EMEN

European Migrant Entrepreneurship Network

Crossing borders for financial and business development services

D2.18 Survey report on the degree of diversity management in mainstream business associations

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Acknowledgment

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1. Executive summary

The present document presents the results of a **survey on the degree of diversity management in mainstream business associations** (chambers of commerce) conducted by **UNITEE, the New European Business Confederation,** and **EUROCHAMBRES**, the Association of European Chambers of Commerce and Industry. UNITEE is the leader of **Community of Practice 3 (CoP 3)** within the EMEN project (*European Migrant Entrepreneurship Network: crossing borders for financial and business development services*), undertaken in the framework of the COSME programme (2014-2020). The survey has seen the participation of **23 chambers of commerce**, all members of the EUROCHAMBRES network.

The aim of the survey is to gather concrete information from chambers of commerce, located in different areas of Europe and of different sizes, on their **awareness and practices regarding diversity management** and on their needs for improvement. The information obtained through the survey will be used as a starting point to develop a set of training sessions for chambers of commerce, to improve their ability to manage diversity and be open to it: in this way, they will be better able to integrate migrant and ethnic entrepreneurs as members and contribute to their integration into the wider business ecosystem.

Recent years have seen a development of research and literature on ethnic diversity management in business environments. Due to the increasing complexity of society, more and more policy-makers, consultancies and academic institutions have started talking about the **"business case for diversity".** In particular, increasing attention has been paid to diversity management in chambers of commerce. Business associations have begun to review their existing services to determine whether they are migrant-friendly and how they can be improved or further developed in order to support migrant entrepreneurs better.

Even if there are some successful projects around the EU, the issue is not mainstreamed enough among practitioners to have become widely accepted in the business ecosystem. The few projects that are successful tend to be **limited and isolated.** One main finding of the survey was the lack of synergies across borders, as well as a lack of opportunities to exchange practices and learn from others.

The EMEN project aims to address this issue, by bringing together relevant players at European, national and regional levels to form transnational networks that will work together and exchange knowledge and best practices, with the final aim of **developing, sharing and promoting support schemes** not only for individual migrant entrepreneurs but also for social and inclusive enterprises benefitting migrant entrepreneurs.

In this context, the present survey deals with a topic that so far has not been analysed enough in research: **the degree of preparation and understanding in terms of ethnic diversity management practiced by chambers of commerce in Europe.** In general, a low level of diversity management by economic actors can risk limiting the ability of the general business ecosystem to attract those new and innovative skills that are strongly needed by the EU economy.

For this reason, the survey has been carried out in a **pragmatic way**, looking to find actionable insights in the experience, skills and weaknesses of participating chambers of commerce. In designing the survey, we have focussed on how chambers of commerce obtain their members, what services they provide them and how they keep them attached. After all, chambers of commerce are relevant actors in European economic ecosystems and, due to their expertise and day-to-day engagement, offer an unparalleled opportunity to gather **direct insights on the ground**.

The results of the survey testify to a diverse environment of chambers of commerce in which there is **at least some awareness** and interest regarding diversity management. Nevertheless, this interest is in most cases not fully acted upon, and therefore the added value of diversity management is **insufficiently exploited**. Also in those isolated cases were some projects are

present, it is difficult for them to be mainstream and for practices to be exchanged to create a virtuous circle.

For this reason, from the survey it is possible to extract some general observations in order to develop successful training that will have an impact:

- First, given the wide variety of experience and management levels among chambers, all training should be **targeted and personalised**;

- Furthermore, what appears clearly is that the general lack of diversity management does not derive from a lack of awareness or understanding of the issue. What is missing is the ability to go beyond individual experiences and **share best practices** with other practitioners;

- Another important aspect that is often lacking is active practices of integration or services positively tackling the identified challenges of migrant entrepreneurs. Most chambers **do not have a specific focus on migrant entrepreneurs**, which limits their understanding of their needs;

- Finally, activities on diversity management are not yet mainstream among European chambers of commerce. For those who implement them, such activities normally consist of training and networking events. What they recognise they would need is the **possibility to have exchanges of best practices** and training in diversity and in communications for employees.

Such insights will be the starting point of a process that, through the organisation of training and exchanges of best practices across borders, will lead to the creation of a business ecosystem that is more open to diversity.

2. Introduction

The present document is the report from a survey on the degree of diversity management in European mainstream business organisations (chambers of commerce) that was carried out in December 2017 and January 2018 by UNITEE, the New European Business Confederation, and EUROCHAMBRES, as part of the CoP 3 Community of Practice in the framework of the EMEN (European Migrant Entrepreneurship Network) project. The survey has seen the participation of 23 chambers of commerce, based all around the EU, all members of EUROCHAMBRES transnational network,[1] that have agreed to share their expertise and ideas.

The following pages first give a general overview of the state of the art of ethnic diversity management in a business context in Europe, in order to describe the context in which the EMEN project acts. Then, the project itself, and its expected outcomes, are described. After this general overview, the document focuses more specifically on the issue of diversity management in chambers of commerce and where the need for such a project stems from. An in-depth presentation of how the survey was designed and the characteristics of the respondents then follows. Finally, the results of the survey are presented, together with conclusions that can be drawn from them with the aim of designing the final training.

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[1] EUROCHAMBRES, a European network of chambers of commerce, brings together 45 business associations, representing 20 million businesses. For more information, visit http://www.eurochambres.eu

3. State of the art of ethnic diversity management in business environments

Recent years have seen a development of research and literature on diversity management in business environments. Due to the increasing complexity of society, more and more policy-makers, consultancies and academic institutions have started talking about the "business case for diversity".[2] Indeed, the correlation between diversity, innovation and economic growth has already been proven in many cases, thus pushing companies to take relevant measures in order to make the best use of it. In literature, the need for successful diversity management is indicated as stemming from very specific demographic determinants: in modern, superdiverse societies, there is a big (and growing) number of characteristics through which diversity manifests itself, such as educational level, technical knowledge, gender, background, culture, nationality and ethnicity. The OECD has been quite active, among international organisations, on the issue, dedicating a series of projects to diversity and inclusion in the economy and their effect on growth and competitive-ness.[3]

Among all the different dimensions of diversity, the present document focuses on ethnic diversity. More specifically, it analyses how migrant entrepreneurs are part of the wider business ecosystem they belong to, and the role mainstream business associations – such as chambers of commerce – play in contributing to their integration. This focus is motivated by the centrality of migrant entrepreneurship as a factor for integration, as recognised by the EMEN project, of which this document is a fundamental part (see below for further clarification). For this reason, this document builds on the results of the survey on the professionalisation of migrant entrepreneurs' associations, carried out in the framework of the same EMEN project,[4] and on the work done by OECD on the issue, with specific attention to its "diversity and inclusion in employment" programme.[5]

But why is diversity management in general, and ethnic diversity management specifically, so relevant economically and strategically? In existing experiences and literature it is possible to see that a consensus has developed on the added value of ethnic diversity management. If there is clarity on the potential advantages of migrant and ethnic entrepreneurship in terms of job growth, innovation capabilities and trade, among other things, their correct management is not only an ideal development. It is necessary because of the increasing complexity of contemporary societies, which require businesspeople and organisations to be able to navigate safely among ethnic differences, in what has been defined as "transculturality".[6]

More specifically, diversity management seems to encompass different dimensions:[7]

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[2] T. Smedley, *The evidence is growing: there really is a business case for diversity,* in *The Financial Times*, May 15. 2014. Online at https://www.ft.com/content/4f4b3c8e-d521-11e3-9187-00144feabdc0.

[3] See the OECD work on *Diversity and Inclusion*, at http://www.oecd.org/gov/pem/diversity-and-inclusion.htm

[4] *Survey report on the professionalisation needs of migrant entrepreneurs' associations*, deliverable D2.17 in the framework of the EMEN project - Crossing borders for financial and business development services. Online at http://emen-project.eu/library/.

[5] OECD, What is the economic impact of diversity and how can we make a stronger business case?, Issue note – Plenary II, International Diversity Forum 2018. Online at http://www.oecd.org/inclusive-growth/inequality-and-opportunity/events/international-diversity-forum-2018/Issue%20II-%20%20Economic-Impact-Diversity-Business-case.pdf

[6] W. Welsch, *Transculturality: The Puzzling Form of Cultures Today*, in M. Featherstone, S. Lash (ed.), *Spaces of Culture: City, Nation, World*, SAGE, 1999.

[7] See for an overview UNITEE, *The New Pioneers: Discovering the Potential of New Europeans*, The New European 5, Summer 2015

- **Economic.** By lowering the barriers to entry, diversity management favours the engagement of an ethnically diverse workforce and pool of entrepreneurial talents into the economic environment.

- **Sociological.** It favours collaboration and exchanges among different social groups and the circulation of ideas, thus allowing for the reduction of social gaps that are normally present between ethnically diverse groups.

- **Psychological.** Not managing differences correctly could result in a feeling of misunderstanding and exclusion. In turn, exclusion means rejection, and as a final result, can lead to radicalisation. Diversity management can improve understanding and increase inclusion.

- **Political.** Correct diversity management is fundamental to a functional, full democracy, where all citizens are in a position to express themselves and their interests with no barriers to entry.

In this context, if the need for correct ethnic diversity management in business environments is widely acknowledged, in many cases it is still far from being fully realised. This can be due to a series of systemic barriers and challenges in all parts of the business ecosystem, that can be grouped as follows:[8]

● **Focus on ethnic market niches.** Entrepreneurs and workers from diverse backgrounds are still widely framed into ethnic market niches, providing ethnic and minority goods and services to their ethnic communities and the native population alike. This limits them to very specific business needs and aspects, thus making it difficult for them not only to grow, but also to open themselves up to the wider business ecosystem they are part of.

