

Entrepreneurial development targeting rural Hispanic immigrants: a collaborative research and extension effort

PROJ NO: ARK02198

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Dr. Zola K. Moon – University of Arkansas; rural sociologist with specialties in demographic and spatial social analysis, environmental sociology, and community development

Dr. Christina Abreo – Oportunidades NOLA; degrees in Latin American Studies with experience in surveys in rural areas, working with migrant and minority populations in the US

Stacey McCullough – University of Arkansas Cooperative Extension Service; community and economic development specialist

Integrated Research and Extension Objectives

Research

- Basic demographic description of migrant entrepreneurs in rural and urban areas, including human, social, and migration capital
- Description of migrant owned businesses and business activities
- Identification of barriers to entrepreneurship among migrants
- Identification of community effects and interaction with other attributes of migrant entrepreneurs

Extension

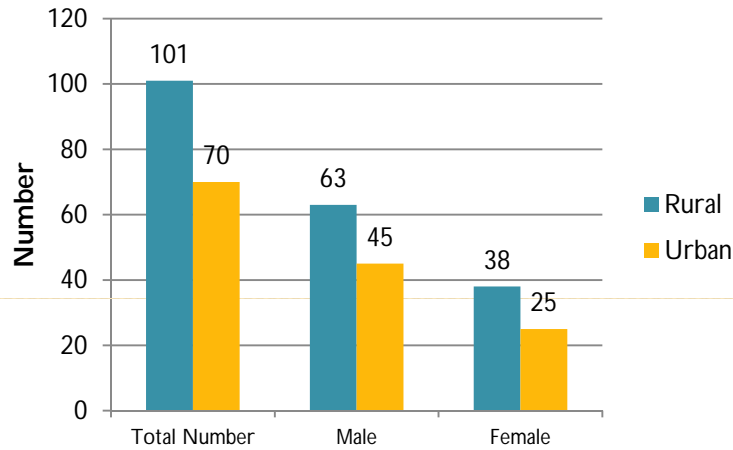
- Develop an entrepreneurship roadmap for potential rural Latin American migrant entrepreneurs
- Develop a pilot entrepreneurial educational program in two rural Latin American migrant communities
- Evaluate effectiveness of entrepreneurial guide and educational program in assisting entrepreneurs in the establishment of new businesses

Survey Characteristics

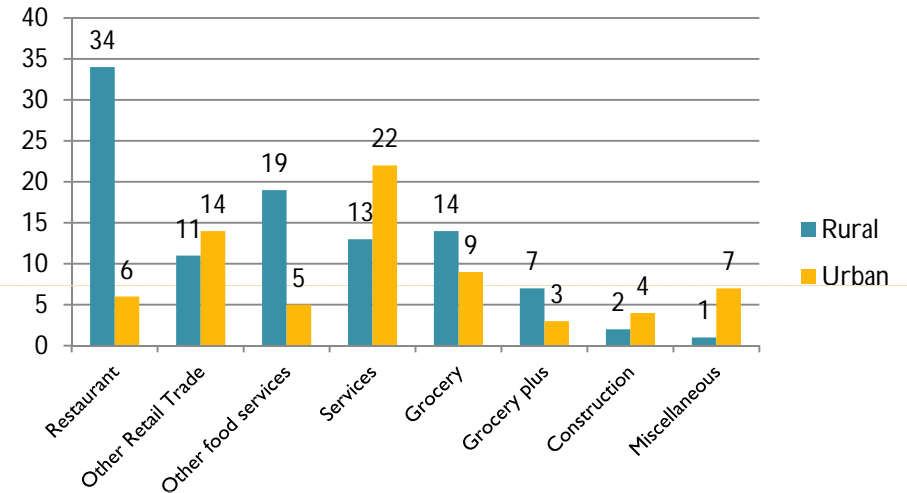
- Sampling frame of entrepreneurs and key informants from formal and informal leaders, local extension personnel, Chambers of Commerce, regulatory agencies, field work
- Survey created and pre-tested in English and Spanish
- Conducted in language of choice of participant (Spanish or English)
- Face-to-face interviews of current Latin American immigrant business owners
- 171 total responses – 101 from rural communities, 70 from urban
- 21 counties – 16 nonmetropolitan, 5 metropolitan
- 39 communities – 33 rural and 6 urban

