

## Managing Super Diverse Women Entrepreneurs in Aotearoa New Zealand

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### Abstract:

New Zealand, like other countries, is becoming an increasingly multicultural society. Diversity of New Zealand has rapidly increased in the last ten years with 34 percent of the current population being Maori, Asian and Pacific community. We can see the reflection of super diversity in many areas of productivity, investment and particularly in innovation and entrepreneurial areas. Diversity has resulted in varied personal strengths such as language skills, social, cultural and international connections that can be channelled into entrepreneurship and easily transferable to New Zealand economy. New Zealand needs to adjust fast and invest in measures and programs to ensure we maximise the benefits of super diverse women population. These calls for a multi-voiced "diversity" discourse that would focus attention on the local demographics, cultural and political differences that adds value for entrepreneurial activities. As a country, New Zealand has acknowledged the influence of women on its growth and prosperity. Women entrepreneurs play a crucial role in country's economy, in terms of generating revenue and jobs, and creating an inclusive society; yet the entrepreneurial research to address diversity and promote entrepreneurial activities is largely invisible or marginal in mainstream entrepreneurship research. Despite a number of barriers, migrant women entrepreneurs are the fastest-growing group of business owners in advanced economies. In this paper, we aim to address the diversity of the women entrepreneurs and an attempt to provide a better understanding of the phenomenon by identifying and providing an overview of the possible barriers faced by diverse women entrepreneurs. It also explores challenges facing women entrepreneurs and various ethnic and cultural resources utilised by them to overcome such challenges. This paper will offer insights towards building a more inclusive framework for women's entrepreneurship at a grass root level. Practical implication for future research and practice will be outlined.

**Keywords:** Women Entrepreneurship, Diversity, New Zealand, Maori, Ethnic Community

### 1. Introduction:

Aotearoa (New Zealand) is one of the most rapidly changing and ethnically diverse nations. The Super diversity is referred as the changing ethnic mosaic of New Zealand, it has taken on a new level of interest in recent years due to immigration policy changes and its impact on emigration. New Zealand's ethnic diversity is evolving into a stage where as a nation we can celebrate our differences and take comfort from our similarities. New Zealand has become one of a small number of culturally and linguistically super diverse countries. New Zealand has 213 ethnicities; it is now home to 160 languages. Recent patterns of immigration have increased the ethnic diversity of the female population (Statistics New Zealand, 2013, Chen, 2015). In particular, immigration has expanded the proportion of diversity of women in the population. Our women's population consists of European, Māori, Chinese, Pacific Islands and Indian. The biggest increases in 2006 come from groups of the broader Asian category, led by the Chinese, Indian and Filipino ethnic groups (Statistics New Zealand, 2013; Affairs, 2013). As a result, New Zealand needs to adjust faster and invest in measures to ensure ~~we can~~ <sup>we can</sup> maximise the benefits of super diversity and managing the risks and challenges to a large number of new migrants living in New Zealand, some of whom come from very different social and cultural backgrounds.

Global interest in women entrepreneurs has been growing (Marlow & Mcadam, 2013), as the number of women entrepreneurs increase and women-owned businesses continue to contribute to employment creation and the development and growth of local economies (Gender Entrepreneurship Monitor, 2011). New Zealand has also seen a rise in women entrepreneurial activities and their contribution to economy especially in its women immigrants (Pio & Dana, 2014). Skilled migrant and entrepreneur category women, refugees and

asylum seekers generally come to New Zealand with few belongings and resources, further they may not have suitable skill set and experience that is easily transferable to the New Zealand economy. Women entrepreneurs from migrant backgrounds are among those who possess such strengths and skills. They may face particular challenges due to the combined identities of being women and ethnic migrants. Entrepreneurial framework needs to recognise an individual's ability to take advantage of personal strengths such as language skills, social, cultural and international connections, channelling them into entrepreneurship.

Research investigating women-owned businesses has developed considerably over the past two decades with specific social norms and values, yet there are many challenges faced by women, especially in today's ethnic and culturally diverse women population. This paper discusses some challenges faced by women entrepreneurs in New Zealand and explores various informal ethnic and cultural resources utilised by them to overcome such challenges. This paper provides some insights towards building a more inclusive framework of women's entrepreneurship at a grass root level with examples of informal entrepreneurial activities that seem gradually shaping and encouraging women entrepreneurship in the context of New Zealand.

## **2. Landscape of New Zealand**

New Zealand is the melting pot of huge diversity of the population and business life where ethnic groups contribute to the cosmopolitan flavour of the city as well as being a source of potential business opportunities. This section provides a glimpse of diversity of Aotearoa and later contextualising to women entrepreneurship.