● **Lack of shared culture and communication.** As a general remark, migrant-owned enterprises experience a series of hurdles that make it difficult for them to join the mainstream European support organisations. This is due to a series of factors, which relate to the sheer size of the companies – which are smaller on average – , the lack of understanding between the host culture and the immigrant culture, some mutual mistrust of business organisations and their ability to represent all their members' interests, and the tendency of some immigrant communities to close themselves off into monoethnic clusters.

● **Insufficient resources and human capital.** Migrant entrepreneurs and mainstream entrepreneurs often suffer from a mutual lack of knowledge and managerial skills, together with scarce financial resources, which makes it materially impossible for them to acquire the understanding and diverse skills and knowledge that would lower the barriers of access to diversity management and proper understanding of each other's needs.

● **Insufficient access to mainstream forms of finance.** Many starting entrepreneurs with a migrant background find it very hard to launch because of the impossibility of obtaining credit from banks or venture capitalists. This can be due to an insufficient financial culture and to a lack of credit history on the part of recently moved migrants, who therefore end up being excluded from traditional financing paths by risk-averse banks. Therefore, even if some progress has been made in improving access to microcredit, they very often tend to rely only on informal ways of obtaining finance, such as family and friends; a process that in the long term reduces their belonging to the wider business community and creates a vicious circle of isolation.

● **Lack of representation and of generalised support programmes**. As a consequence of all of the above, entrepreneurs with a migrant background experience serious difficulties in creating networks and making themselves heard by the wider business community. Therefore, in many cases there is a clear division into two different worlds, which rarely meet. In those few cases where support projects are available, they tend to remain limited to individual experiences and do not become mainstreamed.

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[8] M. V. Desiderio, *Policies to support migrant entrepreneurship,* MPI - Migration Policy Institute, 2014.

In view of the above-mentioned issues and challenges, in recent years, impressive efforts have been deployed to address these deficiencies and start building best practices and creating support mechanisms. Previous studies, including the work of COPIE,[9] the already quoted work by the OECD on the issue and the UNHCR/SPTF study of 2016[10] show that the necessary components of an ecosystem conductive to successful diversity management are:

- an entrepreneurial culture

- a policy environment conducive to promoting and facilitating (migrant) entrepreneurship

- outreach to migrant communities and linking them to mainstream organisations

- branding and signposting so that prospective and existing entrepreneurs can easily identify sources of help

- a menu of services including:

  - counselling, coaching and mentoring
  - training
  - workspace
  - networking among businesses
  - access to finance
  - the possibility of mainstreaming specific migrant entrepreneurship development and promotion programmes

If in general, these elements have been met in the EU environment mainly through projects directly addressing the needs of migrant entrepreneurs, not enough attention has been given to more indirect forms of support, such as improving existing support mechanisms or mainstreaming diversity management into business organisations.[11] Some successful cases are present, as the previous research conducted by the EU institutions on the issue has proven,[12] but they are too few and isolated to indicate a trend. What is lacking is a process of mainstreaming and joining the different successful experiences to create the expansion of transcultural practices in the whole business environment; and the introduction of them under a coherent strategy aiming at improving the competitiveness, the innovation and the openness of the European economy as a whole.

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[9] See http://www.cop-ie.eu

[10] UNHCR Social Performance Task Force, *Serving Refugee Populations: the next financial inclusion frontier,* 2016.

[11] See *Survey Report*, op. cit.

[12] European Commission*, Evaluation and analysis of good practices in Promoting and Supporting Migrant Entrepreneurship*, Guide Book, 2016

4. The EMEN project in the context of diversity management and migrant entrepreneurship support in the EU

In the context of the above mentioned situation, the present document plays a vital, even if preliminary, role as part of the **EMEN (European Migrant Entrepreneurship Network: crossing borders for financial and business development services)** project, one of the four projects selected for support under the 2016 COSME call on migrant entrepreneurship support mechanisms. The project aims to bring together relevant players at European, national and regional levels to form transnational networks that will work together and exchange knowledge and best practices, so as to develop, share and promote support schemes not only for individual migrant entrepreneurs but also for social and inclusive enterprises benefitting migrant entrepreneurs and allowing for their inclusion into the wider business community. These exchange networks, which are the building blocks on which the project is based, take the form of three Communities of Practice (CoPs), which are learning communities focusing on the most important elements of a supportive ecosystem for migrant entrepreneurs. Each of the three CoPs is guided by a leading organisation and is dedicated to one specific aspect of support to migrant entrepreneurs: *(1) coaching and mentoring; (2) access to finance;* and (3) *professionalisation and diversity management.*

In particular, CoP 3 is dedicated to the two interrelated issues of **the professionalisation of migrant entrepreneurs' associations and diversity management in mainstream business organisations.** Its aim is to stimulate the acquisition of diversity management skills by mainstream business organisations, in order to foster the integration of migrant entrepreneurs into them. CoP 3 does this by encouraging the exchange of best practices and knowledge among participants from different backgrounds. It is based on the belief that business associations should be inclusive organisations which reflect their membership constituencies both in their service delivery and in their management.

CoP 3 approaches this task from two angles:

1. **Work with migrant entrepreneurs' associations** to improve their professionalism, so that they can form effective partnerships with mainstream business associations;

2. **Work with mainstream business associations** to improve the way they manage diversity, in order to improve the migrant-friendliness of their services and the integration potential of their structures.

Intended outcomes of COP 3's action are that migrant entrepreneurs' associations are **better able to articulate and represent their members' needs to national authorities and the wider business community** and, conversely, that **mainstream business associations (chambers of commerce) will be proactive in including migrant entrepreneurs in their management and service delivery.**

5. Diversity management in mainstream business associations

The present document focuses on **diversity management in mainstream business associations** (i.e. chambers of commerce at the local, regional and national levels). The focus on the role of chambers of commerce is fundamental in addressing some deficiencies in the process of integration of migrant entrepreneurs into the wider business ecosystem. This role, furthermore, is made more and more strategic by the increasing diversity of European society: managing diversity in entrepreneurial settings is not a luxury, but it has become a competitive necessity. Nevertheless, as mentioned in the overview of challenges, it may still be perceived as very difficult for ethnically diverse entrepreneurs to join mainstream business associations, and, conversely, for chambers of commerce to understand their specific needs.

The relevance of chambers of commerce cannot be underestimated, especially concerning support to migrant entrepreneurs and their integration into the wider business environment. Although migrant communities have specific needs, mainstream business associations serve all business people irrespective of their origin. Moreover, in many parts of the EU, over half of new businesses are started by migrant entrepreneurs. Migrants therefore make up an increasing share of the client and membership base of business associations.

For this reason, in recent years increasing attention has been paid to diversity management in chambers of commerce. From the angle of commercial survival, as well as of equity, it is necessary that business associations review their existing services to determine whether they are migrant-friendly and how they can be improved or further developed in order to support migrant entrepreneurs better.

If in the USA this process is already advanced and has already borne some important fruit, also in the EU something is starting to change.[13] Some distinct solutions can be seen across Europe. Although chambers in some EU countries, such as Germany and Austria, are increasingly focusing on providing specific support for migrants,[14] there is strong interest from chambers across the EU in reflecting on their services for migrant entrepreneurs and developing them further. Chambers are also interested in sharing experience with migrant entrepreneurs' associations and other stakeholders that are active on this topic.

More generally, it is possible to see a debate among business organisations and service providers on the form of diversity management that is fittest for purpose, with a wide range of different opinions emerging. Should services be kept general and diversity-blind, or should they be specifically oriented towards ethnic entrepreneurs? And among them, should they distinguish between ethnicities? Furthermore: are services only one-way (oriented at diverse entrepreneurs), or they go both ways (and therefore, for instance, are language or culture courses foreseen)? Should the approach taken be one of integration, or of interculturalisation?

It is possible to say that such issues emerge across European chambers of commerce. Nevertheless, the existing cases of successful diversity management are isolated and not systematised. Even the most successful projects appear to be ad hoc, aimed at a very specific need or social group, while broader perspectives and strategies are lacking. The aim of CoP 3 is thus to address this gap: it wants to stimulate discussion and reflection by business associations on the topic, thus improving diversity in their services and making them more supportive towards migrant entrepren-

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[13] C. Benner and M. Pastor, *Diversity and inclusion for the 21st century economy: an imperative for chambers of commerce*, ACCE, February 2017.

[14] See for example, S. S. Brunner, *Mentoring for migrants: integration of migrants into the Austrian labour market*, in theneweuropean.eu, 28 July 2017.

eurs. The peer-learning and experience-sharing elements will be crucial in achieving this goal. Furthermore, it will allow business associations to ensure that migrants are proportionately involved in the governance and operations (including coaching) of these associations. A proper diversity management approach is required.

The survey described in the following paragraphs, as part of the work of EMEN's CoP 3, aims to provide a first base of research to address this gap through the preparation of practical training for chambers of commerce, based on their identified needs.

6. Presentation of the survey and results

The survey presented in the following paragraphs was conducted by UNITEE, as the leader of CoP3, and EUROCHAMBRES under the title **"EMEN survey on diversity management in mainstream business organisations"** during the months of December 2017 and January 2018.[15] The main rationale for the survey was to be pragmatic and provide actionable insights into the degree to which diversity management is recognised and practiced as a fundamental aspect by mainstream business associations in Europe, in order to use it as the first step in the preparation of a series of training sessions to be conducted in the following years. For this reason, its design and dissemination process has aimed at being as true to reality and to the point as possible, both in determining the organisations surveyed and in deciding the right questions to ask. In this process, fundamental inspiration has come from the first-hand experience of UNITEE in representing migrant entrepreneurs at the European level and advocating diversity management, together with the expertise of EUROCHAMBRES, representing a network of 1,700 local and national chambers in Europe.