Survey Characteristics

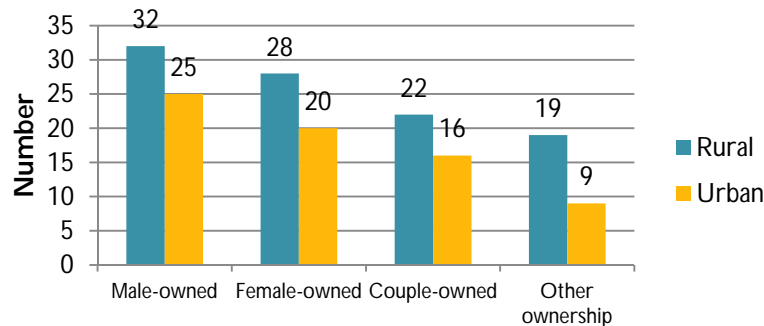
Respondents and Gender



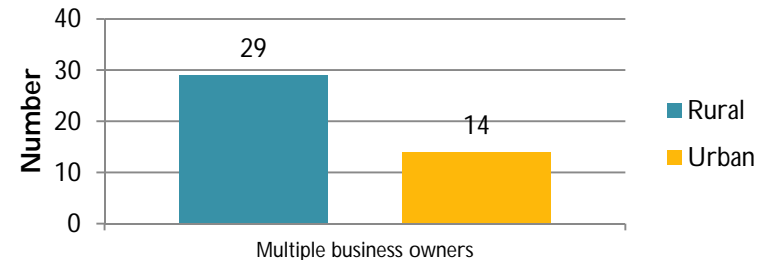
Types of Businesses*



Ownership Patterns



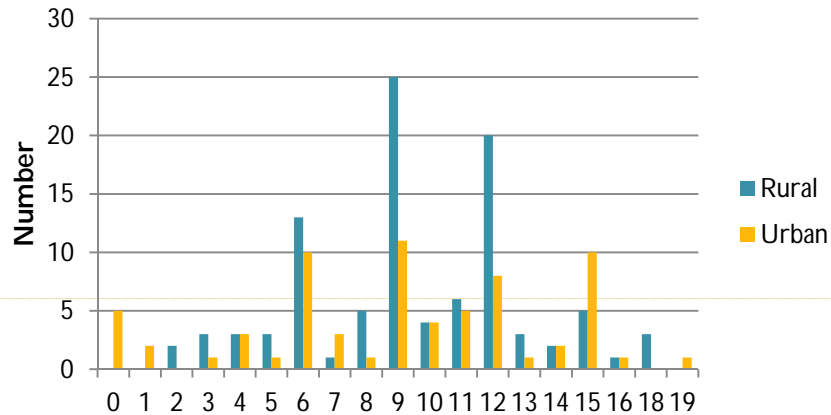
Owners with More than One Business



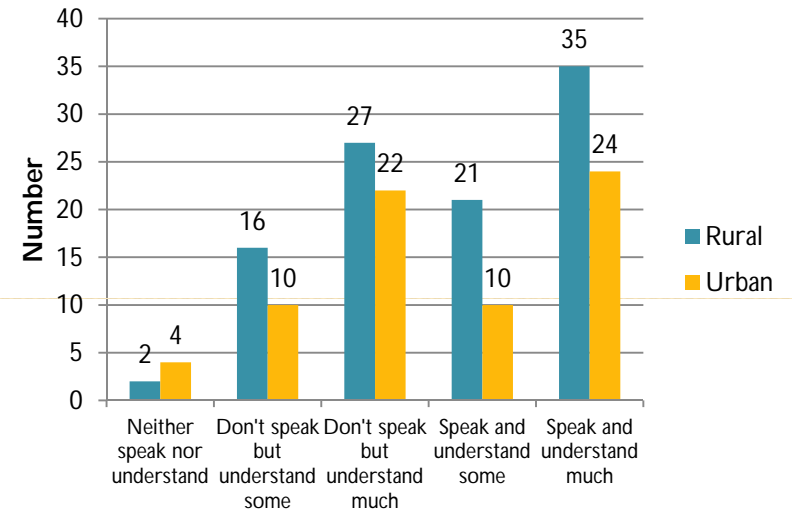
Communities defined as urban if designated "urban area", rural otherwise
 * Rural urban differences significant at $p < 0.05$

