PA Consulting that was the same for all Sirius participants. The other programme was operated and run by five accelerator programmes that were located in four different cities in the United Kingdom. The UK government wanted many regions in the UK to benefit from expatriate entrepreneurs, and thereby chose not to run the programme in only one city. The five accelerators that were contracted to provide the acceleration programme were all well-known and had a long track record of providing accelerator programmes to local British entrepreneurs. This meant that the expatriate entrepreneurs participating could benefit from networks and resources generated at both acceleration programmes. The programmes started with an induction week where all the participants got together regardless of which of the accelerators they joined.

By letting all Sirius participants meet, the programme enabled them to build networks and bond with each other, thereby facilitating their interaction and the sharing of market and tacit knowledge. Nevertheless, Sirius 6 pointed out that not being in the same city as all the Sirius participants made it more difficult to stay in touch and exchange knowledge.

During the induction week, participant entrepreneurs also received an introduction to the institutional, regulatory, and the general business environment. This enabled them to better understand the business culture in the UK, which turned out to be important when trying to acquire resources. The induction also offered general training, e.g. training in entrepreneurial selling, which was aimed at bolstering the human capital of the entrepreneurs. At the end of the induction there was a large networking event, where many participants from the UK business community were present, helping the expatriate entrepreneurs establish network ties to other expatriate entrepreneurs and local businessmen.

After the induction the participants went to the local accelerators located across the UK. All of the Sirius participants are of the opinion that the co-working space makes it easier to connect to people and that in turn generates business opportunities. From the interviews it became clear that the location of the shared office also plays a role. Those located in areas with a lot of events for start-ups expressed a higher ability to establish networks with actors outside the acceleration programme. One of the accelerators kept the Sirius entrepreneurs in separate co-working spaces away from the local entrepreneurs. This segregation between entrepreneurs was perceived negatively by the expatriate entrepreneurs because it made it more difficult to obtain answers to questions that most local entrepreneurs would have been able to answer. The lack of communication with local British accelerator participants at this accelerator forced the expatriate entrepreneurs to ask accelerator staff in all instances, which in turn made the representatives very busy and not easily accessible.

Both Sirius 1 and Sirius 3 mentioned that the ability to build business networks was an important reason for applying to the Sirius Programme. Sirius 7 highlighted networks as one of the most important resources that the programme conferred upon the entrepreneurs. *“Network resources are the most important, as there is only one way to get your answers and that is through connec-*

tions. You can Google some things but it is of course quite complex. The network is absolutely crucial, especially in the stage where you need to get customers on board. If you do not have a network, then it is going to be very expensive for you to acquire these clients or partners.”

The accelerators also facilitated access to a broad range of qualified consultants. There are many differences across national borders, meaning that even if an expatriate entrepreneur knows the legal and accounting legislation in one country, the same rules might be very different in the UK. This generates a large need to verify even basic aspects of running a business in the host country. For the Sirius Programme, when the acceleration staff, expatriate entrepreneurs, mentors, and local entrepreneurs could not answer a query, it was possible to contact the accelerator’s network of consultants. These were often lawyers and accountants who charged for their advice but with whom the accelerator had brokered favourable rates.

Assistance from the accelerator and the other participants was especially needed during the first months after arrival in the host country. At that stage, expatriate entrepreneurs have many questions that need to be answered regarding both business- and non-business-related topics. Finding the answers on their own can be time consuming and/or expensive if they need to pay for the advice they receive. As revealed by the interviews, for the Sirius expatriate entrepreneurs it was great help that they could access answers from the two-tier accelerator (UKTI/Sirius and the local accelerator) and from other expatriate entrepreneurs participating in the Sirius Programme. The accelerator representatives were helpful when it came to understanding how to establish an UK company. They provided fast answers to the vast majority of the general questions that the entrepreneurs had, saving the expatriate entrepreneurs both time and money.

Having access to a large pool of entrepreneurs that were ready to share their experiences was a very important resource, as they were in turn key to securing the resources needed to exploit the opportunity. In fact, Sirius 3 mentioned the start-up entrepreneurial community as a very important component in mobilizing resources. When the members had questions regarding running a business in the UK, the other participants who had often already faced these questions were a great resource for bridging obstacles, especially in the beginning when all the expatriate entrepreneurs faced simi-

lar issues. For instance, Sirius 4 mentioned that when they needed legal services they contacted another team whose business idea was in the field of law. Moreover, by working in the same office space and by participating in the same accelerator programme, close bonds are established between the expatriate entrepreneurs.

As highlighted by most of the entrepreneurs, the Sirius community was characterized by reciprocity between the participants, where information was shared freely among each other. Sirius 4 mentioned that it was a common occurrence to share contacts, thereby helping the other teams to expand their networks. This often occurred when one of the teams noticed that a contact that they had met was not useful for their own business but could instead be of use to another business participating in the programme.

Sirius 6 actively tried to develop ties with non-Sirius entrepreneurs as well. This entrepreneur saw that it was very important to expand the reach past the community present at the acceleration programme, as he considered that having strong network ties with locals was essential for business success. By sitting in the same offices with both local and expatriate entrepreneurs, business and personal networks could be established between the local entrepreneurs and the expatriate entrepreneurs. This led to knowledge exchange between these two groups, with mutual benefits. The local British entrepreneurs could get information from expatriate entrepreneurs if, for instance, they were interested in internationalizing their business to the home country of the expatriate entrepreneurs, while the latter group could get access to market and tacit knowledge from the local entrepreneurs.

Access to mentors and coaches was another very important part of the Sirius acceleration programme. According to the accelerator's representative, each Sirius participant had one coach with whom they would meet at least fortnightly. These coaches provided business advice and served as a liaison to the accelerator's networks and resources. In addition to the coaches, each entrepreneur also had access to mentors who were part of either the accelerator or the Sirius network. One of the entrepreneurs mentioned that he and his team met approximately 70–80 mentors during the acceleration programme. From these mentors, Sirius expatriate entrepreneurs gained useful advice connections to other people who helped them

further develop the business. The mentors came both from the accelerators' pool and from the Sirius Programme's central pool of mentors.

The Sirius Programme's network was very strong also outside the UK, because they could make available the contacts that the UKTI had abroad. The ability to leverage UKTI's offices around the world and thereby get help from them to internationalize the operations was a great asset for all the Sirius entrepreneurs. UKTI's offices abroad served as a source of market knowledge and played a key role in introducing the Sirius participants to the wide range of contacts that UKTI had in the markets the entrepreneurs wanted to enter. Hence by being part of the Sirius Programme the entrepreneurs were able to benefit from that organization's credibility, which in turn increased the legitimacy of their own project.

In addition to providing mentors and coaches, the accelerator also helped with the establishment of contacts with leading companies that might be suppliers or customers for the expatriate entrepreneurs' products or services. The expatriate entrepreneurs appreciated this greatly, as they acknowledged that it is difficult to meet senior management for a young venture. In many cases the accelerator already had a contact within the company the expatriate entrepreneurs wanted to meet. In those cases where the accelerator did not have such contacts, it was still useful to have the accelerator contact the company. Because the accelerator is well known in the United Kingdom, this first contact increased the probability that the company would be willing to meet the entrepreneur. The accelerator also made introductions to potential investors. For instance, the accelerator arranged investor showcases where the entrepreneurs could pitch their businesses to investors.

For most entrepreneurs, the ability to obtain funding for 12 months in the UK from the Sirius Programme combined with the favourable conditions for raising further funding were key reasons for deciding to launch a firm in the UK and for applying to the Sirius Programme. There were two funding components that made the UK such an attractive destination. The first was that the Sirius Programme offered £12,000 in financial support per team member. The second was that all the participants considered the UK to be a financial hub and great country in which to raise money.

The United Kingdom was considered by all the entrepreneurs to have a well-educated work force and great universities. Thus access to human resources was seen as a key strength of the entrepreneurial ecosystem in the UK. The accelerator provided advice on how recruitment is conducted and general advice on labour legislation in the UK. The participants also received advice from the accelerator on how to recruit interns.

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Chapter 8

Case 3: LaunchPad Denmark

In 2014 Denmark placed 5th among 120 countries in Global Entrepreneurship and Development Index rankings of country-level entrepreneurship ecosystems (GEDI, 2015). According to the Global Competitiveness Report 2015–16, Denmark is the 12th most competitive nation in the world (WEF, 2016). In 2015 the World Bank ranked Denmark 29th out of 189 countries in ease of starting a company (World Bank, 2016). In 2014 the overall investment in R&D amounted to 3.1% of GDP (OECD, 2016). Considerable government resources have been channelled to promote entrepreneurship in the Danish educational system. International migrants made up 10.1% of the population in 2015 (United Nations, 2015b). The OECD has classified the lack of skilled immigration to Denmark as an impediment to entrepreneurship. LaunchPad Denmark can be seen as an attempt to counteract this situation, as it aimed to attract highly skilled entrepreneurs to Denmark.

LaunchPad Denmark was established by the Danish Ministry of Business and Growth, with the purpose of attracting promising entrepreneurs worldwide to establish their firms in Denmark instead of in their home country. The reasoning of policy makers for launching the programme was expressed by one of the interviewed accelerator representatives: *“As there is only a limited pool of talent in Denmark, despite the many things going on here, we wanted to explore the idea of actually attracting foreign entrepreneurs to the region as well, for two good reasons. First of all, to increase the number of start-up companies that*

could benefit society. And secondly, to see who could bring in some new knowledge that was not [in Denmark] already.”

Similarly, in a press release Annette Vilhelmsen, then Minister for Business and Growth in Denmark, explained the reason why foreign entrepreneurs should come to Denmark in order to launch their ventures: “Denmark has an efficient and powerful ecosystem for developing start-ups and Denmark offers special know-how based on our position as world leader in e.g. ICT, life sciences, cleantech, and design. Brilliant business ideas with growth potential are welcome in Denmark.” (Vilhelmsen, 2013)

The programme was launched on the 18th of March 2013 with 30 places open for entrepreneurs. There were two application tracks, an acceleration programme for Young Talents and a Global Entrepreneurs programme aimed at more-experienced applicants who were slightly further along in their execution process. In reality, most of the projects that joined LaunchPad Denmark’s Global Entrepreneurs track were in a rather early stage. Thus both the Young Entrepreneurs and the Global Entrepreneurs tracks ended up receiving early-stage firms. The ventures that joined LaunchPad also were at a very early stage compared to other companies that already were members of Accelerace, the acceleration programme that became the home to the entrepreneurs selected for the Global Entrepreneurs programme. In terms of projects, the implementing parties were different for both tracks. Whereas the Global Entrepreneurs track was administered by Accelerace, the Young Entrepreneur track was implemented by Plus Leadership. Although Accelerace and Plus Leadership collaborated on the planning and marketing of the LaunchPad programme and also exchanged information throughout the programme, they mostly acted as two separate programmes. My research was conducted only on the Global Entrepreneurs programme.

The initial screening of applicants was based on i) high proficiency in English, ii) preference for applicants in the IT or cleantech sectors, and iii) previous experience running firms. The reason for prioritizing certain sectors was that Denmark already had a strong position in the aforementioned industries and LaunchPad felt that the country could best support firms in those industries. Only applications from businesses that had at least a regional potential were considered for admission. However, it was neither

expected nor required that the applicants would be able to be global leaders, because *“finding and convincing those types of firms or entrepreneurs to apply is difficult”*. The programme accepted both sole entrepreneurs and teams. A record of previous successful entrepreneurial experience was viewed positively. As for the selection process itself, an Accelerace team screened the applications and scored them according to whether the technology was interesting, the market for that particular technology had potential, and whether the team was interesting. A jury evaluated all the proposals and created a shortlist of the 50 most-promising candidates; this list was subsequently sent to a subcommittee that ultimately selected the winners. The winners of the Global Entrepreneurs track were enrolled in a business-development programme developed by the Danish accelerator Accelerace. Henceforth when I mention LaunchPad I am referring to the Global Entrepreneurs track that was operated by Accelerace.

According to an accelerator representative, the application window was too short, creating a major challenge as there was not enough time for extensive marketing of the programme. Despite this, the social media reaction was substantial, with LaunchPad receiving more than 100,000 likes on Facebook within a short period. However, the number of candidates that actually applied for the programme was comparatively small. This suggests that it is a long process to make and commit to the decision to emigrate and uproot oneself from families and friends.

The winners had to agree to spend 6 months in Denmark, which corresponds to the entire period of the project. However, the residence visa would last 12 months. After that, entrepreneurs wishing to stay had to apply for a visa prolongation so that they could operate a company in Denmark. The participants were required to open a company as a prerequisite for receiving the loan, something that LaunchPad management saw as a strategy to increase the probability that the participants would stay in Denmark after the programme finished.

Launchpad Denmark: network formation and resource acquisition

All winners were given a shared office in the Accelerace facilities in Copenhagen. In addition, they had help settling in, finding an apartment, obtaining a residence permit, and opening a bank account. Accelerace also arranged social events, so that the participants could get to know Danes and the other foreign entrepreneurs participating in the programme. In addition, all grantees received a scholarship; however, the amount (DKK3,000 per month) was too small to fully cover living expenses in Denmark, and so, all winners had to have sufficient means to cover their living expenses (estimated at approx. USD1,500 per month) themselves. In addition, the winners could obtain more than 200 hours of mentoring, the option to take a start-up loan in the amount of up to EUR40,000, and access to an international network including 18 of the largest companies in Denmark. All winners had the opportunity to participate in four to six boot camps in which mentors or lecturers would teach them entrepreneurship. Additionally, each LaunchPad participant had a business consultant (employed by LaunchPad Denmark) who gave them advice on business issues. The profile of the consultant matched that of the business, meaning that, for example, a biotech company would have a coach with experience in the life sciences. In addition, as part of the Accelerace programme, the LaunchPad participants had the opportunity to meet with a board of consultants for three hours to discuss a specific topic with which the entrepreneurs felt they needed help. This board of consultants consisted of industry specialists, investors, and other individuals with various competencies depending on the needs of the company. For any future iteration of the programme, the acceleration management feels that it could be beneficial to set up a mentoring programme where some of the mentors themselves are experienced expatriate entrepreneurs in Denmark, as participants could *“learn some things faster by getting a mentor that was an expat himself.... Looking into how did other expat entrepreneurs deal with arriving to Denmark, having to set up a network on their own.”*

LaunchPad Denmark was committed to help the participants establish their companies. According to one Accelerace representative, *“we open our own networks to whatever needs we see among the entrepreneurs we work with, but of course to a certain extent. We cannot force the network to buy, we can only open doors and make people talk.”* In order to help entrepreneurs develop their networks, LaunchPad arranged social events to promote meeting and interacting with not only other LaunchPad participants but also other business people outside the programme. LaunchPad also invited a network specialist who lectured on how to network in Denmark, and arranged common breakfasts with Plus Leadership for both LaunchPad tracks. LaunchPad participants also were invited on a sightseeing tour to discover Copenhagen, learn about Danish history, and visit one Danish municipality in order to learn about politics in Denmark. The LaunchPad staff also encouraged the expatriate entrepreneurs to join sports clubs and events to help them meet others and possibly expand their own networks. *“joining a sports club means that you can meet everyone from a teacher to a CEO of a big company.”*

The accelerator management recognizes that the lack of networks was a major impediment for the success of the expatriate entrepreneur. *“I think it has been more difficult than we have thought and maybe more difficult than the entrepreneurs had thought. Because for them, getting clients and testing their products, they need a network to test it on and I do not think that the network they have been able to create up until now is big enough to do what they want to do.”* In order to alleviate the situation Accelerace’s own networks were offered to all the participants so they can test their products and ideas. Despite these connections, in most cases, the language barrier made it more difficult to convert these networks into sales. Although LaunchPad Denmark did not offer language courses, LaunchPad participants were given the opportunity to take free language courses organized by the Danish government, which many LaunchPad participants did. Interestingly, the accelerator representative also thinks that the age of the entrepreneur influences their ability to establish networks. *“LaunchPad participants are at another stage in their lives than the young entrepreneurs you would find in start-up boot camps where they mostly are younger people that go out, drink beer, and socialize. The participants here, many of them are married, have children... they go to work and then home.”*

All Accelerace participants had the opportunity to attend the Investor day at the end of every acceleration programme, an event where the best eight companies from every cohort that graduate from the accelerator can pitch to approximately 100 of the leading Danish investors. Of note, one of the eight companies selected was a LaunchPad participant. Regarding funding availability, Accelerace also has an investment fund which could invest approximately EUR500,000 in the ventures. Thus Accelerace could provide both investment and loans to LaunchPad Denmark companies that they deemed to have good prospects. The accelerator representatives regarded these funding possibilities to be an important advantage for LaunchPad, especially for those expatriate entrepreneurs that expressed that in their home country they *“would have the ecosystem but then they might lack the financial system to back-up all these ideas that come up from that ecosystem.”*

Launchpad Denmark interviews

Launchpad Denmark expatriate entrepreneurs that were interviewed are presented in Table 8.1.

Table 8.1. Data collected from LaunchPad Denmark

	Role
LaunchPad 1	Expatriate Entrepreneur
LaunchPad 2	Expatriate Entrepreneur
LaunchPad 3	Expatriate Entrepreneur
LaunchPad 4	Expatriate Entrepreneur
LaunchPad 5	Expatriate Entrepreneur

Interviewed Launchpad Denmark staff members are presented in Table 8.2.

Table 8.2. Accelerator representatives

Designation	Role
LaunchPad Staff 1	Accelerator representative
LaunchPad Staff 2	Accelerator representative

As in the case of Start-Up Chile and the Sirius Programme, I first verified that all the entrepreneurs were truly expatriate entrepreneurs. During the interviews I found out that one of the co-founders of LaunchPad 4 had lived and studied for many years in Denmark and was already residing in Denmark when he applied to the programme. For this reasons I decided to exclude them from the study. Both co-founders of LaunchPad 5 were interviewed, as it turned out that the first interviewee had not participated during the first weeks of the accelerator programme. So by interviewing the second co-founder I was able to obtain information on what happened during those first crucial weeks of the acceleration programme. Table 8.3 summarizes the embedded cases of expatriate entrepreneurs that were included in the LaunchPad Denmark programme case. A detailed description of how I reached the conclusion that these entrepreneurs are indeed expatriate entrepreneurs, will be presented in the next sub-chapter.

Table 8.3. List of embedded cases at LaunchPad Denmark

Case	Nationality of interviewee	Interviewee highest level of education	Role of interviewee	Company future market
Launchpad 1	Asia	M.Sc.	Founder and CEO	Global
Launchpad 2	Asia	M.Sc.	Founder and CEO	Global
Launchpad 3	Europe	M.Sc.	Founder and CEO	Global
Launchpad 5a	Europe	M.Sc.	Co-founder	Global
Launchpad 5b	Europe	M.Sc.	Co-founder	Global

Embedded case: Launchpad entrepreneur 1

This technology company is incorporated in Denmark. The team consists of twelve members, two of whom are located in Denmark and hail from a lower middle income country in Asia. The other ten employees are in their country of origin. The interviewee has kept parts of the development in his home country, as the salaries of IT developers in the home country are lower than those in Denmark. This allows them to keep the development costs low while taking advantage of the more favourable business conditions in Denmark to sell their services at a premium price. The target market for the firm's services is global, but initially focused on European countries.

