



Article

# **Exclude Me Not: The Untold Story of Immigrant Entrepreneurs in Sweden**

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Abstract: This article examines the perspectives of immigrant entrepreneurs on the barriers they face regarding their inclusion in public procurement in Sweden through the so-called supplier diversity programs. Drawing upon modern stakeholder theory and transaction cost economics, this study aims to identify potential barriers such entrepreneurs face in succeeding as suppliers to the public sector. Data were collected through interviews with immigrant entrepreneurs who had experience with the public procurement tender process in Sweden. The results reveal that immigrant entrepreneurs doing business with public procurement face several barriers, ranging from economic to social ones such as information, advertising, human resources, and undercapitalization. The interviewees believe that such barriers weaken their performance and hinder their success in public procurement tenders. When it comes to supplier diversity programs, the entrepreneurs under study were either unaware of such programs in public procurement in Sweden or did not believe in their effectiveness.

**Keywords:** entrepreneurship; barrier; supplier diversity; public procurement; corporate social responsibility; sustainability

#### 1. Introduction

Prior work on entrepreneurship and public policy shows that governments in all societies use a range of direct and indirect policies to stimulate productive entrepreneurship among minorities such as immigrants [1–4]. Such policies are believed to contribute to economic growth and employment [5–9] and have non-economic implications by addressing sustainable development [10] or taking action against social exclusion [11–14].

However, while any entrepreneurship development policy or program is incomplete without considering both supply and demand elements, historically, these programs and policies for minority entrepreneurs have been mostly supply driven [15,16], and the demand side of the dyad has been neglected [4,17–19]. This paper aims to address this gap by focusing on one important component of the demand side of immigrant entrepreneurship—fostering immigrant entrepreneurship through public procurement.

In this regard, few would doubt the potential power of public organizations to facilitate the success of immigrant entrepreneurs. On the one hand, public procurement is increasingly being recognized as a tool to promote immigrant entrepreneurship and a vehicle to help governments achieve their social and sustainable development goals. On the other hand, identifying and exploiting business opportunities in the public sector is an influential factor for immigrant entrepreneurs to expand out of their traditional low value-added and small-scale activities, giving them the opportunity to contribute to society on a larger scale.

Accordingly, in line with the growing awareness of the need to incorporate minorities, more specifically ethnicity, into corporate social responsibility (CSR), concepts such as supplier diversity and

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inclusive purchasing have emerged in public procurement. Supplier diversity can be explained as a social innovation program undertaken by large purchasing organizations to ensure that minority entrepreneurs have a fair and equal opportunity to compete. It is part of the CSR of a firm at procurement level [20,21] and has contributed to the spread of CSR by coercive isomorphic pressures [22,23].

In this regard, due to their intervention power and reliance on tax money, public sector organizations are more focused on increasing diversity in their procurements and implementing supplier diversity. This intervention power in the public sector can stimulate the integration of disabilities, women-owned businesses, immigrants, LGBTs (lesbian, gay, bisexual and transgendered), and other minority groups through the implementation of supplier diversity [24].

However, despite the fact that the importance of supplier diversity is widely acknowledged in the context of public procurement [25–27], and given the importance of different contexts and actors as influencers of supplier diversity practices, the understanding of such actors (e.g., the procurers and suppliers) of supplier diversity is not clear enough and supplier diversity still suffers from problems in implementation. Incidentally, understanding barriers or factors that hinder and challenge the implementation of CSR in an organization plays a major role in achieving sustainable development goals [28]. One approach to identifying such barriers is to investigate the supply chain [28] and, in the present study, supplier inclusion. This might stem from different motivations that public organizations might have to include supplier diversity in their procurement activities or the barriers immigrant entrepreneurs face in this regard that hinder their opportunities to increase sales to the public sector.

Suppliers have been identified as primary stakeholders of any organization, who have an immediate, continuous and powerful impact on a firm [29,30]. Utilizing modern stakeholder theory, this paper focuses on one specific group of interested parties with regard to the implementation of supplier diversity, namely immigrant entrepreneurs. With the new wave of immigration to Europe and the changing traditional view of stakeholders, immigrant entrepreneurs' role is crucial in the context of supplier diversity, especially since they are being discriminated against in more ways than one. As the context of this study is among European Union member states, Sweden has been a welcoming country for immigrants. According to Eurostat 2017, the ratio of immigrants to inhabitants is 13 to 1000 in Sweden. A large number of such immigrants has become entrepreneurs, which has resulted in more than 14 percent of company owners being immigrants. Also, the number of start-ups increased by 75 percent in the 2000s [31]. Despite having a high potential for contributing to their local communities, their economic advancement and to sustainable development, these groups may suffer from being placed between two extremes. Entrepreneurship among immigrant groups and their inclusion in supplier diversity programs is an important indicator in assessing the social and economic responsibility of their new country and its government. However, as reflections of evolving constraints and opportunities operating in society, minority entrepreneurs face higher barriers than non-minority groups [32]. Hence, drawing upon transaction cost theory [33], this paper investigates the extent to which transaction costs enable or hinder immigrant entrepreneurs' participation in public procurement to suggest ways to reduce such constraints and improve the ability of immigrant entrepreneurs to be a part of public procurement.

In this regard, understanding these groups of entrepreneurs' perceptions about the barriers they face in integrating with supplier diversity programs in public procurement is an important focus of this paper. Based on a qualitative study of immigrant entrepreneurs with previous experience in public procurement in Sweden, the current paper will investigate the barriers confronting immigrant entrepreneurs in their efforts to engage with public procurement.

The paper begins with a review of the literature on entrepreneurship with regard to minority groups and public policy as it intersects with relevant literature bodies in CSR, stakeholder theory, and transaction cost theory. This is followed by a discussion of the research method used and data collection procedure. Next, findings from in-depth interviews with immigrant entrepreneurs with experience in public procurement are presented. The subsequent discussion identifies 12 categories

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of barriers that seem to have hindered entrepreneurs in participating in the procurement process. The categories are Human Resources, Internal and Financial Resources, Undercapitalization, Lead-time, Communication and Marketing, Information about Tenders, Training and Support, Feedback, Competition, Pricing and Cost, Negotiation, and Performance Monitoring. The paper ends with conclusions, limitations of the study, and avenues for further research. This study's contribution to the extant literature is twofold: first, it identifies a range of barriers that hinder minority entrepreneurs in public procurement, and secondly, it considers public procurement as the demand side of minority entrepreneurship among the existing supply-driven literature.

