

Exploring Social Capital Influencing Entrepreneurial Process Among Immigrant Entrepreneurs in Malaysia

(Meneroka Modal Sosial yang Mempengaruhi Proses Keusahawanan di kalangan Usahawan Imigran di Malaysia)

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ABSTRACT

Immigrant entrepreneurship has been widely discussed in various perspectives. Yet, their entrepreneurial process has received less attention from the aspect of social capital. This paper intends to explore the role of social capital dimensions (structural, relational, and cognitive) in the entrepreneurial process (discovery and exploitation of opportunity). In-depth interview approach was conducted with six Thai immigrant restaurant-preneurs (TIRps) in Malaysia. The findings revealed that the structural social capital is the most important dimension for TIRps highlighting the supports from family and friends which transpired at both stages of the entrepreneurial process. The study that is based on social capital and entrepreneurial process perspectives also demonstrated the significance of local consumers' eating-out habits identified as structural social capital and local preferences for Thai cuisines identified as cognitive social capital. This signifies the emergence of the Consumer Culture Theory in research on immigrant entrepreneurship. This study contributes to an integrated model of immigrant entrepreneurship and a set of propositions. For practicality, the findings provide some guidelines for policymakers to develop training programmes by leveraging on social capital for further development of Malaysian entrepreneurs.

Keywords: Social capital; entrepreneurial process; immigrant entrepreneurship; qualitative study; Thailand; Malaysia

ABSTRAK

Keusahawanan imigran banyak dibincangkan dalam pelbagai perspektif. Namun, proses keusahawanan menerusi lensa modal sosial amat sedikit diberi perhatian. Justeru, kajian ini bertujuan meneroka peranan setiap dimensi modal sosial (struktur, hubungan dan kognitif) yang mempengaruhi proses keusahawanan (penemuan dan eksploitasi peluang). Pendekatan temubual mendalam dijalankan bersama enam orang usahawan restoran imigran Thai di Malaysia. Hasil kajian menunjukkan bahawa modal sosial struktur adalah dimensi terpenting menonjolkan sokongan keluarga dan rakan yang wujud di kedua-dua peringkat proses keusahawanan. Kajian yang didasari dengan perspektif modal sosial dan proses keusahawanan juga menunjukkan kepentingan tabiat makan di luar masyarakat setempat yang dikenal pasti sebagai modal sosial struktur dan pilihan masyarakat setempat terhadap masakan Thailand yang dikenal pasti sebagai modal sosial kognitif menyumbang kepada Teori Budaya Pengguna dalam penyelidikan keusahawanan imigran. Hasil kajian ini mencadangkan satu model integrasi keusahawanan imigran dan satu set proposisi. Secara praktikalnya, dapatan kajian ini menyediakan garis panduan kepada pembuat polisi untuk membangunkan program latihan dengan memanfaatkan modal sosial untuk pembangunan usahawan Malaysia

Kata kunci: Modal sosial; keusahawanan imigran; proses keusahawanan; kajian kualitatif; Thailand; Malaysia

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INTRODUCTION

Immigrant entrepreneurship has become a rising topic that had been debated by scholars and practitioners (Dheer 2018). In ensuring a successful entrepreneurial activity, social capital is an important mechanism for adoption (Shinnar & Nayır 2019). Social capital, as proposed by Nahapiet and Ghoshal (1998), consists of three dimensions namely, structural, relational, and cognitive that enable the occurrence of relationship, interaction and networking. Entrepreneurship process

on the other hand, contains two stages that include discovering opportunities and subsequent exploiting of the opportunities (Shane 2003). Therefore, in enabling immigrant entrepreneurs to discover and exploit business opportunities in host countries, the three social capital dimensions may play important roles at each stage of the entrepreneurial process.

Numerous studies were conducted on social capital and entrepreneurial process of immigrants (i.e., Dana et al. 2020; Turkina & Thai 2013), including the importance of this capital in supporting the businesses of incoming

immigrant entrepreneurs (Paerregaard 2018). The studies recorded the tendency of these entrepreneurs to start businesses under social network supports (Figueiredo et al. 2002), with the aid of social capital sponsored by co-ethnic and local communities in the host countries (Jamaludin et al. 2020; Vries et al. 2015). However, studies on each entrepreneurial opportunity stage were conducted separately, such as opportunity discovery (i.e., Vandor & Franke 2016; Vinogradov & Jørgensen 2017) and opportunity exploitation (i.e., Abd Hamid et al. 2018).

