

Human Capital, Social Networks, and Entrepreneurial Success: Evidence from Immigrant-Owned Businesses in Sweden

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Abstract

Sweden has long been a destination for migrants from diverse cultural, social, and economic backgrounds, creating a unique environment for the study of immigrant entrepreneurship. This research investigates the factors that influence entrepreneurial participation among immigrants and examines how these factors relate to labor market outcomes. Particular attention is given to the effects of migration background, gender, age, region of residence, duration of residence in Sweden, and motives for migration on entrepreneurial engagement and employment prospects.

Drawing on both quantitative evidence and qualitative insights, the study evaluates the significance of self-employment as a pathway to economic participation and social inclusion. The findings suggest that entrepreneurship often serves as an alternative route for immigrants who encounter obstacles in the formal labor market, including challenges associated with credential recognition, limited professional networks, and discriminatory practices. The analysis further explores the role of ethnic communities, local business environments, and broader societal conditions in shaping entrepreneurial behavior and business formation.

By offering a comprehensive assessment of immigrant entrepreneurship in the Swedish context, this study contributes to the growing body of literature on migration, labor market integration, and enterprise development. The findings also provide practical implications for policymakers, business support institutions, and community organizations seeking to strengthen economic opportunities and promote inclusive growth among immigrant populations.

Keywords: Immigrant Entrepreneurship; Sweden; Entrepreneurial Activity; Economic Inclusion; Self-Employment; Migration Background; Gender Differences; Age Factors; Regional Development; Labor Migration; Refugee Migration; Ethnic Networks; Labor Market Participation; Economic Integration.

Introduction

Sweden has emerged as one of the principal destinations for international migrants in Northern Europe. Over the past several decades, migration to Sweden has been characterized by a combination of labor migration, humanitarian migration, and family reunification programs [1]. These diverse migration patterns have contributed significantly to the country's demographic composition and have influenced its social, cultural, and economic development.

Within this context, entrepreneurship has become an important mechanism through which immigrants participate in economic life. Establishing a business often provides newcomers with opportunities to overcome labor market disadvantages, including limited recognition of foreign credentials, language barriers, and unequal access to employment opportunities [2,3]. Beyond its importance for individual economic advancement, immigrant entrepreneurship contributes to job creation, market diversification, innovation, and broader economic growth within host societies [4].

The history of immigration in Sweden reflects several distinct phases that have shaped contemporary society. During the period from the 1950s through the early 1970s, Sweden experienced substantial labor migration, particularly from neighboring Nordic countries and Southern Europe. This influx was largely driven by rapid industrial expansion and increasing labor demands associated with economic growth [1].

Beginning in the mid-1970s, migration patterns changed considerably. As labor migration declined due to shifting economic conditions and regulatory reforms, refugee migration and family reunification became the predominant pathways into Sweden. Armed conflicts, political instability, and economic hardships across regions such as the Balkans, the Middle East, and parts of Africa contributed to a growing number of asylum seekers entering the country [3].

Alongside these migration streams, Sweden has increasingly attracted international students, skilled professionals, researchers, and individuals seeking improved educational and economic opportunities. The growing diversity of immigrant populations has stimulated academic and policy interest in understanding their participation in entrepreneurial activities.

Entrepreneurship has attracted particular attention because many immigrants, especially those originating from outside Europe, encounter difficulties when attempting to integrate into the Swedish labor market [5]. For such individuals, self-employment can represent an alternative pathway to economic participation and social mobility. It may be especially relevant for migrants whose educational qualifications, professional experience, or occupational skills are not immediately transferable to the Swedish employment system [4].

Research has further emphasized the importance of ethnic networks and community-based support structures in shaping entrepreneurial outcomes. Ethnic enclaves often provide access to financial resources, information, customers, and business contacts that facilitate business creation. At the same time, excessive dependence on co-ethnic markets may restrict opportunities for expansion into broader consumer segments and limit long-term business growth [6].

Given Sweden's extensive migration history and its commitment to social and economic inclusion, the country offers an important setting for examining the factors that influence immigrant entrepreneurship. Understanding these determinants is essential for developing policies and support mechanisms that encourage inclusive economic participation and sustainable business development among immigrant communities.