The business was originally funded through private capital, but recently they took a loan from LaunchPad to grow the firm. In fact, access to investors was an important reason for choosing LaunchPad Denmark. According to the interviewee, there is a lack of knowledge in the home country among investors in regards to investing in IT start-ups. Most investors in the home country do not realize that it takes time until the company is able to start showing positive cash flow, so finding investors in the home country willing to wait two years or longer without demanding a return on the investment was difficult. Moreover, it also was difficult back home to find investors who can commit larger amounts of money. Most of them are only willing to invest relatively small amounts, which sometimes is not enough to execute the business plan.

The interviewee pointed out that the geographic distance between the country of origin and the chosen country for relocation plays a certain role in the decision to emigrate. Nonetheless, for this interviewee the main criteria for relocation was the need for a proper environment that was conducive for his passion and long-term ambition to grow as an entrepreneur. If he had been able to find the same conditions and benefits that he found in Denmark in other countries that were closer to his home country, such as in the United Arab Emirates, India, or Singapore, he would have preferred to go there. However, he feels that the decision to move to a distant country is often linked to the strength of the ties that the entrepreneur has with

his/her family. According to him, strong family ties make it more difficult to emigrate to a country that is far away in order to launch a business.

Other factors that were important for him choosing Denmark were the favourable economic situation in the country, a stable political environment, and existence of interpersonal trust. Additionally, he reflects that Danish entrepreneurial culture is much more conducive to entrepreneurship. For instance, in his home country failure would be considered as an impediment to future projects and an indication that the entrepreneur lacks the necessary skills for business success. Thus many entrepreneurs there are not willing to become full-time entrepreneurs or take risks. By contrast, in Denmark failure is not necessarily associated with negative connotations but often seen as a valuable experience from which to learn.

Network formation and resource acquisition

For this interviewee the superior ability to acquire resources in Denmark compared to his home country was an important reason for participating in the LaunchPad programme. He considers that it is difficult to launch many types of ventures in his home country, due to the combination of a lack of financial resources and a generally flawed entrepreneurial ecosystem. The conditions are much better in Denmark, as it is a country that has a well functioning entrepreneurial ecosystem and on top of that also offers the Launchpad programme. For LaunchPad 1, access to an accelerator programme such as LaunchPad was a crucial factor for launching a business abroad. The interviewee believes an accelerator enables entrepreneurs to take the business to the next level. However, even the possibility of having such an accelerator programme in the home country would not have been enough to keep him there, as the institutional environment is still much more favourable in Denmark than back home.

One of the most important support services that he received as an entrepreneur from LaunchPad was mentorship. This was particularly important in the beginning, as the mentors provided advice on how to grow the company and provided regular feedback on whether, in their view, the development of the company was going in the right direction. Throughout the duration of the LaunchPad programme, the entrepreneur met weekly with the mentor to discuss challenges and set up milestones to benchmark

progress. Additionally, office space and the networking opportunities were important. LaunchPad 1 believes networks are crucial for expatriate entrepreneurs to raise money. One benefit he gained from LaunchPad's networks was good connections with competent auditors who helped them submit tax reports to the authorities. Networking with other expatriate entrepreneurs also was very beneficial. *"If you are facing a certain problem, they might already have passed through the same problem and they can give the solution right away."* In addition, networks also were helpful to bypass the language and cultural barriers experienced with non-expatriates. *"Most of the time with expats there is no language barrier, there is no cultural barrier, and you can talk to them freely."* He also mentioned that sharing offices had been very useful because *"you can help one company and they can help you out."* Moreover, Launchpad 1 highly appreciated receiving funding from the accelerator. The loan offered to all LaunchPad participants was especially valuable for those companies that needed to hire staff in order to grow their business.

Among other benefits received from LaunchPad Denmark, the interviewee pointed out receiving help from the accelerator programme with regulatory issues. LaunchPad arranged practical sessions with different institutions, such as the tax authorities, law firms, and other regulatory authorities in Denmark. This allowed him to develop a good understanding of which institutions to contact in what cases and to gain deeper knowledge of how taxation works in Denmark. Moreover, LaunchPad was extremely helpful and efficient in helping him obtain visas and work permits. Finally, he also points out that LaunchPad gave him credibility and legitimacy that was important for the development of his firm.

Despite all the above-mentioned benefits provided by LaunchPad to help develop his firm, the entrepreneur thinks that the accelerator could have still done more for the expatriate entrepreneurs, in particular regarding the formation of networks. He believes there is a need for more events to help the entrepreneurs expand their personal networks. Additionally, the interviewee would have liked to see more events organized by LaunchPad aimed at introducing the participant expatriate entrepreneurs to local Danish entrepreneurs. Another major barrier towards developing the business in Denmark was not speaking the local language. According to him, although speaking Danish might not necessarily be vital for business success,

it is a plus to contact any company in Danish because *“they seem to prefer that.”* But most importantly for him, language skills are necessary for daily life, to integrate into Danish society, and thus he has started taking language classes.

Future plans

The short-term plan for this venture is to develop the business in Denmark and procure some initial customers, then to focus on internationalization, mainly in the Middle East. At the moment they are not yet considering moving the business to another country, as they are still focusing on scaling the business to evaluate whether it will succeed or not.

Embedded case: Launchpad entrepreneur 2

This venture, which offers an online application, was initially launched in the home country, a lower middle income country in Asia. Prior to joining Launchpad, the expatriate entrepreneur took part in an acceleration programme in his home country. At the time of the interview, the company had six full-time employees, three of whom remained in the founder's home country while the other three went to Denmark to participate in the LaunchPad programme. The interviewee heard about LaunchPad through Facebook. The existence of LaunchPad was a key factor in the decision to emigrate and run a venture abroad. Even if they had been able to launch the product from their home country, they think that there would have been significant differences because having a headquarters in Copenhagen *“matters a lot in terms of getting access to capital in the market.... Being in Denmark gives you much access to good consultants, probably better human resources and some finances as well.”*

The company was initially founded by the interviewee, who at that time had no a-priori plans to start a business outside his home country. His home country offered him cost-efficient and competent labour at a lower expense; he estimates it is probably 20 times cheaper to start a business in his home country than in Denmark. On the other hand, there are many issues when running a company in his home country that encouraged him to apply to LaunchPad. One major reason was the favourable economic situa-

tion, social life quality, and the resource availability in Denmark. Furthermore, Denmark has a long track record of being a successful start-up nation, especially when looking at per capita metrics.

The entrepreneur thinks the importance of language varies according to the business model. For instance, if one is running a B2B firm and needs to make a sales pitch, it is very important to speak Danish. However, for his particular business he does not consider knowing Danish to be of critical importance, although it certainly is helpful, not only for the business itself but also for integrating into society. The geographic distance of the relocating country was not crucial in the decision whether to emigrate or not. He says that he would prefer a country that was closer to his home country, but he did not reflect on this at the time of making the decision to emigrate to Denmark and join LaunchPad.

Network formation and resource acquisition

For LaunchPad 2, participating in the programme was a good chance to get guidance from abroad and to interact with mentors experienced with starting and running their own companies. He said that although the accelerator did not help enough with establishing personal networks, especially with Danish locals, it was crucial for creating an atmosphere of trust that enabled networking among the participants. The accelerator also was very active in helping the participants establish professional networks, and sharing an office was valuable for meeting different teams and learning about Danish culture and society. Moreover, having both expatriate entrepreneurs and domestic entrepreneurs at the same accelerator further facilitated knowledge exchange among these two groups of entrepreneurs.

The entrepreneur considered the grant received from the accelerator to be one of the most important support services. Moreover, the optional DKK250,000 loan helped them substantially, allowing them to hire staff to develop the software in their home country, where the salaries were lower. Launchpad 2 also highlighted the consultancy support from mentors and the shared office at LaunchPad as other highly appreciated services provided by the accelerator.

Through LaunchPad the entrepreneur was able to develop a network. Some of the contacts were businesses that needed their services, and some

were potential investors. The knowledge exchange with local Danish entrepreneurs was limited and occurred mostly when the entrepreneur needed to contact certain Danish firms. In those cases, he asked the accelerator programme to help him reach the Danish firm, a method he learned to be by far the most efficient when reaching out to local Danish entrepreneurs.

He also mentioned that by being part of the accelerator he was able to build credibility and legitimacy, an important factor for foreign entrepreneurs with no previous track record in Denmark. The accelerator also provided much-needed help with obtaining work permits, and the mentor assisted the interviewee with the establishment of the company. The accelerator also facilitated finding experts. For instance, they obtained free consultancy services from lawyers and experts in company registration.

Future plans

As for the entrepreneur's long-term plans, *"I would love to stay in Denmark. The reason I came from [home country] was to work with the team here so that we could create a very good product in the next three months, get some initial customers and build a good business case."* He does not foresee a reason for moving to another country, as they have everything that they need in Denmark.

Embedded case: Launchpad entrepreneur 3

The entrepreneur had founded a company in his home country, an upper middle income country in Europe, but decided to spin-off the rights to sell that company's products in Scandinavia to the venture he incorporated in Denmark as part of LaunchPad Denmark. This means that there is a revenue-sharing agreement in place between the entity in Denmark and the company in his home country. He believes the company can grow much faster if it is based in Denmark than if it is based in his home country. Currently, he is the only employee of the Danish company. Going forward, the idea is to set up a global headquarters for both firms in Denmark so that the Danish company becomes a hub for the global expansion, while the company in the home country would serve as a support company.

Because the entrepreneur is a non-EU native, restrictions on which countries he could settle in gave him few options. In this regard, the

LaunchPad programme made Denmark a very viable option with few or no big drawbacks in his opinion. The country has a long tradition of launching IT companies that succeeded internationally. Denmark also has very good human capital, making it relatively easy to recruit highly qualified staff. The geographic distance played a role when deciding which country to emigrate to. He wanted to be able to fly home in two hours and be in a time zone that is fairly similar to the one in his home country.

Initially he focused on obtaining clients in Denmark, not only for sales reasons but also for product validation. The aim was to figure out what the market needs and how he can position his products. One of the biggest constraints to success is the high cost of living in Denmark. Each entrepreneur has a limited set of resources. He believes that entrepreneurs coming from developing countries with much lower costs of living sometimes are not able to sustain themselves for a long period in an expensive country such as Denmark. In addition, there also is the human toll of being away from family and friends in the home country.

For him, a key argument for emigrating was that he sees Scandinavian countries themselves as incubators. They are not too big, they are modern economies, they have a decent quality of life, and everyone speaks English. So Scandinavia as a whole seemed like a good launching pad to the global market.

Network formation and resource acquisition

LaunchPad gave him very useful assistance. He believes that all aspiring entrepreneurs need contacts, and the mentors and the rest of the LaunchPad team did a very good job in providing support for the LaunchPad participants.

As for funding, he considers the financial support given by LaunchPad Denmark to have been adequate for the programme's intentions as *"they paid for our visa costs, which were substantial—around 500 or 600 euros. They gave us a stipend for six months, 3000 kroner per month. It gets you nowhere, but I am personally not in it for money in LaunchPad. If you have enough place to play around, every entrepreneur will make their own money. It would be ridiculous if they gave us more money. It is good that they gave us some money, because too much money might be defeating the purposes, I guess."*

In his opinion, the loan was favourable in that there was no collateral required. On the other hand, he thinks the interest rate of 10% was high. Thus he decided not to take the loan. *“I plan to make it and I do not want to return money at such a high interest rate.”* As for knowing and speaking Danish, he considers that *“local language is not important in terms of conducting a business. Local language is important to get in touch with people.”*

When asked to compare Denmark with his home country, he said that the existence of trust among the actors in Denmark is a key factor that makes the business environment much less bureaucratic. In Denmark there is less bureaucracy, so productivity can be higher. In his home country he needs to take greater precautions to ensure he is dealing with a reputable party. Because at home one does not have much hope that the judiciary would rectify anything in case the other party is taken to court for a breach of contract, companies have to spend a lot of their resources on fraud prevention instead of allocating them for growing the business.

As a negative aspect of emigrating to start a business he mentions the loss of the social environment that one has in his or her home country, which in turn affects quality of life. So even if the material standards are much higher in Denmark, he misses his social setting back home.

Future plans

He is satisfied with the business environment in Denmark. Nonetheless, he is ready to stay in any country where the business takes him.

Embedded case: Launchpad entrepreneurs 5a and 5b

After the first interview with one of the co-founders of this venture I decided that it would be beneficial to interview another co-founder as well in order to get more in-depth information on the resource-acquisition process of these entrepreneurs while in Denmark. The reason was that the first co-founder I interviewed had not participated during the first weeks of the accelerator programme. Thus the embedded case description below is based on interviews from two co-founders, LaunchPad 5a and 5b.

They launched a software development firm, incorporated in their home country (located in Europe) and initially funded with the founders'

private savings. The firm has three founders, of which two joined the LaunchPad accelerator. From the outset, all of the company's clients were outside of their home country. Hence the company was already global from inception. They do not consider that the location of the company matters, pointing out the fact that despite coming from a small region in their home country they managed to obtain international clients from the beginning.

This being their first venture, they believed that they could benefit by being in an accelerator, which they thought would teach them how to run a fast-growing company. First they applied for an accelerator in their home country, and also to the Wayra accelerator in Germany. At that time, they were in contact with an organization called Invest in Denmark that informed them about the LaunchPad programme. They considered the Nordic region to be more developed and provided with more business opportunities than their home country. In addition, at the time they were considering joining an accelerator they also hired their first employee, who happened to have lived previously in Denmark. Thus when they heard about the LaunchPad programme, they considered this to be a great opportunity. Ultimately, the employee who had experience living in Denmark soon decided to leave the company. This affected their business plan: in his place the other co-founder relocated and joined the LaunchPad programme along with the first co-founder, who was already participating in the programme.

Key reasons for starting a company in Denmark were the favourable economic situation, the advanced entrepreneurial ecosystem, and the perception that financing was widely available in the new country. They were *"looking for countries with a more developed economy. The economic development in [home country] during the last years has been very bad. So it was part of the reason behind this."* To summarize, they thought that Denmark was a more developed economy and more focused on service and quality, conditions that they regarded as being conducive to entrepreneurship.

Network formation and resource acquisition

The support services provided by the accelerator that the entrepreneur appreciated the most were mentorship, learning activities, and help dealing with bureaucracy, such as understanding tax filings.

The ability to raise funding in Denmark was considered a plus when making the decision to join the programme. Compared to their home country, they feel that Denmark has a larger availability of venture capital per capita. They obtained extensive help from the accelerator with all issues concerning relocation and registration in the country. The training and the knowledgeable mentors provided by the accelerator participants were important and helped them with the business.

When I interviewed them they had not yet established a Danish company. The process of setting up the new company abroad, including dealing with lawyers, was rather straightforward and apparently easier than in their home country. They believe being part of an accelerator helps build credibility and legitimacy in the host country. According to the interviewees, speaking the local language is helpful for starting a business, but it is not a precondition; it is much more relevant for integrating into Danish society. They also wish there had been more Danish language-learning activities, since the few available were organized by the government and were not included in the programme.

Despite the mentor's efforts to help them acquiring clients, they experienced several difficulties in this area. *"I think it was the lack of local knowledge of the market and the companies in Denmark. We did not know the name of the company and the name of the important person in the company. For us it was very difficult to contact them and try to obtain any kind of contracts."* Their mentor *"tried to find some customers, but we changed the product a lot, we pivoted a lot around the product, so in the end we did not find specific customers."*

For these entrepreneurs, sharing offices was also regarded as a very positive experience, enabling them to get ideas and speak with others. They believe that without the accelerator programme it would have been difficult to fully exploit the business opportunity in Denmark. For them, the level of trust was higher within the accelerator community than outside, and this in turn, facilitated networking. In fact, they managed to exchange a lot of knowledge with other members of the LaunchPad programme. The accelerator also did their best to help them establish professional networks, which was, apart from LinkedIn, the key source of new contacts. On the other hand, the accelerator programme helped them less with the establishment of personal networks. Social events organized by the accelerator

were often visited mainly by the accelerator participants. Ultimately, the network they developed was not very strong. Nevertheless, the entrepreneurs consider that this was probably a result of themselves, not the accelerator, not devoting enough time to networking activities.

Future plans

They see themselves as being very mobile and would be ready to emigrate to other countries if that would help them develop the business.

Within-case analysis: Launchpad Denmark

This sub-chapter uses the data collected on LaunchPad Denmark to perform the within-case analysis.

The accelerator programme and the boundary conditions of expatriate entrepreneurship

I will begin with addressing whether the entrepreneurs that participated in the LaunchPad Denmark programme were motivated to launch a business abroad due to the pursuit of an opportunity. Table 8.4 presents the motivation for engaging in expatriate entrepreneurship for each of these embedded cases.

Table 8.4. Reason for expatriation among LaunchPad Denmark entrepreneurs

Case	Reason for expatriation
LaunchPad 1	<i>"Here we have the complete environment, starting from let's say exporter to market, assistance from the coaches and mentors from LaunchPad."</i>
LaunchPad 2	<i>"So when the opportunity came along to join the LaunchPad Denmark programme I thought that could be a good chance to go outside and get some guidance outside the country."</i>
LaunchPad 3	<i>"Denmark has a long tradition of IT companies that made it globally. As an economy completely based on human resources, which is also good, you know that you can tap on human resources here [in Den-</i>

	<i>mark]. It has relatively stable environment that you can operate in, it has a lot of things that can help and did help. LaunchPad was one of the crucial reasons that I decided to go to Denmark."</i>
LaunchPad 5 (2 co-founders interviewed)	<i>"We were interested in the Nordic region in general. It's more developed than [in home country], more opportunities, more business, we tried to also join a [home country] accelerator but then we saw the opportunity of LaunchPad Denmark.... the opportunity seemed bigger than in [home country]."</i>

All the LaunchPad Denmark entrepreneurs highlighted the important role that this particular accelerator programme had in their decision to engage in expatriate entrepreneurship. The entrepreneurs pointed out that the LaunchPad Denmark accelerator provided guidance that they believed would help them fulfil the full potential of their venture. They all expressed a familiarity with the concept of cross-border entrepreneurial migration, and regarded the decision of choosing a particular country as part of the opportunity exploitation process. All the interviewees highlighted that the accelerator was an important part of the opportunity that cross-border entrepreneurial migration entailed.

Three of the five interviewed expatriate entrepreneurs were from lower middle income countries. They considered that the combination of participating in a highly-reputable acceleration programme combined with being in an advanced entrepreneurial ecosystem was something that would facilitate the development of both their firms and their own skill-sets. For instance, LaunchPad 3 said that for him as a national of a middle-income country with slightly above-average per capita wealth, it would otherwise be very difficult to start a business in a high-income country. Hence for this entrepreneur joining LaunchPad or another accelerator that assisted with obtaining a start-up visa was the only viable option to launch a company in a high-income country. Engaging in expatriate entrepreneurship was seen as a business decision and it was considered as a way to pivot to an environment that was more conducive to business growth.

According to the interviewed LaunchPad participants, the entrepreneurial ecosystem in Denmark is very favourable to entrepreneurship; they considered it to be one of the leading entrepreneurial ecosystems in the world. Before moving to Denmark the entrepreneurs had a good understanding of the entrepreneurial framework conditions in the country. They

considered Denmark to have a favourable and stable economic environment where trust exists between people and firms. For some (e.g., LaunchPad 3) Denmark could be seen as an accelerator in itself. This is because the country is small, has an advanced open economy that provides a high quality of life, and its population can speak English very well. The interplay between the accelerator and the entrepreneurial ecosystem in Denmark was also an important reason for participating in the LaunchPad programme. The country was commonly regarded as having a positive track record of generating firms that internationalized quickly.