### **2.1 Diversity in Aotearoa**

Ethnic diversity of New Zealand has rapidly increased in the last ten years. The population group of New includes Pakeha/Western European New Zealander, Maori/indigenous people, Pacific Island communities, and what is considered 'other' ethnic groups (comprising people from Asia, Latin America, Africa, Central and Eastern Europe, and the Middle East) (Affairs, 2013). New Zealand is the fifth most ethnically diverse country in the OECD. One in every four residents in New Zealand was born overseas, and New Zealand has one of the highest immigration rates in the world (Affairs, 2013). New Zealand began to experience super diversity in the mid-1990s, as the sources of immigration expanded from Pacific Islanders to include a significant proportion of immigrants from Asia (Chen, 2015).

Super diversity means that there is no "business as usual" for any organisation or country (Chen, 2015). Diversity of New Zealand is not a new phenomenon, but the level of immigration occurred in the last ten years mean that those not born in New Zealand has passed the critical mass. Super diverse groups display strong ethnic and national identities, strong ethnic peer contacts and good English language proficiency (Chen, 2015). This group has endorsed integration in the society through the process of adopting the cultural and social values of New Zealand along with their values of their host country.

Innovation and entrepreneurial activities are very common activities identified in the diverse population. They have different cultural and language skill sets, perspectives and ideas, particularly those from skilled migrants and entrepreneurial categories may help grow or seed new business. With the vast pool of skills and rich experience of diverse population there is a need to recognise an individual's ability to take advantage of personal strengths such as language skills, social, cultural and international connections, channelling them into entrepreneurship (Light & Dana, 2013; Masurel, Nijkamp, & Vindigni, 2004). It is not just the employer, but the government policies need to recognise the culture difference and economic benefits of diversity (Clydesdale, 2011) with the urban life that is increasingly multi-cultural with an increase in ethnic entrepreneurship. Therefore, an understanding of the diversity of immigrant communities and enterprises has important implications for policy makers, educators and the community in general, including the immigrants themselves.

Business and government need to be quicker and visionary on the opportunities from super diverse population that can benefit New Zealand economy. New Zealand needs to adjust fast and invest in measures and programs to ensure we maximise the benefits of super diverse women population.

### **2.2 Contextualising Women's Entrepreneurship in New Zealand**

New Zealand predominately consists of Small and medium scale industries (employing up to 20 staff). Approximately 97.2% of New Zealand's enterprises are accounted for by small and medium enterprises (Ministry of Business, Innovation and Employment, 2013). This is not a surprise given immigrants' inclination towards self-employment (Comeau, 2008; Kanas, Tubergen, & Lippe, 2009). According to Statistics New Zealand (2013), Asian women are the largest ethnic cohort likely to be self-employed. With the increasing ethnic diversity, New Zealand needs to leverage the economic potential for ethnic migrant women that are becoming important contributors in a competitive global economy. The contribution made by women entrepreneurs is creating substantial outcomes of the New Zealand economy (Dwyer, 2008), but yet it has gained little visibility in research and policy making. About 16.6% of employed women were self-employed and they made up 36% of all self-employed. Self-employment is more common to Asian and European women than for Maori and Pacific women (Dwyer, 2008). Moreover, migrant women are an underutilised source of talent, and are known to be part of the business.

Internationally there are only seven countries around the world where women are even close to participating in entrepreneurship par with men. The spectre of global economy can begin to shift by building a suitable and effective framework for women to pursue a business. Tory Burch, a hugely successful woman entrepreneur, suggests that bringing more women into entrepreneurship could increase global income per person by 20% by 2030 (Hakobyan, 2016). Globally, it has been acknowledged that women immigrants are the fastest growing group of business owners (Baycen-Levent, 2010; Kerby, 2013).

New Zealand was the first nation in the world to give women the right to vote. As a country, it has acknowledged the influence of women on its growth and prosperity. New Zealand has dominance of knowledge, creative and technology based enterprise. Women entrepreneur brings greater creativity and stronger business values than men (Hakobyan, 2016). Women are more likely than men to become serial entrepreneurs, creating great ideas, getting their business established and then moving on to the next project. This wealth of creativity can only help the economy adapt and change during a time of great technological flux.

There are factors that motivate women to start a business. The most vital motivators for starting a business are personal factors, independence, flexibility of self-employment, achieve self actualisation, challenges, social status, influence of role models and insufficient family income (Ewere, Adu, & Ibrahim, 2015). Usually women start business to make a difference as they have more socially oriented intentions before starting a business (McClelland, Swail, Bell, & Ibbotson, 2005). New Zealand has several government policies favouring women entrepreneurs and number of role models exist in all areas. The diverse women entrepreneurs develop new opportunities by utilising a combination of well established skill sets and capitalising on their past social networks and cultural experience that is crucial for the success of the business.