Purpose of the Study

The present study seeks to examine the key determinants associated with entrepreneurial participation among immigrants in Sweden through the integration of existing scholarly literature and quantitative evidence from relevant data sources. By identifying the demographic, social, and migration-related characteristics that influence entrepreneurial behavior, the study aims to contribute to the growing body of knowledge on immigration and entrepreneurship.

Furthermore, the findings are intended to provide practical insights for policymakers, business development agencies, labor market institutions, and community organizations seeking to enhance economic integration and entrepreneurial opportunities for immigrant populations in Sweden [7].

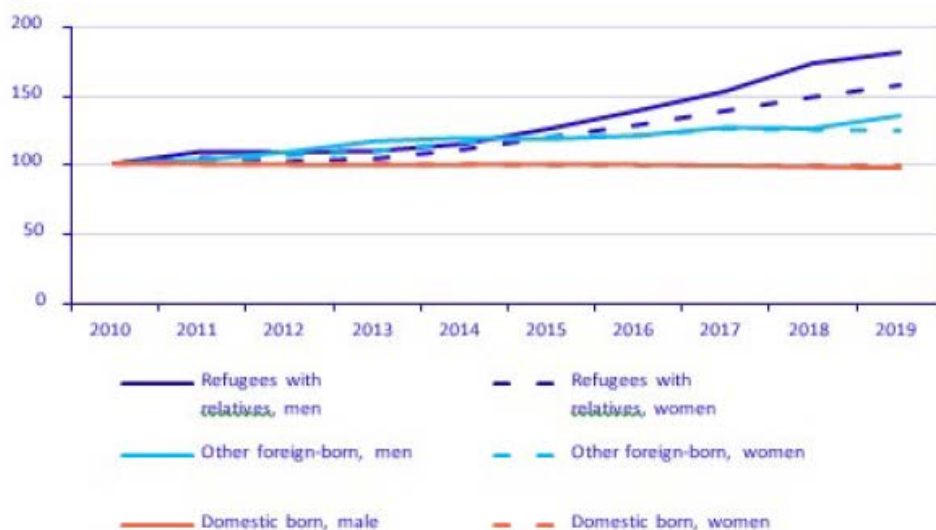


Figure 1 Population aged 20–64, categorized by refugees with refugee relatives, other foreign-born, domestic-born, and gender, 2010–2019 (indexed to 2010 = 100). Source: Statistics Sweden (SCB), labor force surveys.

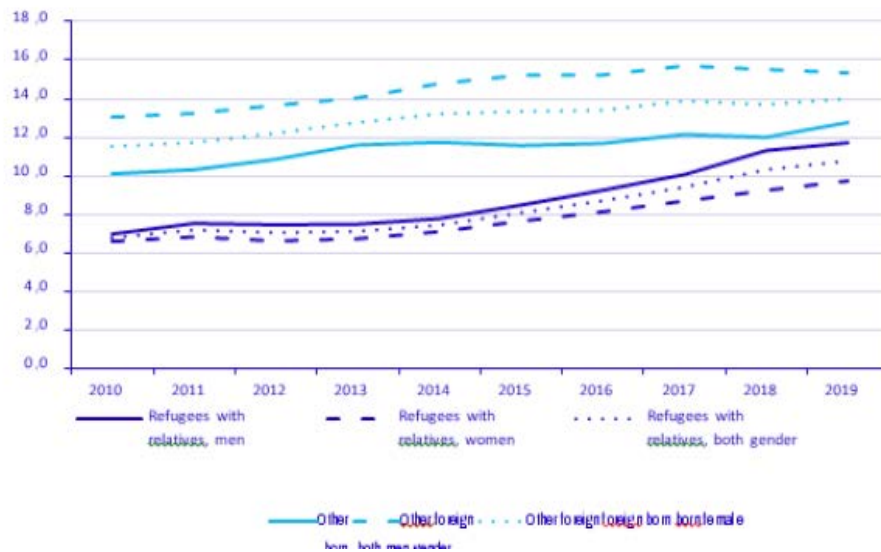


Figure 2 Percentage of refugees with refugee relatives and other foreign-born aged 20-64 in Sweden's total population, 2010-2019. Source: Statistics Sweden, Labor force surveys.

