

**Do Immigrant Entrepreneurs Do Business With
Their Country of Origin?
The Effect of Personality Traits, Perception of
Institutions, and Network Usage**

by

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Dissertation Submitted in Partial Fulfillment
of the Requirements for the Degree of
Doctor of Philosophy

in the

Segal Graduate School

Beedie School of Business Faculty

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SIMON FRASER UNIVERSITY

Summer 2012

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Abstract

This exploratory study seeks to gain a better understanding of immigrant entrepreneurs' decision to do business with their country of origin (COO) and their level of resource commitment in country of destination, and investigates how these decisions are affected by their personality traits, as defined by the Five Factor Inventory, perception of the institutional profile of COO and country of residence (COR), as well as their utilization of different types of networks. This research has important theoretical and practical implications. First, migrant recipient countries have begun to see the economic contributions that could be made by immigrants and their business activities. Understanding immigrants' international business activities and the underlying reasons that fuel them will be of great importance to any migrant recipient country. Second, this dissertation sheds some light on the "why" and "how" of immigrants seeking to improve trade and investment between COO and COR. For the purpose of this research a series of interviews with immigrant entrepreneurs was conducted in 2011. Using a qualitative approach, data were analyzed and the results indicate that Extraversion, Agreeableness, Neuroticism, and Openness were related to immigrant entrepreneurs' perception of the institutional profile of COO and/or COR, network utilization, and the choice of a destination country. The positive and negative perception of immigrant entrepreneurs about COO and COR also seemed to affect their decision to do business with a country and their choice of destination country as well as their resource commitment there. Finally, and most importantly, the findings indicated that being essentially an active networker influences immigrant entrepreneurs' perception of institutions as well as the type of networks they used in their international business activities. In conclusion, this dissertation shows that the personality traits of immigrant entrepreneurs is important in their perception of the institutional profile of COO and COR, network utilization, as well as their international business activities. Perception of the institutional profile of COR and COO as well as immigrant entrepreneurs' utilization of their networks also plays an essential role in their international business activities. This dissertation puts forth several recommendations for practitioners, policy makers, and future research.

Keywords: Immigrant Entrepreneurs; Network Ties; Institutional Environment; Immigrant Effect; Country of Origin Connection; Networkers

To Samantha, Benasaures-Rex, and Annacheeta

Acknowledgements

Many people have provided a tremendous amount of help to complete this dissertation. The list is too long to name everyone. The best thing is to say “thank you all”!

With my senior supervisor’s permission, the final draft of this dissertation was proof-read by a commercial copy-editor.

A big thanks to all the otters of English Bay!

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FIGURE 7.1: Description of Five Factor Models

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List of Acronyms or Glossary

BFI	Big Five Inventory
CAD	Canadian Dollar
COO	Country of Origin
COR	Country of Residence
CPI	Country Institutional Profile
FDI	Foreign Direct Investment
FFI	Five Factor Inventory
FFM	Five Factor Model
GDP	Gross Domestic Product
GEM	Global Entrepreneurship Monitor
GNP	Gross National Product
HDI	Human Development Index
IB	International Business
IPIP	International Personality Item Pool
MBA	Master of Business Administration
MMPI	Minnesota Multiphasic Personality Inventory
NEO PI	Neuroticism-Extraversion-Openness Personality Inventory
PAPI	Personality and Preference Inventory
PF	Personality Factors
SME	Small and Medium-size Enterprise
UAE	United Arab Emirate
US	United States

1. Introduction

There are a number of studies that have looked at types of entrepreneurship among ethnic and immigrant groups (e.g. Aldrich & Waldinger, 1990; Bates, 1997; Choonwoo, Kyungmook, & Pennings, 2001; Fairchild, 2009; Fairlie & Meyer, 1996; Liñán & Chen, 2009), entrepreneurial networks (e.g. Chand & Tung, 2011a; Coviello, 2006; Oviatt & McDougall, 2005; Yang, Ho, & Chang, 2010; Zhou, Barnes, & Lu, 2010), personality characteristics of entrepreneurs (e.g. Begley & Boyd, 1987; Zhao, Seibert, & Hills, 2005; Zhao, Seibert, & Lumpkin, 2010), and the institutional setting of the entrepreneurial environment (e.g. Cantwell, Dunning, & Lundan, 2010; Eisenhardt, Companys, & Mahony, 2002; Manolova, Eunni, & Gyoshev, 2008; Peng, 2002) or a combination of one or two of the above to explain internationalization, performance and foreign market entry mode. However, several of these discourses are still developing and have not reached commonly agreed upon conclusions. More importantly, while there are some studies on immigrants and their important roles in business (e.g. Chand & Tung, 2011b; Tung & Chung, 2010), there are no concrete frameworks that can explain the process of international business activities of immigrant entrepreneurs. The business activities that this dissertation is concerned with are (a) the choice of the destination country such as country of origin versus other countries, and (b) the choice of import-export versus more intensive resource commitments in destination country. This dissertation synthesizes theories of personality traits, institutional environment, and network utilization to explore immigrant entrepreneurs' decision to do business with their country of origin as well as their level of resource commitment while doing business internationally.

This dissertation is important for two reasons. The first is that it reflects on the new business environment that includes growing numbers of immigrant entrepreneurs, as well as entrepreneurs from emerging markets establishing businesses in more developed countries. The second area of importance is that it complements the current literature on related fields, which, at the moment, does not cover the area of immigrant

entrepreneurs due to the newness of this discourse. While there are many decades of research on Foreign Direct Investment (FDI), there are no frameworks that have used personality traits, network theories, and institutional theories concomitantly.

The new business environment, particularly in developed countries, is an environment that includes large numbers of immigrants and ethnic groups from developing countries and emerging economies (Özden & Schiff, 2006). According to the latest estimates by the World Bank (Ratha, Mohapatra, & Silwal, 2010), in 2010, the world immigrant stock reached 215.8 million people or 3.2 percent of the world population. The total remittance flow, in the same year, to all developing countries was estimated to be US\$440.1 billion (Ratha et al., 2010). The World Bank estimates that about 43 percent of immigrants are those from less developed countries that have moved to high-income OECD countries, and that the value of the remittances received in the top four recipient countries—India, China, Mexico, and the Philippines—has reached US\$149.9 billion.

Managers of many small and large firms are from various ethnic backgrounds and many of them are first-generation immigrants. Many of these immigrants have been employed at different types of organizations at various levels of the hierarchy. However, many estimates indicate a sizeable portion of them for various psychological, economical or sociological reasons are self-employed or are undertaking entrepreneurship through establishing Small and Medium-size Enterprises or SMEs (Aldrich & Waldinger, 1990; Light & Sanchez, 1987; Portes, 1998; Sanders & Nee, 1996; Zimmer & Aldrich, 1987). For instance, according to Statistics Canada, in 2011, 19 percent of immigrants were self-employed compared to 15 percent of the non-immigrant population of Canada (Hou & Wang, 2011).

Many first and later generation immigrants become entrepreneurs and start their own small to medium size businesses. SMEs are important to many developing and advanced economies (OECD, 2004). In general, SMEs in more advanced economies contribute 55 percent and 65 percent of Gross Domestic Product (GDP) and total employment, respectively (OECD, 2004). The economies of many developing and emerging countries depend on the survival and success of their SMEs, because they contribute to their national GDP and employment in much higher proportions compared

to developed countries. For instance, in less developed countries, the contribution of SMEs toward GDP is estimated to be between 60 and 70 percent of GDP and they employ between 70 and 95 percent of the total employed population (OECD, 2004).

Similar to many other businesses, some SMEs managed and owned by immigrant entrepreneurs engage in some type of international business activities. It is generally agreed that these entrepreneurs use their ethnic ties in their country of origin and country of residence to improve their businesses (Aldrich & Waldinger, 1990; Armengot, Parellada, & Carbonell, 2010; Min & Bozorgmehr, 2000; Nee, Sanders, & Sernau, 1994; Portes, 1998; Zimmer & Aldrich, 1987). By definition, these businesses fall into the broader category of international entrepreneurship. However, it is not clear as to where immigrant entrepreneurs attempt to do business internationally and why they choose to do so.

The study of entrepreneurship is a discipline that is rooted in economics, sociology and psychology (Ireland, Hitt, Camp, & Sexton, 2001). These areas correspond with the idea that entrepreneurs' success depends on how they manage their firms' financial capital, social capital and human capital (Ireland, Hitt, & Sirmon, 2003). Ignoring any related economic, sociological or psychological elements, therefore, would undermine the validity of research on entrepreneurship. However, few researchers have considered the role of personality traits in the internationalization of entrepreneurial SMEs (e.g. Baum, Frese, Baron, & Katz, 2007; Hutzschenreuter, Pedersen, & Volberda, 2007; Shane & Venkataraman, 2000). While the ethnic background of entrepreneurs (e.g. Hayton, George, & Zahra, 2002; Zahra & Hayton, 2008) and immigrant effect (Chung & Fischer, 1999; Chung & Enderwick, 2001; Tung & Chung, 2010) have been considered by some researchers, the effect of personality traits of immigrant entrepreneurs seems to have been under-researched. We still do not know the characteristics of immigrant entrepreneurs who link their country of residence (COR) and country of origin (COO).

Imaginative powers and thinking outside of the box, whether nurtured or endowed by nature, are specific qualities for innovativeness (Jackson, 1994), an important part of being an entrepreneur. The degree of thinking outside of the box, for example, has been included in the Five Factor Inventory (FFI) of personality traits as an

indicator of “Openness” (John & Srivastava, 1999). Including entrepreneurs’ personality traits in this equation is important because entrepreneurs are the people who find and recognize opportunities, and who utilize their personal and firm resources to exploit these opportunities (Ireland et al., 2003; Zahra, Ireland, & Hitt, 2000). Therefore, this dissertation will investigate the role of immigrant entrepreneurs’ personality traits on their decisions regarding the destination country and their level of resource commitment there.

Apart from the personality of entrepreneurs, their perception of the institutional environment and the use of network ties can play an important role in their decision to engage in any international business activity. When studying entrepreneurship and entrepreneurial firms, we need to consider the institutional environment, and the firm level as well as individual level elements (Etemad, 2004; Kostova, 1999). The institutional environment of a country might be an objective factor that is the same for all entrepreneurs active in that environment, but the way it is perceived by each individual (e.g. good, bad, red-tape, and risky) could vary from person to person. Understanding and perceiving the rules, regulations, norms, and opportunities in an environment is the cognitive process that entrepreneurs perform (Kostova, 1999). Having been born and raised in a different environment, immigrant entrepreneurs’ perceptions of rules, regulations and norms in COR may not be the same as that of mainstream entrepreneurs in COR. At the same time, immigrant entrepreneurs’ perception of different institutions in COO may not be the same as that of mainstream entrepreneurs in COR. Therefore, apart from the macro effect of institutions, we also need to look at the ways they are perceived by these new entrepreneurs. The number of studies or frameworks that have looked at the role of entrepreneurs’ cognition of institutional environment in entrepreneurs’ international business activities is very limited (e.g. Mueller & Thomas, 2001; Thomas & Mueller, 2000). This dissertation, therefore, will also look at the effects of immigrant entrepreneurs’ perception of the institutional environment in COO and COR on their decisions regarding the destination country and their level of resource commitment there.

Furthermore, many financial, human and social resources used by entrepreneurs come from their networks (Hitt, Lee, & Yucel, 2002; Rauch, 2001). Some ethnic networks and international networks such as the ones Chinese communities enjoy

worldwide have been recognized as instrumental in different types of international business activities (Chand & Tung, 2011a; Drori, Honig, & Wright, 2009; Kao, 1993; Tung & Chung, 2010). Immigrant entrepreneurs not only gain and gather expertise and resources similar to that of the mainstream entrepreneurs in COR to exploit local opportunities, but also maintain their social and family ties in COO that allows them to exploit opportunities there as they arise (Dunlevy & Gemery, 1978; Rauch & Frese, 2007). This effect is called the “immigrant effect,” which argues that the presence of immigrants facilitates trade between their COR and COO (Chung, 2004). Chung and Enderwick (2001) also showed that firms under the immigrant effect are more likely to invest in the COO of the immigrants compared to firms without the immigrant effect which would more likely choose import/export over investment (Tung & Chung, 2010). However, some researchers (Chand & Tung, 2011a) suggested their investment might depend on their level of integration into the mainstream society and the extent they view themselves at ‘home.’ It is also unclear whether immigrant entrepreneurs use their networks in all these activities and what type of networks they use for each activity. As such, this study will also explore the types of networks used by immigrant entrepreneurs and the ways they may affect these entrepreneurs’ international business activities.

Apart from the effect on trade (e.g. Chung, 2004; Rauch, 2001), and a small amount of research on the effect on foreign market entry mode (Chung & Enderwick, 2001), studying the impact of immigrant entrepreneurs on different aspects of their life and business activities, for the most part, has been left to researchers from other disciplines. Some examples are scholars from public or regional policy (Massey, 2002; Saxenian, 2002, 2006), economics (Dunlevy & Gemery, 1978), sociology and psychology (Benet-Martínez & Haritatos, 2005), and social psychology (Berry & Kalin, 1995) who are more concerned with immigrants’ entrepreneurial activities. Management scholars have only recently started showing some interest in the effect of immigrant entrepreneurs in different areas (Yang et al., 2010). This may be because the movement of people as a result of globalization makes measurement of their impact difficult. For example, a particular phenomenon caused by globalization such as “astronauts” (defined as people or immigrants who have their home and businesses in two or more different countries and move between them) at best is blurry across cultural boundaries (Tung, 2008).

Therefore, an exploratory study that directly asks immigrant entrepreneurs themselves may be the best approach to close this gap and more extensively consider immigrant entrepreneurs' decisions regarding their choice of country of destination and the extent of their resource commitment there. The main question to answer, therefore, is: How can immigrant entrepreneurs' personality traits, their perception of the institutional profile of countries, and their use of different networks impact their decision to do business with their country of origin and the amount of resources they commit to their international business activities? To answer this question, this dissertation takes an exploratory approach and investigates immigrant entrepreneurs' views of the phenomena. In the remainder of this chapter, first a working definition of international entrepreneurship, the phenomenon under study, will be provided. Then a review of the key theories of internationalization of firms and FDI will be performed to identify the gap in the literature. In the following chapters, an extensive review of literature on personality traits, institutional environments and relevance of immigrants' perception of them, as well as networks and their types helps to form more detailed research questions.

1.1. Definition of International Entrepreneurship

The exact meanings of entrepreneurship and international entrepreneurship are still under debate (Oviatt & McDougall, 2005), but this dissertation follows the definition provided by Oviatt and McDougall (2005) to define international entrepreneurship as: "the discovery, enactment, evaluation, and exploitation of opportunities—across national borders—to create future goods and services" (Oviatt & McDougall, 2005: 540). To explain why this definition is more suitable, first and most fundamentally, it distinguishes between an entrepreneur and a business-owner. A business-owner might be considered an entrepreneur at the time of startup, but after that point s/he is not necessarily looking for new opportunities to create future goods and services. Second, a key concept in entrepreneurship is the creation of future or new goods and services. In addition, in international entrepreneurship, the entrepreneur needs to create new goods and services across national boundaries through discovering, enacting, and evaluating the opportunities in countries other than COR.

One definition that was used in developing some earlier frameworks for international entrepreneurship indicates that entrepreneurs are different from average business people in the sense that they find business opportunities and exploit them (Shane & Venkataraman, 2000). This definition distinguishes entrepreneurs from business-owners, but does not necessarily have a cross-border context. The opportunities include, but are not limited to, new markets, new technologies, and new resources. Many new markets, technologies and resources are found internationally, which makes a strong case for investigating the field of international entrepreneurship. Earlier definitions of international entrepreneurship only looked at new ventures (e.g. Oviatt & McDougall, 1994). Such definitions do not represent all types of international entrepreneurship, because they categorically exclude established firms that seek such opportunities in later stages of their lifecycle. This type of exclusion is problematic, because, as noted at the beginning of this introduction, with the spread of globalization many existing firms attempt to expand their operations to new markets, often across borders.

Zahra (1993) changed the idea of separation of new and old ventures and defined international entrepreneurship as “the study of the nature and consequences of a firm's risk-taking behavior as it ventures into international markets.” After several years of development in this discourse, McDougall and Oviatt (2000) argued that international entrepreneurship is the intersection of two different areas, international business and entrepreneurship, and defined it as a “combination of innovative, proactive, and risk-seeking behavior that crosses or is compared across national borders and is intended to create value in business organizations.” Finally, the later definitions posited for this concept, which is also the one used in this dissertation, further improved to become: “international entrepreneurship is the discovery, enactment, evaluation, and exploitation of opportunities – across national borders – to create future goods and services” (Oviatt & McDougall, 2005: 540). This definition includes both new and existing organizations, and is the most suitable for this study.

Entrepreneurs and managers of entrepreneurial firms perceive the costs and benefits of international business opportunities (Eriksson, Johanson, Majkgard, & Sharma, 1997). Perception of events and opportunities, as will be argued more specifically in the later chapters of this dissertation, is based on peoples' personality

traits, knowledge, and usage of networks that provide that knowledge. When it comes to immigrant entrepreneurs, their networks can be divided to a general network that is available to any entrepreneur working in the same environment and a network that is unique to immigrant entrepreneurs from a specific country—a co-ethnic network. As such, any framework explaining immigrant entrepreneurs' international business activity should include all these important factors. In the next section I review some of the existing theories of internationalization and Foreign Direct Investment (FDI) and explain why we need to explore this area better to find elements specific to immigrant international entrepreneurs.

1.2. Theories of Internationalization

While this dissertation is about the two aforementioned, specific types of international business activities by immigrant entrepreneurs, a review of internationalization theories and their history seem appropriate here. In studying any IB phenomenon we need to look at historical development of internationalization theory to identify the gaps in the literature and potential ways to close those gaps (Jones & Khanna, 2006). This review is not exhaustive, and includes only some of the seminal works by scholars in IB and/or entrepreneurship that have led the discourse to the current state of the field.

There are various approaches to the study of internationalization and international business activities. One of the earliest streams of research focused on the progressive development of firms or products. Vernon (1966) posited that firms start with innovation and product development to take advantage of and satisfy the local market. The choice of location at the earlier stage of the product life cycle is driven by the ease of communication between the firm and market to develop a better and standardized product. Vernon further suggested that as the product develops to become more standardized and reach mass production, markets in other geographical locations become aware of the existence of such a product. Demand for the product in other markets, therefore, should grow to the point where it becomes cost efficient for the firm to decide to start getting involved in trade, FDI or other international business activities (Vernon, 1966). This theory was developed at the beginning of the globalization era and

did not foresee phenomenon such as born-global firms—firms that from inception were internationalized. Many firms managed by migrated populations are global from start-up.

The most common approach often used by economists and strategists is more concerned with the firm's characteristics and host and/or home countries' environments. Earlier theories of this kind employed transaction cost economy (Eastburg, Gorsuch, Williamson, & Ridley, 1994) and resource dependency-based perspectives (Aldrich & Pfeffer, 1976). These approaches look at ownership (O) and location (L) of resources, as well as internalization (I) of costs and risks involved in internationalization (Agarwal & Ramaswami, 1992; Dunning, 1988). This perspective, otherwise known as OLI, explains how firms choose the most advantageous location and is rooted in one of the earliest IB theories, the theory of basic comparative advantage of countries (e.g. Ricardo, 2001/1821). The comparative advantage theory mostly focuses on differentiating between levels of analysis (i.e. country versus industry) and includes clusters of industries (Porter, 1990).

However, theories based on the comparative advantage of countries cannot explain the complex relationships between multiple organizations from many different countries and only focuses on the relationship between two or three countries that have very clear advantages over one another (Kostova, 1997). These types of theories, whether about the comparative advantage of a country or an industry, could not adequately differentiate between firm-specific versus country- (or industry-) specific advantages (Rugman & Verbeke, 1998). Porter's diamond theory was also widely criticized for not being applicable to countries other than the US and Western Europe (for details please see Collinson & Rugman, 2007). These theories, therefore, would not be able to explain the important effect of entrepreneurs that could be considered a firm specific-advantage. Similarly, resource-based and transaction cost theories, while useful in explaining internationalization of firms and asset accumulation (or cost reduction), cannot efficiently explain knowledge transfer among organizations (Dunning & Lundan, 2008). Knowledge transfer in this sense is important as immigrants are the source of information in international business activities (Adler & Kwon, 2002). Theories based on transaction cost, in addition, seem to be unable to adequately address many phenomena in IB (Lu, 2002; Vernon, 1966) such as the interaction between

organizations and societal factors (i.e. institutions) and the results of such interactions (Martinez & Dacin, 1999), a focus of this dissertation.

Another theory that also considers the behavioral processes of firms is the Uppsala model. The Uppsala model, proposed by Johanson and Vahlne (1977) is based on a study on the internationalization of Swedish firms. The Uppsala model essentially postulates that firms first tend to invest in markets nearby in terms of geographic and cultural distance. Firms' market entry decisions, therefore, are based on psychic distance—the perceived cultural, and to some degree, geographic distance—between two countries (Johanson & Vahlne, 1990). By entering countries with lower psychic distance, firms can gain experience and gradually learn. Firms gain knowledge about and become familiar with the new environment, which does not have much 'distance' from their home country. The more firms become familiar with the new environment, the more their uncertainty associated with doing business in unknown international markets is reduced. The level of firms' uncertainty in this case, defines its level of resource commitment to the new market (Johanson & Vahlne, 1990). As firms gain international experience, they internationalize to markets with slightly more psychic distance and continue this method until they can internationalize into countries with significant psychic distance and reduce or close the cultural gap (Johanson & Vahlne, 1977). The process of internationalization, based on the Uppsala model, continues until firms have internationalized to worldwide markets, gained experience in all different markets, and become global.

The Uppsala model, similar to Vernon's developmental model, stops short of drawing attention to the individual level of analysis (Hutzschenreuter et al., 2007). Based on the assumption of the bounded rationality of firms, theories such as the Uppsala model focus on organizations' learning about culture (Andersson, 2000). Furthermore, the organizational learning as described by the Uppsala model for the purpose of expansion could lead to the homogeneity of firms within a culture and later between cultures. As firms expand to new markets/countries and interaction between firms increases, psychic distance for all other firms, whether in their home or host countries is reduced. All these firms, in both home and host countries, learn from the pioneers and move toward convergence (Webber, 1969). Many firms in home and host countries mimic other firms in their institutional environment and move to psychically

close markets (Flier, Van Den Bosch, & Volberda, 2003). Such mimetic behavior and learning processes continue with all firms and carry on to countries with greater psychic distance with further expansion. This could potentially result in universal homogeneity of firms across the globe (Hutzschenreuter et al., 2007). As such, and in addition to the fact that the Uppsala model is not concerned with the individual level, it cannot capture differences between immigrant entrepreneurs' perception of the institutional setting or their personality traits. Furthermore, the Uppsala model could not explain phenomenon such as being "born-global." Many immigrant start-up firms begin their operations by connecting their firms with other businesses abroad, particularly with the country of origin of its immigrants.

In the past two or three decades, scholars from various streams of research began to include other important elements in the study of the internationalization of firms: networks and entrepreneurs/managers (Adler & Kwon, 2002). The Uppsala model, for example, was updated with network theories (Johanson & Vahlne, 1990), but there were calls for more integration of such theories into models of the internationalization of firms (Johanson & Vahlne, 2003). At the same time, researchers also paid more attention to SMEs and started developing more concrete theories about the international activities of these types of firms (Enz, Dollinger, & Daily, 1990; Reuber & Fischer, 1997). The study of networks at the beginning was more about industrial and firm networks. Johanson and Mattson (1987), for instance, introduced industrial networks as the established, developed, and maintained linkage between firms and their suppliers and customers. These lasting relationships, if significant, could "reduce costs of exchange and production; they may give the parties some control over each other; they may be used as bridges to other firms; and they may be used when mobilizing partners against third parties" (Johanson & Mattsson, 1987, p. 37). The definition of network later expanded to include, in addition to customers and suppliers, distributors, competitors and government (Johanson & Mattsson, 1988).

Only recently has a new line of research on networks begun to focus on the role of ethnic and migrant ties and their impact on international business activities and Foreign Direct Investment (Chand & Tung, 2011a; Riddle, Hrivnak, & Nielsen, 2010). An underlying assumption of this line of theory is that migration increases the volume of trade between COR and COO (Chung & Enderwick, 2001; Gould, 1994; Head & Ries,

1998a; Javorcik, Özden, Spatareanu, & Neagu, 2011; Murat & Pistorresi, 2009). The effect of increasing numbers of immigrants in a country, based on these theories, results in growing trade between that country (COR) and the country of origin (COO) of those immigrants (Gould, 1994; Wagner, Head, & Ries, 2002). Furthermore, the presence of immigrants in business, the immigrant effect, is also said to be responsible for trade facilitation (Chung, 2004; Chung & Enderwick, 2001; Tung & Chung, 2010). For example, immigrant networks are said to improve the flow of information in international trade and work as contract enforcement in FDI (Javorcik et al., 2011). Immigrant managers or decision-makers are also more likely to commit more resources when doing business with their COO (Tung & Chung, 2010). While these theories demonstrate that immigrants and their networks could be useful to organizations, there is a dearth of study on the utilization process of their ties. Many questions remain unanswered in this area. For example, are increases in trade or the resource commitment of firms that are managed or owned by immigrant entrepreneurs based on their positive perception of COO? Does it matter which COO or COR the immigrants are from? What kind of immigrant entrepreneurs increase the trade volume between COO and COR? Do immigrant entrepreneurs use their ties to do business internationally? How? Which ones (e.g. co-ethnic, in COR, in COO, weak-ties, strong-ties, etc.)?

The above internationalization and international business activity theories are important and valid to explain their intended constructs. Complementing the above theories, I propose a research framework about immigrant entrepreneurs' choice of country of destination and resource commitment to the chosen country that builds on several of the above theories. This research will explore all the relevant area by including all three aspects of international entrepreneurship: personality of entrepreneurs, the institutional environment, and networks. To do so, this dissertation will take the research to the most micro level, individual entrepreneurs. This dissertation takes to account entrepreneurs' personality traits and their perception of the institutional environment as a determinant of how and where to do business. These two can discriminate between firms that otherwise conduct business in the same environment. This dissertation will also investigate the way immigrant entrepreneurs utilize their networks and how different networks affect their decisions to do business with any country.

1.3. Research Question

The above sections of this chapter identify the gap in the broader literature of internationalization of firms and FDI theories with regard to immigrant entrepreneurs' international business activities. The activities that need more explanation are immigrant entrepreneurs' choice of destination country (e.g. country of origin or other destination countries), and the level of resource commitment (e.g. import-export versus capital investment) in destination country/ies. In this dissertation, through an exploratory study, these activities will be investigated in conjunction with immigrant entrepreneurs' personality traits, perception of institutional environments, and network usage. Collectively, the broader research question of this dissertation is:

How can immigrant entrepreneurs' personality traits, their perception of the institutional profile of countries, and their use of different networks affect their decision to do business with their country of origin and the amount of resources they commit to their international business activities?

In answering this question, many more sub-questions will be addressed that correspond with the areas not explored by theories named in the last section. For example, by investigating immigrant entrepreneurs this study will include the new and growing players that many earlier frameworks such as the Uppsala model did not include. In complementing the research on the immigrant effect, this dissertation provides a detailed picture of immigrant entrepreneurs who do business internationally and addresses the "why" and "how" of doing business with their countries of origins and other countries. In doing so, immigrant entrepreneurs who do business internationally and do business with their COO are contrasted with other immigrant entrepreneurs who do business internationally but not with their COO. As such, this dissertation also probes into immigrant entrepreneurs' psychological process and perception of choosing to engage in business activities with their COO, which was not explored by transaction-cost and resource-based theories.

During the review of literature in the next few chapters, the main research question will be raised again and related sub-questions will be explained. These sub-questions are framed to address the specific areas that will be explored. They will be

identified in the literature reviewed in each of the following three chapters as they arise. The sub-questions, though specific and detailed, would merely scratch the surface of this research area. To provide background information and move towards developing a framework that brings entrepreneurs, their personalities, and their network into the equation, the literature on these constructs will be reviewed in the next three chapters. In the next chapter, which addresses the literature on entrepreneurship, specific focus will be given to entrepreneurs' personality traits. Entrepreneurs' perception of the institutional characteristics of a country and the impact of this perception on their decisions to do business with other countries will be covered in Chapter 3. In Chapter 4, literature on immigrant entrepreneurs and their differences with mainstream entrepreneurs as well as their use of networks will be covered. In the same chapter, I will also survey and explain different types of network ties. In Chapter 5, the methodology used for this dissertation will be explained. Extensive explanation of the measurement of constructs, instruments, control variables, sampling, recruiting, and other aspects of the research process will be provided in the same chapter. Then, in Chapter 6, the results will be presented, and discussed in detail in Chapter 7. In the final chapter, the implications of findings, as well as future directions and a research agenda will be outlined.

2. Entrepreneurs and Personality

Despite many uses, macro level analysis does not distinguish between firms that operate in the same region and have access to similar types/amount of resources (Baker, Gedajlovic, & Lubatkin, 2005). In examining the research concerns of this dissertation, instead of a historical macro level analysis, a more micro level analysis is useful, because entrepreneurs' decisions regarding firms' international activities are the result of their cognitive processes (Zahra, 2005). Many studies have looked at entrepreneurs and their characteristics (e.g. Buckley, Devinney, & Louviere, 2007; Reid, 1981; Zahra, 2005). Buckley and colleagues (2007) put more emphasis on decision-makers and suggested that many managers' decisions to do business internationally do not fit into any economic model and are essentially based on their personal background or desires. They also posited that once the decision to internationalize is made, only then are more specific issues such as the culture and language of the potential destination country considered (Buckley et al., 2007). This suggestion does not contradict the positive role of entrepreneurs in internationalization as examined by other scholars (Ireland et al., 2003; Zahra & George, 2002; Zahra et al., 2000), but is a stronger indication of the type of role they play in such decisions.

Any international business activity of entrepreneurial firms including their internationalization is a result of entrepreneurs' recognition of international opportunities, their motivation to exploit such opportunities, and their ability to actually exploit these opportunities (Zahra, 2005). While the details are still not very clear (Ellis, 2011), this is the why, when, and how of modes of actions that entrepreneurs adopt (Shane & Venkataraman, 2000). Entrepreneurs acting as SMEs' owner-managers decide whether they want their ventures to be born-global, that is internationalize after a short period of operation, or remain local. Once they have decided to go beyond their national boundaries, they can decide on the destination country or countries (Zahra & George, 2002; Zahra, Hayton, & Salvato, 2004).

All that differentiates firms of similar size operating in the same industry and business environment with access to similar formal financial resources are the dissimilarities in their management competencies and human capital in general (Ireland et al., 2003). As the actual source of firms' human capital, entrepreneurs' talent and their characteristics are the most important resources of organizations (Lado & Wilson, 1994). In addition, entrepreneurs' personal human capital, which includes managerial capabilities and entrepreneurial attitude, is the major source of financial and social capital that is not publicly—or immediately and easily—available to others (Ireland et al., 2003). Managerial expertise and scope of social capital are rooted in entrepreneurs' socio-cultural background, individual traits, experience and education, as well as their cognition. For example, family members' financial input or personal relationships with venture capitalists are unique to each entrepreneur and not necessarily available to other entrepreneurs in the same industry or even in the same location. Social capital comes with human capital, which is mainly developed by the agent, manager or entrepreneur (Dakhli & De Clercq, 2004; Ireland et al., 2003). Apart from their social capital, entrepreneurs' ability to find such opportunities is based on their perception of opportunities and the environment (Ellis, 2011; Oviatt & McDougall, 2005; Zahra, 2005). Entrepreneurs' perception of opportunities, similar to their expertise, depends on their personal characteristics, experience and psychological traits (Oviatt & McDougall, 2005).

A highly cited paper by Zahra and George (2002) proposes a framework for the internationalization of firms. The framework suggests that organizational factors such as top management teams, and firms' resources, age, size, location, and origin determine the extent (the portion of international sales), speed (the number of years between establishment and internationalization) and scope (the number of countries in which sales take place) for the internationalization of entrepreneurial firms (Zahra & George, 2002). Their definition of the criteria to determine a top management team included managers' experience, familiarity with business procedures, knowledge of business and the market, and the network ties that facilitate their business operations. This framework also includes national culture and competencies (i.e. expertise) as moderators between the firm characteristics and international entrepreneurship. While including these elements is also the purpose of this dissertation, such a macro view of the phenomenon that places the traits of entrepreneurs as part of a firm's specific advantage cannot

adequately capture the exact effect of these factors. In smaller scale operations such as that of many immigrant entrepreneurs, including entrepreneurs' personality traits as a firm specific asset downplays their importance. The entrepreneur (i.e. the immigrant) plays a more important role in such firms' international business activities than in larger firms where there are several decision-makers (Abouzeedan & Busler, 2004; Lu & Beamish, 2001).

Another researcher who suggested reincorporating the personality of entrepreneurs into the already existing macro-economic literature is Kirzner (1997). He recommended that apart from the availability of opportunities and a moneymaking mentality, entrepreneurs need to possess certain other important characteristics such as boldness (i.e. risk-taking and quest for opportunities), drive, and imagination that can help them with entrepreneurial activities (Kirzner, 1997). SMEs' 'brave' move towards internationalization is attributed to the entrepreneurial attitude and behavior of their managers (Campbell et al., 1996; Lu & Beamish, 2001; McDougall & Oviatt, 2000). Entrepreneurs' personal attributes such as self-confidence and the need for achievement, as well as supportive resources help them (i.e. entrepreneurs) to recognize an opportunity when it arises (Etemad, 2004).

Consistent with this view, Hutzschenreuter and colleagues (2007) also suggested that managerial intentions and experience have been overlooked by many researchers. Their proposed model looks at managerial intention and experience/knowledge as antecedents for internationalization processes and paths while being moderated by institutional forces and selection forces. Their definition of "institutional forces" is that of DiMaggio and Powell (1983) and Meyer and Rowan (1997) that states that firms are forced to follow other firms in the same institutional environment to obtain legitimacy. What they called "selection forces" refers to the regulatory system in place that encourages or prohibits investment or other types of business behavior (a concept that will be discussed in detail in the chapter on institutional characteristics).

The above literature indicates that entrepreneurs and many of their personal characteristics are important indicators of the ways firms internationalize, mobilize resources and do business in general. In sum, entrepreneurs function as SMEs' human capital and in addition to resources such as financial capital, play a crucial role in their

firms' survival, internationalization and success (Ireland et al., 2001; Zahra & George, 2002; Zahra et al., 2000). There is, however, not a unified view of what types of personality characteristics are associated with what types of outcomes are achieved (Hisrich, Langan-Fox, & Grant, 2007). There is also no consensus on the types of personality traits that are important and should be measured. Some immediate questions are: Is there a dominant personality trait in immigrant entrepreneurs who decide to do business in other countries? Is a particular personality trait indicative of immigrant entrepreneurs' decision to do business with COO vis-à-vis non-COO countries? And, could a particular personality trait enhance the likelihood of immigrant entrepreneurs' higher/lower level of resource commitment in their destination country?

This dissertation is, in part, a response to calls from scholars to advance research on entrepreneurs' personality traits, and psychological processes in relationship with international entrepreneurship (Hisrich et al., 2007). A suitable but under-used (in related discourse) taxonomy of these personality characteristics of entrepreneurs is the Five Factor Inventory (FFI). In the next two sections, a review of the relevant literature on personality traits of entrepreneurs is presented, followed by a discussion as to why measuring personality traits based on FFI is adequate for this study. Next, a brief description of different types of measurement methods is provided to illustrate why the type chosen for this study is appropriate.

