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## CfP RSA Annual Conference 2018

### Special session on *Transnational/International Entrepreneurship and Global Pipelines*

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#### Introduction

The study of transnational entrepreneurs (TEs) has attracted interest from academics, policy-makers and practitioners. TEs are acknowledged as an important source of innovation contributing to economic development in both host and home countries ([Light, 2010](#); [Terjesen and Elam, 2009](#); [Patel and Conklin, 2009](#); [Portes et al., 2002](#); [Wagner, Head & Ries, 2002](#)). However, little is known about external knowledge sourcing of TEs; and how TEs create, accumulate, agglomerate and circulate new and existing knowledge through extra local linkages.

In this session, we seek to build upon and explore these dynamics of knowledge sourcing of TEs, which not only cross disciplinary boundaries, but have produced a diverse range of investigations into the different modes of knowledge creation and diffusion in both host and home countries. We focus on five key and related themes:

- Ontological Freshness: Transnational Ontologies
- Flows of Opportunity Development
- Fluid Dual and Multiple Habitus
- Reforming Institutions; and
- Multidimensional Networks.

These themes are outlined below

#### **Theme 1: Transnational and Migrant entrepreneurs –Varying and Mutating Ontologies**

Transnational entrepreneurship can be conceptualized in both positivist (a phenomenon) and constructivist (a subjective abstraction) terms. This inherent conceptual duality mirrors the dual habitus presence of TEs. Crucially, it embraces other concepts of ethnicity, race, internationalization, globalization, migration and diasporas to name a few, all of which have merited attention in different studies on entrepreneurship. New research could, therefore, offer rich perspectives to enable a better, nuanced and critical understanding of this relatively less explored subject of our times

#### **Theme 2: Flows of Opportunity Development**

Research on migrant entrepreneurs makes clear distinctions between other types of migrant

entrepreneurs and transnational entrepreneurs (TEs) that cross host country borders to commercialize a business idea in their home countries (Drori, Honig & Wright, 2009). The phenomenon of transnational entrepreneurship implies a distinct opportunity structure, which enables those migrants who found and maintain businesses to benefit from 'two worlds' as a crucial factor for survival, a way of breaking out, and/or a method for providing competitive advantage (Terjesen & Elam, 2009). Apart from enabling a globalization from below in developed host markets (McEwan, Pollard & Henry, 2005), TEs also make available, locally, a wide range of managerial, technical and international marketing skills through their ventures in emerging home markets (Breshnahan, Gambardella & Saxenian, 2001; Parthasarathy & Aoyama, 2006).

### **Theme 3: Fluid Dual and Multiple Habitus**

Transnational Entrepreneurs (TEs) are focal actors in the creation, organization and growth of transnational and international new ventures (Autio, Sapienza & Almeida, 2005; Oviatt & McDougall, 1994). TEs can be seen to operate their dual structured activities between developed economies, between emerging economies, or between developed and emerging economies (Drori et al., 2009; Wright, Pruthi & Lockett, 2005). These different trajectories likely involve different challenges for TEs (Hoskisson et al., 2013; Kiss, Danis & Cavusgil, 2012). Entrepreneurial action of TEs is constrained by their home country endowments due to variations in home country institutional structures (Yeung, 2002, 2009). They also have to cope and adapt to, and form strategies shaped by, institutional constraints, political-economic structures, and dominant organizational and cultural practices in both previous and currently adopted countries in which they operate (Portes, 1995; Saxenian, 1999, 2002, 2005). There is a need to understand how varied institutional contexts and differences, rather than merely their personal attributes and innovative capacities, shape the way they operate. The literature on TEs of ethnic origin in developed markets describes the significance of 'transnational communities' for the transfer of knowledge back home. However, not all TEs form transnational ventures (TNVs) from the position of being based in the host country; they can also do so from being based in the home country (Drori et al., 2009) which can then influence or create new forms of cross-border institutional governance.

### **Theme 4: Reforming Institutions**

TEs are not passive adherents to institutional constraints; they actively mould them to suit their own unique initiatives. They leverage opportunities arising from their dual fields and networks, optimizing resources where they may be most effective (Drori et al., 2009). Unlike EEs, TEs go beyond ethnic ties in venture founding, using class or national resources to expand business contacts beyond their ethnic group (Gold & Light, 2000). TEs open up a new frontier to develop insights on the nature of global and local networks that link individual resources at the micro level with structure at the macro level (Chen & Tan, 2009). As employees of multinational corporations (MNCs), diasporas often encourage their employers to investigate the possibility of investing in the diasporan's country of origin (Kotabe et al., 2013). TEs' prior experience of entering the home country with a former employer may impact the nature of social capital in venture founding in the home country (Pruthi & Wright, 2017a). An understanding of TEs' social and human capital in venture founding opens up the possibility for new insights regarding the behaviour and contribution of migrant entrepreneurs (Yang, Ho & Chang, 2012). An established stream of literature (e.g., Deakins et al., 2007; Light, Rezaei & Dana, 2013; Portes &