6.1 Survey participants

The survey presented in this document has seen the active participation of **23 chambers of commerce**, based **all around Europe** and located in **12 countries**, working on a daily basis on the representation of businesses at the local or national level. The respondents are **all members of the EUROCHAMBRES network,** and some of them are part of CoP 3, as part of the EMEN project, which puts together practitioners of different kinds to foster exchanges between migrant business associations and mainstream business organisations. All the participants have given their explicit agreement to participate to the exercise.

6.2 Survey design

As mentioned above, the survey has been designed with an operational approach, more than an academic one: its aim is to provide practical, actionable information on the level of development and the most pressing needs of mainstream business associations in terms of diversity manage-ment and openness to migrant entrepreneurs. In turn, they will lead to the preparation of effective training for business membership organisations (BMOs), that can be disseminated among members and practitioners.

As such, its structure has been dictated by both thoroughness and ease of use. It aimed to have the most complete idea of the issue at hand as possible, going through all the main aspects relevant for diversity management, without making it too complicated to answer. This, also considering that the main target was managers and businesspeople, was fundamental for them to be able to complete it clearly and in no more than **15-20 minutes**, in order to minimise the rate of incomplete answers. The language of the survey is English, and it has been shared through a Surveypal link, via EUROCHAMBRES' Surveypal account.

A complete overview of the results is presented in the **Annex**.

The structure of the survey is as follows. The **21 questions** were divided into groups: after an introduction on the characteristics of the respondents, the questions were divided by topic relating

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[15] The complete survey can be found at:
https://my.surveypal.com/app/#view=survey/preview&id=641940271&tab=5395DA14-42EA-4281-B903-11357403CD9A

to the different aspects of diversity management in chambers of commerce and the services they provide:

- **1-4: Introductory questions about the organisation**
- **5-7: Characteristics of membership**
- **8-11: Services provided**
- **12-18: Diversity management**
- **19-21: Additional remarks**

6.3 Overview of the results

6.3.1 Data on survey participants

The first interesting insight coming from the survey is about **the characteristics of the responding organisations (questions 1-4).** The first insight is on their locations. As mentioned in the introduction to this section, the participants are based in **12 different countries**. The selection is very heterogeneous: the chambers surveyed are almost equally present across the different parts of the EU. The best represented country is Spain, with 4 chambers, closely followed by Belgium and Italy with 3 each and by Greece, Ireland and Malta with 2 each. Among them, the geographic scope is evenly divided among **local, regional and national**, all three accounting for **31.8%** of total responses, with just one single organisation defining itself as supranational.

Year of chamber's foundation

Before 1920
1920-1940
1980-1990
1990-2000
2000-2010
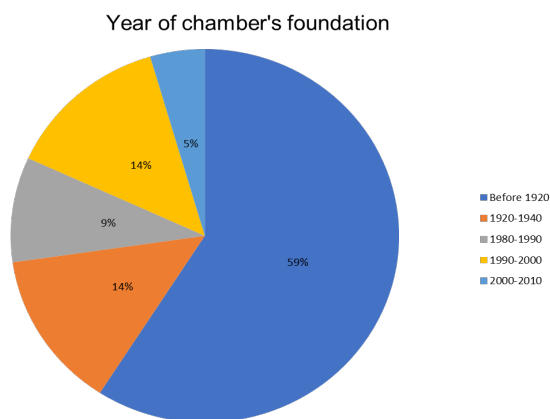
Furthermore, the absolute majority of chambers consulted has been around for a long time, providing an interesting amount of experience and established practices: **59.1%** were founded before 1920, and **13.6%** between 1920 and 1940. In comparison, younger chambers are much less represented: none of them was created between 1940 and 1980, **9.1%** between 1980 and 1990, before seeing a relative spike in new formations, with **19.1%** chambers created since 1990.

Figure 1: Overview of the surveyed chambers' seniority

Another interesting element to analyse is the legal form the chambers take, which might translate itself into different engagement strategies. In this context, a relative balance emerges: **54.5%** of chambers are **public**, while **45.5%** declare themselves as **private.**

Concerning more specifically the characteristics of the chambers' membership (**questions 5-7**), **three quarters (76.2%)** of the surveyed chambers work by **voluntary affiliation**, as opposed to **23.8%** where affiliation is **automatic** for companies based on the location under the responsibility of the chamber.
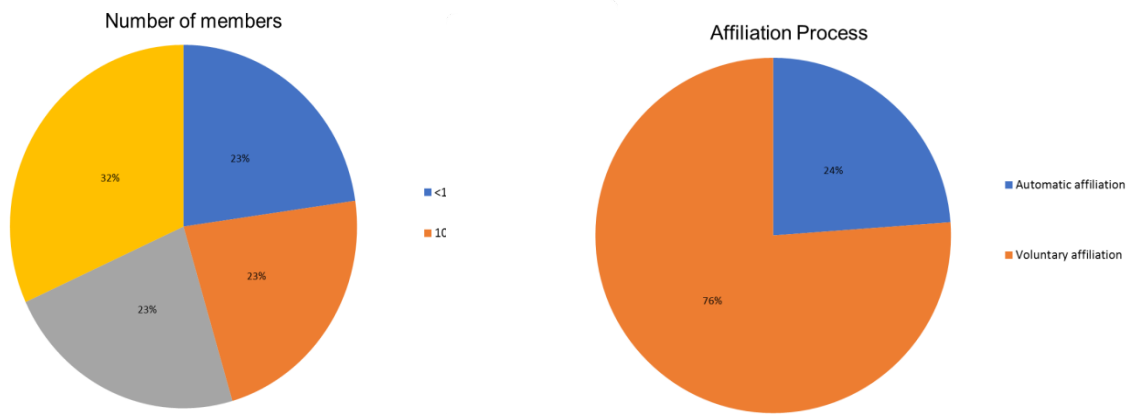
Figure 2: Data on membership: affiliation process and number of members

Furthermore, the sample surveyed appears very heterogeneous regarding the number of members, providing a good insight into a wide array of experiences on the ground: the relative majority (**31.8%**) is **very big**, with more than 10,000 members, which is linked to the high representation of national/federal chambers.

The remaining possibilities are equally distributed: very small (<100), medium-sized (100-1000) and big chambers (1000-10.000) all account for 22.7%. And how diverse are these members? From the results, **just a very tiny fraction has a non-EU background**: while the chambers have each indicated a specific amount, the majority of them have said they have no migrant members. Of those who do (6 respondents), the percentage is for all between 1% and 5%, with only one an outlier, with 7% of the membership of a migrant origin. Some other chambers (6) have no data at all. These preliminary results indicate that there might be the necessity to put more chambers into contact with migrant entrepreneurs, or at least raise awareness on their presence.

Yet this feedback may also be explained by the fact that chambers are not concerned by the nationality of their members but rather by the identity of the company. For example, the Chamber of Commerce of Cyprus has explained that all companies registered in Cyprus are considered as Cypriot companies, irrespective of whether they belong to non-Cypriot residents. Similarly, two further respondents have specifically stated that members are companies, not individuals, which explains why they do not have statistics on the background of the business owners in their networks.

6.3.2   Specific issues of diversity management
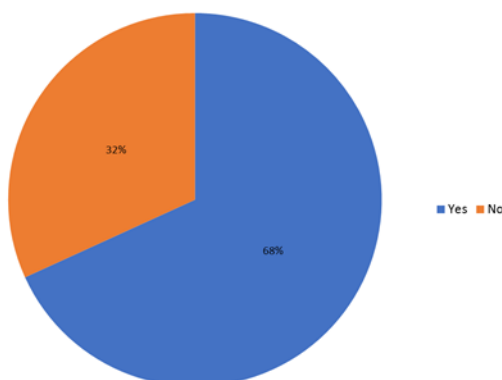
Moving on to the specific issue of diversity management, the survey opens with a series of questions on the services provided by the chambers and whether they are targeted at a diverse audience (**questions 8-11**). In this regard, **81.8%** of the chambers are convinced that migrants face specific challenges in becoming entrepreneurs, requiring specific actions. The chambers also show a good level of knowledge on what these obstacles could be, listing, among other, legal and cultural barriers and linguistic skills.

