

Original Research Article

The coalition of three f: family, friend and firms; a study on migrant entrepreneurs in Mumbai

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ABSTRACT

Background: The paper examines how family and friends help successfully manage a firm and support in entrepreneurial activities. Entrepreneurial activity necessitates long-enduring working hours and often involves financial and emotional hardships. The study explores the collective effect of migrants' social capital, i.e., family and friend which facilitating labour and finance at new location.

Methods: For the present study, the primary survey was conducted in Mumbai from February 2018 to August 2018. A total sample of 540 self-employed migrants operating the business in Mumbai were interviewed.

Results: There are distinctive migration network channels in the form of family relatives, kin, friends, co-villager, local acquaintance. Age and marital status have surfaced to be paramount predictors for choosing self-employment. Confounders like bonds among family members, kins, friends and community support play an important in operating the enterprise. Results from logistic regression suggest that married entrepreneurs are 0.64 times more likely to have higher income than the never married individuals. Firms where spouses were actively engaged, were more likely to have higher income than reference category. The number of family members living together and helping firm activity is statistically significant with better business performance.

Conclusions: Salient findings suggest there is a greater degree of reliance among household members in migrant families. Migrant family members depict interpersonal bonds and common self-interest to provide financial and labour resource that helps in establishing and operating a business. Migrant network plays a key role in facilitating informal lending institutions providing credit and finance.

Keywords: Migration, Social capital, Entrepreneurship, Development

INTRODUCTION

Sustainable development goals aim to encourage entrepreneurship in the purview of targets encompassing migrant workers. SGD-Target 8.3, 8.6, 8.8 aims to promote development-oriented policies, support production activities and innovation, promote micro, small, and medium-sized enterprises, and decent jobs for all. It stresses the need to reduce unemployment and promote education and training, including migrants and

particularly women. Further SDG goals 8.8.1 and 8.8.2 incorporate ease of doing business and strengthening domestic financial institutions.^{1,2} In this regard, migration and entrepreneurship are of utmost priority for various countries and global forums. Strong evidence suggests migration promotes entrepreneurship.^{3,4} Migrant entrepreneurs substantially contribute to the economy at origin by sending remittances, which further significantly reduces poverty and promotes a number of opportunities.^{5,6}

Migrants in entrepreneurs succeed with the help of their social capital theories pertaining to social capital denote social networks as individuals' ability to utilize the benefits of being a member of a social structure.⁷⁻⁹ Migrants create social capital through strategy to formalize group relations, which can be used for shared benefits. Therefore, social capital is embedded in the elements of first; the social relationship allows associated individuals to claim access to resources possessed mutually. Second, it relates to the qualitative and quantitative aspects of the resource social capital that predominantly inherits relationships. Furthermore, the actors of relationships are family, extended family, friends, community members, co-villager, previous co-workers, former employers, individuals with high interaction, personal relationships, or individuals with close intimacy.¹⁰⁻¹⁴

Social capital refers to the importance of resources available to a person through their social relations.¹⁵ Although there is no single coherent theory of social capital, three assumptions are commonly made; the amount of social capital depends on (a) the number of contacts a person has, i.e., migration network (b) favours sought and received; and (c) resources made available.¹⁶

There are several elements to social capital. Firstly, the family as an inseparable institution of social capital embodies an important element where migrant uses it for their economic advancement. The family has a collective effort with a shared goal and strong interpersonal ties. Migrant family at destination provides cheap and unpaid labour, which leverages them with extra savings and increases financial resources.¹⁷

The profession of entrepreneurship is enduring and time-consuming; it tests once mental as well physical capacities. It necessitates long working hours and strings of emotional hardships attached. The involvement of family support in entrepreneurial activities helps to reduce stress.¹⁸⁻²⁰ Individual indicators of social capital such as parents in entrepreneurial activity, encouragement to set up the firm, being married, and spouse involvement increase the chances to join entrepreneurship.²¹

