



Identify Potential Barriers and Opportunities for Latina Bi-Cultural Entrepreneurship in Iowa:

A Case Study

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Background and Introduction: Entrepreneurs are the backbone of economic growth in the United States. In Iowa, entrepreneurial ventures currently account for 97.1% of all businesses, making an important contribution to the state's economy (SBA Office of Advocacy, 2016). Due to global and U.S. demographic restructuring, immigrant entrepreneurship has emerged as a growing business sector, especially Latina entrepreneurship, and similar trends have been noted in Iowa. As of 2012, U.S. Hispanic women-owned businesses totaled 1.48 million, reflecting an increase of 87.31% since 2007 (United States Census Survey, 2015). These innovative entrepreneurs are seizing opportunities and transforming cultural and intellectual property into new businesses that impact economic development. They are defined in this study as bi-cultural entrepreneurs (BCEs). BCEs refer to immigrant entrepreneurs who capitalize on marketplace opportunities related to their cultural background. Cultural knowledge, creativity, and technical skills act as competitive resources that aid in generating cultural-creative products and services (e.g. handcrafts and Quinceañera apparel retail). The production and distribution of these products allow BCEs to both make a living and express their cultural heritage (Ellmeier, 2003). Moreover, BCEs have a desire to express their cultural inheritance, talent, and skills to grow new businesses and supplement their household income.

Problem definition and Purpose: Population immigration and emigration play important roles in U.S. economic reform and development (Schulte, 2011). Between 2000 and 2010, the U.S. Latino population grew four times faster than the white, non-Latino segment. This reflects an increase of 15.2 million of the 27.3 million total U.S. population (United States Census Bureau, 2011). These Latino newcomers are widespread across urban and rural areas of the United States. In Iowa, immigrants have revitalized communities in many ways, such as the infusion of different cultural perspectives and strengthening of the workforce (Gibney & Fisher, 2014). The purpose of this study was to: 1) analyze perceived barriers and opportunities to business ownership for Latina BCEs selling apparel and textile related products in selected urban and rural communities of Iowa, and 2) gain insight into BCEs potential impact on community and economic development.

Method: Using a case study approach (Yin, 1984), semi-structured in-depth interviews (N=3) were conducted in selected Iowa communities to explore the above-mentioned purpose. Participants were purposely selected with the assistance of Extension professionals who worked closely with Hispanic community members. The sample consisted of one Latina BCE who owned a handcraft business in a rural Iowa community, and two Latina BCEs from an urban community of Iowa and operated a handcraft and Quinceañera apparel store respectively.

Interviews were audiotaped and transcribed for purposes of analysis. Qualitative methods were used for coding and development of emergent themes (Creswell, 2013).

Findings: Five primary themes emerged from analysis of the qualitative data regarding barriers and opportunities to business ownership by Latina BCEs in Iowa.

Barriers. Language: Language differences are a critical barrier to intercultural communication.

Most Latina BCEs came to America as adults, which imposed constraints on their language development. **Need of start-up capital:** Most Latina BCEs found it difficult to access start-up funds due to lack of resource connections and a business plan. **Lack of business management knowledge:** Most BCEs only had a high school education. Therefore, they were not accustomed to advanced technology and effective marketing practices.

Opportunities. Grow customer base: Latina BCEs were able to tailor products and services to meet the needs of their customers, an area where big box retail cannot compete. **Culture retention:** Latina BCEs blend culture into their business practices and offerings, allowing for proliferation of traditions and profit from cultural-creative products and services. Together these opportunities allowed Latina owned businesses to realize growth and impact the local economy.

Conclusion: To date, no study has examined Latina bi-cultural entrepreneurship in the apparel and retail sectors and its impact on community and economic development. This research fills a literature gap and has important implications for the study of bi-cultural entrepreneurship. Latina BCE is a growing individual enterprise that has significantly affected Iowa economy.

Understanding issues and opportunities surrounding business start-up and growth is vital to business consultants, community leaders, and apparel/retail BCEs for business and economic development. The results of this study provide foundational information needed for development of educational and business assistance materials concerning entrepreneurship education for apparel/retail BCEs. Future research could examine a larger and more diverse sample of BCEs related to the challenges and opportunities of Latina business ownership in rural and urban areas. Barriers and opportunities identified in this study contribute to a better understanding of the startup stage of growth for bi-cultural entrepreneurs and the potential cultural and economic benefits to communities in Iowa.

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