



Diaspora Dynamics: Navigating Challenges and Opportunities in Domestic Migrant Entrepreneurship

Chetna Kumari, Rohit SaurabhBharti Sharma, Narendra Burla, Riedi Langdi

Research Scholar

Lovely Professional University

JETIR

Abstract:

Domestic migration, the movement of individuals within national borders, is a significant global phenomenon. This movement often creates a domestic diaspora, communities of migrants who retain ties to their place of origin while integrating into their new location. This paper explores the entrepreneurial endeavours of domestic migrants, highlighting the unique challenges and opportunities they face. The paper draws on the concept of diaspora dynamics to examine how migrants leverage social networks, cultural knowledge, and financial resources to establish businesses. It also discusses the obstacles they encounter, such as discrimination, lack of access to capital, and social isolation. The opportunities include filling market gaps, innovation and entrepreneurial spirit. Finally, the paper explores potential areas for future research and policy interventions to support domestic migrant entrepreneurs.

Keywords: Domestic Migration, Diaspora, Entrepreneurship, Challenges, Opportunities

1. Introduction:

Domestic migration is a widespread phenomenon, driven by factors like rural-urban migration, economic disparities, and natural disasters (Portes & Zhou, 1992). It leads to the formation of domestic diasporas, communities with shared origins but residing in different parts of the same country (Mohamoud & Formson-Lorist, 2014). These migrants often possess valuable skills, knowledge, and cultural understanding that can be translated into entrepreneurial ventures (Ram *et al.*, 2017). This paper examines the dynamics of domestic migrant entrepreneurship, exploring the challenges and opportunities they encounter. This study also explores how low-skilled migrant workers adjust to city life in India. It examines why they often leave their families behind and investigates their role in the country's economic growth. The research questions whether they are able to earn sufficient for a livelihood or they still struggle

to manage their expenses. It highlights the lack of good jobs in rural areas as a major reason for migration. Even though these migrants contribute significantly to India's development, they struggle to find decent housing and basic necessities. The paper reviews existing government policies and suggests improvements to make their lives and working conditions better.

2. Literature Review

Millions of Indians migrate between states for better working opportunities, often leaving their families behind (Bhagat & Keshri, 2020). The migration can be of unskilled labours as well as skilled people. The unskilled laborers often fill temporary positions in construction, agriculture, and other sectors. While skilled people with some savings tries to start their small businesses, like opening food stalls, repair shops in their area of expertise (e.g., electronics repair, appliance repair, tailoring), craft shops (e.g., jewellery, pottery, woodworking), Salons or spas offering beauty treatments (e.g., hairstyling, barbering, massage therapy), etc. This migration fuels India's economic growth, however, migrants face challenges adapting to new environments, securing basic needs like housing, and avoiding exploitation in informal work settings. The increasing income gap between states may lead to longer migrations, highlighting the need for improved planning to address the needs of both migrant workers and the communities they move to.

2.1 Migration for economic reasons

Migration has long been a part of human history, with individuals moving across oceans, between nations, and even inside their own countries (Sinkovics & Reuber, 2021). According to figures from the Indian National Sample Survey and census, economic reasons have been the main motivator for migration. This economic incentive is not exclusive to male migrants; economic opportunities also play a substantial role in influencing female migrants who cross state borders (Baycan-Levent & Nijkamp, 2009; Kautto, 2019). Nearly half of the male migrants who do not work as cultivators or agricultural labourers are employed in production-related occupations. The locations that people depart and the places that people go to can both be positively and negatively impacted by migration. This term describes a "floating population," which consists of Low-Income Group (LIG) or Economically Weaker Section (EWS) people who move from one state to another in search of better opportunities, services, and living conditions (Egorova, 2021).

Migrations of greater length and duration have been on the rise in recent years, driven by growing income and wealth gaps as well as higher family ambitions for better economic opportunities, higher living standards, and new ways of life (Kloosterman, 2010). The majority of people who move across state lines do so in search of better career prospects and more diverse cultural experiences in larger cities. Conversely, the main motivators for intra-state migration, which typically occurs within rural parts of the same state, are generally the desire for higher income and a basic level of living (Patel & Chavda, 2013). There are two primary motivations for rural labour migration: the need to leave for survival and the desire to earn more money (Light *et al.*, 2017). People who work as labourers are compelled to leave rural regions due to the severe social and economic circumstances that they face. Furthermore, many people move in search

of better economic opportunities, particularly during times of seasonal or cyclical job loss (Landström & Benner, 2010). Migrants who travel only for a season usually stick close to their home areas and do shorter trips.

