

RESEARCH ARTICLE

The rise of Mexican entrepreneurial migration to the United States: A mixed-embeddedness approach

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Although many studies have analyzed the behavior of high-skilled migration to the United States, few have focused on the escalating migration of Mexican entrepreneurs, and particularly on the determinants of this kind of high-skilled migration. This article addresses this gap through a qualitative approach conforming to quantitative procedures, based on 20 in-depth interviews applied to Mexican entrepreneurs working and/or living in the United States. Theoretically, a mixed-embeddedness approach guides this research because it allows examining both the individual characteristics of Mexican entrepreneurs, and the influence of the home and host countries' institutional contexts on their business endeavors. Findings revealed Mexico's institutional weaknesses, such as insecurity, corruption, and bureaucracy, are important drivers of migration but so are the perception of a friendly U.S. fiscal system, the search for a better quality of life, and the appeal of a more transparent business environment.

KEYWORDS

entrepreneurial migration, high-skilled migration, institutional voids, Mexico-United States migration, mixed-embeddedness framework, opportunity migrants

1 | INTRODUCTION

During the last two decades, the landscape of migration from Mexico to the United States has changed. Affected by socioeconomic and political dynamics in both countries, the profile of the migrant population has become more diverse and complex (Consejo Nacional de Población et al., 2014; Feliciano, 2008; Pandit & Holloway, 2006; Rodríguez Gómez, 2009). While there is still a movement of less-educated Mexicans to United States, contemporary migration includes a growing flow of highly educated persons (Portes, Escobar, & Arana, 2009, p. 104). Moreover, whereas the total number of Mexicans in United States stopped growing or even declined in recent years, the skilled Mexican population continued to increase (Chiquiar & Salcedo, 2013, p. 12). In fact, Tuirán and Ávila (2013) report Mexico is the Latin American country with the highest number of qualified migrants to Organisation for Economic Co-operation and Development countries, mainly United States. According to the National Institute of Statistics and Geography (INEGI, 2016a), the proportion of Mexican migrants with high school and college education went from 25.3% in 2008 to 31.9% in 2014.

This growth in skilled migration is linked to both strengths of the U.S. institutional environment and to institutional weaknesses of Mexico.

It is well known that in recent years the problem of drug trafficking and organized crime has worsened in Mexico, causing a serious situation of widespread insecurity. The harmful effects of organized crime have not only touched the different cartels that fight for power, but also the government institutions and the society as a whole. One of the sectors of the society most affected by organized crime has been the high-skilled entrepreneurial class. In fact, INEGI (2016b) reported in its 2016 National Survey of Business Victimization (ENVE) that 35.5% of economic units (private businesses) in Mexico were victims of some crime in 2015. Moreover, more than half of the economic units surveyed consider insecurity and crime as the problem that most affects their business. Thus, entrepreneurs have become one of the many targets of drug cartels that extort or kidnap or rob them, taking advantage of the high level of impunity prevalent in Mexico labeled by Campbell and Hansen as "absolute lawlessness" (Campbell & Hansen, 2014, p. 163). Consequently, many of these entrepreneurs have migrated to other countries, mainly to United States, in search of a safer and more stable environment. In fact, the number of entrepreneurs relocating to United States, which can be tracked to some extent by the number of U.S. investor visas (E1/E2/EB-5) granted to Mexican citizens, increased dramatically from 7,503 in 2006 to 65,625 in 2016 (U.S. Department of Homeland Security, 2017a, 2017b).

Despite the rising importance of high-skilled entrepreneurial migration, studies about it are scarce, particularly so in the Latino case (Chrysostome & Lin, 2010, p. 78; Cruz-Piñero & Ruiz-Ochoa, 2010; Robles & Cordero-Guzmán, 2007, p. 18). This increased migration has been often interpreted as a mechanism to escape from organized crime but the literature has not further analyzed whether there are other institutional weaknesses, which contribute to this migration. Endemic corruption among both politicians and different players of the private sector appears to contribute also to entrepreneurs' decision to move their businesses to United States because this institutional weakness significantly increases transaction costs (Doh, Rodrigues, Saka-Helmhout, & Makhija, 2017).