Although in theory, the dimensions of social capital and the stages of entrepreneurial process can be researched separately, the immigrant entrepreneurial activity is however a complex process (Dabić et al. 2020). The elicitation made by Dana et al.'s (2020:14), "*a fragmented approach can only distort the understanding of a complex situation...*" must not be taken lightly. It can be argued that discussion on both stages of the entrepreneurial process of immigrant entrepreneurs made under one study has received little attention. Therefore, investigating and clarifying the roles of social capital in the context of entrepreneurial process of immigrants may disclose new theoretical and practical perspectives to support scholarly knowledge on the subject matter.

This paper specifically endeavours to address the gaps on social capital and entrepreneurial process by exploring the role of social capital dimensions (structural, relational and cognitive) in the stages of entrepreneurial process (discovery and exploitation of opportunity) of Thai immigrant restaurant-preneurs (TIRps). The study will also identify by what means they utilise their social capital with others who support their successful business activities in Malaysia as the host country. The study proposes an integrated model of immigrant entrepreneurship which in turn contributes in enhancing the social capital and entrepreneurial process perspectives, as well as providing relevant guidelines for policymakers.

This paper is organised as follows: In the next section, literature discussion on the entrepreneurial process, social capital and immigrant entrepreneurship are presented. This is followed by the methodology, analysis of in-depth interview and discussion of the findings. Finally, the conclusions and contributions to theory on social capital and entrepreneurial process of immigrants as well as the practical implications.

LITERATURE REVIEW

ENTREPRENEURIAL PROCESS AND IMMIGRANT ENTREPRENEURSHIP

The entrepreneurial process consists of two stages of activities, namely opportunity discovery and opportunity exploitation (Shane 2003). Entrepreneurial opportunity, defined as "... *a situation in which a person can create*

a new means-ends framework for recombining resources that the entrepreneur believes will yield a profit" (Shane 2003:18) may emerge when entrepreneurs discover and perceive opportunities (Kirzner 1997, Shane 2003). Founded on the Opportunity-Based Theory (Drucker 1985; Stevenson & Jarillo 1990), the entrepreneurial process must be acknowledged from the stage of recognising the opportunities until the process of exploiting them.

Opportunity discovery perceived that prior knowledge discovery outperformed knowledge search (Shane 2000) indicating that opportunities could not be discovered without entrepreneurs' knowledge and awareness. Entrepreneurial alertness requires them to be alert with the environment and business ecosystem (Kuckertz et al. 2017; Shane & Nicolaou 2015). Alert entrepreneurs can grasp and recognise distinct opportunities by relying on daily information (Tang et al. 2012), through frequent scanning of the surroundings (Fiet 2002) and gathering data on business opportunities or distinctive product or service that enable opportunities (Ozgen & Baron 2007). Whereas opportunity exploitation is demonstrated when entrepreneurs establish and operate a business venture by gathering financial resources and acquiring human reserves (Kuckertz et al. 2017). In this sense, opportunity exploitation strongly relies on the immigrant entrepreneurs' social and environmental surroundings (Granovetter 1985) resulting in business establishments (Gartner et al. 2010).

SOCIAL CAPITAL AND IMMIGRANT ENTREPRENEURSHIP

Social capital, defined as "*the sum of the actual and potential resources embedded within, available through and derived from the network of relationships possessed by an individual or social unit*" (Nahapiet & Ghoshal 1998: 243) is categorised into three dimensions; structural, relational, and cognitive. Structural dimension refers to the impersonal structure, quantity and overall pattern linked between actors or social units. Primarily manifested, social interaction ties (Adler & Kwon 2002; Chiu, Hsu & Wang 2006) through network configuration, network ties, and the presence of appropriable organisation enabling the transfer of one social setting to another (Nahapiet & Ghoshal 1998). Relational dimension conversely, refers to the role of direct ties between specific people with its relation inspired by normative behavior rooted among network members (Nahapiet & Ghoshal 1998). It manifests as trust, norm of reciprocity, obligation and expectations, and identification (Chiu et al. 2006; Nahapiet & Ghoshal 1998). Cognitive dimension is expressed as a shared vision and shared language and codes where the actors within the network interpret, understand, and agree on the same system that enhances the exchange of information (Nahapiet & Ghoshal 1998).

The most prominent theory that explains the concept of social capital is the Resource-Based Theory (Barney

1991) that emphasised on resource influences such as social relations and the subsequent outcomes. In regard to immigrant entrepreneurship, it has been argued that social capital has remained as the most enduring theoretical forces in explaining the social and entrepreneurial activities among immigrants (Portes 1998). Social capital becomes means for new business ventures, source of useful information for important suppliers as well as potential customers (Villena et al. 2011) and a bridge to link to people and social systems (Tzanakis 2013). In turn, it facilitates immigrant entrepreneurs to mobilise resources (Singh 2000), gain access to abundant and better recourses (Dana et al. 2020), and overcome obstacles in host-country business ecosystems (Ndroo et al. 2019; Shinnar & Nayr 2019).