2.2 Increasing popularity of Migration

In recent decades, it has been commonplace for workers to relocate within and across countries in search of better job prospects, particularly in the informal economy. Both the source and destination regions will feel the effects of this trend in their social, economic, and political environments. Research shows that 10% of Indians migrate inside the country. While movement of male labourers has long been the norm, the proliferation of shopping centres, showrooms, and factories has recently spurred an uptick in female mobility (Shanthi, 2006). There are several obstacles that migrant workers must overcome. These include adjusting to other languages and cultures, getting the proper identity documents, fighting against social and political marginalisation, receiving social benefits, finding a place to live, and staying safe from exploitation (Sahin *et al.*, 2007). Permanent, semipermanent, seasonal, and cyclical migration are all possible in informal contexts. Migrant is becoming more common as a result of globalisation, urbanisation, and the quest for better employment possibilities. Increasing rates of unemployment, resource scarcity, and natural resource depletion are all factors that are adding to this increase (Wahba & Zenou, 2012). On the other side, people are drawn to move to places that provide better work chances, educational opportunities, higher incomes, better urban living standards, transit alternatives, greater communication, and the promise of better lives and economic prospects. To summarise, migration between states in India is a multi-faceted process that impacts both the migrants' and the host areas' daily lives. The nation's socioeconomic environment is profoundly affected by the opportunities and problems linked to labour migration. A study highlights the importance of family for Vietnamese migrant entrepreneurs. Family acts as a crucial support system, providing emotional encouragement, financial resources, and connections. However, the study identifies a limitation in current research – a lack of understanding of how family influence varies across different immigrant groups and industries (Nguyen-Quoc *et al.*, 2020). This suggests a need for further investigation into how family dynamics impact immigrant entrepreneurs from diverse backgrounds and business contexts.

2.3 Theoretical Framework: Diaspora Dynamics

The concept of diaspora dynamics emphasizes the transnational connections and ongoing cultural, social, and economic ties migrants maintain with their place of origin. This framework highlights several key aspects relevant to domestic migrant entrepreneurs:

- **Social Networks:** Domestic diasporas often create strong social networks that provide access to information, resources, and potential customers. These networks can be crucial for navigating the business environment and securing funding.

- **Cultural Knowledge:** Migrants possess unique cultural understandings of both their origin and destination communities. This can be advantageous in creating products or services that cater to specific market needs.
- **Financial Resources:** Migrants sometimes accumulate savings or remittances from their families, which can be used as seed capital for starting a business.

3. Research Methodology

In our research, we are on a mission to uncover the secrets of migrant entrepreneurship). Our goal is to understand the world of immigrant entrepreneurs better. Picture us as explorers, diving deep into the experiences of migrant ladies and gentlemen who have ventured into business (Elo *et al.*, 2023). We are not just scratching the surface; we are diving headfirst into their stories, seeking to unravel the mysteries of their entrepreneurial journeys.

To do this, we are using a method called qualitative research, which is like peeling back the layers of an onion to reveal its core (Melnikovas *et al.*, 2018). Through in-depth interviews with these entrepreneurs, we're aiming to uncover their challenges, their triumphs, and the strategies they use to overcome obstacles (Mears, 2012). It is a journey of discovery, shedding light on the elements, trends, and dynamics that shape the world of diaspora entrepreneurship.

3.1 Research Design:

In our research, we're like detectives on a mission to uncover the secrets of migrant entrepreneurship. Our goal is simple: to understand the world of immigrant entrepreneurs better (Aliaga-Isla & Rialp, 2013). Picture us as explorers, diving deep into the experiences of migrant ladies and gents who've ventured into business. We're not just scratching the surface; we're diving headfirst into their stories, seeking to unravel the mysteries of their entrepreneurial journeys. To do this, we're using a method called qualitative research, which is like peeling back the layers of an onion to reveal its core. Through in-depth interviews with these entrepreneurs, we're aiming to uncover their challenges, their triumphs, and the strategies they use to overcome obstacles. It's a journey of discovery, shedding light on the elements, trends, and dynamics that shape the world of diaspora entrepreneurship. So, grab your magnifying glass, because together, we're about to embark on an adventure into the fascinating world of migrant entrepreneurship.