To set-up an independent business unit at the destination can never be an easy affair. Studies prove, with the long-standing interpersonal relationship and goodwill at the destination, migrants issues licenses and administrative approvals. Having strengthened social capital is essential in discovering raw material, market demand, existing gaps, and opportunities.²² Social capital exposes migrants to individuals who have prior market information.²³ There are significant advantages of having networks, such as participating in market worker unions and having close political affinity.^{8,9} Migrants are associated with rotational credit, low-interest rates, and informal credit association, which are essential for daily business operations as firms need frequent large sums of money to

make payments and busy raw materials or inputs for the business unit.²⁴⁻²⁶

Individual-level factors such as duration of residence are also crucial for understanding differences in self-employment. The longer a migrant has been in the destination, the higher is the social and the potential to raise capital to set up or expand a business.¹⁷ Recently arrived migrants have lower levels of self-employment than long-term migrants because, compared with the latter, the former typically have fewer start-up funds and more limited knowledge of the local economy.

The streets and neighbourhoods in an Indian urban space have a number of service providers; one such of all are the small entrepreneurs engaged in different forms from eateries to repairing and mending items, and they are quite easily visible. However, very little has been investigated to know about their demographic profile and characteristics of the enterprise and the ways they undertake the operations.

The present aims to study investigates social capital in the form of family and friends in Mumbai, Maharashtra. In the study we try to understand how migrants leverage their capital in developing and functioning entrepreneurial activities. The investigation is carried out capturing aspects like vital information and favours provided to migrants before reaching the destination i.e. Mumbai, place of shelter provided to migrants in the initial period at the destination. Their exposure to individuals who started or engaged in business activities at destination, having access or having any type of political support, local influencer during the initial set-up of the enterprise in Mumbai. Major financial aid received during the initial set-up of the business, access to formal and informal financial institutions, and cost to the capital entrepreneur has received from his family and friends. Individuals helped most in getting the occupancy space for setting up of the business unit, daily assistance of family members towards business activities, ethnic enclave effects, credit behaviour from purchases and customers.

METHODS

Study sample

The primary study was conducted in Mumbai among migrant entrepreneurs operating own account and non-directory enterprises in the three municipal wards of Grant Road, Kurla and Bhandup.

Individuals both male and female aged 18-64 years whose last usual residence is different from the place of interviewing and is residing in the destination for more than three years, owns or operates and works in Own account and non-directory enterprises at destination with a trade license. Therefore, the migrant entrepreneur in the present study is the owner of an enterprise in a municipal

government market as (Own account and non-directory enterprises). Respondent's place of the last residence is different from the present place of residence/place of interview and should possess a trade license, stall boards license, hawker license, they are either permanent or stationary, occupying space on the pavement or some other public/private space, or are mobile carrying their wares on pushcarts or in baskets on their heads.

The study on migrants in entrepreneurial activities; Mumbai has been selected with the rationality that it has always been the epicentre for migration. Its contribution to the economy through the informal sector has been enormous. Mumbai has always witnessed intra-state and inter-state migration, significantly affecting its population growth.³⁰ Mumbai constitutes over 2,50,000 to 350,000, and nearly 62% of male migrants to Mumbai reported employment and business-related reasons for the reason for migration.^{28,31,33}

Sample size and sample survey design

To estimate the sample size of the proposed study, NSSO 64th, 2008 round prevalence on migrant entrepreneurs in Mumbai who are engaged as an own-account worker and non-directory enterprises is computed, which is around 22% of the total migrant entrepreneurs in Mumbai. Total establishments having a licence under the Bombay Shops and Establishments Act were 330000. The total sample size determined for the study was 540. We adhere to two-stage probability proportionate to size circular systematic random sampling. In the first stage sampling unit, three urban cluster zone of Mumbai is selected with the rationale to attain maximum variation in sampling, which are a) Mumbai city and b) Mumbai sub-urban c) Peripheral outer zone. The definition of Mumbai urban cluster is adopted from the census of India (Census 2011 Maharashtra series 28 part XII-A, Census 2011 Maharashtra Series 28 part XII-B).³² In these Zones, three Municipal wards are randomly selected. From the first Zone Mumbai city, we had selected Municipal ward 'D' Grant Road. The ward of (L) Kurla have been selected from Mumbai Sub-urban; lastly, (S) Bhandup has been selected from the Peripheral outer zone.

