Immigrant Entrepreneurship in Northwest Minnesota

Two Case Studies of Immigrant Entrepreneurs

Presented by Rani A Bhattacharyya and Enet Mukurazita
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Background

This report examines how immigrant entrepreneurs in the Northwest Regional Development Commission area utilize financial, cultural, social, and human capital to grow and maintain their businesses. According to Allen et al. (2017), “Between 2015 and 2035…the increase in the non-white, non-Hispanic portion of the population will register only 25 percent in the Arrowhead region, but moderately faster (around 40 percent) for most other regions located in Northern Minnesota” (p. 9).

In its March 2021 Report on the Economic Impacts of Immigrants in Minnesota, the Minnesota Chamber Foundation suggests:

- “Immigrant entrepreneurship in Minnesota lags the rest of the nation. The state’s historically low unemployment, and high labor participation rates and job opportunities may be contributing factors, resulting in less entrepreneurship and startup activity.
- Minnesota’s comparatively younger immigrant population and immigrants’ higher education attainment levels are additional considerations.
- Access to financial capital is a major barrier for immigrants eager to start a business.
- As a primarily “homegrown” economy, rates of entrepreneurship in Minnesota are important to long-term economic success.
- Building the systems that support immigrant entrepreneurs now is important to the development of the current and future economy” (p.10).

The report aimed to identify how critical cultural values held by various entrepreneurs have influenced the continuity and survival of immigrant-owned businesses in Northwest Minnesota. Using video recording techniques (via Zoom), Extension staff attempted to interview 10 owners of minority-owned businesses operating in the region during June, July, and August 2021. Due to recent economic strains, COVID-19—and in some cases, language barriers with proprietors—researchers only confirmed two of the 10 businesses identified through a snowball interviewing process. Following the two recorded interviews, the software Dedoose was used to examine: 1) where entrepreneurs self-identify on Danes, Lee, Stafford, and Heck’s (2008) ethnic and cultural dimensions, and 2) how immigrant entrepreneurs have used their financial, social, cultural and human capital in acquiring dimensions proposed in the Entrepreneurial Development System. Dedoose is an online software platform for analyzing qualitative and mixed methods research with text, photos, audio, videos, and other data sources.

Literature review

Low, Henderson, and Weiler (2005) point out that both measures of (regional) entrepreneurial depth— income and revenue—were higher in counties with a greater percentage of foreign-born workers, suggesting that fresh infusions of knowledge and human capital create entrepreneurial value. Yet the speed at which talent, information, and resources move through an entrepreneurial ecosystem can affect entrepreneurs at each stage in their life cycle (Kauffman Foundation, 2020). Entrepreneurial ecosystem benefits (Lichtenstein and Lyons, 2001) may be fleeting for minority, women, and immigrant entrepreneurs (MWIs), whose support systems and social networks may be poorly developed or insular. Thus, we must acknowledge and take stock of the unique challenges and obstacles encountered by MWIs (Gibbs, Singh, Butler, & Scott, 2018).

The primary business service provider in the region, the Northwest Regional Development Commission, has taken steps to engage a more diverse audience of potential entrepreneurs through a partnership with assistance from the Northwest Minnesota Foundation. The Foundation has found
that the pool of potential minority entrepreneurs in the Northwest region of Minnesota is small but growing.

**Methodology**

Danes et al. (2008) state immigrant business development occurs through family interaction—however family is perceived within an ethnic group—in which cultural values and behavior patterns are embedded. Business-owning families transmit their culture to the firm through family members’ interactions within both family and business systems, as well as the interface of the two systems. Both ethnicity and culture may impose socio-cultural constraints on owners, their families, or their businesses. Like human and social capital, these constraints enter the sustainable family business model as inputs to family and business systems. Ethnicity and culture may also affect the structure of the family and business. Understanding these dynamics through case study examples can help area business development professionals customize their business services to minority and immigrant entrepreneurs and business owners.

