

A woman wearing a colorful hijab with shades of pink, orange, and purple is seated at a desk in an office. She is looking down at a keyboard, with her hands positioned over it. The background is slightly blurred, showing other office equipment and windows. The overall tone is professional and focused.

Building Bridges

Developing the Refugee
Entrepreneurship Ecosystem
in Victoria

2ND EDITION

ygap



launchvic

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Executive Summary

The purpose of this report is to identify how LaunchVic can better engage refugee entrepreneurs in the Victorian startup ecosystem. This report engages with the refugee community and support providers to further understand the challenges they face.

Victoria is experiencing two intersecting areas of growth: an increasing refugee population and a growing \$2 billion startup ecosystem. The development of Victoria's startup ecosystem can be expedited through effectively combining and harnessing these two areas.

To develop this report, a mixed methods research approach was used. This includes a combination of desktop research from global and local perspectives, community observations, interviews with key stakeholders within the ecosystem, and a co-design workshop with participants from the refugee community and organisations supporting these communities. This research identifies key challenges faced by refugee entrepreneurs and proposes recommendations to increase refugee engagement in the Victorian startup ecosystem.

The key challenges identified can broadly be summarised into five main categories: access to early-stage funding, access to information, access to social capital, general discrimination, and lack of sufficient cross-collaboration across government, industries, communities and organisations.

Through collaborating with the refugee entrepreneurship ecosystem and facilitating user engagement in the design process, a number of innovative recommendations to these challenges were developed. These included: a centralised information platform for refugee entrepreneurs, localised community centres, a mobile application that connects refugee entrepreneurs with a broader ecosystem of support, policy changes to provide tax incentives for investment into refugee startups, and changing the narrative of what it means to be a refugee by showcasing success stories of refugee entrepreneurs.

Based on the information collected through literature review, interviews, and a co-design workshop, this report proposes four key recommendations. These are: developing an online platform for information sharing, incentivising user engagement in designing programs, hosting a "Refupreneur" Awards Night, and creating a mobile application that connects funders and mentors to refugee entrepreneurs.

By implementing these recommendations, it is anticipated that the Victorian startup ecosystem will be able to actively address the key challenges faced by refugee entrepreneurs, and support them to continue powering Victoria's startup growth.

Definitions

Accelerator - A program that supports early-stage, growth-driven companies through education, mentorship and financing. Startups typically enter accelerators for a fixed period of time and as part of a cohort.

Refugee - Research for this report focuses on resettled refugees who have been placed under the Australia's humanitarian migration program. The Australian government describes those resettled under the program as 'refugees and others in refugee-like situations'.

Startup - For the purpose of this report, a startup is defined as a 'business with high impact potential that uses innovation and/or addresses scalable markets'. These are businesses in the early stages of formation, which develop an idea into a functioning business that meets market needs, and is able to grow. A startup differs to a small business largely in its focus on growth, innovation and in its behaviours.

It is important to note that particularly in the refugee entrepreneurship space, it can be difficult to differentiate between a startup and a small business [LaunchVic, 2017].

Introduction

LaunchVic is a Victorian State Government initiative which aims to increase the scale and capability of the Victorian startup ecosystem.

This report seeks to understand the needs of refugees in Victoria's startup community. It includes identifying current challenges and barriers faced by refugees in participating in the community, and providing recommendations for increasing refugee entrepreneurship in the Victorian startup ecosystem. This report is closely aligned with LaunchVic's strategic goal of cultivating diversity and inclusion. The aim of this research is to inform the development of initiatives to target current gaps in the ecosystem and improve the effectiveness of local government support.

In order to deliver this report, LaunchVic enlisted ygap, a Melbourne based organisation that supports early stage social entrepreneurs. ygap is an international development not-for-profit that provides programs that support early stage impact ventures to refine their business models and scale their ventures. Since 2013, ygap has run over 40 accelerators and have supported over 500 social entrepreneurs around the world.

ygap has developed a distinction as subject-matter experts in the refugee entrepreneurship space, which is particularly relevant to this research. In 2017, ygap developed the First Gens Program in response to the challenges faced by migrants and refugees when starting a business, participating in the community, and searching for employment. ygap has since run two accelerator programs and supported 24 migrant and refugee entrepreneurs with another 12 planned for 2019. The First Gens program has worked with founders from 15 different countries including Somalia, South Sudan, Afghanistan, Jordan, and Vietnam. The program has been featured in the United Nations Policy Guide on Refugee Entrepreneurship, and the ygap team have presented at various international conferences on refugee entrepreneurship including the Techfugees Global Summit and the Centre of Entrepreneurs Global Refugee Entrepreneurship Summit.

Through leveraging ygap's networks and experience supporting diverse founders, this report aims to:

- Identify the main challenges faced by refugee entrepreneurs in participating in the Victorian startup community,
- Provide recommendations on how to better engage refugee entrepreneurs in Victoria,
- Provide a list of key partners and individuals working in the refugee startup space.

Why Does Refugee Entrepreneurship Matter?

Startup ecosystems significantly contribute to generating economic value. Globally, the top 25 startup ecosystems contribute an average of \$10 billion to their local economies. Victoria's startup ecosystem is currently sitting outside the top 30 startup ecosystems around the world with a valuation of around \$2 billion (Startup Genome Report, 2019). However, with significant and growing investment from LaunchVic and other stakeholders, the ecosystem is beginning to flourish, with one in three founders born overseas and one-third of founders being female.

Despite such high proportions of diversity amongst founders, the Victorian startup ecosystem has struggled to tap into their large pool of refugees. Given the entrepreneurial mindset of refugees and the large number of successful refugee entrepreneurs globally, this can be seen as a missed opportunity to Victoria's economy. A key factor in promoting Victoria's startup growth will be through leveraging this demographic.