Probability proportionate to size (PPS) has been used to determine the number of samples is drawn from each zone by the number of licences municipal corporation of Greater Mumbai (BMC, 2015) has issued in each of the selected wards.

Grant road 'D' ward had 12,566 numbers of municipal corporation of Greater Mumbai, or Brihanmumbai Municipal corporation (BMC) issues licensed shops and establishments (MCGM, 2015. Sr. inspector shops and establishments department, ward D 2015). Using PPS and desired sample size of 540, we attained a sample of 125 individuals for Grant Road 'D' ward. In Kurla 'L' ward has 23,761 numbers of BMC issues licensed shops and establishments (MCGM, 2015. Sr. inspector shops and

establishments department, ward L). Using PPS and desired sample size of 540, we attained a sample of 235 individuals for Kurla 'L' ward. Likewise for the third municipal ward Bhandup 'S' ward has 18,443 numbers of BMC issues licensed shops and establishments (MCGM, 2015. Sr. inspector shops and establishments department, Ward S). Using PPS and desired sample size of 540, we attained a sample of 180 individuals for Bhandup 'S' ward.

Instrument used for data collection

The present study uses primary data, and a semi-structured interview schedule is used during data collection. A semi-structured interview schedule was undertaken. Primary data collection were conducted between the months of the February 2018 to August 2018.

Ethical consideration

The study has observed all scholastic ethical considerations through an institutional review committee. Confidentiality, privacy and informed consent of the respondent were the foremost ethical practice in the present study. Informed consent is written/oral had been taken from the respondents before the interview, and they may leave at any point of the interview. The entire purpose of the study was explained, and assurance of confidentiality of the collected information was given to the respondents.

RESULTS

Exposure to individuals who started or engaged in business activities at the destination

Self-selection is governed by several aspects of social capital, one of which is exposure to individuals who are engaged in self-employment, close contacts at destination providing essential information, providing exposure to the market, introducing the market needs, explains profitable products, providing skill, explaining demand and supply chain are introduced to a person, who is newly entering. In the pretext, we examined migrants' exposure to individuals who started or engaged in business activities at their destination. Findings suggest it was relatives 28%, followed by friends and co-villagers about 17%, who mainly motivated migrants to join entrepreneurial activities, as they were exposed to the individual at the destination who were running a business, giving them added benefits of knowing the market, providing and identifying needs of the market and the cheapest raw material at their disposal. Most importantly, it grooms them with the skills required for start-up. There is a clear gender divide of the primate person to whom they were exposed. It is more of a family relative tie for females, whereas, for males, it is more about exposure to the market, albeit relatives and friends acting as incentives, too, as in Table 2.

Table 1: Migrants exposure to individuals who started or engaged in business activities at the destination.

Relationship	Male	Female	Total	
	%	%	N	%
Kin	1.3	25.4	21	3.9
Relatives	27.7	28.8	150	27.8
Friends	17.7	22.0	98	18.2
Co-villager	19.5	3.4	96	17.8
Previous employer	27.4	5.1	135	25.0
Friends/relatives/ family members	5.0	11.9	31	5.7
Self-managed	1.5	3.4	9	1.7
Total	89.1	10.9	540	100

Having any form of political support, local influencer during the initial set-up of enterprise

Setting up a business requires registrations, administrative paperwork, license, approvals of space. Depending upon the nature of commodity for sale and some level of connection that acts as easing of entry to the market. In this section of the chapter, we tried to explore if migrants had or currently have any local political support currently or in initial startup period. Results from Table 2 show that 35 per cent of the total survey population reported having some form of political or local influencer support in the operation of the business unit. Findings also suggest that nearly 53 per cent of the total survey population was inter-state migrants. Thirty-three per cent of the total inter-state migrant population affirmed having some political affinity or seeking help from local influential persons to set up the business unit. In contrast, intra-state migrants (migrants from other districts of Maharashtra) show that inter-state migrants had twice more political connections than 66%, and support in initiating the business unit.