Methodology

Data Sources and Data Collection

The present study utilizes secondary data obtained from Statistics Sweden (SCB), the official governmental agency responsible for producing national statistics in Sweden. Statistics Sweden provides comprehensive and high-quality datasets covering demographic, socioeconomic, labor market, and migration-related indicators (Figures 1 and 2), making it a reliable source for empirical research on immigrant entrepreneurship and economic integration [8].

Study Variables

To investigate the determinants of immigrant entrepreneurship, several explanatory variables were selected based on previous theoretical and empirical research. These variables include immigration background, gender, age, geographic location, duration of residence in Sweden, and migration motive [9].

The dependent variable is entrepreneurial participation, measured through indicators related to self-employment and business ownership. The selected independent variables are expected to influence entrepreneurial outcomes through their effects on social integration, access to resources, labor market opportunities, and individual decision-making processes.

Analytical Approach

The study adopts a quantitative analytical framework to examine the relationships between demographic and migration-related characteristics and entrepreneurial engagement among immigrants. Statistical data obtained from Statistics Sweden are

analyzed to assess how factors such as immigration background, age, gender, geographic residence, length of stay, and migration motives are associated with the likelihood of entrepreneurship.

This approach enables the identification of patterns and trends within immigrant populations and provides a systematic understanding of the factors that contribute to entrepreneurial activity. By examining these relationships, the study seeks to generate evidence-based insights into the mechanisms influencing immigrant business formation and economic integration in Sweden.

The relationship between migration and entrepreneurship has attracted considerable scholarly attention; however, research focusing specifically on immigrant entrepreneurship in Sweden continues to evolve. Existing studies highlight the multifaceted nature of entrepreneurial engagement among immigrants and emphasize the importance of demographic, social, and contextual factors.

Hammarstedt [10] examined self-employment patterns among immigrants in Sweden and reported significant differences across immigrant groups. The findings demonstrated that migration background constitutes an important determinant of entrepreneurial participation, supporting the relevance of investigating demographic influences on business ownership.

Portes and Jensen [11] analyzed ethnic entrepreneurship in Miami following the Mariel migration wave. Although conducted in the United States, their research offers valuable theoretical insights into how immigration flows and ethnic communities can stimulate entrepreneurial activity. Their findings suggest that ethnic enclaves often provide newcomers with essential social and economic resources that facilitate business formation.

Similarly, Andersson and colleagues [12] investigated the interaction between ethnic origin, local labor markets, and self-employment in Sweden. Their multilevel analysis revealed that regional economic conditions and geographic location significantly affect entrepreneurial opportunities among immigrant groups (Figure 3).

Research conducted by Reher and Silvestre [13] explored migration mobility and integration processes among immigrants in Spain. Their findings indicate that migration experiences and motivations influence economic adaptation, suggesting that factors such as migration motives and duration of residence may also shape entrepreneurial outcomes.

Despite growing interest in immigrant entrepreneurship, there remains limited research directly examining the combined influence of residence duration and migration motives within the Swedish context. Previous studies have considered the economic effects of ethnic enclaves and integration processes, yet the interaction between these factors and entrepreneurial behavior has received comparatively little attention [14].

Additional evidence presented by Guerra and colleagues [15] emphasizes the importance of cultural background and ethnic concentration in influencing entrepreneurial engagement. Collectively, these studies demonstrate that both individual characteristics and contextual environments contribute to immigrant entrepreneurial outcomes.

The reviewed literature indicates that immigrant entrepreneurship is shaped by a combination of demographic characteristics, migration experiences, ethnic networks, and institutional contexts. Although substantial evidence exists regarding the

influence of migration background and ethnic enclaves, there remains a need for more comprehensive investigations into how duration of residence and migration motives interact with other determinants of entrepreneurship in Sweden (Figure 4).

Previous Research

Previous studies have consistently highlighted the relationship between immigration experiences and entrepreneurial behavior. Hammarstedt [16] demonstrated that differences in migration background significantly influence entrepreneurial participation among immigrants in Sweden. Certain immigrant communities were found to exhibit higher levels of business ownership than others, suggesting that cultural and socioeconomic factors play an important role.

Portes and Jensen [17] further emphasized the significance of ethnic communities in promoting entrepreneurial activity. Their work showed that ethnic enclaves can provide newly arrived migrants with access to social networks, information, financial resources, and customer bases that support business development.