Women are currently underrepresented in entrepreneurship roles in New Zealand with a significant number of highly experienced women leaving the workforce, or unable to get past their initial ideas and move into business ownership positions. Globally, men dominate business accelerator programs, with women making up less than 20 per cent (Statistics New Zealand, 2013). It is clear that women entrepreneurs in New Zealand has it better than many places in the world, there is still work to be done before women have an equal footing to men in entrepreneurial circles. In fact, New Zealand has potential to be a leader, and become the destination for women entrepreneurs looking to start their ventures. In New Zealand like many developed nations, it is acceptable and indeed often encouraged for women to break out of traditional gender roles, and to get into business. Yet, despite the freedom to choose a career path and make their own way in the world, women do still face barriers and hurdles in entrepreneurial circles, along with their family commitments.

### **3. Challenges Facing Diverse Women Entrepreneurs**

Despite a number of problems faced by migrant women entrepreneurs, research suggests that they are the fastest-growing group of business owners (Baycen-Levent, 2010). This indicates their huge potential for future growth if the barriers are minimized and right support and resources are provided. When women have access to the resources necessary to run the business successfully their companies and economies are benefited from their growth. Despite the increasing number of women entrepreneurs in New Zealand, the fact is that they remain largely ignored and under researched. Clearly, there are some challenges and barriers faced by women

entrepreneurs. These include:

- The lack of knowledge of local business culture, business related regulation and operating systems. Despite the vast information available to women entrepreneurs in New Zealand, it appears women have limited access to the knowledge and support base (Verheijen, Nguyen, & Chin, 2014). Especially if women have experience of different business practice and culture, adopting to the rules and regulations of New Zealand can be a huge culture shock.
- Risk of business conflicts due to cultural differences. Increased business between ethnically diverse parties may create more cultural and misunderstanding. For example, in some ethnic community providing bribes in business operation is acceptable, but in New Zealand it is considered illegal activity.
- Women are less likely to have access to capital, may face more discrimination when compared to a male entrepreneur. Women have double disadvantages, one is being a female gender and second is coming from different ethnic, social and cultural background.
- Diverse women often lack the family and community support especially with childcare. Research has illustrated that motherhood had a significant impact on women's decisions to establish and develop enterprise (Department of Labour, 2008). New Zealand government offers support programs such as Working for Families and 20 hours free Early Child Care, but lacks support from extended families.
- Technology, education, and training are few of the main requirements for a successful business, and lack of knowledge in any of these areas can act as a barrier for women entrepreneurs to reach their potential. With the super diverse women population of New Zealand there is a huge diversity in the level of education, language and technology skill sets.
- Sometimes, in spite of having great ideas, women lack confidence in pursuing their concept and have inadequate information on the sources of help. There are many incubators and business accelerator programs offered by both government and private companies, but they need more support in building confidence at the grass root level before they could climb the steps of incubator programs.

#### **4. Strategies to Overcome the Challenges**

Despite facing barriers and disadvantages, women entrepreneurs are growing fast in New Zealand. If proper support is provided with the right time and place, they can climb to new heights. Often, the number of women on state and private board measures success for women, but their contribution to businesses and the economy is so much more than that at the grass root level. Initiatives like KiwiConnect (Incubation Program in New Zealand) are certainly helping by highlighting the career opportunities that exist for New Zealand women today. However, while women are by no means invisible in entrepreneurial circles, they are still the exception rather than the norm. The potential for more women entrepreneurs to influence our economy and society through innovation is still largely untapped. We need to go beyond simply celebrating women for one day a year.

There are initiatives, driven by both private and government sector to promote leadership and entrepreneurial activities ranging from NGO's who work with South Auckland churches to promote entrepreneurial activities to private organisations that conduct leadership and entrepreneurial short courses for 8-10 weeks for new start-ups. Most of these programs are focused on existing entrepreneurs, but we have a huge gap and journey to be travelled from churches to accelerator programs. Still, there are untapped voices in the women community that can add a lot of value to the economy and society. It is not just about those women that are already on board, but who have shown promise and would bring a unique entrepreneurial skill to the society. They need support and access to complementary resources such as information, advice, emotional support, practical support and funding support. New Zealand has unique social and historical environment of women and this provides a new perspective for women to redefine their goal. The success strategies for diverse women entrepreneurs can be framed around cultural values, ethnic heritage, social network, personal qualities and family roles (Azmat, 2013; Verheijen et al., 2014). Strong social network, cultural difference with the host

country, family roles and values act as a positive strategy in forming and creating a strong identity of the ventures.