2.1. Personality of Entrepreneurs

From the beginning of the discourse in the early 20th century until the present, we have gone through periods of including or ignoring psychological analysis of entrepreneurs' personalities (Baum et al., 2007). In the 1970s and 1980s, research on entrepreneurship penetrated into business schools, the discipline that initially generated such studies (Baum et al., 2007). Most business schools, however, ignored the psychological and cognitive aspects of entrepreneurship. They were reluctant to accept such micro level views of entrepreneurship and focused instead on macro level issues such as entrepreneurs' wealth creation and economic development, because they believed that becoming an entrepreneur is a matter of strategy (Baum et al., 2007).

Some researchers (e.g. Baron, 2007; Baron & Markman, 2000) were more receptive of the idea and suggested that the study of entrepreneurship might be related to psychology. Nonetheless, most of them also proposed that this discourse is more about cognitive psychology, not individual traits (Rothstein & Goffin, 2006). Researchers in management mostly rejected the idea of individuals' innate characteristics or any biological effect on entrepreneurship and tried to empirically assert that entrepreneurial activities are learned behavior (White, Thornhill, & Hampson, 2006). Personality traits are more stable characteristics of individuals that do not change significantly over time and are not correlated with knowledge and skills that are learned features (Goldberg, 1999). For example, Baron and Markman (2000) refuted the role of personality and stated that social skills, defined as competencies that help entrepreneurs interact effectively with others, are the most important factors in forming a framework for entrepreneurship. Their notion of social skills focuses on those characteristics that could be enhanced through training such as the ability to influence others' decisions or being able to make a favorable first impression, but not those personality traits such as Openness or Agreeableness that could be argued to be innate (Baron & Markman, 2000).

This lack of acceptance of the idea that entrepreneurs, as a group, might have definitive personality traits has persisted. For example, a study by Acedo and Florin (2006) looked at entrepreneurs' cognitive characteristics to determine the degree of internationalization. Their measurement of cognitive characteristics included tolerance for ambiguity (defined as tolerance for risk), cognitive style (defined as the ways entrepreneurs collect and process information), and proactive behavior (defined as degree of persuasiveness and ability to influence others and the environment). Baum and Locke (2004) also suggested that goals, self-efficacy, and communicated vision have direct effects on venture growth. They also concluded that communicated vision and self-efficacy are related to goals, and that tenacity is related to the skill of finding new resources (Baum & Locke, 2004). All of these measurement and explanations likely are learned traits; they do not include any of the more stable psychological traits.

In addition, and as stated in the previous sections, keeping everything else equal, who becomes an entrepreneur depends on the attributes of that person (Shane & Venkataraman, 2000), and some of those attributes appear to be innate as opposed to

nurtured (Nicolaou & Shane, 2009; White et al., 2006). While investigating the reasons for international activities and the success of internationalized entrepreneurial firms, comparing characteristics of entrepreneurs deserves as much attention as any other construct (Acs, Dana, & Jones, 2003). These characteristics or attributes are not only cognitive attributes (Baron, 2007), but also personality attributes. Entrepreneurs' attributes could be an answer to the why, when and how of different modes of action taken by entrepreneurial firms (Nicolaou & Shane, 2009; Shane & Venkataraman, 2000). The question is which attributes are more important under what circumstances?

There are a very limited number of studies that focused on certain aspects of personality as related to entrepreneurship (e.g. Baum & Locke, 2004; Ciavarella, Buchholtz, Riordan, Gatewood, & Stokes, 2004; Goel & Karri, 2006; Lumpkin & Dess, 1996). Even fewer (Zhao & Seibert, 2006; Zhao et al., 2010) have employed a complete personality trait framework such as the FFI to investigate the relationship between personality traits and any international activity phenomena. For example, Baum and colleagues (2001) suggested that entrepreneurs' personality traits have an indirect effect on venture growth. The indirect effect, they argued, of personality traits works through the impact CEOs have on motivating employees, employing talents and acquiring competencies, as well as setting the strategy for firms. They (Baum et al., 2001), along with many other scholars (e.g. Rauch & Frese, 2007; Shane, Locke, & Collins, 2003), suggest that the role of entrepreneurs' personality traits should be further investigated through subsequent research.

Goel and Karrie (2006) also investigated the impact of certain personality traits on incidents of over-trusting in entrepreneurs. They explained that over-trusting is not necessarily a positive or negative phenomenon for entrepreneurs who bestow this trust on others, but suggested that it depends on the context of trust. They posited that entrepreneurs with higher degrees of nonconformity, self-efficacy, achievement orientation, and preference for innovation are likely to over-trust others. Baum and colleagues (2001), Goel and Karrie (2006), however, did not test any of their constructs on entrepreneurs' international business activities.

In the absence of any particular instrument or finding in this area and to identify the personality traits that are more relevant to the propensity of entrepreneurs to engage

in international business activities with COO or other countries, this dissertation will employ an already established and well tested psychometric approach, the Big Five Personality Traits. In the next section, different types of personality trait taxonomies will be compared to assess the suitability of the Five Factor Inventory for this study.

2.2. Five Factor Inventory (FFI)

Personality traits are one of the most reliable constructs that can be used in a variety of studies (Rauch & Frese, 2007). A brief history of this discourse demonstrates the reliability and adequacy of this construct for this dissertation. One of the seminal studies on personality traits was conducted by Thurstone (1934), who, using factor analysis, found that 60 adjectives (and their synonyms) loaded onto five factors. He used sixty English adjectives and asked his participants to rank their closest friends or relatives based on these adjectives. Allport and Odbert (1936) and Cattell (1943) were the first scholars to replicate this taxonomy with a different dataset, and found very similar results. Most subsequent studies (e.g. Fiske, 1949; Goldberg, 1990; McCrae & Costa, 1985; Norman, 1963) found that using different data sets, larger and smaller samples, and different participants still yielded the same five factors; hence its reliability. In contrast, other scholars (e.g. Cattell, Eber, & Tatsuoka, 1970; Eysenck, 1947) had somewhat different findings, which meant further research in this area was required.

These studies led to the development of several ways of measuring personality traits, some of which are primarily clinical such as the Minnesota Multiphasic Personality Inventory or MMPI, MMPI-1, and MMPI-2. Some others are designed for specific goals; for instance, the Personality and Preference Inventory or PAPI is designed for career development purposes, and the Chinese Personality Assessment Inventory (Cheung et al., 2001) was designed for a specific geographic region. These inventories are therefore not suitable for this study and beyond the scope of this dissertation. In contrast, other models that are worth mentioning are that of Cattell (1943), Cattell and colleagues (1970), Eysenck (1947), and Norman (1963). These scholars argued that the lists of traits in their models are comprised of basic traits that are innate and driven from biological structure of individuals and are not cognitive (Boli, Loya, & Loftin, 1999). These models were subsequently changed or improved by other researchers (Boli et al.,

1999; Costa & McCrae, 1992; Eysenck & Eysenck, 1976; Goldberg, 1990; Pervin & John, 1999) and led to more systematic measurements.

The reason this study does not consider these models or the instruments based on them is that either the instruments are not reliable or the model is not suitable. For example, one of the controversial taxonomies, the 16 Personality Factor model (for short, 16 PF), was developed by Cattell and colleagues (1970). The reason the 16 PF is controversial is that many later studies had difficulties replicating the 16 PF study even with the same data set, which led many researchers to believe that there was an error in the original study (Eysenck, 1991). As such, the 16 PF has validity (generally and cross-culturally) issues and has rarely been used. Later, Norman (1963) tested the 16 dimensions that were initially proposed by Cattell, and factored them to five dimensions. These dimensions were the basis of the current Big-Five personality traits or the Five Factor Inventory (FFI).

Eysenck (1947) also initiated another taxonomy of personality. His taxonomy was a two factor model of personality. Many years later, Eysenck and Eysenck (1976) added a third factor to the original two-factor model to produce the three dimensional personality trait model which is commonly referred to as the Eysenck Personality Inventory (EPI). This taxonomy is also known by the first letter of its three dimensions: PEN (Psychoticism, Extraversion, and Neuroticism). The first factor, Neuroticism, refers to the tendency to experience negative emotions. The second factor, Extraversion, refers to the tendency to enjoy positive (social) events. The last factor, Psychoticism, refers to the tendency to employ psychotic and sociopathic behavior. There are criticisms of EPI as it does not fully recognize all aspects of personality traits; for example, PEN does not include Openness (Costa & McCrae, 1992; McCrae & Costa, 1985; Pervin & John, 1999). This could be a particular problem for this dissertation as Openness is the dimension that contains innovation, named by many researchers as the main factor predicting entrepreneurship (Ireland et al., 2003; OECD, 2004). In addition, Psychoticism in EPI highly correlates with the two other dimensions, which makes the instrument even less adequate. For these reasons EPI is not been widely used or tested across cultures and languages and is not suitable for this study.

The last taxonomy, the Big Five Model, is the basis of a personality traits measurement method that has been recognized and tested by the largest number of researchers across different disciplines and countries. Several major instruments have been developed using the Five Factor Model of personality traits—FFM or Big Five for short—under the broader name of FFI. They have been translated into many different languages and tested on hundreds of thousands of people worldwide (Boli et al., 1999). One of the earlier versions of this instrument, which is also the longest one with 100 questions, is called NEO PI (Neuroticism-Extraversion-Openness Personality Inventory). Later variations of this instrument, called Big Five Inventory (BFI) or the international version, International Personality Item Pool (IPIP or IPIP-NEO), reduced the number of questions asked to 50 (Boli et al., 1999). The longer and shorter versions of these instruments were initially developed by Lewis Goldberg (1990) and have entered the public domain (IPIP, 2008).

Initially these traits were considered to be specific to the English language and only practical in an Anglo-Saxon environment measured by peers, because that is the way Thurstone (1934) found them. This led later researchers (e.g. Allport & Odbert, 1936) to postulate that most salient differences in individuals would be entered into their language and therefore dictionaries (as cited in Boli et al., 1999). However, many studies based on the same five factors found that these five traits are robust in different languages and cultures. For example, Benet-Martinez and John (2000) reported reliability in using the instrument in Spanish; Yang and Bond (1990) and Bond (1983) conveyed the validity of FFI in countries such as China (Hong Kong), Japan and the Philippines; and John and Srivastava (1999) addressed the reliability of tests in Dutch, German and Italian. In fact, in later decades, the original FFI and other variations were proven to be robust across different cultures and regions and were even able to predict some of the more dominant traits of the general population of the region/country as well (McCrae & Costa, 1997; Schmitt, Allik, McCrae, & Benet-Martinez, 2007).

Such traits are also considered to be persistent across time (Costa & McCrae, 1992; Judge & Higgins, 1999; McCrae et al., 2002), which is further evidence that they are innate and not learnt (Boli et al., 1999). The robustness of the instrument also did not change, statistically, when the administration of the instrument changed from peer evaluation to expert assessment or self-reporting (John & Srivastava, 1999). The fact

that personality traits as measured by FFI are stable across time and context not only increases the reliability of said instrument, but is also another indication of its usefulness and reliability for this dissertation. More stable personality traits make the findings of this dissertation more beneficial, because they could be explaining factors as to why some immigrant entrepreneurs choose their COO as a business destination. Furthermore, as this dissertation is not restricted to one particular ethnic group and participants have varying cultural and ethnic backgrounds, the contextual reliability of the instrument would be of significant importance. Fortunately FFI has successfully passed such cross-cultural contextual tests and can assure reliability of findings.

The five factors have been named in several similar ways. The most common names for them are a) Extraversion; b) Agreeableness, c) Conscientiousness, d) Neuroticism (or its opposite, Emotional Stability), and e) Openness or Openness to Experience (detailed descriptions of these factors are provided in Table 2.1). These five personality traits are not the only traits that people have, but each of them is comprised of many adjectives and traits loaded onto five factors and used to categorize personalities in broader terms (Boli et al., 1999). For instance we can say that each factor automatically includes at least two types of personality traits that are opposite to one another. The duality of these factors is in the high and low scores of each dimension. The same way that Neuroticism and Emotional Stability are the two opposite ends of the same continuum and the former is the reverse side and the latter, so are Extraversion and Introversion, Agreeableness and Disagreeableness, Conscientiousness and non-Conscientiousness, as well as Openness and non-Openness (also closed-mindedness). Scoring high or low on each dimension does not necessarily mean that a person is good or bad. For example, people scoring high on Openness are good for jobs and professions that need innovation and artistic approaches. In contrast, people scoring low on the same dimension are good for jobs that require adherence to strict rules or repetition of the same action.

As mentioned in the previous section, there is not an established model or theory that has used FFI in the whole or in part to explain entrepreneurship and particularly international entrepreneurship. However, in the next section the limited amount of literature that has looked at FFI and its power to explain international entrepreneurship will be reviewed in the next section.

TABLE 2.1: Description of Five Factor Models

Factor Name	Description
Extroversion:	Sober vis-à-vis fun-loving or retiring versus sociable. Synonym to surgency and antonym of Introversion, this trait shows the degree of engagement with the outside world and refers to having energy and positive emotions, and the tendency to seek stimulation and the company of others.
Agreeableness:	Good-natured versus irritable or soft-hearted vis-à-vis ruthless. Synonym to optimism and opposite disagreeableness, this trait indicates a tendency to be compassionate and cooperative rather than suspicious and antagonistic towards others.
Conscientiousness:	Careful versus careless or well-organized vis-à-vis disorganized. Opposite to impulsiveness, this trait refers to a tendency to show self-discipline, act dutifully, and aim for achievement; planned rather than spontaneous behavior.
Neuroticism (or in reverse Emotional Stability):	High-strung vis-à-vis relaxed or insecure versus secure. Sometimes referred to from the opposite perspective and called "Emotional Stability," this trait refers to a tendency to experience unpleasant emotions easily, such as anger, anxiety, depression, or vulnerability; sometimes called emotional instability. As such, this trait could be measured positively or negatively.
Openness:	Open to new experience versus comfortable with old ways or open-minded vis-à-vis narrow-minded. It is openness to experience and it refers to appreciation for art, emotion, adventure, unusual ideas, imagination, curiosity, and variety of experience.

Sources: Compiled and extracted from McCrae and Costa (1985) and John et al. (2008)

2.3. FFI and Entrepreneurship

Investigation into the role of personality traits in a cross-cultural context and their effects on decision-making was mostly abandoned in the late 1950s, when macro level analysts such as sociologists and anthropologists and their methodologies in this discourse became more dominant (LeVine, 2001). There has been a revival of studying and categorizing cultures based on personality traits (Baum & Locke, 2004; Schmitt et al., 2007). There are a very few studies that have used parts of FFI to look at the success or survival of entrepreneurial firms (Baum & Locke, 2004; Ciavarella et al., 2004), but it is rare to find studies that look at all aspects of FFI or the Big Five Personality Traits (Baum et al., 2007). This could be because FFI is perceived as too broad to find the specific trait or because by the time FFI was well developed, research on entrepreneurship was no longer interested in personality and had moved to macro

level analysis (Baum et al., 2007; Boli et al., 1999). However, recent studies show that FFI is the best way to measure psychological cross-cultural differences (McCrae & Costa, 1997).

In the absence of conclusive frameworks explaining the personality traits of entrepreneurs and their role in the international business activities of firms (Baum et al., 2007; Lu & Beamish, 2001; Lumpkin & Dess, 1996), it is time to take one step back and start from the broader categories of FFI. The very limited existing research on the effect of FFI on any aspect of entrepreneurship reports inconclusive findings. For example, from the studies that used parts of FFI, Ciavarella and colleagues (2004) found that Openness has a negative relationship with experience and the survival of entrepreneurial firms, but Conscientiousness has a positive relationship with their survival. In contrast, Zhao and Seibert (2006) used meta-analysis to differentiate between entrepreneurs and managers, and found different results for Openness and Conscientiousness. They found that Openness, as well as Conscientiousness, were higher in entrepreneurs compared to just managers (i.e. non-entrepreneurs), while Agreeableness and Neuroticism were lower in the former than latter (Zhao & Seibert, 2006).

Zhang and colleagues (2009) also only used Extraversion and Neuroticism and proposed that these two traits mediated the effect of genetic influence—that is, gender—on entrepreneurship. On the other hand, Obschonka and colleagues (2010), who investigated entrepreneurship in scientists with a discovery or invention, found that lower degrees of Agreeableness and Neuroticism, and higher levels of Extraversion, Conscientiousness, and Openness can directly predict entrepreneurial intentions (a direct effect, not a mediation effect). In yet another study, Zhao, Seibert, and Lumpkin (2010), found that apart from Agreeableness, all other FFI dimensions were associated with entrepreneurial intentions and entrepreneurial performance. While not a direct contradiction, the latter study indicates that the lower levels of Agreeableness and Neuroticism found in the former studies may not be indicative of anything.

The above studies in this area show no consistency in findings. The only thing that the above studies clearly indicate is that personality traits as measured by FFI are different in entrepreneurial intention and success. In addition, these studies were about

neither immigrant entrepreneurs nor the types of international business activities with which this dissertation is concerned. None of these studies link personality of entrepreneurs with their choice of destination countries or degree of resource commitment in their international business activities. In the absence of an adequate theoretical background, forming any hypothesis to predict the type of relationships between the dependent variables and any dimensions of personality traits is not possible. For example, it might be hard to predict whether Openness to experience could have a positive effect on entrepreneurs' choice to engage in business activities in their country of origin or choose another location. On the one hand, if they are open-minded, they may consider any opportunities regardless of the location. On the other hand, Openness was shown to have a negative association with experience as well (Ciavarella et al., 2004). Extraversion, however, might be a trait that predicts entrepreneurial intentions (Obschonka et al., 2010; Zhao & Seibert, 2006), but too much Extraversion might be associated with lack of focus. As such this dissertation will seek to address the following sub-questions:

Sub-question 1: How do personality traits of immigrant entrepreneurs affect their decision on choosing a destination country (e.g. COO)?

Sub-question 2: How do immigrant entrepreneurs' personality traits affect their decision regarding their level of resource commitment in destination countries?

In addition, the literature does not provide any clue as to how personality traits might interact with the other constructs that are the subject of this study, perception of the institutional environment and network usage. For example, none of the above studies has included the other constructs (e.g. network ties) that this dissertation is concerned with and are central to the study of immigrant entrepreneurs (Basu & Altinay, 2002; Filatotchev, Liu, Buck, & Wright, 2009; Zhao & Hsu, 2007). Where the literature cannot provide a concrete and clear link between immigrant entrepreneurs' personality traits and their decision to do business in their country of origin or their level of resource commitment, an exploratory study is warranted and required (Edmondson & McManus, 2007; Eisenhardt, 1991; Glaser & Strauss, 1967; Strauss & Corbin, 1998). This exploration not only pursues answers to the questions listed above, but, as will be discussed in the next two chapters, is set to discover the relationship between

personality traits and immigrant entrepreneurs' perception of the institutional environment and their network usage, as well as their interactional effect on the decision to invest in COO and level of resource commitment.

3. Perception of Institutional Environment

With the advancement of institutional theory from the late 1980s to 1990s, and through the work of DiMaggio and Powell (1983) and Scott and Meyer (1994), researchers in many disciplines started applying this new perspective to their own theories and frameworks. Institutional theory was not designed to explain International Business (IB) phenomena, but it is an addition to the original resource-based theory and transaction cost theory (Peng, Wang, & Jiang, 2008), which were reviewed in Chapter 1 of this dissertation. The basic idea behind institutional theory is that all economic activities are embedded in the structure of social relations, which form the institutions of a society (Granovetter, 1985). The institutions of a society or a particular industry are the norms, standards, rules and regulations in that society or industry. These norms, rules, and standards are shared among members of the society or industry and define values and behaviors that are expected from them and others in the same society or industry (Roberts & Greenwood, 1997). For instance, these norms and standards dictate what it takes to become a doctor (e.g. education, license, and practice). Or, when one becomes a medical doctor, what type of technical expertise and behavior is expected from him/her (e.g. diagnosis of illness, a good bedside manner, and high ethical standards).

Institutional theory applies both to agents or individuals and to their interactions with one another in organizations and in society. In addition, both agents and organizations are members of institutions and subject to the same norms and rules. This theory also treats organizations as its members, which makes the interactions between firms subject to rules and norms as defined by the same industry, field or the general institutional environment of society (Farjoun, 2002). The relationship between institutions and members are reciprocal; individuals and organizations are embedded in their institutions and are said to influence the system or society and be influenced by it (Hannan & Freeman, 1989; Meyer & Rowan, 1977; Scott, 1994). Member organizations of each network (e.g. industry and society) are collectively responsible for creating rules

and setting standards (Lawrence, Hardy, & Phillips, 2002), and their collective decisions are influenced by their individual characteristics (Baumol, 1990). The set of standards, rules and norms as defined by the institutional environment, therefore, directs the embedded entrepreneurs and their organizations toward particular types of activities (Baumol, 1990).

The institutional system does not only apply to entrepreneurs and organizations that are part of its environment, but also restricts whoever wants to undertake any type of activity in that environmental setting (Bowen & De Clercq, 2007). Abiding by the standards of those institutions gives legitimacy to organizations to operate in an industry or any other particular institutional environment (Kostova & Zaheer, 1999; Powell, Koput, & Smith-Doerr, 1996). Without such legitimacy, just as a doctor cannot work without a medical license, organizations cannot operate in an industry and have access to resources such as external investors (Busenitz, Gomez, & Spencer, 2000). In a broader context, entrepreneurs and entrepreneurial firms that plan to internationalize into dissimilar institutional environments such as other countries need to focus on their socio-political legitimacy in these new environments (Aldrich & Fiol, 1994; Kostova & Zaheer, 1999). Entrepreneurs, therefore, need to understand precisely what type of behavior and actions are expected from them in each socio-political or institutional environment (Kostova, 1997).

To explain entrepreneurs' intentions, behaviors or actions, however, we need to look at all the elements that define each of these phenomena (DiMaggio, 1997; Kostova, 1997; Kostova & Zaheer, 1999). The expectation to behave in a certain way or comply by certain rules depends on several things. First the characteristics of individuals, their behavioral variations, situational variations, time variations, individual differences and characteristics of referents change from person to person. All these elements subsequently form beliefs about the consequences of one's behavior or what is known as "behavioral beliefs" (Fishbein & Ajzen, 1975). Individuals then use these behavioral beliefs to evaluate the consequences of their actions; however, their judgment is based on their assessment of normative beliefs – their perception of whether other members of the same group think their behavior is right or wrong – as well as behavioral controls – perceived motivations or impediments to behave in a certain way (Fishbein & Ajzen,

1975). Normative beliefs and behavioral controls are also based on similar kinds of stimuli as behavioral intentions and vary from person to person.

These relationships can be described more clearly with the help of an example. For instance, a young man wants to purchase a car. To actually buy a car, the individual looks at his stimuli such as his financial condition, whether he likes driving versus walking, and whether there are rules against him buying a car or driving it (e.g. age limit) among other things. Then he assesses the normative beliefs around him by evaluating what people think about him buying a car. For example, do his friends own a car? What would they think of him if he owned a car (e.g. cool, snobby, lazy, etc.)? What would his parents, relatives, neighbors and other acquaintances think of him owning a car (e.g. wasteful, thoughtful, clever, etc.)? Does society in general encourage, accept, or reject car owners (e.g. availability of road networks, availability of public transportation, pollutant controls, ownership controls, etc.). The third element that this young man would assess is the motivations and impediments to buy and drive a car. For example, would he get fined if he drove a car? Would his parents, friends and acquaintances praise him or isolate him for owning a car? Not all stimuli and normative beliefs exist at the same time and only the most salient ones are accessible at any given time (Fishbein & Ajzen, 1975). As is evident from this example, not only could the motivations of the individual (the agent) be different, his normative beliefs and motivations also could differ significantly.

The young man's view of his needs and wants, normative beliefs and motivations is deeply rooted in his subjective assessment of these defining factors. Intention to behave in a certain way, therefore, is also based on individuals' perception of their own personality and their perception of other peoples' views and understanding of them (Markus & Kitayama, 1998; Triandis, 2001). For example, an entrepreneur's view of a business opportunity depends on how s/he thinks of her/himself in terms of whether the opportunity is good for her/him, whether s/he is capable of dealing with any potential hurdle and whether s/he needs to further exploit it. S/He also perceives the way other people (e.g. onlookers, partners, friends, and family) might think of her/him if s/he took the opportunity. Individuals have a "dynamic" and complex psychological structure (schemata) that is based on their past experiences in living with or reacting to others' behavior or feedback, and social and situational norms (Markus & Kitayama, 1998).

Experience and understanding of other peoples' perceptions about one depend on an individual's cognition of norms and the ways others' apply or practice those norms. For example, if individuals' experience in violating the smallest norm has brought about negative consequences for them in the past, they may think twice before violating the same or other norms again. Therefore, determining what is expected from one in an institutional environment is a cognitive process by which one understands the rules and regulatory systems of that environment, the subjective norms of the system, and individuals' perceptions of these norms and rules (Kostova, 1999). In the case of the entrepreneur trying to decide whether to seize upon an opportunity, s/he needs to determine 1) whether that action is allowed in his/her institutional environment—rules; 2) whether social norms allow, support, or encourage his/her decision and action—norms; and 3) whether s/he actually has the knowledge about ways to exploit the opportunity—cognition. All these assessments are essentially based on his/her subjective understanding of the environment.

From the perspective of entrepreneurship and international business, entrepreneurs intending to get involved in any business activity in other countries have to consider that country's specific institutional setting or profile to gain adequate legitimacy in the new environment (Kostova, 1999). Entrepreneurs' evaluation and knowledge of the three dimensions together in the new environment determine legitimate (business) behavior in that particular country or culture. Entrepreneurs can do this by assessing the Country Institutional Profile (CIP), which includes regulatory, cognitive, and normative dimensions of the environment for each industry and country (Kostova, 1999; Manolova et al., 2008; Xu & Shenkar, 2002).

In the context of entrepreneurship, the regulatory profile of a country defines the type of entrepreneurial activities that are allowed, disallowed, supported, or encouraged. For example, the government in a given country might provide additional types of loans to entrepreneurs who want to start their own business. Governments of many European countries provide such facilities for their entrepreneurial SMEs (OECD, 2000, 2004). Through regulations, governments can also set the course for entrepreneurial development (Baumol, 1990). The development path could be as broad as providing more facilities (e.g. bank loans) to firms that provide higher employment or anticipate higher returns, or as narrow as setting up R&D oriented high-tech firms (George &

Prabhu, 2003). The cognitive dimension of the institutional environment refers to the familiarity of entrepreneurs with the other two dimensions. The cognitive dimension of CIP pertains to whether entrepreneurs know how to start a business, how to protect themselves from possible turbulence and how to deal with the risks involved (Busenitz et al., 2000; Kostova, 1997; Kostova & Zaheer, 1999; Xu & Shenkar, 2002). The normative dimension refers to the degree that entrepreneurial activities are discouraged, supported, encouraged, or even admired in a society. For example, some researchers (e.g. Ahlstrom, Young, Chan, & Bruton, 2004) have asserted that overseas Chinese in East Asian countries admire entrepreneurial characteristics. While their population in some Southeast Asian countries varies from two percent to 15 percent of the total population, Chinese businesses control 50 percent to 80 percent of the capital market in these economies (Tung, Walls, & Frese, 2007). Danis and colleagues (2002) also suggested that in communist era Ukraine and Hungary, entrepreneurship was viewed as “shady” and still does not have the same prestige as it might in other countries. Regardless of their examples’ historical or general accuracy, they are important if the entrepreneurs in those societies believe in these norms and values.

Dissimilar CIPs require implementing new strategies for entrepreneurial activities in each country and industry (Pajunen, 2008). The CIP of different countries could show that even countries that are perceived as culturally similar do not have the same norms and rules for doing things. For example, Manolva and colleagues (2008) found differences among some of the Central and Eastern European countries with similar historical backgrounds and relative close psychic distance. Bulgaria, Hungary, and Latvia, after the breakdown of the communist bloc, started promoting entrepreneurship. Many people might think of the three countries, being from the same general region, having similar experiences with Communism, and having some similar ethnic groups, might be similar in many other ways. However, due to these countries’ idiosyncratic cultural norms and values, traditions, and institutional heritage, the three countries differ significantly on all three dimensions of institutional setting (Manolova et al., 2008).

In comparing two large emerging economies, Djankov and his colleagues (2006) also found that cultural and institutional differences in China and Russia have created entrepreneurs with different characteristics in the two countries. For example, Russian entrepreneurs compared to their Chinese counterparts have higher levels of education

and are more likely to be offspring of Communist Party members. On the other hand, the Chinese had more entrepreneurs among their childhood friends, and were more risk-taking and materialistic (Djankov et al., 2006). Pajunen (2008) also investigated the CIP of 47 countries and found that the combination of all dimensions of institutional characteristics manifests differently in each country. He postulated that the slightest change in any aspect or dimension of institutional characteristics of countries could result in significantly different CIPs.

So far we have established three things: 1) the context of the institutional settings of a country includes its cognitive, regulatory, and normative characteristics; 2) that the institutional characteristics of each country are different from one another; and 3) entrepreneurs' actions in an institutional environment depend on their perception of that environment. Apart from the objective dissimilarities that exist between the institutional environments of different countries, entrepreneurs' actions in each environment depend on their perception of these differences. The differences are not only based on dissimilarities between the institutional characteristics of each country, but are rooted in entrepreneurs' subjective views of the setting. Entrepreneurs' views of the institutional profile of a country are their knowledge and perception of that country. Entrepreneurs' perception and familiarity with a country's CIP depends on whether they have had experience with that country or not. This experience could be as superficial as reading about that country without visiting it to as deep as being born and raised in that country. In the next section, I will expand the notion of perception of CIP as it relates to immigrant entrepreneurs and explore the link between the two.

3.1. Institutions and Immigrant Entrepreneurs

This section looks at how the institutional environment of different countries are different and why immigrant entrepreneurs' perception of institutions in COR and COO might vary from non-immigrant entrepreneurs. The normative dimension of the CIP separates different institutional environments by determining how entrepreneurs can or should behave in that environment (Xu & Shenkar, 2002). As indicated above, the normative characteristics of a country also define that country's culture (Markus & Kitayama, 1998). Culture is the set of rules and norms that are shared by members of

that culture and includes all social institutions; norms and institutions are different from country to country (Markus & Kitayama, 1998). Familiarity with a country's normative institutional dimensions, therefore, is also possessing knowledge about that country's culture. In the same way, understanding of the regulatory or cognitive dimensions of the CIP in a country also depends on familiarity with rules, regulations and opportunities in that country. Such familiarity could come with either experience doing business with that country or having lived in that country. The longer an entrepreneur has lived or done business in a country, the more the entrepreneur is experienced with and is familiar with that country.

This familiarity is similar to the concept of psychic distance from theories of the internationalization of firms (Ellis, 2011; Xu & Shenkar, 2002). For example, an American entrepreneur's experience in Russia can reduce the effect of psychic distance between Russia and the US for that entrepreneur. An entrepreneur's experience indicates that he has specific knowledge about a market that is not necessarily available to other entrepreneurs. The higher the level of experience, the more beneficial it is in understanding business processes (Hutzschenreuter et al., 2007). In the above example, if the American entrepreneur in Russia can also speak Russian and has lived there for an extended period of time, he would have greater advantage than other entrepreneurs who do not speak the local language and have not lived there. He would know how to reply to certain cultural cues and how to behave in different business or cultural situations. Entrepreneurs' experiences intensify and deepen through living in a foreign country for a longer period of time and speaking the language of that country more fluently. By the same token, the assumption is that being originally from the destination country/region (i.e. being born and raised or being ethnically from there) indicates more knowledge of the norms and rules that exist in the institutional and cultural environment of that market. Immigrant entrepreneurs have the advantage of country (i.e. COO) specific knowledge that is not available to non-immigrant entrepreneurs. Their perception of the institutional setting of COO, therefore, is also different from non-immigrant entrepreneurs.

We should note that entrepreneurs' perception of the CIP in both COR and COO, as well as that of any country they do business in should be considered here. COR's relevance is perhaps the most obvious, because entrepreneurs, immigrants or

otherwise, are based in COR and need to set up their businesses there. Entrepreneurs' knowledge of processes to start and operate a business and avenues to obtain financial resources makes starting a new venture feasible or not. The knowledge of the institutional profile of a country where the venture was initiated is much more extensive in the case of mainstream entrepreneurs from that country compared to immigrant entrepreneurs who started residing there at a later stage of their lives. For example, Iyer and Shapiro (1999) found that many immigrant entrepreneurs are either unable to or do not know how to get a bank loan for their start-ups. This is attributed to their lack of sufficient knowledge of the local language, knowledge of financial institutions' procedures to obtain a bank loan, or lack of necessary credit history.

However, entrepreneurs, immigrant or otherwise, will still have a view of the normative, regulatory and cognitive characteristics of the country they live in (Kostova, 1997). For example, entrepreneurs in a given country generally have some opinion about whether entrepreneurship is praised, looked down upon, or is considered a neutral type of career in that country. In terms of the regulatory dimensions of the CIP, entrepreneurs who want to get involved in international business activities need to know the rules and laws about cross-border transactions, setting up a business, and other processes and regulations related to doing business in that country. For example, there might be some types of goods and services that are regulated; taxes and tariffs might apply to cross-border transactions; appropriate transportation and communication may or may not be available; or certain types of goods and services or goods and services from certain regions or countries may be banned or heavily controlled. Likewise, immigrant entrepreneurs may decide to engage in entrepreneurial activities with those countries that they perceive to have similar institutional characteristics to COR.

This perception and knowledge of COR also would allow or prevent immigrant entrepreneurs to utilize local (that is COR) monetary, facilities, and relational resources to their advantage. For example, the import and export of any goods and even services might require the transfer of money as well as the issuance of a letter of credit and insurance. Immigrant entrepreneurs who do not have an understanding of where and how to obtain credit or financial support have to resort to other means and sources of capital such as family and co-ethnic loans (Iyer & Shapiro, 1999; Yang et al., 2010). The lack of understanding, whether based on their unwillingness to discover, or not knowing

how to find out, could be due to their inability to integrate into the COR or the local government or society (i.e. institutions) to accept them systematically (Berry & Kalin, 1995; Chand & Tung, 2011a). The extent and availability of alternative resources, which are discussed in the next chapter in more detail, also depend on entrepreneurs' ethnicity and utilization of networks as well as entrepreneurs' perception of institutions in COR (Sequeira, Carr, & Rasheed, 2009; Yang et al., 2010). Therefore, in either case, immigrant entrepreneurs' perception of COR's institutional profile is essential in their decision to engage in any type of international business activity.

Perception of the CIP of COO and other countries where entrepreneurs do business is potentially important as well. Immigrant entrepreneurs decide to do business with or in a country for many reasons. The country or countries they choose could be their COO or another country. The literature suggests (Agarwal & Ramaswami, 1992; Aldrich & Fiol, 1994; Kostova & Zaheer, 1999) that entrepreneurs have to have knowledge of the possibilities, rules, and regulations in the country they do business in. Production and export of some goods and services could be restricted by the government of some countries (i.e. objective regulations). Products might be unavailable or not needed in certain other countries (i.e. objective norms). Income or monetary transactions might have limitations in some countries. To deal with any of the above examples, entrepreneurs need to have at least some type of knowledge of their target country's CIP.