## 2. Literature Review

The paper's research question does not fit neatly into a single literature body, as it lies at the intersection of entrepreneurship and minority studies with public procurement, CSR, and supply chain management.

Public organizations are encouraged and under pressure from their stakeholders to engage minority entrepreneurs as suppliers in efforts to promote supplier diversity [34]. Sometimes these efforts are treated as 'business cases' [35] or motivated by anti-discrimination [36] or 'CSR' [13] initiatives.

There is no lack of reasons for the significant role the public sector can play in promoting supplier diversity and minority entrepreneurship. From the scale of its procurement contracts to its immense spending power, the public sector can exert a major influence on any society's economic and social development [13]. Any change in the way governments use their buying power can eventually lead to reshaping the economy and generating substantial social benefits by supporting the success of immigrant entrepreneurs. For their crucial role in promoting diversity, multiculturalism and social cohesion, ethnic minority entrepreneurs can serve an important and valuable role in public procurement [37]. While demonstrating CSR and responding to increasing demands from corporations' stakeholders, specific purchasing strategies to attract minority entrepreneurs as suppliers encourage the development of an independent and vigorous minority business sector [38].

## 2.1. Modern Stakeholder Theory Utilization

The reason why firms include supplier diversity can be explained using stakeholder theory. Although the fundamental purpose of any business (both public and private) is to satisfy customers' needs, any company has tremendous potential to serve as a change agent in society. One way of achieving that is by utilizing supplier diversity as part of the company's overall strategy for CSR [39], defined as "the obligation of an organization to act in ways that serve the interests of its stakeholders" [40] (p. 157). This will, in turn, contribute to corporate social performance (CSP) which is defined as "a business organization's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationship" [41] (p. 3). CSR and CSP are sometimes used interchangeably in empirical research since CSP as a concept is sometimes included under the CSR umbrella, and sometimes it is the other way around [42].

Moreover, in the literature stakeholder theory is suggested as a framework to model CSP [42] to manage stakeholders in a way they consider satisfactory [29,43,44]. As a result, considering the significant role supplier diversity can play in enhancing CSP, evaluating different stakeholders' perspectives on the problems associated with supplier diversity implementation is very important.

Looking beyond the profit motive, many executives have embraced the idea that they have moral as well as economic duties to perform on behalf of their stakeholders [30]. There are many definitions of stakeholders [45], all of which have their roots in the definition from [46] (p. 46): "Any group or individual who can affect or is affected by the achievement of the organization's objectives." However, despite more than two decades of refinement and integration of stakeholder thinking into multiple disciplines, stakeholders are predominantly defined solely by their generic economic function—to consume, invest, supply and so on. Such categories ignore the social glue, the bonds of

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group cohesion, identity and the differences that typically form the basis for claim-making in relation to the firm.

Similarly, the modern stakeholder view demands that firms consider broader categories of stakeholders. Also, the relationship between firm and stakeholders is not limited merely to generic economic functions [47] such as consumption, investment and supply. Hence, modern stakeholder theory suggests that the survival and success of an organization depend on achieving both its economic and non-economic (e.g., CSP) goals, while meeting the needs of the company's different groups of stakeholders [48].

When self-defined groups, such as women, immigrants, blind people, or the LGBT community, to name just a few, make claims on a firm, "they do not do so simply on the basis of being either a particular market segment (consumer) or a labor market minority (employee), but as a unique societal constituency that affects and is affected by the firm across a range of such market relationships" [49] (p. 77).

Accordingly, stakeholder groups might press their claims to the firm from various affiliations. One such claim is for the company to enhance its CSR activities. CSR can embrace all dimensions of sustainability; in other words, CSR might as well be considered as a sustainable strategy [28].

CSR can be reflected at different levels of corporate activity, such as supplier diversity at the procurement level in an organization. Drawing from the above discussion, the traditional view of stakeholders is not enough to study the relationship between a public procurement organization and immigrant entrepreneurs, since socially responsible procurement and supplier diversity go beyond the traditional economic buyer-supplier relationships. An investigation into firm-stakeholders' relationships must be extended to other issues such as stakeholders' social identity, interests, ideologies, values and expectations [4,47,48,50–53]. Hence, this study utilized modern stakeholder theory to explain the phenomenon of supplier diversity in public procurement with regard to immigrant entrepreneurs.

Suppliers have been identified as a firm's primary stakeholders, who have an immediate, continuous and powerful impact on the firm [29]. Since any procurement is a dyadic relationship between the buyer(s) and supplier(s), the success of supplier diversity implementation also depends on how well the suppliers receive it or resist it, and the barriers they perceive. Immigration is increasingly seen as the driving force for sustainable development as migrants are believed to be the new development agents in societies [54]. Moreover, in the current century, migration is rapidly forming the demography of countries in general and businesses in particular . Hence, issues related to immigration should be at the frontline of sustainable development. This is even more important as migration can be either a sustainability burden or a significant stimulus to sustainable development, depending on how different stakeholders manage them in the host country/city [55].

# 2.2. Barriers Facing Immigrant Entrepreneurs

Considering the importance of immigrant entrepreneurs' acceptance of, or resistance towards, supplier diversity policies or programs, it is crucial to understand their perceptions towards their inclusion in public procurement and the enablers of, or barriers to, this inclusion. This is even more important as immigrant entrepreneurs are collective reflections of evolving constraints and opportunities of the society in which they do business. Minority entrepreneurs such as immigrants have traditionally faced higher barriers than non-minority entrepreneurs as they sought to develop viable business ventures by penetrating mainstream (so-called old-boy) networks [38].

Evaluating immigrant entrepreneurs' perspective of supplier diversity programs is even more important as unfortunately, many such programs and supplier diversity policies simply do not work as originally planned. Despite the good intentions behind initiating them, immigrant entrepreneurs acting as suppliers experience a range of barriers that hamper opportunities to increase sales to the public sector due to the complex process involved and the required skills, which go beyond basic business knowledge [56]. Implementing supplier diversity programs does not automatically translate into beneficial results for immigrant entrepreneurs and their staff. Due to various issues such as just-in-time

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arrangements in manufacturing, immigrant entrepreneurs have become increasingly subject to work intensification. Also in the context of working conditions, such small and medium-sized enterprises (SMEs) do not fare well as they usually fall below minimum standards in health and safety regulation or are offered little formal training [4,57].

As a result, barriers exist for all immigrant entrepreneurs entering public procurement. All ethnic minority groups find that accessing adequate funds to establish a business is the most common barrier to increasing their entrepreneurial activity [33].