Building on this perspective, Andersson et al. [18] analyzed how ethnic origin and local labor market structures interact to influence self-employment in Sweden. Their findings revealed considerable variation across geographic regions, highlighting the importance of local economic environments.

Reher and Silvestre [19] focused on immigrant mobility and integration processes, arguing that migration histories and settlement experiences shape economic opportunities and entrepreneurial decisions. Their work suggests that migration motives and adaptation experiences are important dimensions for understanding immigrant entrepreneurship.

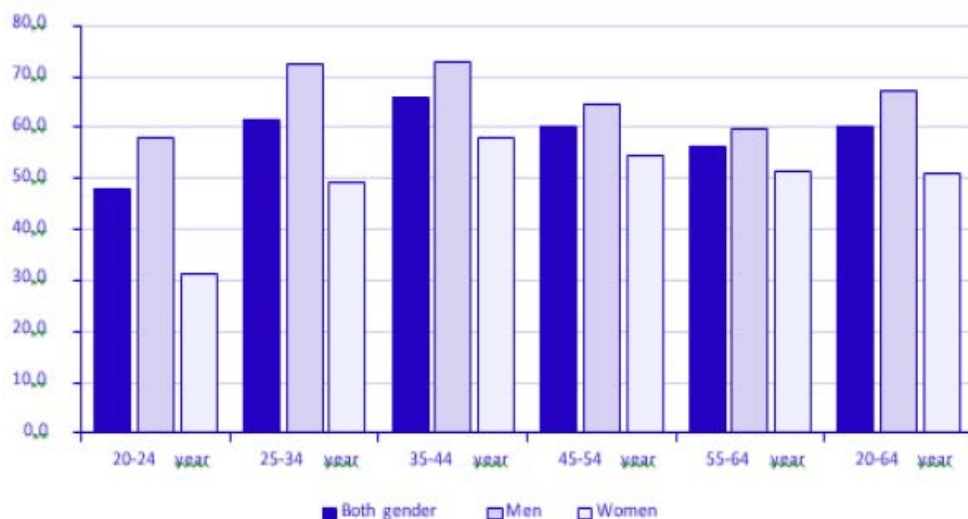


Figure 3 Employment rate among refugees and refugee relatives aged 20–64, categorized by gender and region of birth, 2019 (in percent). Source: Statistics Sweden (SCB), labor force surveys.

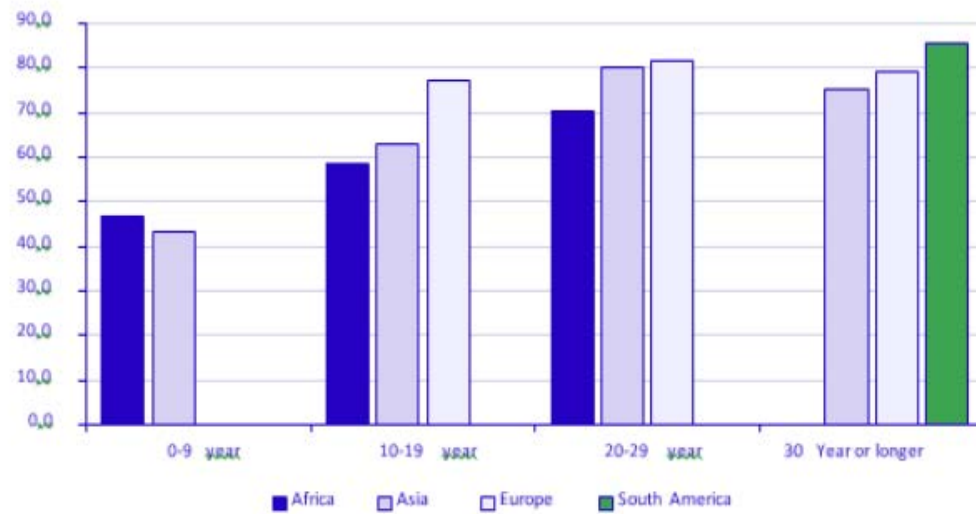


Figure 4 Employment rate among refugees and refugee relatives aged 20–64, categorized by region of birth and length of stay, 2019 (in percentage). Source: Statistics Sweden (SCB), labor force surveys.

Andersson [20] examined refugee settlement policies in Sweden and their impact on economic outcomes. The study found that access to ethnic communities and support networks significantly affected refugees' economic performance and entrepreneurial prospects.