Recently, Duan et al. (2021) discovered that many immigrants were more likely to be entrepreneurs since they had access to more entrepreneurial capital obtained from the communities of their home country. The immigrant entrepreneurs mostly uncover business opportunities through family involvement (Basu & Altinay 2002; Moran 2005). For example, personal social networks with family and close friends may indirectly promote new small business endeavours (Brzozowski 2017). Thus, it can be suggested that social capital is the main determinant for immigrant entrepreneurial success in their host countries (Kwon et al. 2013; Tata & Prasad 2015). The network ensures easy access of necessary resources at much lower costs (Kalnins & Chung 2006; Sequeira & Rasheed 2006) and enables immigrant-founded business to be launched successfully (Tata & Prasad 2008, 2015).

It has been maintained earlier that local social network should not exclusively be ethnic ties (Barberis & Solano 2018), but it can be from new relations under business setting with others such as the local host communities or other immigrant entrepreneurs from other nations. In this manner, immigrants who are less reliant on their own ethnic communities might gain support from other immigrant communities (Zubair & Brzozowski 2018). Immigrants who migrate to countries with similar culture, language, and religion tend to have higher transferability skills (Haley & Taengnoi 2011). They can easily enhance their relationship, inspire the establishment of immigrant-founded companies (Discua Cruz et al. 2020) thus making it easier to conduct business (Abd Hamid et al. 2019). Likewise, immigrant entrepreneurs who are conversant in the host country's language, facilitate them to quickly adapt to the business environment as well as ease the business operation (Chukuakadibia 2018). Having a common language and understanding of the host's culture helps build trust between immigrants and the local communities (Shinnar & Nayr 2019). Adopting a similar religion may also facilitate entrepreneurial actions (Dana 2009).

In the context of the study, due to similarities of culture and religious practice, Malaysians can accept and enjoy foreign cuisines. The proliferation of ethnic

eateries allows customers to savour new menus (Warde & Martens 2000), such as Indonesian foods (Abd Hamid et al. 2018) and Thailand dishes (Bunmak 2013). Malaysia indeed is known as food heaven, which prompts many immigrant entrepreneurs such as Thais to open their restaurants in the country. In addition, a growing eating-out culture (Latimaha et al. 2018; Roseman 2006) has contributed to the success of immigrant entrepreneurs in the country.

METHODOLOGY

This study aims to explore the role of social capital dimensions (structural, relational and cognitive) in the entrepreneurial process (discovery and exploitation of opportunity) of immigrant entrepreneurs. It adopts a qualitative methodology using semi-structured in-depth interviews with selected Thai immigrant-founded restaurant businesses in Malaysia. This particular ethnic group was selected since by mid-2020, there are more than 1,000 Thai-owned restaurants or cafés in Malaysia (<http://malaysiabizadvisory.com/how-to-start-restaurant-business-in-malaysia/>) indicating that Thai cuisines receive popular demand in the country. This line of business is popular among immigrants since it requires a small investment with low risks (Bettin et al. 2019) making it easy to enter the market (Fatoki & Oni 2014).

The present study was conducted at Bandar Baru Bangi (BBB), which is recognised as a suburban city and a popular destination in southern Selangor, Malaysia (Usman et al. 2021). Restaurants selected for the study were owned and operated by Thai immigrant entrepreneurs for at least three years. ~~at least three years in a host country~~ This threshold is important since immigrant-founded businesses are prone to close operation before this term (Shinnar & Young 2008). Thus, specifically the sample criteria are: i) the entrepreneurs must be Thai immigrant(s), ii) the restaurant serves ethnic Thai foods, and iii) the restaurants have been operating for at least three years in BBB. The profiles of the six participants are summarised in Table 1.