On this issue, when questioned on the migrant-friendliness of their existing services, the majority (68.2%) acknowledge that their services are already friendly to migrants, as opposed to 31.8% for

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whom they are not. Nevertheless, judging on the following question, the chambers tend not to offer specific services targeted at migrants: only **15.79%** has answered positively to the question on the issue (all chambers with voluntary affiliation). Indeed, the most common reason for this kind of things seems to be, from the explanatory answers collected, the fact that the services offered are not discriminatory on origin and are therefore open to all entrepreneurs. But there appears to be a lot more difficulty in actively creating specific projects for migrant entrepreneurs, once their challenges have been identified. A lack of awareness that is showed also by the fact that **a majority of chambers surveyed (63.6%) does not collaborate with migrant associations** or support mechanisms.
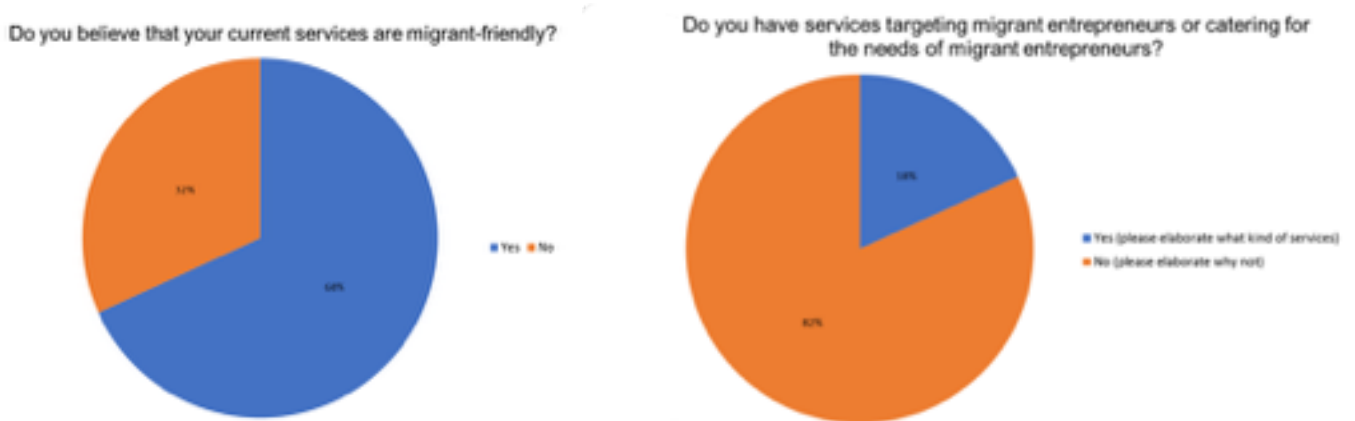

Figure 3: While the majority of chambers of commerce believe their services are migrant-friendly, only a minority actively implement target services

Moving on to analyse in more detail the issue of diversity management – defined as the inclusion of non-EU citizens in the organisations surveyed – and its perception among chambers (**questions 12-19**), it seems to be a topic that is widely considered as important: the five components of an organisation's management into which it was broken down – **governance, services, human resources, strategic partnerships and membership** – received scores ranging from **3.24 to 4 on a scale of 1-5**. In particular, the element where diversity management is relatively less important is human resources, with a value of 3.24. It is followed by membership, 3.53, and strategic memberships, 3.59. The aspects that are considered as most important by the chambers surveyed are governance – 3.71 – and services – 4.00.

Notwithstanding the high importance of diversity management, the **presence of people with a non-EU background is still very low**, confirming in some way the results on the membership, even if in certain, limited cases some happy trends are visible: **78.95%** of chambers have a percentage of **non-EU board members between 0 and 1%;** for 15.79%, the number amounts to between 1 and 5%. In only one organisation, an Italian local chamber, does this share exceed 20%.

This result is confirmed by the inquiry on whether surveyed chambers already have in place any activities specially oriented to diversity management. Only a **minority of them (27.3%)** admit to having some **activities of this kind**; the vast majority (**72.7%**) do not. It is nevertheless interesting to go into a little more depth and look what these activities are, for those chambers who implement them. This analysis can be useful in the phases successive to the survey, as it could show the emergence of best practices needing mainstreaming. No clear pattern emerges, but there is a series of activities that appear more favoured than others: in the cases when the chambers implement diversity management in their planning, they are more likely to offer **training (22.7%)**. **Networking events, language and culture** training and **strategic partnerships** also appear a somewhat common choice (13.6% each). Other activities, such as special **human resources procedures** or **measurement tools**, are far less common.

Moving on to discuss the characteristics of staff, the results to a certain degree confirm what has already been seen concerning board members and members: the **great majority of chambers**

(81.8%) have a **very low percentage of staff members coming from a non-EU background: between 0 and 1%**. For 9.1%, **this percentage is between 1 and 5%,** while only one chamber (**4.5%**) declares **between 5 and 10% of non-EU staff members**. Also in this case there is a clear outlier, with one chamber declaring more than 20% of total staff coming from a non-EU background. It is interesting to note that the latter case is the same chamber which has a higher percentage of non-EU board members – and yet it says that it does not provide specific services to migrant entrepreneurs.

Percentage of board members with a non-EU background

What percentage of your staff comes from a non-EU background?
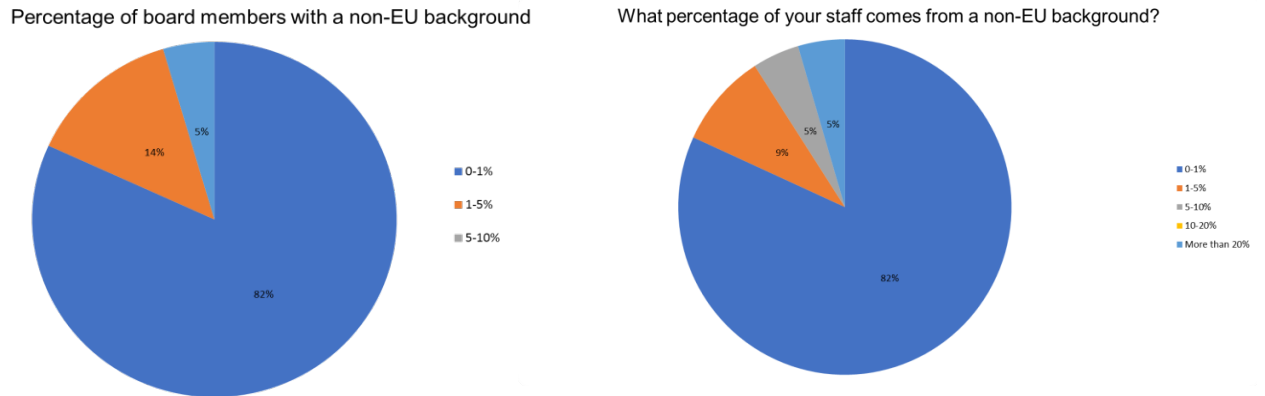
Figure 4: Percentage of staff members and board members with a non-EU background.

Until this point, the specific services and perspectives of chambers of commerce have been assessed. But how do the surveyed chambers perceive their **general diversity management efforts**? In this case, the sample is quite evenly divided: **52.9%** of respondents declare themselves **satisfied** with the degree of diversity management in their organisations, against **47.1%** who are **not.**

In any case, for all organisations surveyed there are still some areas in which they **could improve in terms of diversity management.** The most needed improvements are in the area of **exchanges of best practices**, recognised as a **main challenge** by a clear majority of chambers surveyed **(72.7%)**. Other areas where some improvements are needed are the **skills of the staff** and **raising the interest of the members in diversity** (45.5%), access to information and training (40.9%), and expertise at the executive or board level (36.4%). More satisfying to the chambers are their levels of access to a varied pool of talents (27.3%), dedicated budget (9.1%) and communications (4.5%).
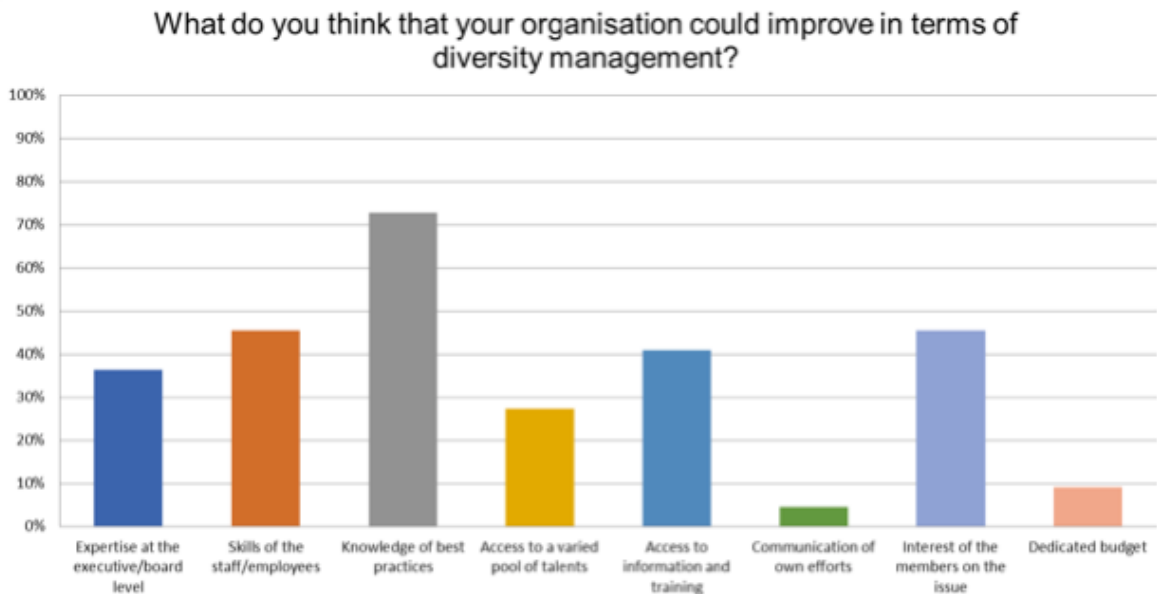
Figure 5: Areas of improvement in diversity management according to the chambers

It is of particular interest for the aim of the survey to look at **what kind of training** the surveyed chambers of commerce believe they would benefit from if organised by external organisations or individuals, as opposed to issues they can manage themselves. Again **exchanges of best practices** are seen as the most interesting subject of external training (50%). Another area of particular interest is **diversity training for employees** (36.4%), followed by **communications and cross-border networking** (31.8%). On the other hand, aspects such as the creation of a digital platform (27.3%), human resources (18.2%), culture and language and networking events in Brussels (13.6%) and diversity training for the board (9.1%) are less favoured.