One of the accelerator representatives acknowledged that the time between the call for applications and the start of the programme was relatively short. So in order to participate in the programme, the entrepreneurs had to make very fast decisions about whether to apply or not and subsequently needed to be very fast in leaving their home country and settling in Denmark. Indeed, all the participating interviewees showed a high level of mobility and were able to relocate to Denmark within a very short period. Some of the interviewees decided to leave their spouses and children in their home country and moved to Denmark alone in order to develop the company.

In summary, the entrepreneurs decided to participate in LaunchPad Denmark due to the fact that they had identified business opportunities that would be more efficiently exploited and facilitated by taking part in the LaunchPad Denmark accelerator programme. In some cases, they deemed it not feasible to exploit the same opportunity from their home country.

Next, I research whether the entrepreneurs participating in the LaunchPad accelerator exhibit serial migration traits.

Table 8.5. Serial migration traits

	Serial migration traits
LaunchPad 1	<i>"If I get the complete support in Denmark then I will be definitely expanding the business to other countries, but relocating to, for example, Silicon Valley is not a priority."</i>
LaunchPad 2	<i>"There is nothing lacking in Denmark from my perspective. We have to take care of the challenges in our business. If we get a good business model, if I prove my business case, and we get some funding from</i>

	<i>Denmark, then it would make me stay in Denmark for a long term."</i>
LaunchPad 3	<i>"I am one that was willing to move from [home country] to Denmark, it would not be hard for me to move from Denmark to somewhere else. So I think I would."</i>
LaunchPad 5 (2 co-founders interviewed)	<i>"Yes, of course [I would be willing to move to another country in search of a business opportunity]. This is why I went to Denmark in the first place."</i>

From Table 8.5, it is evident that there are clear serial migration traits that are present among all the participants, although to different degrees. The interviews also indicate that the ability to raise funding plays a crucial role in the decision to stay in Denmark or to leave the country. Interestingly, LaunchPad 1 makes an important distinction between fundraising for expatriate and national entrepreneurs in Denmark. He believes that it is considerably more difficult for a recent immigrant to raise money than for someone who has been living in Denmark for many years.

LaunchPad 1 had the opportunity to study abroad before this experience, but for the others, LaunchPad was their first experience living outside their home countries. Lack of funding is one explanation for not having had the opportunity to study or work abroad. One of the accelerator representatives pointed out that in low-income, and in some cases also in middle-income countries, the whole entrepreneurial ecosystem suffers from lack of capital. He highlighted that some of the LaunchPad participants came from entrepreneurial ecosystems that lacked funding to support the ideas that were generated by their inhabitants.

Because LaunchPad Denmark only admitted entrepreneurs with a global or a regional potential, all the entrepreneurs I interviewed were at least pursuing an opportunity that had potential on the regional level. Furthermore, they considered that Denmark was a great market in which to launch a global company, as it has a small internal market that virtually forces companies to internationalize fast in order to reach economies of scale.

Are the embedded entrepreneurs participating in the Launchpad programme expatriate entrepreneurs?

All of the entrepreneurs saw it as a great business opportunity to grow a venture in Denmark; an environment they considered to be well suited for the development of a fast-growing venture aimed at rapidly internationalizing its operations. The opportunity to take part in an accelerator programme that was organized by Accelerace, a very accomplished accelerator programme in Denmark, further enhanced the attraction of launching a firm in Denmark. All the participant entrepreneurs interviewed were partially motivated to engage in expatriate entrepreneurship due to an unfavourable economic environment in their own home countries, which prevented them from developing their businesses there. This was true not only for the three entrepreneurs coming from low or middle-income countries but also for the entrepreneur who came from the high-income country, as his home country was hit hard by the financial crisis in 2009, and that had created a very unfavourable economic environment that made it difficult to develop a fast-growing global business.

Serial migration traits were evident among all the interviewed entrepreneurs. By participating in the LaunchPad programme, especially considering that the time between application and the start of the programme was extremely short, all LaunchPad participants showed themselves to be highly mobile. Furthermore, they all mentioned that they would be willing to move out of Denmark if another country offered much better opportunities for the development of their ventures. A factor that pushes expatriate entrepreneurs to emigrate from Denmark is the difficulty of raising financing for foreigners and recent immigrants compared to natives. Finally, language barriers also can impact serial migration. Most of the entrepreneurs mentioned that the Danish language is a factor that could influence them to engage in serial migration, as it is a difficult language to learn; they did not consider speaking Danish to be a valuable skill if they left Denmark, but only for staying long-term in the country. Thus there seems to be a risk that expatriate entrepreneurs will commit seriously to learning Danish only when they are fairly certain that they will stay long-term in the country.

Finally, simply by virtue of the application criteria all the entrepreneurs had at least a regional idea, otherwise they would not have been accepted to the LaunchPad Denmark programme. Furthermore, most of entrepreneurs had global ideas and considered Denmark to be one of the best countries in the world in which to start a company with global ambitions. Thus one can conclude that LaunchPad Denmark entrepreneurs fulfilled the condition of striving to develop a global business.

Taken together, the analysis shows that all the interviewed entrepreneurs meet the boundary criteria of expatriate entrepreneurship. They decided to emigrate to Denmark in order to pursue a business opportunity, they show a willingness to engage in serial migration in search for better opportunities, and they launched a venture which aimed to sell products and/or services globally.

The environment's impact on expatriate entrepreneurship

Market conditions

An important factor in getting the expatriate entrepreneurs to apply to and participate in the LaunchPad programme was the perception of Denmark as a small and open economy. In their eyes, Denmark is the perfect launching pad for a venture with global ambitions. Collecting market information prior to joining the programme was rather difficult given that some information on starting and running a company in Denmark was only available in Danish, a language that none of the interviewed participants spoke at the time. This was partially mitigated by the accelerator programme providing relevant information on market conditions. LaunchPad 5 also obtained information from Invest in Denmark, the investment-promotion agency in Denmark. This was even more important considering that the interviewed participants were part of the first cohort of LaunchPad Denmark and therefore there were no past graduates who could be contacted to obtain insight on the programme and Danish ecosystem. This lack of alumni was perceived as a major drawback for understanding the interaction between the acceleration programme and the market conditions in the country. Although it would have been possible to reach out to local Danish alumni of

the Accelerace programme, this was not considered to be as valuable as interacting with and learning from a foreign entrepreneur that shares the migration experience upon which they were planning to embark.

Denmark is part of the European Union, and this fact was considered to be a major advantage for the participants given their interest in expanding operations to other countries in Europe. LaunchPad 1 had decided to focus on the European market from the outset and then wanted to expand to the Middle East. For his purposes the geographic location of Denmark was optimal. Two of the interviewees came from outside Europe, both from home countries that are more than an eight-hour flight away from Copenhagen. They considered the distance between home country and Denmark to be a much more important factor if one has a partner and/or children in the home country. By contrast, the two interviewees from European countries said that they were so close to their home countries that the geographic location was not considered a major issue. All entrepreneurs considered the entrepreneurial ecosystem to be more relevant than geographic distance. For instance, according to LaunchPad 1, *“my ambition was to grow as an entrepreneur and I needed an environment that would be conducive to this. So if I found the environment in Singapore, India, Dubai, I could prefer these countries as they are closer to my home country. But if I get the complete environment far away, then it’s a trade-off that you have to take into account.”*

Not speaking Danish was considered to be a major limitation, and in fact an important reason to push them to perhaps leave the Danish ecosystem. Not speaking Danish was predominantly a hindrance in the building of personal networks rather than in conducting business, according to LaunchPad 3. As for social integration, there was a consensus among all interviewees that it is important to learn Danish fast as a prerequisite for integrating into society. LaunchPad 1 highlighted that lacking friends and family was a major issue, and that he *“can’t afford being lonely here, so I am thinking about moving my family here. I am totally homesick and I really want to see my kids here.”* Given that Denmark is a small country and relatively few people around the world speak Danish, there is a risk that entrepreneurs will not consider it worth the time and effort required to learn the language until they are sure that they will be staying in the country for a longer period of time.

Institutional and regulatory environment

There was agreement among all interviewees that the institutional, regulatory, and political environment was a key competitive advantage of Denmark compared to their respective home countries. For instance, for LaunchPad 3 one of the main problems in his home country was the enforcement of law, which made it much more costly to conduct business due to the focus on fraud prevention. He further added that one of the major differentiators between his home country and Denmark was the existence of trust between people in Denmark. Interestingly, all of the entrepreneurs had already held positive opinions of the institutional and regulatory environment in Denmark before moving to Denmark. None of the interviewed entrepreneurs saw the differences in institutional frameworks between home and host countries as a liability. Notably, the entrepreneurs from high-income as well as those from lower middle income countries shared the positive view of the institutional and regulatory environment in Denmark. The accelerator served an important role in lowering both the perceived and actual institutional and regulatory barriers. LaunchPad prioritized applicants within industries in which Denmark has several successful companies. This served as an indicator for the participants that the institutional, regulatory, and political environment was especially suitable for running ventures in those industries.

The normative institutional environment also was viewed very positively. The desirability of entrepreneurship as a career choice was much higher in Denmark than in the expatriate entrepreneurs' home countries. As LaunchPad 1 noted, *"failure [in my home county] means that now you should not start a next venture because you cannot do that. While in Denmark it is widely considered that you can also learn from failures, which in turn leads to that you are better prepared to launch your next start-up."*

Institutionalized knowledge is distributed by cultural beliefs and the educational system, a type of knowledge that is often difficult for expatriate entrepreneurs to obtain, especially during the first years after immigrating to a new country. An acceleration programme, particularly one that mixes expatriate and local entrepreneurs, can strongly contribute to the building of institutionalized knowledge by facilitating the building of personal as well as business networks.

As for the regulatory environment, the interviewed expatriate entrepreneurs considered it to be favourable to entrepreneurship. A major reason for this positive opinion was their experience of the regulatory burdens for launching a company in Denmark being far less than in their respective home countries. For instance, registering a company in Denmark was straightforward for the participants, and through LaunchPad the expatriate entrepreneurs got responses from the representatives, mentors, or even when necessary from consultants with whom LaunchPad put them in touch.

The political environment in Denmark was also considered to be favourable. LaunchPad 3 raised an interesting point when saying that Denmark *“managed to develop a kind of capitalism that is not ruthless. I am a fan of personal rights and personal freedom, so Scandinavia is a good choice from that perspective also.”* For this expatriate entrepreneur the Danish political environment suits his personal values better than other countries. Furthermore, other aspects of the regulatory environment, such as the tax incentives, business development assistance, and regulation of intellectual property rights were considered to be favourable in Denmark and superior to their home countries. From the outset the expatriate entrepreneurs saw the new regulatory environment as a change for the better, and they did not consider it to be a problem that they would be launching a venture in a regulatory environment that was new to them. According to an accelerator representative, one of the objectives of the LaunchPad programme was to test how the administrative and regulatory system coped with expatriate entrepreneurs. This included checking whether the process of getting a Danish business registration number and opening a bank account was a cumbersome process or not for the expatriate entrepreneurs. One example of an aspect that was identified as an area that requires improvement was the fact that the Danish tax authority communicated only in Danish and not in English, making it difficult for the expatriate entrepreneurs.

Similarly, the entrepreneurial framework conditions were also regarded as very positive. Interviewees mentioned the existence of a start-up visa and the launch of the LaunchPad accelerator itself as an example of this favourable entrepreneurial framework in Denmark. In turn, one of the accelerator representatives mentioned that the Danish government believes that for-

eign entrepreneurial talent, as a source of new knowledge, is important for economic growth. The representative pointed out that without the financial support of the Danish Business Authority, LaunchPad Denmark would not have been possible.

The impact of the accelerator on network formation and resource acquisition

Denmark offers a start-up visa. However, this start-up visa requires that the applicant has sufficient financial means to run the company. As Denmark is an expensive country, non-EU entrepreneurs who want to obtain a start-up visa in Denmark need to have considerable savings. Three of the five interviewed entrepreneurs were non-EU citizens and for some of them it would have been difficult to show that they had enough savings to fulfil the requirements for obtaining a Danish start-up visa. Therefore, the accelerator programme was essential for these entrepreneurs in allowing them to embark on expatriate entrepreneurship in Denmark.

LaunchPad Denmark was executed by Accelerace, an organization with long experience in arranging accelerator programmes for Danish companies aiming for fast internationalization. Importantly, the programme that the LaunchPad expatriate entrepreneurs participated in is the same acceleration programme as for the domestic entrepreneurs. One of the accelerator representatives said of the role of the programme in facilitating the establishment of networks: *“In terms of the social part, what we try to do along with the Accelerace programme itself is that we also set up a number of different sessions that allow them to socialize with each other and with some of the start-up companies that were present in the Biopark. So basically trying to mix them up with the entrepreneurship community. If there were meetings in that community, we would invite them as well. So they had the opportunity to mix in with the entrepreneurs there.”* Through the sharing of a co-working space and an educational programme with the local Danish entrepreneurs, expatriate entrepreneurs had the ability to establish networks with the local Danish entrepreneurs, something that was acknowledged to be of extreme value in terms of access to and exchange of knowledge and resources.

LaunchPad Denmark is committed to helping participants with establishing their companies by supporting the establishment of business networks. In order to help entrepreneurs develop their networks, LaunchPad arranged social events to promote the meeting and interaction with not only other LaunchPad participants but also businesses outside the programme. LaunchPad also invited a network specialist who lectured on how to network in Denmark, and arranged informal meetings, such as breakfasts with Plus Leadership, for both the LaunchPad tracks. These seminars contributed to obtaining both market information and tacit information. In addition, LaunchPad participants were invited on a sightseeing tour to discover Copenhagen and Danish municipalities to learn about Danish history and politics in Denmark. The logic behind was to provide the expatriate entrepreneurs with a more complete background in order to understand the Danish mindset, something that was expected to in turn facilitate the building of personal and professional networks. The LaunchPad staff also encouraged the expatriate entrepreneurs to join sports clubs and events to help them meet others and possibly expand their own networks. The above are examples of how LaunchPad adjusted the acceleration programme for expatriates compared to the one given to domestic entrepreneurs, so that it would better fit the development of the expatriate entrepreneurs' businesses. Interestingly, the accelerator representative thought that the age of the entrepreneurs influences their ability to establish networks. In the context of Launchpad, the accelerator representative thinks that given the average age among Launchpad participants was higher compared to for instance typical boot camp participants, this meant that they were less inclined to go out and socialize after work.

The accelerator management has recognized that the lack of networks is a major impediment to the success of the expatriate entrepreneur. According to the accelerator representative, it was also more difficult to create ties for the expatriate entrepreneurs than both the accelerator representatives and the expatriate entrepreneurs themselves had contemplated. Even if Accelerace tried to confer their own networks, this turned also out to be more difficult than expected. Nonetheless, Accelerace's connections made it possible in most cases to test the products, services, and ideas that had been developed by the LaunchPad participants. One large obstacle to net-

work formation turned out to be the language barrier—not speaking Danish—; for instance it made it difficult to convert these network connections into sales. Although LaunchPad Denmark did not offer language courses, LaunchPad participants were given the opportunity during the first three years in the country to take free language courses organized by the Danish government. In fact, many of the LaunchPad participants opted to take these courses. Nonetheless, one of the interviewees (LaunchPad 5) said that Danish language courses organized by LaunchPad could have been beneficial, as he wanted to learn the language faster than what the government programme enabled, for both business and social reasons. Compared to the UK, Spain, and Italy, countries whose official languages are spoken by many around the world, Denmark is at a disadvantage because relatively few people speak Danish. On the other hand, the drawback of the Danish language is partially offset by the fact that the knowledge of English among the population is high. The choice to learn Danish seems to be linked to the decision to stay long-term in the country. Learning a language such as Danish, which is spoken by relatively few people, counters expatriate entrepreneurs' objective of being unbound to a specific country or market. The acceleration programme adds to the ability to attract entrepreneurs who might have chosen to move to another country where the language is less of a barrier, as it provides a support infrastructure that can help when the expatriate entrepreneur is being held back because of not understanding the local language.

The shared-office-space system was another important aspect of LaunchPad. Office space in Copenhagen is both expensive and difficult to come by. By participating in the programme, the participants received a free co-working space. This meant that they were exposed on a daily basis to an environment where they could interact with both expatriate and local entrepreneurs. In fact, LaunchPad 5 specifically noted that the knowledge exchange enabled by being in a shared office was very important for the development of their business. LaunchPad 1 also saw several advantages to sharing office space. For him, when they had certain problems, both of a business or a private nature, they were able to quickly and easily ask their colleagues in the shared office for help and advice. Sharing office space also

resulted in the building of trust between participants, facilitating the knowledge-exchange process among the entrepreneurs.

The LaunchPad entrepreneurs also could participate in boot camps, intense training sessions in which the participants learned about entrepreneurship and business development. Some of the boot camps were mandatory, while others were not. Once again, boot camps were designed to include both expatriate and local entrepreneurs, so they were a good way for both categories of entrepreneurs to broaden their networks and share best practices. In addition to the boot camps, the accelerator also arranged workshops with relevant authorities. LaunchPad 1 mentioned how much he appreciated that the Danish Tax Authority held a workshop for the accelerator participants. This gave him important basic insights into Danish corporate tax law.

Mentorship was another important component of the Accelerace programme. Notably, each team of expatriate entrepreneurs received more than 200 hours of mentoring. The mentoring had a two-tier structure, each expatriate team getting one coach from Accelerace along with a large pool of mentors they could access when they needed specific competencies. Mentors met the expatriate entrepreneurs weekly, providing advice and feedback on the development of the business. With the mentors, the entrepreneurs had the opportunity to discuss challenges, and they were encouraged to set milestones that could be reviewed together. The mentorship components were considered to be a great resource as getting access to people that had done something similar before was of major benefit.

The scholarship of approximately DKK3,000 per month that was given to participants was too small to be able to cover the living expenses, so that was not pondered as an important reason for joining LaunchPad. On the other hand, the ability to take a start-up loan in the amount of approximately EUR40,000 and the general availability of capital in the Danish ecosystem were seen as important and determinant factors for participating in the programme. For entrepreneurs from the lower middle income countries the high cost levels in Denmark made their cash burn much higher than in their home country.

By being part of the LaunchPad Denmark the entrepreneurs received a package of services. One of the accelerator representatives described this

so-called founder's pack as *"a bunch of different deals that have been struck with companies in Denmark, allowing the participants to get access to different kinds of services at a reduced cost or no cost. These are typically accountants or banks or Google, value that they can benefit from immediately, such as a few hours of counselling without any cost."* This founder's pack was an important resource for the expatriate entrepreneurs, as most of them did not have the financial means to buy these type of services. Also, the legitimacy and credibility the participants obtained from participating in the programme was important. By being able to say that they had been selected in a competitive process to participate in a government-funded project that was executed by a reputable Danish accelerator was very important when dealing with potential suppliers and customers.

For a future iteration of the programme, the acceleration management feels that it could be beneficial to set up a mentoring programme where some of the mentors themselves are experienced expatriate entrepreneurs in Denmark. By having other expatriate entrepreneurs as mentors, the mentees could learn faster from somebody that had already been through a similar journey. Moreover, one of accelerator representatives mentioned that *"it has been a little disappointing to some of the participants in terms of the number of contacts and recommendations they were presented with, those were mainly Danish contacts, it should have been more global."* What the accelerator representative is highlighting is the fact that expatriate entrepreneurs had global ideas and wanted to start selling internationally from inception, so it can make sense to offer introductions to actors outside Denmark.