Zhou, 1992) explores the role of personal or ethnic ties in venture founding by EEs, mainly in their new country of residence. Where entrepreneurs' connections in both host and home countries are explored, they are mainly in the context of internationalizing EEs that extend their firms to the home country (Chung & Tung, 2013), or REs that draw on their connections abroad to found new ventures upon returning home (Lewin & Zhong, 2013; Lorenzen & Mudambi, 2013; Nanda & Khanna, 2010; Pruthi, 2014; Wadhwa et al., 2011). In contrast, we know little about the link between migrant entrepreneur's and TEs' social and human capital, or *how* they use social ties to overcome resource constraints in venture founding or institutional reform. As the role of social capital in venture founding is quite diverse among ethnic communities in developed markets, even in the same host country (Nwankwo, Akunuri & Madichie, 2010), entrepreneurs from different ethnic groups need to be systematically studied to understand the nature of their social capital in transnational activities. . Is it possible that flows across borders generate capabilities for reforming existing or creating new institutions that mix spatial perspectives with individual or collective motivation impacting on inter-regional development?

### **Theme 5: Multidimensional Networks**

Compared to other international entrepreneurs, differences in migrant entrepreneurs' behaviour may stem from their unique social networks, market specific knowledge and experience (Elo & Volovelsky, 2017; Riddle, Hrivnak, & Nielsen, 2010), or even cultural, linguistic and religious features that represent particular resources and competences for internationalization (e.g., Brinkerhoff, 2016). Recent research has explored the role of migrant decision makers in the internationalization of their ventures to their home countries (Chung & Tung, 2013). Studies have also explored the motivations, typology (Drori et al., 2009; Elo, 2016; Portes, Haller, & Guarnizo, 2002) and economic contribution of TEs to their host and home countries (Portes et al., 2002; Wagner, Head & Ries, 2002). However, little is known about networks and capabilities, locational dynamics, mechanisms and processes that migrant entrepreneurs employ in identifying and exploiting opportunities in multiple institutional contexts (Brinkerhoff, 2016; (Elo & Freiling, 2015; Tung, 2008).

Also less understood is the link between the structure of TEs' social networks and pattern of growth (Pruthi & Wright, 2017a, 2017b). Founded by migrants and continued by their descendants, some family businesses, for example, grow to become leading firms and expand beyond their countries of residence (Discua Cruz, Howorth & Hamilton, 2013). These firms often connect back to their countries of origin from their very outset and involve a collective approach by members of one or several migrant family generations, a process supported by hard to imitate resources nurtured by transnational family networks from various parts of the world over time (Sirmon & Hitt, 2003). While the entrepreneurship literature advocates the role of non-family, weak ties for growth (Jack, 2005), the IE literature suggests that entrepreneurs that first enter their home country to found a TNV are more likely to found ventures that are 'born global' (Oviatt & McDougall, 1994, 2005). Therefore, research may examine the performance of TNVs in TEs' home country, and whether TEs that complement family ties with other ties are more successful than others. Prior research on migrant entrepreneurs has looked at migrants that are either first generation or undifferentiated in their embeddedness in the host country (Janjuha-Jivraj, 2003). While first-generation migrants may be embedded in their home country based on strong family connections, second-generation migrants are likely to be more integrated with their host country (Bachkaniwala, et al, 2001). Therefore, a related research question is whether there is a difference in use of social ties and performance of TNVs

depending on whether focal actors from family are the first or second-generation migrants.

TNVs offer a fertile opportunity to explore the nature of control and co-ordination outside the context of MNCs (Dabic, González-Loureiro, & Harvey, 2015; Massingham, 2010). Saxenian and Hsu (2001) suggest that the transnational linkages of TEs may supersede conventional international business relationships, and the MNC may no longer be the preferred organizational vehicle for transferring knowledge or personnel across geographic boundaries. Yet, little is known about the organization and co-ordination of transnational activities or performance of their ventures (Discua Cruz & Basco, 2017). It may be interesting to understand the way TEs and their managers apportion responsibilities and build social capital in a situation of commitment to two different work units in host and home countries (Collings, Scullion, & Harvey, 2009; Harvey, Novicevic, & Garrison, 2005).

For this open session We welcome contributions from studies explore the global pipelines ([Bathelt et al., 2004](#)) of TEs. Specifically, we invite contributions to theorize how and what kind of extra local linkage is created, through time and space, and/or maintained. In this session, we look forward to diverse and indeed, conflicting or controversial perspectives and a lively debate on the role of institutional contexts, collaborative knowledge creation technology and transformative/alternative practices.

For further details please contact:

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