This knowledge, as much as it might be about the limitations, is also about opportunities. Such opportunities could be available to all entrepreneurs around the world, limited to certain countries or regions, or only to the immigrant entrepreneurs to do business in their COO. For example, the South Korean government provides loans to Koreans who have recently emigrated and reside abroad to start up new ventures (e.g. Choonwoo et al., 2001; Iyer & Shapiro, 1999). Apart from helping their own people, the purpose of such government incentives is two-fold: 1) to keep ethnic Koreans loyal and attached to the motherland, and therefore 2) to promote and incentivize the flow of remittances and return investment to Korea. Other types of government incentives that are global or specific to certain regions or countries are aimed at promoting business and trade in general. For example, startups with capital originating from some treaty partners could operate for one to three years tax free in China. The same incentive also

applies to Chinese nationals living abroad (i.e. permanent residents of other countries who hold Chinese passports) to entice them to return to China.

The knowledge of such incentives and barriers is more readily available to entrepreneurs who are familiar with or are originally from the initiating country. The availability of knowledge, therefore, limits these opportunities to the type of entrepreneurs who have access to them. While the information might be available from government institutions, websites, periodicals, or other media, only some entrepreneurs know how and where to seek them. Immigrant entrepreneurs would have an advantage in having access to this knowledge. However, the decision to actually use these prospects still lies in entrepreneurs' perception of the opportunities, threats, and risks involved. All these opportunities and threats are encompassed by entrepreneurs' perception of the CIP of each of these countries. This perception may or may not be an objective assessment of a country's institutions.

For example, regardless of whether a country is ranked high or low on the Transparency Index—a ranking system conducted each year by Transparency International of countries based on perceived levels of corruption—it could be a major target market. China and Russia are two very good examples. Out of 178 countries and regions ranked in 2010, Transparency International ranks China 78th and Russia 154th (Transparency International, 2010). This puts these two countries amongst the medium (for China) to more corrupt (for Russia) and less transparent countries and regions in the world. On the other hand, both countries have been amongst the largest recipients of FDI in the world (please see Appendix I). According to the United Nations Conference on Trade and Development (UNCTAD), up to 2011, China ranked as the largest recipient of FDI among developing countries and the ninth largest recipient of FDI in the world (UNCTAD, 2011). Russia, on the other hand, is the fifteenth largest recipient of inward FDI in the world. In comparison, the United States, Hong Kong SAR, and the United Kingdom, the first, second and third countries/regions with the highest stock of inflow FDI, ranked 22nd, 13th, and 20th on the Transparency Index, respectively.

While market size and many other factors are also involved in the decision to invest in a country, this is an indication of the fact that many businesses and entrepreneurs do not necessarily base their judgments upon objective indicators of the

institutional profile of counties conducted by reliable international sources. Other similar reports and indicators are produced by the United Nations such as the Gender Empowerment Measure (GEM) and Human Development Indicators (HDI), by countries themselves such as Gross National Product (GNP) or Gross Domestic Product (GDP), or derived from other indicators such as the Gini coefficient that is measured through reported GDP. All in all, it is very useful and advisable to use any or all of these indicators to measure and acquire knowledge about a country's institutional profile. However, the rationale for entrepreneurs' decisions to do business with a country is not necessarily based on their consultation with any of these indices (Buckley et al., 2007; Ellis, 2000). These decisions are more dependent on entrepreneurs' perception of the institutional setting of their target countries.

Furthermore, immigrant entrepreneurs' perception of their country of origin or countries near their country of origin is based on a much deeper knowledge of COO and its region. In particular, entrepreneurs from countries with weaker institutions (most developing countries, where institutions and infrastructure are not complete or are not stable) might be aware of the loopholes in norms and rules and can turn them into opportunities (Fuller, 2010; Khanna, Palepu, & Sinha, 2005; Mesquita & Lazzarini, 2008; Peng, 2001). On the other hand, other immigrant entrepreneurs might try to avoid doing business in their COO, *because* they are better aware of threats or barriers that exist in those countries (Aidis, Estrin, & Mickiewicz, 2008; Manolova et al., 2008). In light of such ambiguity, this dissertation aims to find out whether perception of the institutional characteristics of COO impacts immigrant entrepreneurs' decision to do business and commit resources there. Therefore, an important area of inquiry is whether immigrant entrepreneurs' perception of institutions in COR or COO affects their decision to do business with their country of origin and whether this can impact their level of resource commitments in destination countries.

Sub-question 3: Are immigrant entrepreneurs' perceptions of CIP in COR and COO important in their decision to do business in their country of origin?

Sub-question 4: Do immigrant entrepreneurs' perceptions of CIP in COR and COO affect their level of resource commitment in their destination country?

In sum, immigrant entrepreneurs' perceptions of the institutional setting of countries they do business in, including their country of residence and country of origin, are important factors. Apart from official sources of capital, opportunities, and knowledge, immigrant entrepreneurs can exploit unofficial and network-based resources. Their perception of COR and COO may have no relationship with any objective indicators of those countries. Immigrant entrepreneurs' overall perception of COO or COR could be positive (i.e. they foresee a positive transaction cost), but at the same time they may perceive some restrictive regulations in COO or COR negatively. The overall question is whether immigrant entrepreneurs' perception of the institutional setting of COR and COO influences their decision to engage in business or their type of business activities between the two countries. Immigrant entrepreneurs' perception of COO and COR is also complicated by their embeddedness and use of their networks in both countries (Peng & Zhou, 2005; Riddle et al., 2010; Sequeira et al., 2009); a concept that is addressed more in depth in the next chapter.

4. Immigrants' International Entrepreneurial Activities and Their Networks

Ethnic groups, minorities, and immigrants are disproportionately over-represented in terms of self-employment and ownership of entrepreneurial ventures (Aguilera, 2009; Chand & Ghorbani, 2011; Fairchild, 2009; Sequeira et al., 2009; Spence, Orser, & Riding, 2011; Yang et al., 2010; Zhou et al., 2010). For instance, in Canada, while the rate of self-employment in the non-immigrant population has increased from less than ten percent in 1981 to about 15 percent in 2009, the average unemployment rate for the immigrant population has increased from 12 percent to 19 percent in the same period (Hou & Wang, 2011). The reason behind this global trend has been attributed to several psychological, cultural and institutional factors (Baycan-Levent & Nijkamp, 2009; Begley & Boyd, 1987; Ralston, Egri, Stewart, Terpstra, & Kaicheng, 1999). One of the earliest and most commonly cited reasons for immigrants to seek self-employment or entrepreneurial opportunities is the lack of recognition of their work experience and educational credentials outside of COR (Breton, 1964; Light, 1972; Portes, 1998). Immigrants from some countries arriving in COR, sometimes with very high educational attainments and work experience (Hunt, 2011), soon realize that their credentials are not recognized in COR (Light & Sanchez, 1987). Examples include immigrants' lack of local (i.e. COR) work experience, refusal of COR workplaces and government authorities to recognize the authenticity or adequacy of the institution or country where the educational degree or certificate was issued, non-transferability of the attained degree due to being idiosyncratic to a region or country (e.g. legal, medical, and some engineering degrees), or the non-existence of an industry or field in COR (e.g. traditional Chinese medicine is not recognized as a medical treatment in many countries in the world). Some immigrants' problems often get compounded by their language capability or lack thereof (Portes, 1998; Waldinger, 1994). In such situations immigrants have no choice but to turn to the only other possible way of earning a living, self-employment and entrepreneurship (Aviram, 2009; Ryder, Alden, & Paulhus, 2000).

Often, lack of adequate financial resources or immigrants' ability to access them through COR's financial institutions makes the small business sector the easiest entry point for immigrant entrepreneurs (Iyer & Shapiro, 1999).

A related but different reason for immigrants to choose entrepreneurship is their desire for upward mobility (Bates, 1995; Putnam, 2000; Raijman & Tienda, 2000; Waldinger, Ward, & Aldrich, 1985). Regardless of the reason for migration and type of migrants (e.g. entrepreneurial, skilled workers, refugees, family reunion, etc.), in the past few decades a large portion of migrants to more developed countries have been comprised of highly educated and experienced people who often also have a higher social status in their home countries (Basu & Altinay, 2002; Hunt, 2011; Min & Bozorgmehr, 2000). Immigrants from higher educational and social class backgrounds are more likely to engage in entrepreneurial activities, because they do not want to start their careers from lower ranks (Begley & Tan, 2001; Fairlie & Meyer, 1996; Hunt, 2011; Vinogradov & Kolvereid, 2007). Even immigrants with lower educational attainment and social status also look at the change in their lives as a chance for creating a better life for themselves and their offspring. However, working for existing businesses in ethnic communities, which are often smaller in scale compared to the average mainstream ones, limits immigrants' life improvement opportunities (Min & Bozorgmehr, 2000; Nee et al., 1994). They do not want to live in poor conditions or be potentially stuck in minimum wage jobs, and see self-employment as an avenue for upward mobility (Portes, 1998). As such, self-employment and entrepreneurship are often the best upward mobility options for both kinds of immigrants (Raijman & Tienda, 2000; Waldinger et al., 1985)

A third reason for immigrants to choose entrepreneurship is their desire to stay unattached to COR (Bonacich, 1973). Some immigrant entrepreneurs, whether they have moved permanently or temporary and regardless of the length of time in COR, live with the memories of or the desire to return to their COO. These immigrants prefer to stay as fluid as possible, and try to keep their assets easy to liquidate (Iyer & Shapiro, 1999). They do not want to enter into the workforce or learn too much about local norms in COR. This connection to COO is sometime in the form of immigrants taking positions in educational or research institutions in more advanced economies to create a network to link them to the elites of their COO (Tung, 2007). For instance, Saxenian states that many Indians, Taiwanese, and Chinese move to universities and firms around Silicon

Valley to enter the network of more prestigious entrepreneurs back home who were educated or trained around the Valley (Saxenian, 2002). As such, frugality and entrepreneurship, particularly if it involves their COO or their co-ethnic group, gives them the agility to move back to COO at will (Waldinger et al., 1985). These immigrants are also more likely to try to start the type of businesses that cater to their own ethnic group or COO (Barrett, Jones, & McEvoy, 1996).

The last category of immigrant entrepreneurs is those that may be culturally born to be entrepreneurs. This suggestion is based on two different and somewhat related assumptions. Some researchers (Steensma, Marino, Weaver, & Dickson, 2000; Stephan & Uhlaner, 2010) have posited that the national culture and value system of some countries prompt higher levels of entrepreneurship among people from those countries. For example, countries that have stronger support systems (that is, stronger social ties or are more collectivistic) are likely to have higher rates of entrepreneurship (Stephan & Uhlaner, 2010). Therefore, immigrants from COOs with higher levels of social bonding are more likely to engage in entrepreneurial behavior. The second way culture can affect the rate of entrepreneurship is the historical tendency of people from that culture to engage in business and trade (Iyer, 1999; Zhu, Frederick, & Walker, 2004). Certain ethnicities have historically been traders and business people. Some examples are Jews almost everywhere in the world, Persians and Arabs along the Silk Road, and Chinese and particularly Hokkien Chinese in Southeast Asia and around the world. The argument is that these ethnic groups, due to their cultural history, start their own business anywhere they go in the world (Basu & Altinay, 2002; Iyer, 1999).

Most immigrants who have a proclivity for entrepreneurship and cannot or do not want to approach financial institutions in COR often rely on their personal, family, or co-ethnic connections for business financing (Adler & Kwon, 2002; Portes, 1998). These connections, broadly speaking, are called Social Capital. According to Portes (1998, p. 6), "social capital is the ability of actors to secure benefits by virtue of membership in social networks or other social structures." Nahapiet and Ghoshal (1998, p. 243) also defined social capital as "the sum of the actual and potential resources embedded within, available through, and derived from network relationships possessed by an individual or social unit". Social capital is inherent in the linkage of peoples' relationships

with one another and is based on the social structure within which the actor is situated (Putnam, 2000).

Through these relationships and networks, immigrant entrepreneurs gain the trust necessary to perform business transactions with one another; a trust that often does not extend across ethnic boundaries (Sanderson & Kentor, 2009; Sequeira & Rasheed, 2006). This trust allows immigrant entrepreneurs to facilitate trade between their COO and COR and benefit both countries (Chand & Tung, 2011a). Common language and culture make it easier for co-ethnic groups to form a network and establish the trust needed (Isenberg, 2008). Membership in this social structure becomes immigrants' source for cheaper labor (Iyer & Shapiro, 1999), information (Adler & Kwon, 2002; Ruzzier, Antoncic, Hisrich, & Konecnik, 2007), community solidarity (Coleman & Robb, 2009), influence and control (Coleman & Robb, 2009), financial support (Ruzzier et al., 2007), access to products and distribution channels (Ruzzier et al., 2007), and other economic benefits (Ellis, 2011). There is also some indication that sometimes social capital could be a replacement for personal capital, which is limited to personal financial capital (i.e. savings), knowledge, and skills (Adler & Kwon, 2002; Lin, 1999). For example, Asian and Middle Eastern communities encourage and support their members and their children to become entrepreneurs, which could be the initiating force to replace personal characteristics such as risk-taking, and provide them with the initial capital that their children may not possess otherwise (Portes, 1998).

Despite all these benefits, social capital does not make every immigrant an entrepreneur. It also certainly does not equally affect everyone involved in international entrepreneurship. Immigrants' individual characteristics allow them to use the opportunities created through social capital and become entrepreneurs (De Carolis, Litzky, & Eddleston, 2009; Ellis, 2011). To better understand this concept, in the next section I will expand the connection between social capital and entrepreneurship. In the last section of this chapter, the relationship between networks and international entrepreneurship will be explored. In the next two sections, the types of network connections that could emerge through social capital and their potential effect on entrepreneurship and international entrepreneurship will be reviewed as well. Please note that the types of networks reviewed here are by no means exhaustive and only encompass those types that are related to this dissertation.

4.1. Immigrant Entrepreneurs and Co-Ethnic Networks

Many frameworks for the internationalization of entrepreneurial SMEs emphasize the role of experience and network ties of CEOs, managers, or entrepreneurs (Aldrich & Martinez, 2001; Etemad & Lee, 2003; Lado & Wilson, 1994; Oviatt & McDougall, 2005; Qian & Delios, 2008; Spence et al., 2011). Experience and knowledge of the entrepreneur is his/her familiarity with the target market or suppliers. This familiarity could come through being from similar or the same ethnicities (Tung & Chung, 2010), belonging to the same business networks (Coviello, 2006; Coviello & Munro, 1997) or having family ties there (Ellis, 2008). Availability of such information, particularly through kinship, other networks, and market imbalances, are said to create new opportunities for some but not for others (De Carolis & Saporito, 2006; Lin & Si, 2010; Qian & Delios, 2008; Shane & Venkataraman, 2000). This is due to the important impact of information and familiarity with or knowledge of opportunities, labor stratification, regulations, and culture of the target market that could be communicated through these networks and loose ties (Aldrich & Waldinger, 1990; De Carolis & Saporito, 2006; Etemad & Lee, 2003; Lin & Si, 2010; Shane & Venkataraman, 2000; Yang et al., 2010). Such familiarity could come from connections as remote as membership in similar social groups or loosely tied together entrepreneurial networks (Lin & Si, 2010; Yang et al., 2010).

The profound effects of entrepreneurs' inter-relationships—including social and personal ones—on firms are not limited to the internationalization process or access to networks. For example, networks are effective in trade facilitation (Tung & Chung, 2010), market fragmentation (Lin & Si, 2010), performance (Musteen, Francis, & Datta, 2010; Stephan & Uhlaner, 2010), speed of internationalization (Musteen et al., 2010), strategy and direction of firms (Harris & Wheeler, 2005), and even government intervention (Lin & Si, 2010). More specifically, entrepreneurs' social ties can reduce psychic distance or diminish its negative effect (Johanson & Vahlne, 1990). For instance, Wong and Ellis (2010), in their qualitative study of Sino-Hong Kong international joint-ventures, found that stronger social ties (e.g. family ties) are more specific to relationships closer to home, but weaker (ethnic) ties allow firms to bridge longer distances and result in investments. In his empirical study of 133 foreign market entry incidents of highly internationalized manufacturing firms, Ellis (2000) also proved

that market research is not the antecedent of finding a suitable international partner, but rather that the decision-makers' social network is the driving force. Han (2006) also found the same results and posited that while the ties between SMEs and larger enterprises are important, they are not as important as ethnic networks when it comes to the internationalization of these firms and their success in such endeavors.

Apart from internationalization, immigrants and ethnic employees and their networks are also beneficial in other types of international business activities. These employees, whether in managerial positions or staff, are the human resources or human capital of firms, and are more likely to be knowledgeable about the institutional and cultural settings of their COO and COR (Drori et al., 2009; Enderwick, 2011; Iyer & Shapiro, 1999). For example, Tung and Lazarova (2006) discovered that ex-host country nationals (EHCNs) who worked for not-for-profit firms in their COO were hired because of their knowledge of both COO and COR. EHCN is defined as people who share the same ethnicity/ancestry of those in the host country, regardless of their country of birth, citizenship and/or permanent residency (Tung, 2004, 2005). EHCNs are not necessarily immigrants, but by definition they include immigrants as well. The knowledge, in this sense, is a deeper and wider understanding of the target market compared to experience that is gained by entrepreneurs or expatriates living in a country for a limited period of time. Research shows that immigrants and expatriates offer complementary advantages to firms (Enderwick, 2011). Both immigrants and expatriates have deeper knowledge of their own country of origin and the target country. In the case of the former, the knowledge is about the target country, but in the case of expatriates this knowledge is stronger with regards to the home country (Enderwick, 2011).

This effect is what Chung (2004) called the "immigrant effect." Chung (2004) suggested that the existence of immigrants in a country facilitates and increases the chance of trade, particularly FDI, between COO and COR. Immigrants, through their knowledge of their country of origin and networks, work as a bridge between their COO and COR (Chung & Enderwick, 2001). Immigrants' knowledge and information about both countries is considered to be the locational advantage (Wright, Liu, Buck, & Filatotchev, 2008) as mentioned in the internationalization frameworks of Dunning (1988) as well as by Agarwal and Ramaswami's (1992). At the same time, it is a firm

specific advantage as the employees and managers are a part of the knowledge pool of each firm (Kogut & Zander, 1993).

Many previous studies have investigated this effect on trade (e.g. Dunlevy & Hutchinson, 1999; Ghorbani, 2011; Gould, 1994; Head & Ries, 1998a; Rauch, 2001; Sequeira & Rasheed, 2006) and foreign market entry mode (e.g. Chung, 2004; Chung & Enderwick, 2001; Iyer & Shapiro, 1999; Tung & Chung, 2010; Zhao & Hsu, 2007). For instance, Dunlevy and Hutchinson (1999), investigating the immigrant effect in the US in the 40 years leading up to World War I, found that the existence of immigrants increased US imports from the countries of origin of those immigrant groups.

An example of the effect of immigrants on FDI is a study by Iyer and Shapiro (1999), who found that ethnic entrepreneurs increase the possibility of FDI, as opposed to export/import mode of entry, to their COO (Iyer & Shapiro, 1999). They postulated that this is due to the accumulated experience and operating knowledge on the part of ethnic entrepreneurs that mitigates or diminishes the uncertainty risk of investing back in their COO. In the same study, Iyer and Shapiro (1999) found that Chinese and Indian entrepreneurs in the US, through their social and ethnic ties, helped firms in their home countries to internationalize. This type of internationalization, they argued, could reduce the cost of communication across different languages and cultures. Zhao and Hsu (2007), in their empirical study, also found that Taiwanese entrepreneurial SMEs investing in Mainland China utilized the immigrant effect (established through migration of Mainlanders to Taiwan) to choose slightly riskier modes of entry and moved into the market much faster than firms that did not exploit this effect (e.g. Western firms in their sample). Consistent with this study, Tung and Chung (2010) discovered that Australian companies utilizing the immigrant effect (i.e. having immigrant employees or controlled by immigrants) were more likely to commit higher amount of resources when investing in the COO of these immigrants. However, they did not find significantly different performance levels between these firms and firms that did not make use of the immigrant effect (Tung & Chung, 2010).

Almost all the former and latter types of studies have found that the immigrant effect has significant impact on internationalization, trade and foreign market entry. However, there are also studies that have found that immigrant effect is not consistent in

all settings. For example, Wagner and his colleagues (2002) suggested that Canada's trade with its partners is significantly affected by the number of immigrants from those countries. They state that there are differences in the ways immigrants' presence affects Canadian provinces. This inconsistency with other immigrant effect-related literature was further tested by other scholars. For example, consistent with Wagner and colleagues' (2002) findings, White (2007) also found that the immigrant effect in the US impacted trade with low- and high-income countries differently. His findings indicated that increases in trade are significantly driven by immigrants from low-income countries and not those from high-income countries. He posited that a portion of the increases in import should be attributed to immigrants' preference for goods from their COO, while the remaining of increased imports and all of the increased exports is credited to immigrants' networks with and in COO.

In addition, comparing the immigrant effect in Canada and the US, Ghorbani (2011) posited that the immigrant effect is different at the federal and state/province level in both countries. The US's trade with 27 of its partners and the country of origin of some of its largest ethnic groups had significantly increased with the growth of population from those ethnic groups in the US and its five selected states—Florida, Idaho, Louisiana, Washington, and Wisconsin. However, similar increases in Canada's and five of its provinces'—Nova Scotia, Quebec, Ontario, Alberta, and British Columbia—trade with 29 of its partners were not associated with the growth of ethnic population from those partners. Ghorbani (2011) postulated this dissimilarity is due to the differences in the institutional setting of the US and Canada, particularly the way ethnic groups perceived themselves and the institutional settings in those countries.

Several researchers (Aldrich & Waldinger, 1990; Gould, 1994; Wagner et al., 2002; Waldinger et al., 1985; White, 2007) work under the assumption that one of the reasons that immigrants can increase the level of trade between COR and COO is due to their desire for their home country's food, clothes, music and other culturally or regionally specific products. The assumption is based on the idea that immigrants are linguistically and financially disadvantaged and their credentials and work experience are not recognized in COR (Aldrich & Waldinger, 1990). Therefore, one of the few opportunities they have is to cater to their co-ethnic market. In contrast, Rauch and Frese (2007) suggested that common linguistic ties and historical/colonial ties are more

indicative of increased trade between COO and COR. Regardless, many of these studies do not consider how individuals see themselves or how they perceive norms and society in COR and COO (Markus & Kitayama, 1998), nor do they consider the types of network in which they are embedded (Portes, 1998).

For example, several studies (Fairlie & Meyer, 1996; Min & Bozorgmehr, 2000; Valdez, 2008) have found that Korean immigrants have one of the highest rates of entrepreneurship and self-employment among migrant groups in the United States. Min and Bozorgmehr (2000) compared the way Iranian and Korean immigrant/ethnic entrepreneurs do business in the California area of the United States. They found that Iranians use their class networks and Koreans use their ethnic networks. Class networking here means being connected to people from the same educational background, with similar fluency in English, and comparable personal wealth/savings among other things. The “class system” in society is very similar to the “caste” system that is more common in the Indian subcontinent. The main difference between the two systems is that people can only be born into a caste system, while they can earn (or lose) membership in a class system. The mobility between different classes occurs as peoples’ level of education and/or personal wealth changes. In contrast, ethnic networking refers to a general reliance on co-ethnic customers and creditors, use of family human and financial capital resources, and utilization of a co-ethnic workforce among other things. Min and Bozorgmehr (2000) argue that this does not mean that Koreans are ethnic networkers and do not consider class-networking, but merely suggest that Koreans have higher tendency to focus on ethnic networks than Iranians.

As can be seen from the above example, the composition of networks potentially varies for different immigrant groups. Network composition refers to the type of people that network members rely on or interact with (Ibarra, 1993). Network composition could be viewed from two different dimensions, homophily and range. Homophily refers to the degree of similarity between network members (Kalleberg, Marsden, Aldrich, & Cassell, 1990). Similarity here is measured by shared characteristics or attributes between network members that brings them closer together and distances them from people without those attributes. These could be the type and level of educational attainment, position or hierarchy in society or organizations, spoken language or dialect, or ethnicity in general (Ibarra, 1993). In hardship and under difficult circumstances, network

members are more likely to identify with and seek help from other members who share similar demographic attributes (Ibarra, 1993; Kalleberg et al., 1990). This homophily and identifying with co-ethnic members, but not with the same social class, is more predictive of ethnic solidarity and sojourning (Portes, 1998; Zimmer & Aldrich, 1987). For example, Koreans, compared to Iranians, tended to have more solidarity, have more interaction with and reliance on their COO and their co-ethnic group in COR, and, thus, create an enclave type of society and economy (Min & Bozorgmehr, 2000).

In contrast, the range of network composition is the extent of membership of dissimilar members in the same network. Range of network is different from homophily as the former refers to within group differences, but the latter refers to between groups differences (Ibarra, 1993). Therefore, diversity is neither the opposite of homophily, nor necessarily correlates with it. For example, in Min and Bozorgmehr's (2000) study, the Iranian immigrants who associate with people from the same class (i.e. source of homophily) also included mainstream and other immigrants from a similar class in their network (i.e. diversity). It has been suggested that while increasing diversity needs more time and effort, it is more instrumental in locating opportunities for immigrant entrepreneurs (Ibarra, 1993).

The effect of homophily and range of network composition come very close to that of strength of ties. Strength of ties represents the number of linkages between members, in that the more ties that link two members, the stronger their ties (Granovetter, 1973). For example, being co-ethnic is a tie between two members, but if the two are from a similar region of the same country, there is a second linkage between them. Now, if they have similar religious beliefs, know the same people, and so on, they have many more ties to each other which make their ties much stronger. In contrast, being co-ethnics constitutes only a weaker-tie between the two members. Many ties between two individuals make them a part of the same "in-group". The relationships between in-groups and among people with stronger ties are based on strong trust and support (Granovetter, 1973). Stronger ties also predict solidarity and emotional support (Ibarra, 1993; Nahapiet & Ghoshal, 1998). Weak-ties, in comparison, are with people that do not share many attributes and where there is not much trust (Granovetter, 1973). On the other hand, weaker ties, similar to relationships within a diverse network, are often associated with more opportunities (Capaldo, 2007; Peng & Zhou, 2005; Wong et

al., 2010). In the example of Koreans and Iranians, compared to the latter, the former immigrants are usually from the same ethnic and racial backgrounds, believe in the same religions, and speak the same languages. Therefore, Koreans, a homophilous group with stronger ties among its members, were living in enclave societies and were embedded in their network. In contrast, Iranians with weaker ties (only social status) lived in neighborhoods where residents only shared a similar social class (Min & Bozorgmehr, 2000).

The stronger ties are also called “bonding capital” as they bond members together more permanently (Putnam, 2000). Members with this type of networking ties, as indicated in the Korean immigrants’ example, are more inward looking. They tend to look after each other more and provide greater support for other members of such networks. In contrast, weak-ties are “bridging capital”, as they go across a diverse group of loosely tied together members (Putnam, 2000). This type of social capital, as in the Iranian immigrants’ example, provides more possibility of access to a wider array of opportunities. Therefore, a wider scope and greater weakly tied networks are said to be more likely to predict higher amounts of innovation (Capaldo, 2007), exploring new opportunities (Rowley, Behrens, & Krackhardt, 2000), growth (White, 2007), and entrepreneurship (Sequeira, Mueller, & McGee, 2007). However, there are indications that weak-ties need to reach a critical mass to have an effective influence on creativity (Zhou, Shin, Brass, Choi, & Zhang, 2009). Too many weak-ties need too much time to maintain and too few do not create enough opportunities. Sequeira and colleagues (2007) also suggested that only weak-ties with adequate business knowledge and experience can positively affect entrepreneurial nascent behavior.

There are suggestions that stronger ties, which could almost equally or even better predict the possibility of a start-up (Klyver, 2007; Oviatt & McDougall, 2005), are associated with a lack of innovation and expansion (Köllinger & Minniti, 2006). Contrary to this suggestion, Sequeira and colleagues (2007), posit that strong-ties with or without any business experience do not predict entrepreneurial intentions or nascent entrepreneurial behavior. Capaldo (2007), finding a possible solution for this contradiction, proposed a dyadic impact of strong-ties on innovation. This dyadic influence is positive from the trust that is built into the strong-ties and is negative due to the closeness and inward looking aspect of this type of ties.

The reviewed topics, thus far, included network characteristics, as related to this dissertation, how they are formed, and how they can impact entrepreneurship, but the link between these ties and their international business activities need to be further explored. Some of the questions that arise here are how immigrant entrepreneurs use these networks, whether they are used in the same way, and for what purpose. The next section expands the effect of immigrants' social networks on their international entrepreneurial activities. This connection can further examine the gap in the literature and the contradictory findings of previous research to form more systematic questions in the next section.

4.2. Networks and International Entrepreneurship

There seems to be a consensus on the usefulness of networks and particularly international networks on various types of international business activity (Basu & Altinay, 2002; Filatotchev et al., 2009; Johanson & Vahlne, 2003; Johnson & Ostendorf, 1993; Oviatt & McDougall, 2005; Zhao & Hsu, 2007). This also includes the existence and positive role of the immigrant effect. Other than this, the research findings on the exact effect of different types of network ties and international business activities are minimal or inconclusive at best and contradictory for the rest. For example, Sequeira and colleagues (2007) found differences between supportive or helpful ties, those ties that actually help and actively support other members, and non-supportive or helpful (i.e. just ties), which do not actively support other members. According to their findings, supportive and helpful strong or weak-ties might be predictive of nascent entrepreneurial behavior (Sequeira et al., 2007), but each of them could affect internationalization and international business activities differently. For example, strong-ties help firms at their start-up period (Johanson & Vahlne, 1977; Oviatt & McDougall, 2005), but they are time consuming to maintain and manage (Oviatt & McDougall, 2005). On the other hand, weak-ties are easier to obtain and maintain, which makes them more economical. The wider and weaker ties can also positively moderate the speed of internationalization and improve performance (Oviatt & McDougall, 2005). Musteen and colleagues' (2010) empirical research findings did not fully support Oviatt and MacDougall's (2005) model. They did not find enough support for their two hypotheses on the negative effect of too many weak-ties or the positive effect of few personal strong-ties on the speed of

internationalization. However, they did find that the same ties can predict “superior performance” and that reliance on strong-ties can negatively impact performance (Musteen et al., 2010).

Min and Bozorgmehr’s (2000) study also showed that entrepreneurs who kept stronger ties with their co-ethnic community formed some type of business connection with their country of origin. In their description, Iranian immigrants who were dispersed around Los Angeles (a sign of not very strong-ties), compared to Koreans who lived in segregated co-ethnic areas (a sign of strong-ties), had more business dealings with the non-ethnic white community. At the same time, while Korean entrepreneurs were more likely to do business with their home country, Iranians had a larger total value of trade outside of the US not with their country of origin (Min & Bozorgmehr, 2000). The size of many businesses run by Koreans were proportionately smaller, in revenues, compared to the Iranian ones. Therefore, strong-ties predicted volume, and weak-ties predicted performance/value.

Basu and Altinay (2002) also report that about 44% of Indian immigrant entrepreneurs in London were involved in some sort of international trade, while this was true for about 36% of Turkish immigrant entrepreneurs. They found that Indian immigrant entrepreneurs, who lived relatively scattered across London, only relied on less than 25% co-ethnic customers and employed 45% of their employees from within the co-ethnic community. In contrast, Turkish migrants, who lived and worked in areas with a high concentration of co-ethnic groups, relied on about 54% co-ethnic customers and employed about 89% of their workforce from within the co-ethnic community (Basu & Altinay, 2002). This indicates that stronger ties, in the case of Turkish immigrants, were not associated with the possibility of international business activities, but Indians’ weak-ties were indicative of such activities. Basu and Altinay (2002) suggest that Indian immigrant entrepreneurs may have been doing business with their home country, but did not actually provide any evidence (i.e. it was an afterthought). Basu and Altinay’s (2002) findings about the effects of weak-ties and strong-ties are in direct contrast of Min and Bozorgmehr’s (2000) findings in that Turkish immigrants’ strong-ties were not doing business with their COO.

Despite these contradictory findings, there is general agreement that networks can affect different international business activities (Oviatt & McDougall, 2005; Peng & Zhou, 2005; Tung & Chung, 2010; Zhao & Hsu, 2007). The impact of strong-ties on different types of international business activities seems to not follow any particular pattern. This could be due to the fact that entrepreneurs downgrade strong-ties to weak-ties after moving from one place to another—for example from COO to COR and vice versa—or after using these closer ties during the initial start-up period (Peng & Zhou, 2005). Weak-ties, on the other hand, seem to only be effective after reaching a critical mass in terms of number of ties, which could be different from person to person, COR to COR, or COO to COO. Ties could also have some bearing on the choice of location, type of entry, and performance. However, the research is not conclusive in this area. More importantly, none of the studies reviewed thus far has shed definitive light on the type of immigrant entrepreneurs—i.e. those who would do business with their COO and those who stay clear of dealings with COO. The connection between the immigrant effect and resource commitment has been established (Chung & Enderwick, 2001; Tung & Chung, 2010), but the following question remains:

Sub-question 5: What type of networks do immigrant entrepreneurs use in their international business activities and what activities are associated with each network?

As is apparent from the review of literature in this chapter, not enough research has been done in this area and there is a need for more in depth research on the role of networks in immigrants' involvement in international entrepreneurship. A possible explanation for this dearth of knowledge in the relationship between networks, immigrant entrepreneurs and their choice of location and resource commitment in international business activities is that other defining factors have not been included. The use of personality characteristics of immigrant entrepreneurs as related to their perception of CIP and their use of networks or engaging in networking activities is an example of missing factors. For example, one of the personality traits of particular immigrant entrepreneurs (e.g. Neuroticism) might affect their opinion about the institutional environment in COR. Traits such as Extraversion might affect immigrant entrepreneurs' decision to utilize their co-ethnic network versus their stronger family-ties. The higher degrees of Openness, perhaps, can enable immigrant entrepreneurs to see their

association with their social network and ethnic network differently. Therefore, additional sub-questions of this study arise as follows:

Sub-question 6: Do personality traits of immigrant entrepreneurs affect the way they perceive the institutional environment of COR and COO?

Sub-question 7: Do personality traits of immigrant entrepreneurs affect the type of networks they utilize to do business abroad?

Factors such as the role of immigrants' perception of institutional characteristics of both COR and target countries in conjunction with networks is another example of possible missing factors. For example, if immigrant entrepreneurs perceive institutions in COR as too complex and incoherent or find them to not feel like 'home', they might use their networks to establish business contacts in their COO, where they do feel at 'home' (Chand & Tung, 2011a). On the other hand, if they feel fully connected to and familiar with the institutions in COR, but unfamiliar with the institutions in their COO (Benet-Martínez & Haritatos, 2005; Haritatos & Benet-Martínez, 2002), they could potentially be discouraged from approaching their networks in COO (Chand & Tung, 2011a). Therefore, the last sub-question is:

Sub-question 8: Do immigrant entrepreneurs' perceptions of COO and/or COR affect their decision to utilize their networks and how?

In the absence of previous research, it is difficult to put forth any testable hypotheses about any of these relationships. Similar to personality traits and perception of institutional characteristics of countries, there is a large gap in our understanding of the interaction of immigrant entrepreneurs' network usage and their decision to do business with COO. Therefore, there is more reason to examine these relationships through an exploratory study that considers all these factors. Due to the complexity of the interrelationships between networking related constructs and other elements such as immigrant entrepreneurs' perception of the institutional environment as well as their personality, this dissertation is a step toward untangling these puzzling links. An exploratory study guided by rigorous methodology can help unravel some of the knots. The methodology most adequate for this study will be reviewed in the next chapter.