From an opportunity perspective, since the mid-1980s, Australia has settled on average 12,500 humanitarian migrants (refugees). Also, since 2012, Australia's intake of humanitarian migrants has dramatically increased with over 22,000 refugees settling in 2017, with a disproportionate amount of these refugees settling in Victoria. Between 1996 and 2007, 35,931 refugees settled in the state. This number has continued to grow and Victoria currently receives approximately 33% of Australia's refugee intake.

In addition, "the Australian Government has undertaken to resettle 18,750 humanitarian migrants annually from 2018-19, while the Opposition has a policy to increase the intake to 25,000 by 2024-2025." [CIP, Settling Better Report, 2017]

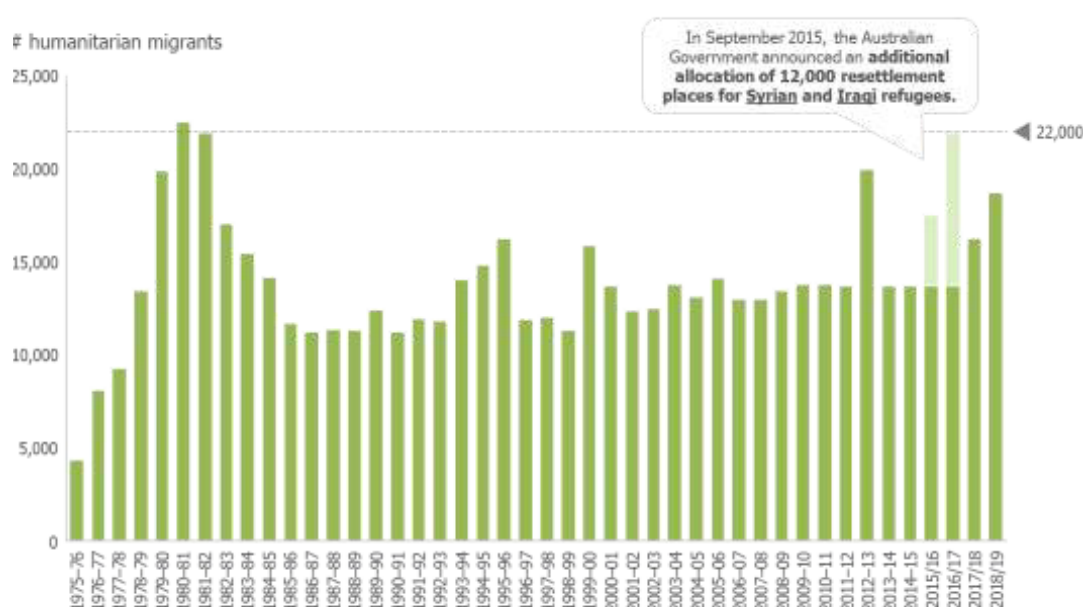


Figure 1: Australia's humanitarian program since 1980-81

This shows the increase in the number of refugees being resettled in Australia.