Creating a strong entrepreneurial space dedicated to women such as induction programme or research centre or facility to create awareness, educate, inspire and empower women entrepreneurs to reach their full potential to create economic and social value of themselves, their organizations, and society can encourage women to like their dream. It is more like, creating a pre-incubator space and providing framework and support towards building start-ups and participation in accelerator programs. The key focus of the new entrepreneurial space will be to create awareness, building confidence and inspire women from all walks of life such as students, immigrants, housewives, refugees, community workers and women working in corporates. New Zealand's women population is socially and culturally diverse, which provides them with a special niche to develop their business. The new entrepreneurial space creates a positive social environment for diverse women population of New Zealand. Potential women can be reached through social and cultural networks such as community workshops, real people telling real stories, being part with various church workshops, participating in the community events such as Pacifica Festival, Farmers Market, Chinese Events and various Food festivals. It provides a platform and opportunity to make their own community's successful women entrepreneur visible by sharing their success and learning experience with their own people. An informal space motivates them to identify their potential and explore some niche business opportunities and promotes to build their social networks and connect with customers. This provides them with an opportunity to prepare adequately before venturing into a business and start with a strong network and knowledge.

Framework of such initiatives can be achieved in various stages such as motivation stage, planning stage and establishment stage with different activities catering to each stage. It also creates a close network of angel investors, small and medium scale enterprises, investors, philanthropists, universities, decision and policy makers. Thus, we can create a supportive environment and policies could also be made to proactively capitalise on immigrants' expertise demonstrated in the form of entrepreneurial talents, skill sets and international connections. It definitely builds an environment that encourages women to build confidence and bring their amazing business ideas into life.

There is also need for women that are successful in the community to assist other women that are just entering into the business programs such as community mentorship programs. Social connection is also one of the important strategy to build relationship between own ethnic community and with international network. It provides diverse women with more social capital connections and opportunities.

## **5. Discussion**

Despite being diverse, women entrepreneur population has contributed substantial outcomes to the New Zealand economy. As a country, New Zealand has acknowledged the valuable contribution and government have taken initiatives through various programs to promote inspiring women, but has gained little visibility in the diverse community. Despite the vast information available to entrepreneurs in New Zealand, it appears women have limited access to the knowledge support base especially at the grass root level. The real success of these strategies entails being proactive and reaching out to people in order to build confidence and create supportive framework to nurture their business ideas. The strategy needs to build linkages and relationships with grass root level organisations such as NGO's, community, churches, refugee camps, Maori-Marae (native indigenous society), and religious gatherings that exist in New Zealand.

The development of an entrepreneurial space that connects to the root of community with the objective of creating confidence and support system for women has its own challenges and issues. Several challenges arise from both internal and external entities, including different timeframes between universities and industry; academic research focuses on long-term challenges and moves more slowly whereas business R&D is time-sensitive. Several researchers and organisations have attempted to highlight the need of collaborative space in the context of an entrepreneurial environment. Of additional concern are, transactional and fragmented approaches between the parties, often without an understanding of each other's value proposition. Securing on-going funding for such initiative is difficult as it is not easy to assess its economic and capital value. Government agencies with an economic focus need to provide and modify their approach to help diverse women entrepreneurs to obtain better understanding of the New Zealand business environment. Government, university and enterprise come together in mutual understanding and appreciation of each

other's value systems there should be an increase in the number of students working on applied research projects that benefits women population.

New Zealand lacks both in-depth information and general statistics about ethnic businesses owned by migrant women. Various informal entrepreneurial activities exist in different pockets of the community, but there is lack of information and knowledge about these activities. These activities and initiative need to provide a strong connection between various ethnic communities, industries and government policy makers. A key part of this shift is the development of entrepreneurial mindsets and capabilities towards building knowledge space and appreciating social and cultural values.

## 6. Conclusion

Overall, New Zealand women population is diverse and super diverse women entrepreneurs reveal strengths and characteristics such as optimism, passion, resilience, determination and commitment. The tenacity and adaptability observed in their entrepreneurship strategies display their aspirations and courage to turn entrepreneurial imagination into reality. With collaboration between government agencies, communities and enterprise, many policies and initiatives could be made to proactively capitalise on immigrants' expertise, demonstrated in the form of entrepreneurial talents, skill sets and international connections. These can create a shared space for diverse women entrepreneurs to share social, cultural, heritage, personal values, which will potentially benefit New Zealand entrepreneurs and its long term economic scene. Future work will focus on building the new space in collaboration with university researchers, enterprise and government agencies with understanding each other's value proposition and working for the benefit of women population.

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