The semi-structured in-depth interviews with the six TIRps were conducted in early 2019 at the participants' own restaurants. Each interview session was guided by a set of interview protocol, which is the instrument of investigation for detailed information related to the purpose of the study (Patton 2015). The protocol comprised three sections; i) the background of owners, ii) the profile of the restaurants, and iii) questions on how the migrants discovered and exploited entrepreneurial opportunities in a host country. The interviews were mainly conducted in Bahasa Melayu since the participants were not proficient in English. However, the quotations originally given in Malay were translated into English for this paper. The interview and data collection was ended for all six interviewees once data collation reached

TABLE 1. Participants' profile

Thai Immigrant Restaurant-preneurs (TIRps)	Age Range	Gender	Hometown in Thailand	Restaurant Establishment in Malaysia (year)
TIRp1	Late 30s	Female	Pattani	5
TIRp2	Early 40s	Female	Pattani	17
TIRp3	Early 40s	Female	Pattani	5
TIRp4	Late 40s	Female	Pattani	15
TIRp5	Mid 40s	Male	Pattani	13
TIRp6	Late 40s	Male	Yala	10



FIGURE 1. The adapted six-step framework on thematic analysis (Braun & Clarke 2006)

saturation point (Merriam & Tisdell 2016). In analysing the data, thematic analysis was applied to derive themes from the interview transcriptions using Braun and Clarke's (2006) six-step framework (see Figure 1).

RESULTS

In exploring the role of social capital dimensions (structural, relational and cognitive) in the entrepreneurial process of TIRps, nine sub-categories emerged from the grounded data. Each of these is presented below based on the social capital dimensions (categories).

STRUCTURAL SOCIAL CAPITAL

Structural social capital is the first dimension of social capital which describes the network of people known to the migrant individual and upon whom he or she draws the benefits of information and assistance (Nahapiet & Ghoshal 1998). Three sub-categories emerged from this analysis namely, support from family and friends, support from the locals and eating-out habit among local consumers.

Support from Family and Friends This study found that immigrants initially discover business opportunities through the support of family and friends which is crucial to the successful start-up of their business ventures. This is shown in the following quotes:

"The only reason my business is a success because of the support of my family and close friends". (TIRp6)

"It was easier for me compared with other Thai restaurant owners because my relatives in Malaysia helped me to set up my dream restaurant" (TIRp4).

The TIRps were subsequently able to pursue their business with the financial help from family and friends. For instance, the sixth TIRp interviewed (TIRp6) expressed that he owed it to his family for financial support: *"My families have lent me some money for me to start this business"* (TIRp6). While TIRp5 stated that it was fortunate that her friend had faith on her to be a partner: *"My friend who owns a restaurant invited me to be his partner without investing much"*. In addition, it is also advantageous to have families as co-workers who are willing to draw a small amount of salary that help reduce the financial burden of the TIRps:

"When I first set up this business, my employees were my brother and his wife. They helped me a lot without complaining how much I pay for their salary because they know I am struggling, but I still pay as much as I have at that time" (TIRp3).

By having network ties with family and friends, the TIRps had a better chance to access local resources. During the discovery of business restaurant opportunities in Malaysia, it has been proven that their family and friends also help them to obtain the necessary information on the resources at much lower costs. As quoted:

"I have some friends who have been staying in Malaysia for many years. They also involve with business here... so they informed me where I can get the cheapest and fresh wet ingredients for my restaurant" (TIRp1).

Support from Local The participants agreed that the locals' generosity and friendliness had helped them to locate strategic places to open business. As experienced by one of the participants: *"My Malaysian friends are friendly and helpful. They have helped me find the perfect*

location to open my restaurant” (TIRp5). The locals also assisted the TIRps in terms of the legal process and documentation such as registration of business and the related permit needed. This was expressed in the following quotation:

“In order to open my restaurant, I have to deal with some legal issues... I am lucky that my friends from Malaysia helped me from the beginning with all the legal documents before I open my business” (TIRp3).

Eating-Out Habit among Local Consumers Eating-out has become prevalent in the Malaysian lifestyle (Latimaha et al. 2018). The habit became popular among local consumers due in large part to the boom in various ethnic restaurants making it possible for customers to enjoy different and distinctive exotic fares as captured in this quotation:

“I observe that Malaysians enjoy eating out with their families and friends. That is why, it provides a good chance for us to set up Thai restaurants” (TIRp2).

It is undoubted that a social factor such as lifestyle differs from country to country. The TIRps expressed that due to poverty and low income, the public in Thailand normally do not enjoy the luxury of eating out, thus, they have slim opportunity to start a restaurant business in their home country. This was observed in the following quote:

“The lifestyle in Thailand is very harsh. Even if I decided to open a restaurant in Patani, it maybe lasts for a short while. Not like here... Malaysian frequently meet up with their friends at dining places” (TIRp1).

RELATIONAL SOCIAL CAPITAL

Relational social capital is a dimension of social capital that relates to the characteristics and qualities of personal relationships such as trust, obligations, respect and even friendship (Nahapiet & Ghoshal 1998). This dimension describes relationships in terms of interpersonal trust, existence of shared norms and identification with other individuals. In this study, the sub-categories that emerged are identification, obligation, and collaboration.