5. Methodology

Despite calls for rigorous qualitative research on entrepreneurship (Chandler & Lyon, 2001; Stewart, 1991), research on International Entrepreneurship—or even on International Business and Management in general—so far has been dominated by quantitative methodologies with far fewer by qualitative approaches (Birkinshaw, Brannen, & Tung, 2011). The former often focuses on aggregated phenomena and the latter usually focuses on sector-specific ones; both are unable to capture complex relationships in the discourse of International Entrepreneurship (Coviello & Jones, 2004). The reviewed literature in Chapters 2, 3, and 4 reveal possible links between immigrant entrepreneurs' personality traits and their perception of different countries' institutional profiles as well as their network usage. However, there is no established theoretical basis or framework to help with predicting specific relationships between these constructs or their interplay. In particular there are no frameworks that explain these relationships in the areas with which this dissertation is concerned: the role of immigrant entrepreneurs' personality traits, their perception of Country Institutional Profile (CIP), and networks in their international business activities. In the absence of well-developed theories and in such complex situations with several contextually different constructs and participants (i.e. from various COOs), a well-executed descriptive exploratory study is more warranted (Birkinshaw et al., 2011).

Qualitative research, and particularly interviews, are the main approaches to gain access to the perceptions and ideas of participants who are actually involved in the field (Parkhe, 2004; Richardson, 1996), to find relationships that were not known to researchers before (Eisenhardt, 1989), to unveil causal relationships as perceived by informants (Yin, 2003), and to explain these relationships (Mintzberg, 1979). In other words, interviews are one of the best exploratory methods to develop new theories. Despite the fact that interviews are also subject to potentially selective memory in recalling information by the interviewee and a large time and financial commitment, they are really the only means of examining the thinking processes and reasoning of

participants (Parkhe, 2004). Measures such as recording the interviews and taking extensive notes, as was the case in this dissertation, help to eliminate memory problems on the part of the interviewer (Buttriss & Wilkinson, 2006).

Generally speaking, for the purpose of theory building and exploratory type studies such as this dissertation, interviews are the most suitable methodology (Eisenhardt, 1989; Parkhe, 1993). In order to better understand international managerial phenomena, qualitative research is better than the reductionist methods of most quantitative research (Peterson, 2004). Interviews are particularly useful in understanding managers' experiences and perceptions of social processes in culturally and linguistically diverse and complex situations (Alvesson, 2003). Furthermore, interviews are more likely to collect rich information that at times might be impossible to obtain through survey questionnaires (Daniels & Cannice, 2004). Most importantly it is also useful for studies in which the total population is relatively small (this will be further explained under the section regarding the sample) where collecting enough data points to account for number of control variables may become impossible (Daniels & Cannice, 2004; Yin, 2003). This is certainly applicable to this dissertation. There are numerous variables that need to be controlled for, and to be able to do so, a quantitative study on a similar topic would have needed thousands of participants.

Another advantage of interviews as compared to other types of qualitative and quantitative data collection is the fact that the researcher is face-to-face with the informant, who is the person actually responsible for the position or job that is intended to be investigated (Marschan-Piekkari & Welch, 2004; Parkhe, 2004). Otherwise, many executives and entrepreneurs are very busy or do not believe surveys have any benefit for them and will not participate in them (Daniels & Cannice, 2004; Forsythe, 1977). For example, when sending survey questionnaires or online questionnaires to organizations, the investigator has no way to ensure that the survey has been filled in by the intended manager/owner or by an assistant or secretary. In the case of the interviews in this study, however, the researcher could be sure that the target participants, immigrant entrepreneurs, are being interviewed. As can be seen from the research questions, immigrant entrepreneurs' perception of country institutions, their utilization of their networks, and their view of their personality traits are the area of interest and nobody but the actual actor can provide such information (Alvesson, 2003; Eisenhardt, 1989). Such

access and assessing the effect of perception through the main actors is a major contribution to increasing the internal validity of this research (Miles & Huberman, 1994).

5.1. Interview Guide

Based on the research questions mentioned in Chapter 1 and detailed in Chapters 2 through 4, 194 questions and about 70 follow-up questions based on answers to the first set of questions were prepared. These questions pertained to personality traits, demographics, education, life experiences, work experience, firm, industry, view of life, and view of the institutional profile of COR, COO, and other countries the informants did business in or with. Forty-four of these questions were from an already tested instrument to measure personality traits from John, Naumann and Soto (2008). The reliability of this instrument, as was mentioned in Section 2.2 is high even in different cultural contexts. The reported reliability of this instrument is 0.83 as calculated by Fisher r-to-z transformations (John et al., 2008). As such these questions were not pre-tested before being used.

The purpose of the interview guide was to create a general direction for the interview process (Daniels & Cannice, 2004; Miles & Huberman, 1994), which was semi-structured. A focus group of experts in the field was organized to pre-test the instrument. Using the focus group was useful in several ways. First and most importantly, using independent and fresh eyes brought up new questions and areas that the primary researcher had not previously considered (Strauss & Corbin, 1998). In addition, there were initially too many questions to be manageable during an interview, which necessitated a 'weeding out'. This focus group consisted of eight qualified scholars from various universities in Canada, Australia, and the US. Five of them were faculty members in the area of management, international business, marketing, and psychology. The remaining three were qualified senior PhD students, one in marketing, one in psychology and the last in cross-cultural management. Three were visiting scholars at local universities, and another one was visiting family/friends in Vancouver. The remaining members were from one of the local universities. Participants' ethnicities varied to partially correspond with the potentially diverse participants in the actual interviews (Nevid & Sta. Maria, 1999). The ethnic backgrounds included two Chinese,

one Indian, one Pakistani, one Iranian, a Korean, and two Canadians with mixed Eurasian ethnic backgrounds. Apart from the two Canadians, all members of the focus group were first generation immigrants.

The focus group met once for more than four and a half hours. The member with a marketing background acted as the moderator and led the discussion related to the questions, which were projected one-by-one or set-by-set on a large screen for everyone to see. During the first review, each question was checked against the research questions and control variables before being discussed and categorized as “delete” or “keep”. A second review and further discussion eliminated or rephrased more questions. As a result, 29 main questions and 21 potential sub-questions or follow-up questions remained to be included in the interview guide. These questions, along with the consent form and description of the interview process are included in Appendix II. The interview guide also included reminders and potential follow-up questions, and functioned as space to take notes about the investigator’s observations of the respondent during or after the interview process (Buttriss & Wilkinson, 2006; Peterson, 2004).

5.2. Sample

The target participants for this dissertation were first-generation immigrant entrepreneurs in two of the largest metropolitan areas in Canada, the Greater Toronto Area and the Lower Mainland (i.e. Metro Vancouver and Fraser Valley Regional District). The first and most important reason for selecting first-generation is that second-generation immigrants in Canada, that is immigrants’ offspring who are born in Canada, strictly speaking, are not “immigrants” regardless of their ethnicity or the fact that they may hold a second nationality. Academically, research also shows that there is a definite difference between first-generation immigrants and later generations in terms of their views of their COR and COO (Atuahene-Gima & Li, 2004; Benet-Martínez & Haritatos, 2005; Berry, 1997).

The rationale for only targeting these two metropolitan areas was manifold. The most important reason was the concentration of general population and particularly immigrants in these areas compared to the rest of Canada, which, in 2006, had a

population of 31.6 million people (Statistics Canada, 2011). According to the 2006 census, the Greater Toronto Area with over 5.5 million residents is the most populous area in Canada and the Lower Mainland of British Columbia with over 2.5 million people is the third most populous area in Canada (Statistics Canada, 2011). Each of these two areas contains more than 50 percent of the population of their respective provinces. By 2001, these two metropolitan areas, according to Canada Census 2006, were the most diverse parts of Canada: Toronto with 43.7 percent foreign-born population followed by Vancouver with 37.5 percent (Statistics Canada, 2011). At the same time, the Greater Montreal Area, the second largest metropolitan area in Canada by population, was lagging far behind the former two areas in terms of diversity with only 18.4 percent foreign-born population (equal to the average in Canada). The other reason that the Greater Montreal Area was excluded from this study is that their common language is French, which the principal investigator does not speak. Finding an interpreter would have been financially difficult, in addition to increasing the possibility of issues being lost in translation. Apart from the time and effort required for each translation, context is often lost or overlooked (Buttriss & Wilkinson, 2006). In addition, lack of a network in this area made finding potential participants extremely challenging. Other places were not considered for similar reasons, and it was also more likely to find more entrepreneurs in the chosen two metropolitan areas than in smaller cities and towns across Canada.

Consistent with most types of interviews and case studies (Buttriss & Wilkinson, 2006; Yeung & Tung, 1996), various research, not-for-profit, and business network type organizations and associations, as well as personal contacts, were utilized to find participants for this study. Forty-seven organizations were contacted through personal knowledge, contacts, Directory of Canadian Associations, internet searches, and consultation with the Vancouver Public Library Research Centre and Simon Fraser University Library Helpdesk, as well as other research-oriented organizations. Apart from the libraries and research organizations, these organizations were institutions or associations that provided membership, consultancy, financing, networking and similar types of services to immigrant entrepreneurs or entrepreneurs in general. These organizations and associations ranged from financial institutions, immigrant integration agencies, exclusive ethnic networks and associations (e.g. Association of Indians in

Canada), private entrepreneurial groups, and industry associations (e.g. Canada Chinese Computer Association). Some government institutions, chambers of commerce and boards of trades of ethnic groups or other countries were approached as well (e.g. Hong Kong Board of Trade and Indian Board of Trade in BC and in Canada). Of the many immigrant integration organizations and associations in Canada, the only ones that were contacted were those that provide business development, self-employment, or entrepreneurship related programs (e.g. MOSAIC). Approaching these organizations and associations helped save time and effort compared to going through directories of businesses to find potential immigrant entrepreneurs and then screening them for adequacy to participate in the study.

A personalized e-mail or direct telephone call was placed to each of the contact persons in these organizations. During the initial contact, the researcher introduced himself and briefly explained the research and intentions. The values of the study for current and future immigrant entrepreneurs were highlighted during this initial contact. To avoid an immediate rejection during telephone calls, the researcher asked if they wished to receive a short description of the study and its goals via e-mail. Whenever needed, a description of the study was forwarded to these agencies or their focal points. On several occasions a face-to-face meeting was arranged to assure them of the legitimacy of the intentions of the study. Several organizations asked for the full package consisting of consent form, confidentiality statement, purpose, as well as the list of main questions, which was subsequently provided to them. Follow-up telephone calls and e-mail correspondence was used to increase the possibility of participation, as well as to function as a reminder (Simsek & Veiga, 2001).

Less than 20 organizations and associations, mainly from BC and Ontario, expressed their interest in helping with finding participants. These organizations included relevant departments of S.U.C.C.E.S.S. (formerly known as SUCCESS, an acronym for the United Chinese Community Enrichment Services Society, but after changing its focus, it is now only known as S.U.C.C.E.S.S.), the Royal Bank of Canada, the Toronto Dominion Bank, the Ethno Business Council of British Columbia and several private entrepreneurial networking clubs/groups. Due to privacy issues, none of these organizations provided their list of clients/members. As such, it is impossible to specify the number of people initially invited to participate in this study or provide the ratio of the

number of participants to the invited individuals. The responding organizations, however, sent e-mails to their members/clients with a short description of the study. A sample invitation is available in Appendix III.

The assisting organizations pre-screened all participants based on three factors. The three main criteria for inclusion in the study were: a) the person should be an entrepreneur owning or acting as the primary decision-maker for a business; b) the individual should have been born abroad and immigrated to Canada regardless of their age, time of arrival in Canada or their residency status (i.e. landed immigrant or citizen); and c) the person should have business links abroad in the form of direct import and/or export, trade, outsourcing, supply of parts, goods, and/or services, client/customer, partnership, joint venture, representative office, or even a different line of business. The meaning of “direct contact” was also explained to them verbally or in writing as it excluded individuals or firms importing/exporting foreign goods and services through a third party in Canada. The screening was performed in several ways. For example, the Ethno Business Council of British Columbia had a list of all immigrant entrepreneurs who did business with other countries, which made finding participants easier. On the other hand, an office of S.U.C.C.E.S.S. (the name of the exact office is not disclosed due to confidentiality) sent an e-mail to all of their clients who participated in their business development program with the criteria listed in the e-mail. Each potential participant who expressed his/her interest in taking part was subsequently called by an officer from S.U.C.C.E.S.S. in order to review the qualifying criteria. One of the Royal Banks (the exact branch and location are not disclosed due to confidentiality) called each potential participant and asked each of them about the three criteria before referring them to the researcher.

Contact information for a total of 38 immigrant entrepreneurs interested in participating in the study was passed on to the researcher by these organizations and associations. In addition, two qualified people from direct contacts and a further four leads through other people agreed to participate in the study to make up 44 potential participants overall. Of these candidates, 25 resided in the Lower Mainland and 19 in Toronto. All interested immigrant entrepreneurs were contacted for further screening and to arrange for interviews. It was apparent that all of them had sufficient command of English, but they also verbally confirmed that they were comfortable being interviewed in

English. Direct communication with these individuals disqualified four, because they were either born in Canada or did not have direct business dealings outside of Canada. Due to frequent business trips and conflict of interest (the participant refused to provide the details of a potential conflict of interest), two more were never interviewed. So the final sample comprised 38 immigrant entrepreneurs.

5.3. Measurements and Interview Process

A total of 38 interviews were arranged over the course of a five-month period. Two of the interviews were by telephone and the rest were in person in the Toronto or Lower Mainland areas. One interview in Ontario had to end in less than fifteen minutes, because despite all prior screening procedures, the entrepreneur was found to be a second-generation immigrant born in Canada. Therefore, a total of 37 interviews were completed. Two more interviews had to be discarded because their business links outside of Canada were not direct. For example, through follow-up questions it became apparent that a female participant in Vancouver area bought her products from distributors in Ontario and not directly from South East Asia as she initially stated. Despite their initial agreement, another four participants did not answer the investigator's requests (e-mail and telephone calls) for follow-up interviews. Therefore, due to missing crucial information such as the extent of reliance on and type of networks in the destination country, these interviews were likewise not included in the analysis. As a result, a total of 31 interviews with qualified candidates were used.

All participants were invited to meet at a time and location most convenient to them. Only four participants wanted to meet outside their offices. Subsequently these interviews were arranged in alternative locations; two in the researcher's office, one at a restaurant, and the last one at the office of the organization that found the immigrant entrepreneur. The rest (including the ones that later were not included in the analysis) took place in the participant's own office.

The interviews would start with introducing the investigator, the project, the goals, the process, and the confidentiality of the information collected. They were then told that the interview process would be recorded and kept in a secured area for at least two

years, as required by Simon Fraser University's Research Policy. As required by the Office Research Ethics of Simon Fraser University, after receiving this information, participants were given the consent form to read and sign. For their participation, they were offered \$10 Starbucks or Tim Hortons' gift card, \$10 cash, or nothing. Only 10 participants accepted the gift offered, three in Toronto and the rest from Vancouver. All participants, by ticking the appropriate box at the end of consent form, also agreed to be contacted again should any further clarifying questions arise. Interviews began only after receiving permission to start the voice recorder. Only one person was hesitant and perhaps suspicious, but in the end did not object to the recording.

The interview process followed a semi-structured questioning period based on the interview guide (see Appendix II). The set of questions in the interview guide were used as a guide and were modified, increased or decreased for each interview (Peterson, 2004). An example of questions or considerations that were added is participants' language proficiency at the time of arrival compared to their level at the time of the interview. Participants' statement about their level of English at the time of the interview was gauged against the investigator's observation of their proficiency to create a more objective assessment. Another note was added to check immigrant entrepreneurs' altruistic tendencies in remaining in touch with their COO.

All the interviews were conducted in English. None of the participants had any problem understanding or responding in English. During the entire process of interviewing and questioning, to encourage participants to give more extensive views and in-depth perceptions of issues, as well as to check for accuracy of responses, some questions were reframed or rephrased and repeated (Alvesson, 2003). The order and number of questions changed from interview to interview based on the flow of the conversation. These recordings ranged from the shortest of about 49 minutes to the longest at one hour and 55 minutes. An average interview took about one hour and seven minutes. Thirteen follow-up interviews also were arranged that ranged from about nine minutes to 28 minutes. On five occasions, additional follow-up telephone interviews (two) or e-mail correspondents (multiple, with three entrepreneurs) were also required to clarify questions or ask questions that were added as a result of simultaneous data-collection and analysis (Glaser & Strauss, 1967; Strauss & Corbin, 1998). The two

telephone interviews were 10 minutes and 14 minutes respectively. As a result, an average complete interview was over one hour and 25 minutes.

Entrepreneurs and managers are often very busy and not enthusiastic to be interviewed for a long time (Forsythe, 1977), or try to answer questions briefly without covering everything (Alvesson, 2003). For these participants, interviews usually started with recall questions about the entrepreneur and the firm to let them open up. For example, questions such as “tell me a little bit about yourself” or “can you tell me a little bit about your background” were used. Questions about the firm and things that they seemed to be proud of were ways of getting participants to speak at length and in-depth. For example, one entrepreneur, despite the fact that he made the investigator wait outside of his office for about one hour and 15 minutes past the time agreed upon, was ready to finish the interview in about 15 minutes. Significant effort was needed to get him to talk for over 49 minutes. For this individual, pointing out some of the cultural norms and business practices in his COO that conflicted with those of Canada’s helped him open up.

Questions about the social networks of entrepreneurs were distributed across all parts of the interview process. For instance, as questions on firm and type of business as well as ownership were asked, it would be followed by questions regarding whether there were any members of their extended family or co-ethnic group partnering in business. Another related question, for example, was how they recruited their employees and whether they found their employees from within a special group or type of person. If the informant indicated that they had a few ethnic employees, the ratio of each ethnic group and the reason for employment were examined. The entrepreneurs’ channels (e.g. word of mouth, advertising, career agencies, and head-hunters) to find new staff and business partners were also included in the interview process. In terms of their businesses, all business linkages within COR or with abroad were checked to see if they were made through weak- or strong-ties, as well as ethnic or non-ethnic ties. They were also asked about their existing networks around the world, particularly in their COO and countries where they were involved in business. Questions were set to determine the strength and types of ties. Firm specific questions would finish with revenue and percentage of revenue from abroad.

After firm specific questions, the interview would continue with questions on industry, their markets and partners or counterparts internationally. These questions usually pertained to and were followed by questions regarding their international business activities. For example, the main question about entrepreneurs' international business activities was "Have you ever done business with other countries?" This question often was followed by "Can you explain the context and your experience?" More detailed questions such as "Which countries and what type of business?" or "What is the main reason you chose country X?" were often needed. Some of the informants seemed to take the first question as only their forward linkage (e.g. selling or their client) with abroad and did not consider backward linkages. Therefore, inquiries about their suppliers, any raw materials that were imported, or any business processes that were outsourced to other countries were always made. To further assess the effect of their networks, questions such as "how do you usually find your partner (e.g. supplier, customer, sub-contractor, representative, financial partner, etc.)?" would ensue. If during the conversation the participant referred to a new business opportunity, new market, or a new client, the participant was asked about the ways s/he came across such new opportunities (e.g. any particular type of network). The latter two types of questions were to assess their reliance on networks and particularly co-ethnic networks in their day-to-day business and directions.

The investigator avoided directing the conversation as much as possible to allow the participants to speak their minds freely; however, at times when more specific details were needed, explicit questions were asked (Daniels & Cannice, 2004; Miles & Huberman, 1994). For example, questions such as "did you know anyone in that country/firm?", "did anyone recommend them to you or you to them?", or "do you look at specific countries?" were requests for further details. This would lead to questions such as "how do you choose the countries you do business with?" or "would you choose to not do business in certain countries and why?" Once they had talked about the countries they did or did not do business with and why, the investigator would ask them to speak about their perception of those countries and compare the institutional characteristics of any or all of those countries with that of Canada. They were asked to talk about whatever strengths, weaknesses, and unsatisfactory or good points they had noticed about any aspects of these countries. Follow-up and rephrased questions were asked to

determine accuracy and to obtain more details on each case (Alvesson, 2003; Miles & Huberman, 1994). For example, almost everyone was asked specific questions about his/her views of the normative, cognitive and regulatory aspects of each country. Some specific questions, for example, were “what do you think of the entrepreneurial culture of people in Canada versus country XYZ?” and “what is your view of financial institutions in Canada compared to country XYZ?”

The final interview questions were about their education, families, life experience, and view of life. At this point, questions regarding their reasons to immigrate to Canada were brought up, if they were not answered earlier. Participants completed a personality trait test after the main part of the interview was finished and the recorder was turned off. The instrument used was that of John and colleagues (Benet-Martínez & John, 1998; John, Donahue, & Kentle, 1991; John et al., 2008). This version of the personality trait assessment has forty-four items: 8 items for Extraversion, 9 items for Agreeableness, 9 items for Conscientiousness, 8 items for Neuroticism, and 10 items for Openness. The internal validity of this instrument is usually high. The alpha of the entire instrument averages above 0.80, and ranges between 0.70 to 0.90 for each taxonomy (Benet-Martínez & John, 1998). As was explained in the section on FFI, this internal validity holds across languages and cultures (Benet-Martínez & John, 1998). In most cases it would not take participants more than five minutes to complete. All participants indicated that they had no problem taking the test in English. However, regardless of language proficiency, a few of them had clarifying questions about some of the words on the instrument. Judging from participants' facial and body expressions, nobody seemed to be offended or disturbed by the very personal questions included in the instrument.

After this process, participants were thanked for their help. On several occasions, the entrepreneurs gave the researcher a tour of their place of work or invited him for a cup of coffee. The investigator accepted all of these invitations. Several entrepreneurs also offered samples of their products and invited the investigator to ask for more if needed. One entrepreneur also insisted on showing all samples of his work and designs, which was highly appreciated. Seven interviews ended with up to an hour-long conversation. While the time of these friendly conversations and facilities' tours are not included in the total interview time reported above, some of the information gathered is included in analysis, with the verbal agreement of participants.

After each interview, the researcher made sure to add personal notes about the interviews to ensure that nothing would be forgotten (Daniels & Cannice, 2004; Miles & Huberman, 1994). In some cases, notes were made of the topics and conversations that occurred after the recorder was off. Only one entrepreneur clearly insisted that any conversation after the period of recording was “off the record”. Clarifying or complementary to the initial statements, none of the information which was deliberately withheld is included in analysis. In addition to the interviews and personal notes, other sources were also used to collect information about the firms and countries in which subjects were operating. These sources included firm websites, when available, and internet searches for any news about the person or firm. None of these firms were publically traded companies. As such no financial statements or any other information about these firms associated with revenue was available online to confirm accuracy or to include when the participant refused to disclose such information. However, as much as possible, any other information gathered is included in analysis.

5.4. Analysis Process of Qualitative Data

As suggested in the literature (Buttriss & Wilkinson, 2006; Eisenhardt, 1989; Glaser & Strauss, 1967; Strauss & Corbin, 1998; Yin, 2003), analysis of data began immediately after the first interview. This means that there was simultaneous data collection, coding and analysis of the data (Glaser & Strauss, 1967; Miles, 1979; Strauss & Corbin, 1998). Going back and forth between data and theory has manifold benefits. Transcribing, coding and analyzing data as they are acquired accelerates the overall process by decreasing the time gap between when the data collection was completed and when analysis begins (Eisenhardt, 1989). It also reduces the possibility of forgetting information such as interviewees’ expression and body language. All audio files from the interviews were first transcribed into Word files for the purpose of analysis. The Word files were then imported into a computer program for coding and analysis. For the purpose of this data analysis, a qualitative data analysis software called NVivo was used. NVivo helps with organizing data into categories through coding of words, phrases or sentences (Bazeley & Richards, 2000).

The process of coding works by highlighting words, phrases, sentences or blocks of text and categorizing them into groups called nodes. This type of coding is done in one file (i.e. one transcribed interview) first and the process continues on subsequent files until all interviews are coded and their contents are categorized into relevant nodes. Once all categories have been coded as nodes, NVivo also allows the merging of nodes into larger categories, called tree-nodes, as well as dividing them into sub-categories or sub-nodes. The final nodes are often the constructs that emerge in an exploratory study. The coder can also insert annotations or memos on nodes and categories to add further analysis or notes from the interview process. For example, many interview notes and observations (e.g. expressions, emphases, tone of voice, etc.) were entered in NVivo and linked with the relevant sections of the conversation within the transcribed file. The coder can also establish links between different nodes or constructs and then visually view the relationships between them in each of the predefined categories across different files or data sources. For example, all portions (i.e. words, phrases, sentences or blocks of text) of all the conversations from the entire sample that were coded into the node ABC can be displayed together and separate from the rest of the text. The same category, as a node, can be viewed based on its links with other categories. This is done without changing the qualitative data to quantitative ones. However, if needed, the data can also be analyzed through frequency of occurrence or similarity of words.

Another benefit of data collection guided by analysis is that it increases reliability and validity of research, because such a method warrants a tight fit between the findings and data (Eisenhardt, 1989; Richardson, 1996; Strauss & Corbin, 1998). Corbin and Strauss (1998) suggest that concomitant analysis and data collection can also signal the point of saturation and sufficiency of collected data for building a theory. Early analysis can also help with refining constructs and updating questions in subsequent interviews (Buttriss & Wilkinson, 2006; Eisenhardt, 1989; Strauss & Corbin, 1998). Another advantage to analyzing and collecting data simultaneously is that interviews, as expected, can reveal constructs and aspects that were not foreseen by the investigator (Eisenhardt, 1989; Mintzberg, 1979; Yin, 2003). This was the case with this dissertation, as several questions were included in interviews to capture more information about emerging constructs (Eisenhardt, 1989).

The analysis began with open coding, which means going through the data and tagging or coding key concepts and words in free nodes (Glaser & Strauss, 1967). The coding of the data was a complicated process. It first starts with reading the transcribed interviews while recalling the conversations during the interview and reviewing the notes from each interview to take to account any form of expression or tone of voice. In many cases the audio files from the interviews were also played repeatedly to make sure no emphasis was forgotten and all cues were taken into consideration. Each phrase, sentence or block of text that seemed to be of any importance gets highlighted as a node and named accordingly. A block of text or sentences within it could be included in different nodes (i.e. categories). For example, the following conversation was coded under different nodes as “partners”, “network”, “financing”, “employees”, and “experience”:

The other three [who started the company with me] were all coders. My co-founder is XXX and he's the CTO of the company. He did the architectural design. Another employee was YYY, our number one employee. He built the whole back end of our software. Another employee is ZZZ; he built the whole front end UI and API stuff. I did everything else from registering the company, all the financing because of my previous experience in fundraising and road shows and IPOs. But to do it at this scale with basically no resources is a different challenge. We had no money!

The reference to “employee” and “network” were coded in conjunction with this participant’s expression and tone of voice when he talked about YYY and ZZZ—the names of the two employees that are not shown to protect their privacy. He spoke of these two individuals very fondly, named them several times during the interview and called them his friends that he knew from different stages of his life. While coding these conversations, more notes were entered in NVivo to describe the meaning of each node.

The nodes’ names reflect each question or variable identified in the literature and also include concepts or phrases that came up in the interview process. Even small hints of other variables could result in significant findings (Miles & Huberman, 1994). For example, whereas “perception of COO” or “perception of COR” were from research questions, the type of perceptions that emerged were from within the data. At the beginning the type of perception appeared in categories such as “encouraging social

support”, “socio-cultural”, “life view”, and “government”. Independent codes such as “language” and “religion” were emerging nodes mentioned by several participants.

On the other hand, simultaneous data collection and coding/analysis also resulted in eliminating some of the emerged nodes at a later stage. After each transcribed file was coded within NVivo, the nodes were reviewed categorically. NVivo allows the coder to only display a select number of nodes at one time. For example, the coder can display all the nodes related to perception of COO. In such a view, all the conversations coded, for example, as “perception of COO” from one interview or all interviews can be displayed in one view. This allowed the coder to look for consistency or redundancy of patterns across different participants. This also allowed the researcher to revise, rename, merge or eliminate some of the nodes. For instance, the first few interviews indicated that altruistic views toward COO could be a reason that the entrepreneur wants to engage in business activities in COO. The effect of altruistic views was checked for almost all the way through the last few interviews, but was ultimately abandoned due to lack of further support. The first round of coding ended when all the interviews were completed and the relevant data was coded into categories that emerged, a total of 67 nodes.

During the second round of coding, each coded category was reviewed alone and in relationship with related constructs or categories. NVivo can display the coded nodes in terms of density in one file, the number of times coded in an interview, and the frequency they were used across all interviews. When this function was used in conjunction with displaying all coded sections from one particular node, the primary investigator of this dissertation was able to determine whether a construct was important, the extent of the construct’s importance to each and all of the participants, and the number of participants that felt it was important. During this process more findings emerged and some of the nodes were renamed, added or deleted. At the same time, the author ensured that all the information was coded. For example, “language” initially captured the importance of a common language in choosing business partners abroad. Another aspect of language that was added later was entrepreneurs’ perception of their language abilities. Some entrepreneurs, despite the investigator’s assessment of their low level of language proficiency, perceived themselves as very fluent in English. As such, in addition to asking them about their own assessment of their level of English

proficiency at the time of arrival and at the time of starting a business, they were asked to comment about their level of English proficiency at the time of the interview which was compared to the investigator's evaluation. They were also asked about their level of communications skills at the time of arrival and whether they encountered any problems in communicating with others.

In the third round of coding, the author worked with nodes again to break them down into smaller nodes or merge them into larger categories (Miles & Huberman, 1994). The process used in the third round was similar to that of the first and second round of coding. Transcribed interviews were viewed by one construct or several constructs at the time to see similarities, overlaps, frequency, and inconsistencies. For example, nodes such as "perception of COR" and "perception of COO" were broken down to several nodes that reflected informants' perception of financial institutions, government, rules and regulations, taxation, society, receptiveness of society, ease of doing business and other institutions in COR and COO. At this point some of the nodes were also renamed or merged with other nodes. For instance, "religion," which initially was created to capture immigrant entrepreneurs' religiosity and relevance of religion in their day-to-day life and work, was merged into "perception of one's lives". Perception of one's life as spoken of by participants included life view and guiding principle, including religious beliefs and a guiding code of ethics which may or may not have been religious in nature.

It was also at this stage that it became apparent that perception of different dimensions of the institutions in COO and COR could be divided to positive and negative perceptions. First, all data coded under perception of institutions was separated as perception of COO institutions and COR institutions. Then all nodes related to each dimension of CIP were separated into individual categories. Interviews were viewed based on each dimension of CIP separately for COO and COR and each comment was coded as positive or negative. These positive and negative perceptions were coded if a person commented on each dimension positively and/or negatively. This code was not based on the number of times an individual made a positive or negative comment about the institutional environment. Nor was it coded based on whether the participant overall spoke positively or negatively about each dimension of the institutional environment. An individual could have both positive and negative perception of the same dimension of

institutions. For example, one participant indicated that people in COR know how to run a business. At another part of the interview, the same participant had mentioned, for example, that people in COR do not necessarily know where to get information about trade. The first comment was coded as a positive perception of cognitive dimension of COR CIP, but the second comment was coded as a negative perception of the cognitive dimension of the institutions in COR.

To capture the subjective views of the immigrant entrepreneurs, these comments were only coded as positive or negative if they were perceived that way by the participant. For example, if a participant commented on the bureaucracy of the financial institutions in Canada, but viewed such characteristics positively, the comment was coded as positive. The coded positive and negative perceptions were also annotated based on whether the interviewee seemed to feel strongly about them or if they were of less importance. This was done mostly by listening to the recordings again and looking at notes from interviews. If the recordings or notes did not yield a definitive answer, additional, related questions were added to the follow-up interviews.

To improve the objectivity of coding and increase the reliability of this process, an independent coder was hired (Miles & Huberman, 1994). Researchers could potentially have a difficult time finding new phenomena because they know the area of research well and often tend to focus on already known constructs (Strauss & Corbin, 1998). As such, a second coder was needed who could look at the data with a fresh set of eyes and lack of familiarity with the hoped-for results (Isabella, 1990). This improves the objectivity of coding in qualitative studies of this kind (e.g. Caprar, 2011; Locke & Golden-Biddle, 1997; Welch, Piekkari, Plakoyiannaki, & Paavilainen-Mantymaki, 2011). To hire the second coder, the author posted fliers on the announcement boards of faculties and departments where qualitative analysis such as content/discourse analysis and interviews are common. These included the departments of anthropology, linguistics, communications, and literature. To improve the chance of getting a good coder, the fliers were also e-mailed to the secretaries of these faculties/departments. They were asked to forward the fliers to their post-graduate students. Nine interested candidates were interviewed and the one with the highest level of experience was hired.

The investigator shared only the interview guide with the independent coder, who was a graduate student in the Department of Anthropology. She coded the data independently of the author and without seeing the codes that had already emerged. The first round of independent coding had about 75% consistency with the original round, which was calculated by the number of agreed codes divided by the total number of codes (Miles & Huberman, 1994). Then we discussed the codes we achieved separately and continued with coding and recoding until we reached an acceptable 92% consistency level (Miles & Huberman, 1994). When all the coding of data was completed, the qualitative data was also viewed quantitatively based on frequency of codes and appearances to check for possible patterns that were not captured through qualitative analysis. However, no additional patterns or constructs were found. In the next chapter, the results of the study and some of the highlights are presented. In order to make the data easier to read, some of the coded information has also been displayed numerically and then elaborated on through narratives.

6. Results

This chapter reports all the relevant findings of this exploratory study. The findings are divided to five general categories. The first category provides a general picture of the immigrant entrepreneurs in this sample. The section on the general findings will report all participants' general characteristics and their overall relationship with their country of destination, whether they engaged in business with their country of origin, and the type of resources committed to their destination country. The subsequent three sections report the findings regarding the personality traits of the participants in this study, their perception of COR and COO, and the types and methods of using networks. The final section presents findings of other inter-relationships between the three main constructs in this study. To protect their identity, the names of entrepreneurs participated in this study are disguised and fictional names are used to refer to each individual.

6.1. General Findings

Some of the general findings are summarised in Table 6.1 below. Participants in this study were from 14 different COOs. Eight of these COOs are amongst the top 15 source countries of immigrants arriving in Canada between 2001 and 2006—China, India, Pakistan, Korea, Iran, Columbia, Sri Lanka and Mexico (Statistics Canada, 2011). A further three, Lebanon, Taiwan, and Vietnam, are among the top 25 source immigration countries. While this sample is not in exact proportion to the ethnic mosaic of Canada or the sampled metropolitan areas, it is very close to it. Furthermore, as the literature indicates (Locke & Golden-Biddle, 1997; Welch et al., 2011), unlike many other types of qualitative and quantitative research methods, in qualitative studies researchers should be more concerned in finding cases that are representative of the situation they are trying to explore and relevant to the theory they are developing.