Therefore, it is appropriate to deepen the analysis of the reasons that explain the increase of this type of migration by answering the following questions: is insecurity the main institutional void motivating Mexican entrepreneurs to migrate to United States or are there other institutional factors that contribute to this displacement? Do institutional deficiencies of the Mexican context effectively explain the increase in qualified business migration to United States or is it rather the search for more profitable business opportunities?

This study contributes to answer these questions through the application of the mixed-embeddedness approach, which allows examining both the individual characteristics of Mexican entrepreneurs and the influence of the home and host countries' institutional contexts on their business endeavors.

The analysis follows a qualitative approach conforming to quantitative procedures (Welch & Piekkari, 2017), based on the application of 20 in-depth interviews to Mexican entrepreneurs living and working in Texas. The findings reveal, apart from insecurity, there are other relevant institutional weaknesses (corruption, bureaucracy, and fiscal uncertainty) in Mexico that drive the migration of high-skilled entrepreneurs, as well as attractive U.S. institutional conditions (friendly fiscal system, higher quality of life, a more transparent business environment) that appeal and retain them.

2 | THEORETICAL FRAMEWORK AND RESEARCH QUESTIONS

2.1 | High-skilled (entrepreneurial) migration

There is no consensus in the literature when defining "high-skilled migration" due to the complexity of the term. As suggested by Koser and Salt (1997, p. 287), this term implies the interplay of three conceptual bases: the migrant, the state, and the employer. For the purposes of this article, "high-skilled migration" is understood as people who have a tertiary educational qualification or its equivalent (Koser & Salt, 1997, p. 287), and who bring valuable skills that are in short supply in the host country (Brücker, Bertoli, Facchini, Mayda, & Peri, 2012). Migrants with a solid educational and labor background comprise an appealing group to their host economies due to their high rate of mobility and their significant contribution to the local economy. They tend to hold very specialized skills and occupations, and comprehend a broad set of individuals such as scholars, professionals (lawyers, physicians, architects, scientists, etc.) organizational and self-

initiated expatriates, and entrepreneurs. They face low formal barriers to migration and are less financially constrained than traditional migrants are (Parey, Ruhose, Waldinger, & Netz, 2017).

Although much of the literature shares the view that migrants are more likely to engage in entrepreneurial activity as a means of upward social and economic mobility (Light, Savagh, Bozorgmehr, & Der-Martirosian, 1994), most of the high-skilled migrants are not necessity-based but an opportunity-based group, as they are looking for a profitable business environment. Chrysostome (2010, p. 138) defines a migrant entrepreneur as one who freely decides to start a business to take advantage of an opportunity. Migrant entrepreneurs are distinguished not only by their migration channels but also by their differing motivations, destinations, and mobility patterns (Tseng, 2000, p. 150). Thus, they constitute a very heterogeneous group whose profile, experiences, and contributions to both the home and the host countries significantly vary. The nature of their business also varies depending on their decision of addressing and operating the business within the ethnic community or broadening it to the mainstream economy (Mustafa & Chen, 2010). In this sense, Ndofor and Priem (2011, p. 794) suggest migrant entrepreneurs possessing high economic capital are more likely to favor dominant market strategies. As stated by Echikson (2000), migrant entrepreneurs contribute to economic reactivation and to the social invigoration of host communities.

Entrepreneurial migration to United States has significantly grown during the last few decades. In fact, immigrants constitute 16.3% of the total US work force, implying a higher business ownership rate than the US born rate, and they represent 24.9% of all new business owners in United States (Fairlie & Lofstrom, 2015). Furthermore, Fairlie and Lofstrom (2015) underline the fact that immigrant-owned businesses are found to make large contributions to total employment in United States; they hire an average of eight employees each. In terms of wealth derived from entrepreneurial activity, Fairlie and Lofstrom (2015, p. 31) report average earnings of immigrant-owned businesses are lower than for natives but these earnings tend to rise with time in the host country.

2.2 | Distinctiveness of high-skilled Mexican migration to United States

The Latin American and Caribbean region has been very dynamic in terms of high-skilled migration. Lozano-Ascencio and Gandini (2010) found out this region experienced the highest world growth of skilled migration between 1990 and 2007; they confirmed this result in a later study (Lozano-Ascencio & Gandini, 2011, p. 686) determining that, between 1990 and 2008, high-skilled migration increased by 164% in this region.