LaunchPad Denmark also commits efforts to help the success of the participant ventures after the programme is over. After the acceleration period was over, the expatriate entrepreneurs obtained a go-to-market strategy or a fundraising plan. The graduates from the programmes can still meet, albeit less frequently, with their allocated consultants and mentors to receive help executing the plan that was laid out in the acceleration programme. Moreover, the entrepreneurs are able to stay in the shared-office, so they still have the opportunity to network during coffee breaks, meals, social events, or lectures held in the shared office.

Chapter 9

Cross-case analysis

In this chapter I compare the three cases with each other. The first cross-case analysis will cover the predisposing factors of expatriate entrepreneurship, particularly how acceleration programmes can affect this entrepreneurial phenomenon. Secondly, I will discuss how the accelerator impacts the environment. The final analysis will cover how accelerators affect network formation and resource acquisition.

The boundary conditions of expatriate entrepreneurship

Throughout this dissertation I have presented the three major criteria that characterize expatriate entrepreneurs: i) motivation to start a business abroad is opportunity driven, ii) propensity for serial migration, and iii) preference for launching businesses that target the global market. Based on the three within-case analyses, I have already concluded that all of embedded cases fulfil the three main criteria in order to be considered expatriate entrepreneurs. Firstly, for all of them the pursuit of a business opportunity is the main reason to engage in cross-border entrepreneurial migration. Secondly, they are highly mobile across national borders. Thirdly, their businesses aim to target global markets. Below, I will discuss the main differences and similarities between the cases for each of these three expatriate entrepreneurship pre-conditions.

Motivation to launch business is opportunity-based

Previous research on immigrant entrepreneurship mainly covers businesses that have been started out of necessity (Azmat, 2010). In contrast, when governments have crafted the admission requirements for the three accelerator programmes discussed here, they have focused on attracting ventures that can become fast-growing firms. It is known that these types of ventures are launched predominantly because of an identified opportunity and not driven by necessity (Chaganti, Watts, Chaganti, & Zimmerman-Treichel, 2008). This is in line with my results, as none of the entrepreneurs participating in the accelerator programmes that I interviewed had been pushed into entrepreneurship by necessity, like most immigrant entrepreneurs, or to receive a residence permit, like business immigrants. On the contrary, they all decided to embark in expatriate entrepreneurship after identifying a business opportunity. Interestingly, the vast majority of the embedded entrepreneurs that I interviewed were running technology ventures and had ambitions that their ventures would be fast-growing firms, satisfying the criteria for being admitted to the acceleration programmes. This shows that all the three governments that have funded the acceleration programmes are taking to heart the research showing that immigrants are increasingly playing an important role in launching fast-growing high-tech firms (Chaganti et al., 2008).

All three case programmes required the identification of a global or regional business opportunity. These admission criteria can be seen as similar to what many countries have set for start-up visa programmes: having an innovative business with international potential. By virtue of the conditions set by the programmes, it was highly unlikely that an applicant could be admitted to the programmes by choosing to target an ethnic niche, a common strategy among ethnic entrepreneurs. Ethnic entrepreneurs often consider entering a niche market—defined as a market with limited economies of scale, which reduces the risks that larger competitors would enter the market—as a promising business opportunity (Armour & Cumming, 2008; Jones, Barrett, & McEvoy, 2000; Rusinovic, 2008). This niche market does not constitute a favourable business opportunity for expatriate entrepreneurs, as it would be considered too narrow; expatriate entrepreneurs pre-

fer mainstream markets. Hence my case study shows that launching a business through this type of accelerator programme serves as a platform where the government's desire for attracting highly skilled entrepreneurs with a global mindset is matched to what the expatriate entrepreneurs need to exploit business opportunities.

Importantly, in all three programmes studied, the accelerator played a major role in amplifying the opportunity identified. In fact, most entrepreneurs interviewed would not have been able to engage in expatriate entrepreneurship due to resource constraints, or would have chosen another country if the accelerator had not admitted them. Firstly, for most entrepreneurs the possibility to participate in the acceleration programme was a great opportunity in itself and a major reason for engaging in expatriate entrepreneurship. In the case of the Sirius Programme this impact was accentuated even more by having UK Trade and Investment, a world-famous organization, as initiator. Most entrepreneurs believe that the acceptance into and participation in an accelerator programme, especially a prestigious one, will give them high legitimacy and credibility that will in turn positively affect their business. Secondly, the accelerator plays an important role in convincing expatriate entrepreneurs to choose specific countries over others. From the interviews it was clear that entrepreneurs, as part of the opportunity-evaluation phase, compare programmes and choose to join the programme that fits them the best. All these cases compete with each other and also with private accelerator programmes that accept international candidates. Thus, accelerators have the potential to affect expatriate entrepreneurship at a global level.

There were, however, some noticeable differences between the embedded cases in how they perceived the opportunity to launch in a specific country. Here there are signs that the Sirius participants perceived the UK more favourably at the time of application than LaunchPad participants perceived Denmark and Start-Up Chile participants perceived Chile, who described their respective countries less enthusiastically at the moment of application. My findings indicate that this is attributable to that the Sirius participants had a good knowledge of the British entrepreneurial ecosystem and regarded it as being very conducive to entrepreneurship, while the participants in LaunchPad and Start-Up Chile had much less knowledge of

Denmark and Chile, respectively. The Start-Up Chile participants mentioned that they did not know much about the entrepreneurial ecosystem in Chile before they heard about the Start-Up Chile programme. In regards to Start-Up Chile, there was a clear distinction between participants that were from low or middle income countries and those who were from high-income countries; those from low or middle income countries had a much more favourable view of the opportunity of being in Chile than did those from high income countries. The accelerator can partially mitigate the uncertainties about the host country by providing informal channels to obtain information. For instance, in the case of Chile, the existence of a vast Start-Up Chile community was a major source of knowledge about the Start-Up Chile programme and Chile in general, which compensated for the lack of knowledge of Chile among many of the applicants.

Serial migration traits

Some researchers argue that only those individuals who have been residing in a new country for at least 12 months should be considered immigrants (Sasse & Thielemann, 2005). The purpose of the 12-month residence requirement is to highlight the fact that entrepreneurs should have the intention to stay in the host country. However, from the analysis of the three case accelerator programmes it is apparent that both governments and the expatriate entrepreneurs want to move from the previous notion that the entrepreneur commits and moves to the country with the intention to stay permanently from the beginning. In this scenario, accelerators play an important role, providing an incubator environment and timeframe during which not only can the entrepreneur assess whether the entrepreneurial ecosystem offered by the country and the accelerator itself are suitable for his or her business, but also the “country itself” through this government initiative, can assess whether the entrepreneur performs well enough to be offered longer residence in the country.

All interviewed accelerator representatives considered that even if the expatriate entrepreneurs remained in the country only for the duration of the programme, that would still contribute sufficiently to the country’s entrepreneurial ecosystem and motivate sufficient funding for the pro-

gramme. Therefore, while the government would like the promising entrepreneurs to stay, they acknowledge that an important factor in increasing the likelihood of keeping the talented entrepreneurs for a longer period is to provide an entrepreneurial ecosystem that is conducive to making a firm grow and sustain itself after the programme's completion. Interestingly, none of three case accelerator programmes tried to assess in the admission phase whether a specific applicant was likely to stay in the country after the programme finished. Instead, all three programmes focused on selecting the best applicants. Nevertheless, the accelerators' representatives are actively trying to evaluate and adapt the accelerator programmes to increase the chances of the promising entrepreneurs staying beyond the programme duration. For instance, accelerator representatives of the Start-Up Chile programme acknowledged that the lack of funding was one of the main reasons identified for participants leaving the country after the programme was finished. Accelerator management has acted by adding the possibility for top graduates from the Start-Up Chile programme to obtain government growth funding up to USD85,000 so that they can stay and develop the business in the country.

For all expatriate entrepreneurs participating in the three different programmes here studied, the residence permits they receive when joining the accelerator were temporary. Thus they need to be ready to leave the country in case they are not able to prolong their residence. All the embedded entrepreneurs exhibited traits of serial migration, albeit to differing degrees. Among the three groups of case accelerator programmes, the participants from the Sirius Programme seemed to express the highest degree of satisfaction with the entrepreneurial ecosystem. The primary difference for their high willingness to stay in the host country was the belief that there was an abundance of financial capital available in the ecosystem. Meanwhile, the Chilean ecosystem was considered by the embedded entrepreneurs to severely lack growth financing, which led many of the interviewed embedded entrepreneurs to consider moving to another country. In regards to LaunchPad Denmark, there was in general a positive perception among all the interviewed entrepreneurs during the application phase that Denmark was a country where financing was readily available. However, this did not turn out to be the case for all participants, where some later realized (for

instance, LaunchPad 1) that raising financing seemed to be much more difficult for foreigners than for natives, as the investors were unsure of the track record of the expatriate entrepreneurs or whether they would stay in the country. This in turn created uncertainties among the expatriate entrepreneurs, making them unsure whether they would be able to raise financing in Denmark or if instead it would be necessary to move.

Another differentiator that seems to increase the likelihood of staying is the ability to speak the country's official language. Especially in the case of LaunchPad Denmark and Start-Up Chile, not speaking Danish or Spanish, respectively, was seen as a major inhibitory problem for assimilating into society. On the other hand, in the case of Sirius, all the entrepreneurs already spoke English, as that was a requirement to enter the programme. By virtue of speaking the native language in the UK, the Sirius participants benefited from being able to communicate freely, which facilitated both the development of their ventures and their own ability to integrate into the country. That said, my findings show that if the entrepreneur does not speak the native language in the country to which they are considering relocating, the existence of an accelerator considerably lowers the hurdles for engaging in expatriate entrepreneurship. This is due to the fact that the accelerator mitigates the difficulties of not speaking the local language through its role as an interlocutor.

Intention to start a global business

All three case accelerator programmes required that the entrepreneurs launched businesses that has a global or regional market. Across all three case accelerators, the most common industry in which the applicants were active was the IT industry, and especially sectors within the IT industry that are prone to rapid internationalization. Most of the embedded entrepreneurs in the three case accelerators were ventures that can be seen as born global, i.e., they are seeking to establish themselves internationally from inception.

Given that they want to be international right from the start, it was important to be in a jurisdiction that was conducive to rapid internationalization. Several of the embedded interviewees across the different cases said

that they could have launched their ventures from virtually any country in the world. Some of the Sirius entrepreneurs pointed out that London was a great location choice because it enabled them to meet with many foreigners from all over the world, which was a great source of knowledge when launching an international business.

How do accelerators affect the environment?

Market conditions

My analysis shows that it was important for the expatriate entrepreneurs to understand the market conditions before moving to the host country. They wanted to know what awaits them in the new country; not only to be able to assess their ability to develop the business but also for their personal development.

Moreover, the overall economic development in the country was often considered of relevance when evaluating, before emigrating, if the business opportunity paired well with the market conditions and the host country. Thus, some of the embedded entrepreneurs used the economic development of the country as a proxy for the overall attractiveness of the nation. All three case accelerators were in OECD countries; however, in 2014 Chile's GDP per capita was roughly one-fourth of Denmark's and approximately one-third of the UK's (World Bank, 2015). This could be one reason why some of the embedded entrepreneurs seemed to express a higher appreciation of the entrepreneurial ecosystems in the UK and Denmark, compared to that in Chile.

Access to information varied amongst the three cases. Getting information on UK market conditions was generally much easier than for Denmark or Chile, as in the first case all the information was available in English. Nevertheless, the presence of an accelerator in these cases mitigated the differences. In the case of Start-Up Chile, the language disadvantage was partially compensated for by the existence of a large Start-Up Chile community that served as an excellent source of information on market conditions. In fact, Start-Up Chile had a policy of using graduates of the programme as a tool for marketing the programme in their home countries.

This approach was considered to be a brilliant initiative by the interviewed embedded entrepreneurs: they highly appreciated the ability to contact graduates from their home countries to obtain an opinion of the programme. In the case of LaunchPad and the Sirius Programme, the use of the programme's community was not possible, as they were both pilot programmes with no previous graduates who could provide information to new applicants. However, the Danish and UK governments compensated for the lack of community by using governmental agencies to provide support and information on the market conditions to potential applicants. While Invest in Denmark served as a source of information on doing business in Denmark, the UKTI, with its many offices around the world, played a role by using its vast resources to provide information on the Sirius Programme.

One of the most prominent examples of how the accelerators impact the phenomenon of expatriate entrepreneurship is through the facilitation of start-up visas. Obtaining a start-up visa is often linked to a wide array of conditions, but a common one, and often a limiting one, is the condition of having sufficient funds to support oneself in the host country. By virtue of being part of all the three case acceleration programmes herein analysed, this condition is relaxed. These programmes provide grants and loans making it possible for the entrepreneurs to become eligible for a start-up visa. Importantly, this role of the accelerator has great implications for the phenomenon of expatriate entrepreneurship, as for those entrepreneurs that do not have financial resources to meet the criteria for a start-up visa the only avenue for becoming an expatriate entrepreneur might be joining an accelerator programme. Thus the existence of an accelerator can be a precondition for engaging in expatriate entrepreneurship for capital-constrained entrepreneurs.

Differences in admission requirements were found across the three cases. Whereas LaunchPad and Start-Up Chile did not have any age requirements for the applicants, the Sirius Programme primarily targeted recent graduates. This suggests that the participants of LaunchPad and the Start-Up Chile were on average older than the participants of the Sirius Programme. The within-case analysis suggests that the entrepreneurs who had families considered the geographic location relative to the home country as

being more important than did those who were single at the time of joining the programme. Interestingly, none of the interviewed expatriate entrepreneurs that had a family brought a family member to the programme. This could be due to the fact that for all three programmes, the accelerator did not provide any specific information on how jobs could be found for spouses or how to arrange schools for children. This is probably something with which the accelerators should consider aiding the participants, as it is likely that applicants who only are willing to move with their families would need to receive some support in regards to this, otherwise they might not apply.

Although most of the embedded expatriate entrepreneurs considered the geographic location of the accelerator not to be of extreme importance, because they said they could launch a business in any country, in some cases the accelerator's location was an advantage. This was especially true for the Sirius Programme and LaunchPad, which both benefited from being based in EU countries. This location made them attractive for expatriate entrepreneurs that wanted to launch international operations, because being based in one EU country gives easier access to all European Union countries through the large common market. It also made it easier for European Union participants to stay in the country once the programme finished, as they did not need to fulfil the requirements to prolong the start-up visa. Location with respect to clients also can be a determinant factor. As mentioned, one of the interviewed SC embedded entrepreneurs suffered from their headquarters being geographically distant from their most important clients. In that case, it was a business-to-business venture that was in active in an industry where there were relatively few potential customers, and they felt it was important to be able to hold face-to-face meetings with their customers. This indicates that geographic distance might be more important for business-to-business firms that are active in specific industries.

Language is also a relevant factor that is considered by the expatriate entrepreneurs. The Sirius Programme benefited greatly from being in the UK, where the official language is English. Even though in Denmark most of the population is very proficient in English (EF, 2014), the participants there were severely hampered by not speaking the local language. Both the LaunchPad participants and representatives were surprised by how im-

portant knowledge of the language is in order to integrate into Danish society. Interestingly, speaking the local language was not equally important for Start-Up Chile participants as for the LaunchPad participants. Some of the Start-Up Chile participants spoke Spanish from the outset or regarded learning Spanish to be important regardless of where they would live later in life. Moreover, in the case of Start-Up Chile, the much larger graduate community compared to the very small one in the case of LaunchPad, provided a social setting for participants to communicate in English during their spare time. On the other hand, compared to Denmark, fewer people in Chile speak English, which in turn made it more difficult to make friends and socialize outside the accelerator programme.

Institutional and regulatory environment

The institutional and regulatory environment of the country in which the acceleration programme was held turned out to be an important differentiator, especially for the expatriate entrepreneurs that came from low- or middle-income countries. For this group of entrepreneurs, settling in a country with a considerably better institutional, regulatory, and political environment made a large impact on their perceived ability to develop a successful business. This is in line with the observations from previous research that entrepreneurship is socially productive in countries which has a well functioning legal system (Baumol, 1996). Countries where the rule of law is not strong, suffer also from decreased levels of entrepreneurship as entrepreneurs' experience that high crime levels bring with them both financial and moral costs (Fadahunsi & Rosa, 2002).

My findings also suggest that the participants from low and middle income countries at all three accelerator programmes expressed a higher willingness to stay in the host country after the accelerator programme finishes, than did those from high-income countries. In general, the participants from high-income countries expressed a higher satisfaction with the institutional, regulatory and political environment in their home countries than did those coming from low- or middle-income countries.

There were notable differences in the knowledge of the institutional, regulatory, and political environment among the participants of the three accelerator programmes. Whereas the participants of the Sirius and

LaunchPad programmes had a good understanding of these factors before moving to the respective countries, Start-Up Chile participants had less such knowledge. Interestingly, all of the interviewed expatriate entrepreneurs that joined LaunchPad and Sirius believed the regulatory and institutional environment in the host country was a positive aspect of participating in the programme. This was not the case with all Start-Up Chile participants; several entrepreneurs from high-income countries considered the institutional and regulatory situation in Chile to be worse than in their home countries. For this group of entrepreneurs, the aid they received from Start-Up Chile, for instance with obtaining the residence permit and opening a bank account, was very important, as otherwise this process would have been considered to be much more complicated than in their home countries.

In general, the national framework conditions in all three countries were considered by the participant entrepreneurs to be very conducive for the launching and running of a fast-growing company, and thus constituted a key reason for starting a venture in those countries. The UK and Denmark, especially, received very positive reviews regarding government and infrastructure. According to the embedded Sirius case entrepreneurs, the UK has financial markets that are able to provide growth financing. However, both entrepreneurs and accelerator representatives agreed that the lack of financing in Chile is a major disadvantage for the programme, and in turn, for the expatriate entrepreneurs. The political environment in all three countries also was considered to be favourable for developing a business; participants considered each country to be a stable democracy, and hence the risk of political turmoil was low. Regulatory environments, such as the tax incentives, business development assistance, and regulation of intellectual property rights, also were considered to be favourable in all three countries and even superior to most of the participants' home countries. In all three acceleration programmes, many interviewed entrepreneurs were in awe of how fast the process of getting a residence permit and launching a company was. In the case of Chile, all the interviewed embedded entrepreneurs said that they were very impressed with how much the accelerator representatives helped them with these tasks.

The interviews with both the accelerator representatives and the entrepreneurs revealed a generally positive opinion of the entrepreneurial framework conditions, especially in the British and Danish programmes. Interviewees mentioned the existence of a start-up visa and the launch of the accelerators themselves as examples of favourable entrepreneurial frameworks conditions in the host countries. All three accelerators were government initiatives, and therefore the accelerators played an important role in providing feedback to the government on the pros and cons of the entrepreneurial ecosystem in that particular country. The evaluations of all three programmes are considered to be key sources of feedback information to the government on how to adjust the entrepreneurial ecosystem so that it becomes even more conducive to expatriate entrepreneurs. Members of all accelerator programmes were satisfied with the government policies towards the development of entrepreneurship in the countries where the accelerators are located. Moreover, according to the participants of LaunchPad and Sirius, the inhabitants of both Denmark and the UK are very interested in entrepreneurship and could see themselves working for a start-up. By contrast, for participants of Start-Up Chile it was difficult to find qualified staff interested in working for a start-up.

Most of the interviewed entrepreneurs acknowledged that they were in a country that had a different culture than their respective home countries. Thus another highlighted advantage of participating in an accelerator programme was gaining fast understanding of the social norms and culture in the host countries. This also goes both ways, since the accelerator representatives in Chile, highlighted that bringing talented expatriate entrepreneurs to be part of the accelerator programme was very important for instilling an entrepreneurial culture and creating cross-border networks in a homogenous country.

