



Supporting Migrant Entrepreneurs as a City Workforce Integration Strategy



Presented by

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City of Munich



The City of Munich

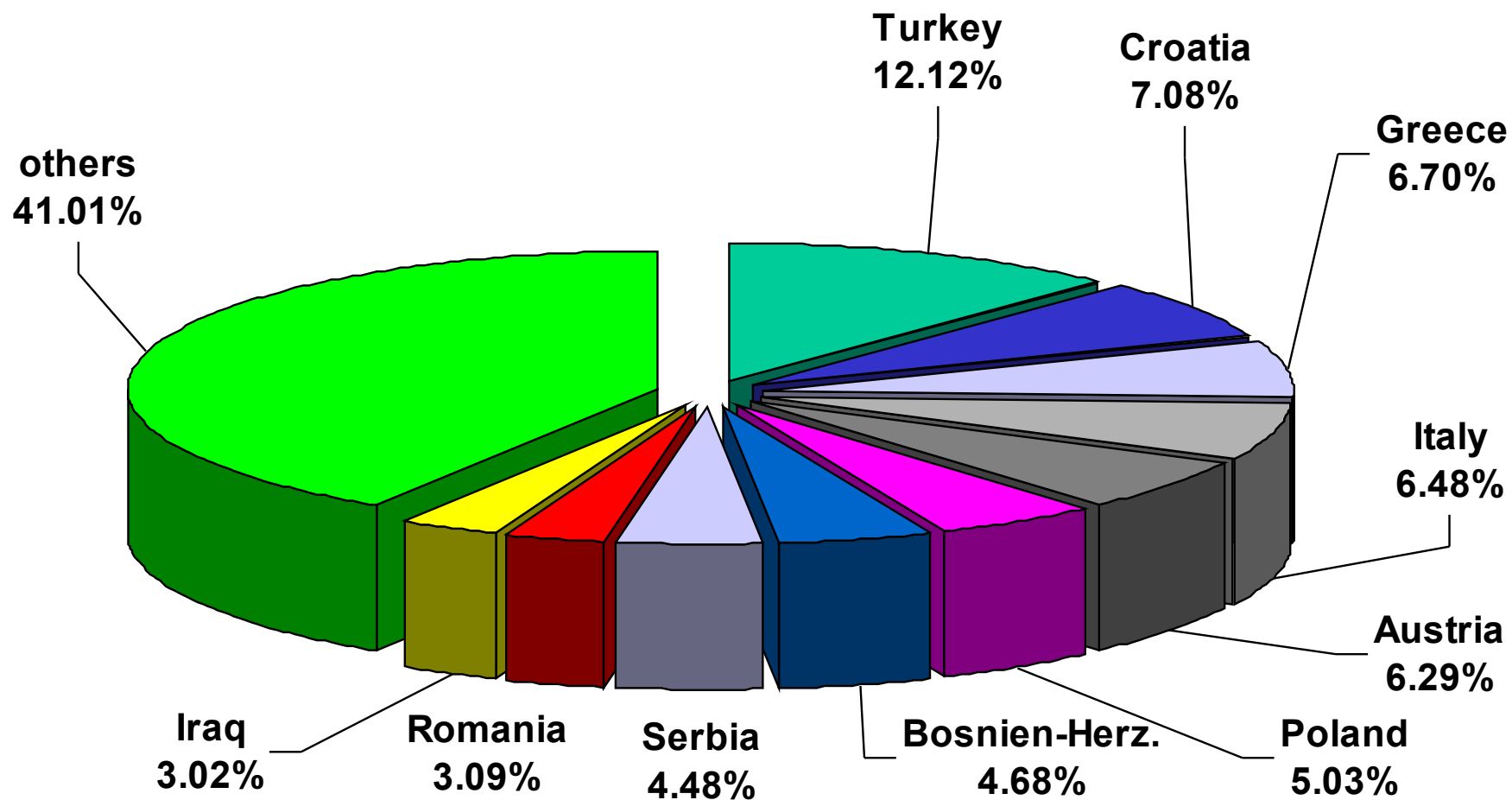
- The third largest city in Germany
- Capital and the largest city of Bavaria
- International hub for industry, business, education and culture
- Residents from over 180 countries!