Prior research has highlighted economic barriers [58–62] such as financial constraints and access to capital as well as social barriers such as the demographic characteristics of owners/managers, which both account for variation in perceptions of discrimination [20,63–65] for minority entrepreneurs' success. The literature has also cited non-economic factors such as lack of business education, training or managerial experience [56,66–68] as barriers to success for minority entrepreneurs.

In an attempt to explain ethnic groups' entrepreneurial success or failure, mainstream economists have proposed barriers related to human capital such as schooling, education or other features that determine productivity [33,69,70].

An alternative explanation of the differing rates of entrepreneurship between minority and non-minority groups is given by the new institutional economists [71–73] using transaction cost theory [33]. The literature considers observable and non-observable costs associated with the exchange, also called transaction costs, as the manifestation of barriers to market participation by resource-poor SMEs such as minority-owned businesses [74–78]. Costs include the costs of searching for information and partners (in our case public procurement tenders), the costs of bargaining, monitoring and enforcing and, eventually, delivering what has been promised [79–81]. As [82] (p. 10) point out, transaction cost theory demands that interactions between economic units (partners) can "be analyzed by examining the nature and outcome of their economic transactions, and the costs of executing these transactions" which are not necessarily financial costs, and can include any type of costs such as time, energy and enthusiasm.

This new institutional transaction cost approach is adopted by most supplier diversity policies to develop formal systems to reduce uncertainty by overcoming information problems and brokering relationships between minority entrepreneurs and the public sector [33]. However, previous studies also argue that particularly in the start-up stage, some ethnic groups encounter transaction cost constraints in a more acute form, which leads to the reinforcement of this policy stance when dealing with ethnic entrepreneurs [83–85]. In this scenario, transaction costs, economic theory suggests that the difficulty of promoting or executing buyer-supplier transactions between the public sector and minority entrepreneurs is because the costs of these transactions are being perceived as high by either the minority entrepreneur, the public organization or both. Faced with high transaction costs, the buyers and sellers that would normally be willing to make contract and work together will be unable to do so [82].

According to the literature, other factors serving as hurdles to minority entrepreneurs (where internal management resources can be extremely limited) successfully accessing public procurement include legislative constraints and the actual bureaucracy of the procurement process itself [82]. Public procurers do not seem to treat minority entrepreneurs as seriously as the entrepreneurs regard themselves. To shed more light on these barriers and drivers, this article reports the results of a study conducted among immigrant entrepreneurs that identifies some of the barriers and success factors relating to inclusion in public procurement from their perspective.

#### 3. Materials and Methods

To investigate the research question, this study undertook an empirical examination focusing on immigrant entrepreneurs who have been in public procurement. Data collection was conducted between November 2016 and April 2017. Companies in Sweden in which immigrant ownership was at

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least 51% were chosen as the sample for this study. Table 1 shows a summary of the methodological steps of this research.

Item No.	Methodological steps	Details	
1	Data type	Primary	
2	Data Collection	November 2016 and April 2017	
3	Interview technique	Telephone, face to face	
4	Criteria	At least 51% owned by immigrants	
5	Questionnaire/survey	Semi-structured interviews	
6	Duration	Half an hour, on average	
7	Number of companies	22	
8	Number of questions	42	
9	Number of categories	20	
10	Categorizing and coding	3 levels	

Table 1. Action Research Process.

Valid questions from previous studies were used as the basis for this study's interview guide, and researchers modified the questions, where necessary, to adjust them to market characteristics. Communication barriers, power dependency barriers and potential supplier-specific barriers such as lack of human resources were adapted from [86]. Undercapitalization, need for information, negotiation power, buyers knowing about vendors, price competitiveness, information on supplier capabilities and competition with bigger firms were adapted from [87].

Control questions asked whether the company had been involved in public procurement before, irrespective of whether they had won tenders. Those companies with no previous experience in the public procurement process were removed from the sample. This process of data cleaning resulted in interviewing the representatives of 22 companies.

Data were collected using semi-structured interviews via telephone, and each interview lasted half an hour, on average. As semi-structured interviews were conducted in this study, a thematic coding technique was used as a data analysis method [88,89]. In line with [88,89] the data analysis was divided into four steps as below:

- (1) Transcript: The authors made the transcripts in text and audio formats.
- (2) Familiarization with the data: To become familiar with the data and interview material, the researchers read the interviews in detail. In the case of any vague information, the researchers discussed the issue among themselves and, in a few cases, they called back the interviewees to clarify any ambiguities or uncertainties about the transcript or to ask further questions.
- (3) Coding Framework: The data were then coded into different categories.
- (4) Thematic charting: The content was presented in the form of specific themes.

Respondents were chosen using different databases such as Visma. Prior to the interview they were told about the research purpose and that anonymity would be guaranteed. All interviews were recorded so that responses could be checked later; in some cases, notes were also taken to highlight reactions noticed during the interview. This is an appropriate approach used in qualitative studies in which semi-structured interviews are conducted with a view to using the empirical findings for analysis [90]. The interviews were transcribed first into Swedish and then translated into English.

The interview guide for this study was modified and edited several times before data collection to ensure correct and relevant questions were asked. The interview guide comprised four major parts: The first part contained four control questions to check whether the relevant company had been in public procurement. The second part contained 31 questions relating to the barriers entrepreneurs faced in business as well as in public procurement. The third part included 11 questions about supplier diversity programs in Sweden and possible inclusion as a result of them. The fourth part of the

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interview guide contained 11 general questions relating to turnover, job position and gender for the sake of general statistics.

Each interview was carefully transcribed, and each interview averaged between five to seven pages. Data were categorized and coded to analyze this text and to extract patterns and insights [91]. Questions relating to the interviewees' perceptions of the barriers they faced in participating in public procurement were used as categories. Initially, 20 categories were extracted from a total of 42 questions regarding the barriers. Categories that were similar to others were then integrated, which resulting in 12 main groups of barriers. Examples of respondents' ideas and reflections on each of the raised categories of barriers are presented for each category in the next section. The frequency of similar answers from different respondents was also estimated in order to understand what the interviewees thought of each question.

The issue of supplier diversity as well as barriers confronting immigrant entrepreneurs, and how to integrate them in public procurement appears to be an unexplored phenomenon in Sweden. Hence, the authors of this study conducted two research projects prior to launching this paper to better understand the stakeholders and their needs regarding inclusive public procurement.