Table 2: Reported of having any form of political support, local influencer during the initial set-up of enterprise.

Response	Intra-state migrant	Inter-state migrant	Total	
	%	%	N	%
No	36.3	63.7	336	64.5
Yes	66.5	33.5	185	35.5
Total	47.0	53.0	521	100

Major financial aid received during the initial set-up of the business, access to formal informal financial institution, and the cost to the capital

Results from Table 3 show that most respondents reported using their savings to set up the business unit at 41.48%. Besides that, loans from friends or family members and sums from parents were used to set up the firm. The migrant entrepreneurs reported being reluctant

of accessing formal financial institutions like state, nationalized banks. Only around 12% of the respondents reportedly utilized loans from the same. The informal economy is known for transactions between agents like money lenders lending from friends and family. In the present study population, the share of the population opting for such transactions are up to 28%. Items are also purchased on debt and paid for after-sales from distributors, wholesalers and producers (Table 4, i.e., financial assistance received by entrepreneurs). The probable reason for not going to formal financial institutions for loans was the cost of the capital, interest rates, paper works, as well as time consumed in acquiring those. The formal loan providers provide loans at almost similar rates to informal agents, but establishment owners still prefer informal ones, as they require sums quickly and without doing paperwork. Table 5 and 6 also shows the distribution of major financial aid by sex also. Among the male, 43% used their savings to set up the business, followed by loans from friends and family, 30.56% and family or parents saving used were 16%. Whereas in the case of females, 41% used their parents/ family savings to set up a business. Compared to males, more per cent of females received loans from formal financial institutions like banks, 10.6% and 25.4% respectively. We can conclude that more female entrepreneurs believe in informal financial institutions, whereas male entrepreneurs choose informal financial institutions over formal financial institutions.

Table 3: Major financial aid received during the initial set-up of the business.

Relationship and institution	Male	Female	Total	
	%	%	N	%
Self-saving	43.0	28.8	224	41.5
Family parents saving	15.8	40.7	100	18.5
Bank loan	10.6	25.4	66	12.2
Loans from friends and family	30.6	5.1	150	27.8
Total	89.1	10.9	540	100

Financial assistance received by entrepreneurs in last three years

Ethnic enclave provides support to members of the migrant community. They provide social support, perform religious social customs together and provide finances at times of need. Migrants tend to reside in an enclave with households from the same state, similar language, co-villager, and relatives. Responses were collected on the number of households in the neighbourhood and number of establishments working in the same market locality from the same place of origin and whether they provide and receive financial assistance from their neighbours. Among the study population, family/friends/relatives and Debt from money-lender are the most common source for availing finances for entrepreneurial activity. There exists a sharp sex

differential in access to finances. For males, the most common sources for availing finances were family/friends/relatives and debt from money-lender, whereas, for females, formal institutions. The reason behind it was that the female respondents believed loan from banks was safer and cheaper for them than the females to other sources. Looking further, we found that with the increase in the duration of stay, there is an increase in receiving and providing financial assistance in the locality.

Table 4: Financial assistance received by entrepreneurs in last three years.

Assistance provider	Male	Female	Total	
	%	%	N	%
Self-help group	10.5	9.5	45	10.37
Nationalised/regional banks	16.1	47.6	83	19.12
Debt from money-lender	28.8	16.7	120	27.65
Family/friends/relatives	28.8	19.1	121	27.88
Items on credit from suppliers	15.8	7.1	65	14.98
Total	90.3	9.7	434	100

Cost to the capital of different financial assistance received by entrepreneurs in last three years