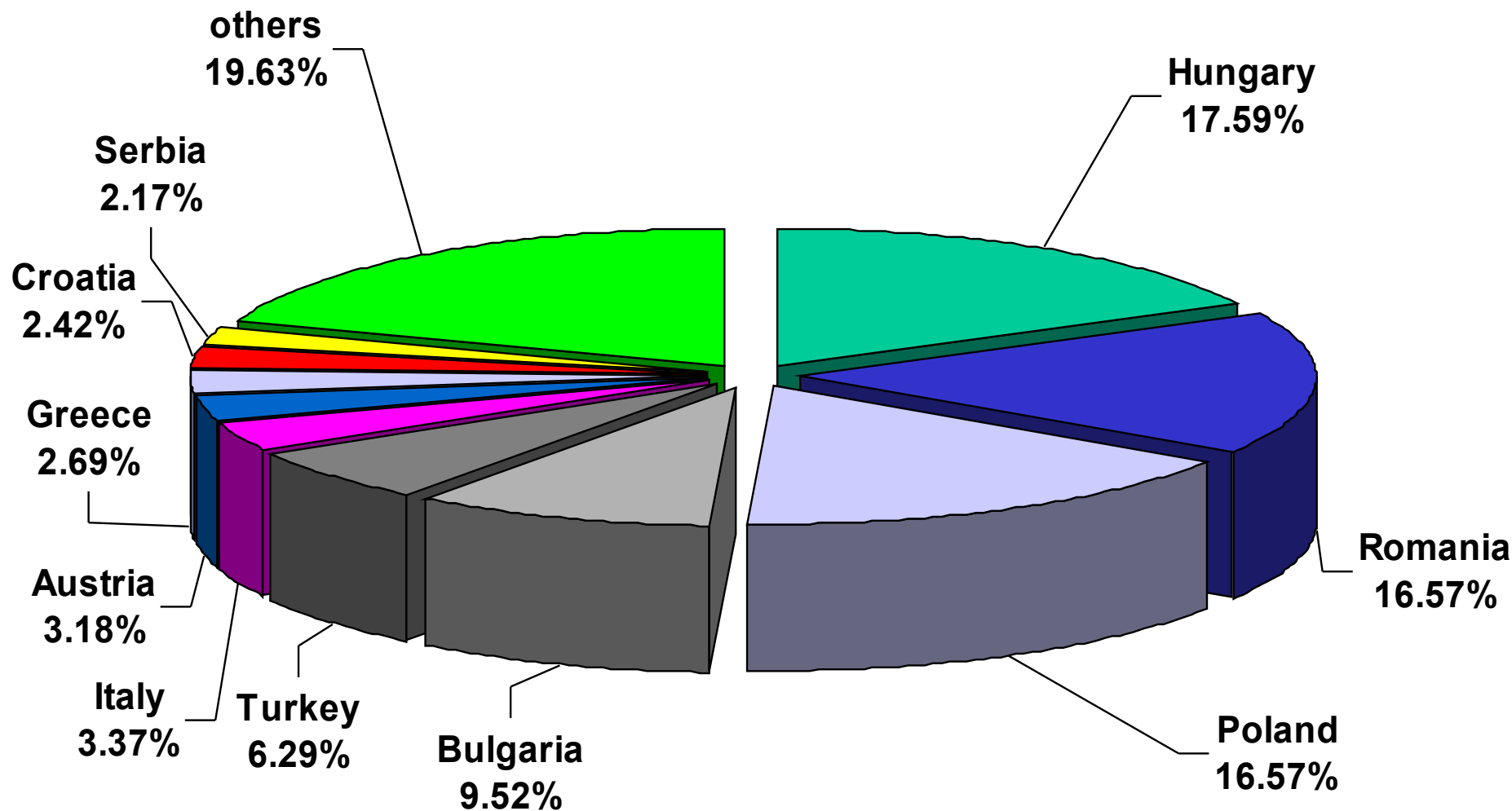
MUNICH (2011 and June 2012)		GERMANY (2010 and 2011)
Population	1,424,180	81,830,839
Foreigners	344,140 24.2%	6,930,896 8.5%
People with a migration background	541,937 38.1%	15,746,000 19.3%
Unemployment rate	3.9%	
Purchasing power per capita	€ 26,100	
Gross Domestic Product	€ 72.64 billion (2009)	
Start-Ups per year	c. 24,000 43% - migrant enterprises	



Share of foreigners according to nationality (2011)



Start-ups in Munich according to nationality (2011)