In addition, different experts checked the interview guides to ensure content and construct validities [92,93]. In each research project, the experts received the interview guide and gave feedback on it. All the experts were fluent in the Swedish language, and had different areas of expertise such as public procurement, business administration, marketing, and supplier diversity.

The external validity of this study was also examined by choosing a sample from entrepreneurs belonging to different industries, with various levels of experience, and originally coming from various parts of the world (Table 2). Repeatability or reliability of this study was ensured by collecting data from respondents from diverse backgrounds and still receiving the same results [94]. This means new data collection from immigrant entrepreneurs or any other similar social setting are expected to reveal the same results. Also, as mentioned earlier, an extensive interview guide development process using several revision steps was employed to ensure the reliability of the study results.

#### 4. Results and Discussion

This study investigated entrepreneur's perspectives of the barriers they faced to being included in public procurement in Sweden. This study found there is no established supplier diversity or programs in place to advance Swedish public procurement and that public procurement is reflected in the social clauses of contracts and tenders. Accordingly, we used those clauses as the basis of our interview guide to evaluate the barriers. This study's analysis of interviews with 22 company owners in different fields of business consists of two parts. The first is an overview of the respondents' demographics and descriptions. The second part is a categorization of the barriers as well as awareness of social issues they identified during the interviews with regard to public procurement tenders.

## 4.1. Descriptive Results

The majority of companies were established in the 2000s. Their average annual turnover was 2.3 million SEK (approximately €220,000). The ratio of male managers to female managers was 14 to 8. The majority of the respondents had a bachelor's degree or higher. Respondents had immigrated to Sweden from Asia, Africa, Australia, Europe and South America. The average number of full-time and part-time employees was 5 and 3. Table 2 shows the respondents' demographics.

Establishment **Full-Time** Other Turnover **Education Level** Origin Job Position Gender Age Year (TKR) **Employees** Employee 1994 300-499 Male 50 MSc Croatia Owner 0 500-700 2008 Male 40 PhD New Zealand 2 3 Owner 0 0 1996 500 Male 53 MSc Finland Owner 2008 1563 Male 39 University courses New Zealand Owner 14 19

Table 2. Respondents' Profile.

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Table 2. Cont.

Establishment Year	Turnover (TKR)	Gender	Age	Education Level	Origin	Job Position	Full-Time Employee	Other Employees
2014	540	Female	38	MSc	Iraq	Co-owner	0	0
2009	2615	Female	27	BSc	Russia	Co-owner	0	0
2011	3655	Male	30	HVE	Iran	Owner	0	8
1975	158	Female	44	BSc	Russia	Director	15	0
2013	1006	Female	36	BSc	Turkey	Owner	2	2
2013	4124	Male	32	BSc	Albania	Owner	6	1
2001	3000-5000	Male	32	High school	Italy	Co-owner	4	0
2012	645	Male	31	BSc	Iran	Sub-consultant	1	0
1999	7500	Male	40	MSc	Iran	Owner	20	0
2014	1358	Female	60	BSc	Romania	Director	0	0
2013	1006	Female	36	BSc	Turkey	Owner	2	2
2006	6856	Male	40	BSc	Germany	Owner	20	7
2009	1431	Male	60	BSc	Chile	Owner	3	1
2012	5930	Female	53	MD	Iran	Owner	6	10
2000	600-1000	Male	55	MSc	Finland	Owner	0	0
2012	400-500	Male	45	university courses	South Africa	Owner	1	0
2016	500	Female	51	BSc	Chile	Co-owner	0	1
2002	6000	Male	45	MBA	India	Owner	12	0

#### 4.2. Interview Results

As stated in the methods and materials section, coding and categorizing interview transcripts resulted in 20 categories of barriers immigrant entrepreneurs face when participating in public procurement. After reviewing the categories of barriers, the ones that were similar were combined, resulting in 12 categories of barriers presented in the first column in Table 3. The other columns pertain to respondents' perceptions of each category and how they expressed their ideas about each barrier. These categories are discussed in detail in the following sections.

Table 3. Categories.

Categories		Perceptions	
Performance	Performance monitoring		
Human resources	Lack of skilled managers	Lack of qualified personnel	
Internal and financial resources *	Financial support/loan	Business planning skills	Request for proposal skills
Undercapitalization	Being undercapitalized		
Lead time	Long lead time improving quality problems		
Communication and Marketing **	Advertising to public sector	Public sector knowing about supplier	Information on supplier capabilities
Information about tenders ***	Getting information about bid	Information on supplier capabilities	
Training and support +	Training programs Other training sources	Technical assistance	Advice/support to attend Type and helpfulness of materials
Feedback	Feedback on rejected proposals		
Competition ++	Competition among suppliers		
Pricing and Cost +++	Cost competitiveness	Price competitiveness	Profitability of private sector compared to public
Negotiation	Supplier's negotiation power in public sector compared to private		

<sup>\*</sup> The 'planning' category is included in 'internal and financial resources.' \*\* The 'advertising' and 'publicity' concepts are combined and named as 'communication and marketing.' \*\*\* 'the 'tender finding approach' is combined with 'information about tenders.' † 'assistance and advice' are combined in 'training and support.' †\* The 'joint venture' and 'market barriers' categories are combined in 'competition' category. †\*† 'profitability' is combined in the 'pricing and cost' category.

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#### 4.3. Perceived Barriers

The following section presents the perceptions of the immigrant entrepreneurs and their ideas about the drivers of failure and barriers to participating in public procurement and inclusion in their supplier diversity programs. This area was examined through exchange impediments in the public sector and immigrant entrepreneurs using transaction cost economics theory (TCE) [82,86,87]. The main goal of this research is to explore the immigrant entrepreneurs' perceptions of the public procurement process in Sweden and the barriers they have experienced during that process. In line with the discussed theories, the results show that the interviewees have faced a wide range of barriers in the public procurement process, mostly as a result of transaction costs and social, human capital, language, education and other obstacles. The authors have categorized these into the following.

#### 4.3.1. Human Resources

Together with financial capital, human capital is considered to be a success factor for immigrant entrepreneurs [95]. Previous studies have also found a correlation between investment in different aspects related to human capital and obtaining and maintaining business performance [96,97]. Although the majority of these entrepreneurs indicated that they do not have a problem managing their business, they do have a problem related to acquiring the necessary human resources and being successful in public procurement. They highlighted the fact that they had an insufficient workforce compared to their size and regular business. This has limited their access to bigger procurements. Relying on transaction cost economy (TCE), human resources can incur extra costs on the relationship between suppliers and buyers. Suppliers try to overcome this barrier by recruiting and outsourcing. Almost all suppliers perceive that they do not lack qualified personnel at the moment. They have simple organizational structures, but can recruit in a project if necessary. However, as one supplier points out, such people are expensive, or as another one says, in the future consulting business, the situation can get worse because it is difficult to find qualified engineers in Sweden. The manager of a research-based company thinks the issue of finding the right people limits their growth:

"We could have needs in the future. It is hard to find qualified engineering personnel in Sweden. It is hard to find qualified analysts for good qualitative research; that is basically why it is difficult to grow—because there is a market, but there are so few people who have the knowledge."