Danes et al. (2008) define cultural, social, financial, and human assets in the following ways:

**Cultural capital**

Assumptions that a group holds result in a “cultural pattern of the group.” Considering the chosen assumptions, particular attitudes, beliefs, behaviors, and actions will unfold and entrepreneurial experience may emerge and thrive ... Ethnic owners placed higher emphasis on: (a) starting a business from scratch, (b) operating different types and sizes of business, (c) being influenced by parents as role models, and (d) working in larger businesses prior to starting a business. Cultural values also have an impact on how they interpret and respond to local and more global market dynamics.

**Social capital**

Unlike human capital, which is embodied in individuals, social capital is embodied in relationships among people and formal social institutions. It can be relied upon to uphold social norms and reciprocate favors (Coleman, 1988; Zuiker et al., 2003, as cited in Danes et al., 2008). This type of capital plays a prominent part in the management of many ethnic-family businesses. Social capital has both bonding and bridging characteristics. Bonding social capital forms among people who are like one another and is crucial for "getting by." Bridging social capital forms among people unlike each other and is crucial for “getting ahead.” Ethnic business owners have made more extensive use of bonding than bridging social capital. Primary reasons for using co-ethnics were language, common cultural understanding, and the trust of co-ethnics.

**Financial capital**

Financial capital is pooled monies of the entrepreneur, nuclear and extended families, and funds from formal financial institutions. Those immigrants from countries with more developed, effective lending institutions are more likely to use formal financial markets. Although growth-oriented small firms need investment capital, non-growth oriented firms do not demand investment capital and are content with having adequate operating capital (Vos et al., 2007, as cited in Danes et al., 2008). Perhaps the level of “contentment” is higher in ethnic-owning families and firms, hence these more contented households are less likely to enter the financial markets, especially investment capital markets.

**Human capital**

Human capital within a firm is the skills, abilities, attitudes, and work ethic of those employed by the firm. In addition to spouses and children, most ethnic business owners employ co-ethnics at long hours and low wages, similar to apprenticeship. Acquiring human capital in the form of business
knowledge, skills, experience, and training is very important for ethnic entrepreneurs because training and skills are typically acquired on the job.

Danes et al. (2008) align these capital assets in the following theoretical model of the sustainable family business management model (Figure 1).

![Diagram of Sustainable Family Business Theoretical Model]

**FIG. 1:** Danes et al. sustainable family business theoretical model

During each of the interviews, participants were asked a series of entrepreneurial questions developed by the report’s principal investigator (PI) in a previous project that interviewed American Indian entrepreneurs. Danes and the PI revised these questions to include those that related to communication styles within family businesses, family structure and role in the business, owner values and presumptions about their family business, and how and who the business owners sought out when trying to solve the problems facing their business.

Interviews were conducted by a graduate student trained by the PI in appreciative inquiry using the interview protocol and *The Thin Book of Appreciative Inquiry* by S.A. Hammond. While interviewing each business owner, the student also recorded the interviews and copies were uploaded into Dedoose. The capital asset definitions outlined above by Danes et al. were then coded to segments of the recorded interviews of case study participants in the Dedoose application. Specific attention was paid to how each participant used or acquired each capital in their business establishment and development process.
In the next section of this report, we try to align each participant's acquisition and allocation of human, social, and financial capital within the family business values scales suggested by Danes et al. (2008) (Figure 2).