Cost to capital is the interest rate each entrepreneur has to pay in lieu of the acquired loan. Cheap cost to capital is an essential predictor for small scale business enterprises. As small-scale entrepreneurs with limited education and resources, enterprise owners prefer low-cost loans involving less paper work and less processing time. Table presents the cost to the capital of different financial institutions incurred by entrepreneurs in the last three years. A total of 416 entrepreneurs could recall the rate of interest and reported acquiring any form of loan in the last three years. The present analysis is based on those 416 responses. Among the study population, 33% of entrepreneurs received financial assistance with a 7-10% interest rate, followed by 29% received help with a cost of 4-6% of interest rate. Note that nearly 16 per cent of entrepreneurs received financial help with no additional cost (no interest). Henceforth we can summaries that most entrepreneurs had to pay 7-10% of the loan amount. The lowest rate of interest of the loans are reported to be availed from friends, family and relatives, and the loans availed from banks are reported to be highest by the entrepreneurs. The phenomena of informal money lending have been very well captured as we see the most common source of monetary assistance for entrepreneurial activities was money landed from family friends and relatives 28% followed by debt from money lender 27%. Small self-help groups are playing a relatively important role in lending as we observe 11% of the entrepreneurs report to lend money from them in the last three years.

Household members usually provide assistance in daily business activity

Receiving daily assistance in establishment functioning from household members is essential for establishments of own account and non-directorate. Family members mostly assist in business activities without any remuneration; they provide help at all times of the day and during seasons that require more managerial help or human resource, in Table 6.

It is witnessed that brothers of owners are the ones helping them on daily affairs 34.5% followed by their spouses 26.86% and sons 24.3%. From the study population, it is observed that parents (both mother and father) of the owner are the rarely helping them on daily affairs 1.57% and 4.95%. One of the possible motives for the low involvement of owners' parents in business is that they are not living with them, i.e., probability they stay at their home town.

The total number of individuals working in 540 establishments was 952, out of which 839 were persons from the same origin and language, thus implying a strong network effect and person of similar language origin getting employed in those establishments. They were close primarily cousins, brothers, relatives and co-villagers.

Investigating usual categories who provide assistance towards daily entrepreneurial activity we found; mothers, fathers and sons below 14 years of age, reported to often assisted in business. Brothers, spouses and sons were the household family members who daily provided assistance towards entrepreneurial activities.

Type of association with the owner of the firm from where most commodities are purchased, period and mode of payment of the purchases

Items for selling, either raw material or semi-finished, are mostly procured for wholesalers, outlets, producers familiar to them. Deferred payments for the purchased items for the enterprise helps in any business entity. In order to explain if there were a persistent network between the owner of the store from where items for business were purchased and the migrants we explore this section. Therefore, this section examines the relationship between the entrepreneurs and the super stockiest or wholesaler from where items are purchased. We found that about 51 per cent of the entrepreneurs have reported that the items that were bought from such places did not have a relationship. Rest 49 per cent of the remaining entrepreneurs reported a relationship between the entrepreneurs and the super stockiest or wholesaler from where items are purchased. The respondents stated to purchase items mostly from someone from the same origin, speaking the same language, or a friend, relative, followed by a previous employer. Co-villager store owners from the same state of origin were 21%

commodity purchased from stores where the owner was a relatives/ Kin was 11 per cent. Items were also purchased from friends and relatives 17%.

The period of time given for making payment for purchases signifies trust and added monetary gain enjoyed by entrepreneurs. We tried to explore the period or usual time taken for making payments for the purchases of inputs. Findings show 16% of the respondents stated they usually pay for the items on very purchase, whereas 34% of them reported to pay for the current payment of the next purchase. Eleven per cent of the respondents reported to have the liberty to pay for the items after the sale of the same, likewise, 39% of the entrepreneurs responded that they usually pay for the input items in a week time.

We attempted to apprehend the relationship between the assistance provided in from delayed payments for the purchased items and the relation from where items are bought. Evidently, the entrepreneurs leveraged having some form of relationship on their purchases. For the indicator payment made on the very purchase, it was highest among the purchases that were made from stores not associated. For items purchased from relatives or kin, payments were made on the next purchase, 44% and in a weeks' time, 37%. For items purchased from friends, payments were made in the next purchase 35% and on a week time 37%. The items purchased from former employer payments were made on the next purchase 36% and in a week time 45%. For the items purchased from the co-villagers of the same state of origin payments were made in next purchase 41% and on a week's time 45%.