Source: CIP, Settling Better Report, 2017

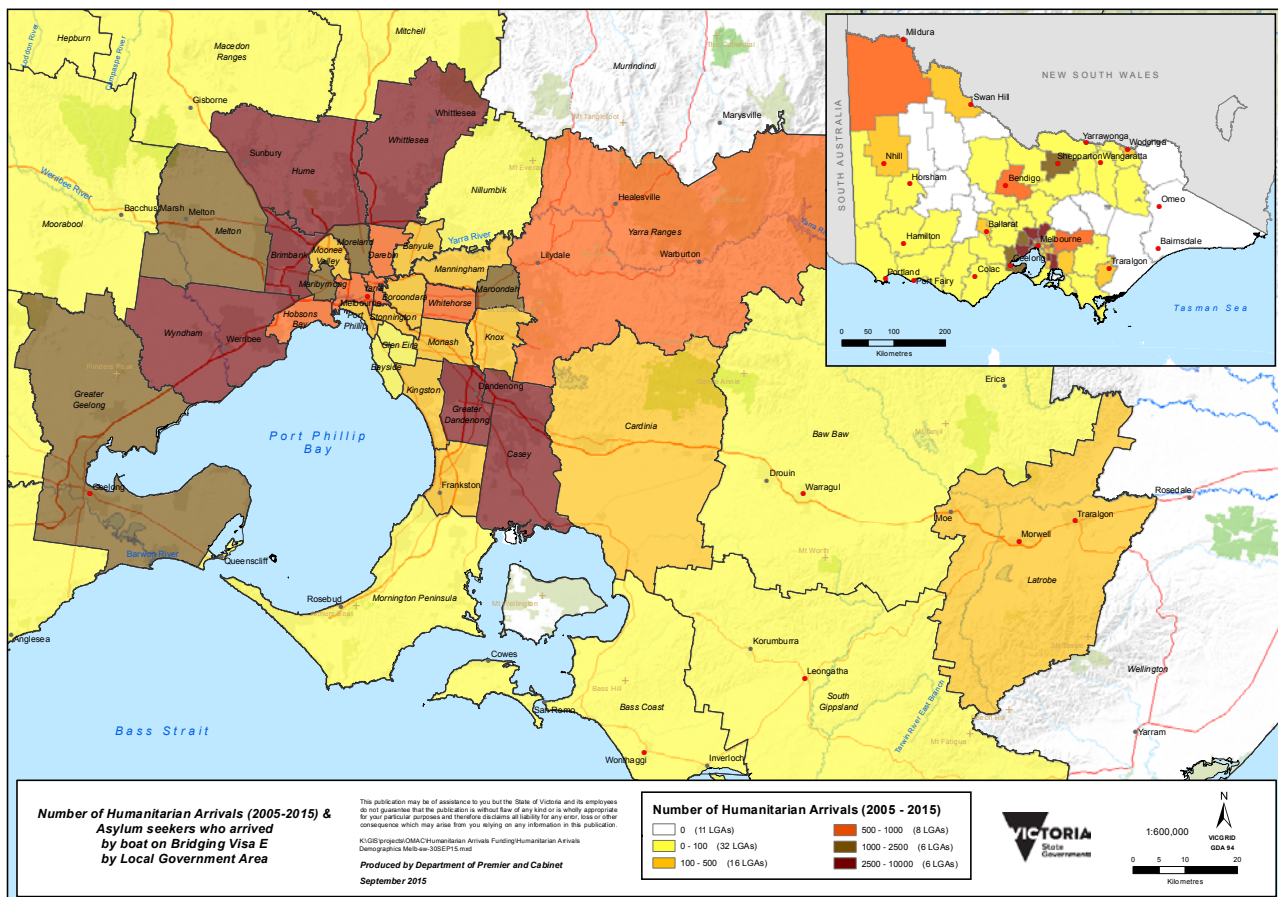


Figure 2: Number of Humanitarian Arrivals 2005-2015

Produced by Department of Premier & Cabinet, Victorian Government, 2015

Source

Victoria's refugee population has predominantly settled around the North and West Metropolitan (53%) and Southern Metropolitan (31.7%) areas of Melbourne. These regions represent strong opportunities for growth in Victoria's startup ecosystem.

The potential for refugee entrepreneurship to contribute to the growth of Victoria's startup ecosystem is highlighted when considering the economic value that refugees have contributed globally. A 2017 report by the UNDP, noted that Syrian refugees in Egypt have contributed \$800 million in investment to the Egyptian economy.

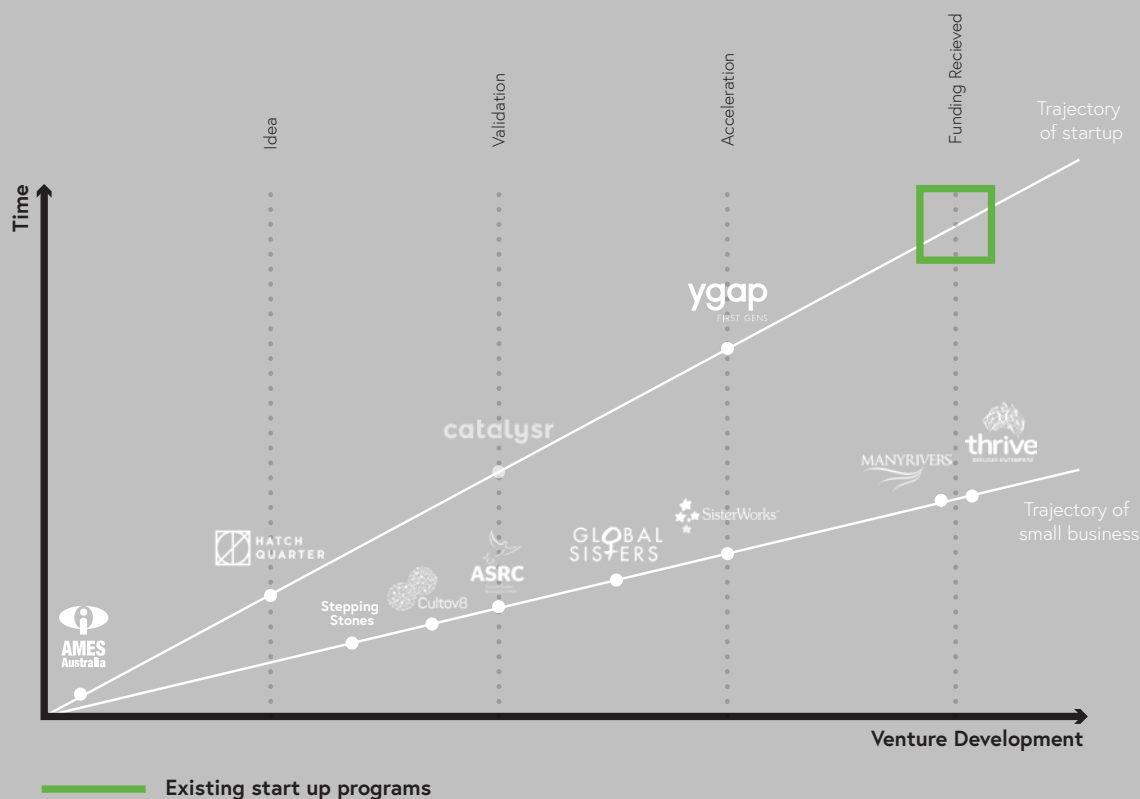
Similarly, a report by the Centre for Entrepreneurs notes that in Turkey, 10% of businesses established since 2013 have been by Syrians. Furthermore, they created on average nine jobs per business.

The current state in Victoria suggests that refugees remain a largely untapped resource. This allows for further research, funding and programs to encourage refugee participation in this startup space.

Mapping the Refugee Entrepreneurship Ecosystem in Victoria

This report identifies the gaps in the ecosystem by mapping the current stakeholders to show where opportunities exist to improve the level of support for refugee entrepreneurs. A secondary outcome of this exercise was identifying key stakeholders in the ecosystem.

We have restricted the ecosystem map to those organisations providing resources, programs and funding specifically to refugees. However, broader research has identified multiple organisations with overlapping interests. This poses a challenge in terms of duplication of scarce resources, but also an opportunity for cross-collaboration and economies of scale.



This graph shows the existing organisations which support refugees at the ideation, validation and acceleration stages. The green box represents existing support programs that are not specific to refugees. This demonstrates the challenge to access early-stage funding for refugee led startups. There is also a gap in the idea and validate stages, highlighting the need for programs, such as Catalysr, which help refugee entrepreneurs develop ideas into viable startups.