TABLE 6.1: Demographics and basic information

Participants' Information					
Average age (M&F):	49	Minimum:	29	Maximum:	70
		40 and younger:	13	Older than 40:	18
Female	6	Male	25	Total	31
Average year of immigration:	19	Minimum:	2	Maximum:	56
Average work experience	21.8	Minimum:	3	Maximum:	48
Immigration status		Citizen:	23	PR	8
Education					
High-school graduate or some college credits					4
Undergraduate or some post graduate credits / certification					14
Masters or more post graduate education / certification					11
PhD or MD degree					2
Formal business education	18	No business education			13
Education only in COO or COR (Mono-cultured education)					18
Education outside COO or COR (Multi-cultured education)					13
Lived only in COO and COR					12
Also lived in other countries					19
Also lived in one other country					11
Also lived in two or more countries					8
Reason for Internationalization (multiple selections and not exclusive)					
Opportunity					27
General networks					15
Familiarity with the destination country					9
Speaking the same language					7
Firm Information					
Average firm age (yrs)	11	Minimum:	1	Maximum:	36
Business ownership					
Full ownership	15	51%-75%	3	25%-50%	12
Average firm revenue (\$mil)	5.7	Minimum:	0	Maximum:	49
Business Information					
Do business in or with COO					
Do the same business with COO and other countries					8
Only do business in COO or has a separate and exclusive business with COO					7
Don't do business in COO					
Don't do business in COO for no particular reason (circumstantial)					10
Don't do business in COO because do not want to (deliberate choice)					6
Import/Export without physical presence in destination country					20
Any type of presence or investment in destination country					
Representative office in destination country					6
Capital investment (more permanent) in destination country					5

Table 6.1 shows the general demographics of the interviewees. Both the average and median age of the interviewees was 49. The youngest entrepreneur was 29 years old and the oldest one was 70 years old. The average age was 48 for men and 53 for women participants. Six interviewees or 18.8 percent of the sample were female entrepreneurs. This is not surprising as while female-owned businesses are rising at a faster pace than male-owned businesses; the former type of firms are fewer in numbers and are closing down at a much faster rate than the latter type. Women-owned firms' average revenue is still not as high as that of men's and therefore they go out of business earlier in larger proportions (NAWBO, 2011). Some researchers have suggested that this might be one of the reasons that women business owners are less likely than their male counterparts to export their products and services (Grondin & Schaefer, 1985; Spence et al., 2011). The situation, in terms of revenues and potential export activities, is worse for women of color ("Accelerating the Growth of Businesses Owned by Women of Color", n.d.). This suggests that having fewer women in this sample is not due to research or investigator bias, but it is representative of the population of entrepreneurs engaged in international business activities.

6.1.1. Marital Status

Two participants were never married; one of them lived with a partner. The rest were married, including one divorced and two widowed participants. Out of all the married or previously married entrepreneurs, four were married to spouses born in a different country and from a different ethnicity. For example, a Lebanese entrepreneur was married to an Iranian spouse, born in Lebanon and Iran respectively. An additional four entrepreneurs were married to spouses from the same ethnicity, but born in a different country. For example, a Taiwanese entrepreneur was married to a Chinese from Mainland China, or an Indian-Pakistani (i.e. a Pakistani of Indian origin) was married to an Indian spouse. The remaining 21 entrepreneurs or 67 percent of the sample were married to spouses from the same ethnicity and born in the same country. Sixteen participants or just over half of the sample indicated that their spouses/partners (including the two widowed) were or had been working with or for them full-time or part-time. Seven of the interviewed entrepreneurs including the two single ones and one divorced entrepreneur did not have children.

6.1.2. Education

The level of education amongst informants ranged from high school to PhD. There was one person with only a high school education and one with a PhD. The rest of the participants' education levels ranged from some university credits to master's degrees. Fields of study were generally within the social and hard sciences. Eighteen participants did not have business-related education and the remaining 13—or 42 percent—of informants had business-related degrees such as a bachelor degree in Commerce or Business, an accounting designation, and or an MBA. The one PhD in the sample also had a commerce-related degree. Six participants had completed their high school education in Canada, and 14 individuals or 45 percent of the sample, including those who finished high school in Canada, had completed, attended or graduated from a degree or certificate program in Canada. Eight people had also been educated in countries other than COO and COR.

The educational background also varied from monocultural education to education attainment in multiple countries. Monocultural education here refers to those entrepreneurs who completed their high school and all higher education in COO or COR. For example, Raul, having completed all his high school to master's education in Colombia, is considered to have a monocultural education. Likewise, Paul, from Poland, had completed his high school to bachelor degree in Canada. Dual or multiple culture education, on the other hand, indicates that the entrepreneur had completed different stages of his/her secondary to tertiary education in two or more countries. For example, Lee, from Taiwan, obtained his bachelor and Master's degree from the U.S. and Canada respectively.

6.1.3. Living Internationally

Participants were also different with respect to the places they had lived previously. Twelve people had lived only in COO and COR for longer than six months and 19 people or over 61 percent of the sample had lived in at least one other country in addition to COO and COR for more than six months. Reasons for living in other countries included accompanying a family member, working, and studying abroad. For those studying abroad, eight people had lived in more than two countries, in addition to COO and COR.

6.1.4. Industry

The informants were active in a wide range of industries. Some of the entrepreneurs were active in several industries at the same time. Industries included education services, general trade (import and/or export), wood products (e.g. lumber and finished products), home improvement (e.g. import bathroom fixture), software (e.g. accounting software), hardware solutions (e.g. semiconductors), home/office furniture, design (e.g. urban, digital, and website), consultancy (e.g. tourism and immigration), property development (e.g. real estate), manufacturing (e.g. clothing), labeling, cosmetics & medicine, and medical equipment.

6.1.5. Revenues and Success

Most entrepreneurs in the sample stated that they were successful. These entrepreneurs' share of their relevant markets varied from less than one percent, to a sizable share of the market, and even up to 100 percent of the market share in the province, country, or region they were operating in within their industry. Respecting the confidentiality of informants prevents more detailed information on individual participants' specific industries and the residential metropolitan area being shared. Providing this information can very easily reveal the identity of several participants. For example, there are only two companies in all of Canada manufacturing product A and only one of them is owned by an immigrant entrepreneur from country XYZ. Therefore, revealing this entrepreneur's industry, as well as his/her COO and city of residence can easily identify this entrepreneur. For those five entrepreneurs in the sample who had 100 percent of their respective market share, any information would be a definite breach of confidentiality. While I will try my best to convey the information regarding the country of birth of the immigrant entrepreneurs in conjunction with their industries or products, to protect these individuals' identities, this information will not be consistently provided. Names of participants have also been altered.

The self-reported revenue of these entrepreneurs (or their firms) ranged from CAD0 to CAD50 million in 2010. Only one firm had revenue of almost zero dollars. This entrepreneur had just started her business in 2010 and was spending most of her time expanding her network. She anticipated high revenues in coming years. The next smallest revenue was CAD30,000, for a firm set-up by a new immigrant in the middle of

2010. Two firms refused to provide information about their annual or estimated annual revenues, but by a conservative estimate, their annual revenue should be around the average in this sample. The average revenue for the sample was CAD5.7 million with a median of CAD1.5 million, which skews toward lower revenues.

While objective data is not available to measure participants' success in business, almost all of them explicitly or implicitly referred to themselves as successful entrepreneurs. Only one person, Alexandra, seemed to have no success in her business. She did not mention this herself, but the researcher felt that Alexandra may not continue with her business for long. On the other hand, most others gave examples of increase in revenues or recent expansions to indicate they were successful. Several participants who established their businesses more recently (i.e. one or two years prior to the interview) anticipated several fold increases to their revenue in 2011. For example, Riza imported and distributed medical equipment reported revenue of CAD7 million in 2010. Due to new, large contracts, he was starting to import a new and different line of products (i.e. different targets) in 2011, and he estimated an increase to CAD47 million. In another example, Masud with CAD0.8 million revenue in 2010 estimated that he was on his way to increasing his revenue to CAD2.5 million in 2011 because some of the investors he was working with were about to close a large deal.

6.1.6. *Business Ties with COO*

As shown in Table 1, the sample was divided almost exactly in half between entrepreneurs who did business with or in COO, 15 people, and those who did not do business with or in COO, 16 people. Despite the fact that the sample was not completely random, it was a coincident that exactly half of the sample did not do business with their COO. Entrepreneurs who did business in COO were subsequently divided to two sub-groups. The first sub-group included 8 entrepreneurs who did business in COO and one or more other countries. These entrepreneurs were doing the same type of business in two or more countries, one of which was their COO. The second set of entrepreneurs who did business in or with COO were those who exclusively or only did business with COO or engaged in a business activity with their COO that was different from their business with other countries. For example, an electronics manufacturer, who provided insourcing services to domestic firms and

companies from several countries around the world, also had solar panel manufacturing facilities in his COO. The solar panel manufacturing in his COO did not have any technological, financial, or staffing connections or overlap with his electronics manufacturing business in his COR. For the ease of discussion, throughout this dissertation this latter type will be called “entrepreneurs who had an exclusive relationship with COO” or “entrepreneurs who did business with their COO exclusively”.

The other half of the sample, 16 entrepreneurs, was not involved in any type of business activities with their COO. This group, in turn, could be divided into two sub-categories: a) entrepreneurs who happened to not do business with COO; and b) entrepreneurs who actively stayed clear from being involved in any type of business activity with COO. The first sub-group comprised 9 entrepreneurs. These entrepreneurs did not positively or negatively discriminate or refrain from doing business with COO, and their lack of business relationship with their COO was only circumstantial. For example, Wayne from Vietnam imported laminated floors from Germany and China and sold them in the US and Canada. He was not against doing business with his country of birth, but he was not actively trying to find a business opportunity in his country of origin either. His current business and future plans merely did not include Vietnam. Likewise, Ranjit, born in India, provided IT services to business clients across the globe. One of his hundreds of clients had been a firm based in India. After the Indian firm cancelled its account with Ranjit for downsizing and cost-cutting purposes, Ranjit did not have any other Indian clients. He said he would happily accept any client from anywhere in the world, including India, but at the time of the interview and for the year prior to that point Ranjit did not have any clients based in India.

The second sub-group under this category comprised six people who actively avoided doing business with COO, mainly due to bad prior business experience or dislike of their country of birth. Their lack of business connection with their COO was deliberate. For example, Ali, born in Iran, a software developer and online Customer Relations and Accounting Services provider said that he did not want to do business with organizations in his country of birth because he was observing the sanctions enacted by the US government on Iranian firms. In another example, Riza, from Pakistan, had imported medical equipment from Pakistan in the past. His first experience with

defective supplies and lack of after-sales services from the Pakistani partners made him decide to never again do business with his COO.

6.1.7. *Reasons for Choosing a Destination Country*

Participants stated various reasons for their internationalization and/or choosing a country of destination. The scope of internationalization of these firms varied as some had internationalized to one country (e.g. COO), whereas some others had internationalized to tens of countries and regions. This variation was the basis of several findings that will be reported under the sections on personality traits and networks. Twenty-seven firms were born-global by choice or by nature. For example, several software developing firms' and electronics manufacturing firms' initial clients or suppliers were from countries other than COR. All those seven firms that were doing business with COO only or exclusively were established on the basis of doing specific type of business with COO. For example, Chuyong's firm was using his business in China to provide outsourcing services for his firm in Canada. Some firms were also established to either import or export a particular type or a range of products; hence, being born-global. For example, Asif was exporting wood products to many countries from the day he started his business. The remaining four firms that were not born-global had internationalized to expand their global market share. Two of them stated that they internationalized because their respective markets in Canada were saturated and could not meet their expansion goals. The other two firms, both perceiving their products superior and full of opportunities, had internationalized to other markets to grow faster as well as larger.

The specific reasons for these firms to internationalize varied among the sample. As shown in Table 1, the four main reasons stated were opportunity, general networks, familiarity with the destination country, and speaking the same language. The numbers shown in the table are not exclusive, meaning that some participants named more than one reason for their internationalization. For example, Masud stated network and language as two of the reasons he would choose a country. Some entrepreneurs also named reasons that could be loosely categorized in one of the emerged reasons. Most of these cases were included in the nearest relevant category. For example, Farbod, who had about 100 percent market share in Canada, stated market saturation as the

main reason to internationalize, which was categorised as opportunity-seeking, because this internationalization was purely to pursue further growth rather than survival.

Most entrepreneurs, 27 participants, named opportunity in the destination country as one of the main reasons they chose that country. For example, Lee from Taiwan, together with his co-founders and business partners, would find opportunities for expansion purely based on the market potential and their possibility of success there. This category also included participants who would determine a country as the best place to source their material. For example, Wayne from Vietnam said that the companies he sources his raw material from in China and Germany were the two largest companies in the world. He and his partners do not see any reason to source their material from other countries that produced the same raw material.

In the sample, the next important reason for internationalization was networks. A total of 15 immigrant entrepreneurs mentioned their network as either one of or the most important reason to choose a country of destination and/or internationalize. For example, Suran mentioned her network was the most important reason she chose a country to do business. Haydar stated that he had connections in his industry across the world, which led him to decide to engage in his business of importing his raw materials from abroad. This category also includes entrepreneurs who were found through or requested by their networks to engage in their respective business. For example, Ahmad said he was in Canada to get his master's degree when somebody he knew asked him to source wallpapers to be exported to the United Arab Emirate (UAE). This request was repeated a few times over the course of one year. During that year, another person from his network in Iraq asked him to source Italian furniture and ship it to Iraq and Kuwait. Therefore, after graduation he started a business to source similar products from various countries for export to several Middle-Eastern countries. In the case of Naser, his former and current customers referred new clients to him without him asking them to do so. The four participants who did not mention opportunity as one of the most important reasons to internationalize instead mentioned network as the most important reason. It is interesting that all four of them were also doing business with their COO. While this is one of the findings of this dissertation, it might also be considered a limitation as such difference needed to be controlled for.

All the above were different examples of networks as a reason to internationalize and/or to do business with a destination country. The types of networks that were responsible varied significantly among these immigrant entrepreneurs. For example, some of them only stated business networks, old colleagues, people they knew, co-ethnic networks, family networks, or a combination of two or more. For example, Afshar chose China as his destination country because his family network lived there; he decided to do business in the UAE and Iran because his friends (from his co-ethnic group) were there. While family was one of the reasons given to expand to a different country, it was the main reason for the initial internationalization for only one person. Extensive findings and discussions on networks and their types will be provided in the following sections.

The next important reason that emerged was familiarity with the destination country. Nine participants identified familiarity as the most or one of the most important reasons to choose a destination country. For example, Zhang was doing business in China because he was very familiar with his country of origin and people from there. Only two of the participants stated this reason for expansion to countries other than their COO. However, both of them had spent several years living in their destination countries prior to moving to Canada. For example, Lee, from Taiwan, had recently extended his business to China because he was very familiar with that market; he had previously lived and worked in China for several years. Masud, from Sri Lanka, also was doing business in Malaysia, because he had lived there when he was much younger.

Seven entrepreneurs in the sample stated common spoken language was one of the decisive reasons to choose their destination country. There was also noticeable difference between these participants as to how common spoken language was important to them. For example, Alexandra said that it was important that people in her destination country spoke her mother tongue, even though her English was near perfect. Raul similarly said he only chooses Latin American countries that speak Spanish. Ali's and Nasrin's preferred common spoken language was English, not their mother tongues. Farbod and Lee, on the other hand, said that as long as they have a common spoken language with their customers in the destination country, they will establish a relationship there. Zhang was the only person with a relatively poor command of English in this

group who also stated that his clients, regardless of their country of residence, have to speak Mandarin or Cantonese Chinese.

Three of the entrepreneurs in the sample were also engaged in business activities that were idiosyncratic to their country (i.e. importing national food or clothes), but that was not their main business and they were chosen to participate in this study because their main business was different. For example, Jihan's main business was importing raw material from the United States and exporting his finished products to various countries. As a second business, Jihan was also planning on importing Indian artefacts from India and some African countries to sell in Canada. The remaining 28 participants' products, raw materials, clients, or markets were not idiosyncratic to their destination countries.

6.1.8. Resource Commitment

These entrepreneurs' business relationships outside of Canada included import (e.g. supply of goods and services in whole or in part), export (e.g. sales of goods and services in whole or in part), outsourcing, partnership, subsidiary, and foreign direct investment or a combination of one or more of these activities. None of these businesses was a typical ethnic enclave type of business. They also did not solely focus on catering to an ethnic enclave economy or a particular ethnic group. As shown in Table 6.1, the entrepreneurs' foreign country entry modes were separated into three categories depending on their level of resource commitment to target countries. The first one comprised 20 entrepreneurs who were involved in low risk business activities such as import and/or export of goods and services including outsourcing-insourcing. This category also included entrepreneurs who had business partners, suppliers, and representative offices that worked independently based on commissions or fees without ownership ties to the entrepreneur (i.e. no capital investment of any kind).

The second category included six entrepreneurs whose firms had representative offices in one or more destination countries. The representative offices in this category belonged to the entrepreneurs' firm, meaning that they were funded and managed directly or indirectly by the entrepreneur. The employees in these representative offices were directly hired by the entrepreneur's firm. The entrepreneurs in this category, apart

from their owned representative offices, may or may not have had additional representative offices that worked independently. In either case, they were only included in the second category.

The third category included five entrepreneurs with full-fledged and higher levels of resource commitment to the destination country. This category is different from the previous one in that entrepreneurs who owned a representative office only needed to rent an office in the target country. Therefore, no real or large amount of capital investment was made by entrepreneurs in the second category, but a sizeable capital investment was needed in the third category. These investments included a combination of distribution and manufacturing facilities, warehousing, and production channels. For example, Kim had complete manufacturing facilities and distribution channels set up in three countries, while his headquarters with five full-time employees was in a fourth country, Canada.

From the 20 participants who engaged in minimum resource commitment in their countries of destination, nine people did business with their COO and the remaining did not. Both groups were almost proportionately divided between those entrepreneurs who deliberately chose to (do not) do business with COO and those who coincidentally were (not) doing business there. Medium resource commitments, on the other hand, were mostly made in other countries other than COO. These moderate investments were mostly made by those immigrant entrepreneurs who did business with several countries. Alexandra was the only one who actually had a moderate resource commitment in her country of origin. Afshar, another entrepreneur who had a representative office in his COO, had several other representative offices in other countries. The remaining four entrepreneurs, who had their own representative offices around the world, did not have one in their country of origin. Immigrant entrepreneurs in the sample, who had higher levels of resource commitments, were mostly investing in their country of origin. Only Carlos' investment was made in a country, the US, other than his country of origin, Mexico. Kim's investments were also in several countries including his country of origin, Korea.

6.1.9. Ownership

All entrepreneurs indicated that their firms were privately owned. Only Kim, manufacturing construction material in three countries, mentioned that he is considering an initial public offering (IPO) in the next couple of years. Ownership of the firm or worldwide business varied among entrepreneurs. Seventeen people, about 55 percent of the sample, fully owned their businesses, eight entrepreneurs owned 50 percent to 75 percent of their business, and five participants owned 25 percent to 49 percent of their worldwide operations. The types of ownership included full ownership in all locations, to full ownership in one country (e.g. COR, COO, or other countries) and partnership in others, to partnership in all locations. For instance, Kim owned all his manufacturing facilities and distribution channels in all countries he had business in, but Ahmad was a co-owner with different partners in each of the three countries he did business in.

The above was a general picture of the immigrant entrepreneurs in this sample, their industries, choice of foreign destination, and the level of resources they committed to these countries. In the next sub-sections, the linkage between these entrepreneurs' choice of destination country and resource commitment as related to their personality traits, perception of institutions and usage of networks will be addressed. To reflect the order of research sub-questions, the following sections will first look at the overall picture of immigrant entrepreneurs in terms of their general personality traits. Next, the differences between personality traits of immigrant entrepreneurs who were engaged in business with their COO and those who were not doing business in their COO will be examined. This will be followed by findings on the perception of COO's and COR's institutional profile (CIP) as well as network usage. Finally the findings on the interrelationship between personality traits, perception of CIP and network usage will be discussed. There are many variables and constructs in this study. Not all variables and dimensions can be covered, but the key findings will be addressed. For example, not all dimensions of personality traits seem to affect or be important to immigrant entrepreneurs' decisions about choosing both a country of destination and level of resource commitment. Therefore, only the effects that were apparent are discussed below.

6.2. Effect of Personality Traits

Personality traits of the immigrant entrepreneurs in the sample were the only part of this study that was measured mostly quantitatively. Participants rated their personality traits based on FFI using the self-administered questionnaire in English. Only minor questions were asked to clarify the meaning of some words. In the case of the two telephone interviews, one entrepreneur requested that the questions be read out to him and he replied to each spoken verbally, while the other participant completed the questionnaire himself and sent it back by e-mail.

Immigrant entrepreneurs in the sample rated their personality traits. The answers to each of the 44 items were coded according to their direct and reversed natures. The means for each of the five dimensions were calculated (John et al., 2008) and are shown in Table 6.2.

TABLE 6.2: Correlation between FFI Taxonomy descriptive statistics and scores for main demographic categories

	N	EXT	AGR	CON	NEU	OPE
Extraversion (EXT)	31	1				
Agreeableness (AGR)	31	0.19	1			
Conscientiousness (CON)	31	0.20	0.17	1		
Neuroticism (NEU)	31	-0.15	-0.57	-0.29	1	
Openness (OPE)	31	0.26	0.35	0.01	-0.38	1
Average	31	3.87	4.14	4.11	2.18	3.97
Std. Deviation	31	0.72	0.56	0.58	0.65	0.43
Range	31	2.50	2.00	2.33	2.50	1.50
Minimum	31	2.50	2.89	2.67	1.00	3.40
Maximum	31	5.00	4.89	5.00	3.50	4.90
Female	6	3.94	4.15	4.31	2.54	3.96
Male	25	3.85	4.14	4.07	2.10	3.98

The reliability of the instrument is shown by an alpha greater than 0.8. The correlation between the taxonomy is also shown in Table 6.2. The traits were not strongly correlated with one another; the highest existing one was the negative

correlation (-0.57) between Neuroticism and Agreeableness. On average, the sample was high on Agreeableness (4.14 out of five), followed by Conscientiousness (4.16 out of five). As evident in the standard deviation and then maximum-minimum amounts, the sample varied the least on Openness and the most on Extraversion and Neuroticism. Personality traits did not show much fluctuation in most demographic areas. Table 6.2 sets out personality traits of participants in relation to their gender and age.

Further analysis was required to explore whether personality traits varied between participants based on their international business activities, such as their choice of destination country and level of resource commitment. This was done through switching between two different approaches. The first approach was looking at very representative cases of doing business with COO and not doing business there as well, as based on whether this decision was deliberate. For example, Alexandra was a strong case of doing business with COO only, and Shayan was a good case of doing business with COO exclusively and in addition to his other type of business with other countries, both of which were representative of doing business with COO deliberately. The same approach was also performed on representative examples of resource commitment in destination country. For instance, Asif and Naser were representatives of minimum resource commitment in destination country, while Farbod was a good case of establishing representative office, and Kim and Carlos were considered for high level of resources commitment in their destination countries. The personality traits of these entrepreneurs were considered while their statements about their lives, experiences and business activities, as well as their expressions and behaviors during the interviews, were investigated.

While more data was collected, the findings from the above interviews were compared to the new ones. At times some modifications were made or new patterns were recognized. For example, Raul was a very similar case to Kim and Carlos as entrepreneurs who had higher levels of resource commitment in COO. And Jingchu was another good example of exclusive relationship with COO.

To ensure all possible trends and phenomena were captured, a second approach was also undertaken to analyze the data. This approach was undertaken after all the data was collected and most of the important trends had already emerged. Each of the

five dimensions of the personality traits in the sample was divided into three groups: high, medium or moderate, and low (see table 6.3). The division was done by first ordering the sample from highest to lowest on each dimension, dividing it into three similar sized groups, and ranking them as high, medium and low. This process was performed on each dimension separately. If the division fell between two or more people who scored the same on a dimension, the divide was moved to the nearest possible location to separate people with different scores and still create groups of similar sizes. For example, when the sample was ordered based on scores on Agreeableness, the natural divide between medium and low would fall within five people, all of whom scored 4.00 on this dimension. The best division was achieved by moving all those who scored 4.00 to the medium category to make it thirteen people, and leaving the low category with only 8 members.

Table 6.3: Ranges of low, medium, and high scores on personality traits

	Mean	High Range	Medium Range	Low Range
Extraversion (EXT)	3.87	>4.13 (10)	3.75~4.13 (11)	<3.75 (10)
Agreeableness (AGR)	4.14	>4.44 (10)	4.00~4.44 (13)	<4.00 (8)
Conscientiousness (CON)	4.11	>4.22 (10)	3.89~4.22 (11)	<3.89 (10)
Neuroticism (NEU)	2.18	>2.50 (10)	1.88~2.50 (11)	<1.88 (10)
Openness (OPE)	3.97	>4.00 (9)	3.80~4.00 (12)	<3.80 (10)

Note: Numbers in brackets are the N in each range

While dividing the sample this way had no negative impact on the analysis, two things are worth keeping in mind. First, the division of each dimension was performed independently from one another. For example, when the sample was divided based on the level of Extraversion from high to low, somebody who scored high on this dimension might have been in the lower range when the sample was divided based on Openness or similarly high when they were ranked based on scores on Conscientiousness. Second, the high to low range in this sample were set at an arbitrary value applicable

only to this sample. This means that when somebody scored low on a dimension, that that person scored lower on the said dimension compared only to other people in the sample and not in general. For instance, a participant with the score of 3.78 on Agreeableness would be ranked as low on Agreeableness in this sample. However, the score of 3.78 in general is higher than 2.50, which is the halfway-point between one and five. With this way of dividing the sample, participants' statements and business activities were also checked based on whether they were higher on each personality trait and checked against those who scored moderately or lower on the same trait. No new patterns emerged as a result of this new approach, but almost all findings from the first approach were further clarified. Below, the findings regarding sub-questions one and two, are presented based on each trait through the two approaches discussed above.

6.2.1. Extraversion

The level of Extraversion in immigrant entrepreneurs in the sample was also different among participants based on their choice of countries with which to do business. Exactly half of the more extraverted participants did business with their COO and the other half did not do business with their COO. However, immigrant entrepreneurs scoring higher on Extraversion in the sample were involved in business with many countries and were not exclusive about their relationship with their country of origin. Out of the ten most extraverted participants, only one person had an exclusive business relationship with his country of origin. The rest were all immigrant entrepreneurs who were involved in the same business activity with two or more countries. When comparing the most extraverted and the moderately extraverted immigrant entrepreneurs, there were more people who had exclusive relationships with their countries of origin amongst the latter category. The least extraverted immigrant entrepreneurs proportionately had more exclusive relationships with their countries of origin than did highest and moderately high extraverts in the sample.

The entrepreneurs who had exclusive relationships with their COO scored the lowest on Extraversion and those who did the same type of business with their COO and at least one other country scored the highest on this trait. For example, Alexandra had one of the lowest scores on Extraversion within the sample. She only chose her country of origin to do business with; her reason was that she was more familiar with Indonesia,

where she was from, and had a network there. Shayan, another person scoring very low on Extraversion, had an exclusive line of business with his country of origin. Shayan's business relationship with other countries was through his hardware manufacturing business, but his business in Iran was to manufacture and directly sell solar panel systems. He had been in Iran a few years ago with his brother, who worked with a solar panel manufacturer in France. They came up with the idea of promoting solar power in Iran by manufacturing solar panel systems there. Jingchu did trade in China, while his other business with many other countries around the world involved producing health and nutritious supplements. He did the trade part through his father, who was still living in China. Jingchu said he chose to do so because he knew how to communicate with clients from China and knew how to deal with them. This was despite the fact that his command of English was near perfect. For his health supplement business, he was not willing to do business with many countries (e.g. Thailand and countries in Africa) because customs clearance needed many steps and substantial documentation. However, he was doing this business with China, a country that according to him is equally bureaucratic. His rationale to do so: he was "familiar" with the system.

Apart from doing business with COO, Extraversion varied in immigrant entrepreneurs who refrained from doing business with other countries versus those who did not have any particular preference. The more extraverted immigrant entrepreneurs did not have any particular preference for not engaging in business with other countries. In contrast the less extraverted individuals cited a few countries they avoided doing business with. For example, Riza did not want to deal with his country of origin, because he thought the government in Pakistan was corrupt. Rizvan also did not want to do business with his COO, because he had had bad business experiences with businesspeople there and thought the quality of work was very low in Pakistan. Carlos, from Mexico, did not want to do business with most African nations, because he thought he was "not sophisticated [enough] yet to deal with them". Raul from Colombia did not want to deal with any non-Hispanic country, because he thought the Hispanic market was large enough for him. Nasrin did not want to deal with many developing countries, because she thought they were not ready for her product. And Mehran did not want to deal with Iran, because he did not like his country of origin.

Five of the least extraverted participants named at least one country that they did not want to do business with under any circumstances. As well, four of the moderately extraverted participants named at least one country to exclude, and only three very extraverted individuals exempted at least one country as a choice of business destination. On the other hand, most of the immigrant entrepreneurs who both did business with several countries including COO and scored higher on Extraversion were looking for opportunities anywhere. For instance, Naser manufactured electronics for “whoever is able to pay first”. Maria found her suppliers in tradeshows regardless of their country of origin. Jihan found his suppliers for his fiberglass business through the Internet. Lee and his business partners would supply their cloud computing services to any country that had more potential.

Therefore, participants with lower scores on Extraversion were more likely to have an exclusive relationship with COO. Participants with higher levels of Extraversion, on the other hand, were more likely to do business with a variety of countries and did not have any type of exclusivity. More extraverted immigrant entrepreneurs’ decision to do business with their country of origin seemed to be contingent on their perception of the institutional environment in COO and network utilization. In terms of the level of resource commitment, this sample of immigrant entrepreneurs’ scores on Extraversion was inconclusive.

6.2.2. Agreeableness

Agreeableness did not vary among entrepreneurs who chose COO as a destination country versus those who did not (sub-question 1). No noticeable variation was observed among participants based on their level of resource commitment in their destination country (sub-questions 2). What emerged from the interviews, however, was that the least agreeable entrepreneurs had a tendency to exclude more countries as potential target countries regardless of whether these countries were their COO (i.e. sub-question 1). For example, Kim had investments and production facilities in four countries. He was prepared to export to any country in the world. His method of finding business partners or places to invest was to ask consulting firms such as PricewaterhouseCoopers to advise him on the best location for investment. Wayne, Jihan, Afshar and Givanna’s shared criteria for choosing a customer to sell to or a

supplier to source material from was their ability to pay rather than their country of origin. The top seven of the eight most agreeable immigrant entrepreneurs did not exclude any country as a potential destination country. Nine of the ten most agreeable participants did not think familiarity with a place would be needed in order to do business with that country.

Farbod, with the highest score on Agreeableness in the sample, was one of the only agreeable immigrant entrepreneurs to partially exclude a country. He was selling his software in many countries and had no intention to exclude any country. He named only China as a country he would be more cautious about entering, though he did not exclude it entirely. His reason to be 'cautious' was China's loose copyright protection laws. Farbod estimated about one and half million to two million copies of his software were being used in China illegally. This reason seems to be beyond the scope of Agreeableness and a legitimate reason to stay away from a country. Ali was another highly agreeable individual who intentionally wanted to stay away from a country. His reason for not doing business with Iran was to comply with sanctions against Iran, which could actually be a sign of his cooperation, a major trait in Agreeableness.

On the other hand, the least agreeable entrepreneurs in the sample excluded other countries mostly due to their distrust or lack of familiarity with the country. For example, Raul, from Colombia did not want to do business with any non-Hispanic country. In fact, he only wanted to do business with Colombia and a few countries in the Caribbean Sea that had friendly relations with Colombia such as Costa Rica. His reason was that he was familiar with the culture and language. Mehran did not want to do business in his country of origin, because he was suspicious of its intentions and disliked it. Ranji mentioned that he did not want to do business with certain African countries, because he did not trust them. He used the word 'trust' many other times during the course of the interview. In addition, Mehran and Ranji, both with lower relative scores in Agreeableness, were the only participants who repeatedly asked questions about this dissertation's research intentions and indicated a lack of trust in the investigator.

These findings contribute to an answer to the first sub-question about the effects of personality traits on international business activities. Lower scores in Agreeableness are associated with the likelihood of discrimination against potential destination countries,

while higher levels of this trait indicate not excluding any country as a destination country. The results did not indicate that there is any relationship between Agreeableness and these immigrant entrepreneurs' resource commitment in their destination countries. In the case of lower levels of Agreeableness, discriminating against COO seemed to be affected by other factors such as participants' perception of CIP in COO or their networks.

6.2.3. Neuroticism

Among participants choosing COO as their country of destination for doing business versus those who did not do business in COO, Neuroticism also appeared to be vary in certain patterns. The average score on Neuroticism had the highest variation among different groups of participants. Interestingly, the highest level of Neuroticism was among entrepreneurs who either had exclusive business arrangements in their COO or those who did not want to have any business relationships with their COO. In contrast, immigrant entrepreneurs who had no reason to avoid COO, regardless of their presence in their COO, had the lowest scores on this dimension. The more neurotic informants complained more about a variety of things and were more animated during the interview process, while more emotionally stable participants complained less and spoke calmly.

For example, Alexandra and Chai had many signs of Neuroticism and scored the highest and second highest on this trait. Alexandra had the most positive and the most negative comments about her country of origin, Indonesia. Comments tended to be at the two extremes. Regardless, she insisted that Indonesia is the best place to do business and that it was the only place she was doing business. Chai was very emotional when stressing her dissatisfaction with many aspects of China, where she was originally from. She complained about the culture, the way women are treated, the business environment, corruption, nepotism, and pollution in China. She was also very emotional when talking about her life in Canada and her interaction with Caucasian Canadians. However, despite her dissatisfaction, she had outsourced a big portion of one of her businesses to China. Shayan also complained about the Iranian government officials' negotiation style. The negotiators in Iran had requested that he remove his tie

before starting negotiations. He further criticized the decision-making style of these officials:

I don't know if the situation is the same as dealing with bigger [bureaucratic] companies, but when you deal with the Iranian government, you just never know. They just keep changing their mind from 'yes' to 'no' and then 'maybe'. They say 'yes' and then they disappear and [when they come back] they say 'no'. You give them a quote for \$50,000. They come back the next day, [and] they say 'we're ready to sign'. Then when you go to sign, they say 'how about \$5000 or you don't want to do it?' ... There is a lot of potentials, but it's just nobody knows who makes the decisions. If anybody is making decision there at all! If they are, we don't see them and we don't know who they are.

Ahmad also scored very high on Neuroticism. Despite his booming business, he criticized the business environment in Canada and lack of government support. He criticized the Canadian government for allowing the economy to be overly dependent on resource industries and the real estate industry. This was in spite of the fact that he was a real estate developer in his COO before moving to Canada. However, unlike Chai and Alexandra, he did not want to do business with or in his COO. He went even further, objecting to the ways his co-ethnic immigrants in Canada lived their lives. Although he was doing business in the UAE and Iraq, he said he did not want to open an office in Iran, where most his relatives still lived. He did not even want to export to his COO.

On the other hand, emotionally stable participants did not have objections to doing business in their COO. Those who scored lower on Neuroticism appeared to be prepared to do business anywhere they could. Kim, the most emotionally stable participant did not have a single negative comment about his COO and only one positive comment about employee loyalty in Korea. He had investments in his country of origin and several other countries. He was calm during the entire interview. He did not display any sudden burst of emotions even when he was talking about his dissatisfaction with his employees.

Roshan scored equally low on Neuroticism. Unlike Kim, he had no business with COO, but did not actively stay away from his country of origin either. He was happy with his import and export business of bathroom and kitchen fixtures from European countries, Japan and the US, and did not feel like he needed to extend his business to

his COO. Despite the fact that he had left a good life in his country of origin, Iran, to immigrate to Canada and had had a very difficult life for the first six years in Canada, he did not have a single negative comment about COR. He only spoke about how happy he was in his life and how much he loved his current lifestyle and business. During the entire interview, Roshan smiled and laughed while recalling many aspects of his life/work experience.

Farbod, also scored close to Roshan, and was very similar in terms of displaying calm but positive emotions, his satisfaction with his life and business and not having a particular reason to develop or avoid doing business in COO. All participants who scored lower on Neuroticism were similarly happy with their lives and were not overly concerned with doing or avoiding business with their COO. They were doing business wherever and in whatever industry in which they had found opportunities. Participants scoring higher on Neuroticism, on the other hand, felt strongly about having a very close or distanced relationship with their COR. The final element that helped this latter type of entrepreneurs to either do business with their COO or avoid it seemed to be their perception of the institutional environment in their COO as well as their networks. These findings will be presented in the later sections of this chapter.