<table>
<thead>
<tr>
<th>Dimensions Selected Hypotheses</th>
<th>Values Continua</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Orientation</td>
<td>Individualistic: ownership is specific to individual…Collective: ownership is defined in broad terms</td>
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<tr>
<td></td>
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<tr>
<td>H1: Collectivist owners will be more likely to describe the business as a family business and family involvement will have a positive effect on perceived success.</td>
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<tr>
<td></td>
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<tr>
<td>Communication Style</td>
<td>Direct, precise, logical, and verbal…Indirect, implicit, face to face, and nonverbal</td>
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<tr>
<td>H2: When the owner uses indirect communication, family members and co-ethnics are more likely to be employed in the business, and there is more financial advantage for family employees and a homogeneous labor force than when the owner uses direct communication.</td>
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<tr>
<td></td>
<td>Note: Variable measures need to consider specific wording of interview questions; that is, direct questions may not be answered directly.</td>
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<tr>
<td>Personal Grounding</td>
<td>Control through self promotion…Harmony and cooperation through self-effacement</td>
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<td></td>
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<td>H3: Owners grounded in harmony will encourage family involvement in the firm and report higher perceived success when family is involved.</td>
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<tr>
<td>Situation Focus</td>
<td>Doing: time is measured by the clock…Relationship: time is given based on need of task or interaction</td>
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<td></td>
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<tr>
<td>H4: Owners with a “doing” focus are more likely to base their perception of success on achieving a financial goal than a non-financial goal.</td>
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<tr>
<td>Spiritualism</td>
<td>Strong self-efficacy and personal empowerment: looking to the future…Limited self-efficacy and personal empowerment: looking to the past</td>
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<td></td>
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<tr>
<td>H5: Owners who are more spiritual, as expressed by religiosity, face more constraints and more rigid constraints on firm behavior.</td>
<td></td>
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<tr>
<td>Valued Family Unit</td>
<td>Nuclear: small units with little reliance outside…Extended family and kinship networks including fictive kin</td>
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<td></td>
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<td>H6: When the owner’s culture values non-nuclear families, there will be less difference between the effects of residential family and nonresidential family employees on firm achievements.</td>
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<tr>
<td></td>
<td>Note: Researchers need to delineate the boundaries of their family definition. Also, there is a need to distinguish between family and non-family employees.</td>
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<tr>
<td>Parent Child Relationship</td>
<td>Individuality …Interdependence</td>
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<td></td>
<td></td>
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<tr>
<td>H7: When guidance is the norm, family and business interactions are more likely to take the form of human resource transfers than monetary transfers.</td>
<td></td>
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<tr>
<td>Core Relationship</td>
<td>Spousal relationship dominant…Parent/child relationship dominant</td>
</tr>
<tr>
<td></td>
<td></td>
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<tr>
<td>H8: When the parent/child relationship is dominant, spouses will report more conflict between family and business.</td>
<td></td>
</tr>
<tr>
<td>Family Structure and Roles</td>
<td>Flexible roles and rules, democratic…Traditional structure, role and rules, patriarch</td>
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<td></td>
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<tr>
<td>H9: When the owning family has a patriarchal structure, there is more financial intermingling and human capital transfers decline as business revenue increases.</td>
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<tr>
<td>Attitude Toward Elderly</td>
<td>Less respect for age, emphasis on youth…Overt respect, deference to age</td>
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<td></td>
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<tr>
<td>H10: Older generations are more likely to be members of the key decision team when owners are members of ethnic groups whose cultures respect the elderly.</td>
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</table>
Taking the asset definitions of various forms of capital available to immigrant entrepreneurs as defined by Danes et. al. (2008), we also reviewed how case study participants’ mobilization of these assets align with the Entrepreneurial Development System developed by Lichtenstein and Lyons (2001). According to Lichtenstein and Lyons (2001), dimensions of this development system include the acquisition and use of:

- Technical skills: ability to perform the key operations of that business.
- Managerial skills: ability to organize and efficiently manage the operations.
- Entrepreneurial skills: ability to identify market opportunities and create solutions that capture those opportunities.
- Personal maturity: self-awareness, willingness, and ability to accept responsibility, emotional development, and creative ability.

**Business case studies**

The following two case studies provide a brief background and the results of our application of both Danes et al. dimensions of ethnic and immigrant entrepreneurship and the entrepreneurial development system model proposed by Lichtenstein and Lyons.