The normative institutional environment was viewed very favourably in Denmark and in the UK. Participants in both countries highlighted that the desirability of entrepreneurship as a career choice was much higher in Denmark and in the UK than in their home countries. Both groups of participants consider that even the failure of an entrepreneurial venture was considered to be a valuable learning experience in the UK and Denmark. For some of the participants, in their home countries they felt inhibited to

engage in entrepreneurship because failure is considered an indication that entrepreneurship should not be pursued anymore.

In summary, my study reveals that the accelerators in all three countries played an important role in mediating the aspects of the institutional, regulatory, and political environment. Without the presence of an accelerator programme it would be more difficult to attract expatriate entrepreneurs from countries that have top-notch institutional, regulatory, and political environments to come and launch a business in a country that has a worse environment. Thus the accelerator programme mitigates deficiencies vis-a-vis the home country, making it a more attractive proposition for an entrepreneur to engage in expatriate entrepreneurship.

The impact of the accelerator on network formation

The case accelerators' representatives and the embedded entrepreneurs were aware that networks drive business (Ghoshal & Bartlett, 1995; Nahapiet & Ghoshal, 1998). We know that establishing networks has a significant impact on firm survival (Aldrich, Rosen, & Woodward, 1987; Granovetter, 1973). Moreover, the ability of the accelerator to provide networks was an important reason, and for some of the embedded entrepreneurs even the primary reason, for joining the accelerator programme.

Forming networks is a process that usually takes time, as becoming embedded in a new host environment is a gradual process. As shown in chapter 2, start-up visas for entrepreneurs usually are valid only for a short period, often less than two years. Thus expatriate entrepreneurs have little time to expand their network. Moreover, most of the embedded entrepreneurs were constrained in terms of capital and were not able to support themselves for a long period if the venture did not take off and generate enough revenue to cover their salaries.

All three case accelerators were particularly good at providing ties to influential actors. The Sirius Programme, especially, was very successful in giving the embedded entrepreneurs access to reputable actors around the world through its global networks. The facilitation of contacts to influential

actors by the accelerator contributes to the success of the expatriate entrepreneurs, as we know that the entrepreneurs that can access the resources of broad and diverse networks are, in general, more successful than those that only access narrow networks (Bates, 2011).

The embedded expatriate entrepreneurs experienced difficulties assessing how launching in a new country would affect the opportunity exploitation process, even when the embedded expatriate entrepreneurs aimed to exploit a global opportunity. By choosing to start-up abroad, an expatriate entrepreneur faces constraints in local networks compared to local entrepreneurs. Usually, accelerator programmes start aiding with the establishment of networks only when the entrepreneurs join the programme. This was the case with LaunchPad and the Sirius Programme. However, Start-Up Chile was comparatively better at supporting the entrepreneurs while they were still in their home countries, allowing them to reach out to previous Start-Up Chile alumni. In other words, Start-Up Chile was the only one of the accelerators that also focused on helping the entrepreneurs develop networks that could be helpful during the opportunity-identification phase. Hence, if available, the use of accelerator alumni as a source of knowledge and information for the admitted applicants can be very important for the accelerator to start helping the admitted entrepreneurs before emigrating so that they can adequately understand how being in a new country will impact the ability to exploit the business opportunity.

The vast majority of the interviewed embedded entrepreneurs had no network ties to actors in the host country prior to joining the accelerator programme. From previous research we know that this is a major obstacle, as information is transmitted through networks. Thus, by having a limited host county network, expatriate entrepreneurs are at a clear disadvantage compared to native entrepreneurs. Moreover, many of embedded entrepreneurs were under pressure to develop a product or service that they could launch, and at the same time to develop a network that would enable them to generate enough revenue to sustain the business as well as give them emotional support.

One of the most important roles of the accelerators here studied was assisting with the building of internal and external networks. Indeed, one of the key publicly stated objectives of the accelerator programme was to ac-

tively help speed the process of building networks. The expatriate entrepreneur will also potentially have advantages in experiencing different cultures and creating an international network by interacting with other international participants, both valuable aspects for entrepreneurs aiming to internationalize operations. This notion is supported by the fact that cross-cultural experience has been shown to augment an entrepreneur's ability to identify profitable business opportunities (Vandor & Franke, 2016).

For all the embedded entrepreneurs, the accelerator's ability to help with the building of networks was key in mitigating the disadvantage of launching in a country where networks have to be built from scratch. This is an important finding, because we know that entrepreneurs' pre-existing networks are crucial for obtaining access to resources (Baker, Miner, & Eesley, 2003). My findings indicate that when expatriating, the pre-existing networks in the home country can still be accessed, but seem to lose importance due to geographic and contextual differences between the home and the host countries. The interviews with the embedded entrepreneurs from all three acceleration programmes show that host-country networks play an important role when launching a venture. This means that transnational networks cannot completely replace the role of host country networks. The importance of host country networks means that expatriate entrepreneurs might benefit from joining an accelerator or incubator soon after arriving in the host country even if they are not coming to the country as part of an accelerator for expatriate entrepreneurs.

Professional and personal networks

As previous studies have shown for other entrepreneurs (Stephens, 2013), expatriate entrepreneurs also use business networks to i) identify clients and contacts that can contribute to the development of their business, ii) increase the network and meet peers with whom they can exchange knowledge, iii) obtain information on administrative and regulatory processes, and iv) identify funding opportunities. One of the main objectives of the case accelerator programmes studied was to facilitate the process of embeddedness of the expatriate entrepreneurs, albeit with differences.

All three case accelerator programmes worked very actively to help the entrepreneurs develop their business networks. Both the accelerator representatives and the accelerator participants see this as one of the main objectives of the accelerator programme. However, my study shows that it is important for the expatriate entrepreneurs launching global firms that the accelerator can provide business contacts not only in the host country but also in other countries. In fact, the ability of UKTI to connect Sirius members with important contacts in many other countries besides the UK was highly appreciated by the participants. In the case of LaunchPad, participants commented they would have preferred that LaunchPad facilitate connections not only in Denmark but also with global firms that were not represented in Denmark. Although all three accelerators made a big contribution to helping with the establishment of professional networks, only Start-Up Chile also was able to significantly contribute to the establishment of personal networks with non-accelerator members.

On the top level of the Sirius Programme, the programme management had a clear strategy to develop networks for expatriate entrepreneurs. However, on the level of the five local accelerators there was some local variation. For instance, in one of the five accelerators there were no local entrepreneurs that participated in the acceleration programme, a fact that Sirius expatriate entrepreneurs perceived as a major disadvantage. Although Sirius was built on the foundation of five successful accelerators, none of them had previous experience dealing with expatriate entrepreneurs. Similarly, the accelerator programme of LaunchPad Denmark, Accelerace, did not have experience dealing with expatriate entrepreneurs despite their long experience dealing with accelerator programmes for entrepreneurs. By contrast, Start-Up Chile was built from scratch for attracting expatriate entrepreneurs. Thus while Start-Up Chile was designed with the aim of supporting expatriate entrepreneurs, the other two programmes mainly adapted a local acceleration programme with a component that was designed for expatriate entrepreneurs.

None of the embedded entrepreneurs had access to close social support networks in the host country, and by emigrating alone they also did not have continuous access to family ties. From the interviews with the embedded expatriate entrepreneurs it is clear that the family and friends in

the home country played a minor role in providing advice. The accelerator community seems to have partially taken over that role. However, previous research has shown that the lack of close support networks has a negative impact on the entrepreneur's ability to obtain financial and human capital (Brüderl & Preisendörfer, 1998). There are signs that replacing friends and family with the accelerator networks works pretty well in the case of professional networks but less so for the replacement of personal networks. Start-Up Chile and the Sirius Programme succeeded better than LaunchPad in having the community replace the role of close friends and family.

However, and even considering this best case, the case accelerators in general did not show sufficient understanding of the importance of personal networks for the entrepreneur, and in turn, for the programme's success. Accelerator participants with spouses and children reported missing family and friends in their home country much more than did those without close family back home. This signals that accelerators should consider also facilitating the process of enabling the entrepreneur's family to move to the host country at an as early stage as possible. Nonetheless, it is likely that the support network of the accelerator coupled with new IT technology such as Skype and WhatsApp enabled them to maintain a tighter contact with their families and friends back home compared to expatriate entrepreneurs in previous decades. Therefore, I believe that cheap and readily accessible IT applications help lower the threshold for engaging in expatriate entrepreneurship and have an impact on reducing the role of support networks for expatriate entrepreneurs.

Another apparent finding from the embedded cases is that expanding the personal network outside of the accelerator programme is difficult for expatriate entrepreneurs. Most of the participant's personal networks consisted predominantly of other expatriate entrepreneurs and, to a limited extent, of local accelerator participants that were part of the programme. In the case of Start-Up Chile and Sirius, which had comparatively bigger cohorts of entrepreneurs, the accelerator's community also plays an important role in supporting the expatriate entrepreneurs, a role traditionally played by family and friends. For LaunchPad Denmark, due to its smaller and predominantly local community of entrepreneurs, the accelerator played a less-important role as a source of emotional support for the expatriates.

The three accelerator programmes have chosen different strategies in supporting the building of personal networks. Start-Up Chile devoted the most attention and resources to support entrepreneurs with the building of personal networks. For instance, a unique feature of Start-Up Chile was the use of *padrinos*, which according to the embedded entrepreneurs provided a very valuable introduction to the life in Chile and further served as a foundation for developing a personal network in the country. The match of participants and *padrinos* was based on common personal interests. This strategy can have further positive outcomes, as evident from a case where one of the embedded entrepreneurs subsequently opened a venture with his *padrino*. This is a good example of multiplexity, as the initial friendship between the *padrino* and the expatriate entrepreneur developed into a business relationship. It is plausible to hypothesize that the participants from the other two accelerator programmes would have benefited from programme management having used a similar approach. The Sirius Programme was considerably less involved with assisting expatriate entrepreneurs in their building of personal networks than Start-Up Chile. Noteworthy is that a representative from one of the five Sirius accelerators considered the building of personal networks to be the sole responsibility of the expatriate entrepreneurs. In this case, the local accelerator treated the expatriate entrepreneurs in basically the same way as domestic entrepreneurs that joined their programme. Despite that the Sirius Programme managers actively worked to create a Sirius community by arranging UK-wide meetings between all Sirius participants, it was clear that the interviewed expatriate entrepreneurs in that particular accelerator would have liked to have seen more support from the accelerator in the creation of personal networks.

The facilitation of networks by an accelerator can become a key reason for participating in that particular programme. This was true for Start-Up Chile, where according to both the embedded cases and representatives the community has become one of the most important causes for choosing Start-Up Chile over other accelerator programmes or start-up visa schemes. This indicates that the assistance with the building of a network is an important differentiator between expatriate entrepreneurs that chose to become expatriate entrepreneurs by virtue of taking part in a programme and

those that become expatriate entrepreneurs without participating in an acceleration programme.

How do accelerators affect network formation?

Below, I discuss key components identified in the accelerator programmes that influence the establishment and development of networks.

1. Seminars and boot camps

During the introductory week, when entrepreneurs interacted intensively during a short period of time, all three accelerators employed a boot-camp strategy to facilitate the establishment of ties between participants. Although participants and organizers considered this “induction” week as a very valuable tool for establishing ties, I have identified from the interviews several features that inhibited network formation. For instance, during the Sirius induction week the native entrepreneurs were not allowed to participate, and the expatriate entrepreneurs regretted not having the same opportunity to build strong ties with the local entrepreneurs that were part of the accelerator. My findings indicate that it is crucial for expatriate entrepreneurs to be given every opportunity to establish networks with both local and expatriate accelerator members. Moreover, I discovered that expatriate entrepreneurs have an easier time bonding with other expatriate entrepreneurs than with local entrepreneurs, making it even more relevant to allow local accelerator entrepreneurs to participate in the induction week. In the case of LaunchPad Denmark, the programme’s small size and the fact it was the first pilot version with no previous graduated alumni made it more difficult to utilize stories as a means to increase the bonding between the participating entrepreneurs.

2. Mentoring and coaches

Mentors and accelerator representatives were useful for expanding the networks, as the entrepreneurs often gained access to the networks of the mentors and coaches. The mentors were very reputable actors who had large business networks within a wide array of sectors, both domestically and internationally. This meant that the mentors did not just provide im-

portant know-how and feedback on the development of the venture, they often provided valuable introductions to important actors that could lead to sales or assistance with the development of the business. An issue with Start-Up Chile was the lack of local mentors, resulting in the programme recruiting mentors based in other countries, who interacted with the mentees using Skype. The ability to have international mentors was appreciated, but the participants also need to have local Chilean mentors in order to learn more about the particularities of doing business in Chile. However, my findings indicate that host country professional networks, can be replaced with transnational professional networks to a higher degree than host country personal networks can be replaced with transnational personal networks.

3. Shared office space and geographic location

Sharing office space at the accelerator was very conducive to the establishment of networks. In the case of LaunchPad, entrepreneurs could stay in the shared office even after the programme finished, which further enabled the network-generation process. In the case of Start-Up Chile, sharing social media, for instance by becoming members of the Facebook alumni group, was very useful for the expansion of the participants' networks. Since all current and previous accelerator participants were part of the group, former members and their competence and expertise was easily available to the new participants.

All interviewed embedded entrepreneurs expressed that the accelerator's geographic location within the country is important. The embedded entrepreneurs want to be close to other start-ups and industry so that they can easily exchange knowledge with non-accelerator entrepreneurs as well. The co-working spaces of both LaunchPad and Start-Up Chile were placed in the centre of the respective capitals, meaning that there was abundant and easy access to local entrepreneurs. However, in the case of the Sirius Programme, the expatriate entrepreneurs were divided into different groups by placing them in five independent accelerator programmes in four different cities. This made it much more difficult for the Sirius Programme participants to establish strong ties with the rest of the participants and to develop cognitive social capital, compared to participants at LaunchPad or

Start-Up Chile, where all members were located in the same physical building. In fact, the whole set of Sirius participants only met on a few occasions; for instance, when UKTI arranged the induction week or seminars for all members. This highlights the trade-off that exists between governments wanting to launch an acceleration programme that benefits several parts of the country and the delivery of a programme that gives all expatriate entrepreneurs the ability to develop strong ties between each other. Moreover, one of the Sirius accelerators was placed on the outskirts of the city where few other start-ups were located, which made it difficult to connect to the rest of the start-up community in the city.

4. Language

In the case of LaunchPad and Start-Up Chile, language was a barrier for the formation of networks. Despite that in Denmark the vast majority of Danes spoke English well, the expatriate entrepreneurs I interviewed regretted not being able to communicate in Danish, as this imposed a barrier for obtaining personal as well as (albeit to a lower extent) professional networks. Additionally, and as stated by LaunchPad representatives, not knowing the local language makes it more difficult to use the network to result in sales. At the same time, the expatriate entrepreneurs did not want to devote too much time to learning Danish until a stage when they perceived that their business was taking off and they would be staying in Denmark for a while.

The impact of the accelerator on resource acquisition

In this section I will explore which resources expatriate entrepreneurs can acquire by virtue of being part of the accelerator programmes.

The interviews with the embedded entrepreneurs from all three acceleration programmes revealed that the mere act of being accepted to participate in a reputable accelerator programme created a competitive advantage for the entrepreneur: he/she is now better positioned to attract high-potential investors and recruit highly skilled staff. This is not trivial, since

start-ups often are perceived as financially unstable by job seekers, which makes it more difficult for the firms to recruit. By having an expatriate entrepreneur as the founder, this type of start-up probably faces an even bigger problem in regards to staff recruitment: the uncertainty of whether the expatriate entrepreneurs will stay long-term in the host country, which depends on their residence permit being prolonged, a better business opportunity presenting itself somewhere else, and personal factors.

The interviewed Sirius entrepreneurs expressed high satisfaction in regards to the amount of talent in the UK's ecosystem, in particular those participants that were based in London. This had to do with the fact that the UK has some of the world's leading universities with talented students from all over the world. By selecting among many applicants, the accelerator conveys legitimacy to the entrepreneurial venture and gives assurance to the potential employees that an independent selection committee believes the venture has a high potential to succeed. This legitimacy effect was particularly strong in the Sirius Programme, where the embedded entrepreneurs experienced at most only minor difficulties recruiting highly qualified interns. By contrast, the embedded entrepreneurs who were part of Start-Up Chile found it difficult to recruit personnel; they perceived that interns were uninterested in working for the start-ups, opting to work instead for large and well-known firms. Aside from the aforementioned indirect role in personnel recruitment, all three programmes actively helped the entrepreneurs and provided information on how to recruit new employees. For example, the Sirius Programme did this by introducing the expatriate entrepreneurs to the local job centre, which could provide them help with finding suitable candidates. Sirius also supported peer learning by introducing expatriate entrepreneurs who were about to recruit new employees to entrepreneurs that had recently recruited, so that they could learn from each other about the recruitment process in the UK.

The lack of financial capital is the factor that stymies entrepreneurship the most (Evans & Jovanovic, 1989). There is also strong evidence that in the vast majority of cases, starting a business in a host country is considerably more expensive than launching the same venture in the home country. In fact, the countries where the embedded expatriate entrepreneurs chose to start their ventures—the UK, Denmark, and Chile—are countries with

high price levels compared to the global average (OECD, 2015). Financial capital is often crucial for the development of a new venture, because it generally takes time for a new business to generate positive cash flow. It is here where the accelerator, by means of providing a grant, can have a crucial role in promoting expatriate entrepreneurship. Many of the embedded entrepreneurs across all three accelerators expressed that obtaining the accelerator's grant was a pre-condition for being able to engage in expatriate entrepreneurship in that specific country. Without it they would not have been able to engage in the expatriate entrepreneurship or would have chosen another country for the start-up.

For the embedded expatriate entrepreneurs, the three acceleration programmes constituted an unusual but attractive form of investment. Because the commitment required in exchange for the money is relocation to the accelerator's host country, the entrepreneurs in most cases did not need to use or were able to use less of the other, more common forms of funding during the nascent entrepreneurship phase: personal savings, investment and loans from acquaintances or family members, venture capital, and bank debt (Stuart & Sorenson, 2005). Hence participating in government-subsidized acceleration programmes that do not require giving up shares in the company, such as the three studied here, becomes very attractive to expatriate entrepreneurs. However, accelerators often have other types of requirements to maximize the probability that the ventures succeed. For instance, the grant money is given to the entrepreneur over the duration of the programme, as a means to incentivize the participants to work hard and to be able to exclude from the programme those entrepreneurs that are not performing according to the minimum expectations. In addition, in the case of Start-Up Chile all the participants need to participate in the Return Value Agenda, which means that they need to devote time to giving lectures to presumptive entrepreneurs, which contributes to the forming of networks, but at the same time also takes time away from developing the business.

Facilitation of start-up visas is another major role of the accelerator that encourages expatriate entrepreneurship. To obtain a start-up visa there generally are demands in terms of financial or human capital, and the entrepreneurs often need to have substantial savings to obtain a start-up visa. The majority of the interviewed accelerator participants would not have been

able to amass the necessary amount of resources in order to meet the minimum requirements. By virtue of participating in the accelerator the participants managed to waive the demand of financial assets and were virtually guaranteed obtaining the start-up visa.