Identification The TIRps chose restaurant business opportunities in Malaysia because they were inspired by the success of their Thai friends and families in the host country despite their lack of education. This identification has motivated them to migrate to Malaysia to seize the business opportunities. As TIRp2 pointed out: *“Most of my friends who are successful in Malaysia today only studied until Standard 6. Thus, I believe I can be successful too in a restaurant business just like them”.*

Meanwhile, the relationships that the TIRps built with other Thai entrepreneurs have allowed them to integrate well and quickly gain trust. This in turn enabled

them to learn the ‘know-how’ from the established Thai entrepreneurs who were willing to patronise them and assist in their individual goals.

“The main reason I can identify business here is because of my relatives. They have lived in Malaysia for a long time and all of them have a successful restaurant all over Malaysia. They teach me how to start a business, what things to do and not to do...” (TIRp5).

Obligation Majority of the TIRps who participated in this study indicated that they embarked into businesses here because they also felt obliged to support their fellow countrymen in the host country, so that they could *“... create a better life for them and their families” (TIRp4).* They also realised through their restaurant business they were able to provide job opportunities for the Thai communities to improve their economic well-being. This was captured in the following quotations:

“Most of my village people are poor... I need to help my Thai communities that are unemployed in Thailand to be employed here” (TIRp1).

“I can help those that are unemployed in my hometown to work with me in my restaurants and at the same time giving them and my family a financial stability” (TIRp2).

In addition, the TIRps also shared their aspiration to assist poor relatives with earning from the restaurant business. As expressed by TIRp3: *“...I can help my relatives, poor people, orphanages and others in my native country, Thailand”.* Another interesting finding was that the TIRps believed that they owe the obligation to give charity towards Muslim society development in their hometown. This is clear from this quotation:

“... money is not the only benefit from having this business... but with the money I am able to build mosque in my hometown, Yala, Thailand” (TIRp6).

Collaboration Relational social capital dimension encourages normative behaviour based on trust, reciprocity and shared norms. The TIRps mentioned their concern to share the know-how of the business environment with other TIRps and expressed their willingness to collaborate so that all of them will have a successful entrepreneurial venture as expressed in the following quotations:

“By opening this restaurant, I get the knowledge and experience that help me deal with various problems. I also get the chance to share my knowledge with other Thai entrepreneurs then we can achieve success together...” (TIRp3).

“I am glad if I could help my family, friends and also Thai communities who come to Malaysia to open up business...” (TIRp2).

COGNITIVE SOCIAL CAPITAL

Cognitive social capital is a dimension of social capital that relates to resources providing shared representations, interpretations, and systems of meaning among parties (Nahapiet & Ghoshal 1998). This dimension relates to the communication between the actors with whom people share a common language and code (Boland & Tenaski 1995; Gooderham 2007). The sub-categories that emerged from this study are similar culture, language and religion, similar preference, and shared objectives.

Similar Culture, Language and Religion The participants who were immigrants from Southern Thailand, which borders the North and East of Malaysia have similarity in terms of culture, language and religion, thus they were easily assimilated into Malaysian culture. As declared by one participant: *“The first thing that went into my mind is about the culture, language and religion which are quite similar to mine”* (TIRp1). With similar language, the TIRps were able to understand and interact with locals, from which they perceive as contributing to higher chances in pursuing entrepreneurial activities in the host country. TIRp4 said that: *“Malaysia has the same culture, religion and language as the southern Thai. So, I will have high potential to succeed if I open a restaurant here”*.

With the common usage of the Malay language although with a slightly different accent, it was easier for the TIRps to communicate with the local society. As expressed by one participant: *“... we also use the same language in Pattani. So, it is easier for us to adapt here in Malaysia”* (TIRp2). This quote illustrates in detail:

“It is easier for me because Malaysia uses the same language, has the same religion and similar culture as we are using in southern Thailand. Even though the accent is slightly different, but we can still understand each other” (TIRp6).

Islam as an official religion is widely practiced in Malaysia. Therefore, it gives comfort and familiarity to the Muslim Thai entrepreneurs to practice their common religion without any restriction and obstacle. TIRp2 affirmed that: *“I like the Islamic culture in Malaysia”*. Thus, Malaysia was chosen as the preferred location to conduct a restaurant business. Apart from reaching out for the considerable customers in Malaysia who are obsessed with halal Thai foods, the TIRps agreed that they were able to practice Islam better in Malaysia as shown in the following quotation:

“Before, I also had a restaurant in Bangkok. Even though the revenue was good I tend to neglect my practices as a Muslim because of the culture there... In Malaysia, there are more Muslims compared to Thailand, and here it is easier to serve halal food” (TIRp2).