Research by Tavassoli and Tripl [21] compared entrepreneurial activity between immigrants and native-born Swedes, concluding that some immigrant groups display particularly strong entrepreneurial tendencies. Similarly, Guerra et al. [22] emphasized the importance of cultural identity and ethnic concentration in facilitating business creation.

Taken together, previous research demonstrates that immigrant entrepreneurship is influenced by multiple interconnected factors, including migration background, ethnic networks, labor market conditions, geographic location, and integration experiences.

Theoretical Framework

This study is grounded in several complementary theoretical perspectives that explain entrepreneurial behavior among immigrant populations in Sweden. These perspectives provide a conceptual basis for understanding how demographic, social, and migration-related factors influence entrepreneurial engagement.

Ethnic Enclave Theory

Ethnic Enclave Theory suggests that immigrant entrepreneurs often benefit from residing within concentrated ethnic communities that provide social support, business networks, labor resources, and consumer markets [23-24]. Such enclaves may facilitate business establishment by reducing entry barriers and providing access to culturally familiar economic environments.

Migration Capital Perspective

The concept of migration capital emphasizes the value of skills, knowledge, experiences, and transnational networks that immigrants bring from their countries of origin [25]. These forms of capital can enhance entrepreneurial capabilities and create opportunities for identifying and exploiting business prospects in host societies.

Integration and Geographic Opportunity Structures

Theories of economic integration emphasize the role of geographic and institutional contexts in shaping entrepreneurial opportunities. Access to markets, infrastructure, financial resources, and employment networks varies across locations, influencing the likelihood of business formation [26]. Consequently, geographic location may serve as an important determinant of entrepreneurial success.

Demographic Influences on Entrepreneurship

Demographic characteristics such as gender and age have been widely recognized as influential factors in entrepreneurial activity. These variables affect access to financial capital, professional networks, human capital, and risk preferences, thereby shaping entrepreneurial intentions and outcomes.

Residence Duration and Entrepreneurial Development

The duration of residence in the host country is expected to influence entrepreneurial participation through increased social integration, language acquisition, institutional familiarity, and network development. Longer residence periods may enhance

access to resources and improve the capacity to establish sustainable business ventures [27].

Conceptual Model

Drawing upon these theoretical perspectives, the present study proposes that immigrant entrepreneurship in Sweden is influenced by a combination of migration background, demographic characteristics, geographic conditions, integration processes, and migration experiences. The framework serves as the foundation for analyzing how these factors jointly contribute to entrepreneurial participation and economic integration among immigrants.

Results and Discussions

This section presents the principal findings of the study regarding the factors associated with entrepreneurship and labor market integration among immigrants in Sweden. Drawing upon statistical evidence from Statistics Sweden and informed by the theoretical framework and previous research, the analysis identifies key demographic, socioeconomic, and migration-related determinants that shape entrepreneurial participation and employment outcomes.

The findings suggest that immigrant entrepreneurship in Sweden is influenced by a complex interaction of individual and structural factors. Previous studies have consistently demonstrated that entrepreneurial activity varies according to migration background, gender, educational attainment, geographic location, social networks, and duration of residence (Table 1).

Delmar and Davidsson [28] reported substantial differences in entrepreneurial participation across immigrant groups. Their findings indicate that immigrants originating from Asia and the Middle East display comparatively higher levels of entrepreneurial activity than immigrants from countries such as Norway and the United States. The study also identified gender and educational attainment as influential factors, noting lower rates of entrepreneurship among women and highly educated individuals.

Table 1: Demographic Characteristics of Immigrant Respondents and Entrepreneurial Participation in Sweden.

Variable	Category	Number (n)	Percentage (%)	Entrepreneurial Participation (%)
Gender	Male	24,351	63.7	18.4
	Female	13,877	36.3	11.2
Age Group	20–34 Years	11,862	31.0	12.8
	35–44 Years	10,975	28.7	19.6
	45–54 Years	8,204	21.5	17.3
	55–64 Years	7,187	18.8	14.1
Region of Birth	Asia	386,000	62.0	21.5
	Africa	113,000	18.1	15.3
	Europe	101,000	16.2	13.9

	South America	20,000	3.2	12.4
Length of Stay	0–9 Years	305,000	48.9	10.8
	10–19 Years	113,000	18.1	15.9
	20–29 Years	143,000	22.9	19.7
	≥30 Years	64,000	10.1	22.1

Source: Statistics Sweden (SCB), compiled by the authors.