As a general remark, it can be seen that for chambers, the greatest added value to be obtained through external training by third parties is not of a technical character, but consists more in providing links and exchanges which they do not normally have access to. This insight is confirmed by some of the **additional remarks (questions 20-22)** that chambers were left to fill in freely: although some successful experiences are present, what some of the chambers lament is that too often services are "scattered across different silos" and there is a lack of exchanges among experiences.
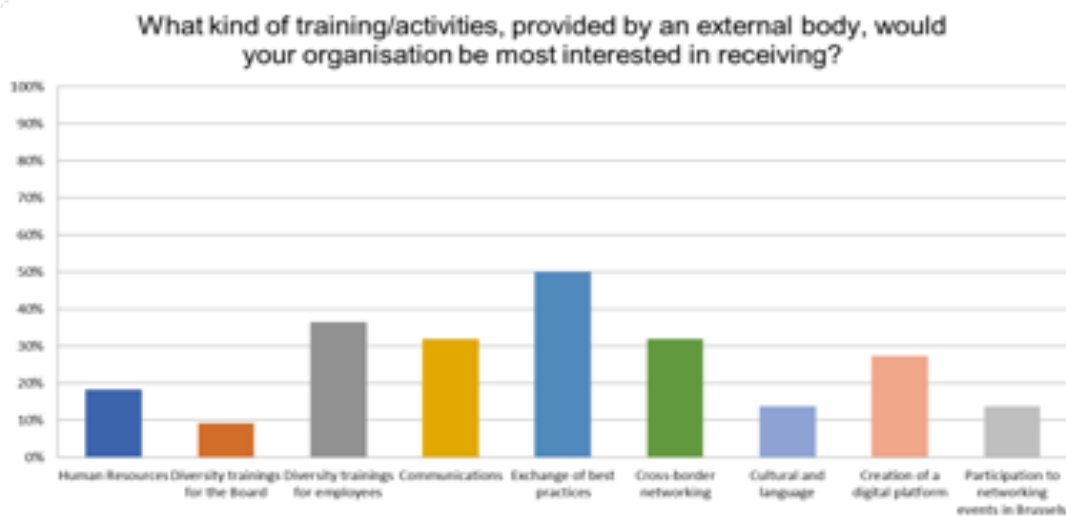

Figure 6: Typologies of trainings requested by the chambers

7. Conclusions and closing remarks

The results of the survey presented in the previous paragraphs testify to a **diverse environment of chambers of commerce** in which there is at least some awareness and interest regarding diversity management. Nevertheless, **this interest is in most cases not fully acted upon**, and therefore the added value of diversity management is not sufficiently exploited. Also in those isolated cases were some projects are present, it is difficult for them to be mainstreamed and for practices to be exchanged so as to create a virtuous circle.

Notwithstanding the differences experienced on the ground by the different chambers of commerce surveyed, some general observations can be drawn from the results that can point to the right direction and can be used as inputs in the design of training that addresses diversity management needs in the most efficient way.

- The results testify to a **varied ecosystem of chambers of commerce** based all around the EU, varying in size, typology and expertise. In particular, a core difference is whether membership in them is voluntary or mandatory, since it can allow for different strategies concerning outreach and marketing. For this reason, all training based on the present survey should not be based on a "one size fits all" principle, but should be **targeted to different experiences and needs**. All training designed should consider the possibility to be **flexible and personalised** depending on the actual situation in individual cases.

- Although there are some cases of success, the general low level of diversity management does not appear to derive from a lack of awareness or understanding of the issue. On the contrary, **diversity management is considered as an important aspect**, and the challenges experienced by migrant entrepreneurs are correctly identified. What is missing is the **ability to go beyond individual experiences** and share best cases with other practitioners. As a result, notwithstanding the importance it is given, diversity management remains wishful thinking.

- In this regard, in general chambers of commerce **provide services that do not discriminate** between different ethnicities or between EU and non-EU entrepreneurs. Active practices of integration or services positively tackling the identified challenges of migrant entrepreneurs are, nevertheless, lacking.

- Such difficulties are compounded by the **limited first-hand access on the part of chambers to migrant entrepreneurs and migrant associations**. As the survey shows, there is still a serious lack of representation on the part of migrant and ethnically diverse entrepreneurs in the membership, staff and boards of chambers of commerce.

- Activities on diversity management are **not yet mainstream among European chambers of commerce**. For those who implement them, these activities mainly consist of training and networking events. What chambers would need, if offered by an external training provider, is mainly the possibility to exchange best practices, diversity training for employees and communications. As a general remark, the main challenges for chambers of commerce are not of a technical nature; they are more due to a **lack of infrastructure and of contacts** with new experiences and ideas.

The present observations are the first outcome of the "**design-develop**" process core to CoP 3. Starting from the information contained in the present survey, in the next months further exchanges and information-gathering processes will be undertaken. The aim is to design a series of training sessions targeted at chambers of commerce, in order to help them improve their diversity management practices. The final outcome will be to bring mainstream business organisations and chambers of commerce closer to migrant entrepreneurs' associations, contributing to their integration into the wider business ecosystem.

Based on this, the ideal training proposed should be targeted to the needs of chambers of commerce in dealing with migrant entrepreneurs. Specific training sessions allow for better meeting the

real needs of practitioners. Also, the training should be comprehensive and flexible, joining together existing successful experiences and allowing for the exchange of best practices and information. It should also take into account the different aspects of diversity management - linguistic, political and cultural - in order for it to be successful. The aim is to allow for the **intercul-turalisation** of the traditional business environment.

The final expected result will be to help chambers of commerce, as primary actors in the business ecosystem, reap the benefits of diversity: the exchange of cultures and experiences, also known as **transculturality**, can contribute to a globalisation of competences and to more innovation and openness to new and foreign markets.

UNITEE together with the members of CoP 3 and EUROCHAMBRES will in the coming months work on the design and delivery of trainings based on these guidelines.
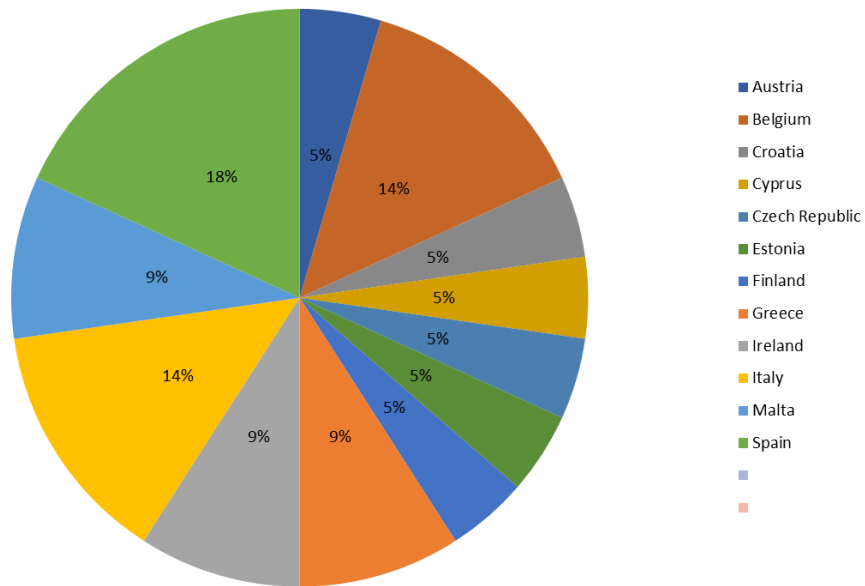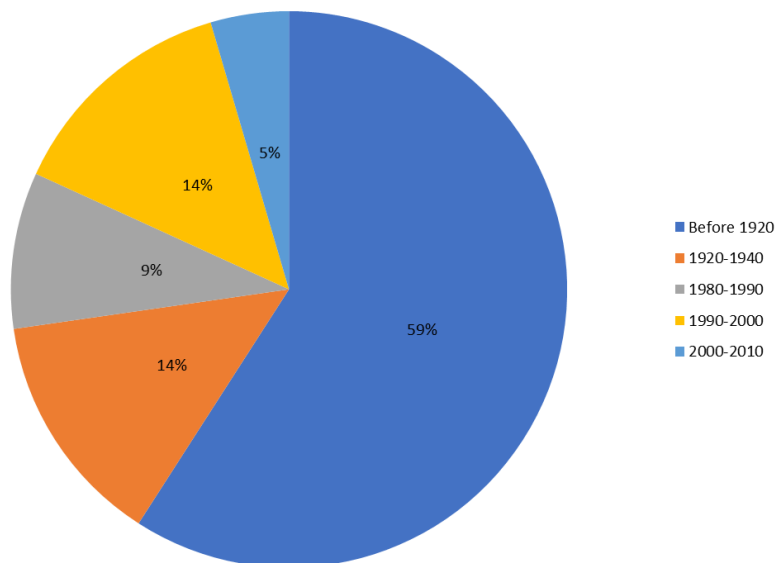
8. Annex – full survey results