Similar Preference In conducting a business, customer demands and preferences are among the primary factors that need to be considered. In the case of TIRps, they were able to operate successful restaurants in Malaysia due to the host country's preferences for halal Thai foods. TIRp5 said: *“Many Malaysian citizens are Muslim and they are so passionate about Thai cuisines”*. The Thai foods were preferred because of the similarity in culture and practices as mentioned by TIRp3:

“I chose Malaysia to conduct my business because Thai restaurants are highly welcome here. Malaysians seem to enjoy the Thai cuisines” (TIRp3).

Shared Objectives Another category in the cognitive social capital dimension is shared objectives. The TIRps have expressed that they were able to survive until now in the restaurant industry due to the shared understanding and goal towards the business direction and achievement. These quotations revealed that:

“I am still in this business and working hard to sustain my business due to the understanding from my wife and families... to see me as a successful entrepreneur” (TIRp6).

“My employees especially the chef shared the same goal as mine which is to strive for serving the most authentic taste of Thai cuisines so that the local consumers enjoy their dining in my restaurant” (TIRp4).

In summary, the opinions sought from the six TIRps regarding the role of social capital dimensions in their entrepreneurial process in Malaysia revealed these important categories; namely, the structural dimension (i.e., support from family and friends, support from local and eating-out habit among local consumers); relational dimension (i.e., identification, obligation, and collaboration; and the cognitive dimension (i.e., similar culture, language and religion, similar preference, and shared objectives).

DISCUSSIONS

Based on the above findings, this section will discuss on how the social capital dimensions (structural, relational and cognitive) play their roles in the entrepreneurial process (discovery and exploiting opportunity) of TIRps in Malaysia. Firstly, this study revealed that immigrant entrepreneurs initially discover business opportunities through relying heavily on their structural social capital such as their personal relationship with family members and friends. Their established presence in Malaysia greatly helped the TIRps to discover business opportunities through shared information on local business potential. Indeed, close and frequent social interactions encourage actors to share important information (Tata & Prasad

2008, 2015). In relation to the restaurant industry, the social environment in the host country, including eating-out habits, is highly attractive enough for the TIRps to discover for business opportunity. Malaysians prefer foreign exotic dishes which are popularly savoured in their frequent eating-outs and this translates into great business opportunities for TIRps (de Rezende & Silva 2014; Roseman 2006).

In relational social capital dimension, identification is recognised as a factor that inspires normative behavior rooted among network members (Tavassoli & Trippel 2019; Zeveleva 2019). TIRps are inspired by successful ethnic businesses conducted by their friends in the host country. They thus identified themselves with these successful business owners who despite not being well educated are able to conduct successful businesses and perform well in host Malaysia. It can be suggested that the development of the established Thai business ventures in the country inspired the TIRps to open up the business locally, particularly in the same field. This provided strong motivation for them to migrate to Malaysia and seize the opportunities.

The immigrant entrepreneurs subsequently discover opportunities through cognitive social capital dimension in which residents in BBB share similar culture, language, and religion with those in Southern Thailand. Language similarity with the host communities helps immigrant entrepreneurs adapt to the business climate to smoothly run their businesses (Alexandre et al. 2019; Shinnar & Nayir 2019). Their common Malay language usage, despite slight differences in accent, make it easier for them to communicate with the local society. Additionally, Islam as the official religion and widely practiced in Malaysia, does give a measure of tranquility to the Muslim Thai entrepreneurs who can practice without any restrictions and obstacles. The huge popularity of halal Thai foods in Malaysia supports the contention by Tötterman and Sten (2005) that the shared common values will greatly benefit business start-ups among the TIRps. Subsequently, this study also discovered that immigrant entrepreneurs learnt of local entrepreneurial potential from the similar cultural preferences identified in the cognitive social capital dimension. This study also observed that the similarity between Malaysian and Southern Thai taste buds increase the likelihood of local preference for Thai food.

In consequence of the structural social capital dimension and through the relationships and interactions with family and friends, the Thai immigrants exploited the entrepreneurial opportunities through obtaining needed resources (such as financial and workers) to set up and operate their businesses. This outcome is consistent with that of previous studies where such relationships were recorded to help immigrant entrepreneurs to obtain necessary resources at much lower costs (Kalnins & Chung 2006; Sequeira & Rasheed 2006) and with financial support (Lassalle & McElwee 2016). This study also established that the support from local communities

in this host country is crucial for the TIRps to exploit entrepreneurial opportunities. The local Malaysians know better their country's condition and social environment, and this in turn help the immigrant entrepreneurs in handling the required legal process and documentation.