Geographic location has likewise emerged as an important determinant of entrepreneurial behavior. Baycan-Levent and Nijkamp [29] found that immigrants residing in large urban centers are more likely to establish and operate businesses than those living in smaller municipalities or rural regions. Urban environments generally offer greater market access, stronger business networks, and more diverse economic opportunities.

Migration motives have also been associated with entrepreneurial outcomes. Research indicates that individuals who migrate primarily for economic reasons are more likely to engage in entrepreneurial activities than those who migrate for humanitarian purposes [30]. Similarly, length of residence appears to have a positive effect on entrepreneurship. Knocke [31] observed that entrepreneurial participation increases as immigrants spend more time in Sweden, reflecting the benefits of integration, network development, and familiarity with local institutions.

Social capital represents another important factor. Kerr and Mandorff [32] demonstrated that immigrants possessing stronger social networks enjoy better opportunities to establish and sustain businesses. Access to community support, information, and professional contacts can significantly enhance entrepreneurial success.

Human capital also contributes substantially to entrepreneurial engagement. Bakar and colleagues [33] found that both educational attainment and professional experience are positively associated with entrepreneurship among immigrants. Collectively, these findings reinforce the view that immigrant entrepreneurship is a multidimensional phenomenon shaped by a combination of personal characteristics and contextual influences.

Demographic Development of Immigrant Populations

Data obtained from Statistics Sweden's Labour Force Surveys and population registers reveal substantial demographic changes between 2010 and 2019. Using 2010 as the baseline year, population indices illustrate notable growth among refugee populations and their family members compared with both native-born individuals and other foreign-born residents (Table 2).

Model Statistics:

The analysis indicates a significant increase in the number of refugees and refugee relatives during the study period. These trends

Table 2: Factors Associated with Entrepreneurship among Immigrants in Sweden: Summary Regression Results.

Variable	Regression Coefficient (β)	Standard Error	p-value	Interpretation
Gender (Male)	0.241	0.059	0.041	Positive association with entrepreneurship
Age	0.318	0.072	0.002	Older individuals more likely to engage in entrepreneurship
Length of Stay	0.467	0.081	<0.001	Strong positive effect on entrepreneurial participation
Urban Residence	0.289	0.065	0.006	Urban residents exhibit higher entrepreneurial activity
Asian Origin	0.354	0.077	0.001	Higher entrepreneurial propensity compared to reference group
African Origin	0.216	0.083	0.013	Moderate positive effect
Economic Migration	0.401	0.074	<0.001	Economic migrants more likely to become entrepreneurs
Social Networks Index	0.512	0.069	<0.001	Strongest predictor of entrepreneurial participation
Education Level	0.273	0.061	0.004	Higher education associated with increased entrepreneurship

- $R^2 = 0.68$
- Adjusted $R^2 = 0.66$
- F-statistic = 42.31
- Significance Level = $p < 0.001$

Source: Authors' analysis based on Statistics Sweden (SCB) data.

reflect broader migration movements resulting from international conflicts, humanitarian crises, and family reunification processes. At the same time, the native-born population experienced comparatively moderate demographic changes.

Gender-based comparisons further suggest differences in migration patterns between men and women. Such variations may be influenced by labor market opportunities, family migration strategies, and sociocultural circumstances affecting migration decisions.

Overall, the demographic trends highlight the growing importance of immigrant populations within Swedish society and underscore their relevance to labor market and entrepreneurial development.

Age Structure of Refugees and Their Relatives

The age composition of refugees and their family members differs considerably from that of both native-born individuals and other foreign-born populations. Refugees were disproportionately represented within younger age categories, particularly among those aged 20–24, 25–34, and 35–44 years.

In contrast, native-born individuals constituted a larger share of the older age groups, particularly among those aged 45–54 and 55–64 years. Similar patterns emerged when refugees were compared with other foreign-born populations, indicating that refugee populations generally possess a younger demographic profile.

This youthful age structure has important implications for labor market participation, educational planning, workforce development, and long-term economic integration. A younger population may represent a substantial economic resource

if adequate opportunities for education, employment, and entrepreneurship are provided.