Social capital

All three case accelerator programmes played an important role by providing complementary resources, some of the most important being influence and the exchange of information (Aldrich & Zimmer, 1986; Davidsson & Honig, 2003). Usually entrepreneurs spend a great deal of resources developing a network that matches the requirements of the specific venture that they are launching (Hite & Hesterly, 2001), and the three case accelerators played a large role in facilitating this process for all the interviewed embedded entrepreneurs. When expatriate entrepreneurs have identified an attractive opportunity, they need to assemble a set of resources in order to launch the venture. Some entrepreneurs have very limited personal resources, and in some cases the only resource is social capital (Brush, Greene, & Hart, 2001). In the particular case of expatriate entrepreneurs, such as the interviewed embedded entrepreneurs, their ability to use networks for resource mobilization is often markedly affected by virtue of leaving their home country and settling in another country.

The embedded entrepreneurs believed that by joining the accelerator programme they would gain access to resources to which they otherwise would not have access. Notably, my studies revealed a clear distinction between the embedded entrepreneurs from high-income and low or middle income countries in their perception of the accelerator's role in securing resources. The embedded entrepreneurs from the lower middle-income group believed to a higher extent that they would not be able to obtain the resources they gained from the accelerator programme in their home country. This implies that there is a higher likelihood that resource-constrained entrepreneurs will apply for accelerator programmes for expatriate entrepreneurs.

The community was a key source of resource acquisition for the accelerator participants across all three accelerators. As discussed previously, a key enabler of the building of a community was sharing a co-working space.

The daily interactions in the shared office lead to the development of solidarity and the exchange of information and knowledge among the actors. The co-working space is crucial for the establishment of relational social capital, which is linked to the ability to transfer knowledge of successful business practices among the participants (Nahapiet & Ghoshal, 1998). This was very important for obtaining market and tacit information and getting introduced to the networks of those in the community. Notably, my findings indicate that the ties between the expatriate entrepreneurs in the community were the strongest. Expatriate entrepreneurs used these community ties to obtain technical assistance. However, given that the expatriate entrepreneurs were in most cases not in a position to fund other ventures, expatriate entrepreneurs did not use this type of tie to directly access funding. Within the community, network interactions were steered by reciprocity, with the understanding that when helping another participant, that individual would probably return the favour one day. Furthermore, my results show that the community also played an important role for attracting and encouraging expatriate entrepreneurs to apply to the programme. This was particularly evident in the case of Start-Up Chile, where the entrepreneurs saw that the market and tacit knowledge that could be obtained by becoming part of the community potentially had very positive impact on new venture creation.

The community also is an important source of cognitive social capital, which is resources linked to having a shared understanding of common goals, such as shared language and codes (Yli - Renko, Autio, & Sapienza, 2001). My findings show that Start-Up Chile succeeded best with the creation of cognitive social capital, which to some extent can be explained by the programme having been running for several years, while both LaunchPad and Sirius were new pilot programmes. Thus Start-Up Chile had the ability to iterate its programme over a much longer period based on the analysis and feedback from previous cohorts, making it easier to develop a programme that generated cognitive social capital for its members. The shared language and codes were evident in the context of Start-Up Chile, where new members often communicated in meetings and social media with previous alumni. In this accelerator, social media (e.g., a Facebook group for all current and former participants) was crucial for generat-

ing a shared understanding and solidarity among previous and current participants and provided an important source of socio-psychological support.

Research has shown that the higher the levels of trust, the more resources are exchanged (Lee, 2009). So a key role for an accelerator programme is to provide an environment where trust can be developed between the accelerator participants. Co-ethnics often benefit and receive support from close ties within the ethnic group, which is helpful when extracting resources (Waldinger, Aldrich, Ward, & Blaschke, 1990). Close ties between co-ethnics lead to the establishment of ethnic institutions, such as churches and trade unions, which serve to enforce the ethnic identity. The co-working spaces foster the feeling of a community and thereby play a role similar to the aforementioned churches or trade unions, while the sharing of a migration experience replaces ethnicity as the common denominator. However, as evident from my case study, it becomes important that the community does not consist only of expatriate entrepreneurs. A significant proportion of local entrepreneurs are needed for a better understanding of and integration into the local entrepreneurial ecosystem, as well as for obtaining the buy-in from the local community. Start-Up Chile started as an accelerator only for expatriate entrepreneurs, but they soon realized the importance of a mixed community and started to also admit local entrepreneurs.

As is usually the case with accelerators and incubators, all three case accelerators studied were very good in facilitating bridging social capital, which are resources that are embedded in weak ties (Levy, Peiperl, & Bouquet, 2013). These weak ties gave the members of the accelerator programme access to business-related resources, much as described in previous research (Chua, Ingram, & Morris, 2008; Granovetter, 1973; Lin, 1999; Seibert, Kraimer, & Liden, 2001). Moreover, all three acceleration programmes also exhibited the ability to help substantially with the establishment of bonding ties, which are embedded in strong ties, between expatriate entrepreneurs. By sharing a migration background and being new to a country, the expatriate entrepreneurs gravitate to each other. Start-Up Chile is the case accelerator that succeeded the best with creating an environment where bonding social capital is established with both local and expatriate accelerator members. For this, Start-Up Chile devoted a lot of

resources to developing a programme that is conducive to bonding ties by virtue of the establishment of a tightly knit community. Unique aspects of the Start-Up Chile programme include the godfather/padrino programme, by which the expatriate entrepreneurs get the immediate opportunity to know locals devoted to integrating the expatriate entrepreneurs into the host country. My study also shows that some accelerator participants suffered a lack of bonding capital, especially one of a type important for providing emotional support. This was evident in the cases when the expatriate entrepreneurs had spouses and/or children who had stayed in the home country. One outcome of this study is that the accelerator programmes should to a higher extent support the entrepreneurs with the building of personal networks.

Previous research has shown that entrepreneurs with rich social networks benefit from better abilities to attract financial capital and skilled labour, and have better access to tacit knowledge (Stuart & Sorenson, 2005). Below, I will analyse how networks influence the resource acquisition process particularly in regards to the aforementioned categories.

Skilled labour

The accelerator's representatives, mentors, and community played an important role in helping the expatriate entrepreneurs with the recruitment of new employees. Of the embedded entrepreneurs that I interviewed, the vast majority were in the early phase of their venture, meaning that they still often lacked the financial resources to hire full-time employees. Because the grant they obtained as members of the accelerator often was not enough to pay for additional full-time personnel, they often opted to ask for free resources in the community. Thereby they could utilize the network to obtain skilled labour from their peers, mostly those with whom they had close ties. Sometimes the accelerator's community can be used as a recruitment tool itself to find qualified employees; members of the same community can become employees in other ventures if their own venture is liquidated. The accelerator community was also a place where the entrepreneurs exchanged information on talented contractors and/or consultants, facilitating the access to employees and contractors who had been tested and positively evaluated by other members of the community.

The accelerator programme also provides valuable training that increases the human capital of the embedded entrepreneurs and their employees. LaunchPad and Sirius especially had a large training component, with lectures covering applied entrepreneurship topics. Expatriate entrepreneurs with less previous experience running their own companies particularly appreciated this aspect of the accelerator. These educational sessions also provided a venue for networking, the exchange of best practices, and demonstrating the skills that each accelerator member possessed, so that others would know what type of assistance each particular entrepreneur could provide. Sirius and LaunchPad also used peer learning, but relied less on that for conveying key entrepreneurial principles. By contrast, Start-Up Chile is built on the principle of peer learning, where entrepreneurs are supposed to learn from each other.

I did not find any proof that the expatriate entrepreneurs were interested in hiring co-ethnics or that they gravitated to becoming part of a community that was predominantly made up of co-ethnics. In general, and differently from other immigrant entrepreneurs, expatriate entrepreneurs do not seem to place any additional and particular value in an ethnic community. They mainly prioritize and value the community of entrepreneurs that share the same vision to develop a fast-growing firm.

Market and tacit knowledge

At the first stage of detecting a business opportunity, entrepreneurs need to obtain market knowledge in order to properly evaluate the role of the new country on their business opportunity. For expatriate entrepreneurs this evaluation is particularly challenging, as not having networks in the new country makes the assessment of the host country's impact on the exploitation of the business opportunity more difficult. Also, the lack of market knowledge, together with the lack of local language skills, such as in the case of LaunchPad and Start-Up Chile embedded expatriate entrepreneurs, can increase the difficulties associated with this process.

All the embedded entrepreneurs had only limited time in the host country to prove that their business had potential, because start-up visas and the limited funding restricted the duration of their stay. However, the accelerator plays a key role in speeding up the generation of market and tacit

knowledge. Immigrant entrepreneurs often have difficulty obtaining tacit knowledge because it is transferred through parties that have a strong relationship. Securing tacit knowledge is difficult for all nascent entrepreneurs because it is not codified (Stuart & Sorenson, 2005). Tacit knowledge is even more difficult for expatriate entrepreneurs to access because they lack social relations with the local actors that can transmit it. It is imperative for start-ups and expatriate entrepreneurs to have access to tacit knowledge because it can generate a competitive advantage (Liles, 1974; Rivkin, 2001). Not only must they obtain access to tacit knowledge quickly, but they also should maintain it over the entire duration of the venture, as access to tacit knowledge has been shown to have a positive impact on profitability (Rivkin, 2001). Networks influence access to tacit knowledge. In the three case accelerators studied here, the main source of tacit knowledge was in fact the accelerator community where the bonds between the participants were strong. Additionally, most of the interviewed embedded expatriate entrepreneurs, except some of the Sirius cases whose accelerator only had expatriate entrepreneurs as participants, could also profit from exchanging tacit and market knowledge with local entrepreneurs in the accelerator.

My research shows that acceleration programmes are able to provide the setting for cohesive social relations. In general, tacit knowledge is transferred in face-to-face interaction (Stuart & Sorenson, 2005), and the co-working spaces were places where tacit knowledge was exchanged among the participants in the accelerator programme. In other words, by virtue of making entrepreneurs share a substantial number of friends and be part of the same accelerator programme, accelerators facilitate the process by which participant entrepreneurs accumulate enough trust for the exchange of tacit knowledge (Coleman, 1990). By being part of a new industry, the case accelerator participants had the advantage of having to rely less on accessing tacit knowledge from incumbent firms (Stuart & Sorenson, 2005).

Financial capital

Most of the embedded entrepreneurs have a need for follow-up investment. Their businesses will not be able to prosper or support the founders when the funding provided by the accelerators expires. Thus networks also play an important role in this stage, because entrepreneurs with large net-

works have a better chance of reaching and securing investments from investors. All three acceleration programmes have developed close ties with investors, which was important for the embedded case entrepreneurs. The investors also benefit from having ties with the accelerators, as they often use their networks to find candidates worth investing in, and frequently rely on referrals from contacts such as accelerator representatives and accelerator mentors. Sometimes entrepreneurs provide unreliable information and are subjective in their assessment of their own abilities. By using their networks within the accelerator programme, investors can get second opinions on the entrepreneurs and the ventures that they are running, information that is otherwise difficult to obtain from public sources. The expatriate entrepreneurs understood that investors prefer to invest in ventures that have been sourced from close contacts (Fried & Hisrich, 1994; Hsu, 2004). Thus this also became an important reason for applying to the accelerator.

In the next chapter I present my key empirical findings and theoretical contributions.

Chapter 10

Discussion: key empirical findings and theoretical contributions

My research focuses on entrepreneurs that leave their home country in order to pursue a business opportunity. This requires a high degree of devotion to the business idea and its potential. Thus far these entrepreneurs have gone almost unnoticed in the entrepreneurship research field. We still do not know much about them. What characterizes them? Does lack of host country network ties affect their business, and if so, how do they cope with this? This thesis is dedicated to the phenomenon of cross-border entrepreneurial migration and addresses these research gaps by providing a better understanding of this new type of entrepreneurs that I define as expatriate entrepreneurs.

The study was designed to address three aims. Firstly, to define expatriate entrepreneurship and place this new type of entrepreneur into the context of entrepreneurship among immigrants. Secondly, to examine how accelerators facilitate network formation for expatriate entrepreneurs. And finally, to investigate how accelerators facilitate resource acquisition for expatriate entrepreneurs. I have used case-study methodology to interview expatriate entrepreneurs and accelerator representatives at the only three government-funded acceleration programmes catering to expatriate entrepreneurs that existed at the time of my study. In this final chapter, I discuss the key findings and their implications for the field.

Expatriate entrepreneurs: a new subtype of immigrant entrepreneurs

This dissertation advances the immigrant entrepreneurship research field by introducing and defining expatriate entrepreneurship, a new subtype of immigrant entrepreneurship. The definition of expatriate entrepreneurs is based on the analysis of the research on entrepreneurship among immigrants combined with data from the evaluation of the requirements for start-up visas in 14 OECD countries. Using data on start-up visas from the aforementioned countries, I categorize start-up visas into three categories: i) self-employment start-up visa, ii) accelerator-facilitated start-up visa and iii) start-up visa for innovative businesses. I also provide data on the scope of phenomenon by presenting data on both the year in which start-up visa programmes were introduced and the number of start-up visas that have been issued during one recent year. Subsequently, I performed a pre-case study to uncover major differences between expatriate entrepreneurs and other types of entrepreneurs among immigrants, and later conducted a case study in order to conclusively establish the traits of expatriate entrepreneurs. My empirical findings strengthen the argument for a more fine-grained classification of entrepreneurship among immigrants.

I show that even if expatriate entrepreneurs share several features with other types of entrepreneurs, they also possess some key unique features that warrant categorizing them as a separate sub-group of immigrant entrepreneurs. Notably, they are different from ethnic entrepreneurs, because belonging to an ethnic group does not play a prominent role in their business endeavours. The ethnic niche is not an attractive market for expatriate entrepreneurs because it is limited in size; instead they opt to target mainstream markets. Expatriate entrepreneurs also are different from business immigrants, because they are interested predominantly in the business opportunity they want to exploit. Expatriate entrepreneurs generally believe that launching a venture in a well-functioning entrepreneurial ecosystem is a competitive advantage when exploiting the opportunity. Furthermore, the empirical data shows that the environment can be a major pull factor for entrepreneurs that are coming from countries that have less developed regulatory and institutional environments. Strikingly, I also demonstrate that

by virtue of offering an accelerator programme, countries with entrepreneurial ecosystems that are less competitive are able to compete with some of the world's leading ecosystems.

Generally, immigrant entrepreneurs discover opportunities while they are already in the host country. By contrast, expatriate entrepreneurs discover business opportunities while in the home country and choose to engage in emigration primarily in order to pursue an opportunity. Unlike business immigrants, obtaining a residence permit is not the underlying reason for their relocation. Different from transnational entrepreneurs, expatriate entrepreneurs generally do not pursue opportunities that are built on a business model that requires having linkages to the home country. Unlike the vast majority of immigrant entrepreneurs, expatriate entrepreneurs have residence permits that are limited in duration; and will only be prolonged if the entrepreneurial activity is successful. This time constraint makes the entrepreneurial process of expatriate entrepreneurs markedly different from other entrepreneurs. My findings show that expatriate entrepreneurs considered emigrating after the acceleration programme if they do not get the needed support from the host country. This underpins another distinctive characteristic of expatriate entrepreneurs: that they are willing to continue migrating in search for better economic opportunities. Hence, expatriate entrepreneurs distinctively exhibit serial migration traits driven by the search for better business opportunities. Moreover, expatriate entrepreneurs seek to launch highly mobile ventures with global potential, and thus, prefer environments that are conducive to the rapid internationalization of their firm.

I describe expatriate entrepreneurs as a novel and distinct subtype of immigrant entrepreneurs, and I defined them as “highly mobile individuals who engage in cross-border migration in order to exploit a global business opportunity in an entrepreneurial ecosystem that is ideal for the venture and whose emigration decision is not affected by the desire to obtain residency in another country.”

Defining expatriate entrepreneurs is a substantial contribution to research into entrepreneurship among immigrants, as it helps to create a clarity of definitions in a field where a plethora of often not-well-defined terms are used interchangeably (Carter, Mwaura, Ram, Trehan, & Jones, 2015). In

a way, expatriate entrepreneurship is the epitome of opportunity entrepreneurship, and its existence emphasizes the need for immigrant entrepreneurship research to better address the heterogeneous nature of entrepreneurship among immigrants.

The role of the accelerator in expatriate entrepreneurship

A conceptual framework for accelerator-facilitated expatriate entrepreneurship

Accelerators have been shown to provide a resource munificent environment conducive to entrepreneurship. However, there is very limited research on incubators and accelerators in the context of entrepreneurship among immigrants. This is somewhat surprising, as particularly recent immigrants who want to start a business might stand to benefit more from joining an accelerator or incubator programme than other types of entrepreneurs, because they often lack host country network ties and host country market knowledge. In addition, they might be unfamiliar with the language and institutional and regulatory environment.

My thesis contributes to research on incubators and accelerators, which to date has been studied to a limited extent. Importantly, my research is, to my knowledge, the first to study how accelerators facilitate expatriate entrepreneurship. The cases used are the world's three first acceleration programmes that specifically targeted expatriate entrepreneurs. Accelerator programmes mitigate the requirement for participants to have a minimum amount of available capital necessary to support their businesses, and participants also receive a start-up visa before embarking on expatriate entrepreneurship. This means that the accelerator enables people without the financial means, but with the business idea and human capital, to become expatriate entrepreneurs if they are admitted to the accelerator programmes.

The participants in the three acceleration programmes can be divided into three different groups based on how much the accelerator impacted their decision to participate:

i) Those who would have engaged in expatriate entrepreneurship in the host country regardless of the existence of an accelerator. Countries with strong existing entrepreneurial ecosystems are the most likely to receive applicants from this group.

ii) Those who would have chosen another country if it was not for the accelerator. For instance, the within-case analysis showed that several of the interviewed expatriate entrepreneurs chose Chile because of the existence of Start-Up Chile. Without the presence of Start-Up Chile, these entrepreneurs would have gone to ecosystems that were better known to be conducive to entrepreneurship. From a policy standpoint, an acceleration programme can play a very important role because it can attract highly qualified entrepreneurs to a particular country who otherwise would have launched companies in some other country.

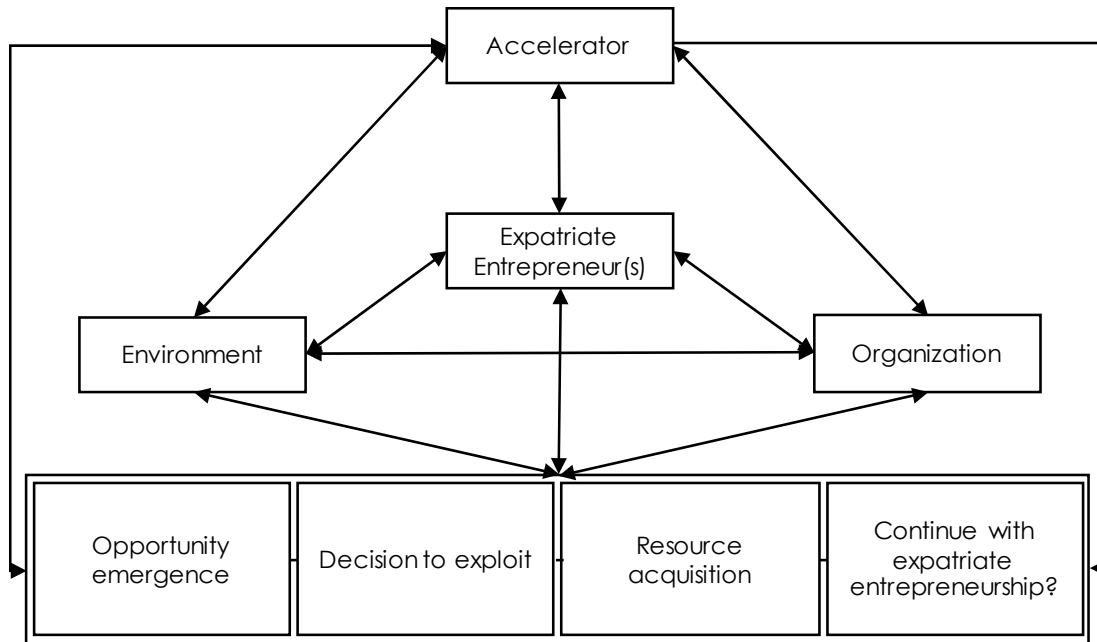
iii) Those who would have not participated in expatriate entrepreneurship without the existence of an accelerator. For this group of entrepreneurs, the existence of an accelerator is the pre-condition for engaging in expatriate entrepreneurship. This group is swayed to become expatriate entrepreneurs by the benefits of attending an acceleration programme or because their admission to an acceleration programme is key for obtaining a start-up visa.