Key Stakeholders in the Ecosystem

INCUBATORS & PRE-ACCELERATORS

ORGANISATION	FOCUS	PROGRAM LENGTH	FUNDING	LOCATION
Hatch Quarter	Startups	Pre-accelerator and 2-day startup bootcamp	Nil	Melbourne
Catalysr	Startups	6 Months	Nil	Sydney - proposed future collaboration with ygap in Victoria
Stepping Stones	Micro Business	Varies - runs on a regular weekly basis	Nil	Regional Victoria
ASRC	Small Business	Varied	Nil	Melbourne
Cultov8	Small Business	2-day workshops		Regional

ACCELERATORS

ORGANISATION	FOCUS	PROGRAM LENGTH	FUNDING	LOCATION
ygap	Startups & Small Business	3 Months	Grants up to \$25,000	Melbourne
Global Sisters	Small Business	2-day workshops to mentoring	Debt up to \$5,000	Nationally
Sisterworks	Small Business	Varies	Nil	Melbourne

FUNDERS

ORGANISATION	FOCUS	PROGRAM LENGTH	FUNDING	LOCATION
Thrive	Small Business	Informal mentoring	Debt up to \$20,000	Melbourne & Sydney
Many Rivers	Small Business	Funding only	Debt up to \$10,000	Regional Australia

Methodology

To achieve the objectives of this report, a mixed methods approach was identified as an effective way to obtain meaningful results. The advantages of this approach include the ability to ensure the validity of the data collected, and to conduct a mix of qualitative and quantitative research to contribute to the research findings.

Specific Methodology and Timeframe

TIME FRAME	TYPE OF RESEARCH	METHODS
February – May	Desktop Research	Global and local research
March – May	Community Observations	Meetups, events
March - April	Qualitative Interviews	1:1 Interviews
April	Co-Design Workshop	Half-day session in Melbourne

Literature Reviews: Global and Local Perspective

Local and global research provides context and background for understanding the current state of support for refugee entrepreneurship.

From a global perspective, countries which have had a much higher refugee intake over longer periods of time have developed more robust programs and solutions around refugee entrepreneurship. A review of the literature provides a perspective on what has worked well, areas for further development, and key learnings which can assist in understanding the common themes and challenges faced both by refugees and the organisations who are supporting them.

Despite local research being limited, what exists provide a unique perspective on challenges that refugees in Australia face, and highlights opportunities for further support for transition to entrepreneurship. This further suggests that non-government organisations could be supported to undertake more research in the monitoring and evaluation of programs.

Community Observations

In order to understand the current local ecosystem, this research has recorded in-person observations from relevant community events. These include; the launch of the 'Seven Steps' report by the Centre for Policy Development, meetups with local startups, events by local councils such as Ignite Greater Dandenong and attending pitch nights. This facilitated an analysis around the availability of events for refugee entrepreneurs, the kind of information available, and costs.

Interviews

For the purpose of this report, 25 one-on-one interviews were conducted. These interviews represented a diverse range of stakeholders including community-based organisations, startup incubators and accelerators, local city councils, and startup founders. Particular stakeholders engaged include:

- Hatch Quarter
- Catalysr
- Brotherhood of St Laurence
- Monash University Startup Accelerator
- Hume City Council
- AMES
- Asylum Seeker Research Centre
- Local Startups
 - Bring Me Home
 - Language My Way
 - Connections Australia

Interview questions were structured around the interviewees experience working within the refugee entrepreneurship space. The purpose of the interviews was to assess the effectiveness of current initiatives, review internal and external challenges faced by programs supporting refugee entrepreneurship, and facilitate discussions around potential solutions. Refer to Appendix 1 for more specific information about the interviews conducted.

Co-Design Workshop

A co-design approach was chosen because evidence suggests that stakeholder designed solutions produce results that are meaningful and user-friendly. A key principle of the co-design concept that aligns with ygap's values is that the 'users' are 'experts' of their own experience, and therefore need to play a central role in the design process.

Through leveraging design thinking methodology and using focus groups, ygap facilitated a co-design workshop at the Multicultural Hub in Melbourne. The workshop was attended by more than 20 stakeholders including representatives from the Asylum Seeker Resource Centre, Hatch Quarter, the Brotherhood of St. Laurence, Global Sisters, Swinburne University, Hume City Council, and entrepreneurs from migrant and refugee backgrounds, including alumni from ygap's First Gens Program. This approach was effective in encouraging discussion around the challenges faced by refugee entrepreneurs and proposed recommendations to these challenges. Details of the agenda and handouts that were used at the co-design workshop are in Appendix 2.

Findings

Literature Review

A Global Perspective

The majority of global research carried out is qualitative; based on interviews and case studies of programs that provide skill development, employment, or assist with entrepreneurial activities.

Research suggests that human capital is a major contributing factor to the success of refugee entrepreneurs. One of the main reasons for the perceived lack of human capital is primarily due to a lack of recognition of refugees prior learning and experience in the new host countries.

Language has also identified as an obstacle which negatively impacts opportunities for employment and entrepreneurship in the host country.

Social capital and social networks also contribute to the success of refugee entrepreneurship. Social networks include including family and community connections, ethnic networks, and other social resources. Social networks are essential to assisting with integration, emotional support and are referred to as 'bonding social capital' [Verweibe et al, 2018]. These networks provide collective 'bootstrapping' for initial funding and are crucial for the initial setup and support of refugee led ventures.

When starting a business, bridging social capital is fundamental to closing the gap between locals and refugees by providing valuable information regarding local markets and cultural nuances, and facilitating information gathering and influence, which are critical for establishing new customers and investors.

Other factors that impact how successfully refugees integrate include government policies, access to funding and racism and discrimination.

In addition, the role of agency is explored by various researchers around the concept of self-identity and having an inbuilt 'entrepreneurial spirit. Alternatively, entrepreneurial spirit can be a product of resilience due to exposure to personal trauma and hardship experienced as a refugee. Programs such as incubators, accelerators and business leadership training can contribute to self-identity in a positive way by increasing self-confidence and self-worth.