Linear regression result for respondents log monthly income by human capital

Table 4.16 show the unadjusted and adjusted results for

respondents log monthly income by human capital. Results of regression analysis revealed that as age increased, the monthly income has increased. However, it became insignificant for entrepreneurs aged 31-50 years after adjusting for other background characteristics. Unadjusted results show that respondents who took migration move at an older age had a higher monthly income level than younger. As destination the duration of stay is positively related to the monthly income in the unadjusted model. Respondents who started business at 31-45 years (β : 0.13, 95% CI: 0.02:0.24) were more financially rewarding than the young respondents. Also, the monthly income has increased by 17% (β : 0.17, 95% CI: 0.04, 0.31) and 29% (β : 0.29, 95% CI: 0.1:0.49) on an average for the respondents who experienced 11-20 years and more than 21 years. The monthly income is significantly higher among the respondents who belonged to other religions (β : 0.16, 95% CI: 0.04, 0.28) and general social group (β : 0.11, 95% CI: 0.02, 0.19) than respondents belonged to Hindu religion and another social group. The marital status also has a significant impact on the monthly income of a respondent. Compared to unmarried respondents, the monthly income has increased by 64% (β : 0.64, 95% CI: 0.5, 0.78) for married respondents. The present study revealed that parental exposure and respondents' previous business exposure prior to set-up were also an important factors in monthly income. A lower monthly income level was associated with respondents with disability (β : -0.34, 95% CI: -0.57, -0.12). Respondents who reported a fair state of health (β : -0.32, 95% CI: -0.46, -0.18) were less likely to have a higher level of monthly income than respondents with excellent health. Nevertheless, after controlling the effects of other background characteristics, respondents who reported very (β : 0.25, 95% CI: 0.12, 0.38) and good (β : 0.23, 95% CI: 0.07, 0.39) state of health were more likely to have a higher level of monthly income than respondents with excellent health.

Table 5: Cost to capital of different financial assistance received by entrepreneurs in last three years.

Cost to capital	Self-help group	National, regional banks	Debt from money-lender	Family/friends/ relatives	Items on credit from suppliers	Total	
	%	%	%	%	%	N	%
No interest	-	-	11	79	10	66	16
Upto 3%	8	6	22	33	30	36	9
4-6%	19	8	26	27	20	120	29
7-10%	12	20	45	11	12	137	33
11-14%	4	75	8	10	2	48	11
15-above	11	78	11	-	-	9	1
Total	11	20	27	28	14	416	100

Table 6: Household member usually providing assistance in daily business activity.

Relationships		Rarely	Often	Usually	Daily	Total
Brother	N	130	118	90	178	516
	%	25.19	22.87	17.44	34.50	100
Spouse	N	149	74	150	137	510
	%	29.22	14.51	29.41	26.86	100

Continued.

Relationships		Rarely	Often	Usually	Daily	Total
Son	N	263	83	34	122	502
	%	52.39	16.53	6.77	24.30	100
Father	N	264	165	51	25	505
	%	52.28	32.67	10.10	4.95	100
Mother	N	334	145	24	8	511
	%	65.36	28.38	4.70	1.57	100

Table 7: Type of association with the owner of the firm from where commodities are purchased.

The way commodity bought were associated to entrepreneurs	Very purchase	Next purchase	After commodity sold	In a week	Total	
	%	%	%	%	N	%
Not associated	20.9	32.7	7.3	39.1	273	100
Relatives/ kin	0.9	44.3	17.3	37.4	61	100
Friends	14.6	35.4	12.5	37.5	48	100
Former employer	2.3	36.4	15.9	45.5	44	100
Co-villager same state of origin	9.9	41.1	11	37.9	113	100
Total	15.6	34.3	10.6	39.5	539	100

Table 8: Linear regression result for respondents log monthly income by human capital.