This dissertation did not find any noticeable pattern to indicate immigrant entrepreneurs' level of Neuroticism was different based on their resource commitment to destination countries. Therefore, the effect of Neuroticism was only found in immigrant entrepreneurs' when making the decision to do business with their COO. Participants who scored lower on Neuroticism were neutral about doing business with their COO, but those who scored higher on this trait either avoided or had stronger relationships with their COO. In the latter case, the direction of the decision seemed to be dependent on other factors such as their perception of COO and their networks.

6.2.4. Openness

At first, Openness did not seem to affect participants' decisions to do business with COO or the amount of capital commitment in their business with other countries. The sense of adventure and variation in experience of participants scoring higher on Openness, however, seemed to have manifested in the diversity of countries in which

they did business. In fact, among those scoring high on Openness, there were more people who did not want to do business in COO than there were among those scoring lower on this trait.

Among the participants who scored high on Openness, only one person, Chuyong, did not have business with more than one country outside of COR. Although he only had business with his COO, China, this was more due to the forces of the market than his choice. He was trying to find clients and outlets in Europe and other countries, but was finding it difficult to cultivate business there. Thus, it was not that he was not open to new ideas, but simply that he had not been able to develop them yet. He said he had another business that would connect European petrochemical companies that wanted to do business with Canada and vice versa. This linkage would have been through a Chinese firm that could modify any petrochemical product to comply with the environmental protection laws of multiple countries. However, Chuyong had not been able to find any customers for his business other than in Canada and China.

All other participants scoring high on Openness, regardless of whether they did business with their country of origin, were doing business with at least two countries. Naser, Ali, Suran, and Lee were dealing with several countries. Naser, from Lebanon, did not even provide the number of countries he was dealing with and said 'many'. He also said he would do business with whoever could pay for his services regardless of their country. Lee, from Taiwan, could account for seven or eight destination countries in Asia and spoke of expanding into at least three new countries in the region in 2011. Riza, from Pakistan, and Wayne, from Vietnam, were both dealing with two or three countries, none of which were their respective COOs. The latter two entrepreneurs had business dealings with other countries, but had to cut the ties due to low quality products.

Those who scored relatively low on this dimension, on the other hand, seemed to be more exclusive and less adventurous. Those who scored in the medium-range on Openness were less active in seeking new opportunities in new markets other than COO than were those who scored very high on this trait. For example, Carlos, Farbod, Kim, Raul and Masud were doing business in several countries, but they were more cautious

about entering into new markets. They all stated that they had used consulting firms or had investigated extensively before entering a new market. Some of them would consider new markets, but not as easily as those who scored very high on Openness. Some of these immigrant entrepreneurs, whose scores were in the medium-range on Openness, were also doing exclusive business in COO, but not as many as those scoring lower on this trait. For instance, Raul and Masud both scored moderately on Openness and were doing business in COO. Similar to Chuyong, who had a high score on this trait, they were trying to open businesses in new markets, but only in neighboring and culturally similar countries. Carlos, another moderately open-minded immigrant entrepreneur, was not doing business in COO and it had taken him a long time before he considered manufacturing facilities in the US. However, he already had representative offices in several countries across the globe. Kim, also scoring in the medium-range on Openness, was in COO as well a few other countries, but did not want to expand his business any more. His stated reason for this was his age and that he was considering retirement.

However, compared to participants scoring very high on Openness, there were fewer people in the medium-range category that did not want to do business with COO. In contrast, those who scored lower on Openness were more reluctant to start a business relationship in new markets and unknown places, and were comfortable with their COO. For example, Jingchu, scoring the lowest on Openness, was engaged in an exclusive business with China. Apart from Nasrin, who had fled her COO (for political reasons), and who did not like her COO nor want to go back, no other immigrant entrepreneur who scored low on Openness categorically excluded his/her country of origin as a potential destination country. Nasrin, in fact, sought out target markets where they could speak English and were culturally and socially very similar to Canadians, what she considered herself to be. She actually named the countries (e.g. the United States, United Kingdom, Australia, New Zealand, and the Netherlands) that she perceived as being similar to Canada. At a later stage, Nasrin also named the same countries as those in which she had representative offices or partners. She also considered the same countries, in addition to France, as places where people could appreciate her cosmetic products.

The rest of the participants scoring lower on Openness were also more comfortable doing business with familiar countries. Paul was mostly focused on the US market, partially because he thought they were the same as “us Canadians”. After he was asked about the possibility of growing his business to new markets, he replied that he would only open up the same business in Hawaii without realizing that Hawaii was part of the United States. In this way his focus was also mainly in his home country, which he considered to be Canada. Zhang, who also scored lower on Openness, only wanted to deal with Mainland China. He would also consider dealing with people from Hong Kong and the Chinese community in South Africa, because he had lived there for seven years. He said he did not want to exclude other societies, but his trade and investment business’ main focus was the “Chinese community”.

Entrepreneurs scoring higher on Openness were less likely to choose to have an exclusive relationship with their country of origin and more likely to exclude their COO as a potential target country. On the other hand, those scoring lower on Openness were more likely to have an exclusive business relationship with their COO and less likely to exclude their COO from the list of potential target countries.

This concludes the findings for Sub-questions 1 and 2 about the effect of immigrant entrepreneurs’ personality traits on their choice of destination country as well as their level of resource commitment. Participants with lower levels of Extraversion were doing business with their COOs exclusively. While participants who scored higher on Agreeableness had no restrictions as to which countries they did business with, informants with lower levels of this trait discriminated against more countries. Participants with higher levels of Neuroticism felt strong positive or negative emotions towards their COOs and either did not want to do business there or had exclusive business dealings there. On the other hand, participants scoring higher on Openness diversified their businesses to many countries and at times even stayed away from their COO, but those scoring lower on this trait were engaged in business with COO or countries that seemed familiar to them. None of the five dimensions of the Big Five seemed to impact participants’ decisions about the level of resource commitment in their destination countries.

6.3. Perception of CIP

To address Sub-questions 3 and 4, participants were asked questions about their perception of the institutional settings of COR, COO and other countries where they engaged in business transactions. The participants provided a profile of all these countries based on a tested instrument defined by Busentiz and colleagues (2000). Whenever they did not refer to an aspect of the environment, the researcher asked them specific questions about it. For example, if a participant did not comment on the normative dimension of institutions in COO, the researchers would ask questions such as: “do people in your country of birth admire entrepreneurs?” Many of the immigrant entrepreneurs in the sample did not have any opinion about countries other than COO and COR, because they either did not have business in other countries or thought they were the same as that of COR or COO. As such these comments were inconclusive and are not included here.

In several instances, interviewees had no particular opinion about COR, COO or other countries or felt that they were all the same. For example, while many people had something to say about the financial institutions and banking system in COR, they either thought similar institutions in their COO were not different or were not aware of any differences. While some of the participants had migrated several decades ago, the length of immigration did not seem to impact their comments about their COO.

While there are many interesting points about the comments made, only the most important ones are reported here. As reported in the analysis section of the previous chapter, the main pattern that emerged from the interviews was that participants could have positive or negative perceptions of different institutions in COR and COO. The same individual could have both positive and negative perceptions of an aspect of institutions in COO (or COR) or have a positive perception of one dimension and a negative one about the other. For example, Carlos heavily criticized the government of Canada for not providing support to entrepreneurs, but perceived financial institutions in Canada positively.

The transcribed portions of interviews about perception of institutions were analyzed based on the positive and negative views of each individual. Then they were

analyzed by only listing positive remarks made by all participants, followed by negative comments. The comments then were displayed and analyzed, once for COO and once for COR, based on dimensions of the institutions and based on the positive or negative nature of the remarks. While doing the analyses, the extent of positivity and negativity of comments as well as their frequency during each conversation was taken to consideration.

There was no compelling evidence that participants' perception of COR's CIP would affect their decision to do business with their COO, or at least, the emerging patterns were not easily explainable. For example, participants who did not want to do business with COO were also very negative about the regulatory and cognitive dimensions of COR. However, they did not have the least number of positive remarks about these dimensions in COR. The same pattern did not carry down from not wanting to do business with COO, to just happening to not do business with COO, to doing business with COO, to doing exclusive business with COO. The perception of the participants who did business with their COO was even less congruent than those who did not want to do business with COO. Their positive and negative remarks about COR, neither in frequency nor severity, seemed to yield any noticeable pattern.

Many participants had negative comments about almost any country they had lived in. Negative and positive comments about different dimensions of the institutional environment in COR were abundant across all types of immigrant entrepreneurs in the sample, but negative comments about the regulatory institutions were more extensive and frequent. For instance, 23 of the participants had negative comments about COR's regulatory situation. Most of these comments were complaints about the financial institutions in Canada. For example, several participants, independently, indicated that when new entrepreneurs need money, nobody gives them any, and that when they don't need any money (i.e. they are already well-established), banks offer them loans. After negative comments were made by many participants about the financial institutions, further remarks followed about the lack of government support for entrepreneurs or immigrant entrepreneurs. However, it is unclear whether immigrant entrepreneurs decided to do business with COO based on their satisfaction or dissatisfaction with institutional characteristics in COR.

Positive comments about COO, on the other hand, were more conclusive in terms of the reasons immigrant entrepreneurs did business there. However, this did not extend to the negative comments. Immigrant entrepreneurs who had exclusive business relationships in COO and those who avoided doing business in COO had, proportionately, the highest number of negative comments about COO. Many participants who did business in COO were also more negative about the regulatory dimensions of the CIP there, but, proportionately, were fewer compared to those who commented negatively on COR. While there were not as many positive comments about the institutional environment of COO as there were negative comments about it, a greater ratio of participants who did business in COO, exclusively or otherwise, made positive comments.

None of the entrepreneurs who deliberately avoided doing business with their COO made a single positive remark about their country of origin. Almost all of them, on the other hand, provided many negative comments about the regulatory, cognitive and normative dimensions of the CIP in their COOs. When it came to those who were not doing business with their COO not because they were avoiding it, some entrepreneurs made a limited number of positive remarks about their country of origin. For example, Carlos said that people in Mexico are very entrepreneurial, though sometimes too “crazy entrepreneurial”. He explained that he thought almost everyone in Mexico jumps at any and every opportunity. This complaint, similar to his remarks about the bureaucracy in COO, was relatively mild. Lee spoke about the business savvy entrepreneurs in Taiwan and China, who knew where and how one should do business in those countries. Rajat told stories of the Indian government’s and big corporations’ (e.g. Tata Group) efforts to protect smaller businesses and low ranked employees.

Except for the comments on the normative dimension of COO, the number of positive remarks was almost the same among entrepreneurs who were doing the same line of business with COO and at least one other country, and those who had exclusive business relationships with their COO. For example, Raul, while contrasting Colombia with Canada, said people in his country of origin were very receptive to new ideas and admired entrepreneurs. Comparatively, he thought Canadians were very closed-minded and did not handle communications about new ideas very well. Masud said Sri Lankans, after the war, have been very effective in developing the almost untouched Sri Lankan

market. Finally, Afshar praised Iranian entrepreneurs as going around the world seeking new products and dealing with different cultures.

The most positive comments about COO were made by those immigrant entrepreneurs who only did business with their COO, or who had exclusive relationships there. Alexandra stated that banks and regulatory agencies in Indonesia were helpful to entrepreneurs. She also believed, while the government and rules were not very transparent, that they were much more readily available to interested entrepreneurs there than they were to entrepreneurs in Canada. Jingchu asserted that despite a large bureaucratic system in his COO, entrepreneurs are very clear about the risks and rules in China. When the investigator followed up on this question and asked him why he thinks the same institutions in Thailand (where he did not want to do business because of their bureaucracy) are different, he simply reasoned that Chinese entrepreneurs had knowledge of how to deal with the bureaucracy in China.

Thus, with regards to the third sub-question, immigrant entrepreneurs' positive perception of the institutional environment in COO may be associated with the possibility of doing business there. However, it appears that both positive and negative perceptions of the institutional environment in COR, and negative perception of the institutional environment in COO do not effect immigrant entrepreneurs' decision to do business with their COO.

Perception of the CIP in COR seemed to impact immigrant entrepreneurs' decision about their level of resource commitment in their destination country. Those who chose import and export as opposed to any type of capital investment had fewer negative remarks about the CIP in COR. However, this was not true for positive perceptions of COR's institutions. That is, the immigrant entrepreneurs who had positive comments were not more likely to choose import and export vis-à-vis capital investment. In contrast, those who complained more about different aspects of the institutional environment in COR seemed to invest more in their destination countries.

For example, Raul, Carlos and Kim, who had relatively large capital investments in other countries, all spent a great deal of time complaining about aspects of Canadian institutions. Kim complained that Canadians are too relaxed and do not want to work

hard or take any risks. He was very unhappy with the lack of government support for immigrant entrepreneurs. He had immigrated to Canada under an entrepreneurship program and had since patented fifteen trademarks and several products. However, the Canadian government had not allowed him to manufacture and distribute one of his “environmentally friendly” products that he had been manufacturing and selling in several other countries, including Korea and the US. His revenue in Canada made up ten percent of his world-wide revenue of CAD30 million.

Raul talked about how most Caucasian-Canadians he met in social gatherings or work shut him out, or did not share information, when he spoke about business opportunities. He said he would offer great win-win scenarios to some Caucasian-Canadians to bring them aboard and do business abroad, but that nobody would want to hear any further details about such opportunities. He only found out about government support and business bank loans through attending an immigrants’ integration program that helps new arrivals in starting a business or becoming self-employed. Despite the fact that he had spent more than six years in Canada by that time, it was only through this program that he learned how he could approach banks and the government for help. He also noted that in his first export delivery experience, despite his attendance of those classes, he did not know where to go, did not understand the terminology or the risk involved, had to provide many documents and materials, and finally bore great losses in that shipment. However, his revenues had grown from CAD40,000 in 2009, when he started his business, to CAD250,000 in 2010. He claimed to be on his way to increase his revenue to CAD2 million in 2011.

After 33 years of living in Canada, Carlos, who has a PhD in commerce, was extremely critical about the lack of government support for small businesses in Canada. Having gone bankrupt once (during the economic downturn of the early 1990s) and been cheated out of his business by a partner another time, he was very familiar with start-ups in Canada. His third attempt in business seemed to be more successful than the first two and was now growing. By 2011, 90 percent of his clothes and apparel products were selling outside of Canada and he had made about CAD2.5 million in revenues the year before. He criticized the lack of incentives to promote competition and innovation in Canada. He was of the opinion that the government, banks and universities had to help shift Canada from a resourced-based economy to an entrepreneurial economy so that

people who sell lumber would become entrepreneurs. He emphasized that universities, with government support, should take a larger role in educating people about the opportunities and risks involved in doing business.

Those entrepreneurs who made negative comments about the institutional aspect of COR, on the other hand, had taken different approaches to commit resources in their destination countries. There was a mix of import/export, representative office and larger capital investment. Most of these groups of immigrant entrepreneurs perceived at least one or two dimensions of COR's institutional environment as unfriendly. Those who were unhappy with two dimensions were mostly immigrant entrepreneurs who had established some sort of presence in their destination countries. Chuyong had a company in his country of origin that would provide outsourcing services for his firm in COR. Chuyong, similar to Raul from the more dissatisfied group, was astonished with the lack of entrepreneurial spirit in Canadians. He, too, felt that it was strange that many Canadian-born people seemed to be bored when he spoke about business opportunities to them. He said that people do not respect entrepreneurs here and just politely say "good for you". He also thought that, as an immigrant entrepreneur, he did not know how to work with the system. Chuyong said he had taken many classes with different NGOs, but did not know, for example, how he should arrange his business taxes. This is a successful business person, whose revenues in 2010 had reached CAD400,000.

Alexandra and Afshar, both with representative offices abroad, found normative aspects of COR optimal, but were critical of the regulatory and cognitive dimensions of COR. They both had the harshest comments about Canadian regulatory institutions, each for different reasons. Afshar criticized the Canadian government's intentions and lack of help offered for immigrants to start a new business in Canada. He called Canada the worst country in which to start a business. This is despite the fact that Afshar described himself as a very successful businessman who had several lines of business in four different countries (he did not disclose his revenue). He also said that none of the immigrant entrepreneurs in Canada knew what they were supposed to do or had any idea about the types risks involved in doing business here. Alexandra, on the other hand, complained about the lack of competency, efficiency and support from the Canadian foreign affairs and trade related institutions to help entrepreneurs with their

international business activities. She also stated that most entrepreneurs did not know where to get information about different markets and countries. If they did know where to find relevant information, she posited, they would find out that the information was wrong. With revenues of CAD30,000 in 2010, Alexandra was the only person in the sample who did not see herself continuing with her current business for long.

At the other end of the spectrum, immigrant entrepreneurs engaged in import and export type of activities were much milder in their critiques of the CIP in COR. The only remotely negative remarks made by Wayne, Maria, Naser and Roshan were about the banking system in Canada and the fact that they did not lend money to people when they needed it the most, rather only offering it when it is no longer needed. However, most of them did not think it was something to hold against Canada. As Maria said, in almost all western countries “banks want their share; they are the same no matter where you go”. Some informants were very satisfied in general. Naser, Asif, and Jihan were particularly very pleased with all the help manufacturers and entrepreneurs could get from the COR government and the way people respected entrepreneurs like them. While Asif, with revenues of CAD49 million in 2010, was the highest earner in the sample and Naser with CAD10 million in the same year was also a high earner, Jihan had made less than CAD100,000 and was one of the lower income people in the sample.

Basically, all of the entrepreneurs who perceived the institutional environment of Canada as very desirable were involved with only import and export type of businesses abroad. They had based their operations in Canada and had no capital investment of any kind in other places. This was very different from those immigrant entrepreneurs who were critical of some aspects of the institutional environment in COR and made capital investment in their destination countries.

In addressing the fourth sub-question: immigrant entrepreneurs who perceive the institutional environment in COR more positively made less of a resource commitment in their destination countries. In contrast, immigrant entrepreneurs who perceive the institutional environment in COR more negatively made higher levels of resource commitment in their destination countries.

6.4. Network Utilization in International Business

Participants commented on their networks in different parts of the interview process. As indicated in the fifth sub-question, the study was concerned about the types of networks immigrant entrepreneurs used as well as the ways they were used. The types of networks utilized by the participants in this study included: business, friends, co-ethnic and family. The first type was business related networks that entrepreneurs had built over the course of their business life, regardless of the ethnicity of its members. These networks were mostly formed over the course of years spent working. The homophily in this type of network manifested in the type of industries in which the members were involved in: they were the same or similar. This was the type of network most commonly used. For example, Farbod's three partners were from different countries and had dissimilar ethnic origins. Farbod from Pakistan had met his Indian partner in his previous hardware manufacturing and troubleshooting business. This Indian-origin person later became Farbod's partner in his hardware business. Their ethnic-European and eastern-European partners were the owners of the software company they merged with to establish the current company.

The second type of network was also business related, but its members were often long-term friends, usually from university or high-school, and also included friends from other walks of life. Its members may or may not have shared similar ethnic origin, but the immigrant entrepreneurs who used it did not have a preference one way or the other about this. For example, Lee, who used this type of network, started his company with three other people who each had an information and technology background, and who were Caucasians born in Canada. He also stated that he had friends in many countries in the world who could help him if he asked them. He said many members of his network were ethnically Chinese, but not necessarily born or raised in Taiwan, China, Hong Kong, Singapore, or other places with a large Chinese population.

The third type of network was still another type of business network, but most of its members had the same or a similar ethnic background. Participants who specifically indicated that they sought help from members of their ethnic community when needed were categorized as using co-ethnic networks—meaning that the formation and homophily of network were based on the ethnic background of its members. Utilization

of these co-ethnic networks took place regardless of the networks' locations (e.g. COO, COR, or in other countries). Unlike in business networks, members of co-ethnic networks could be from different industries. Another category for this type of network was that with both closer relationship and co-ethnic ties. Entrepreneurs who were categorized as using this type of network had a stronger affinity toward their co-ethnic communities and viewed their relationship as stronger ties (as compared to business ties). For example, Suran's network consisted of mostly Sri Lankans. After Sri Lankans, most her network consisted of Indians, who politically, culturally and linguistically are more similar to Sri Lankans. In her network she also had some other ethnicities such as a Cambodian and a Thai, but her relationships with them were not as strong as her connection with Sri Lankans.

The last type of network that was used by entrepreneurs in this sample was family. Participants were defined to be using this type of network if they involved their family in their business activities. Only entrepreneurs whose family members were their active tie with their country of destination were included in this category. For example, Afshar's business partner in China was his cousin, who was his active connection with that country. Shayan's investment in Iran was with his brother, who was also his link with the French company that supplied them in Iran. This category, therefore, does not include entrepreneurs who had a family member among their employees. This category does not include entrepreneurs who had a local or silent family member as their shareholder. Participants who used family networks indicated that they were also close to those family members and that this was the strongest type of tie.

These networks were either utilized exclusively or mixed, meaning that the entrepreneurs were in the habit of using one network or they were used to utilizing two different types of networks at the same time. For example, Zhang only used co-ethnic ties and Asif only used business networks. In contrast, Chai often utilized her business and co-ethnic networks. As such, five general types of network usage ranging from weak -ties to strong-ties emerged: business, business and friends, co-ethnic and business, co-ethnic, and finally, family and others.

Participants utilized their networks differently based on habit and as well as context. Immigrant entrepreneurs who used the weak-ties of business networks did not

necessarily do business with their COO. In fact, only two out of the 12 people who used their business networks primarily did business with their COO. Even these two, Kim and Asif, were among the group of immigrant entrepreneurs who did not have an exclusive business relationship with their COO. Kim and Asif both did business in many countries. Kim's presence in Korea was mostly due to the fact he had started his business there, expanded it internationally and later moved his headquarters to Canada. Asif's raw material products (industry cannot be disclosed) were exported to more than 30 countries. Pakistan, his country of origin, was only a small importer of his products. His customers there, even though co-ethnic, were only clients and the relationship with him was too weak to be considered a network.

In the process of moving from weaker ties to stronger ties, the relationship with COO became a key factor among participants. Using friends' business network, for example, is a somewhat stronger tie than a weak business connection. Co-ethnic networks also represent stronger ties compared to business networks. None of the immigrant entrepreneurs in the sample who were using weaker tie types of networks had a relationship with their COO. For instance, Lee from Taiwan was in the process of opening a representative office in China, but said that he was still not ready to enter Taiwan, where he was originally from though his business had a presence in several countries spread across almost all continents. On the other hand, those participants who used stronger ties such as their co-ethnic networks were more connected to their COO and less likely to avoid doing business there. Ali and Ahmad were the only ones who used their co-ethnic networks but did not want to do business with their country of origin, Iran. Ali's reason was to comply with the embargoes put on his country of origin by Canada and the US. Ahmad's reasoning was that he was not ready to put up with all the difficulties of doing business in Iran, particularly since he did not think his products (furniture and wall-papers) would sell well there.

Finally, those participants who used very strong-ties (e.g. family) mostly or exclusively did business with their COO. The only person in this group who did business with his COO and other countries was Afshar. He was one of the people who used family, co-ethnic and friend (more co-ethnic than otherwise) networks. His reason for being in other countries in addition to Iran was that he pursued any business opportunity that he could. Afshar was active in several lines of business such as financial services,

real estate development and management, trade, and immigration services in Canada, Iran, Dubai, China and several other countries in the Middle East and Central Asia. In all these places his business partners were relatives and old family friends. He was also the only one in this group who scored very high on Extraversion.

The other three immigrant entrepreneurs in this group all had exclusive relationships with their COO. Alexandra used her parents' resources in Indonesia such as their office building and staff. Shayan was working with his brother and used his brother's resources to build solar-panel manufacturing and distribution facilities in Iran. Jingchu found prospective clients through his father and other relatives in China. All of these are indications that the more participants use stronger ties, the more likely they were to do business with their country of origin, often exclusively.

This completely addresses research Sub-question 5 regarding the effect of the type of networks used and decisions about the destination country. In terms of the effect of the networks on resource commitment in the destination country, the findings are not as conclusive. However, it should be noted that all five immigrant entrepreneurs who used a mix of co-ethnic and business networks made lower resource commitment to their country of destination. Half of each of the groups of entrepreneurs who predominantly used co-ethnic networks and a mix of business and friends networks also used lower resource commitment in their country of destination.

The type of networks used is also relevant to the internationalization of businesses. Although not a specific research question of this dissertation, it is interesting to note that 15 people said their networks were the main or one of the main reasons they started engaging in international business activities. More of the participants who used stronger ties stated that their network was the reason they internationalized. For example, Asif, from Pakistan, was one of the participants who mostly used his business networks. He said after he arrived in Canada, he could not find a suitable job for a long time. He had to do odd jobs before he approached his business network from his previous job at a shipping company in Dubai. These were his former colleagues across Europe, who helped him set up his export business in Canada.

On the other hand, in the group of entrepreneurs who used strong-ties such as a family network, all of them stated that their network was one of the main reasons they started doing business internationally. Afshar, for example, said after his cousin started a business in China he noticed the opportunities there and decided to partner with him. In the same way, Shayan, Alexandra and Jingchu relied on their family networks to internationalize to their COOs.

To summarize these findings and address the fifth sub-question more fully, four types of networks or a combination of them were used by participants in this study. Ranging from the weakest to the strongest, these were, respectively: business, friends, co-ethnic, and family networks. Weak-ties were more diverse in terms of ethnicity and were used more commonly by those who engaged in business with countries other than COO. On the other hand, stronger ties were more homogenous in terms of ethnic background and were used more commonly by those who did business with their COO. There was no evidence that the type or strength of ties among immigrant entrepreneurs in the sample was different based on their level of resource commitment in their destination countries.

6.5. Personality Traits, Perception of CIP and Networks

In this section, the results of any possible effect between immigrant entrepreneurs' personality traits, their perception of the CIP in COO and COR, as well as their network types and usage is explored. As there are several constructs and there are many ways these could affect each other, only the patterns that emerged strongly will be reported here.

6.5.1. *Personality Traits and Perception of CIP*

This section will outline the findings on the effect of immigrant entrepreneurs' personality traits on their perception of the institutional profile of COR and COO. Participants' perception of the institutional environment appears to be different based on different levels of Extraversion. This variation also coincided with their choice of country to do business in or with. Generally speaking, more extraverted individuals had more

positive opinions and were less likely to exclude other countries or regions as destination countries.

In general, fewer of the more extraverted immigrant entrepreneurs had negative comments about the CIP of COO and COR. Some of the more introverted informants had negative comments about the regulatory and cognitive dimensions of the CIP in both COO and COR. For instance, seven of the ten least extraverted immigrant entrepreneurs made negative comments about the regulatory aspects of their country of origin and eight had negative remarks about the same dimension of the CIP in COR. In contrast, only three of the ten most extraverted immigrant entrepreneurs had negative remarks about their COO and seven about their COR. In addition, the negative comments by less extraverted immigrant entrepreneurs were generally more serious compared to the negative remarks made by more extraverted participants.

For example, in terms of negative comments about the regulatory aspects of COO, less extraverted immigrant entrepreneurs spoke of serious corruption, systematic discrimination, and major red tape. Alexandra from Indonesia, with the second lowest score on Extraversion, was representative of the entrepreneurs with less positive views and spoke negatively about both Canada and Indonesia:

In Canada everything is transparent. In Indonesia, nothing is transparent. They make it so. So it depends on what you want to do... it depends on whether you have a network to cut through the red tape or not. If you do, then you will probably want to be in Indonesia. And if you don't, then you should be in Canada, because you will just push and push but you will never get a contract. In Canada, of course there's corruption and everything as well, but not to the same extent as in Indonesia.

Considering that Alexandra only chose to do business in Indonesia, her comments about COO are interesting. It may not be surprising to hear somebody speaking about corruption in Indonesia, but most people would not categorize Canada as a corrupt country. Alexandra further commented about COR's regulatory settings:

I was thinking of investing more money abroad, but I needed help. Regardless of my immigration status in Canada, I should get the same help from the government institutions. So, if I needed some information about Malaysia or Indonesia to start a business there. I assumed that the Canadian trade agents could help me or assist me in some way... A lot of

them are really not competent, I'm sorry to say! I think it is actually such a shame, because they could actually foster the trade between Canada and these countries. I don't know what they are doing there, to be honest. I could have brought a lot more money to the country... Basically I was asking if there was a list of all Canadian companies that had business operations in Indonesia. I know there are a lot—it's a country with rich oil resources. The response was late. It was a late reply, and it was not professional at all.

These are unmistakably negative remarks about Canada's regulatory institutions by a relatively introverted immigrant entrepreneur. Alexandra was having a hard time with her business. In the sample, she was the only participant that was not very positive about the prospects for her business. Her revenues in 2010 had only reached just over CAD30,000.

However, Alexandra's negativity about COR and COO cannot be only attributed to her lack of success. Other less extraverted immigrant entrepreneurs also had many negative comments about both COO and COR's regulatory dimensions. For example, Heydar rebuked his country of origin's (Pakistan's) support of pulp and paper industries, as well as well as Canada's judiciary system for having extremely relaxed laws against debt defaulters among business people. In 2010, his company had CAD5 million in revenues, up from CAD4.3 million in the year before. These are unmistakably negative remarks about Canada's regulatory institutions by a relatively introverted immigrant entrepreneur, but one who has been objectively successful.

Jingchu, another less extraverted participant from China, spoke of the red tape for importing to and exporting from his country of origin and the amount of documentation and paperwork that was required for this type of business. However, he did not think of China very negatively, because he thought he was already familiar with the bureaucracy. With revenues of CAD320,000 in 2010, Jingchu was not as profitable as Heydar, but had more positive views of his COO. Carlos had similar complaints to Jingchu's, but his revenues were much higher at CAD2.4 million in the same year. He was very successful and talked about the upcoming launch of several new product lines and contracts in Europe and the US. He was satisfied with his achievement in finding sources of durable and environmentally friendly raw material and dyes. He anticipated making double-digit growth during the next few years. An incident in which it took him

six months to clear a shipment from customs in Mexico had made him very dissatisfied with his COO. The negativity of that experience was so extreme for him that he had not dealt with his COO for the past decade as a result. Carlos's success did not prevent him from speaking negatively about his COR, a country he cared about deeply. Carlos complained about the Canadian government's lack of support for entrepreneurs and high-tech industries. He said:

We're selling all our resources. Nothing is processed here. What will happen to Canada? She will become a third world country type of thing if we keep selling our natural resources. So we need manufacturing, good manufacturing. I don't understand why there is no more encouragement for hi-tech, like the way Japan supports such industries. We might need it. It's being introduced for manufacturing research and development. Like what Panasonic and Sony do. Later on all of these grow and will create the infrastructure to develop a super economy. The Germans also are excellent on that and I think Canada has to really develop the infrastructure for hi-tech companies.

On the other hand, the more extraverted entrepreneurs had fewer and milder negative comments. For example, Jihan vaguely spoke of India's regional governments' corruption in allocating resources and contracts. At the age of 70, with a sick wife at home and revenues of under CAD100,000 he was very positive about the prospects of his one-year-old business. Contrary to his own negative comment, he kept most of his investments and real estate property in India. Likewise, Afshar's comments about the situation in Iran made the environment there sound more attractive for doing business. He said: "The political and social situations in Iran make everyone else want to leave Iran and go somewhere else." He explained this as the reason he wanted to do business there, because he would face very little competition. The negative perceptions of the CIP in COO and COR by immigrant entrepreneurs who scored lower on Extraversion, as well as the finding of minimal or no negative perception of these characteristics among more extraverted participants, points to the relationship between this dimension of FFI and CIP in COO and COR.

Negative perception of the institutional environment in COO and COR was not only limited to the lower levels of Extraversion; entrepreneurs who scored higher on Neuroticism also had many negative comments. Most of the highly neurotic participants expressed many complaints about both COR and COO, but negativity about COR's

institutional setting was more consistent. Mehran and Shayan both complained about the business system and regulatory institutions in Canada. This was despite the fact that their businesses were very successful and profitable. Mehran had started his business of importing and selling furniture in Canada in 2003. At the time of interview, he was opening his third warehouse in Canada and had revenues of CAD1 million. Shayan was even more successful. He had started his electronics manufacturing business in late 2009 and was building his solar-panel manufacturing facilities in his COO. His revenue in 2010 was CAD2.2 million and he expected to increase it to CAD3 million in 2011. Nevertheless, they were both unhappy with the institutional environment in Canada. Mehran indicated that the Government of Canada or other regulatory agencies should require entrepreneurs to obtain a business education. From his perspective, this would reduce the number of bankruptcies, which would benefit entrepreneurs and other businesses, as well as government and financial institutions.

On the other hand, Chai complained more about the government's extensive role in business in COO, specifically that in her COO (and to a certain degree, in her COR), that the only way to grow fast was to get government contracts. She said that unless one is connected to the government and can get government projects (e.g. through nepotism), one can only stay at the lower levels of society. However, at the same time, Chai was also very satisfied with her business performance. She was certain that she was on her way to increasing her revenue from CAD30,000 in 2010 to CAD110,000 in 2011.

Moving from emotionally less stable entrepreneurs to moderately stable entrepreneurs, the number and severity of complaints decreased. There were still, nevertheless, some very negative comments on COR by moderately emotionally stable individuals. Afshar is a good example. He said:

The business environment in Canada, I've found it to be the harshest in the world when you compare it to anywhere. They open the door and say "Sure! You want to start a business?" They tell you that you need five minutes. You need to rent a place and then register [to] start your business. And then they start grinding you until you go bankrupt. So Canada is the worst place in the world, I would say from my experience, to start a business unless you are offering just a service with zero overhead where if anything happens you can pack up and go do it

elsewhere or do something else—then it might be somewhere good for businesses.

However, apart from Afshar, most complaints by participants who scored lower on Neuroticism were relatively mild and followed by comments that tended to justify the shortcomings the participants mentioned. For example, Raul complained about the process of customs clearance in Canada, but then added that it is better than the process in Colombia and the US.

The perception of the CIP in COR of those who scored lower on Neuroticism (more emotionally stable immigrant entrepreneurs) was also less negative. Apart from some complaints about the banking system, the top nine emotionally stable immigrant entrepreneurs had no or very few negative comments to offer about the regulatory aspect of doing business in Canada. There were, however, some complaints about Canadians in general. Lee asserted that Canada is a land with abundant human and natural resources, but that it is one of the worse countries when it comes to management talent. He said he was shocked that nobody uses these opportunities. This is a person who said he had millions of dollars world-wide (he refused to disclose information about his firms' financial performance). He had established several businesses across the world and sold them at a significant profit.

Chuyong also had a one-year-old business. His income from COO and COR together amounted to CAD400,000. Chuyong merely criticized Canadians for their lack of motivation to seize opportunities. He said that he went to any networking opportunity he could, but that whenever he presented a “good” business idea to Canadians, they did not respond very enthusiastically. Chuyong, however, was very positive about his business in Canada and said he loved Canada and Canadians. Therefore, despite some negative complaints, all the more emotionally stable entrepreneurs were more positive about most things than those scoring higher on Neuroticism. Even the negative comments were fewer in numbers and milder in phrasing. Not only were the more emotionally stable entrepreneurs milder in the terminology they used to remark about the institutional environment in COR, their whole demeanor was calmer.

In addressing the sixth research sub-question, this investigation has two main findings. First, immigrant entrepreneurs with higher levels of Extraversion were more likely to have positive perception of CIP in COR and COO. Second, participants' level of dissatisfaction with COR's institutions increased as their level of Neuroticism increased.