A Local Perspective

A new report, *Seven Steps to SUCCESS: Enabling Refugee Entrepreneurs to Flourish*, outlines the advantages and benefits of refugee entrepreneurship to Australia's economy. The report identifies seven broad areas as a focus for future recommendations, which are outlined in Appendix 3. This research explores similar themes and builds on the recommendations provided in the Seven Steps report.

Of note, is the low female representation within this discourse. A case study which solely focused on refugee women entrepreneurs in Australia found that their participation in such programs is negatively impacted by limited access to affordable childcare, conflict between work and family demands, family responsibilities, religious restrictions and cultural norms. This provides a real-world example for the need to co-design programs to ensure that the development of initiatives will indeed drive diversity and inclusion.

Community Observations

The community observation component of this report substantiated findings from desktop research, particularly regarding how organisations are currently addressing challenges faced by refugees. Poor program design, prohibitive participating costs, and a general lack of effectiveness of community events was observed. While it is interesting to note that some events offer subsidies to those from refugee backgrounds, more needs to be done to make these community events more accessible.

Interviews

Based on the results of this report's qualitative findings, current challenges faced by refugee entrepreneurs can be generalised into three categories: low human capital, a lack of social capital, and insufficient access to financial capital. These interviews also provided context of programmatic challenges faced by support providers.

Human Capital

Many refugee entrepreneurs, lack the knowledge, skills and experiences related to the local entrepreneurial ecosystem. The interviewees noted that knowledge of how to start and run a business or startup was critical to the success of refugee entrepreneurs.

"Even though I didn't receive funding, I gained business know-how, understood users, piloted markets and developed an understanding of the lean methodology."

-Refugee entrepreneur who had attended an accelerator program

Social Capital

A second key challenge for refugee entrepreneurs was a lack of social capital. Recognising that refugee entrepreneurs often arrive to a new country with little to no social networks, this does not come as a surprise. Furthermore, a successful entrepreneurial journey often begins with a strong understanding of customers, and the ability to leverage social connections to build partnerships. This suggests that a lack of social capital is a significant barrier to refugee entrepreneurs.

Interestingly, a by-product of this is an unfamiliarity of the Victorian startup ecosystem. According to a number of interviewees, *"a lot of [refugee] founders don't know about the ecosystem and they need to be realistic with their expectations."* This shows that without social connections within the startup ecosystem, refugee entrepreneurs are often unprepared for their entrepreneurial journey.

Reflecting on the significant barrier that social capital embodies, interviewees commented that the most successful programs for supporting refugee entrepreneurship were ones which deliberately focused on developing the social networks of refugee entrepreneurs, particularly those that *"created connections with a shared purpose and vision, and ones that connected the refugee community with local communities."*

Financial Capital

As local and global research show, refugees face discrimination when accessing financial capital to start a business. Refugee entrepreneurs generally lack the ability to leverage local connections to raise capital and the local financial know-how to access capital. As a result, a number of interviewees noted that refugee entrepreneurs are often forced to find *"alternatives to funding"* or end up *"bootstrapping to succeed."*

An interviewee noted that in some instances, funding amounts available to startup founders were between \$300,000 - \$500,000, and *"questioned the ability for refugee founders with little local experience and proven ability to be considered for that size of funding."*

Programmatic Perspective

From a programmatic perspective, the main challenges faced by organisations that support refugee entrepreneurship can either be described as internal or external. Both of these types of challenges are detrimental to the growth of refugee entrepreneurship.

Internal challenges such as obtaining funding, resource management (attraction and retention of staff), and evaluating outcomes are common to almost all of the organisations interviewed for this report.

Furthermore, a number of programs *"have not had a lot of interest possibly due to clients not being interested or are not ready."* Interviewees highlighted the *"need to talk about failures and need for local leaders who speak the local language to tell [us] what is best for the [refugee] community."*

External challenges include attracting participants, cross collaboration, and policy changes. These issues can be specific to a particular organisation, program or geographic location.

Of particular note, it was identified that the refugee entrepreneurship ecosystem *"needs a peak body to bring different stakeholders together."* In an ecosystem that can seem siloed, many organisations interviewed were adamantly questioning how *"we change so that [we go] from competitiveness for resources to collaboration."* *"[W]hat we need is [to avoid] duplication and inefficiencies..."* *"[The refugee journey to resettlement] is not linear so we need to support and refer to other [organisations] for building emotional resilience, family support ...to encourage them to continue learning and following their goals."*

Recognizing that the ecosystem of support around refugee entrepreneurship is growing, it is vital to understand the focus of these programs and their successes. It is important to put emphasis on establishing a strong strategic direction for future refugee engagement and address what needs to be improved. The need to review current initiatives was evident in the comments made by all the interviewees. Interviewees also echoed the importance of cross-collaboration, a shared strategic vision, and the utilisation of economies of scale to address scarce funding and resource allocation.

Co-Design Workshop

Key findings from the co-design research include both challenges and solutions generated by the workshop participants. Photos are included in Appendix 4.

Challenges

Through the co-design process, more than 25 challenges were identified as preventing refugee entrepreneurship in the Victorian startup community. Of these challenges, those that received significant validation from the participating stakeholders included: lack of credible information, a lack of social capital, lack of early stage funding, and discrimination.

Lack of Credible Information

Even where support programs exist, information about their existence and their accessibility is either not readily available or fails to meet the needs of refugee entrepreneurs. This was largely attributed to the design of refugee support services from a top-down approach, as most of these programs are mostly designed "for" not "with". This has resulted in information often being siloed and managed by third party providers, making it often either incorrect or out of date which has led to a lack of trust towards those providing the information. As a result, information sources are not always seen as credible to refugee entrepreneurs.

Lack of Social Networks

Refugee entrepreneurs face challenges building their social networks. Given that these networks are an integral part of entrepreneurship, especially in the early stage, facing barriers in expanding a local social network can severely hinder the likelihood of success. An entrepreneur's social network usually acts as the first group to support an idea and help with raising initial capital, finding co-founders and providing connections to funders.