After reviewing the current literature on entrepreneurship among immigrants, I determined that previously used conceptual frameworks are not adequate for researching expatriate entrepreneurship. Because of their focus on ethnic strategies, commonly used interactive models such as the Waldinger model are not suitable, as I have shown that ethnicity does not play a role in expatriate entrepreneurship. In addition, expatriate entrepreneurs have the distinctive characteristic of emigration driven by the aim of exploiting a business opportunity. To date, research on entrepreneurship among immigrants has mainly focused on necessity-based entrepreneurship, while there is a lack of frameworks devoted to understanding opportunity-driven immigrant entrepreneurship. Furthermore, for expatriate entrepreneurs the presence of acceleration programmes is of central rele-

vance for the venture creation process. Thus, a new conceptual framework for better describing the creation of new ventures by expatriate entrepreneurs that take part in an acceleration programme is needed.

For this purpose, I developed my own framework by adapting Gartner's framework (1985) with two major modifications. Firstly, I decided to extract the accelerator component from Gartner's environment dimension and add it as a separate new dimension. The intention is to highlight my key findings and illustrate that accelerators can substantially impact expatriate entrepreneurship by influencing all other dimensions of venture creation: the expatriate entrepreneur(s), the organization created, the environment, and the venture creation process. The second important modification is the identification of four critical stages in the venture creation process of expatriate entrepreneurs: opportunity emergence, decision to exploit opportunity in the host country, resource acquisition, and continue with expatriate entrepreneurship (Figure 10.1). Of note, decision to exploit opportunity and resource acquisition are the two stages that occur predominantly while expatriate entrepreneurs are participating in acceleration programmes. Thus, in keeping with my research questions and aims to define the role of accelerators in expatriate entrepreneurship, these were the only two phases investigated in this study. The key findings regarding the role of the accelerator in these two stages are discussed below and illustrated in Figure 10.2. Nevertheless, I also present the complete framework (including the opportunity emergence and continue with expatriate entrepreneurship stages) in Appendix D.

Figure 10.1. A framework for describing accelerator-facilitated expatriate entrepreneurship



Adapted from Gartner (1985)

Decision to exploit opportunity

The empirical data indicates that some of the entrepreneurs could only become expatriate entrepreneurs in the host country by joining an accelerator; otherwise they would not have been able to fulfil the requirement for obtaining a start-up visa. At the decision to exploit opportunity stage, the expatriate entrepreneur has already been admitted to the accelerator programme. Hence, by having gone through a competitive selection process, the entrepreneur obtains validation of the business idea. Moreover, because accelerators offer an educational component and the ability to work with reputable mentors and peers that have gone through the same selection process, expatriate entrepreneurs believe that participation in the acceleration programme will have a positive impact on their human capital. My study highlights that the accelerator's community can play a substantial role when assessing the impact of launching a venture abroad. Further-

more, by being able to reach out to current and past members of the accelerator community, the presumptive expatriate entrepreneur can get information not only on the acceleration programme itself but also on the host country environment. Additionally, by joining a cohort of expatriate entrepreneurs they became embedded into a community that can further provide emotional support, something that expatriate entrepreneurs often miss, since the vast majority of these entrepreneurs leave family and friends behind in the home country. Therefore, by being admitted to the accelerator the expatriate entrepreneur judges the environment to be more conducive to entrepreneurship than it would have been should he/she not have been admitted.

The uncertainty premium is higher when launching a venture in a foreign environment. However, this is offset by the existence of an accelerator programme, and especially due to the financial grant that all the participants obtain. Importantly, my findings suggest that an expatriate entrepreneur's probability to decide in favour of exploiting an opportunity is positively affected by the existence of social ties. This finding is in line with previous research on the positive impact of social ties on the decision to exploit an opportunity (Shane, 2003), given that these ties provide access to resources (Aldrich, 1999). To summarize, in the decision to exploit an opportunity stage, the accelerator plays an important role as it increases the expected value of exploitation.

The accelerator's role in resource acquisition

In order to exploit an opportunity, an entrepreneur needs access to resources. In fact, many diverse resources are required to successfully initiate the operations of a venture. However, expatriate entrepreneurs are hampered in their resource acquisition activities by having few ties to host country actors and limited time in the host country due to start-up visa restrictions. Understanding how expatriate entrepreneurs deal with the resource acquisition process despite this adversity is not only novel but can have important implications for entrepreneurship among all categories of immigrants that launch a company soon after settling in a country, regardless of the reason for emigration.

My empirical analysis reveals that entrepreneurs face several challenging resource constraints when engaging in expatriate entrepreneurship. During the pre-migratory business-opportunity identification phase as well as during the relocation process, accessibility to visas and financial capital are strong determinants of expatriate entrepreneurship. Moreover, the expatriate entrepreneurs need to meet the legal requirements, in the form of a start-up visa, to be able to immigrate and start their venture in the country of interest. My findings support the notion that expatriate entrepreneurship is facilitated by access to material resources. Expatriate entrepreneurs must have or be able to secure additional financial capital to compensate for costs associated with immigration, because starting a venture in another country is often more expensive than launching it in the home country. Absence of these resources inhibits expatriate entrepreneurship allowing only those individuals with substantial financial resources to freely engage in expatriate entrepreneurship. This indicates that self-initiated expatriate entrepreneurship is predominantly for entrepreneurs with considerable resources.

Expatriate entrepreneurs' dearth of market, tacit, and institutional knowledge, together with the low legitimacy and inability to raise additional funding, might significantly affect the survival rates of their ventures. They are also often unfamiliar with the language, social norms, and culture of the host country. Furthermore, the study reveals that expatriate entrepreneurs also suffer from lack of legitimacy when trying to attract investors and skilled labour. I show that these resource constraints are not trivial and constitute real barriers that can discourage expatriate entrepreneurship. They do, however, impact the business at different stages and do not affect all expatriate entrepreneurs equally. My empirical findings are conclusive in showing that accelerators are crucially involved in helping expatriate entrepreneurs deal with all of the aforementioned resource constraints.

The existence of accelerators that cater to expatriate entrepreneurs can mitigate the differences in resources between expatriate entrepreneurs, facilitating expatriate entrepreneurship for those entrepreneurs with lower human and/or financial resources. Accelerators can alleviate the initial resource constraints in expatriate entrepreneurship by granting a start-up visa and enough financial capital to relocate to the host country. At this early

stage, some accelerators, such as Start-Up Chile, can give their participants a competitive advantage by letting them access the accelerator community, which by itself is a vast resource to convey both market and tacit knowledge during the crucial opportunity emergence phase. This is important, as my research shows that a lack of market and tacit knowledge both inhibits expatriate entrepreneurship and hampers the ability to correctly be able to assess how launching in a new country will impact opportunity exploitation.

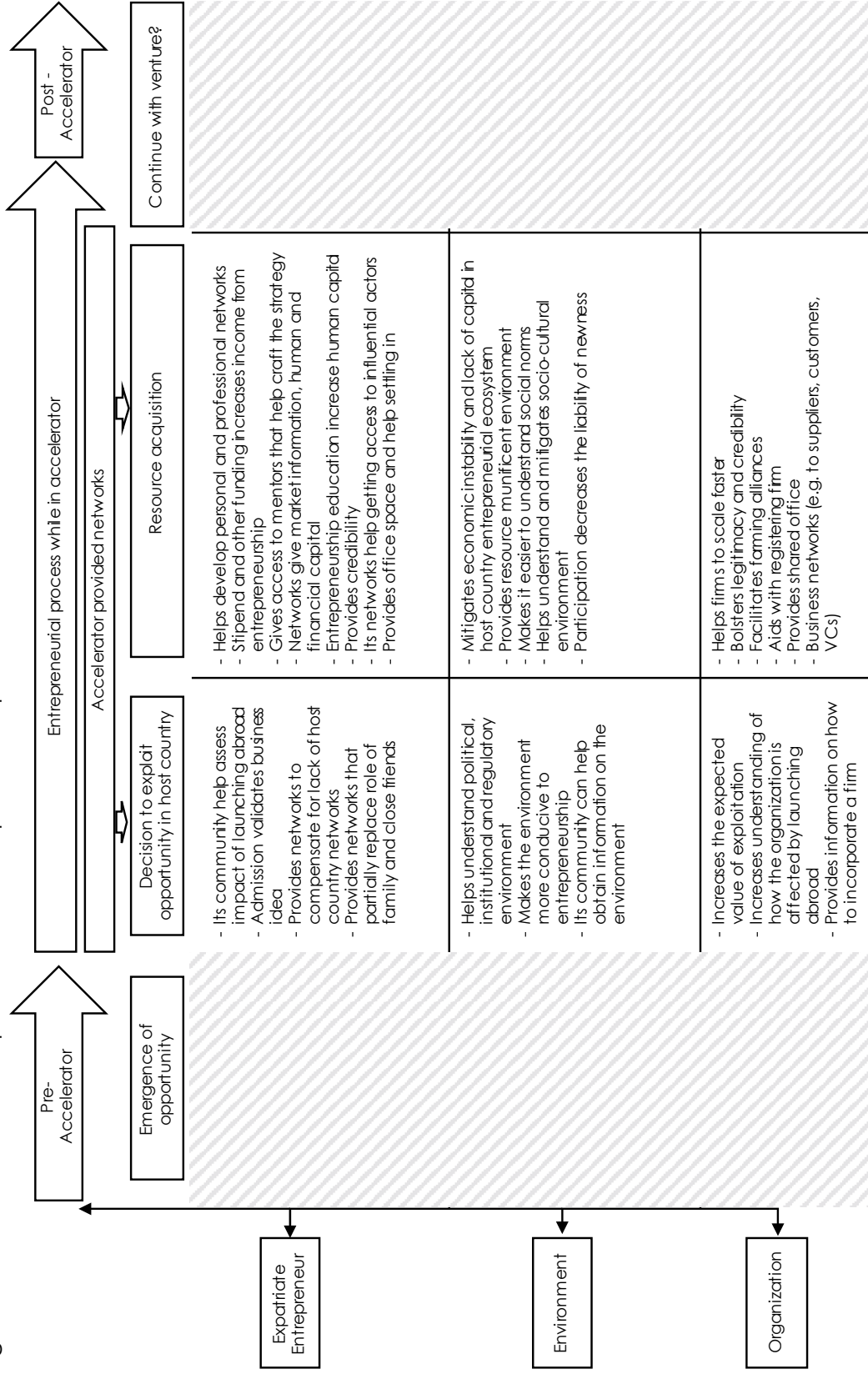
Right after immigration, accelerators provide the expatriate entrepreneurs with the resources associated with relocation assistance, such as opening bank accounts, obtaining identification cards and residence permits, and access to housing and office space. This is very valuable for the entrepreneurs, saving them much time and allowing them essentially to start working the day after arriving in the country. Accelerator programmes also markedly speed up acquiring the tacit and regulatory knowledge needed to establish a company in the host country and give the expatriate entrepreneurs access to qualified accountants and lawyers who can help them incorporate quickly and run the business.

Throughout the duration of the programme, the accelerator actively and continuously supports resource acquisition for the expatriate entrepreneurs. The accelerator community is the major source of resource acquisition throughout the duration of the programme. Networking among participants is constantly encouraged. This happens mainly by virtue of participating in an induction week and sharing office space, both of which enable forging strong ties that then serve as a foundation for the accumulation of market and tacit knowledge as well as a source of skilled labour. The accelerator representatives and mentors help the expatriate entrepreneurs develop networks that are needed to meet the resource requirements of the venture. This is important when raising financial capital, because being introduced by the accelerator representatives or mentors increases the expatriate entrepreneurs' probability of raising money. The accelerator programme plays a key role in providing the expatriate entrepreneurs with legitimacy and credibility that facilitates their business endeavours. Venture capitalists prefer entrepreneurs that have been recommended by close contacts (Fried & Hisrich, 1994; Hsu, 2004), a state-

ment supported by the findings of this study. My interviews suggest that investors are more reluctant to fund ventures by expatriate entrepreneurs than they are to finance ventures by natives, because they think that the expatriate entrepreneurs would have an easier time disengaging from the venture and moving back to home country. However, it is very likely that without the introductions from the accelerators it would be even more difficult for the expatriate entrepreneurs to raise capital. Finally, accelerators can, to a certain degree, mitigate the difficulties of not speaking the local language. My analysis shows that speaking the local language was much more important for integrating into society than for developing the venture.

The main contributions of accelerators in regards to social capital are to: i) provide the expatriate entrepreneurs with access to professional networks and thereby give them structural social capital access in the host country, ii) transfer relational social capital assets to the expatriate entrepreneurs, which helps with their ventures legitimacy and credibility, and iii) increase the expatriate entrepreneurs' cognitive capital in the host country. The accelerator's major contribution in generating relational and cognitive social capital could explain, at least partially, why for expatriate entrepreneurs the absence of close personal networks seems less detrimental than for many other types of entrepreneurs. Figure 10.2 summarizes the role of the accelerator in the expatriate entrepreneur's entrepreneurial process.

Figure 10.2. Accelerators' impact on the entrepreneurial process



The accelerator's role in network formation

Networks are of utmost importance during the start-up phase (Greve & Salaff, 2003) and research has shown that the most valuable resources are provided by the entrepreneurs' networks (Nahapiet & Ghoshal, 1998). Resources that are embodied in networks are drivers of business growth, and thus network connectivity is an important field of research for entrepreneurship. However, there is still lack of studies describing the venture creation process of nascent entrepreneurs that engage in company start-up activities immediately after moving to the host country. This study contributes to filling this research gap by exploring the role of networks for expatriate entrepreneurs and how this group of entrepreneurs deal with often having to build host country networks from scratch.

Networks have been shown to be even more important for immigrant entrepreneurs than for natives, giving them information on the new environment (Thai & Turkina, 2013). When starting a venture abroad, an entrepreneur faces constraints in host country networks in comparison to native entrepreneurs. By launching a business in a new country, one could argue that the liability of newness is higher for expatriate entrepreneurs than for firms launched by native entrepreneurs, and expatriate entrepreneurs therefore also face a higher risk of failure. A key reason for the liability of newness is that young firms often lack trust in their relationships due to the fact that these ties are mainly to strangers (Stinchcombe, 1965). Thus, immigration adds another layer of complexity to the network formation process for expatriate entrepreneurs. Expatriate entrepreneurs are indeed in a precarious situation, as they are uprooted from their home-country networks and experience a new social environment in the host country. The successful establishment of networks in the host country greatly affects both the success of the venture and whether the entrepreneurs feel at home in the host country. The expatriate entrepreneurs' low embeddedness in networks makes it harder for them to exploit business opportunities when compared to natives. Additionally, time is of crucial importance for all entrepreneurs, even more so for expatriate entrepreneurs, who are often constrained by a

short-term residence permit and the higher cash burn rate associated with launching a venture in a new country.

Governments want to maximize the probability for the expatriate entrepreneurs to establish successful companies in the country, and having accelerator programmes that aid in the formation of networks is one way of spurring venture growth. Building networks is a crucial part of the entrepreneurial process, and it is important to manage it. My findings reveal that expatriate entrepreneurs decide to join an accelerator programme as a key strategy to positively affect the venture creation process in the host country. Importantly, my pre-case study suggests that this might be a strategy preferred by many expatriate entrepreneurs, including self-initiated expatriate entrepreneurs that possess financial resources, as they also recognize the beneficial roles of accelerator programmes for recently arrived entrepreneurs. Furthermore, the findings indicate that the accelerators could also be important for other categories of immigrant entrepreneurs that launch a business soon after immigrating, and not only for expatriate entrepreneurs.

I show that networks are imperative for expatriate entrepreneurs. However, the embedded expatriate entrepreneurs in the vast majority of cases had no ties to actors in host country at the time they immigrated, and they had limited time to let the process of establishing networks run its course. Accelerators and incubators have been previously shown to be key contributors to establishing networks for entrepreneurs (Collinson & Gregson, 2003). My study now indicates that this statement is also valid for expatriate entrepreneurs, for which accelerators also play a vital role in developing networks. Moreover, accelerators help the expatriate entrepreneurs establish networks with important actors, which is also in line with research for non-immigrant accelerator members (Hansen, Chesbrough, Nohria, & Sull, 2000). Among the strategies identified through this study that were most commonly utilized by accelerators to help the expatriate entrepreneurs with the establishment of networks are: i) arranging seminars and boot camps in which entrepreneurs could network and learn from each other, ii) providing access to mentors, coaches, and accelerator representatives who shared their networks, and iii) sharing offices among accelerator participants.

When entrepreneurs move to another country they need to join business communities that are made up of ties between the community mem-

bers (Narayan & Pritchett, 1999). So the expatriate entrepreneurs are looking for ways to speed up their integration into the business community and often put their hopes on the accelerator being the main facilitator of this process. The empirical findings reveal that the general approach of the three case accelerators is to create a community with strong ties, where participants have the feeling of belonging to a tightly knit community that benefits from trust and reciprocity among the community members.

My findings support the notion that the existence of trust among the accelerator members leads to greater exchange of resources (Lin, 2000). Usually, in the initial stages, entrepreneurs have to rely on close social support networks (e.g., family ties and spouse (Birley, 1985)). Often, members with whom entrepreneurs have strong ties are more likely to offer assistance at a lower cost than could be expected of those with whom the entrepreneurs have weak ties (Elfring & Hulsink, 2003). My study indicates that peer-to-peer learning within an acceleration programme can be very high, mainly because strong ties are established within the accelerator community. Contrary to the findings of Pettersen, Aarstad, Høvig, and Tobiassen (2016), it seems that the ties between expatriate entrepreneurs in an accelerator community are considerably stronger than those that are found in an incubator programme that has only native participants.

My study is the first that explores the importance of personal networks for expatriate entrepreneurs and it reveals that the accelerator community has an ability to compensate for the lack of a home country personal network. Most expatriate entrepreneurs do not bring their close support networks with them into the host country. Additionally, they appear to rely little on family and old friends for financial or emotional support. Instead, the accelerator members, especially other expatriate entrepreneurs, can partially substitute for family and friends. By sharing the experience of being new to a country, working at the same co-working space, attending the same educational and inspirational programmes, and having similar goals and interests, strong ties were created among expatriate entrepreneurs and the accelerator community seemed to be able to replace the role that is traditionally played by family and friends in the home country.