3.2 Participant Selection:

In selecting participants for our study, we're like casting directors looking for the perfect actors to play different roles in a movie. We're not just picking anyone off the street; we're carefully choosing individuals who can bring diverse perspectives and experiences to the table. Picture us at a bustling marketplace, chatting with people from all walks of life – young and old, men and women, from different cultural backgrounds (Douglas, 2022). We want a cast of characters that represents the rich tapestry of migrant entrepreneurs. By handpicking our participants, we're ensuring that we capture a wide range of stories and insights, making our research as colourful and vibrant as possible. So,

whether you're a tech-savvy innovator or a traditional craftsman, we want to hear from you – because every voice matters in our quest to understand the world of diaspora entrepreneurship.

3.3 Interview Protocol Development:

In developing our interview protocol, we're crafting a roadmap that guides our conversations with migrant entrepreneurs. We're not just asking random questions; we're structuring our inquiries to dig deep into the heart of their entrepreneurial journey. It's like setting up a series of signposts along the way, each one guiding us closer to understanding their experiences and challenges. We want to know everything – from how they manage their businesses to the support they receive from the government. We're curious about the nitty-gritty details, like whether they create everything by hand or if their products are organic. By delving into these specifics, we're uncovering the unique stories and insights that will enrich our understanding of diaspora entrepreneurship. So, armed with our carefully crafted questions, we're ready to embark on a journey of discovery alongside these migrant entrepreneurs.

3.4 Data Collection:

When it comes to collecting data, we're like curious investigators, eager to gather all the pieces of the puzzle. Picture us sitting down with our participants, armed with notebooks and recording devices, ready to soak up every detail of their stories. We're not just jotting down random facts; we're capturing the essence of their experiences as migrant entrepreneurs. Through friendly and engaging conversations, we're diving deep into their challenges, successes, and the strategies they use to navigate their entrepreneurial journey (Polkinghorne, 2005). Every word they share is like a precious gem, adding depth and richness to our understanding of diaspora entrepreneurship. Once we've gathered all the data, it's time to roll up our sleeves and dive into the analysis.

3.5 Data Analysis:

In data analysis, we're like detectives sifting through mountains of evidence, searching for hidden patterns and insights. We're not just crunching numbers; we're carefully dissecting interview transcripts, looking for recurring themes and connections. It's like piecing together a jigsaw puzzle – each clue bringing us closer to unravelling the mysteries of migrant entrepreneurship. We're using thematic analysis to identify key themes related to challenges, successes, and strategies employed by our participants (Castleberry & Nolen, 2018). Every theme we uncover is like a piece of the puzzle falling into place, helping us paint a clearer picture of the entrepreneurial landscape. Through rigorous analysis, we're transforming raw data into valuable insights that will inform our understanding of diaspora entrepreneurship and guide future research and interventions.

3.6 Interpretation and Synthesis:

Now that we've gathered all our data and uncovered various insights, it's time to make sense of it all. Think of it like baking a cake – we've got all the ingredients, but now we need to mix them together

to create something delicious. In interpretation and synthesis, we're like chefs in the kitchen, combining our findings to create a flavourful dish of understanding. We're not just looking at individual pieces of data; we're stepping back to see the bigger picture. It's like connecting the dots – each insight building upon the next to reveal a deeper understanding of diaspora entrepreneurship. We're identifying patterns, drawing connections, and distilling our findings into key takeaways that tell the story of our research. Through this process, we're turning raw data into valuable insights that can inform future research, policy decisions, and support initiatives for migrant entrepreneurs. So, grab a seat at the table, because together, we're cooking up a feast of knowledge.

3.7 Reflexivity and Trustworthiness:

When it comes to reflexivity and trustworthiness, we're like honest storytellers committed to sharing the most authentic version of our research journey. Imagine looking in the mirror and reflecting on our own biases, assumptions, and experiences – that's reflexivity in action. We're not just observers; we're acknowledging our own perspectives and how they might influence our interpretation of the data. It's like being aware of the lens through which we view the world, ensuring that we present a fair and balanced picture of our findings. As for trustworthiness, think of it as the foundation of our research – it's about being reliable and credible in everything we do. We're taking steps to ensure that our methods are transparent, our data is accurate, and our interpretations are grounded in evidence. Through reflexivity and trustworthiness, we're building a solid foundation of integrity and authenticity that readers can rely on (Xerri, 2018), ensuring that our research contributes meaningfully to the field of diaspora entrepreneurship.