Lack of Access to early stage Funding

Refugee entrepreneurs often face additional challenges accessing early stage funding (\$5k-\$250k). Refugee entrepreneurs, when compared to "local" entrepreneurs, often don't have equitable access to early stage funding due to: a lack of a personal financial "egg" that can help sustain them through the early stage (or other assets such as a house); limited access to 'friends, family, and fools' who often are the main source of initial funding for early stage startups; financial constraints associated with balancing personal obligations in both their new and home countries and starting a business; and not having a credit history in Australia, thus being unable to access traditional forms of financing.

Discrimination

Systemic racism, negative stereotypes and stigma continue to negatively affect how refugee entrepreneurs engage with networks and other support services within the Victorian ecosystem. Discrimination can be as subtle as the negative connotation around the word 'refugee' to more overt cases of racism and discrimination around religion, gender, and disability. It can often stem from a lack of cultural and general awareness about different family structures, religious beliefs and communal issues such as gender stereotypes which can have a negative effect on accessibility to programs and events, and the ability to source funding.

Proposed Solutions

Once the key challenges were identified, participants of the co-design session were able to come up with potential solutions. Through leveraging lived experience and expertise in the refugee entrepreneurship ecosystem, participants were tasked to develop innovative solutions that had to be desirable for users, technically feasible and financially viable. The best solutions presented for feedback were:

Lack of Credible Information

To address the lack of credible information in the refugee entrepreneurship ecosystem, the following solutions were proposed:

1. A centralised information platform that provides a list of programs, services, and funding opportunities in one online location. This online platform would be available in a host of languages to increase accessibility.
2. Community centres that provide tailored workshops with access to various startup resources (financial, legal, accounting, business training), and provide a place to meet potential co-founders, build business partnerships and grow business connections. Essentially, these spaces would function as co-working spaces specifically for refugee entrepreneurs.

Lack of Social Networks

To address the lack of social networks in the refugee entrepreneurship ecosystem, the following two solutions were proposed:

1. A mobile application that connects refugee entrepreneurs with experienced mentors, similar to a mobile dating application format, which would match sector experience, cultural and language background.
2. Local community events organised by local city councils and other job centres to promote the development of social connections of refugee entrepreneurs.

Lack of Access to Early Stage Funding

To address the lack of access to early stage funding in the refugee entrepreneurship ecosystem, the following two solutions were proposed:

1. Implement policy changes to provide tax incentives for individuals and small and medium enterprises (SMEs) who wish to invest in refugee startups to encourage funding from additional sources.
2. Develop a local distribution channel to encourage the use of refugee-led startups as a main source of products or services for local councils and schools.

Discrimination

To address the issue of discrimination in the refugee entrepreneurship ecosystem, the following two solutions were proposed:

1. Change the narrative of what it means to be a refugee by showcasing success stories on platforms like television, radio, and social media to promote and highlight positive outcomes.
2. Implement deliberate and mindful language across all channels of communication, through avoiding using words like refugee in a negative context, and highlighting the financial and economic contributions of refugee entrepreneurs both past and present.

The Significance of Language

Through the course of the research, a recurring theme was the impact of language. This research discovered different ways language presents additional challenges for refugee entrepreneurs in the Victorian startup ecosystem.

A significant language based challenge preventing refugee engagement is accessibility. Not being able to read, write or engage with current content related to the startup space significantly hinders refugees' ability to participate. One solution to address this challenge has been Hatch Quarter's Migrant Playbook for Starting a Business in Victoria, which has been published in a number of different languages, and is available online, to make it more linguistically accessible.

A second language-based challenge is the element of bias associated with the word 'refugee'. Indeed, this was the basis of Catalysr's decision to own the word migrant and address the potentially negative associations of the word by combining it with entrepreneur to create Migrapreneur. Championing their participants' development, Migrapreneurs is how Catalysr identifies and speaks about their program participants. By doing so, this helps to mitigate some of the negative connotations associated with the word.

Thirdly, there is a need to be conscious of how refugees associate with different words in the startup community. Refugee entrepreneurs might not always know the definitions of terms such as start-up, incubator or accelerator. ygap has encountered aspects of word choice in many of their programs, including the need to adapt their curriculum when working with refugee communities in regional Victoria.

Interpretation of Results

The mixed methods of research provided further insights into the current state of the refugee startup ecosystem in Victoria.

The co-design session validated findings that were identified in this report's desktop research and discussed during the report's qualitative interviews. In particular, the key challenges faced by refugee entrepreneurs in the Victorian startup ecosystem include: insufficient access to early stage funding, a lack of social networks, scarcity of relevant and trusted information, and discrimination.

Interviews with refugee entrepreneurs support providers in the Victorian ecosystem concluded that there is a gap in the ecosystem in the post-settlement - acceleration phase where refugees needed highly-individualised support to allow transition of ideas to a business. More pre-accelerator programs are needed to bridge this gap.

A significant number of those interviewed who provide support for refugee entrepreneurs also mentioned challenges with attracting participants, despite programs being designed to target refugees, which indicates that there may be problems with program design. In addition, a lack of rigorous evaluation tools have resulted in the majority of program providers lacking sufficient insight as to why participation and engagement levels were low.

Recommendations

This section uses the findings from the interviews, desktop research and co-design workshop to provide four key recommendations to better support refugee participation in the Victorian startup ecosystem.

1. Facilitate the Development of an Online Platform for Information Sharing

To address challenges of connecting programs to refugee entrepreneurs, this report recommends the creation of an online database that lists opportunities for refugees to engage with the startup ecosystem. The research findings from interviews and the co-design session pointed to the challenges of a disconnected ecosystem where stakeholders seemed more like competitors than collaborators. The potential outcome of this database would be more encouraging examples of resource sharing similar to how Catalysr and Global Sisters have been able to recommend their most promising candidates to apply for ygap's First Gens program.