**Soyko International profile**

Jade In, president of Soyko International, volunteered to be interviewed for this study. Jade came to the U.S. from Korea in the late 1970s and completed her studies at University of Denver before working for a chemical company in Minnesota and then deciding to start her own agricultural commodities business. Having grown up on a rice farm in Korea and visited many southeast Asian countries with the chemical firm, Jade realized the market opportunity to sell soybean products internationally. First launched in North Dakota as J & J Corporation, her company direct markets non-Gmo soybean and soybean-based products to Japan, Korea, and China. J &J Corporation acquired the soybean farm Circle C seeds in 2009. According to the company’s website, it was renamed Soyko International and has “expanded its commodity sales internationally to include barley, wheat, and oat products.”

**Jade’s alignment with the sustainable family business model**

During her interview, Jade explained she is the primary decision maker for the firm, with her sister and brother holding other executive positions under her direction. In addition to these family members, she also has an older brother working in Korea as well. The family hired about 24 additional staff that work in the firm on research and special projects. Jade also said during the interview that, within her family, the work ethic was different between her generation (born in Korea and immigrated here) and that of the next generation (born in the United States).

Taking these descriptive measures into account, we compared Jade's responses to Danes et al. (2008) dimensions of values, beliefs, norms, and practices. Specifically, we focused on the dimensions of central orientation, personal grounding, situation focus, and spiritualism—which Danes et al. groups as human capital attributes—as well as valued family unit, core family relationship, and family structure and roles (which Danes et al. classifies as social capital attributes). Jade described a very strong individual orientation to how she perceives her work in the firm. According to Danes et al. (2008) classification, this is one end of the central orientation spectrum. Yet, when asked about what makes Soyko a successful family business, Jade explained that while they are financially successful,
real success means being able to support the family’s collective aspirations and those of the next
generation. According to Dane et al. (2008), this ethic is characteristic of more harmony and
cooperation seeking rather than self-promoting.

During her interview, Jade also emphasized the sequential and step-by-step nature of her decision
making when growing the business. This again aligns with the doing end of the concerning situation
focus (e.g., Jade is focused on the doing of the work—task orientation—rather than with the situation
itself or the relationships involved). She explained that during difficult times, she takes time alone to
think things through before coming to a decision. Throughout the interview, Jade also expressed a
strong orientation toward the future, acceptance of change, and progress as part of leading her firm.
This ethic aligns with what Danes et al. (2008) consider a strong self-efficacy trait concerning an
immigrant entrepreneur’s spiritual dimension.

Additionally, Jade emphasized that her core family relationship in the business was her relationship
with her siblings, which does not fit within Danes et al. ethic and cultural dimensions framework. The
core family relationships emphasized in the framework include the husband/wife or parent/child
relationships and does not include sibling relationships. Future applications of this framework may
expand exploration of sibling relationships in immigrant-owned businesses to provide a more robust
set of descriptive dimensions. Jade also described a more hierarchical dependence of siblings’ work on
her decision making and growth plans, which does align with Danes et al. (2008) traditional rules and
roles cultural milieu description.

Of the six ethnic and cultural dimensions explored in these case studies, Jade’s family business
entrepreneurship style is a combination of both her eastern and western experiences. The reasons for
this may include: 1) her higher education in the United States, and 2) the comment she made
explaining that she had had a very challenging life. Yet despite these challenges, Jade said she would
not have done anything different to get where she is today with the firm—an encouraging comment
when considering the barriers she overcame to grow Soyko International.

**Jade’s acquisition of the dimensions of the entrepreneurial development system**

**Jade’s technical skills**

During her interview, Jade explained that growing up on a rice farm, living in the country, and
working with farmers was important to her. She also explained that while working for the chemical
manufacturer in Minnesota, she learned firsthand what some of the commodity gaps were in
Southeast Asia that she could fill with soybean and other grain products from the United States. We
interpret these examples of technical skills acquisition as Jade leveraging her own human capital (rice
farm management) and bridging social capital (traveling on behalf of the chemical manufacturer) to
gain insight into agricultural production and commodity needs in Southeast Asian markets.