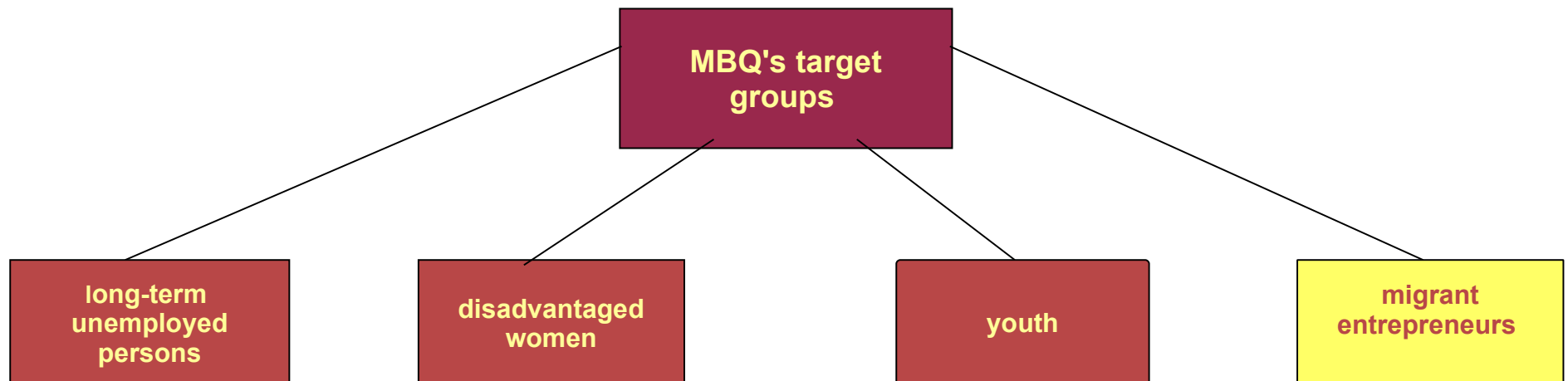


Migrant Entrepreneurs in Munich (MEM)

MEM aims to:

- foster migrant entrepreneurship in the city
- meet migrant entrepreneurs' challenges
(e.g. lack of information, language, German vocational training system, and networking)
- integrate migrant entrepreneurs into the society

MEM is an integral part of The Munich Employment and Qualification Program (MBQ)



Eleven Principles of the Munich City Integration Policy

1. Integration depends on the recognition of common, free and democratic standards.
2. Integration concerns everybody and is a process of mutual understanding and negotiation in the case of conflicting interests. Integration strengthens the sense of solidarity in a community.
3. Integration in a European city must be based on the promotion of non-isolation and socio-geographical mix in all sections of the community.
4. Integration key resources are language skills in both German and a person's native language.
5. Integration means recognizing and developing diversity, as well as enabling political participation and equal opportunity for involvement in urban society.
6. Integration can only be achieved if institutions adopt a policy of intercultural orientation and intercultural mainstreaming.
7. Integration means decisive action to combat discrimination and racism.
8. Integration recognizes the existing potential of the people of Munich.
9. Integration stands for equal access for all to information, education, culture and the arts, sports, job opportunities, housing, social services and healthcare regardless of age, gender, skin color, religion, social and cultural origins, disabilities, philosophy, sexual orientation.
10. All integration measures and the entire municipal policy regarding people of immigrant background are checked as regards their impact on women and men, as well as on girls and boys. The impact of all measures on the acceptance of lesbians, gays and transgender also has to be examined.
11. Integration must have something specific to offer to each target group.

Socio-economic integration determined by opportunity structure (Lucassen, Feldman, Oltmer, 2006)

Opportunity structure through the prism of unemployment statistics in Munich (2012)

- Unemployment rate among foreigners: 8.1% (compared to the average of 4.5%)
- 48.3% of all unemployed have a migration background
- 59.2% of all unemployed without qualifications have a migration background
- 49.5 % of all unemployed youth have a migration background
- 50.2% of all unemployed single parents are foreigners

Migrant entrepreneurship seen as one of the available “ropes” in the host society
(Reitz, 1998)