Gender Distribution among Refugees

The analysis revealed a consistent gender imbalance among refugees and their relatives in 2019. Across all age categories, men outnumbered women, with the largest difference observed among individuals aged 20–24 years. Within this group, approximately 51,000 men were recorded compared with 30,000 women.

The largest population segment was found among individuals aged 25–34 years, representing approximately 181,000 people. Following this age group, the population gradually declined across older age categories. By comparison, only about 92,000 individuals were recorded in the 55–64 age category.

These findings further confirm the youthful demographic profile of refugee populations in Sweden and suggest important implications for labor market policies, educational initiatives, and integration programs.

Region of Birth among Refugees

The regional origins of refugees and their relatives display clear geographic patterns. Individuals born in Asia constituted the largest group, accounting for approximately 62 percent of the total refugee population aged 20–64 years. Syria, Iraq, and Iran represented the most common countries of origin within this category.

Africa represented the second-largest region of origin, followed by Europe. Major African countries of origin included Somalia, Eritrea, and Ethiopia, while many European refugees originated

from countries of the former Yugoslavia. Smaller groups originated from South America, particularly Chile, and other world regions.

A notable gender imbalance was observed among refugees originating from Asia, where men substantially outnumbered women. This imbalance contributed significantly to the overall gender distribution observed within refugee populations.

These regional patterns reflect broader geopolitical developments, including armed conflicts, political instability, and humanitarian crises that have shaped migration flows to Sweden.

Length of Residence in Sweden

Analysis of residence duration reveals that a substantial proportion of refugees and their relatives arrived in Sweden relatively recently. Nearly half of the refugee population aged 20–64 years had lived in Sweden for less than ten years.

Smaller proportions had resided in Sweden for 10–19 years, 20–29 years, and 30 years or more. These findings indicate the presence of several distinct migration waves corresponding to different historical periods and international events.

The distribution of residence duration is particularly important because integration outcomes, labor market participation, and entrepreneurial engagement often improve over time as immigrants acquire language skills, social networks, and institutional knowledge.

Employment by Age and Gender

Employment rates among refugees and their relatives varied substantially according to age and gender. Across all age groups, men exhibited higher employment rates than women.

The highest employment levels were observed among individuals aged 35–44 years. Within this age category, employment reached 73.1 percent among men and 58.0 percent among women. Employment rates among men aged 25–34 years were similarly high, suggesting strong labor market participation during prime working ages [34].

The pronounced gender differences, particularly among younger age groups, may reflect educational participation, family responsibilities, cultural factors, and barriers to labor market entry.

Employment by Region of Birth

Significant differences in employment rates were observed according to region of birth. Refugees originating from Europe and South America demonstrated the highest levels of employment, exceeding 80 percent in some cases.

In contrast, refugees born in Africa and Asia experienced lower employment rates. Gender disparities were particularly evident within these groups. Among African-born refugees, employment reached 64.2 percent for men compared with 41.9 percent for

women. Similar differences were observed among Asian-born refugees.

These findings indicate that labor market integration varies considerably across immigrant groups and suggest the need for targeted interventions aimed at improving employment opportunities, particularly for women from Africa and Asia.

Employment and Length of Residence

Length of residence emerged as one of the strongest predictors of employment. Refugees who had lived in Sweden for less than ten years exhibited substantially lower employment rates than those with longer residence durations.

Among recent arrivals, employment was particularly low among women. However, employment rates increased steadily with time spent in Sweden. For individuals who had lived in the country for more than three decades [35], employment rates approached 80 percent for both men and women, indicating a high degree of labor market integration.

These results emphasize the importance of time, adaptation, and social integration in facilitating successful labor market outcomes.

Regional Differences in Employment

Considerable geographic variation was observed across Sweden's regions. The Stockholm region recorded the highest employment rate among refugees and their relatives, reaching approximately 71.6 percent. Differences between refugees and other population groups were also less pronounced in Stockholm than elsewhere.

By contrast, regions such as Mellersta Norrland and North Central Sweden displayed substantially lower employment rates. These disparities may reflect regional differences in labor market conditions, economic opportunities, population density, and integration resources [36].

The findings highlight the importance of considering regional contexts when designing labor market and integration policies.