The entrepreneurs seemed eager to learn about tenders and hiring people and how they could be sure they could win a tender. The manager of a translation company, for instance, said he knows how to manage the business, but is still learning how to handle tenders. One supplier said that if they wanted to expand their business, they would have a problem finding the right people. A supplier in the IT industry outsources projects if they do not find right people.

## 4.3.2. Internal and Financial Resources

The interviewees considered strong business-planning skills as a requirement for success in public procurement since the market is competitive and they usually act alone. One supplier mentioned the importance of continuous improvement:

"We are getting better and better. Because now we have won many contracts and have a lot of sub-consultants, which means we have to be better at business planning and budgets and how we take [them] in. We have so many hours to fill and we have to fill them with the right competence and the right people at the right cost so we can make a profit as well."

Suppliers described themselves as having strong business and financial-planning skills. Having small structures has given them the flexibility to adapt to and meet tender requirements to win their tenders. Companies owned by immigrants active in public procurement had strong financial support. The interviews indicate that although such companies had no problem getting financial support from

banks and financial institutions, obtaining loans was not a popular practice among them. They added that they preferred to keep a good bank record, which enabled them to get loans. Previous studies have also showed that accessing loans from banks or other financial institutions is often harder for minorities than non-minorities [98]. This can be due to banks' preference for long-term customers or loan applications with familiar references. This aspect makes it very hard or even impossible for immigrant entrepreneurs to get such loans as they are considered new entities in the application for providers. Hence, immigrant entrepreneurs may prefer to use other financial resources such as savings, borrowing money from their informal networks, family members or other immigrant businesses before turning to financial institutions [99].

# 4.3.3. Undercapitalization

Government contracts could actually serve as an economic development tool for the immigrant entrepreneurs [38,100,101]. This economic rationale is a driver of supplier diversity programs and set-aside programs for governments [102]. However, one prerequisite for being involved in government contracts is to have enough capital and funds. Accordingly, one of the main success factors of new venture development is access to capital [103,104]. Lack of financial capital is claimed to be a key barrier for immigrant entrepreneurs [98]. Financial capital can come in different forms such as savings, loans from banks and financial institutions and various funding sources [98]. Hence, due to their unwillingness to receive loans and financial support, immigrant entrepreneurs' expansion plans might be slow. Suppliers correlate undercapitalization with success rate in public procurement and express this as a reason for their low success rate in bringing tenders home.

Building on TCE, the small size of immigrant entrepreneur firms can be perceived as a barrier in relationships with procurers. It can create uncertainty in supplier's' competence from the procurer's perspective. This may eventually result in suppliers' undercapitalization, which is the main barrier to expansion:

"Some of them [procuring organizations] call for tenders for which they want us [suppliers] to have a credit statement from the bank. However, those of us that are new in business can only show recent numbers, so we have to produce our own account statement. It is only after the first annual report at the Swedish companies' registration office that there are public numbers on your company's performance. Then you have it black and white. But at the same time, a lot could have happened since that date, if we say that the numbers come to the registration office in May. If you do a procurement in February, the year after, there could have been contracts during that year that boosted your economy. So, you should always be allowed to show new numbers."

# 4.3.4. Lead Time

Although the respondents did not consider having quality problems with their services and products, they mentioned that sometimes due to changes in customers' demands, misunderstanding of the agreements and poor communication between buyers and the supplier, their lead-time increased and could cause problems in large orders as in public procurement. A supplier of consulting services mentioned the effect of customer demands on lead-time:

"Most of the time, when something has happened, there has been a misunderstanding from the customer's side, or when the client has many people in the organization and there is confusion about what is supposed to be done on the job. But that only requires a discussion, since it usually involves a misunderstanding. I cannot recall when there has been a problem."

This could be one main barrier to immigrant entrepreneurs' success in public procurement as the 'value for money' perspective of government procurement is about "getting the best quality and Sustainability **2017**, *9*, 1584 11 of 22

effectiveness for the least outlay over the period of use of the goods or services bought" [17] (p. 469). Hence, delivering the highest quality possible is considered a success factor in public contracts.

# 4.3.5. Communication and Marketing

The interviewees said they regarded lack of communication as a hindrance to participation in the public procurement process. This problem has appeared in several different forms in this study. First there is advertising. Suppliers have almost no clue about advertising and its importance in winning tenders. Those who do, do not have enough resources to do their advertising and marketing. Lack of resources or their non-existence was considered a major challenge for the interviewees wanting to increase awareness about their company and brand through advertising. Advertising to the public sector is an unfamiliar topic among some of the respondents. This is while research on entrepreneurship suggests that marketing and promotion should be a priority at entrepreneurial firms as they positively influence business performance [97]. Among the reasons for poor advertising and publicity, suppliers mention problems such as a lack of knowledge of the methods of advertising, and finding the right advertising channels and the right target audience. For instance, the manager of a consulting company says he has not done that yet because he had his customers and did not feel the need to reach others. Alternatively, instead of advertising, a manager of a media company goes via contacts and previous clients, and tries to nudge them with a sample of new works. The other supplier now contacts the public sector occasionally but gets no answer since his firm does not have an established marketing plan. In some cases, companies do advertise and market themselves in cooperation with other businesses in the sector.

Publicity can also be a problem affecting advertising. Suppliers' circle of influence is limited to procurement people in their municipality but not further than that. Hence, it is not surprising that there is a third problem, which is the procurers' unawareness of the suppliers' capabilities. In the absence of solid advertising plans and publicity programs, procurers will be unaware of suppliers' capacities. Procurers are unwilling to take on the extra communication costs, and this issue has made it harder for suppliers to win tenders.

Although the interviewees claim social media and the Internet are bringing them closer to their customers, they still think procurers are not aware of their capabilities due to weak marketing programs on the supplier side, and they blame their low success rate with tenders to be a consequence of procurers' unawareness of suppliers' potential.