Furthermore, reflecting on the insight that even when programming or potential funding existed, refugee entrepreneurs did not always know how to access program information, showing the disconnect between those providing the support and those needing it. Through the creation of an online database, LaunchVic and other stakeholders would be able to play a greater role in facilitating collaboration, while addressing the challenge of a lack of information for refugee support available.

There are a number of examples of online platforms across the global ecosystem that have demonstrated the ability to support refugee entrepreneurship, including **The Migration Hub** in Germany.

Importantly, the new platform should:

- Allow all players in the ecosystem to contribute submissions
- Engage refugees in its design to ensure it holds appropriate information
- Encourage sharing feedback, comments, or suggestions through comments
- Highlight gaps in the ecosystem where more support is needed
- Better connect startups with funding opportunities

Where gaps in the ecosystem are identified, stakeholders within the Victorian startup ecosystem can play a key role in facilitating the development of programs to fill these gaps and provide holistic support for refugee entrepreneurs.

2. Incentivise User Engagement in Designing Programs

As reported, many programs have difficulty engaging with refugee entrepreneurs. It is likely that with better engagement, programs will see improved outcomes. With LaunchVic acting as a key stakeholder in the development of the Victorian startup ecosystem, it has the potential to play a large role in making user testing and user engagement standard practice for program design and delivery. This recommendation will not only address the programmatic challenges identified, but will also increase the accessibility of such programs. This is particularly relevant for programs supporting refugee entrepreneurship in rural communities, where lack of engagement is a particular concern. An example of how programs can adopt a user-engagement approach is ygap's decision to host co-design sessions in the development of this report.

To incentivise user engagement LaunchVic should:

- Encourage participatory grassroots action as a key component of the initiatives they support
- Include a caveat for any funding distributed that end users to be included in program design
- Consider that user engagement is intersectional, and may include engaging women, people with disabilities, different age groups, and other categories, depending on the program

3. Host a "Refupreneur" Awards Night

As noted, discrimination is an ongoing challenge that refugee entrepreneurs face when building a successful startup. The Victorian startup ecosystem needs to explore a new definition of what it means to be a refugee entrepreneur. The language and existing discourse of refugees in the startup ecosystem is an important factor in how refugees are perceived. Key influencers within the ecosystem can and must play a significant role in changing these negative perceptions.

In order to do this, this report recommends that the Victorian startup ecosystem host an awards night which will:

- Endorse refugee entrepreneurship
- Celebrate the successes of startups with refugee founders
- Include refugee stories in regular communication to normalise refugee entrepreneurship
- Foster networking and collaboration between different stakeholders by bringing them together

4. Create a Mobile Application That Connects Funders and Mentors to Refugee Entrepreneurs

To address the challenges associated with a lack of financial capital, as well as contribute to developing entrepreneurial networks, it is recommended that a mobile application be created to connect founders to mentors and investors.

It is anticipated that a user-designed mobile application could act as a powerful resource for refugee entrepreneurs to develop social networks and facilitate access to funding. For investors and funders, the mobile application would decrease the transaction costs commonly associated with finding high-potential startups emerging from the refugee startup community.

If developed effectively, the mobile application would:

- Address the lack of social capital for refugee entrepreneurs
- Address the lack of access to early-stage funding for refugee entrepreneurs

A Final Note

In addition to these recommendations, it is important to note that while progress is being made to support refugee entrepreneurship in Victoria, significant gaps remain. Accordingly, it is vital to continue supporting the existing ecosystem that supports refugee entrepreneurs and ensure its growth and sustainability.

Key Partners

Key Stakeholders in the Refugee Entrepreneurship Ecosystem

COMMUNITY BASED ORGANISATIONS			
AMES	Peter Harrison	General Manager, Education & Employment	HarrisonP@ames.net.au
Incubate Foundation	Zione Walker	President	eadmin@incubatefoundation.org.au
Ethnic Community Council of Victoria	James Houghton	Policy Officer	houghton@eccv.org.au
Stand Up	Lisa Buchner	Refugee Support Director	lisa@standup.org.au
Centre for Multicultural Youth	Jane Marx	Program Leader	jmarx@cmy.net.au
Community Four	Gavin Ackerly	CEO	gavin.a@communityfour.org
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Appendices

Appendix 1: Interview Questions

1. What is your current role and experience/background in working with refugees?
2. What do you think are 1-3 biggest challenges you face in your role and/or organisation?
3. What are the complexities (perhaps lesser known, lesser obvious) faced by refugees in gaining employment or seeking self-employment / entrepreneurship opportunities?
4. What have been the most engaging initiatives/programs and why?
5. What have been the learnings from initiatives/programs that did not work as well and why?
6. In the next 12-24 months, what the most critical/core areas of focus?
7. What role does language play in the development of your programs?
8. [explain context] If funding was not an issue, what are 1-2 things you would love to implement/change/like to do?

Appendix 2: Co-Design Methods and Handouts

Building Empathy & Target Personas

At the start of the co-design workshop, we provided definitions of different terms such as entrepreneur and startup, and outlined the objectives of the workshop and expected outcomes. We then developed personas of our target audience to build empathy for our 'user' and allow participants in the room without the lived experience of being a refugee entrepreneur to walk in the users' shoes. The intention was to establish a common ground to actively design from the perspective of a refugee entrepreneur with the goal of helping them overcome challenges. As a group, we developed two refugee entrepreneur personas that guided the rest of the design process.

PROFILE 1

Country of birth: South Sudan

Age: 23

Education: Melbourne

Lives: Footscray

Likes: Sports

Born in a Ugandan refugee camp, Deng was only three when his family arrived in Australia as refugees. His parents fled the civil war in South Sudan in the late 80s. He just finished his law degree at Monash University. He has a business idea to make legal aid accessible to all. Where does he start?