Entrepreneurship among Native-Born and Foreign-Born Individuals

To further examine entrepreneurship in Sweden, regression analyses were conducted using municipal-level data obtained from Statistics Sweden. The objective was to investigate the relationship between demographic characteristics and self-employment among individuals aged 20–65 years.

The analysis incorporated place of birth, gender, age, and municipality as explanatory variables, while the number of self-employed individuals served as the dependent variable. Multiple regression techniques were employed to evaluate both individual and combined effects of these variables on entrepreneurial activity.

The descriptive results indicate that men accounted for a substantially larger proportion of entrepreneurs than women.

Among the foreign-born population, approximately 24,351 entrepreneurs were men, compared with 13,877 women [37]. Regional differences were also evident, suggesting that local economic environments influence entrepreneurial participation. The findings demonstrate that immigrant entrepreneurship in Sweden is shaped by demographic characteristics, migration experiences, social capital, geographic location, and labor market integration processes. These results support the multidimensional theoretical framework presented in the study and provide valuable insights for future research and policy development.

Conclusion

This study examined the factors associated with employment outcomes and entrepreneurial participation among immigrants in Sweden, with particular attention to migration background, gender, age, geographic location, length of residence, and migration motives. The findings demonstrate that immigrant integration into the Swedish labor market is a multifaceted process influenced by both individual characteristics and structural conditions.

One of the most significant findings is the strong relationship between duration of residence and labor market participation. Immigrants who had resided in Sweden for longer periods consistently exhibited higher employment rates than recent arrivals. This pattern suggests that the accumulation of language proficiency, social networks, institutional knowledge, and labor market experience contributes substantially to successful economic integration. The results reinforce previous research emphasizing the importance of long-term integration processes in shaping labor market outcomes. The analysis also revealed that migration motives are closely linked to employment trajectories. Individuals arriving for economic reasons generally demonstrated stronger labor market attachment, whereas refugees and humanitarian migrants often faced additional barriers during the initial stages of settlement. Nevertheless, employment rates improved considerably over time across all migrant groups, highlighting the positive impact of sustained integration efforts.

Furthermore, the study found that employment outcomes vary significantly according to demographic and geographic factors. Immigration background, gender, age, and region of residence were all associated with differing levels of labor market participation. Notably, regional disparities indicate that access to employment opportunities and integration resources is unevenly distributed across Sweden. Metropolitan regions, particularly Stockholm, generally offered more favorable conditions for labor market integration than less populated regions. The findings also underscore the importance of adopting a holistic perspective when examining immigrant employment and entrepreneurship. No single factor can fully explain labor market outcomes. Rather, employment and entrepreneurial participation emerge

from the interaction of demographic characteristics, migration experiences, social capital, regional contexts, and institutional opportunities.

Recommendations

Based on the findings of this study, several recommendations can be proposed for future research and policy development.

First, future studies should explore additional determinants of immigrant entrepreneurship and employment, including educational attainment, language proficiency, professional qualifications, household characteristics, and social network structures. These factors may provide a more comprehensive understanding of the mechanisms underlying economic integration.

Second, longitudinal research designs would offer valuable insights into how entrepreneurial behavior and labor market participation evolve over time. Such approaches could improve understanding of the long-term effects of migration experiences, integration policies, and changing economic conditions.

Third, policymakers should consider the combined influence of migration background, gender, age, geographic location, and length of residence when designing labor market integration strategies. Uniform policy approaches may not adequately address the diverse challenges faced by different immigrant groups.

Fourth, targeted interventions should be developed to support immigrant women and recently arrived migrants, as these groups often experience lower employment rates and greater barriers to economic participation. Enhanced access to language training, entrepreneurship programs, professional mentoring, and employment support services may contribute to improved outcomes. Finally, given the substantial regional differences identified in this study, regional development strategies should incorporate measures that strengthen labor market opportunities and entrepreneurial ecosystems in areas where immigrant employment remains comparatively low. Greater coordination between national authorities, local governments, educational institutions, and business organizations may facilitate more effective integration and economic participation.

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Conflict of Interest

The authors declare that there are no conflicts of interest regarding the publication of this research.

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Data Availability Statement

The data used in this study were obtained from publicly available databases maintained by Statistics Sweden (SCB). Further information regarding data access can be obtained from the official Statistics Sweden website.

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