Jade also mentioned that Soyko’s parent company is J & J Corporation (which is based in North
Dakota), implying that she has been involved in the start-up of other firms like Soyko previously. Yet
at the same time, she also mentioned she has limited time to connect with local business support
agencies and groups because she spends the majority of her time working for the firm (her clients are
active in the evening hours since they are on the other side of the globe). According to Lichtenstein
and Lyons (2001), these examples of asset utilization suggest Jade is operating at a high level of
technical skill in her role at Soyko International.

**Jade’s managerial skills**
During her interview, Jade pointed out the growth of Soyko International has been methodical and strategic over the years and not based on luck or whimsy. She explained she first started working with Circle C Seeds before making the decision to buy them out and rebrand the firm as Soyko International. We viewed this as an example of her strategic effort to build bonding capital within the community before buying into the community of Gary, Minnesota. Jade also explained that Soyko buys product from other farmers for shipment overseas, which we interpreted as converting the bonding capital she developed locally in the Midwest to bridging capital with her clients abroad.

In addition to leveraging these two kinds of social capital, Jade also mentioned and praised the work of her staff at the Soyko facility in Gary, Minnesota. We again interpreted this as her use of human capital (in this case, labor and training) to grow the firm. According to Lichtenstein and Lyons (2001), these examples of asset utilization suggest Jade is operating at a high level when using her managerial skills to run Soyko International.

**Jade's entrepreneurial skills**

During her interview, Jade referred many times to her individual human capital (e.g., knowledge of the market and strong work ethic) and her efforts to build bridging social capital (e.g., strategic intention of building relationships to access financial capital, acquire a local business, and build relationships with area growers) as key factors in building her business. She cited access to financial capital as a limiting factor for her business, especially in her efforts to purchase buildings, acreage, and to pay for agricultural crops from local producers. To address this issue, she worked with state agencies and regional banks early in the development of her business (building bridging social capital), which lead to more trust building with the local bank she now partners with. According to Lichtenstein and Lyons (2001), this example of asset utilization again suggests Jade is operating at a high level when using her managerial skills to run Soyko International.

**Jade's personal maturity**

At the close of her interview, Jade said she would have lived the same life again if given another chance. She also noted that entrepreneurship is not a pre-designed plan, but a process that an entrepreneur needs to go through based on his or her unique skill set and background. She explained it takes hard work to operate a business and that being a successful immigrant family business owner takes time; as an entrepreneur, it’s also important to rejuvenate and restore oneself to weather the tough times. We interpret Jade’s statements as reflective insight characteristic of having a high level of personal maturity and successfully identifying what kind of human capital is needed to become an accomplished immigrant entrepreneur.

**Quality Inn and Sundance Dining profile**

Pete Patel, general manager of Quality Inn and Sundance Dining in Thief River Falls, also volunteered to be interviewed for this project. Having come from the state of Gujarat in India, Pete explained that many of his family members have immigrated to the U.S. and established successful businesses within the hospitality industry. According to the Quality Inn Thief River Falls website, “At Quality hotels, we believe that travel should be about connecting with people, while getting the value you deserve.” Pete also explained the niche his market serves is that of high quality, 24/7 service to guests. The Quality Inn in Thief River Falls is a 75-room hotel established in 1975. Pete took ownership of the two establishments (hotel and adjacent restaurant) in 2011. His primary clients are visiting friends and family of the area’s farming community, as well as business partners of Digi-Key and Arctic Act. The two establishments employ about 20-25 people.
**Pete’s alignment with the sustainable family business model**

During his interview, Pete explained his central orientation in managing the two establishments is more collective than individualistic. When considering Danes et al. (2008) dimensions of values, beliefs, norms, and practices, examples of this include his references to consulting with extended family members in the U.S. hospitality industry, consulting with the Quality Inn franchise network concerning management issues, and connecting with the extended network of Gujarati hospitality owners across the United States via social media.