PROFILE 2

Country of birth: Syria

Age: 36

Lives: Regional Vic/NVoria

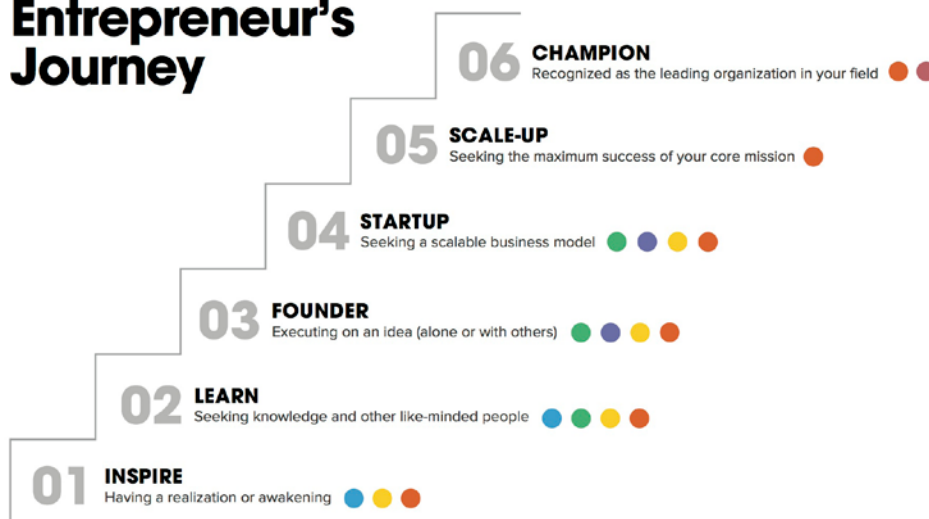
Likes: Hiking & meeting new people

Amina was 16 when the war in Iraq began. Her home was sprayed with bullets, it was unsafe to go to school for months at a time and Amina and her family were evicted from their home. In 2009, Amina and her 2 children fled to Syria where they applied for their visa to come to Australia. In her first two years in Australia, Amina learnt to speak English, had two jobs and was studied at TAFE. Started her own business 1 year ago that helps migrants and refugees secure employment. She wants to take her business to the next level. Where does she go?

Entrepreneur Journey Mapping

The next step was mapping the refugee entrepreneurs' pathway from ideation to founder to startup to scaling. The journey map was an effective way of communicating the pathway and experience of the entrepreneur to the participants and allowing them to identify different needs and support available along the way.

The Entrepreneur's Journey



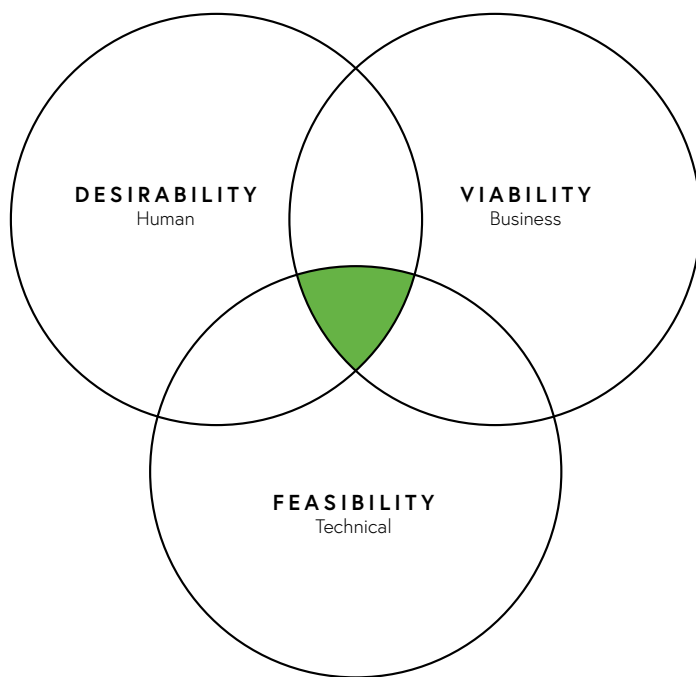
Source: Techstars - <https://www.techstars.com/content/entrepreneur-resources/entrepreneurs-journey-model/>

Identifying Main Challenges

The next step involved using the journey map to identify challenges and gaps the refugee entrepreneur faces at every step of the journey. Participants were encouraged to identify as much challenges as possible in small groups. These findings were presented back to the larger group and the key challenges were identified. Through the co-design process, the following four main challenges were identified: lack of information, lack of social capital, lack of early stage funding, and general discrimination.

Recommendations for Solutions

Participants then worked in groups to ideate solutions on the identified challenges. Here, groups were encouraged to come up with as many ideas as possible. Using brainstorming guidelines set by Open.IDEO, this task allows participants to use creativity and critical thinking to produce many different solutions. The benefit of doing this is that the likelihood of finding strong recommendations out of a pool of many ideas is higher, and encourages ideas that are outside the box. Once done, groups were once again invited to select and build up on the "best" solutions. Using a three lens approach, the best solutions were those that were deemed most desirable for users, technically feasible and financially viable. Each group had the chance to delve deeper into the technicalities of their selected ideas, now focussing on ironing out what their solutions would actually look like. By adding the three criteria, there's a chance to refine their ideas.



INNOVATION

The best solutions fall in the sweet spot of the intersectionality of feasibility, viability and desirability.

User Testing

Best solutions were presented back to the larger audience and "tested" by the audience through a feedback loop.

Appendix 3: Seven Steps to Success for Refugee Entrepreneurship

In April 2019, the Seven Steps to SUCCESS: Enabling Refugee Entrepreneurs to Flourish was published by the Centre for Policy Development, and discusses proposed steps to support refugee entrepreneurs. An infographic of their findings are included below.

Source - <https://cpd.org.au/wp-content/uploads/2019/04/Seven-Steps-to-SUCCESS.pdf>

Appendix 4: Co-Design Photos