In the perspective of the relational social capital dimension, the localised immigrant entrepreneurs understood that it is an obligation for them to help their own communities who have recently migrated to Malaysia. Thus, they provided jobs to the migrants at their premises so that they could repay their countrymen with this sense of obligation. Then, with subsequent business establishment in the host country, potential for collaboration with others with shared visions (Tötterman & Sten 2005) is expected to increase. Indeed, the TIRps were always keen to share know-how of the business environment with other Thai immigrant entrepreneurs so that together they can become successful in the host country. This proves that collaboration empowers entrepreneurs to share crucial information, cooperate for mutual benefit, and share risks and obligations (Mukwarami et al. 2018; Paoloni et al. 2017). It could be postulated that without collaborations, immigrant entrepreneurs require longer time to obtain the resources (Mat Isa et al. 2010) and to exploit business opportunities. In consequence the TIRps were able to survive in the restaurant industry until now due to the similar objectives in business direction and achievement among family members as well as employees.

In general, our findings established that the support from family and friends is the most important factor for success in both stages of the entrepreneurial process, as discerned by the TIRps. Consequently, in conducting cross-border business, the migrants also rely on the support of the locals in the host country in terms of assisting them with legal matters required in conducting business since the hosts are more familiar with local conditions and environment. The study demonstrates that informal relationships through families, close friends, and local societies can influence the opportunity process whereby they serve as a platform to develop repeated informal exchanges (Kalnins & Chung 2001) which in turn create collaborations and obligations.

The structural social capital in terms of social habits also influence the decision in conducting business. This study, that focused on Thai immigrants conducting restaurant businesses, proved that the eating-out habit of local public is of vital advantage to the recent migrants keen to start their entrepreneurial activities in the host country. It also shows that the structural social capital dimension acts as fundamental elements whereby the right structure available serves as a base to make way for other dimension of social capital that follows. For example, Malaysian societies who share similar preferences (identified as cognitive social capital) in terms of taste buds with southern Thai societies should enable the immigrants to conform with local norms and affirm their decision to establish their restaurant in the

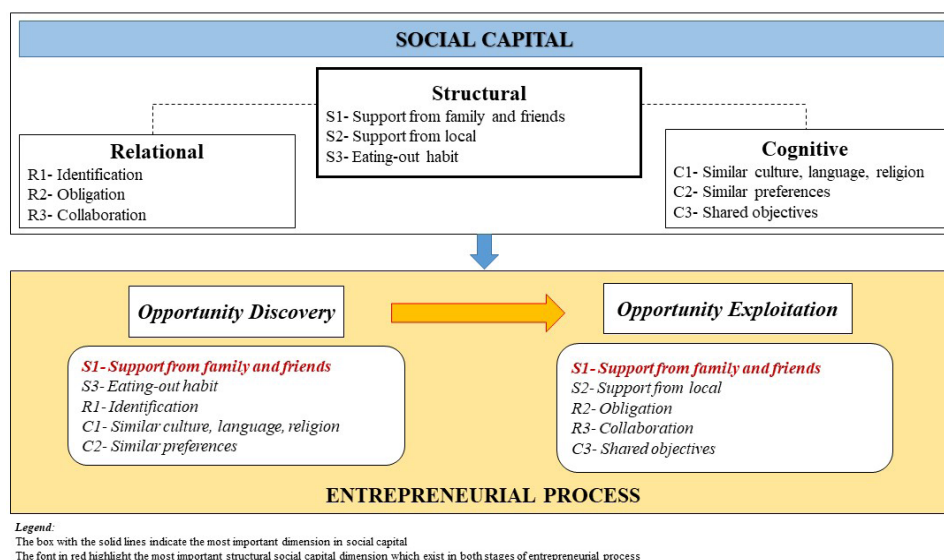


FIGURE 2. The integrated model of Thai immigrant's social capital and entrepreneurial process in restaurant business

host country. Conversely, without the local eating-out habit (identified as structural social capital), it becomes impossible for them to open the restaurant business. Thus, this illustrates how the presence or absence of social interactions between people influence the overall web of interactions (Chiu et al. 2006; Nahapiet & Ghoshal 1998).