# 4.3.6. Information about Tenders

The literature on SMEs' success factors indicates that asymmetric information limits SMEs' capacity for achieving funding and the possibility of implementing innovations [105]. Moreover, with regard to stakeholder theory, a well-prepared outreach plan to find minority business enterprises (MBEs) and communicate available information about tenders to them and engage relevant stakeholders, is considered a success factor in implementing policies such as supplier diversity [102]. The interviewees regard this as a barrier for inclusion in public procurement. Half of the interviewed suppliers said obtaining information about public procurement tenders was a challenge. In this regard, not knowing where to look for information, ambiguity in the questions asked in tenders, and the high cost of registering in related databases were among the barriers interviewees cited in relation to information. For instance, a director of business development in a consulting company thought it is expensive to receive information from platforms such as Visma. An owner of a consulting company also mentioned that procurers sometimes put very tight deadlines on holidays or favour specific companies. This was a huge burden for smaller businesses since they needed to prepare a lot of documents and information regarding their capacity, experience, price, timing, team and quality if they wanted to tender successfully, and they needed time for that.

Moreover, suppliers use several different approaches to find tenders. Based on the results, we divided these approaches into five groups: (1) access to databases and using them to find tenders,

(2) receiving invitations to participate in tenders, (3) meeting procurers and presenting their new products and capabilities to them, (4) receiving information about upcoming procurements from their networks and (5) hiring people such as consultants who tender on their behalf. Due to the transparency policy in Sweden, finding information does not impose extra costs on suppliers. However, finding relevant tenders is one side of the coin, but the other side of it is how to understand a tender. Suppliers spend lots of time finding information, navigating between tenders and understanding what is demanded of them. Altogether, these costs make public procurement tenders unattractive for suppliers to apply for. This barrier is considered to be related to procurers' incompetence in preparing tenders, as well as reluctance to spend enough time to prepare more accurate and relevant tenders. Due to economic development in Sweden, the number of tenders has increased, and procurers have entered categories in which they are not expert. Some of the interviewees regarded lack of knowledge about legal issues and laws a hindrance in dealing with tenders. As a result, they sometimes lacked enough time and experience to set up sound tenders. This incurred extra costs for suppliers in replying to irrelevant questions and unnecessary criteria.

# 4.3.7. Training and Support

Education/training is considered an essential component for the success of supplier diversity programs [102]. However, the interviewees claimed that there is no such a thing as formal training about public procurement of tenders which could be considered a cost-reducing activity if it existed. There has not been proper training for managers in supplier organizations whose main responsibility is to answer to a tender. Furthermore, attending to such tenders requires specific IT skills. From the interviewees' perspective, this activity is perceived as expensive, and many of the applicants use trial and error methods without proper training. Even though suppliers do not have economic resources to dedicate to training, they extensively use other sources of training such as unions and procurement days, which has helped to some extent.

Company owners have learned by doing. Educating an employee in the company is not common due to a human resource problem. The company owners usually use the chance for questions and discussions with procurers instead of training. Some mentioned that they had been trained through their own experience with many tenders. Another supplier said they get training only if they win.

As stated in the previous part, company owners are unwilling to train staff for public procurement because many of them do not have enough employees or they have more duties than the available workforce can take care of. Very few suppliers said they educate their staff by sending employees to tender training courses. There are many other training sources for suppliers. Suppliers stated spoke about their unions, colleagues, more experienced people from the network, internal team building, business community offices in municipalities, procurement days, software and ads, accountants and incubators. Respondents also mentioned that they did not receive any advice or support to attend a tender. However, they used different sources of advice and support, such as the Q/A section of the procurer's website, buyer sessions or colleagues.

## 4.3.8. Feedback

One of the major concerns of SMEs participating in public procurement as indicated in the literature is the inadequate provision of feedback from the public sector to the SME when tenders are unsuccessful [106–108]. This was also raised as one of the challenges of participating in public procurement tenders by the interviewees in this study. The majority of suppliers said they had not received any feedback on why they had not succeeded in a public procurement tender. The only notification suppliers receive is that they did not win, and this is usually done through email. If they wish to receive feedback, they need to ask for it. However, one supplier said that she is afraid of bad publicity and creating extra work for procurers, so she does not ask. However, then again, very few suppliers stated that procurers send participants' a list and prices after the decision is made.

Buyers do not provide guidance or assistance for suppliers to attend a tender. Instead, it is the suppliers who depend on buyers, and they use other resources such as frequently asked questions partly to find the required information. Even though power is on the procurers' side, they should provide more materials on how to answer tenders in order to increase the number of participants in a tender. Also, a major part of each competition is the announcement of the winners. It is important to give feedback to those who did not win on ranking so they can improve their issues next time. However, the respondents believe procurers are unwilling to dedicate time on that and usually announce only the winners, without providing feedback to the others.

# 4.3.9. Competition

Tough competition among the SMEs in a bid to win public procurement tenders was considered a challenge for the interviewees due to their lack of experience, resources and the fact that they were foreigners. Market competitiveness is one of the major problems SMEs generally face [105]. Their small size and low capacity for applying economies of scale and reducing their prices make surviving and achieving success in this competitive market very difficult for them [105]. Some of the interviewees believe competition is intensive because of systematic discrimination. They add that not being born in Sweden and not going to the same school as others makes them outsiders, which reduces their chances against others in the competition for tender acceptance. Previous research has found that government organizations and local authorities play a significant role in encouraging networking and cooperation between small and large firms, even those competing in the same tender [109]. This was indicated as an influential factor in strengthening the relationship between the public sector and immigrant entrepreneurs [13].

Due to immigrant entrepreneurs' lack of resources, they consider themselves to be unable to cope with quick changes in the market. Moreover, a small group of respondents believed that competition in public procurement is tough due to high expectations in the procurement process as well as suppliers' niche in areas of expertise. They added that procurement tenders have unnecessarily high standards and ask for broad solutions, which are hard for small suppliers to cover. Moreover, competition is becoming increasingly fierce. One supplier in the media industry said that technology development and newcomers have made competition tougher. This barrier is also assumed to be about the so-called "old boys' network" that is still alive and powerful. Few suppliers mentioned the unfair play of giants or the fact that the so-called old boys clique made the competition even harder to survive in. An immigrant entrepreneur mentions the problem of people not knowing them as a barrier to business success;

"Yes, that's the biggest thing. It's sort of hard to come in as an immigrant entrepreneur, here in the north of Sweden as someone who is not established. You haven't gone to school with everybody, and on top of that it is hard to compete with people whose businesses are already established and it's hard to compete with organizations that are bigger. It is definitely difficult."