Variables	Unadjusted coefficients (95% CI)	Adjusted coefficients (95% CI)
Age (years)		
22-30®		
31-50	0.49*** [0.36:0.62]	0.18 [-0.07:0.42]
51-70	0.73*** [0.59:0.87]	0.33* [0.04:0.62]
Age at migration move (years)		
3-10®		
11-20	0.15 [-0.01:0.32]	0 [-0.18:0.18]
21-30	0.23** [0.07:0.38]	-0.09 [-0.29:0.11]
31-50	0.49*** [0.29:0.68]	-0.03 [-0.29:0.22]
Duration of stay (days)		
3-10®		
11-20	0.07* [-0.08:0.23]	0.01 [-0.17:0.19]
21-30	0.18** [0.03:0.34]	-0.09 [-0.3:0.12]
>31	0.32*** [0.17:0.48]	-0.04 [-0.3:0.22]
Age at entry to market (years)		
7-14®		
15-25	0.06 [-0.05:0.18]	-0.06 [-0.17:0.06]
26-35	0.11 [-0.02:0.24]	-0.06 [-0.2:0.08]
36-50	0.16 [-0.1:0.42]	-0.02 [-0.28:0.23]
Age at business start-up (years)		
16-30®		
31-45	0.22*** [0.13:0.31]	0.13* [0.02:0.24]
46-56	0.27** [0.08:0.46]	0.16 [-0.07:0.39]
Total firm operation (years)		
Below 5®		
6-10	0.19*** [0.09:0.3]	0.04 [-0.07:0.16]
11-20	0.39*** [0.28:0.49]	0.17* [0.04:0.31]
>21	0.49*** [0.36:0.62]	0.29** [0.1:0.49]
Religion		
Hindu®		
Muslim	-0.04 [-0.15:0.07]	0.01 [-0.09:0.1]
Others	0.16** [0.04:0.28]	0.08 [-0.03:0.19]
Social group		
Others®		
General	0.11** [0.02:0.19]	0.07 [-0.01:0.15]

Continued.

Variables	Unadjusted coefficients (95% CI)	Adjusted coefficients (95% CI)
Marital status		
Never married [®]		
Ever married	0.64*** [0.5:0.78]	0.33 [-0.04:0.71]
Education qualification		
No schooling [®]		
Primary	-0.03 [-0.23:0.16]	-0.03 [-0.19:0.14]
Secondary	-0.01 [-0.2:0.18]	-0.05 [-0.21:0.11]
Higher education	-0.17 [-0.37:0.02]	-0.14 [-0.31:0.03]
Parents ever exposure to business		
Not exposed [®]		
exposure	0.24*** [0.14:0.34]	0.17** [0.06:0.29]
Respondents' previous business exposure prior to set-up		
Not exposed [®]		
Exposed	0.27*** [0.18:0.36]	0.16** [0.04:0.28]
Involvement spouse		
Logistics [®]		
cashier	-0.12 [-0.24:0]	-0.13* [-0.24:-0.02]
managerial	-0.07 [-0.2:0.06]	-0.07 [-0.18:0.05]
Disability		
No		
Yes	-0.36**[-0.6:-0.11]	-0.34**[-0.57:-0.12]
The self-reported current state of health		
Excellent [®]		
Very good	0.11 [-0.01:0.24]	0.25*** [0.12:0.38]
Good	-0.02 [-0.16:0.10]	0.23** [0.07:0.39]
Fair	-0.32*** [-0.46:-0.18]	0.15 [-0.03-0.34]

[®]Reference Category, * p<0.05; **p<0.01; ***p<0.001

DISCUSSION

Salient findings suggest a greater degree of reliance among household members in migrant families. Migrant family members depict interpersonal bonds and common self-interest to provide financial and labour resource that helps in establishing and operating a business.^{8,9} The migrant network plays a key role in facilitating informal lending institutions providing credit and finance.

It is pertinent that entrepreneurs leverage social capital to utilize the benefits of being member of a social structure, social network. Small businesses require constant monitoring, subsidized loans, investment tips, and friends and relatives' advice is particularly important for its smooth running. It is evident that the role of social capital was pivotal in sharing valuable information.