When considering human capital assets, Pete’s personal orientation toward the business is more collaborative than individualistic, as evidenced by having extended family members serve as lifelong mentors, continued dialog within the brand’s franchise network, and ongoing connections with the extended Gujarati hospitality network. Like Jade, Pete also viewed the success of the business as not only encompassing his nuclear family but also his extended family as well. This is also true when considering Pete’s situation—his description of the working relationship with his wife and family members, as well as his customers, is very relationship oriented versus task oriented. More of his time and focus is spent on meeting the needs of guests and family members rather than simply completing a task and moving on.

Throughout the interview, Pete expressed a positive orientation toward change and progress, as well as a future orientation toward business thinking. He stated that owning a hotel quickly became a goal for him when he started living and working in the U.S. He also said that at this point in his career, he would feel confident purchasing another business if the opportunity presented itself. This ethic again aligns with what Danes et al. (2008) describes as a strong self-efficacy orientation of immigrant entrepreneurs’ spiritual continuum.

Regarding social capital assets, Pete frequently said it was his extended family and kinship networks that helped him build the two businesses. We interpret this as indicative of Pete’s valued family unit being comprised of his extended family rather than only nuclear family. Pete also explained that his closest working relationship is with his spouse and then his aunt and uncle, which we interpret as his core family relationship being with his wife. As for family structure and roles, Pete explained that many generations of his family are involved in the business in different roles at different times. When a decision needs to be made, however, he is the one that decides the best path forward. We interpret this as being more aligned with Danes et al. (2008) description of immigrant businesses that incorporate various family structures and depend on family functions to operate the business. Pete alluded to this when describing how he trusts his family more so during difficult business times.

Of the six ethnic and cultural dimensions explored in these case studies, Pete’s entrepreneurial style is a combination of both his eastern and western experiences, with an emphasis on eastern human and social capital dimensions, as suggested by Danes et al. (2008). The reasons for this may include: 1) his extensive family network of hospitality entrepreneurs both in India and the U.S., and 2) his focus on building the business from the ground up (like other relatives have done). Pete viewed this social structure and due diligence on his part as key to helping his family achieve the American dream.

**Pete’s acquisition of dimensions of the Entrepreneurial Development System**

Pete’s responses to interview questions emphasized a strong reliance on bonding, human, cultural, and financial capital in managing and building his businesses. The following sections highlight how he is using these assets to acquire the technical, managerial, entrepreneurial, and personal maturity
skill sets that Liechtenstein and Lyons (2001) suggest are essential for an entrepreneur’s growth, as well as the growth of their business.

**Pete’s technical skills**

When asked why he chose to become an entrepreneur, Pete explained he had grown up with successful hospitality entrepreneurs in his family. He also said that when he began working in the U.S., he realized the steps he would need to take to become a hotel owner. We view these examples of Pete’s technical skills acquisition within the hospitality sector as ways he used human capital and bonding social capital to gain entry and experience in the industry. Additionally, Pete explained that when he is faced with a business challenge, he first defers to the Quality Inn franchise network, then his uncle, and then the larger U.S. Gujarati hospitality network. We again interpret this as an example of Pete using his bonding social capital (both professional and personal) to increase his technical skills for running the hotel and restaurant.

Pete also said that because his family lives and works in the hotel 24/7, he has very little time to interact with other business service providers within the Thief River Falls community and surrounding region, but he is aware of the services that both the chamber of commerce and visitor’s bureau provide. We interpret these statements as Pete choosing not to actively build bridging social capital within the local community to help support his business operations. Yet he did state that he receives business from two other firms in the community, which indicates he is engaged to some degree in bridging social capital. According to Lichtenstein and Lyons (2001), these examples of asset utilization suggest Pete is using a medium level of technical skills to operate Quality Inn and Sundance Dining. These skills could be improved if he had assistance in building more bridging social capital within the Thief River Falls community and Northwest Minnesota region.