4. Findings

In our exploration of migrant entrepreneurship in Punjab, we uncovered a tapestry of challenges and opportunities faced by individuals from various states embarking on their entrepreneurial journeys. Mr. Kumar hailing from Aara, Bihar, shared the hurdles he encountered, ranging from discrimination to procurement issues, underscoring the resilience required to navigate unfamiliar territories. Mr. Dhawan's experiences as an FMCG store owner shed light on time management woes and fierce competition, illustrating the fierce battlegrounds of entrepreneurship in densely populated areas. Meanwhile, Mr. Kumar's transition from Aara, Bihar to Jalandhar highlighted the market unfamiliarity that can impede progress. However, amidst these challenges, success stories like Raj Kumar's ice cream Parlor venture serve as beacons of hope, showcasing the rewards reaped from seizing local opportunities and catering to student communities. Delving deeper into specific businesses, Nagamani's South Indian eatery embodies the triumph of strategic planning, leveraging competition gaps and educational opportunities near university campuses which aligns with the literature (Wu & Eesley, 2022). Yet, labour shortages and raw material accessibility present ongoing hurdles. Similarly, a sugarcane juice stall owner exemplifies the duality of opportunities and challenges, with low maintenance costs and abundant raw materials countered by regulatory constraints and seasonal fluctuations. Through these narratives, our findings underscore the dynamic landscape of migrant

entrepreneurship, where resilience, adaptability, and strategic foresight are indispensable virtues on the path to success.

4.1 Motivations:

- **Economic Necessity:** Research suggests that limited job opportunities and low wages in their origin locations are key drivers for migrant entrepreneurship.
- **Perceived Economic Advantages:** Migrants may perceive entrepreneurship as a pathway to higher income and improved living standards compared to wage employment.
- **Skill Transfer:** Migrants can leverage skills and knowledge acquired in their origin place or during migration to establish successful businesses.

4.2 Challenges Faced by Domestic Migrant Entrepreneurs

Despite their potential, domestic migrant entrepreneurs face significant challenges:

- **Discrimination:** Migrants may encounter prejudice and discrimination based on their origin, making it difficult to access financing, permits, and customers.
- **Lack of Access to Capital:** Formal financial institutions may be hesitant to lend to migrants due to limited credit history or lack of collateral.
- **Social Isolation:** Difficulty integrating into the social fabric of the host community can limit access to networks and support systems.
- **Regulatory Hurdles:** Complex regulations and bureaucratic processes can hinder business formation and growth.

4.3 Opportunities for Domestic Migrant Entrepreneurs

Despite the challenges, domestic migrant entrepreneurs also have unique opportunities:

- **Filling Market Gaps:** Migrants can identify unmet needs in their host communities and develop businesses to address them.
- **Innovation:** Their diverse cultural backgrounds can lead to innovative products and services.
- **Entrepreneurial Spirit:** Research suggests that migrants often possess a strong entrepreneurial spirit and a willingness to take risks.

4.4 Policy Recommendations and Future Research

To support domestic migrant entrepreneurs, policymakers can consider:

- **Microfinance initiatives:** Programs offering financial services tailored to the needs of migrants.
- **Business development programs:** Providing training and mentorship to help migrants navigate the business environment.
- **Anti-discrimination measures:** Policies that promote fair treatment and access to opportunities for all.

Further research is needed in role of technology in facilitating business development for domestic migrants and effectiveness of policy interventions in supporting domestic migrant entrepreneurs.

5. Discussion and Conclusion

Domestic migrant entrepreneurs play a vital role in economic development and job creation (Desiderio & Mestres-Domènech, 2011). The results shows that many migrants become entrepreneurs for different reasons. Some might not find the right jobs, while others want to be their boss and control their work. Some even see it as keeping their culture alive through their business. Starting a business as a migrant can be tough though. It can be hard to get money and resources, understand the local customs and laws, build trust with people in the new state, and face any discrimination. But there are also good things about being a migrant entrepreneur. They can fill in gaps in the market by offering products or services their community needs, using their skills and connections to make their business successful, and helping both their home and country grow economically.

In conclusion, "Diaspora Dynamics: Navigating Opportunities and Challenges in Migrant Entrepreneurship" offers a useful insight of complex interplay between entrepreneurial pursuits and diaspora dynamics. The study finds several significant research gaps that open up new avenues for investigation and comprehension in the area of migrant entrepreneurship. By understanding the challenges and opportunities they face, policymakers and stakeholders can create a more supportive environment for their success. By leveraging their unique skills and perspectives, domestic migrant entrepreneurs can contribute significantly to the economic and social fabric of their adopted communities.

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