EMEN Survey on the degree of diversity management in mainstream business associations
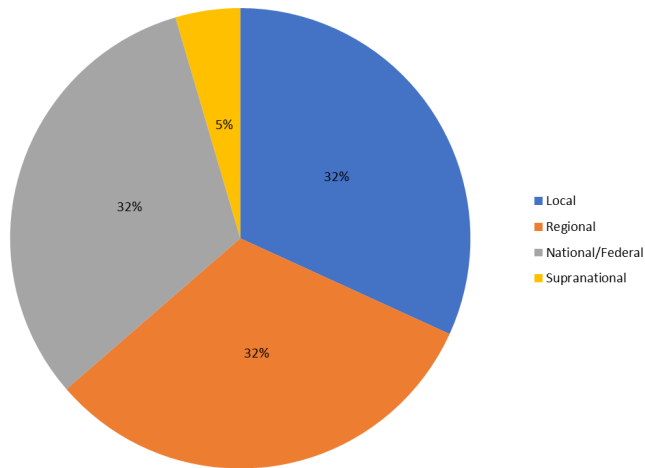
- **1-4: Introductory questions**
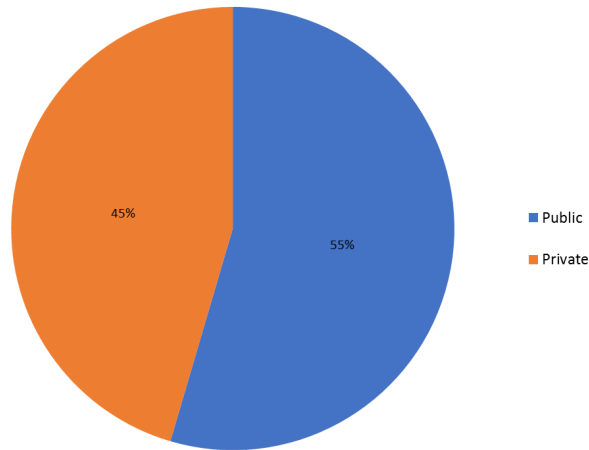
1. Country where your organisation is based:

Legend:
- Austria
- Belgium
- Croatia
- Cyprus
- Czech Republic
- Estonia
- Finland
- Greece
- Ireland
- Italy
- Malta
- Spain

2. When did your organisation start? Indicate the year

Legend:
- Before 1920
- 1920-1940
- 1980-1990
- 1990-2000
- 2000-2010

3. What is the geographical scope of your organisation?

- Local — 32%
- Regional — 32%
- National/Federal — 32%
- Supranational — 5%

4. What is your organisation's legal status?

- Public — 55%
- Private — 45%

- **5-7: Characteristics of membership**

5. How does the affiliation to your organisation work?

- Automatic affiliation — 24%
- Voluntary affiliation — 76%
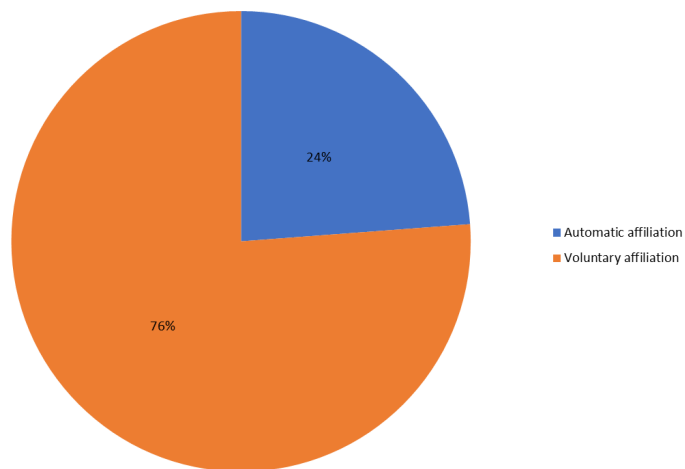
6. How many members does your organisation have?

■	<100
■	100-1,000
■	1,001-10,000
■	>10,000

Pie chart segments: 23%, 23%, 23%, 32%
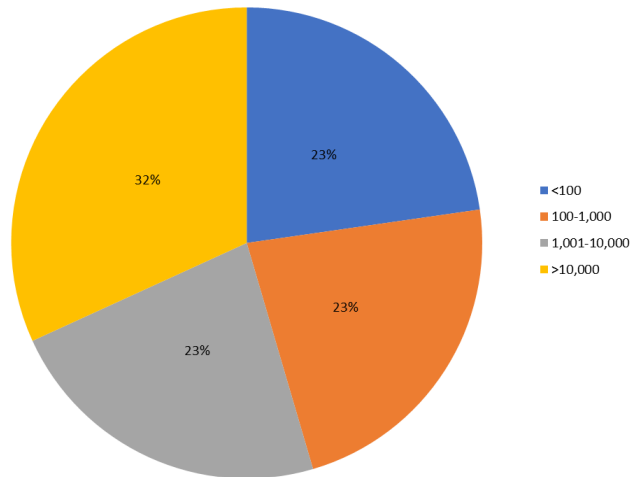
**7. Percentage of members with a non-EU background**

Open Responses (19)

- nil
- 1%
- 0%
- members are companies not individual, but rough estimate that among our member companies there a few percent non-EU origin owners/decision makers in the Helsinki Region
- no idea
- 0
- All enterprises registered with our chamber are Cypriot enterprises even if they belong to non-Cypriots. Once a company is registered in Cyprus it is considered Cypriot.
- 0
- 2%
- 0%
- do not know
- ????
- N/A
- 7%
- 50
- Data not available- We have a Network of 45 Chambers, with nearly 10000 members. However we do not have access to information regarding the ethnicity of members
- 0
- less than 10%
- unknown

- **8-11: Services provided**

### 8. Do you believe that migrants face specific or different challenges in becoming entrepreneurs?
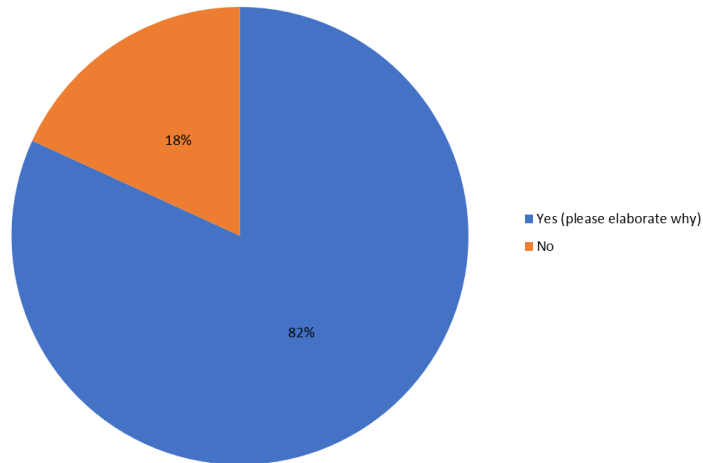
If YES: Please elaborate why (12 responses)

- to study red tape system and learn the Finnish very formal and secure type of working life practices. Depending on a branch, language challenges might exit

- language and usual barriers like other entrepreneurs, but since they are not aware ...

- Provided that they get the Cypriot nationality or permanent residency.

- language, law

- They have to adapt to complex legal and administrative particularities and EU, national, regional and local legislations

- language , network, attitude from the ex country

- Different cultural backgrounds, communication differences

- Lack of knowledge about commercial laws and access to credit

- cultural gap, linguistic gap, juridical gap.

- While more current data is not available in Ireland at present, research form between 2009-2013 stated that migrant entrepreneurs can often experience difficulties in accessing finance. Further, resources promoted by state agencies often are not appropriately targeted at migrant entrepreneurs. This problem is also experience by female entrepreneurs.

- Cultural issues and unknown

- This might be the case when formation or professional experience was obtained abroad. If a regulated activity (reglementiertes Gewerbe) is going to be carried out, there are special requirements, i.e. the authority asks for proof of formation, experience or a combination of them ("Befähigungsnachweis"). Certificates from abroad have to be acknowledged by the authority which is a long-lasting process. All diploma, certificates and confirmations have to be handed in and the authority will check if the Austrian standards are met. Furthermore it is difficult or impossible to proof practical experience if social security information, trade register or confirmation of the employer is not available in the foreign country. (Note: These procedures are the same if an Austrian

citizen obtained formation or experience abroad.) There are several agreements for specific professions among EU countries for which the process is easier. Further steps for getting self-employed are the same for migrants and Austrians.

9. Do you believe that your current services are migrant-friendly?


- Yes
- No
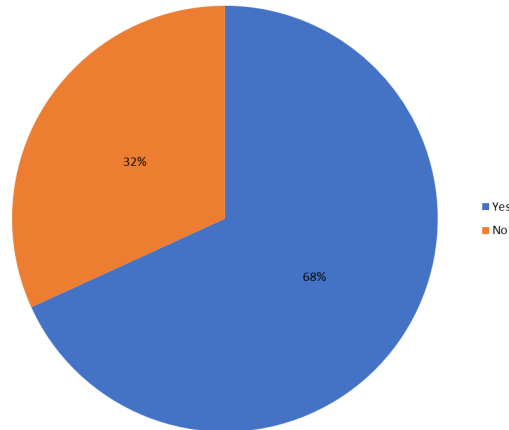
Please elaborate why (18 responses)

- We offer the same services to both local and migrant

- because of the public status

- Our services do not discriminate migrants and are offered to every entrepreneur or SME working in Spain, but materials and services are not design to take care of specific challenges that migrants may face when starting in a new country.

  - The state has launched new initiatives that makes it easier to establish e.g. start-ups for foreigners, also red tape related permits are being to relieve, and also International house Helsinki (on-stop-shop) has been opened Dec 4.

  - we don't encounter migrant entrepreneurs apart from official delegations

  - Because in our country, all the legislation is the same, making no differences between migrants and non migrant, all about the entrepreneuring process.

  - In the sense that we do not discriminate amongst our member companies.

  - Our service for entrepreneurs is ready for filling their needs.

  - Even considering there are some one-stop shops for entrepreneurs, procedures are complex for EU citizens, and thus, it is much more complicated for migrants. The services provided are rarely translated into other languages and the staff in the one-stop shops or worse if there are not these offices are rarely trained to attend migrants, considering that most migrants are not used to work with EU procedures and legislation.

  - just not adapted

  - no English possible

  - Provide training in English and are open to any cooperation

  - We help various kinds of extra EU entrepreneurs and aspirant entrepreneurs. Services offered by our organisation could be enhanced but they are already an important point of reference for extra EU migrants.