Costs and quality barriers, including discrimination, have made it difficult for suppliers to enter such networks. This is not in line with the socially responsible rationale of suggested government mandates that facilitate minority entrepreneurs' entrance to, and fair competition in, the procurement process. This facilitation would be an act of CSR and the right thing to do [102,110,111].

In response to these changes, suppliers sometimes choose to focus on a niche market and go into joint ventures to deal with increasing competition in markets. A joint venture is a cost-reducing activity that helps small suppliers deal with the competition problem. A joint venture helps them overcome technological as well as human resource impediments. However, due to different factors, such as unwillingness to share profits with other suppliers, joint ventures have not been very popular among suppliers.

#### 4.3.10. Pricing and Cost

Almost all suppliers think their prices are competitive considering the quality they offer. However, in public procurement, where most often quality is not an issue and price is more important, their prices are uncompetitive. The interviewees even claimed that in some cases they had to cut profits to win contracts for public procurement.

Everyone wants to make more profit, and immigrant entrepreneurs are no exception. Even though economically the most advantageous tenders are becoming more popular, it is still important to offer the lowest price to win a tender. Therefore, suppliers continuously try to minimize costs. Respondents mention that they have found more money in the private than the public sector, mainly due to the cost of time and resources in the tender process. Considering the results of this study, procurers need to find ways to ease the procurement process and reduce the complexity of tenders to encourage greater participation in the tender process by suppliers. One can assume that this means the main objective for public procurement in Sweden is to achieve value for money, as previous studies in other countries such as the UK have experienced similar results [106]. This raises concerns when it comes to supplier diversity, as the focus of public procurement contracts would be on price, suggesting that achieving savings is the most significant issue in the public procurement process [17,112].

# 4.3.11. Negotiation

Another factor that adds to the impediments facing immigrant entrepreneurs in the public procurement process is their lack of negotiation skills. Although negotiation is an important part of transactions, public procurement in Sweden is either non-negotiable or leaves suppliers very little room for negotiation. Having almost all the power stored on the procurers' side, the systematic and bureaucratic process of public procurement has left no room for suppliers to negotiate in cases requiring direct procurement. In drawing comparisons between the public and private sector, a supplier said:

"Regarding the private sector, it just feels as if we are more able to go in and speak to someone and establish a contact. In public procurement, it's very much about formulating things the right way and having the right equation at the end. So, it doesn't really feel like negotiation, because there are no backward and forward buttons. However, our talks with a private company in Stockholm a few days ago were more of a negotiation because we found out what they wanted, discussed the parameters, and eventually established a dialogue. So, if a problem persists, we have a chance to say that was not what they wanted, and suggest other options. Public procurement, on the other hand, is just a one-way communication."

This could be explained using TCE suggesting that in value for money contracts, as in public procurement ones, transformational approaches are replacing transactional ones due to financial constraints which, in turn, will negatively influence the support immigrant entrepreneurs need from the government to grow [113,114].

#### 4.3.12. Performance Monitoring

Among the interviewees who have previously managed to win public procurement contracts, half of them said there had not been any monitoring from the public sector on the supplier's performance throughout the time of the contract. This is while some of the suppliers stated that they were proactive and communicated their activities during the contract to the public sector without being asked to do so. One supplier preferred to use the word "follow-up" instead of performance monitoring, which communicates more control than measurement.

# 4.4. Social Clauses

Since one determinant of the effectiveness of supplier diversity programs is stakeholders' awareness of such programs, this study evaluated how familiar the interviewed immigrant

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entrepreneurs were with this matter as the core group of stakeholders and its inclusion in public procurement tenders. It was investigated separately from their perception of barriers and challenges they face when participating in such tenders. Although the inclusion of social clauses in tenders is not a new phenomenon in the European Union and Sweden, there is still a large number of immigrant entrepreneurs who are unaware of these clauses and their benefits for suppliers. Those who were aware of them mostly did not believe in these clauses or their usefulness. For instance, a supplier mentioned that a social clause is usually there, but is seldom used. She meant that it is not a practical clause. Another supplier replied that he did not believe in such programs and clauses, as public procurement is about money and cheaper bids:

"In today's procurement process, it doesn't matter if you have any social clauses within the tender. At the end of the day, it boils down to the price. The one with the lowest price wins."

#### 5. Conclusions and Recommendations

Undercapitalization, receiving loans, and winning tenders are correlated. Our results show that when a supplier wants to expand his/her firm's services, the firm needs to receive financial support, to help it expand and attend larger tenders. One possible solution as suggested in [97] could be facilitating private loans as a means of financing immigrant entrepreneurs. However, considering the important role immigrant entrepreneurs play in the economic growth of society, government support in policy making and direct financial funding to such entrepreneurs could address this barrier [98]. Regional growth fund projects targeting entrepreneurs, as in some European countries, can help support immigrant entrepreneurs financially. Moreover, different government bodies, communities and even the private sector could help start-ups solve their undercapitalization problems [115].

The current study recommends suppliers look more carefully at the importance of financial support and plan for expansion. Being a small supplier has its benefits, such as being able to attend smaller tenders and being more flexible in seeking small procurements. However, public procurement involves increasingly larger tenders as the amount and volume of procurements are increasing. Immigrant entrepreneurs can overcome this barrier by establishing proactive trust-based relationships with other SMEs like them and form joint ventures to participate in public procurement. Immigrant entrepreneurs lack experience and are not well-known or trusted by the public sector yet, so forming such joint ventures is critical to the success of their businesses [116].

Communication problems appeared in several different forms such as the absence of advertising plans, poor publicity and lack of information on suppliers' competence. Nowadays, most companies use the Internet and social media to promote products and services; thus, suppliers need to spend money and time on professional websites and other similar platforms. These pre-planning activities seem to help suppliers pinpoint themselves in procurers' minds and approach tenders more easily. The public sector could use alternative, more accessible, methods to communicate procurement opportunities with immigrant entrepreneurs. One of the most frequently used methods identified in the literature is communicating and providing business support for immigrant entrepreneurs through informal trusted networks [109], as such networks are found to be key in reinforcing the relationship between the government with ethnic minority communities [13]. These networks can even be persuaded to form trade associations to facilitate communication, information sharing and even possible joint ventures in future. Moreover, the public sector could form community-based intermediaries to communicate with immigrant entrepreneurs and use them as advisors for such businesses when it comes to public procurement [109].