Respondent Characteristics

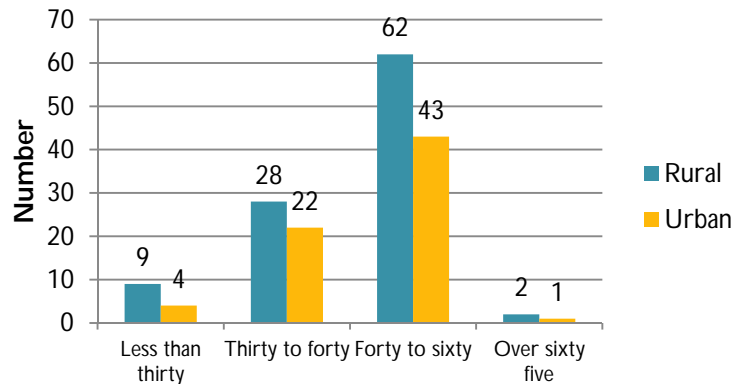
Years of Education



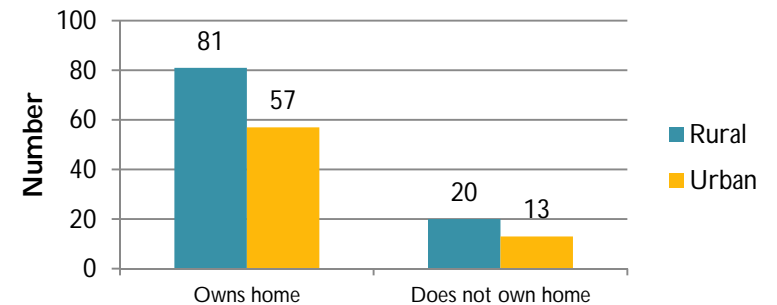
English Language



Age



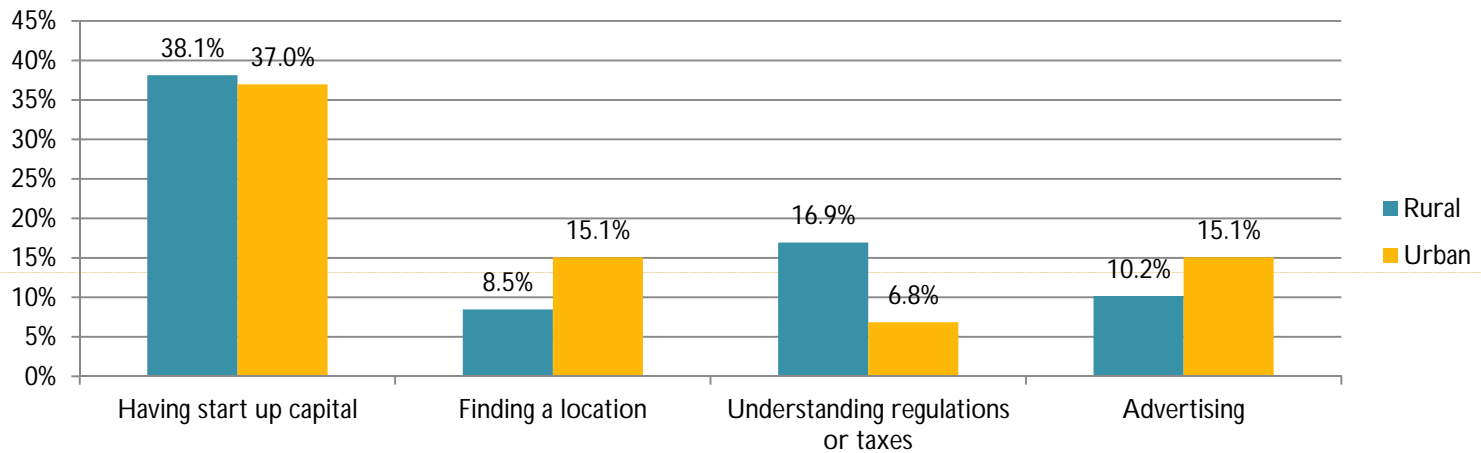
Home Ownership



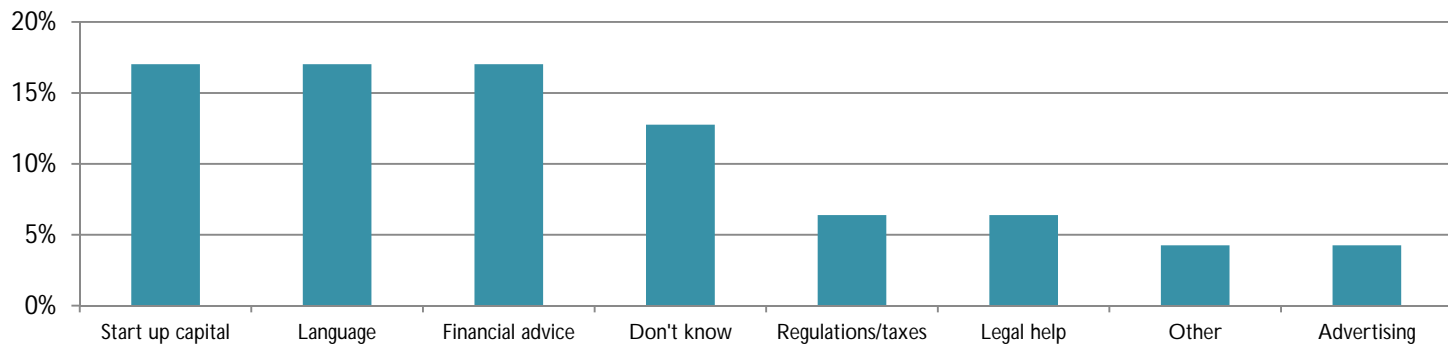
* Communities defined as urban if designated "urban area", rural otherwise

Research Results

Respondents' Top 4 Biggest Barriers*



Key Informants' Biggest Barriers



Communities defined as urban if designated "urban area", rural otherwise
 * Rural-urban differences significant at $p < 0.1$

Research Questions

- ✓ Is there a difference in entrepreneurial experience among Hispanic migrants that choose rural and urban destinations?
- ✓ What are the substantive socio-cultural barriers to entrepreneurship among Hispanic migrants in the destination communities? Do these barriers differ between rural and urban migrants?
- ✓ What are the institutional barriers to entrepreneurship among Hispanic migrants?
- ✓ Are the barriers to entrepreneurship that are identified by migrants the same as those identified by the financial community, Chambers of Commerce, local community development organizations and other community support organizations?
- Is there a relationship between gender and entrepreneurial activity? Between residential location and entrepreneurial activity?
- Do social networks differ between rural and urban migrant entrepreneurs? If so, how do these networks function in the rural communities to enable or impede entrepreneurial activities?
- How do entrepreneurial ventures enable or impede assimilation of newly arrived migrants? Does a difference exist between urban and rural migrants in assimilation?
- How do community structural characteristics enable or impede migrant business formation?

Publications and Presentations

- Farmer, F. L., Moon, Z. K. In Review. Mexican Migrant Entrepreneurial Readiness in Rural Areas of the United States. *Journal of Rural and Community Development*.