  - Because they don't take into consideration the above mentioned gaps.

  - To qualify our answer in this regard- we service our Network of Chambers and so don't necessarily target migrant entrepreneurs directly. However, we have, in the past, been involved in supporting a campaign for rights for undocumented workers which was undertaken by the Migrant Rights Centre in Ireland. We would be of the view that our policy work is reflective and inclusive of migrant experiences in so far as they can be

- we are a research organizations about tourism economics studies which cooperate with other organizations at international level
- They are self-supportive so dependent on people involved in Chamber
- The Business start-up services provide information, advice and support for people planning to get self-employed. There are 90 contact points in Austria. We focus on the needs of founders and help them on an individual base. Some information is available in foreign languages, www.gruenderservice.at/publikationen – Multilingual information. However, we aim at making familiar with German expressions because the founders will be confronted with them by the authorities.

10. Do you have services targeting migrant entrepreneurs or catering for the needs of migrant entrepreneurs?

- 18%
- 82%

■ Yes (please elaborate what kind of services)
■ No (please elaborate why not)
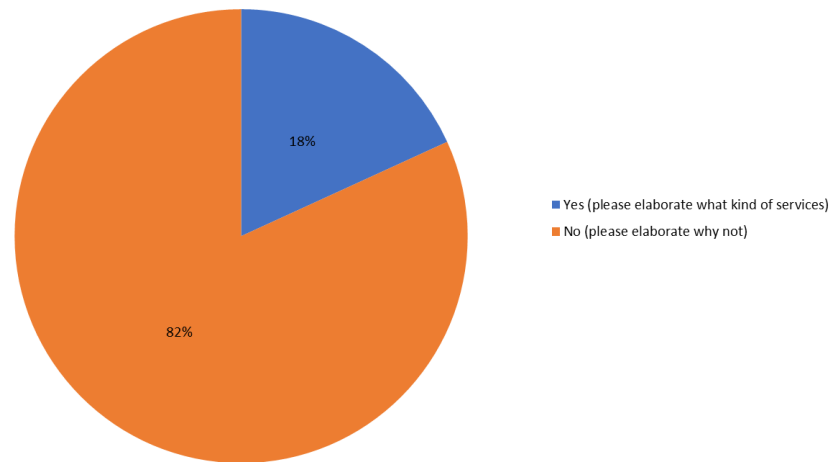
If YES: Please elaborate (3 responses)

- Only a minority of local Chambers of Commerce offers specific training or advice for undertake a business in Spain
- some part of our business and legal counselling is provided in English, we also provide through www.come2fi help in many multicultural aspects and red tape counselling in cooperation with the public authorities. My feeling is that this area (internationalisation, skilled labour, talents) are a growing area of interest.
- Export Academy trainings12-19: Diversity Management

If NO: Please elaborate (9 responses)

- See answers above.
- Is not necessary
- Not special services. In the past, some projects (pilot type) were implemented, but with a specific duration and with no replication, no sustainability or multiplying effects. In sum, some services were tested and staff trained, but no resources were included to guarantee somehow the sustainability of the actions and services specifically targeting migrant entrepreneurs.
- there were no requests

- Not yet. We have in mind to offer specific training

- we address all the relevant/requested issues. we don't have specific services

- Not thought of

- As mentioned above, there is no special service for any special target group. We always focus on the individual questions and needs and provide the same general basic information for all.

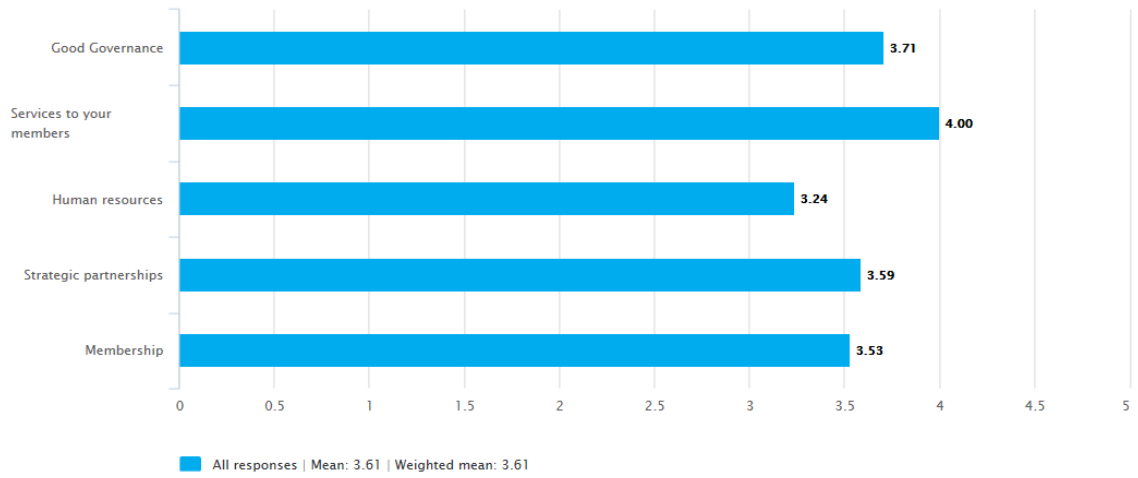### 11. Do you cooperate with migrant associations?
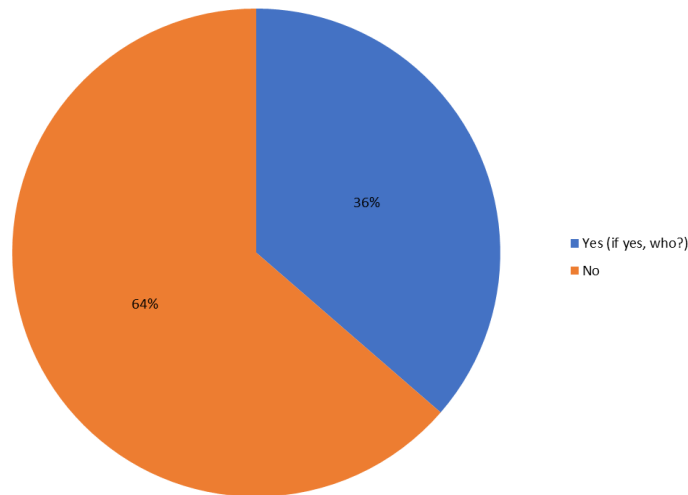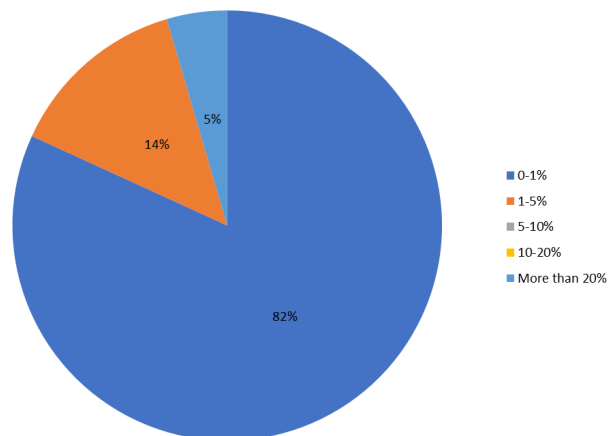

IF YES: Who? (8 responses)

- See answers above.

- Startup Refugee, Moniheli ry, Sinotalent (Espoo), Vantaa Russian association among the other things

- Yes, but in specific projects. Example: nowadays with European Network of Migrant Women (ENOMW).

- already diff in French and Dutch...

- BILAT

- IOM, IDOS

- See above, regarding our work with the MRCI on their campaign for Govt reform on the issues affecting undocumented migrant workers in Ireland. We have maintained this relationship with MRCI and occasionally liaise on other policy areas of mutual interest regarding migrant workers.

- we could be available, depends on the thematic and its inherence with our mission
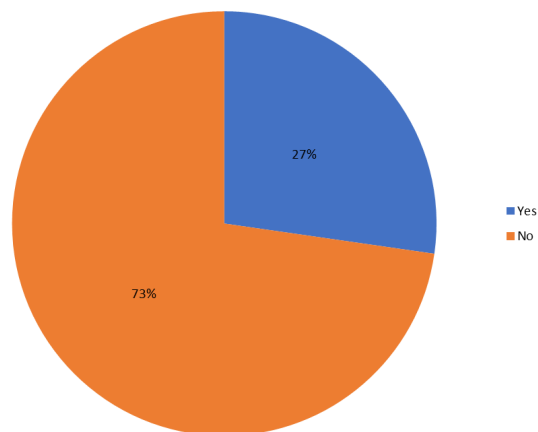
12. How important is diversity management for your organisation in the following aspects?