6.5.2. *Personality Traits and Networks*

In this section, I report the findings on any effect between personality traits and network usage among the immigrant entrepreneurs in the sample. The analysis on variation of personality traits and the effect of these upon the type of networks immigrant entrepreneurs used was inconclusive. However, Extraversion showed some effect on immigrant entrepreneurs' reliance on their networks. Those immigrant entrepreneurs who scored higher on Extraversion were using their networks in daily business activities more often than other entrepreneurs. The type of network relied on, on the other hand, varied mostly between business networks, friends, and co-ethnic networks or a mixture of them; most of them were relatively weak-ties, but not specific in network type.

With one exception, all the more extraverted participants specifically said they relied on their networks for business-related issues either usually or often. In contrast, two entrepreneurs in the medium extraverted category and four of the people who scored lower on Extraversion mentioned that they did not use their networks in business often. The participants who were not using their networks in business relied more on advertisement, trade shows, market research, and internet searches for finding business opportunities and partners. These entrepreneurs would sometime use their business networks, or weaker ties, but did not rely on them as much as other immigrant entrepreneurs did.

Some of the more extraverted individuals said that the primary reason they started doing business internationally was due to their existing networks. For example, Masud's main reason to start doing business internationally was his "talent for international relations and networking". He was still finding his clients mainly through networking. Masud's reason for doing business with his COO, Sri Lanka, in addition to several other countries, was his networks there. He did not rely as much on his co-ethnic networks as he did on weak business-ties. As a Tamil, he only looked for his

business networks among his fellow Sri Lankans (i.e. not necessarily Tamils). He explained that the reason for going to Sri Lanka versus any other place in the world was his need for networks:

I don't know every part of the world. To get anything done, you have to know people. It's a network that matters and works. For example, let's say you are a lawyer and want to apply for a job at my law firm. If you came through my friends, the person I know, you will have a better chance to be interviewed and get a job. That is the same type of networking and business connection that works in Sri Lanka. You have to know people.

Masud's network consisted of both business and co-ethnic networks, and his relationship with the network members seemed to be of the weaker type. Masud was born and grew up in Sri Lanka's capital city, Colombo. Colombo's population includes almost all the various ethnic groups in Sri Lanka. Being a Tamil, the largest ethnic minority in Colombo and Sri Lanka, his co-ethnic network was also comprised of various other ethnic groups from Sri Lanka. He considered people from all of Sri Lanka's ethnic groups to be Sri Lankans and, thus, approachable as part of his network. His worldwide business network consisted mostly of those of South Asian ethnic origin (e.g. Sri Lankans, Indians, Bangladeshi, and Malays from Malaysia), who were culturally similar to him. He also boasted that his network was very large and that he knew many people from other ethnic origins. For instance, his partner in an investment consultancy business was one of his ex-colleagues with a Chinese ethnic background,

Less extraverted participants did not utilize their networks as much as more extraverted ones. For example, Ranji, from India, offered hardware and software services to clients around the world. His score put him at the low level of Extraversion. He had clients in several countries on almost every continent, and his primary way of finding clients was through internet advertisement. He had never gone through networks to find clients and had certainly not asked other clients to refer new clients to him. His clients, however, had referred new customers to him (i.e. passively benefited from network). He thought advertisement was sufficient and did not find networking a necessary aspect of his business. Ranji, on the other hand, still would use his father's extra storage space when needed, as well as his father's mailing address for shipments of equipment. He said he did not have many friends and spent most of his time with his

wife and parents. Despite the fact that he had employed one of his long-standing ex-colleagues whom he had known for about ten years, Ranji only referred to him as “my vice president” or “my employee” and did not acknowledge a deeper relationship.

Kim, Roshan and Carlos almost never used the word ‘network’ or ‘networking’ and instead referred to business relations. Carlos and Kim were the other two people who indicated that they did not have any friends. Carlos, smiling, said that his children always made fun of him because he did not have a single friend. The less extraverted business entrepreneurs, if using networks, mostly relied on family and strong-ties. For example, Jinchu relied on his father in China, Alexandra relied on her parents for help, and Shayan relied on his brother.

In contrast, Suran, who scored as highly extraverted, mentioned that she can only go to places where she knows people. She relied on her networks for many things and kept talking about networking. Suran primarily used a mix of co-ethnic and business networks, mostly weaker ties. After talking about the way she had found her existing business partners through networks, she also went on about various business opportunities that she had thought of working on in the near future. Suran consistently referred to her extensive network of people she knew around the world as her friends. These came up at different stages of the interview.

I want to go to Zimbabwe for a project, because I have one friend there. Finding this connection was a different story from my usual networking. I happen to help some of [my] neighbors from Zimbabwe. I kind of built a relationship with them. I’m just thinking if possible I can do something in Zimbabwe. My ideas may work there. Another place I am considering is Uganda. I met a Ugandan at the Diaspora forum recently, where she is doing some good work related to small business development in Uganda...

I don’t have many partners in other countries that I can think of. I have one partner in Cambodia. We are going to do a project together, but she’s now in Germany ...

I would like to do something in India, because I also have a very good friend there. He is very young. He liked my previous project in Sri Lanka. He is not ready to do the kind of work I’m doing right now, because he says that he wants to establish himself first. That is his philosophy, but I don’t think he needs to wait any longer. I am not going to wait for him for too long, because I have some other people in India.

Ahmad, Jihan, Lee and Maria, all with higher levels of Extraversion, similarly talked about their extensive networks and how connected they were. Ahmad mostly relied on his business networks for his supply side and on his co-ethnic network for the sales side. Maria and Jihan relied on a mix of co-ethnic and business networks, and Lee on business and friends. These are all indications that immigrant entrepreneurs who scored higher on Extraversion may have relied mostly on weaker ties from their co-ethnic and business networks. Less extraverted immigrant entrepreneurs, on the other hand, may not have relied on their networks and, if they did, they may have been more likely to approach stronger ties such as family members. Furthermore, more extraverted individuals seemed to perceive their weak-ties stronger than less extroverted participants. On the other hand, to the former individuals, strong-ties seemed to be perceived not as strongly as they were for the latter type of individuals. This addresses the seventh sub-question: more extraverted immigrant entrepreneurs' reliance on weak-ties was more common and they utilized them regularly, while less extraverted immigrant entrepreneurs were less reliant on their networks or benefited from them passively and used their stronger family-ties when needed.

6.5.3. *Perception of the Institutional Environment and Networks*

Similar to personality traits and networks, the pattern of variation between immigrant entrepreneurs' perception of the institutional environment in regard to their networks was strong. However, as related to the exact type of network, this pattern was less clear. The findings highlight immigrant entrepreneurs' utilization of their networks in international business activities in general and the effect on their perception of the institutional environment. More specifically, entrepreneurs who used their networks with weaker ties regularly or often and relied on them more in their international business activities were more likely to perceive the cognitive and normative dimensions of COR more negatively. Broadly speaking, those immigrant entrepreneurs who used their co-ethnic ties more regularly were more dissatisfied about this dimension of the CIP in Canada than those who used their business networks less frequently.

Negative perception of these two dimensions of COR by users of networks in IB activities (in short "networkers" or "network users") was mostly due to participants' interaction with Canadians. Network users, in this case, were those who used their

networks in international business activities. Almost all of them were the same immigrant entrepreneurs who were in the habit of using their networks in general. Most of these people relied on networking with the members of their co-ethnic group for a multitude of reasons. As was discovered, most network users did not think Canadians were good at or even prepared to foster networking. Most of these participants were referring to Caucasian-Canadians, but some people (e.g. Chuyong and Raul) said that second-generation migrant populations in Canada also seemed to be lacking in this regard. Chuyong and Raul said the second-generation immigrants are better than Caucasian-Canadians, but that they did not have quite the same spirit for networking as the first-generation immigrants (co-ethnic or otherwise).

Chuyong, Zhang, Jingchu, and Raul relied heavily on their co-ethnic networks for everything. All of them complained about how people were not willing to share information in Canada. Raul, originally from Colombia, complained about problems with his Canadian colleagues at work before becoming an entrepreneur. Professionally trained as an architect, he worked at an architectural design firm in Canada for several years. He said he felt lonely there because nobody in his office wanted to talk to him or listen to his ideas. According to Raul, a few Canadians who formed a core group there held the most crucial information and would not share this with others. This was one of the reasons that after five years of practice in Canada and several years in COO, he left his former profession and decided to become an entrepreneur. After becoming an entrepreneur, he realized the situation was not very different among business people and entrepreneurs. He found Canadians not very entrepreneurial and unwilling to take risks.

When you tell someone 'I have a very good business proposal for you,' most people reply, 'Okay, what is this proposal?' I usually explain my ideas as I can send five containers of ABC product to Venezuela and you need to do this and that to get 50 percent of the profit! Their part is so easy that they couldn't have dreamed of making 50 percent of such large profit. I tell them we can split the expenses and the profit equally. What did they say? Yes or no? A lot of people say 'no!' Why? Because, a lot of people prefer to keep their simple routines and don't want to take any risk. Yes, in Canada, nobody wants to take any risks!

Chai, another network user, complained about the unapproachability of Canadians when it comes to the exchange of ideas and talking about businesses, products, markets, and management issues. Chai said she utilizes her weaker ties, consisting of immigrant non-Chinese friends and co-ethnic ties, but more of the latter than the former. She partially blamed her lack of connection with Caucasian-Canadians on her ability to communicate and relate to them. Her command of English was not very good and she was self-conscious about it. However, this sentiment seemed mainly directed to Caucasians born in Canada, because Chai did not have the same problem with other immigrants and immigrant entrepreneurs. She was cooperating and working with immigrants from Poland, Iran and India. Some of her clients were first-generation Eastern Europeans. She had outsourced an important portion of her business to her COR, China.

Lee was one of the people who claimed to be a very good networker. He said he networked with everyone. His ties were all weak-ties with anyone from anywhere and from all walks of life. Lee said even venture capitalists in Canada were not supportive of his innovative ideas. He had to go to Silicon Valley to find an angel investor to raise fifty thousand dollars to add to their over CAD100,000 personal and family capital to start the firm. Within a very short period of just over one year, his idea had proven to be so worthy that a Silicon Valley firm bought a portion of his firm for millions of dollars (exact value and shares were not disclosed). He is now running a multinational operation extending, and still expanding, from Latin and North America to Europe, Asia, and Oceania (he did not disclose his revenues). Alexandra, Afshar and Heydar also heavily relied on their networks in international business activities. Alexandra relied on close family-ties, Afshar on a combination of co-ethnic friends and relatives, and Heydar on weak business-ties. They all spoke of the lack of clarity regarding rules and regulations in Canada and the fact that nobody seemed to know where to find such information.

This dissatisfaction of networkers with Canada's cognitive and normative institutions was also apparent when looking at non-networkers. Exactly half of the immigrant entrepreneurs who stated that they did not use their networks in international business activities rarely made any negative remarks about COR's cognitive and normative institutions. Despite their initial hardship upon arrival in Canada, they were all very happy about almost everything in COR. At their time of arrival in Canada, some of

them, such as Roshan, Asif and Naser, had applied for tens to hundreds of jobs without success. All three of them, each with an excellent command of English and a high educational background at the time of arrival had to do odd jobs for years, before becoming entrepreneurs. These were mostly jobs unrelated to their professional expertise or manual labor. During their entire periods of underemployment, none of them, apart from Asif, approached their networks for help. Even after the three of them, separately, built successful businesses, none of them relied on their networks in their international business activities. If they had to, the only networks they talked about were weak business relations.

These are clear indications that immigrant entrepreneurs who did not use their networks in their cross-border business activities were happier about Canada's cognitive and normative environment and that those who did rely on their networks were less pleased with these institutions. To conclude this section, and addressing the eighth sub-research question, immigrant entrepreneurs' extensive reliance on and utilization of weaker co-ethnic ties affected their dissatisfaction with the cognitive and normative institutions in Canada.

7. Discussion

To address calls to include entrepreneurs' personality and cognitive process of international business activities (Baron, 2007; Zahra, Korri, & Yu, 2005), this dissertation sought to investigate the effects of immigrant entrepreneurs' personality traits, perception of the institutional setting, and network usage on their international business activities. For the purposes of this discussion, international business activities encompassed whether immigrant entrepreneurs chose to do business in their country of origin (COO), as well as the level of resource commitment in their destination countries. To better probe into all related constructs and their connections, the primary research question (How immigrant entrepreneurs' personality traits, perception of institutional characteristics, and their utilization of networks affect their decision to do business with their COO and their level of resource commitment in their international business activities?) was divided to eight sub-questions. A list of these sub-questions and the summary of results for this exploratory study is provided in Table 7.1.

In addressing each research question, the findings indicated that, as predicted, personality traits affect immigrant entrepreneurs' decisions regarding their destination country (Sub-question 1). This dissertation, however, could not find a direct effect between immigrant entrepreneurs' personality traits and their resource commitment in their destination countries (Sub-question 2). This dissertation also found that perception of the institutional environment in COO could be important in terms of the decision to do business there (Sub-question 3). On the other hand, their perception of the similar institutions in COR could be more important in their decision to commit resources internationally (Sub-question 4). Furthermore, entrepreneurs utilizing more diverse weak-ties were less likely to do business with their COO, while those using homogenous strong-ties were more likely to do business with COO (Sub-question 5). Unfortunately, this study was unable to find a direct link between network usage and immigrant entrepreneurs' resource commitment in destination country (also Sub-question 5).

TABLE 7.1: Summary of sub-questions and findings

1- Personality traits and destination country:	
Lower levels of Extraversion	More likely to have exclusive business with COO
Higher levels of Agreeableness	Less likely to discriminate against doing business in many countries
Higher (lower) levels of Neuroticism	Strong (neutral) feeling towards doing or not doing business with COO. Other factors such as perception of CIP of COO and networks determine outcome doing vs. not doing business with COO.
Conscientiousness	No results
Higher levels of Openness	More likely to diversify to other countries and more likely to not do business with COO.
2- Personality traits and resource commitment	
No results	
3- Perception of CIP and destination country	
Positive perception of COO	More likely to choose COO
4- CIP Perception and resource commitment	
Positive/Negative perception of COR	More likely to commit less/more resources
5- Network utilization	
Four types of networks	Business, friends, co-ethnic, and family
More diverse weak-ties	Less likely to do business with COO
Homogeneous strong-ties	More likely to do business with COO
Network utilization and resource commitment	No results
6- Personality traits and perception of CIP	
Higher levels of Extraversion	Perceiving CIP in COO and COR more positively
Higher levels of Neuroticism	Perceiving CIP in COR more negatively
7- Personality traits and network usage	
Higher levels of Extraversion	More reliance on weak-ties and more frequently
8- Perception of CIP and network usage	
Active networkers	Negative perception of normative and cognitive institutions in COR

Personality traits of entrepreneurs in this sample seemed to play a role in the way they viewed the institutional environment both in COO and COR (Sub-question 6), as well as the way they networked (Sub-question 7). As such, this dissertation assumes, in

addition, an indirect linkage between personality traits and resource commitment, and to the choice of destination country. Finally, in addressing the last sub-question, this dissertation discovered that network utilization could be important in the way these immigrant entrepreneurs viewed the institutional environment in COR.

First, I looked at what business activities immigrant entrepreneurs engaged in and how the participants were connected to their COO. The sample consisted of two groups; one engaged in business with COO and the other group not. The group of entrepreneurs who did not do business with COO also included those entrepreneurs who 'did not want' to do business with COO. This latter sub-category of entrepreneurs was separated out from those immigrants who did not do business with their country of origin, but were not actively avoiding such opportunities either. Among those participants who did business with COO, there were also two types of immigrant entrepreneurs. The first type included entrepreneurs who did the same line of business with COO and at least one other country. The second type were entrepreneurs who either only did business with COO or their line of business with COO was completely different from their usual business with other countries.

These findings further clarify many previous studies on immigrants and immigrant effect. Most former studies had suggested that the existence of immigrants is the reason behind the boost in the level of trade between their COO and COR (Chung, 2004; Dunlevy & Gemery, 1978; Gould, 1994). While this is true in most cases, this idea created the misconception that most or many immigrant entrepreneurs do business with their COO (Gould, 1994; Head & Ries, 1998b). These new findings are consistent with some previous studies (Ghorbani, 2011) in that not only do not all immigrant entrepreneurs do business with their COO, but some of them actively avoid engaging in any type of business relationship with their country of origin. The sample in this study was deliberately selected to have all participants being immigrant entrepreneurs who did business internationally. The fact that half of the sample did business with their COO and the other half did not was a coincident and a random occurrence. This coincidental split is also evidence that the mere country of origin effect is not that simple and perhaps other factors such as personality of entrepreneurs, their perception of the institutional environment, and their network utilization are determinants of their decisions regarding the choice of destination country.

In terms of resource commitment, the immigrant entrepreneurs in this sample committed low (i.e. import/export), medium (i.e. representative office) and high (i.e. manufacturing or supply-chain facilities) levels of resources in their destination countries. This dissertations' findings partially support previous studies (Ellis, 2011; Tung & Chung, 2010) in that when it came to high levels of resource commitment, immigrant entrepreneurs were more likely to invest in their country of origin. However, this pattern was inconsistent for medium levels to no resource commitment in destination country. This inconsistency could be explainable mostly through immigrant entrepreneurs' perception of the institutional environment both in COO and COR as well as their network utilization practices, which will be discussed in details in the relevant sections below.

7.1. Personality Traits

Consistent with McCrae and Costa (1985) and John et al. (2008), the observed behavior of most participants fit into the personality traits as defined in Table 2.1. For example, more extraverted participants (i.e. scoring higher on this dimension) were more talkative (John et al., 2008). The talkativeness of more extraverted immigrant entrepreneurs was apparent through the length of their interviews. It should not be surprising that some of the longest interviews were with more extraverted participants. The interview with Suran, with a full score on Extraversion and relatively poor English, lasted for over one hour and 30 minutes. On the other hand, the interview with Roshan, who sounded like a native and scored the second lowest in the sample, lasted for just over an hour.

The findings of this dissertation indicate that consistent with previous studies, personality attributes (Lumpkin & Dess, 1996; Shane & Venkataraman, 2000; Zahra & George, 2002) and, in particular, personality traits of individuals play an important role in entrepreneurial activities (Baum et al., 2007; Baum & Locke, 2004; Ciavarella et al., 2004). This dissertation also found that the behavioural outcome of entrepreneurs in this sample regarding their choice of destination country was consistent with the definition of these traits (John et al., 2008; McCrae & Costa, 1985). At the same time, this study found that four of the traits—Extraversion, Agreeableness, Neuroticism, and

Openness—varied across different groups of entrepreneurs based on their decisions about country of destination.

To the author's knowledge, no previous study has been undertaken on the effect of personality traits, as measured by FFI, on either the choice of destination country or resource commitment in other countries. However, the findings do not contradict previous studies on the effect of personality traits and entrepreneurial firms. For example, this study found that higher levels of Openness in immigrant entrepreneurs in this sample were associated with choosing to do business in a diverse group of countries. However, those immigrant entrepreneurs who scored lower on this trait mostly engaged in business in their COO or countries that were similar to their COO. This finding is consistent with the traits that Openness is associated with and the way it affects entrepreneurship. Individuals who score high on Openness often are more tolerant of new ideas and more adventurous, while those scoring lower on Openness are more likely to be happy with the way things are rather than seeking change (John et al., 2008). Most literature on entrepreneurship indicates that thinking outside the box (a trait included in Openness) is an essential part of innovation. With new ideas and thinking outside the box come innovation, which is perhaps one of the most fundamental parts of entrepreneurship (Ireland et al., 2003). Therefore, it should not come as a surprise that entrepreneurs scoring higher on Openness were approaching countries other than their COO, but that those who scored lower did not think much farther than their COO.

Results on Extraversion suggested that this trait is perhaps relevant to the choice of country of destination and to perception of CIP in COO and COR, as well as approaches to utilizing networks. More introverted participants were more likely to do business with their COO exclusively, but the reverse was not necessarily true for more extraverted participants. More extraverted entrepreneurs were very unlikely to have exclusive relationship with their COO, but their decision to have a relationship with COO seemed to be contingent upon their perception of CIP and networks they used. On the other hand, most extraverted participants perceived the institutional in COO and COR more positively, while more introverted participants perceived them negatively. As such, one would think that more extraverted participant were more likely to perceive the institutional environment in COO more positively (a finding from Sub-question 6), which could be an indication that they would do business there (a finding from Sub-question 3).

However, the situation is more complicated by network utilization practices.

Another effect of Extraversion was found on participants' networking activities, as the more extraverted entrepreneurs used their weak-ties and used them more frequently (finding of Sub-question 7). However, if these weak-ties were more homogenous (e.g. co-ethnic ties), they were more likely to do business with their COO and if they were heterogeneous (e.g. business-ties) they were less likely to do business with their COO (finding of Sub-question 5). As such, only those extraverted immigrant entrepreneurs who perceived the institutional environment in COO more positively and utilized their co-ethnic networks were more likely to choose their COO as their destination country. This shows the complexity of the interrelationship between personality traits and decisions regarding the destination country. The indirect connection is through both network utilization and perception of the institutional setting in COO.

Extraversion did not show any direct effect on the level of resource commitment in destination countries. However, Extraversion could indirectly, through perception of CIP in COR, have an effect on the level of resource commitment in destination country. While more extraverted participants were more likely to perceive the institutions in COR more positively (Sub-question 6), not all participants were equally positive about the institutional environment in Canada. Among all of the most extraverted as well as the moderately extraverted participants, all those who perceived CIP in COR more positively and less negatively were more likely to employ the lowest level of resource commitment in their destination countries. In contrast, all those very extraverted or moderately extraverted immigrant entrepreneurs, who perceived the institutional environment of Canada less positively or more negatively, were more likely to commit more resources to their destination countries. Personality traits did not show any direct effect on the level of resource commitment in destination country, but showed an indirect effect through CIP. This indicates that perception of CIP in COR mediates the effect of personality traits on the level of resource commitment in destination country.

Another example of consistency with previous studies concerns findings on Neuroticism. Previous studies on entrepreneurship indicate that different levels of Neuroticism distinguish between entrepreneurs and managers (Zhao & Seibert, 2006), entrepreneurial intentions (Obschonka et al., 2010), and entrepreneurs' performance

(Zhao et al., 2010). Similarly this study found that immigrant entrepreneurs who scored higher on Neuroticism either deliberately did business with their COO or refused to do business there. Relatively more neurotic individuals in this sample demonstrate a swing of emotions particularly towards their country of origin. This was not surprising as the average entrepreneur in the sample was high on Extraversion (average of 3.87 and minimum of 2.5) and relatively extraverted and neurotic individuals often experience swing of emotions (Passer & Smith., 2009).

The findings indicate that more neurotic participants' decision regarding their COO was more deliberate in that they either only did business in COO or had an exclusive type of business with their COO. Neurotic participants' decision to either do business with COO or not do business with COO was contingent on their perception of the institutional environment in COO and their networks. Participants who scored high on Neuroticism and perceived the institutions in their COO positively chose to do business there. Similarly, all of those entrepreneurs who decided to do business with their country of origin used either their strong family ties or relatively weaker co-ethnic ties. Again, these results indicate that some personality traits' effect on the decision regarding destination country is mediated by other factors such as perception of CIP.

The mediation that is found here can partially explain the inconsistencies that were observed in previous studies on entrepreneurship (Ciavarella et al., 2004; Obschonka et al., 2010). It is already clear that this dissertation investigated a phenomenon different from that which most previous, related studies have undertaken. As such, it should not be surprising that the results might not be exactly the same. In addition, this study discovered that the effect of personality traits was mediated by both network usage as well as perception of the institutional environment. This indicates that the inconsistency between the previous studies might have been due to their measurement of other constructs or not including similar mediating or moderating factors. For example, neither Ciavarella and colleagues (2004) nor Obschonka and colleagues (2010) included any measures or controlled for networks of which those entrepreneurs or potential entrepreneurs were members.

This dissertation, however, did not find any sign that Conscientiousness had any impact on participants' choice of country of destination (or resource commitment). A

possible explanation is that the constructs investigated here, choice of country of destination and resource commitment there, are different from venture survival, entrepreneurial intentions, and performance studied by other scholars. In fact, consistent with previous studies that found Conscientiousness is related to entrepreneurial intentions (e.g. Obschonka et al., 2010; Zhao et al., 2010), is one of the distinguishing characteristics between entrepreneurs and managers (Zhao et al., 2005), and is positively related to the long-term survival of entrepreneurial firms (Ciavarella et al., 2004), this study found that entrepreneurs in the sample were very high on this trait. Two of the participants in this sample had the highest possible score (5.00) and the average score in the sample (4.11) was higher than absolute mean score of 2.50. While in the absence of a control-group, which is a limitation of this study, it is not possible to say whether scoring high on this trait is common among all immigrants or immigrant entrepreneurs in general, it is at least a proof that the immigrant entrepreneurs who do business internationally are relatively conscientious. In addition, this study is also consistent with previous studies that found Conscientiousness is a trait that can predict performance (Zhao et al., 2010). Almost all entrepreneurs in this study claimed to be successful. Most of them anticipated large to satisfactory gains for the year this study took place or for future years. While all firms in this study were privately owned and the investigator has no means to objectively confirm such claims, there is no reason to suspect otherwise.

7.2. Perception of CIP

Immigrant entrepreneurs' perception of the institutional settings in COR and COO and its effect on their decisions both to do business with COO and regarding the level of resource commitment in the destination country was the other purpose of this study. The first findings indicated that immigrant entrepreneurs had positive and negative perceptions, independent from one another, of such institutions in COO and COR. Consistent with many previous studies suggesting the institutional environment is important in various entrepreneurial activities (Bowen & De Clercq, 2007; Busenitz et al., 2000; Kostova, 1999) and the decision to invest in a country (Dunning & Lundan, 2008; Pajunen, 2008), immigrant entrepreneurs in this sample who had positive perceptions of the institutional environment in COO were more likely to do business there. On the other

hand, immigrant entrepreneurs who had less positive perceptions of the institutional environment of COR were more likely to commit higher levels of resources to their destination country. However, those who had more positive perceptions of these settings in COR committed fewer resources.

As mentioned earlier, four immigrant entrepreneurs made large investments in their COO. As was noted earlier, these investments had little relationship to the rankings of these countries by international organizations with regards to corruption or ease of doing business. Korea and the US were the place of investment for two of these entrepreneurs. Kim, who had investments in Korea and the US, also had operations in Singapore. These investments were made in countries ranked by the World Bank as easy places to do business. Among the 183 countries ranked by the World Bank in 2010 for ease of doing business, Singapore has been ranked at the top, the United States as the 4th, and Korea is ranked as the 15th (please see Appendix I). These investments, therefore, could be considered to be made with regard to the desirability of location (Dunning & Lundan, 2008). Consistent with this assumption, Kim mentioned that he consulted with PricewaterhouseCoopers to pick Singapore, Canada and the US as good places for investment.

However, as predicted, this dissertation discovered that perhaps the cognitive process of these entrepreneurs (Zahra et al., 2005) and their subjective perception of the institutional environment in COO and COR (Busenitz et al., 2000; Kostova, 1997) are more important than objective assessment of institutions. Shayan, Raul and Chuyong did not invest in such countries. They had also invested in their COO, Iran, Colombia, and China respectively. These countries' rankings for the ease of doing business, according to the World Bank, are the 140th, 47th and 87th respectively. Transparency International (2010) also ranked Korea as the 39th and the US as the 22nd most transparent countries, while Singapore was ranked as the most transparent country in the world (please also see Appendix I). Among the 178 countries ranked, Iran had the 146th, and Colombia and China jointly had the 78th positions. Therefore, it cannot be argued that these entrepreneurs were concerned about an objective evaluation of the business environment of their destination countries. Appendix I provides rankings for all COOs in this study, some of the destination countries and some advanced economies for comparison.

These contrary decisions were also not based on lack of knowledge of the difficulties or problems in the destination countries these entrepreneurs invested in. If anything, these decisions, as it was the case of Afshin, seemed more rooted in their knowledge of loopholes and opportunities that arise as a result of this in COO (Khanna et al., 2005; Peng, 2001). Afshin, Alexandra, and Chuyong specifically named many negative aspects of their country of origin and indicated that these have created more opportunities for them. Therefore, we cannot assume that the choice of destination country or the level of resource commitment depends on these countries' transparency or objective measurement of suitability for business. This contrary behavior could also be due to immigrant entrepreneurs' familiarity with or network in their COO (Ellis, 2008, 2011; Kontinen & Ojala, 2010; Wong et al., 2010). However, this cannot explain why many other participants in this sample who had similar networks and familiarity with COO did not take a capital investment approach. It also does not explain the fact that some of those who invested in their COO said that they were not using their networks in day-to-day business or international business activities.

The author also posits that immigrant entrepreneurs' personality traits are the other possible answer here. As discussed in the last section, personality traits of immigrant entrepreneurs varied within the sample. These differences, along with their idiosyncratic socio-political and economical element (e.g. availability of resources and their level of acculturation), resulted in participants perceiving many aspects of the institutional environment of their COO and COR more positively or negatively—the two elements that this dissertation found to be related to their decisions to choose their COO and commit resources to their destination countries. This again points to the fact that the effect of personality traits on choosing both a destination country and the level of resources committed there was mediated by their perception of different institutional settings in COR and COO.

Another almost unintended finding of this study was the fact that many immigrants in this sample were unhappy with the institutional setting of Canada. Those immigrant entrepreneurs in the sample who were not happy with the institutional environment of Canada kept themselves more detached (Bonacich, 1973). This unhappiness could not be attributed to their poor performance in business. The immigrant entrepreneur who had zero income did not complain as much as the person

who earned as much as one million dollars. Some of the most negative comments were offered by those entrepreneurs who had very high revenues and the largest growth over a very short period of time. Only one person in the sample, Alexandra, was negative and had a poor financial performance. The dissatisfaction with COR also could not be attributed to the cultural distance between their COO and COR (Johanson & Vahlne, 1977). Some of the entrepreneurs born in the same country, after controlling for individuals' age, network usage, income, education, time of immigration, and firms' age and extend of internationalization, had different feelings towards COR. The only noticeable differences were these individuals' personality traits.

Unhappy immigrant entrepreneurs being detached from their COR is also consistent with previous studies, as they were staying fluid and making it easier to leave the country whenever they chose (Iyer & Shapiro, 1999). This actually came up after the interviews on two occasions. Both Kim and Carlos talked about their retirement days and that they were planning on buying property in their respective COOs to retire there. In contrast, those immigrant entrepreneurs who were more positive about the institutional environment of Canada were here to stay. They did not see any reason to shift their resources to another country to create a base for the future. This could be partially attributed to participants' level of integration in Canada, which this study did not control for and is recognized as a limitation.

Immigrant entrepreneurs' perception of the institutional environment of countries other than COR and COO were either not important or inconclusive. Many entrepreneurs did not have opinions about institutions in other countries. One explanation for this is these entrepreneurs' disconnect with those countries. In order to make any comments about the institutional characteristics of other countries, one has to live there or be very familiar with the place. Many entrepreneurs in the sample had never visited their destination countries, because they merely had an import-export type of relationship with those countries. Some of the entrepreneurs did not make any remarks about their COO either. These were particularly those immigrant entrepreneurs who did not have a business relationship with COO or who had moved away from COO a long time ago (e.g. more than two decades). This is also recognized as a limitation of this study, because while the length of stay in COR was controlled for, immigrant entrepreneurs' degree of attachment to COO was not controlled for.

7.3. Network Utilization

The fifth sub-question was about the types of networks immigrant entrepreneurs use and the ways they were used. This dissertation found that immigrant entrepreneurs in this sample were utilizing their weak-ties more extensively than their strong-ties. The specific types of networks that were used, ranked from the weakest to strongest, were business, friends, co-ethnic, and family, respectively, as well as a combination of one or more. While seven of the 31 entrepreneurs in this sample stated that they borrowed money from their families at the time of start-up, only one of them continued to rely on strong-ties such as family members. This is consistent with the literature, which suggests that these ties are used at the time of start-up (Oviatt & McDougall, 2005), but that they are downgraded or the relationship is discontinued after the start-up period (Peng & Zhou, 2005). Of those who relied on strong family-ties for most their business activities around the world, all stated that their networks were very important in their decision to do business internationally.

In addition, immigrant entrepreneurs who used their weak-ties and particularly those who were not relying on co-ethnic ties were more likely to do business with countries other than their COO. In contrast, of those who utilized their closer networks and co-ethnic networks more seemed to do business with their COO. The stronger the ties relied upon by these immigrant entrepreneurs, the more exclusive their relationships were with their COO. This is consistent with Min and Bozorgmehr's (2000) suggestion that immigrant entrepreneurs who are closer to their co-ethnic community and utilize these networks more extensively are more likely to do business with their COO. This study, however, did not find any sign that ties are important factors in the level of resource commitment. This could be due to the fact that institutions and immigrant entrepreneurs' perception of these institutions are more important indicators of their degree of resource commitment in those countries.

Another explanation for this is also that network usage does not directly affect immigrant entrepreneurs' level of resource commitment in their destination countries, but rather that this impact is directed through their perception of the institutional environment. This dissertation also found a relationship between network usage and utilization and perception of the institutional environment (Sub-question 8). Immigrant

entrepreneurs who used their networks extensively, particularly weak co-ethnic networks, were more negative about the cognitive and normative dimensions of COR. Most participants who were networkers appeared to use their weak-ties extensively. More reliance on their networks meant that they would actively use their network both for information and for finding opportunities (Ellis, 2011; Granovetter, 1985; Hitt et al., 2002; Portes, 1998). These people were unable to make similar connections in Canada and resorted to utilizing their co-ethnic networks more. They had found it easier to find new friends or connect with old friends within their co-ethnic network. They established many weak-ties within this network. However, the lack of connection between them and local people (Caucasian-Canadian), made them blame different aspects of the cognitive and normative dimensions of their COR for this. They looked for something that, for whatever reason, was not available to them locally.

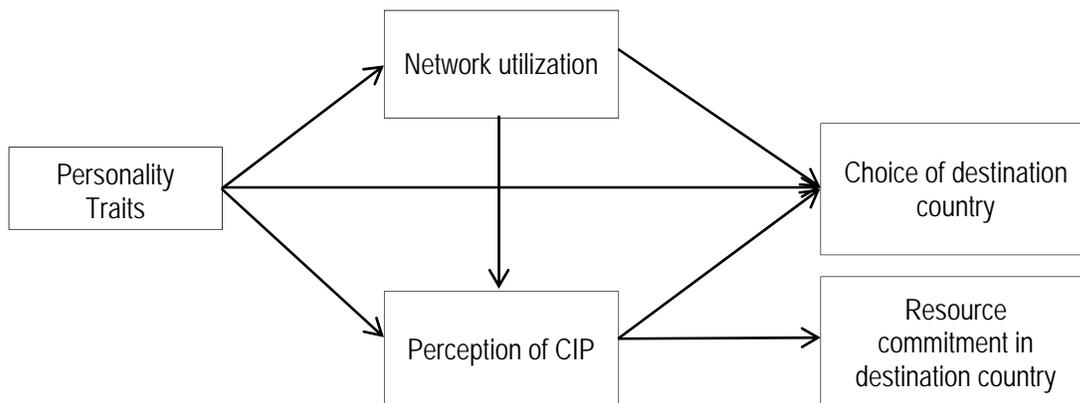
These immigrants' networking problems could be related to their degree of familiarity with COR's culture or their cultural distance, but this cannot explain why two people born in the same country had different approaches and experiences in networking. This problem was more rooted in whether the individuals were habitual networkers. For example, Jingchu and Chuyong were both from China. Jingchu relied mostly on his business-ties and his father in China, whereas Chuyong mostly relied on his co-ethnic networks. Jingchu's main business was to supply (imported and locally) medicine and nutritional supplements and sell (export or locally) them through his website. In addition, his staff found more clients by advertising, cold-calling, and pushing e-mail. Jingchu never used the word 'network' or 'networking'. When specifically asked, he said he is only connected to people through his business. While he had some complaints about the normative aspects of COR, as a business networker and somebody who did not really rely on his networks, he did not seem to find any problems with networking practices in Canada.