- Farmer, F. L., Moon, Z. K. 2011. An Empirical Examination of the Social And Geographic Antecedents Of Mexican Migration To The Southern U.S. *Journal of Rural Social Sciences*
- Abreo, C. A., Z. K. Moon, F. L. Farmer, W. P. Miller, S. McCullough. 2011. Overview of Findings: Entrepreneurial Development Targeting Rural Hispanic Immigrants. Edited by Judith Killen. Cooperative Extension Service. University of Arkansas---Division of Agriculture, MP495.
- Farmer, F. L., Moon, Z. K., Miller, W. P. 2008. Growth and Change in Arkansas' Hispanic Populations. Cooperative Extension Service. University of Arkansas---Division of Agriculture, MP470-PD-1-08N.
- Moon, Z. K., C. Abreo, F. L. Farmer, W. P. Miller, S. McCullough. Barriers to Migrant Latino Entrepreneurship. Presented at Cambio de Colores 10th Annual Conference, June 8-10, 2011 Kansas City, Missouri.
- Moon, Z. K., F. L. Farmer, C. Abreo, W. P. Miller, S. McCullough. 2011. Community Involvement of Urban and Rural Latin American Migrant Entrepreneurs. Presented at 74th Annual Meeting of the Rural Sociological Society, July 28-31, 2011, Boise, Idaho.
- Farmer, F. L., Z. K. Moon, C. Abreo, W. P. Miller, and S. McCullough. Immigrant Latin American Entrepreneurs in a "New Destination" State: Who Are They? Presented at 2010 Annual AACCS (Association for Applied and Clinical Sociology), October 14-17, 2010, St. Louis, Missouri.
- Abreo, C., W. P. Miller, S. McCullough, F. L. Farmer, and Z. K. Moon. 'If I Just Had a Piece of Paper': One Land Grant University's Response to Latino Immigrant Entrepreneurs. Presented at the Annual Meeting of the Multistate Research Project, SERA37, October 6-7, 2010, Raleigh, North Carolina.
- Farmer, F. L., Z. K. Moon, C. Abreo, W. P. Miller, and S. McCullough. Latin American Migrant Entrepreneurship: An Empirical Assessment of Rural-Urban Differences. Presented at 73rd Annual Meeting of the Rural Sociological Society, August 12-15, 2010, Atlanta, Georgia