**Pete’s managerial skills**

Pete mentioned several times that he defers to his Quality Inn franchise and extended family networks to manage both the hotel and restaurant. An important aspect of relying on these networks is that they understand the business and culture of operating a hospitality business. Pete explained that when he consults with his wife, uncle, or aunt, the discussion is not so much about how much business they are doing but more about how they are providing the services they offer. His explanation for why he values these networks reveals that besides the bonding social capital he relies on, Pete also leverages the norms, values, and expectations (or culture) of these networks as the proper way to operate a hotel. He stated the work he is doing now is the same type of work the previous generation in his community did 20 years ago. In leveraging this collective experience, we feel Pete is using a high level of managerial skills when connecting with the three networks he defers to.

**Pete’s entrepreneurial skills**

When describing the biggest challenges to operating his business, Pete explained that finding the finances he needed to purchase, own, and manage a hospitality business was the biggest hurdle to overcome. He said that during the 21 years he has been working in the U.S., he has saved money to identify and develop business partnerships with individuals who are engaged in the operation of his enterprises. Again, we feel this demonstrates that Pete uses his human capital (to save money) and bonding social capital (to identify and develop business partnerships from within the Gujarati hospitality community) to acquire both the business acumen and financial assets needed to purchase the hotel and restaurant. These examples of asset utilization suggest Pete exhibits a high level of entrepreneurial skills when managing the two businesses.
**Pete's personal maturity**

During his interview, Pete's response to what makes a family business successful was similar to what Jade expressed as well—that success of the business is contingent upon success as the owner to ensure entrepreneurial and growth opportunities for the next generation. Pete feels the more he can grow his business, the more opportunities he will afford his family. We interpret these sentiments as Pete using a high level of personal maturity to consider how future business planning can serve his family’s growth aspirations.

**Recommendations for supporting immigrant entrepreneurship in Northwest Minnesota**

Figure 3 below shows how each business owner's responses were coded in Dedoose using the definitions of bonding, bridging, cultural, financial, and human capital as defined by Danes et al. (2008). When considering the above case study profiles, we can see that Jade, her siblings, and her employees do not fit into the sustainable family business model proposed by Danes et al. (2008), as Soyko International’s business structure does not reflect the Danes et al. (2008) family business structure. When considering Quality Inn & Sundance Dining, Pete, his extended family, and his association with the franchise network align with the Dane et al. (2008) family and organizational structure and how Quality Inn & Sundance Dining are managed.

![Figure 3: A comparison of how each business owner leveraged their assets](image)

It was exciting to hear that both Jade and Pete considered their businesses successful during the past couple years, despite the impact of COVID-19 on Minnesota’s economy. Each emphasized their relationship with their family (bonding social capital) and the strong work ethic of their respective staff (human capital) as critical to supporting the sustainability and growth of each enterprise.

When considering some of the challenges Jade and Pete mentioned, we offer the following suggestions to the Northwest Regional Development Commission and its partner business service providers:

- Both Jade and Pete said a critical factor in their business growth was securing financial capital to purchase the physical assets they needed to operate. Business service providers
looking to support immigrant entrepreneurs in Northwest Minnesota should consider helping business owners bridge the social and cultural differences they may have with local banks and other lenders in the region.

- Jade and Pete also mentioned they didn’t socialize much with other community-based business associations, such as chambers of commerce, informal local business networking groups, or cultural institutions within their communities. The Northwest Regional Development Commission may want to help facilitate these connections when working with immigrant business owners on loan applications. By supporting these linkages, immigrant business owners can generate additional connections, both informal and formal, as well as increased awareness of their business’s benefits to the community at large (besides those associated with goods, services, and revenue taxes).

- As established business owners in the region, Jade and Pete could serve as mentors within a regional immigrant entrepreneurship network. Mentoring fellow immigrant business owners provides support for those just getting started as they grow and sustain their business. The Northwest Regional Development Commission could serve as the initial convener of such a group, acknowledging the experience and contributions of area entrepreneurs and serving to broaden the bridging social capital undergirding regional entrepreneurship.

In conclusion, Jade and Pete represent the next generation of entrepreneurship in Northwest Minnesota that is continuing to expand and diversify the region’s entrepreneurial culture. Their businesses, along with other immigrant-owned establishments in the area, are laying the groundwork for the future community and economic growth of the region.
References