Although many resources are available to suppliers to get basic training on tenders, they seem to need more support. Unions, colleagues, more experienced people from the 'network', internal team building, business community offices in municipalities, procurement days and incubators are among the training resources suppliers can use if they understand what they need to know more about. There have been many efforts by procurers to improve tender contents and format, but suppliers

still need to dedicate training resources to increase their chances of winning tenders. Nonetheless, the buyer-supplier relationship will not form unless suppliers learn the 'language' of tenders. Because there is a language difference between the two parties, such training in the forms of FAQs and Q&As will not be effective enough. Hence, this study encourages entrepreneurs to invest in such training for their employees. Like some other European countries, Sweden can use both governmental and non-governmental business assistance agencies or university-based assistant programs to offer training as well as managerial and financial assistance programs to immigrant entrepreneurs [117]. To be able to establish an understanding between this mutual language, the training could go even further to the public sector, rather than just focusing on the suppliers. Training and education of the government procurement staff on how to interact with immigrant entrepreneurs would reinforce the success of supplier diversity programs [102].

The exchange between buyers and suppliers is transactional, and there is not enough collaboration between them. Buyers do not provide enough advice and assistance for suppliers to increase their opportunities to participate in tenders. The buyers also fail to provide constructive feedback on rankings or reasons when suppliers do not win a tender. The engagement of buyers in providing suppliers with more educational materials not only increases the number of participants, but also improves the level of applications received and saves procurers' time.

Although the volume of Swedish public procurement is increasing continuously, the results of this study show that companies owned by immigrants are not benefitting from this expansion. The disadvantages of being a small supplier as well as an immigrant have made it difficult for such suppliers to deal with market competition. It seems like suppliers have a problem adapting to this competitive market. Hence, this study proposes immigrant procurement programs to maintain fairer procurement. Combining such procurement programs with more performance monitoring will reduce stakeholders' concern about suppliers' competence. The imbalance of power in public procurement has resulted in negligible negotiating power on the suppliers' side. Empowering suppliers by facilitating the negotiation process will lead to more balanced relationships with suppliers and improve the level of collaboration between buyers and suppliers. There are other ways the public sector in Sweden could assist immigrant entrepreneurs without risking "reverse discrimination". One way would be to integrate assistance programs for immigrant entrepreneurs into broader support programs for all SMEs [117]. These programs could be designed in a way that they focus on cities and regions that have a high share of immigrant businesses among their SMEs [117].

Expansion of procurement departments to prepare more accurate and customized tenders seems necessary. Results show that sometimes procurers use previous tenders without paying enough attention to all the details and applying the necessary changes. Also, suppliers seem to be much more knowledgeable than procurers in the procurement category. Correspondingly, the need to announce small procurements suitable for immigrant entrepreneurs suggests that procurement divisions should expand. This also calls for training programs and instructional opportunities for public sector procurement staff to enhance their ability to engage immigrant suppliers in their contracts [102].

Considerable efforts have been made in the public sector to promote inclusion of social clauses in procurements. However, suppliers either are not aware of them or do not believe in their usefulness. We suggest that public procurement takes major steps to promote social clauses and tenders that include such clauses. This is becoming an increasingly important issue in light of the exponential growth in the number of immigrants to Sweden; immigrant entrepreneurs will develop accordingly. Hence, like any other European country facing immigration issues, regulations in Sweden should adapt to this situation and be more flexible in governmental programs supporting and targeting immigrant entrepreneurs [117]. The Government of Sweden could consider having support programs for such businesses. Policies such as 'set-aside' and supplier diversity programs, reserved contracts for immigrant entrepreneurs, and strengthening their current social clauses and reinforcing them could help such entrepreneurs grow [102].

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This study has listed the many barriers immigrant entrepreneurs face in public procurement. These barriers are either economic ones that require suppliers and procurers to work on or they are social. Being an immigrant affects entrepreneurs' perception of receiving financial support and their engagement with public procurement. In combination, such barriers negatively impact entrepreneurs' performance, a fact policymakers and procurers should consider more seriously. In sum, Table 4 illustrates the proposed barriers and their suggested solutions in this paper.

**Table 4.** Suggested Solutions to Overcome the Barriers.

Barriers	Suggested Solution
Human Resources	Hiring temporary staff for contracts Joint ventures Government providing staff from their career agencies
Internal and Financial Resources Undercapitalization	Private loans Regional growth fund projects Start-up funds Set-aside programs or reserved contracts
Lead time	Using technology to enhance quality in shorter time Government financial support for quality enhancement Establishing regional support agencies
Communication and marketing	Using governmental advertising agencies Government support for providing technology requirements in communication Communication through informal trusted networks Community-based intermediaries
Information about tenders	Using social media and the Internet Using a combination of different information-sharing channels A database of immigrant entrepreneurs for information sharing A single platform for information about all government tenders focusing on regions with a high share of immigrant SMEs
Training and support	University-based training and assistant programs Holding training programs for public procurement staff Holding training programs at unions Offering free training Governmental and non-governmental business assistance agencies
Feedback—performance monitoring	Face-to-face feedback sessions after each tender Providing detailed feedback to each participant after each tender Regular and periodical reports from the winners Periodical inspections and visits Regular feedback on their process and performance
Competition—Pricing and cost	Joint ventures Forming trade unions and associations Forming networks of small and large enterprises Announcing smaller tenders Moving the focus from price to social issues
Negotiation	Set-aside programs or Reserved contracts Joint ventures Using trade unions and associations Implementing flexible public procurement policies for minorities

# 6. Limitations and Future Research

This study has limitations that need to be acknowledged. The main limitation relates to the study's sample size, namely the interviews conducted on only 22 immigrant entrepreneurs. A larger sample would allow for a disaggregation of the results to reflect immigrant entrepreneurs' perceptions from different sectors, industries, nationalities and regions in Sweden. It could also increase the representativeness of the sample and the generalizability of the results. The fact that the original language of the interviews was Swedish, while Swedish was not the interviewees' mother tongue

could be considered a limitation. While respondents' choice of words might not have been perfect to reply to detailed questions, the authors tried to make sure that nothing was lost in translation by reviewing the responses in a language panel. Future research could also extend this study to more immigrant entrepreneurs to compare their perspectives based on the industry and sector with which they conduct business. This study focused on one group of stakeholders in supplier diversity programs: immigrant entrepreneurs. There is a need to review and gather the public procurers' and policymakers' view of this matter too to investigate the divergence in their perceptions and the ones collected from the immigrant entrepreneurs in this study.

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