Chuyong, on the other hand, was an avid networker. He only wanted to network and thought networking to be an essential part of business. His two lines of business, software development and petro-chemicals, were both managed through his networking efforts. He had tried to join as many associations as he could to facilitate networking. He hired his employees based on their connections and ability to network. While he was very happy with the regulatory aspect of COR, he was extremely critical of normative

and cognitive aspects of Canada as they pertained to networking. These two individuals' differences were in their personality traits and networking practices; the former as a passive networker (Jingchu's customers often referred new people to him) and the latter an active networker. These are indications that networking practices could play an important role on individuals' perception of the institutional environment.

In addressing the eight sub-questions above, this dissertation provided an overall picture of immigrant entrepreneurs. It also addressed the main research question: How can immigrant entrepreneurs' personality traits, their perception of the institutional profile of countries, and their use of different networks affect their decision to do business with their country of origin and the amount of resources they commit to their international business activities? The findings could be summarized in a model of immigrant entrepreneurs' international business practices, which is depicted in Figure 7.1.

Figure 7.1: The model of immigrant entrepreneurs' international business activities



I suggest that immigrant entrepreneurs' personality traits can affect their perception of the institutional environment, the type of networks and ways in which these are utilized, and their decision to do business with their country of origin. Personality traits, however, do not directly affect immigrant entrepreneurs' decisions regarding their level of resource commitment to their destination country, but their effect is mediated by their perception of the institutional environment. Their perception of institutional environment also mediates the effect of immigrant entrepreneurs' types of networks and utilization of them on resource commitment in destination country. These networks also

seem to affect immigrant entrepreneurs' decisions about their destination country. Immigrant entrepreneurs' perception of the institutional environment also appeared to affect their relationship with COO.

7.4. General Discussion

Consistent with previous studies (e.g. Aldrich & Waldinger, 1990; De Carolis & Saporito, 2006; Lin & Si, 2010; Shane & Venkataraman, 2000; Yang et al., 2010), opportunity was the most or one of the most important reasons to do business with a country. Likewise, some forms of familiarity seemed to play a role in the informants' decisions to choose their target country. Other reasons, while consistent with previous studies, were not prevalent amongst all participants. One or two participants, for instance, attributed their decision to do business in COO to their familiarity with government restrictions (Aidis et al., 2008; Manolova et al., 2008) and loopholes in the regulatory institutions of COO (Fuller, 2010; Mesquita & Lazzarini, 2008; Peng, 2001). Two participants, Afshar and Masud, saw the chaotic and unstable political situation in their COOs as an advantage, in that it lessened competition for them. However, even such an attitude could be categorized as a positive perception of COO, rather than familiarity with COO.

The findings also indicate that the majority of immigrant entrepreneurs in this sample used savings and, to some extent, their family resources to start a business (Adler & Kwon, 2002; Portes, 1998). Unlike suggestions that their reliance on personal and family funding is due to their lack of knowledge of the local financial institutions (Iyer & Shapiro, 1999; Yang et al., 2010), participants' inability to obtain loans from COR institutions did not seem to stem from the same problem. The main reason many of them indicated was that they did not believe in either interest bearing loans or partnership with others. Many of them said that they did not want to pay back interest to anyone. A few others said that they did not have any collateral for a loan. For example, some of the entrepreneurs who started their business born-global (e.g. Raul wanted to export food products and grains to Latin America from the beginning) had difficulty securing a letter of credit. While organizations such as Export Canada provide loans to many businesses, immigrant entrepreneurs who do not have credit records and

collateral cannot obtain any type of insurance or letter of credit from this organization (personal communication with Export Canada, 2011).

In almost all cases these entrepreneurs were the source of financial and social capital, and the most important element of their firms (Ireland et al., 2003). These individuals did not all seem to be coming from elite social classes in their countries of origin (Basu & Altinay, 2002) and some had only minimal resources available to them at the time of arrival. Using what limited resources they had, most of them started very small and grew their businesses gradually. While a few indicated that they would like to retire in their country of birth, it did not seem that they were referring to staying disconnected from COR (Busenitz et al., 2000) or using Canada as an avenue to connect with elites in their COO (Saxenian, 2002). The other explanation for these entrepreneurs leaving Canada at the time of retirement could be also because of their inability to acculturate, which this study did not probe into and has been recognized as a limitation

At least half of the entrepreneurs were effective trade facilitators between COR and COO (Tung & Chung, 2010). While ethnic networks and other network theory-based studies (Aldrich & Waldinger, 1990; Ellis, 2011) can explain some of these findings, choosing to do business with COO cannot be attributed to the availability of a network there. Even some of the participants who indicated that they did not have any network in their COO had business dealings there. Their relationship with their country of origin was also not purely based on the institutions or location specific advantage (Dunning & Lundan, 2008). In another example, while Chinese made solar panel systems are the most cost effective in the world and easily purchasable, Shayan was using French technology to manufacture these panels in Iran. As postulated in the last section, a framework that considers immigrant entrepreneurs' personality traits, their perception of the institutional environment, as well as the type and approaches to using networks should all be utilized to study this new and growing phenomenon.

8. Limitations, Contributions, and Conclusion

The most significant limitation for this dissertation is related to its sample size and representation of the total population. First, this sample size was sufficient to studies of this nature as long as a point of saturation is achieved (Glaser & Strauss, 1967; Strauss & Corbin, 1998). The last few interviews were essentially a repetition of and further support for the earlier ones and did not add any new evidence; hence the point of saturation was reached (Miles & Huberman, 1994). Secondly, it is also imperative to find samples that are similar in type and nature, because the researcher wants to build a case for a specific phenomenon that applies to particular type of people (Eisenhardt, 1991; Glaser & Strauss, 1967; Miles & Huberman, 1994; Obschonka et al., 2010; Strauss & Corbin, 1998). However, this dissertation could have benefited from samples from other cities in Canada as well.

Another limitation of this study is also related to its sample. This dissertation has put forth a general picture of an immigrant entrepreneur who does business internationally, and has compared those who do business with their COR with those who do not do so. As such, we cannot conclude that this is the difference between immigrants and immigrant entrepreneurs. Neither can we assume that this is a general difference between immigrant entrepreneurs who do not do business internationally and those who do. It is possible that migrant populations, from developing countries to more developed countries or vice-versa, have particular types of personality traits in general or have specific types of resources available to them. This is possibly even more true in the case of a developed country such as Canada, which does not share land borders with any developing countries and is separated from any developing country by a large body of water. This indicates that it is much harder to migrate from a resource poor country to these countries (Özden & Schiff, 2006). Therefore, including control groups such as non-entrepreneurial immigrants, immigrant entrepreneurs who do not do business internationally, and non-migrant entrepreneurs from COO of those same immigrants could solve problems of this type. While this is a limitation of this study, it is

an opportunity to expand upon this study by further investigating such differences and their impacts in future studies.

Furthermore, some important elements that could help explain some of the findings, such as participants' perceived identity or degree of acculturation (Benet-Martínez, Lee, & Leu, 2006) and resources available to them (Aldrich & Waldinger, 1990), were not integrated in this study. Immigrants' identity partially represents their level of integration into the mainstream society (Ryder et al., 2000). Their level of integration, or the extent to which they felt connected with their COO and COR, might have clarified their perception of some of the institutions in these two countries (Benet-Martínez & Haritatos, 2005). Furthermore, the degree of acculturation may partially explain the tendency to do business with COO, as immigrants who fail to integrate to their host society and stay very connected with their COO are more likely to do business there. The information about the type and extent of resources (e.g. financial capital) was also not collected in this study. It is very likely that participants had different types and amounts of resources at their disposal. This information could have clarified whether individuals' expansion to different destination countries was hindered due to the lack of resources available to them. As such, this dissertation acknowledges such shortcomings and suggests further investigation into these areas.

In addition, while the research was rigorous and the sample was as representative as was intended, making generalized statements about the findings must be done with caution (Welch et al., 2011). The findings of this dissertation were based on a small sample of immigrant entrepreneurs in Canada. Therefore, the author of this dissertation does not claim that the findings are generalizable to all immigrant entrepreneurs, particularly since the institutional environment is very specific to the country. However, this study, to my knowledge, is the first of its kind and, hopefully, the beginning of further investigation in this area to clarify the relationships suggested here.

Finally, this study was conducted in Canada during the economic downturn among the G7 countries. This may have created some bias toward immigrant entrepreneurs' perception of the institutional characteristics of Canada and many other countries they did business in or with. Perhaps in the future, when there is no economic

slowdown, additional studies in different institutional settings could clarify whether there are any differences.

8.1. Theoretical Implications

The findings of this dissertation have several theoretical implications. Most importantly, this is the first study to investigate the effect of various important individual variables on international business activities. Many researchers have suggested investigating the effects of characteristics of entrepreneurs (Zhao & Seibert, 2006), institutional environment (Manolova et al., 2008), networks (Oviatt & McDougall, 2005) or a combination of one or more of them (Zahra, 2005) on international entrepreneurship. Immigrant entrepreneurs and their networks also have been the subject of many previous studies (Aldrich & Waldinger, 1990). This dissertation not only looked at the effect of all these important elements together, but also investigated them from the point of view of the entrepreneur.

This is a starting point for future studies of this kind that can address entrepreneurial activities across borders in more depth. While it is important to know entrepreneurial intentions (Obschonka et al., 2010) and reasons for the success (Zhao et al., 2010) of entrepreneurial firms operating internationally, it is also important to know how entrepreneurs do business internationally and what factors influence their decision-making. Immigrant entrepreneurs are also an important subject for research, as this sub-set is growing faster than mainstream entrepreneurs (Statistics Canada, 2011). Immigrant entrepreneurs in this sample were involved in all types of international business activities such as import, export, outsourcing, insourcing, manufacturing, and FDI with an array of countries. Through these findings, this dissertation has also contributed to the discourse of immigrant entrepreneurs and immigrant effect. While our understanding of the effects immigrants may have on their host country and country of origin has improved impressively in the last decade, this dissertation is one of the first attempts to determine which kind of immigrant entrepreneurs who do business internationally actually bring about these effects. In the same way that not all immigrants are entrepreneurs, not all immigrant entrepreneurs actually do business internationally.

As apparent from the participants in this research, not all immigrant entrepreneurs who do business internationally do business with their COO.

In addition, only five of the many immigrant entrepreneurs in this sample have FDI in their own COO. This indicates that many very macro level theories of internationalization of firms that only consider institutional, country, or network elements may not be able to explain the reason why the remainder of these immigrant entrepreneurs did not do so. This study proves not only that all these elements are important in explaining such phenomenon, but that entrepreneurs' cognitive process and psychological characteristics should also be included in such studies. This is not to say that the study of international entrepreneurship is only about the personality traits and entrepreneurs' perception of other elements, but that such investigations should include all the relevant constructs. By putting forth a model of immigrant entrepreneurs' international business activities, this study takes the discourse one step closer in this direction.

This study also furthers our understanding of who those immigrants are and how their perceptions, personality traits and networks help them in their international business activities. More specifically, this dissertation shed some light on the interrelationship between personality traits, perception of CIP and network use by immigrant entrepreneurs. This dissertation found a solid relationship between immigrant entrepreneurs' personality traits and their decision to do business with their country of origin. Four of the Big Five personality traits showed some degree of influence on immigrant entrepreneurs' decision to choose their destination countries. The traits that were shown to be important were Extraversion, Agreeableness, Neuroticism, and Openness. Future studies can build on this ground and look at exactly which traits from within these four broad categories are important. This further extends our knowledge of how to use personality traits in studies of entrepreneurship.

In addition, this study found that the effect of personality traits on different decisions regarding destination countries was mediated by other constructs. Some personality traits indicated the type of perception some immigrant entrepreneurs had of the institutional environment. At the same time, immigrant entrepreneurs' perception of the institutional environment in COR and COO also showed some impact on their

decision to do business with their COO or the level of resource commitment in their destination country. Based on these findings, this dissertation posits that most immigrant entrepreneurs' views of a destination country's ranking on different international indices are not as important as their personal perception of those countries. For example, the fact that Canada provides support to immigrant entrepreneurs was not important; only six of the participants were aware of such help. Five of these six people were participants who attended entrepreneurship and business development courses offered by local NGOs, where they were made aware of the help government offered to entrepreneurs. Only one of the people who had built up his business for many years was aware of government support. Therefore, it is the subjective knowledge and perception of the entrepreneur that makes it a reality, not the objective existence of such support.

This statement should be further tested to see if entrepreneurs' perception of any destination country is equally as important as it is for COR and COO. Due to the fact that all participants in this sample were in Canada and had not visited many of their destination countries, they could not comment on the institutional environment of those countries. Based on the few immigrant entrepreneurs who made statements about other countries' institutional profile, we can assume the same is true for other countries as well. However, a concrete statement should be contingent on a future study that uses a larger sample of immigrant entrepreneurs who do business with countries other than their own COO and more closely investigates this phenomenon.

This study also specified the ways immigrant entrepreneurs' decisions about exploring opportunities in their country of origin versus other countries could be affected. Based on these findings, one of the most important factors is the habit of utilizing networks or active networking. As suggested in this dissertation, Extraversion had an important influence on these immigrant entrepreneurs. Some of them were networkers and others were not. Whether the network was there or not was a secondary factor to the networking personality of the entrepreneur. If the entrepreneur was an active networker, he or she would build the required network, whether through co-ethnic ties or other weak-ties. Network users were initially networkers and sought opportunities through their ties. This is not to say it is not possible that opportunities are recommended to people through their networks, as it was the case with several

immigrant entrepreneurs in this sample. Some of them would benefit from their weak-ties passively. This occurred, for example, when members of their business network would send them clients without being asked (i.e. passive networking).

These two findings do not contradict each other, but rather complement one another. The former is an active use of networks and the latter is a passive use of ties. We can describe these people as active networkers and passive networkers. My conjecture is that entrepreneurs who actively network and use their networks in their international business activities were more likely to find business opportunities where they perceived they had a network (i.e. COO) or from within their co-ethnic members in COR and other countries. On the other hand, the passive networkers, who rarely used their networks, found opportunities through different avenues such as advertising and internet searches as opposed to networking events and calling friends. Their passive networking indicates that they were still part of a network, but that other members of the network were more likely to approach them for business dealings than the other way around. For example, other members would refer potential clients to them or ask them for referrals, but the entrepreneur him/herself would not actively seek other members' help. If they needed to use any network, the passive networkers resorted to their stronger and closer ties, but not their weak-ties. A future study could explore the differences between these active and passive networkers in more details. For example, one question to ponder is: would an active networker be more successful than a passive networker?

No relationship between network usage and the level of resource commitment was found. This could be because this dissertation only used immigrant entrepreneurs who were not living and working in an enclave economy. Immigrant entrepreneurs who were overly embedded in their co-ethnic community in terms of choice of business partners, suppliers and customers were excluded from the study. Most previous studies, however, are on co-ethnic networks (e.g. Basu & Altinay, 2002; Min & Bozorgmehr, 2000) and include people who lived or worked in ethnic enclaves. These studies posited that strong-ties with a co-ethnic community are associated with investment in COO. While Basu and Altinay (2002) partially refer to this phenomenon, perhaps another study that only focuses on immigrant entrepreneurs embedded in their ethnic enclaves and who do business with their COO can clarify this assertion.

8.2. Practical Implications

The findings of this dissertation have important implications for immigrant entrepreneurs in particular, as well as for firms that use them in managerial positions. The implications are also useful to firms that provide executive coaching services and to venture capitalists. Some of the findings about the personality traits of entrepreneurs could be used to immigrant entrepreneurs' advantage. For example, more extraverted immigrant entrepreneurs can capitalize on their Extraversion and expand their networking activities. Immigrant entrepreneurs who score higher on Extraversion can also use their positive attitude toward their surroundings to choose the most appropriate place for investment. Unlike emotionally less stable entrepreneurs, more extraverted entrepreneurs are more likely to seek diversity in their selection of target countries. This is good both for immigrant entrepreneurs who do business with COO and those who do not want to do business with their COO. Diversification can bring more advantages to entrepreneurs who are engaged in import and export. Compared to capital investment and the opening of representative offices or even joint ventures, import and export decisions can be made much more quickly. Of course, this is also contingent on the institutional environment of their destination country.

In addition, career counseling, executive coaching, and training firms can work with immigrant entrepreneurs to improve their understanding of their personality traits and how they can capitalize on the more desirable ones for their purposes. For instance, based on the findings on Neuroticism, an emotionally less stable immigrant entrepreneur who is in search of investment opportunities in other countries might benefit from such training. This is not to say that emotional stability or any other trait from FFI is directly related to risk-taking (Zhao & Seibert, 2006), a characteristic that might be needed for international investments. This suggestion is merely to help entrepreneurs overcome mental barriers that might be caused by higher degrees of Neuroticism, reducing their chance of using resources to invest in other countries.

It is important to note here that we cannot think of any of these traits as 'bad' or as impediments for international business activities. Take, for example, an immigrant entrepreneur who might be assessed as being low on Agreeableness; if this individual is seeking advice as to what type of international business to engage in, a career coach

might find it easier to find solutions within this entrepreneur's country of origin. Or in the case of higher scores on Neuroticism, the coach might want to advise the immigrant entrepreneur against capital investment and suggest a less capital intensive business activity such as import and export. Based on the findings of this dissertation, similar advice might apply to somebody who scores lower on Extraversion; such immigrant entrepreneurs might be advised to do business in their countries of origin or not do business internationally.

This information could also be used by venture funders and investors in assessing companies and entrepreneurs. Venture capitalists looking for diversification can choose to fund immigrant entrepreneurs who are more extraverted, agreeable, and open to new ideas. In contrast, a venture funder who wants to invest in firms that are less diverse and are more likely to do business with one specific country can search for businesses managed by entrepreneurial immigrants scoring lower on these traits. An angel investor who is looking for less risky international business activities might want to look for immigrant entrepreneurs who score lower on Openness to increase the chance of lower levels of diversification and having an exclusive business relationship with COO. Interested investors can take a short training course on how to measure peoples' personality traits.

The findings about perception of the CIP and network using behavior could be of great benefit as well. For example, business funders who are not interested in firms that invest in other countries can assess the degree of immigrant entrepreneurs' dissatisfaction with different dimensions of the CIP. As the findings of this dissertation show, immigrant entrepreneurs, who perceive the institutional environment in COR unfavorably are more likely to invest capital in other countries. Investing in such immigrant entrepreneurs' firms might be less desirable to more risk adverse angel investors. Likewise, immigrant entrepreneurs could use counseling or coaching services to overcome their negative perception of COR. Many immigrant entrepreneurs can use opportunities available in larger cities to familiarize themselves with aspects of the institutional environment in their COR. This could greatly improve their quality of life and possibility of doing business in COR and other countries. Improving network utilization in immigrant entrepreneurs and teaching them the context in which each type of network

is more effective might be a way to increase opportunities of doing business with their country of origin or even countries other than COO.

These findings could be useful to policy makers as well. This dissertation discovered that the majority of immigrant entrepreneurs are unhappy about several aspects of the business environment in Canada. One of the most urgent concerns may be the reform of regulations and particularly the banking system in Canada. While the banking system was praised by some immigrant entrepreneurs, they predominantly found it ineffective and unfavorable to venture creators. As many participants in this study mentioned, the banks are not willing to provide financing to immigrant entrepreneurs who want to start a business, but would offer them financing after they were well-established and no longer in need of such assistance. More than half of the participants in this study were not aware of any financing or help that the government potentially provides to them to either start a business or engage in international business activities. A few who were aware of such assistance found it inefficient and impractical. Business partners of these entrepreneurs also did not accept government help, because they found the red tape too complicated. In one case, a participant said banks did not accept the government's guarantee for his loan, because if their contract is "missing a comma" the government will not honor the pledge.

As the Global Entrepreneurship Monitor (GEM, 2003) also suggests, the problem of government policy pertains to all entrepreneurs in the country. However, the problem is compounded for immigrant entrepreneurs (Iyer & Shapiro, 1999). Many immigrant entrepreneurs often do not possess many tangible assets, other than the cash they might have. Some entrepreneurs found it unreasonable to put up collateral (i.e. mostly cash, if available, in the absence of other assets) for the same amount they wanted to borrow. Two of them said that if they had any money to put up as collateral, they would not need to borrow money (i.e. they would use their own money instead). For all of these reasons, and perhaps others that were beyond the scope of this investigation, none of the entrepreneurs interviewed actually used bank loans or government help to start their business. Policy makers, particularly in an immigrant recipient country such as Canada, need to address this issue more carefully. A slow move towards such reforms could make Canada lose its attractiveness to more immigrants and particularly to the more entrepreneurial ones.

In addition, this dissertation can help governments to improve their knowledge of immigrant entrepreneurs and how they do business internationally. For example, if governments want to promote trade and/or investment between their country and a specific country, they should understand that the mere increase in the flow of migrants from that country does not guarantee strengthening trade between the two countries. Not all immigrant entrepreneurs who engage in international business activities would necessarily do business with their COO. The common sense perspective, if there is such a thing, is that immigrant business people always increase trade with their COO, but as this dissertation demonstrated, the picture is more complex than it appears. There are many other variables in place that make an immigrant an entrepreneur who does business with his/her country of origin. Personality traits, favorable institutional environment and using the right type of networks are only a few of them.

8.3. Conclusion

This dissertation investigated the relationship between immigrant entrepreneurs' personality, perception of the institutional environment and network usage, and their impact on international business activities. Through interviews, a set of sub-questions was addressed in order to clarify these interrelationships. As was anticipated, personality traits of immigrant entrepreneurs were important in their type of business relationships with their COO, as was their perception of the institutional environment and networks used. This investigation is also the first step towards better understanding the ways immigrant entrepreneurs perceived the institutional environment, as well as the types of networks employed and how these were utilized. Both of these were found to affect the international business activities of immigrant entrepreneurs, particularly as related to their country of origin.

The findings of this dissertation correspond with and are consistent with previous studies in the three general areas of personality traits, Country Institutional Profile (CIP), and networking theories. These findings, through the model put forth, can clarify the discrepancies between previous studies and this study. While this dissertation investigates a phenomenon never studied before, the model proposed identifies the mediation effects of network utilization and perception of the institutional environment.

This sheds some light on why and how some of the previous studies on personality traits may have had inconsistent findings. Inclusion of personality traits in this model also contributes to network theories and theories of internationalization. These findings contribute to these theories by including all important psychological, economic, and social factors that are relevant in the study of international entrepreneurship.

While through answering questions raised, this dissertation has provided a general picture of immigrant entrepreneurs, additional studies are needed to investigate some of the more complicated related issues, such as that of co-ethnic networks and their usage by immigrant entrepreneurs who are embedded in their co-ethnic community versus those who have weak-ties with their co-ethnic community. Future studies may also want to investigate this framework with other important factors such as bicultural identity and acculturation of immigrant entrepreneurs.

In the end, while the findings of this dissertation could be applicable to other immigrant entrepreneurs in Canada, any generalizability can be only determined after further investigation. Nevertheless, this dissertation provided some insight and added to the literature on immigrant entrepreneurs' international activities. The dissertation addressed questions that have not been investigated before and hopefully it can spur further inquiries in this area to untangle the many questions about international entrepreneurs, immigrant entrepreneurs and entrepreneurs' network utilization.

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Appendices

Appendix I: Country Profiles According to Indices

Country	TI ^a	GDP PPP PC ^b	Time to prepare taxes ^c	FDI net inflows (US\$ Mil) ^d	Ease of bus ^e	HDI ^f
Canada	8.9	39,171	131	23,586	12	8
China	3.5	7,544	398	185,080	87	89
Colombia	3.5	9,592	208	6,764	47	79
Germany	7.9	36,081	215	46,127	19	10
India	3.3	3,408	258	24,159	139	119
Indonesia	2.8	4,346	266	13,303	126	108
Iran	2.2	11,882	344	3,616	140	70
Italy	3.9	29,479	285	9,599	83	23
Korea (South)	5.4	29,996	250	-150	15	12
Lebanon	2.5	15,239	180	4,954	103	
Mexico	3.1	14,405	404	18,679	54	56
Pakistan	2.3	2,720	560	2,016	96	125
Poland	5.3	18,981	325	9,056	59	41
Singapore	9.3	56,694	84	38,638	1	27
Sri Lanka	3.2	5,169	256	478	98	91
Taiwan	5.8	35,604				
UAE	6.3	47,438	12	3	35	32
United Kingdom	7.6	35,059	110	46,945	6	26
United States	7.1	46,860	187	236,226	4	4
Vietnam	2.7	3,142	941	8,000	90	113

(a). Transparency International 2010 ranking; (b). GDP PPP PC from IMF World Economic Outlook of IMF 2010 data; (c). Time to prepare taxes from the World Bank; (d). WB; Foreign direct investment, net inflows (BoP, current US\$). Foreign direct investment are the net inflows of investment to acquire a lasting management interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor. It is the sum of equity capital, reinvestment of earnings, other long-term capital, and short-term capital as shown in the balance of payments. This series shows net inflows (new investment inflows less disinvestment) in the reporting economy from foreign investors. Data are in current U.S. dollars. International Monetary Fund, Balance of Payments database, supplemented by data from the United Nations Conference on Trade and Development and official national sources." (e). WB: Ease of doing business index (1=most business-friendly regulations) Ease of doing business index ranks economies from 1 to 183, with first place being the best. A high ranking means that the regulatory environment is conducive to business operation. The index ranks the simple average of the country's percentile rankings on 10 topics covered in the World Bank's Doing Business. The ranking on each topic is the simple average of the percentile rankings on its component indicators. World Bank, Doing Business project (<http://www.doingbusiness.org>)." f. UN HDI (2010); based on the three dimensions of Life expectancy at birth, literacy rate and gross enrolment ratio, as well as GDP per capita (PPP US\$)

Appendix II: Interview Guide & Questions

Introduction

With the increasing number of immigrants, the value of immigrant entrepreneurs' business is increasing in many countries around the world. I am interested in finding out why some ethnic entrepreneurs engage in business locally and while some others decided to internationalize their operations and do business with other countries. I would like to hear your opinion about this issue and see whether you can help me understand this phenomenon better. I have a few questions in this regard, but for the most part, I would like you to feel free to tell me what you think is more important.

Before we start, I would like you to read the study details and then read and sign the consent form.

Once we start the actual interview, I will use a digital device to record our conversation. This will help me remember what we talked about and will facilitate analysis of my conversation with you and with other ethnic immigrant entrepreneurs like yourself. Our entire conversation will be kept confidential and your name or the name of your organization will not be revealed to anyone. You could choose to answer my questions or refuse to provide your opinion to any or all of them. You can also ask me to delete our entire conversation during the interview or after we are finished.

Work & Firm

1. Can you tell me about your work experience?
2. What is the nature of your business? How would you describe your firm?
3. Would you say you are in a competitive market? Can you explain?
 - a. How did you start this firm? For example:
 - b. When did you start this business?
 - c. Why did you start this business and not other ones?
 - d. How did you finance and staff your business at its beginning and now?
 - e. Tell me about any other branches if you have any?
 - f. What ownership arrangements do you have? Can you tell me about your partners?
4. What is your current organization size and revenue?

Main Questions

1. Have you ever done any business with other countries? If yes, can you explain the context and your experience?
 - a. Which countries and what type of business?
 - b. What is the main reason you would do so?

- c. How are you planning on financing it?
 - d. What makes those countries more attractive to you than others?
 - e. What percentage of your business is from/with abroad?
2. Can you briefly compare the countries you did business with Canada? Please consider all aspects that are related to you, your life, and your business. For example
 - a. How do you feel/think about the socio-political?
 - b. Regulatory agencies and law;
 - c. Financial system and institutions;
 - d. People in general;
 - e. Security and peace of mind;
3. Can you briefly compare your country of origin with Canada? Please consider all aspects that are related to you, your life, and your business. For example
 - a. How do you feel/think about the socio-political?
 - b. Regulatory agencies and law;
 - c. Financial system and institutions;
 - d. People in general;
 - e. Stability, security and peace of mind;
4. Do you think people in Canada/your country of birth support and respect entrepreneurs?
5. Do you think in the next 12 months you would do business with any other countries other than we talked about? Which ones and why?
6. Do you think I should have asked about anything else that seems to be important in your decision to engage in international business activity?

Do you have any other comments or would like to add anything to your previous statements?

Demographics

1. Age (year)
2. In what country were you born?
3. Ethnicity
4. Education [highest level attained, area of study, and place of education]?
5. How about your parents?
 - a. Work/edu/country of birth?
6. What is your marital status and do you have children?
 - a. Where was your spouse born?
 - b. Work/edu?
 - c. Children's age (edu and work)?
7. In what country/countries do you hold citizenship?
8. In what country/countries have you lived (e.g. accompanying, working, studying) for more than 6 months?
9. In which countries do you have friends or relatives, whom you can count on when needing help or advice about business?

10. How long have been living in Canada? AND, when did you leave your COO, *if different*?
11. What was the reason you immigrated to Canada?
 - a. Was this business the reason you immigrated?
12. Identity: (For example, if you are partially Chinese and partially American, do you say I am a "Chinese-American", "American-Chinese", "American", or "Chinese".)
13. What is your view of your control over your life?
14. What is an ideal work/business arrangement for you?

FFI Questions

Interview Number:

Interview Date:

Here are a number of characteristics that may or may not apply to you. Please use the following phrases to describe yourself as you generally are now, not as you wish to be in the future. Describe yourself as you honestly see yourself, in relation to other people you know of the same sex as you are, and roughly your same age. Please note that there is no right or wrong answer to any of these questions and your responses will be kept in absolute confidence.

Start each line with

I see myself as someone who...

		Strongly disagree	Disagree a little	Neither agree or disagree	Agree a little	Stron gly agree
		1	2	3	4	5
1	Is talkative					
2	Tends to find fault with others					
3	Does a thorough job					
4	Is depressed, blue					
5	Is original, comes up with new ideas					
6	Is reserved					
7	Is helpful and unselfish with others					
8	Can be somewhat careless					
9	Is relaxed, handles stress well					
10	Is curious about many different things					
11	Is full of energy					
12	Starts quarrels with others					
13	Is a reliable worker					
14	Can be tense					
15	Is ingenious, a deep thinker					
16	Generates a lot of enthusiasm					
17	Has a forgiving nature					
18	Tends to be disorganized					
19	Worries a lot					
20	Has an active imagination					
21	Tends to be quiet					

		Strongly disagree	Disagree a little	Neither agree or disagree	Agree a little	Strongly agree
		1	2	3	4	5
22	Is generally trusting					
23	Tends to be lazy					
24	Is emotionally stable, not easily upset					
25	Is inventive					
26	Has an assertive personality					
27	Can be cold and aloof					
28	Perseveres until the task is finished					
29	Can be moody					
30	Values artistic, aesthetic experiences					
31	Is sometimes shy, inhibited					
32	Is considerate and kind to almost everyone					
33	Does things efficiently					
34	Remains calm in tense situations					
35	Prefers work that is routine					
36	Is outgoing, sociable					
37	Is sometimes rude to others					
38	Makes plans and follows through with them					
39	Gets nervous easily					
40	Likes to reflect, play with ideas					
41	Has few artistic interests					
42	Likes to cooperate with others					
43	Is easily distracted					
44	Is sophisticated in art, music, or literature					

Thank You!

Study Details

This study will investigate the link between personality trait, national culture and entrepreneurial behavior. The study will help firms and individuals to recognize and capitalize on their personality and the network that is available to them through their ethnic ties to expand their business internationally. In simple words, this study could potentially expand the scope of available business opportunities internationally, which could be utilized by individuals and firms.

No risk of physical, psychological or any other kind of harm or stress will be experienced – by you, third parties or society – and you will not be exposed to any kind of danger during or as a result of this study. Any information that is obtained during this study strictly will be kept confidential to the fullest extent possible. Your identity will not be written anywhere or revealed to anyone. Only me, the primary investigator, Majid Ghorbani, knows your identity, but you will remain completely anonymous to everyone else.

The entire interview will take approximately 60 minutes. There is not a right or wrong answer and your choices or answers completely depend on your personal experience, your perception and how you see them. Your participation in this study is voluntarily and you can quit at any time or after the interview. However, to reward you for your time and contribution, you can choose between a \$10 coupon for Starbucks or \$10 cash.

Our interview will be recorded on a digital recording device and then transcribed into software. Collected information will be maintained on a storage space (hard-drive) normally not connected to any computer or the internet, and protected by password and kept in a safe locked place. Access to the recorded and transcribed interviews is restricted to the principal researcher. Only aggregated results and some anonymous quotes will be presented and possibly published in a final report (my dissertation) and potentially in an academic journal. In case you wish to see such reports, please contact me directly. For further information on this study or to obtain the final report, please use the following address:

Majid Ghorbani
PhD Candidate
SFU Business
Segal Graduate School of Business
Simon Fraser University
123 ABC Street
Vancouver, BC, Canada
Tel: XXX-XXX-XXXX
Mobile/Cell: XXX-XXX-XXXX
E-mail: email @ sfu.ca

Informed Consent

This interview is conducted as a part of a study by Majid Ghorbani from the faculty of Business Administration of Simon Fraser University. The process of this study has been approved by Simon Fraser University's Director of the Office of Research Ethics.

By signing below you indicate that you have read all the terms and conditions and are agreeing to participate in this interview. You understand that you can withdraw at any time. You also understand that you may register any complaint with the researcher named above or the Director of the Office of Research Ethics as shown below.

Dr. Hal Weinberg
Director, Office of Research Ethics
8888 University Way,
Simon Fraser University,
Burnaby, British Columbia,
V5A 1S6, Canada
E-mail: e-mail@sfu.ca
Telephone: +1-XXX-XXX-XXXX

Would you give your consent to be contacted for follow up questions (please choose one)?

Yes / No

Participants' Signature: _____

Date: _____

Prize

I would like to receive the following for my time/contribution in this study:

- \$10 Starbucks gift card
- \$10 Tim Hortons gift card
- \$10 Cash
- Nothing

Participants' Signature: _____

Date: _____

Appendix III: Invitation e-mail

Subject: Interview with Immigrant Entrepreneurs

Majid Ghorbani, a PhD student from Simon Fraser University is doing a study on Immigrant Entrepreneurs who are doing business with other countries. Immigrant Entrepreneurs refers to entrepreneurs who were not born in Canada and own a business. The study aims to explore why immigrant entrepreneurs decide to do any business with outside of Canada. The study is completely anonymous and information collected will be used for academic purpose only. The result of this study can potentially benefit all immigrants who try to do business in the Canadian businesses environment. Volunteers to participate in this study will be interviewed in person or by phone at their time and location convenient to them.

If you are willing to participate in this study and are:

1. not born in Canada
2. an entrepreneur and own your business
3. have any business dealing with abroad (e.g. import, export, parts, outsourcing, acquire/provide goods or service, sell to/buy from, etc.)

Please contact Majid Ghorbani at XXX-XXX-XXXX or e-mail @ sfu.ca.

For questions or to book your interviews, please contact:

Majid Ghorbani

Simon Fraser University

E-mail: e-mail @ sfu.ca

Tel: XXX-XXX-XXXX