Migrant Entrepreneurship

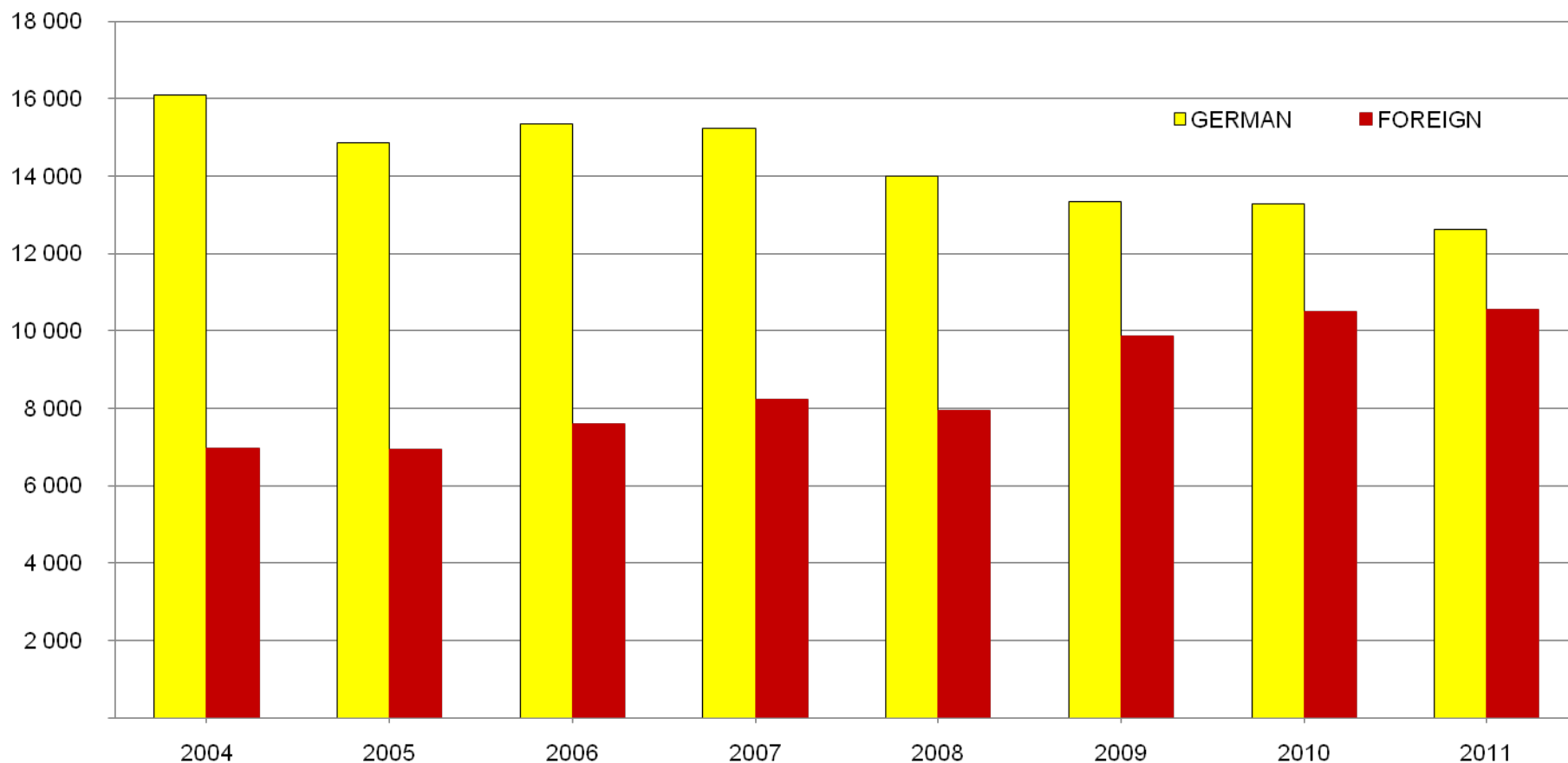
- still not a major topic of political interest in the field of integration at the EU and national policy level, but an increasing interest of research institutes
- increasing interest at the local policy level
- 'pseudo self-employment' (*Scheinselbständigkeit*)
- national and international networks, e.g.:
 - Cities for Local Integration Policy (CLIP);
 - Cities of Migration;
 - IQ Network (Integration through Qualification):
 - 1+4 Model** for Migrant Support Process
 - Global Entrepreneurship Monitor (GEM)

Study on Migrant Entrepreneurs in Munich

- qualitative and quantitative research on new trends and new developments among migrant entrepreneurs in Munich (forthcoming in 2013)
- questionnaires and semi-structured interviews with 40 migrant entrepreneurs - “experts” of different migrant backgrounds, from different economic sectors
- chain referral sampling (Penrod et al., 2003)
- based on the Grounded Theory (Glaser, Strauss, 1967)

- points of investigation:
 - motivation
 - self-perception as a migrant entrepreneur
 - challenges and risk factors
 - networking
 - perspectives
 - expectations of the City