Migrants use social capital as a combination to support accessed and advice received from other members of the community.¹¹⁻¹⁴ Firstly, empirical evidence suggests that the family emerged as an inseparable institution of social capital that embodied an essential element where migrants use it for their economic advancement. The second inseparable institution of social capital was friend support. The role of family and friend as an integral component of social capital is studied under the heads of major finances received from family members, cost to capital, leveraging time to pay the purchased items on a later date, help in getting occupancy space for business,

household members usually aiding daily, entrepreneurial advice received. The role of society or network as an integral component of social capital is explored under the heads of sources of Vital information and favours provided to migrants before reaching the destination, initial just after migration move shelter, political support and local influencer support to the migrant, major finances received, access to capital, cost to capital, conducive environment to pay the purchased items on a later date, the number of families and entrepreneurs at the place of origin and the frequency of financial assistance.²²⁻²⁵

In providing vital information, exposure to migrants before reaching destination place most for co-villagers, relatives, and friends who provided them with important messages gave them exposure to the place of destination.²³ These were the primary exposures that the migrants received, which brought or motivated to migrate at this particular space. For males, co-villagers and relatives, and for females, kin and relatives were the individuals who provided them with primary information and helped them in the process of migration.

Exposure to individuals who started or engaged in business activities at destination analysis helped us identify those relatives, friends, and co-villager were the primate source of market exposure to entrepreneurs. They mainly motivated migrants to join entrepreneurial activities, as they were exposed to individuals at the destination who were running a business, giving them

added benefits of knowing the market. In an attempt to understand and identify if migrants had the form of political support, local influencer during the initial set-up of the enterprise, it was found that one-third of the total survey population reported to have some form of political support or local influencer support in the operation of the business unit.

In the enquiry to understand and identify the major financial aid received by entrepreneurs in the initial set-up of the business, access to the formal-informal financial institution, and the cost to the capital, we find that; two-fifth of the respondents reported of using their savings in setting up of the business unit.⁹⁻¹⁶ Loans from friends or family members and sums from parents were used in the firm's setting up and these were significant contributors in providing financial assistance. Study population reported being reluctant of accessing formal financial institutions like state nationalized banks. There are compelling evidence suggesting parallel to informal economy which is known for monetary transaction between agents, money lenders, lending from friend and family this population too depended on informal sources of financial assistance. Cost to capital analysis suggests that most entrepreneurs had to pay 6-10% of loan incurred amount.

To identify the synergy between migrants' communities at destination, the present chapter also explored the financial assistance provided to neighbors and fellow businessmen. Financial assistance promotes social connection, cohesion and goodwill, ultimately enhancing social capital. About three-fifths of the respondents reported providing financial assistance to neighbors and fellow businessmen, whenever reached for. About half of the respondents agreed to receive financial assistance from neighbor and fellow businessmen in time of need.²⁵

The greater is the advantage for entrepreneurs for younger age at migration moves, increased duration of stay at destination, brothers, spouse and sons' involvement in firm over lake of support at enterprise in terms of transaction costs, the more pronounced will be the positive correlation between family participation and wealth. Positive associations between wealth and family and friends' participation seem also to have prevailed in the same. The argument would apply to the positive association between wealth and the age at business start-up, total firm operational years.

There are a few limitations in the present study that need to be taken into account. First, due to the diverse nature of the economic activity, the present study considers only the own account and non-directory establishments. Secondly, the study is localised in few selected areas; any generalisation of the study findings shall not be possible for the overall district or state.

CONCLUSION

Finally, to conclude the study advances knowledge and

understanding in the field of business and social capital. Previous literature on social capital of entrepreneurs were form the west and not much literature pertaining to this subject comes form Indian sub-continent. Theories pertaining to social capital denote the ability of individuals to utilize the benefits of being a member of a social structure, social network at the place of destination. The findings are congruent to existing literature where individuals' social capital helps in choosing and effectively functioning entrepreneurial activities at destination. Having access to individuals or firms which are functioning business, having access to cheap cost to capital, and deferred payments of items purchased for sale helps in ease of doing business. Having support of family fiends help in successfully managing firm, the collective effort of social capital has positive impact on the earnings health and wellbeing of entrepreneurs.

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