Research to Outreach

- Findings clearly indicated need for *tailored* products.
“Tailoring” was more than simply translation of materials.
 - Local specificity of information
 - Offices, licenses, regulations, order of precedence
 - Community differences
 - For example, location of space vs negotiating rental/lease contracts
 - Recognition of locality-specific market conditions
 - Recognition that institutional infrastructure varies across counties and communities
 - Cultural understandings vary by community
 - Language a barrier or not? Depended on who was asked
 - Banking norms
 - Participation in community organizations

Outreach - Program

- **Applications for entrepreneurs**
 - Develop and deliver educational materials, training and support to eliminate barriers identified in survey

- **Applications for Cooperative Extension Service staff**
 - Disseminate information about identified barriers to Latino immigrant entrepreneurs
 - Distribute CES publications designed to facilitate Latino immigrant entrepreneurship
 - Collaborate with government agencies and NGO's in assisting Latino entrepreneurs

Outreach - Training Materials



- Deliverables to Latino immigrant entrepreneurs
 - Latino Immigrant's Guide to Starting a Business in Arkansas: A Handbook for Entrepreneurs
 - Business Owner's Records Portfolio
 - Present workshops on entrepreneurial development using My Own Business, Inc TM

Outreach - Workshops

- **Pilot Workshops in Two Rural Communities – Keys to Effective Workshops**
 - Workshops developed from local needs
 - Business organization
 - Business plan
 - Accounting & cash flow
 - Meet local officials
 - Instruction in Spanish
 - Ownership by county CES faculty

Outreach - Publications

- Deliverables to CES staff and community support organizations
 - A Needs Assessment Report of Latino Entrepreneurship
 - A Resource Guide to Latino Entrepreneurship Training Materials
 - Written report of identified barriers to Latino immigrant entrepreneurship in rural Arkansas



Outreach - Collaboration

- Leveraging Resources
- Collaborating with government agencies and NGO's
 - County Offices / Statewide
 - Utilize resources and expertise

Outreach - Evaluation

- Training Materials
- Workshops
- Program

Outreach - Lessons Learned

- Culturally sensitive individuals key to successful program
- Tool to facilitate interaction with Latino community
- Program assists CES faculty develop collaborative partnerships

Outreach Material

➤ <http://pubs.uaex.edu/PubsWebPublic.asp>

- Abreo, C., W. P. Miller, S. McCullough, F. L. Farmer, and Z. K. Moon. 2011. "Latino Immigrant's Guide to Starting a Business in Arkansas: A Handbook for Entrepreneurs." Cooperative Extension Service. University of Arkansas---Division of Agriculture, MP497.
- Abreo, C., W. P. Miller, S. McCullough, F. L. Farmer, and Z. K. Moon. 2011. "Guía para inmigrantes Latinoamericanos para empezar un negocio en Arkansas: Un manual para los empresarios." Cooperative Extension Service. University of Arkansas---Division of Agriculture, MP497SP.
- Abreo, C., W. P. Miller, S. McCullough, F. L. Farmer, and Z. K. Moon. 2011. "Business Owner's Records Portfolio ." Cooperative Extension Service. University of Arkansas---Division of Agriculture, MP498.
- Abreo, C., W. P. Miller, S. McCullough, F. L. Farmer, and Z. K. Moon. 'If I Just Had a Piece of Paper': One Land Grant University's Response to Latino Immigrant Entrepreneurs. Presented at the 2011 Arkansas Galaxy Conference Annual Conference.