Principally, the goods which are going to be offered are highly dependent on the demands and preferences of the host country's environment (Bailey & Li 2015). If the milieu mostly comprises people with developed eating-out habit and a taste for exotic foreign cuisines then the food business opportunity will be enhanced (de Rezende & Silva 2014; Roseman 2006). This study potentially contributes to the Consumer Culture Theory (CCT) which explains the immigrant's entrepreneurial process as influenced by the choices and behaviors of consumers (Arnould & Thompson 2005). It also indicates that the consumer culture in the host country serves as a catalyst for the TIRps to identify and later exploit the available business opportunities.

During the TIRps entrepreneurial process, five sub-categories of social capital were identified at the discovery stage and five sub-categories at the exploitation stage. Support from family and friends which transpired at both stages of the process is regarded as the most important social capital for the TIRps. An integrated model of Thai immigrant's social capital and entrepreneurial process in the restaurant industry is presented in Figure 2.

Based on the analysis of factors influencing the entrepreneurial process among immigrant entrepreneurs in the host country, two general propositions are drawn as follows:

P₁ Cognitive social capital increases the chances for TIRps to establish restaurant in the host country.

- P_{1a} Ability to exploit culture enables the TIRps to establish restaurant in the host country.
- P_{1b} Ability to exploit host country's local preference enables the TIRps to establish restaurant in the host country.
- P₂: Social capital without culture stimulus lessens the chances for TIRps to establish restaurant in the host country.
- P_{2a} Support from family and friends without having similar culture decrease the chances the TIRps to establish restaurant in the host country.
- P_{2b} Support from local communities from host country without having similar culture decrease the chances the TIRps to establish restaurant in the host country.

THEORETICAL IMPLICATIONS

This study integrated social capital and entrepreneurial process perspectives and potentially contributes to those recorded by Shane (2003). Initially there were no distinctively identified factors in each entrepreneurial process or the integration of social perspectives through social capital theory by considering the multidimensional context of social capital (Nahapiet & Ghoshal 1998). The integration of multiple perspectives and interrelationships is considered a novel approach that enables holistic understanding of a complex social phenomenon such as the immigrant entrepreneurship. Thus, the study has provided new views on the body of knowledge in regard to the entrepreneurship, specifically in the field of immigrant entrepreneurship. In addition, this study also contributes to the Consumer Culture Theory (CCT) which explains how immigrant's entrepreneurial process is influenced by the choices and behaviors of consumers (Arnould & Thompson 2005) which included eating-out habits and similarity in preferences. This provides evidence that the consumer culture in the host country

is a catalyst for immigrant entrepreneurs to discover and later exploit the available opportunities.

PRACTICAL IMPLICATIONS

The findings from this study provide two practical implications. First, it may assist policy makers in the design and development of training programmes to encourage Malaysian entrepreneurs to go global by utilising their social capital and to study how immigrants have successfully acquired and accessed their resources in order to survive and sustain their businesses in Malaysia. Second, the findings will benefit local entrepreneurs since the study imparts valuable insights into the entrepreneurial process of immigrant entrepreneurs. The locals can adopt the immigrant entrepreneurs' best approach since the findings of the study have enhanced the understanding on the definite drivers of immigrant entrepreneurship. It should hence inspire local entrepreneurs to emulate the success of these immigrant entrepreneurs.

CONCLUSIONS

This study sought to increase our understanding of immigrant entrepreneurial business ventures from social capital and entrepreneurial process perspectives. Its aim was to explore the roles of the three social capital dimensions (structural, relational, and cognitive) in influencing the two-stage of entrepreneurial process (discovering opportunities and exploiting opportunities). The findings revealed that structural social capital, through the support from family and friends at both stages of the entrepreneurial process, is the most important dimension influencing the entrepreneurial process of TIRps in Malaysia. In addition, similarity in culture and preference, language and religion, and shared objectives play important roles in the immigrant entrepreneurial ventures. This is evident from the local consumers' eating-out habits, identified as structural social capital, and the local preference for Thai cuisines, identified as cognitive social capital. Findings from this study acknowledge the emergence of the Consumer Culture Theory in research work on immigrant entrepreneurship.

The robustness of our analysis produce implications to the local entrepreneurs as well as to the policy makers. The local entrepreneurs can gain valuable insight into the importance of recognising the role of social capital dimensions in entrepreneurial process, while the policy makers could use the findings to assist them in devising suitable and effective programs to support entrepreneurial activities in Malaysia. There are also limitations to the study that can be mitigated. For one, the study only focused itself on Thai immigrants who operate restaurants in Malaysia. Future research should also explore the role of social capital in the entrepreneurial process among immigrant entrepreneurs in other sectors such as retails, furniture and mini market. Further, for a more rigorous

study, a comparative examination of the entrepreneurial process at a higher level such as between the ASEAN countries, should be attempted.

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