This indicates that the accelerator community, especially fellow expatriate entrepreneurs, plays a very important role in alleviating the liability of

newness. The embedded expatriate entrepreneurs showed a strong tendency toward having ties characterized by multiplexity - they rely heavily on the networks that they obtain through the accelerator programme to acquire both personal and professional networks. In many cases their business relationships quickly become social relationships and vice versa. New communication technology played an additional role in reducing the dependence on traditional support networks by giving the expatriate entrepreneurs a much better ability to stay in touch with their home country than they would have had in previous decades. My empirical findings have important implications considering that expatriate entrepreneurs show the need to integrate into society and have a social life in order to be satisfied in their host country. I observed that when the accelerator community is not characterized by strong ties among its members, expatriate entrepreneurs express a higher degree of home-sickness and give more consideration to leaving the host country upon completing the acceleration programme.

There were noticeable differences between the three case accelerator programmes targeting expatriate entrepreneurs, as they were not equally successful in establishing a community that was conducive to growing the expatriate entrepreneurs' networks. Interestingly, the programme I perceived as the most successful—Start-Up Chile—was built around the accelerator's community as the key force that would help the expatriate entrepreneurs in all aspects of entrepreneurship. This accelerator also devoted more resources embedding the expatriate entrepreneurs in host country networks, and thereby introducing them more quickly to the social and cultural aspects of living in that country. This was done by, for instance, pairing each expatriate entrepreneur with a native and promoting cultural exchange activities by requiring that the entrepreneurs share their knowledge of entrepreneurship at outreach events in Chile, both strategies that are unique to Start-Up Chile. By embedding the entrepreneurs into both the accelerator community and the local society, Start-Up Chile integrates the expatriate entrepreneurs into the social structure of Chile. My study reveals that this type of accelerator programme, that spends resources on helping the participants establish personal networks, is greatly appreciated by the expatriate entrepreneurs. Another finding is that transnational networks played a more important role for participants whose businesses

were truly global than for those wanting to have predominantly regional sales. The latter group expressed a higher need for host country networks in order to facilitate local sales. In other words, the business model of the venture has a substantial impact on the importance of host country business networks.

To summarize, accelerators crucially assist and facilitate network formation to counteract the liability of newness and time restrictions this new type of entrepreneur faces. Accelerators speed up the embeddedness process of this new type of immigrant entrepreneur, providing the platform for establishing suitable networks in less time. As facilitators of networks, accelerators also help reduce the trade-off that these entrepreneurs experience by having to divide their time between operational and networking activities. The empirical data further shows that those accelerators that focus on and expend more resources to help with the building of personal networks are able to better mitigate the expatriate entrepreneurs longing for family and friends that are left behind in the home county.

To conclude, this study significantly contributes to the research of entrepreneurship among immigrants by describing a new sub-type of immigrant entrepreneurs, namely those that emigrate in order to launch a business. I denote this group as expatriate entrepreneurs and I place them into the context of research of entrepreneurship among immigrants. My study also highlights that accelerators can play a vital role for expatriate entrepreneurs, as they are shown to be key facilitators of expatriate entrepreneurship due to their ability to support network formation and resource acquisition. An important contribution of my study is that accelerators, as a way of decreasing the liability of newness of expatriate entrepreneurs, should focus their programmes around the following concepts: i) fast formation of both personal and professional networks, ii) creation of suitable networks for the venture, and iii) development of a strong accelerator community.

Implications for policy and practice

It only takes a glance at Silicon Valley to grasp how high-tech immigrant entrepreneurs who launch fast-growing ventures can positively impact a

country's economic growth. Clearly, these implications have not gone unnoticed by policy-makers. Governments around the globe are increasingly reorienting policies to attract highly skilled foreign entrepreneurs from other countries to incentivize them to start high-impact businesses. In turn, entrepreneurs with high human capital and promising business ideas now have unprecedented opportunities by virtue of being able to migrate across borders to those countries that offer them the best conditions for launching their venture. My research shows that innovative policy initiative in the form of government-funded accelerator programmes for expatriate entrepreneurs could become an important tool in both attracting expatriate entrepreneurs and retaining domestic entrepreneurs, thereby creating a new source of economic growth.

My study illuminates the nexus between the expatriate entrepreneur and the business environment in the host country, and shows how differences can be mitigated by an accelerator by the fact that it creates a fit between the entrepreneur and the environment. The study reveals that acceleration programmes can create a competitive advantage vis-à-vis other countries and help mitigate the entrepreneurial ecosystem deficiencies of certain countries, particularly if high-quality networks are offered to the entrepreneurs. This finding has large policy implications, as it indicates that governments should consider using acceleration programmes as an instrument to assist expatriate entrepreneurs, and possibly other types of recent immigrants as well, with the launching of companies. Moreover, governments can also use acceleration programmes' admission criteria to fine-tune, to a higher extent than possible with start-up visa requirements, the selection of entrepreneurs, for instance, in regards to a particular educational background, age, and type of industry.

Policy-makers should take note of the internationalization of the entrepreneurs that I herein describe. Governments have the opportunity to reap economic rewards if they are able to attract and retain expatriate entrepreneurs, but their economic growth might be adversely affected if they become net exporters of entrepreneurs. We might therefore soon be expanding the notion of brain drain to also cover the exodus of entrepreneurs. From my study we can learn that to be more competitive, accelerators and governments should do even more to alleviate the financial

challenges associated with the process of raising capital by expatriate entrepreneurs. If governments admit expatriate entrepreneurs that have business ideas which require substantial amounts of capital in order to become regional or global leaders, they also need to provide suitable and conducive entrepreneurial ecosystems to support these types of ventures. Otherwise, they will face the risk that these highly mobile entrepreneurs will relocate their ventures to a new ecosystem where the perceived probability of success is higher. Therefore, comprehensive policies should be tailored for the needs of expatriate entrepreneurs in order for governments to take full advantage of this new type of entrepreneurship.

Future research

Thus far the bulk of research on entrepreneurship among immigrants has focused on necessity entrepreneurship. Much less effort has been made to explore opportunity entrepreneurship among immigrants. This study is the first to describe and categorize expatriate entrepreneurs as a distinct subtype of immigrant entrepreneurs that emigrate due to the pursuit of business opportunities. Importantly, this is as a real-life phenomenon that so far has been virtually unexplored by the research community. My study offers the possibility to better understand this particular stream of opportunity-driven immigrant entrepreneurship, opening new potential avenues for future research.

For instance, it would be of significance to further understand the role of networks in the opportunity-identification phase of expatriate entrepreneurship. During this phase, a potential entrepreneur recognizes that resources are being used in a sub-optimal way, which in turn creates an opportunity to reconfigure and redeploy them. We know that networks serve as a channel for learning about entrepreneurial opportunities (Stuart & Sorenson, 2005). However, the expatriate entrepreneurs are in their home country during the opportunity-identification phase and often have non-existent or very limited networks in the country to which they will be moving. This generates difficulties gauging how the host country entrepreneurial ecosystem and how the lack of host country networks would impact the opportunity discovered. Hence it would be important to continue ex-

ploring if and how accelerator programmes that cater to expatriate entrepreneurs are important during the opportunity-identification phase.

Similarly, it also would be relevant to expand this study to investigate how expatriate entrepreneurs are able to acquire resources after the accelerator programme has finished. Furthermore, accelerators catering to expatriate entrepreneurs are a relatively new phenomenon whose scale is limited. This indicates that the vast majority of expatriate entrepreneurs that engaged in cross-border entrepreneurial migration might not be participating in acceleration or incubation programmes. It is of paramount importance to better describe this group, understand how they cope without the help of an acceleration programme, and determine how similar they are to those expatriate entrepreneurs that do participate in accelerator programmes.

In this study I show that expatriate entrepreneurs are primarily driven by wanting to exploit a business opportunity. However, it is imperative to understand how the perceived well-being affect both the decision to become an expatriate entrepreneur and the decision to continue living in the host country. Finally, but of utmost importance, we know little about how immigrant entrepreneurs in general and expatriate entrepreneurs in particular perform. Thus future research is needed to determine whether expatriate entrepreneurs succeed in the host country, and their impact on the economy.

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Appendix

Appendix A: online questionnaire for expatriate entrepreneurs

1. Please enter your last name:
2. Please enter your first name:
3. Please enter your gender:
 - Male
 - Female
4. Please enter your age:
5. What is your nationality?
6. What is your highest level of education?
 - High School
 - B.Sc.
 - M.Sc.
 - Ph.D.
7. What is the subject area that you have the highest degree in?
8. Do you have a company incorporated that you are using to develop your venture?
 - Yes
 - No

9. Name of the company (if incorporated):

10. When was the business incorporated (if incorporated)?

11. In which country is your firm incorporated (if incorporated)?

12. Does your firm have any subsidiaries?

- Yes
- No

13. How did you fund this venture (in addition to the capital received by the accelerator)?

- Cash-flow generated from the company
- Private equity or venture capital
- Savings
- Loan from family or friends
- Loan from bank
- Other _____

14. What is the number of team members or employees (including yourself)?

- 1
- 2
- 3
- 4
- 5
- 6-10
- More than 10

15. What is your position in the company/project?

- CEO
- Chairman of the board
- CTO
- CFO

- Other, please specify _____

16. Is your venture’s market:

- Global
- Regional
- Local

17. What was the main reason for pursuing the business idea and joining [name of accelerator programme]?

- Business opportunity
- Necessity - lack of other options
- Personal development
- Having the ability to start the venture in [host country] by taking part in the accelerator
- Other _____

18. When choosing to enrol, how important was:

	Not at all Important	Very Unimportant	Neither Important nor Unimportant	Very Important	Extremely Important
Working in another country	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social environment at [name of accelerator programme] seemed nice	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Getting a residence permit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19. When choosing [name of accelerator programme], what did you prioritize?

- I prioritized personal development
- I prioritized the development of my business

- I equally prioritized personal development and the development of my business

20. Did you work or study outside your country of origin longer than 3 months prior to joining [name of accelerator]?

- Yes
- No

21. Is at least one of your parents an immigrant?

- Yes
- No

22. Is at least one of your parents self-employed (entrepreneur)?

- Yes
- No

23. Which of the following options describes best your profession before joining [name of accelerator]?

- Student
- Self-Employed
- Employed
- Other _____

24. Have you founded a corporation previously - before you started working on the [name of the accelerator]?

- Yes
- No

25. Please rate the following motives for joining [name of the accelerator]

	Not at all Important	Somewhat Unimportant	Neither Important nor Unimportant	Somewhat Important	Very Important
The business idea is linked to the [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to incubator/accelerator in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Favourable economic situation in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stable political situation in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Existence of interpersonal trust in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Existence of business-related trust in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of human capital in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Availability of financing through the [name of accelerator] grant or other funding in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality of life in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Quality of legal institutions in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Favourable attitude to entrepreneurship in [name of host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

26. Would you have considered starting this firm without being admitted to [name of accelerator]?

- Yes

- No

27. Please rate how important you consider the following:

	Not at all important	Somewhat important	Neither important nor unimportant	Somewhat important	Very important
Speaking [native language] for business success in the [name of host country]?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Speaking [native language] for integrating into [name of host country] society	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

28. Please state whether:

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
The geographical distance between your home country and [the name of host country] is a major problem/issue	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

29. What describes best your current status in [name of host country]

- Citizen
- Permanent resident
- Foreigner with an entrepreneur visa
- Foreigner with other visa
- Other _____

30. How did you gather the necessary information for identifying a business opportunity?

	Not at all Important	Somewhat Unimportant	Neither Important nor Unimportant	Somewhat Important	Extremely Important
Previous personal and work experience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Individual market research	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Close relatives (parents, son/daughter, sibling, grandparents, cousins, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other relatives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business network (home country)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business network (outside home country)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personal network in home country	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personal network outside home country	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
From accelerator	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Home country business associations, governmental agencies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

31. While working on your venture in the [name of host country], has the following been a problem?

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Obtaining general information on residence permit requirements and process of starting a business in [host country]	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Issues with bureaucracy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Problems with the initial investment: lack of start-up funds	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to credit (problems in getting a loan)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Differences in institutional environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Difficulties in entering the market	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recruiting qualified staff	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other: please write if something else was a major problem	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

32. Was the existence of [name of accelerator] the key factor for choosing to establish a business in [name of host country]?

- Yes
- No

33. Please rate their importance:

	Not at all Important	Very Unimportant	Neither Important nor Unimportant	Very Important	Extremely Important
Are networks important for mobilizing financial capital?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are networks important for mobilizing skilled labour?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are networks important for mobilizing market knowledge?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Are networks important for mobilizing tacit knowledge?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

34. Approximately what proportion of:

- _____% Skilled labour was secured through networks provided by the accelerator?
- _____% Market knowledge was secured through networks provided by the accelerator?
- _____% Financial capital was secured through networks provided by the accelerator?
- _____% Tacit knowledge was secured through networks provided by the accelerator?

35. Was it important that [name of accelerator] did not take an equity stake?

- Yes
- No

36. If a similar programme to [name of accelerator] would have existed in your home country, would you then have stayed in your home country?

- Yes
- No

37. Would you recommend others to join [name of accelerator]?

- Yes
- No

38. Did [name of accelerator] support you with building of professional networks?

- Yes
- No

39. Did [name of accelerator] support you with building personal networks?

- Yes
- No

Appendix B: interview guide for expatriate entrepreneurs

1. Please describe the business that you established/ will establish.
2. In what way does the physical location of the headquarters matters for your particular business?
3. Are you the sole founder or part of a team? If team; from which countries did the others hail from and how do you know the co-founder(s)?
4. When and how did you come up with the idea to start-up outside your home country?
5. How did you hear about the [name of accelerator]?
6. Do you feel that the [name of the accelerator programme] supports social interaction between the members of the accelerator network and also creates an atmosphere of trust that enables networking?
7. Do you feel that the level of trust was higher within the accelerator than outside the accelerator community? Did the trust created within the accelerator network help to establish new ties outside of this network? If so, could you please describe these ties?
8. Do you feel that being selected to be part of an accelerator assists with the build up of your credibility and legitimacy in the host country or globally?
9. When applying, could you see yourself living in [host country] for a very long time or was it most likely going to be for a limited period of time?
10. What regulatory challenges did you face when starting-up your business in the host country?
11. How did the accelerator help you deal with regulatory institutions in the host country?
12. Could you compare attitudes towards entrepreneurship between the host country and the home country?

13. What does the entrepreneurial community expect from you as an entrepreneur in the home and in the host country?
14. Did being part of an accelerator help you understand patterns of entrepreneurial behaviour in the host country?
15. Norms and values of which entrepreneurial environment – the home country or the host country – currently appeal to you more? Was it the same when you just entered the programme?
16. Whom would you like to be as an entrepreneur? How are you going to achieve the goals you set to yourself as an entrepreneur?
17. How would you describe the quality of the business environment in the host country, in terms of:
 - a) intellectual property rights
 - b) availability of VC
 - c) taxation
 - d) competition policy
 - e) attitudes to entrepreneurship (entrepreneurial culture)
 - f) support structures (services) available for start-ups
 - g) human capital
18. Do you consider markets for your products/services being more developed in the host country than in the home country? If so, was this an important reason for engaging in cross-border entrepreneurial migration?
19. Can you describe the link between [name of accelerator] and the local [name of host country] business community?
20. How do you prioritize between networking/community events and spending time on developing your business idea?
21. How frequent was the exchange of knowledge and contact between you and local entrepreneurs? What exact knowledge did you exchange?
22. Was this something that was facilitated by the accelerator?
23. What are your plans when the accelerator programme finishes?

24. Would you consider moving to another location after the accelerator programme finishes? What would make you stay?
25. Do you feel that you have an obligation to pay the accelerator back in return for the help that you have received?
26. How did you go about finding external experts (such as accountants, lawyers) that you got the impression that you can trust? What was the role of networks? What was the role of the accelerator?
27. How did you go about expanding your network in the host country? How important was internet and social media?
28. How important was networking with other expatriate entrepreneurs? What resources did you acquire through these networks?
29. What improvements would you suggest for [name of accelerator]?
30. When launching a business in the host country, which resources are the most important and why?
31. Please compare your access to resources between the host country and the home country?
32. Could you utilize previously acquired resources from abroad when starting up a business in the host country?
33. Please describe whether networks facilitated by the accelerator assisted with access to resources. What specific types of resources did it assist you to acquire?
34. If networks facilitated by the accelerator helped you to acquire various resources, did this lead to discovery of new business opportunities in the host country or somewhere else?
35. Where networks important for acquiring financial capital?

Appendix C: interview guide for accelerator representatives

1. What is your role and responsibilities in the accelerator?
2. How is the accelerator financed?
3. Did the accelerator plan to focus on attracting expatriate entrepreneurs since its establishment?
4. What kind of challenges, if any, did the accelerator face when it started attracting expatriate entrepreneurs?
5. What type of acceleration programmes do you offer?
6. Please describe briefly the accelerator programme.
7. What services does the accelerator provide to its residents?
8. Do you have any information related to the progress/relocation of the start-ups' upon their completion of your acceleration programme?
9. Does the accelerator provide a dedicated mentor to each of the participating start-ups? If yes, please describe how the collaboration is organized.
10. Please describe your collaboration with the expatriate entrepreneurs.
11. How would you describe the quality of the institutional environment for entrepreneurship in [host country], in regards to:
 - a. intellectual property rights
 - b. collaboration between industry and universities
 - c. availability of financing
12. What regulatory challenges, if any, do the expatriate entrepreneurs you work with face when starting up a business in the [name of host country]? How does the accelerator help them deal with these issues?
13. How did you select the expatriate entrepreneurs?
14. Are the foreign start-up founders you work with aware of the patterns of entrepreneurial behaviour in the host country?

15. Does the accelerator help them to understand some of these institutional norms better? If so, how?
16. Does the accelerator help expatriate entrepreneurs tap into the resources available in the new environment (human, social, financial)? How does this happen?
17. What about learning to know locals: have you heard anything from the expatriate entrepreneurs in relation to that?
18. Is there somebody working at [the accelerator] who is oriented more towards social events?
19. What role does the accelerator play in developing professional networks for expatriate entrepreneurs?
20. If so, what kind of ties does the accelerator help to develop?
21. How involved are the accelerator representatives in the facilitation of networks?
22. Does the accelerator assist expatriate entrepreneurs in developing personal networks in the host country?
23. How does sharing offices affect the build-up of professional and personal networks among the accelerator participants?
24. Does the accelerator facilitate the exchange of knowledge between expatriate and local entrepreneurs?
25. Are expatriate entrepreneurs interacting on a daily basis with the local entrepreneurs that are taking part in the programme?
26. What are the plans after the programme ends – how do you get these expatriate entrepreneurs to stay in the country?
27. Which resources do you consider are the most important for expatriate entrepreneurs when launching a business and why?
28. Are the required resources different for expatriate entrepreneur compared to local entrepreneurs?
29. Do you see a difference between native and expatriate entrepreneurs in regards to having access to networks?

30. Does [name of accelerator] make introductions?
31. What happens if the participants don't perform well?
32. To what extent do you think entrepreneurs utilize previously acquired resources abroad when starting up a business in the host country?
33. Can the business that the expatriate entrepreneurs operate target exclusively the local market?
34. Do you consider important to have access to networks in order to mobilize resources?
35. Please describe any networking event organized by the accelerator.
36. How does the accelerator help the entrepreneurs form networks that can be useful for mobilizing resources?
37. Is it an important role of the accelerator to help with network generation that can be used for resource mobilization?
38. Please describe whether networks facilitated by the accelerator assisted with resource acquisition. What specific types of resources did you assist the expatriate entrepreneurs in acquiring?
39. Are networks important for mobilizing financial capital for expatriate entrepreneurs?
40. Are networks important for mobilizing skilled labour?
41. Are networks important for mobilizing market knowledge?
42. Are networks important for mobilizing tacit knowledge?

Appendix D. Accelerators' impact on the entrepreneurial process