Good Governance — 3.71
Services to your members — 4.00
Human resources — 3.24
Strategic partnerships — 3.59
Membership — 3.53

All responses | Mean: 3.61 | Weighted mean: 3.61

13. What is the percentage of your board members with a non-EU background?

- 0-1%
- 1-5%
- 5-10%
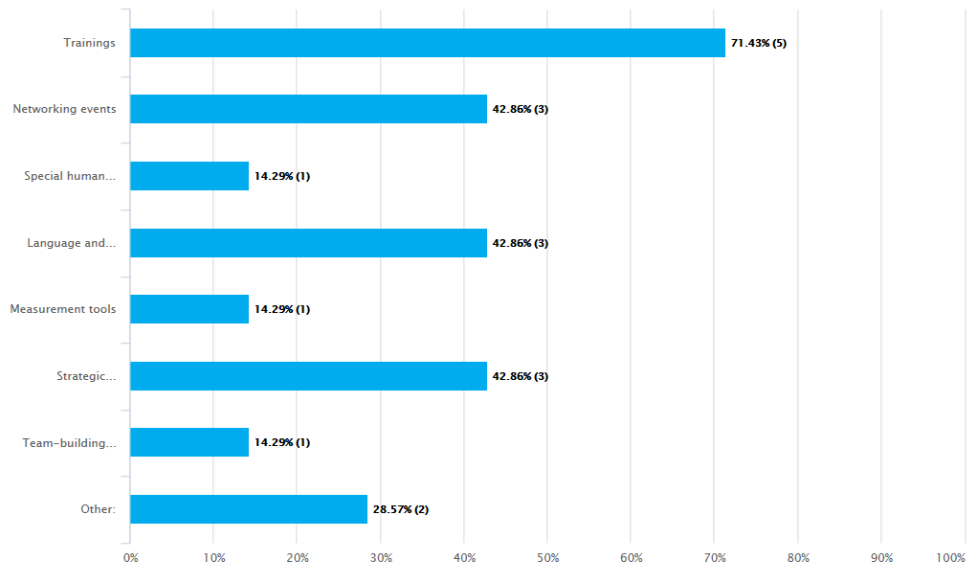- 10-20%
- More than 20%

82%
14%
5%

14. Does your organisation implement any activity specially oriented to diversity management?

- Yes
- No

27%
73%

If YES, what kind of activities? (Select all that applies)

Trainings — 71.43% (5)
Networking events — 42.86% (3)
Special human... — 14.29% (1)
Language and... — 42.86% (3)
Measurement tools — 14.29% (1)
Strategic... — 42.86% (3)
Team-building... — 14.29% (1)
Other: — 28.57% (2)

15. What percentage of your staff comes from a non-EU background?

- 0-1%
- 1-5%
- 5-10%
- 10-20%
- More than 20%
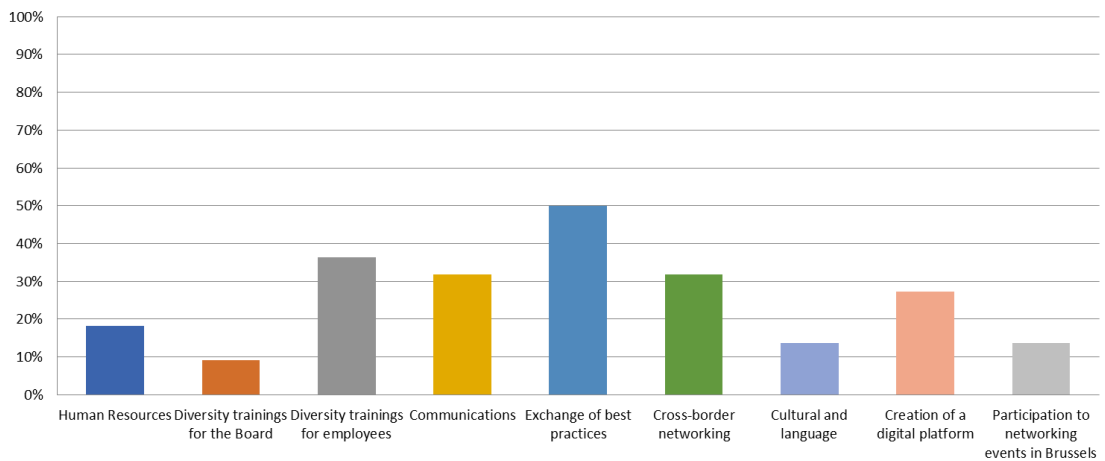
82%
9%
5%
5%
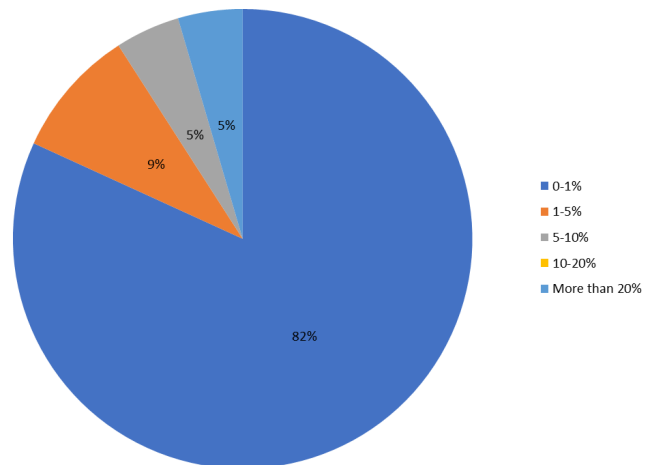
16. Are you satisfied with the degree of diversity management in your organisation?

- Yes
- No

47%
53%
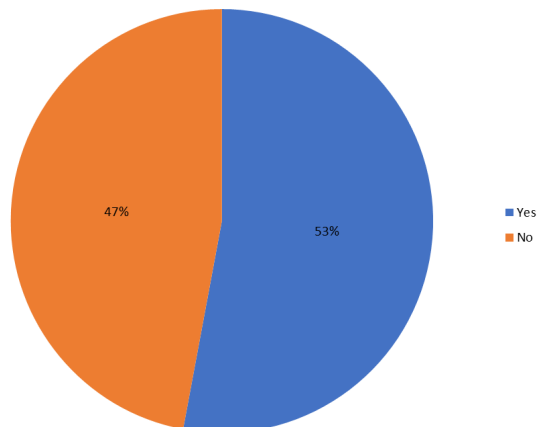
17. What do you think that your organisation could improve in terms of diversity management? (Check all that apply)

Categories (x-axis): Expertise at the executive/board level; Skills of the staff/employees; Knowledge of best practices; Access to a varied pool of talents; Access to information and training; Communication of own efforts; Interest of the members on the issue; Dedicated budget
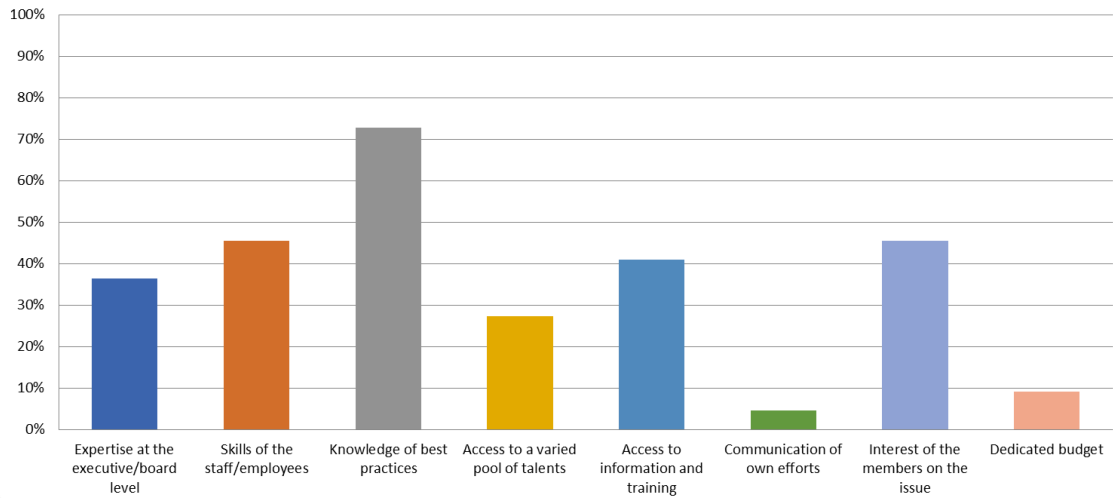
18. What kind of training/activities, provided by an external body, would your organisation be most interested in receiving? (Select max. 3 opportunities)

Categories (x-axis): Human Resources; Diversity trainings for the Board; Diversity trainings for employees; Communications; Exchange of best practices; Cross-border networking; Cultural and language; Creation of a digital platform; Participation to networking events in Brussels

- **19-21: Additional remarks**

19. Do you have any additional remarks with regards to diversity management and/or migrant entrepreneurship? (5 responses)

- The Spanish Chambers used to work with migrant associations to help migrants to settle in Spain and look for a job. This programme were developed from 2008-2010. The experience was very positive and we should resume such collaboration.

- The Employment Ministry used to support this programme, but it stopped due to the Economic Crisis in Spain.

- In Finland it is a still evolving area, the amount of foreigners in Finland is still relative modest, but it is a growing population and also the state is now putting more effort to it (to build a more attractive country of destination at many levels).

- No, I don´t have.

- There is still an underestimation about the relevance of training staff and boards on diversity management, about the challenges/difficulties faced by migrants entrepreneurs, about the added value they can bring to the society thanks to their different background.

- A good diversity management on entrepreneurship services would be positive because (among others)

  - It will allow an important percentage of population to become entrepreneurs with fewer difficulties

  - It will contribute indirectly to increase economic opportunities

  - It contributes to avoid marginalisation by contributing to provide tools and economic opportunities to an important sector of the population.

  - It contributes to a better social integration, with all its associated benefits.

20. Do you have any additional remarks or requests concerning training opportunities? (5 responses)

- integration training is very challenging to get work effectively enough, services are too often scattered different silos and do not reach effectively enough companies.
- No, I don´t have.
- Training opportunities are positive for:
- 1. migrants (entrepreneurship, procedures and legislation) and for
- 2. the EU organisations, both for
    a) board members (raise awareness of the importance of diversity and adapting services for migrants) and
    b) employees (how to better deal and provide services to migrants).
- Training about best practices of direct services to migrant entrepreneurs.
- I would like to attend training in the field of diversity management

21. Please include your contact details if you wish to receive the results of this survey or if you are interested in the trainings that will be developed by the EMEN project

(The contacts received cannot be published here for privacy issues)