Development of start-ups in Munich 2004 - 2011



Developments from ethnic to new migrant businesses

(CREME: Ram et, al., 2011)

Migrant Start-up profiles:

- Pioneer
- Specialist
- Anchor start-up
- Idealist
- Transition start-up
- Unwilling star-up
- Occasional start-up

Diversity among start-ups:

- First and second generation
- Gender
- Age
- Qualifications and skills

Reaching out to Migrant Entrepreneurs

- building a growing network of migrant organizations, businesses, city institutions and individuals
- monitoring advertisements in local ethnic media
- “working in the field” in the districts with a high percentage of migrant enterprises
- having a diverse office staff
- providing individual consultations (“open door strategy”)
- running media campaigns and awareness raising about diverse migrant businesses
- having a regular information exchange with the main project partners



Learning Takeaways from Migrant Entrepreneurs:

- ***“be positive, talk to migrants openly and directly”***
- ***“give migrants more courage”***
- ***“use the media to reach migrants and make your programs more visible”***
- ***“get in touch with local companies which cooperate with migrant businesses”***
- ***“provide multilingual information”***
- ***“do not direct your offers to only one specific ethnic group;
the more multicultural your target group is the better it is for networking”***

Four Pillars:

1) Assistance:

- **MOVA (Mobilization of Employers with a Migration Background)**
- **Info Center for Immigrants from Bulgaria and Romania**

2) Dialog:

- **Business Dialog Forum with Migrants:
“From Practice for Practice”**

3) Qualification:

- **KIM (Competence Offensive for Migrant Businesses)**

4) Recognition:

- **Annual Phoenix Prize: Munich's Business Prize for Migrant Businesses**



MEM as a two-way integration tool

- turning migrant entrepreneurs into future competent vocational trainers for the youth, often with migration background:
 - ➔ Training for Trainers Course („Ausbildung der Ausbilder“ AdA)
- recognizing and building on migrants' potentials in the city:
 - ➔ Qualification Requirement Analysis and Individual Qualification Check
- awareness raising of diversity of local businesses and migrants' contribution to the economic development of the city:
 - ➔ an annual Phoenix Prize gala in the City Hall with more than 700 participants, including honorable guests
 - ➔ studies and reports on the current developments of migrant enterprises
- building dialog platforms between migrants and mainstream business institutions in the city



MEM now and in the future

- Munich's information and counseling center for business development in migrant communities
- Strategic partner to the **Single Point of Contact** for all start-ups in the city in the Department of Labor and Economic Development (www.eap-muenchen.de)
- Training provider for migrant entrepreneurs:
 - ➔ about 200 migrants have turned into vocational trainers
 - ➔ about 180 vocational training posts have been created in migrant companies
- Online communication platform for migrant businesses (www.movaplus.de)
- Munich's network center with migrant business associations
- Cooperation partner for education providers, research institutions, universities and students who are interested in research on migrant entrepreneurship
- Partner of the future international practice oriented research project:
” Active migrants on the local labor market”

Traveling Good Idea:

- to Munich's citizens

(future media campaign “Munich Economy Speaks Many Languages)

- to other cities

(e.g. Nuremberg's interest in replicating the concept of Phoenix Prize)

- to other countries

(international conferences on migrant entrepreneurship)

- to individual researchers and policy consultants in Germany and worldwide

- to the youth and students

(future fairs and seminars on migrant entrepreneurship)

It will also work in your city!

- open to all migrant groups and all business sectors
- an important integration tool in the city's integration strategy
- built on existing networks of local authorities and key stakeholders in labor market policy
- having a good breeding ground in today's globalized local economy

How can you make it work?

- Start small with focus on measurable outcomes
- Build networks with migrant institutions and involve migrants
- Build trust and confidence talking to migrants
- Take your time for counseling (It is quality, not quantity that counts!)
- Form a joint information and communication structure with your strategic partners
- Reach out to new migrant communities and disseminate information about your program
- Do it for them and with them: let migrant entrepreneurs give you some tips!



Who stands behind MEM?

- **Christian Ude**, Lord Mayor of the City of Munich

- **Dieter Reiter**, Chief Executive of the Department of Labor and Economic Development of the City of Munich

- **Anneliese Durst**, Head of the Division of Local Employment and Qualification Policy

- **Project Team:**
 - ➔ **Kameran Shwani**
 - ➔ **Cengiz Onur**
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 - ➔ **Magdalena Ziolk-Skrzypczak**



Thank you for your attention!

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