Trust in Ethnic Minority Entrepreneurship: Exploring the Barriers and Challenges Facing Scottish-Based Ethnic Minority Entrepreneurs

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Purpose of the paper:
This study aims to investigate the importance of trust in ethnic minority entrepreneurship. Trust, an abstract concept recognised as a lubricating mechanism for relationships, has received growing attention in recent years. Yet, existing research has neglected the role of trust across lesser-known groups, in favour of more popular research areas. This paper presents an opportunity to address this research gap. Against this background, this study attempts two particularly demanding feats of academic research: the task of investigating what is now an overlooked aspect of literature—namely, the types of trust used by ethnic minority entrepreneurs—and the challenge of investigating how trust is useful in navigating the challenges and barriers constraining ethnic minority entrepreneurship in Scotland.

Design/methodology/approach:
To achieve our purpose, a holistic approach that relies on the complementary perspectives of mixed embeddedness (Kloosterman, 2010) and institutional logics (Thornton and Ocasio, 1999; Omeihe, 2023) is applied to empirically interrogate the contexts in which ethnic minority entrepreneurs are situated. The application of the theoretical perspectives is unique in locating the structural disadvantage of ethnic minorities within their structural context. We illustrate this with findings from interviews to be conducted with 42 ethnic minority entrepreneurs based in Glasgow, Edinburgh, and Aberdeen. The choice of these locations is grounded in the fact that together they harbour a great percentage of ethnic minority entrepreneurs in Scotland, based on these locations being economic centres. Following Eisenhardt and Graebner (2007) and Omeihe and Omeihe (2024), we will aim to select our sample purposively rather than randomly, to advance existing theories (Lincoln and Guba, 1985; Marshall and Rossman, 1999). In this case, we will ensure diversity in the origin of the selected participants.

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Keeping faith with Vertovec’s (2007) notion of super-diversity, our sample selection will represent entrepreneurs drawn from different countries of origin. We also aim to rely on our understanding of the population by focusing on a range of entrepreneurs operating within the manufacturing and service sectors. The difference in sectors indicates the desire to avoid chance associations (Yin, 2014). The respondents’ selection will be based on comparing perceptions and experiences about their specific surroundings. This will allow us to pursue the often neglected economic and social issues facing ethnic minority entrepreneurs. We will justify our choice of data analysis by adopting Omeihe and Harrison’s (2024) ADEPT Method of data analysis (Analysis, Data Exploration, Pattern Identification, and Theme Development). This choice of approach will be useful in effectively uncovering, analysing, and interpreting the embedded themes and patterns in the data. This will be critical as it will allow for a thorough evaluation of many parts of the data.

Findings:
As a developmental paper, we expect that the findings of the study will highlight the significance of trust in challenging contexts. The findings will take the form of a series of close encounters that reveal how Scottish-based ethnic minority entrepreneurs can benefit from their trust in a range of alternative network forms, such as family, trade associations, religion, and cultural institutions. Our anticipated outcome is to adopt a contextual approach to uncovering the importance of trust and to support the growing emphasis on Scottish research targeted at ethnic minority relationships.

Practical implications:
This research paper will aim to prompt practical implications drawn from the experiences of Scottish ethnic minority entrepreneurs. A related implication may be that the study will highlight the significance of trust-based ethnic minority relationships, thereby providing valuable insights for future research, which we believe has received insufficient coverage. This includes acknowledging the positive and negative aspects of trust, exploring the interdependencies between different forms of trust, and gaining a better understanding of the complexities of trust and its contextual interactions in entrepreneurial activities.

Originality/value of paper:
Given the importance that the authors assign to this research, the originality lies in the fact that it highlights the dearth of information on trust and ethnicity in entrepreneurship in Scotland. It also emphasises the crucial importance of gaining accurate insights into this research topic. The contextual feature of this study, which examines unstudied areas and entrepreneurial settings, makes it unique and different from others. Therefore, this paper poses a significant answer to the prevailing perspectives that have traditionally ignored the plight of Scottish-based entrepreneurs.

Key Words: Trust, Ethnic Minority, Entrepreneurship, Institutions, Scotland

Paper Type (theoretical or empirical): Empirical and developmental