A key factor that distinguishes Latino migrants from other migrant groups is the hostile home institutional context most Latinos face. Migrants coming from emerging markets face a home environment characterized by "the absence of specialized intermediaries, regulatory systems, and contract-enforcing mechanisms" (Khanna, Palepu, & Sinha, 2005, p. 63), labeled as institutional voids by Khanna and Palepu (1997). Nonetheless, the influence exerted by organized crime on Latin American formal and informal institutions is so powerful that, in some cases, organized crime cells have become pseudo

"institutions" that challenge or even replace formal institutions such as state or municipal governments. The infiltration of organized crime groups can be so strategic that even some members of the local society "protect" them or become their accomplices, which makes it difficult for the rest of the society to take a position openly against organized crime groups or to undertake concrete steps to change this situation. This fact strongly affects the business endeavors of local entrepreneurs who find it very difficult to overcome the demands of criminals, and who end transferring partially or totally their enterprises to other countries such as United States in search of a safer environment. In this way, the weakening of the rule of law is a factor that drives entrepreneurs to look for business environments that guarantee the application of the law. As Vaccaro and Palazzo (2015) suggest, citizens of countries facing this kind of institutional voids become distrustful of the capacities of the police and, in general, of the local authorities to fight problems of insecurity and they associate them with criminal groups.

Among Asian migrants, the ethnic enclave greatly supports the entrepreneurial activity but in the case of the Latino migrants, the cohesion of ethnic enclaves varies according to the migrants' sociodemographic profile. Interestingly, as reported by Fairlie and Lofstrom (2015), Mexico tops the list of immigrant business owners in United States, with 570,170 business owners representing nearly a quarter of all immigrant business owners in United States, which is explained by the large share of Mexican immigrants in this country. However, according to these authors, the Mexican immigrant rate of self-employment is only 6% in United States, a rate that is substantially lower than the national average of 11%. In terms of earnings, an interesting result of Fairlie's study (Fairlie, 2004) about Hispanics entrepreneurs is that their earnings grow faster than those of Hispanics wage/salary workers do. However, business earnings and performance tend to be higher among Asian immigrant entrepreneurs than among Latino immigrant entrepreneurs.

Doh et al. (2017) suggest home institutional voids may affect entrepreneurs even when they decide to develop their business endeavors in another country. This could apply to Mexican businesspersons, because Mexico's bad reputation, in terms of corruption, bureaucracy, and disorganization, persecutes them in United States and makes it difficult for them to get clients, suppliers, or to attract employees. Thus, the effect of the institutional gaps in the country of origin also hinders entrepreneurs' activity in the host country.

2.3 | Factors affecting the migration of Mexican entrepreneurs to United States

Although many of the Mexican entrepreneurs migrate to escape increased drug-related homicides and criminal activity (Rios Contreras, 2014, p. 200), there may be other factors, which explain their exit. As Meyer (2001, p. 99) states, most highly skilled migrants' departure is not simply due to practical limitations. Hence, to fully understand the dynamics of Mexico-to-United States entrepreneurial migration, it is necessary to broaden the analysis of the factors that are normally explored as part of the traditional migration literature (Rios Contreras, 2014, p. 200).

The mixed-embeddedness framework developed by Kloosterman, Van der Leun, and Rath (1999) allows analyzing the individual characteristics of the entrepreneurs (micro-level), and the social, economic, and politico-institutional environment (macro-structure) in which they undertake their business endeavors. As Price and Chacko (2009, p. 343) point out, mixed embeddedness is jointly constituted by the actions of both migrants and institutions. Many migration researchers have not applied the mixed-embeddedness framework, although it is useful to conduct a deeper analysis of this phenomenon (Zolin, Chang, Yang, & Ho, 2016).

While entrepreneurs' personal profile plays an important role in motivating migration, their business performance may be influenced more by institutional settings than by their national cultural values (X. Yang, Ho, & Chang, 2012, p. 766) or their individual characteristics. As Zhou (2004, p. 1046) asserts, particular contexts of exit and reception can affect social environments and cultural migration conditions. Therefore, the analysis of both home and host institutional contexts helps understand why and how immigration takes place and in what way specific institutions promote or constrain migrant entrepreneurship (Aliaga-Isla & Rialp, 2013, p. 835; Ilhan-Nas, Sahin, & Cilingir, 2011, p. 620). This comprehensive approach leads to the identification of both the starting reasons that trigger migration and the forces that perpetuate it (Massey, Durand, & Malone, 2009, p. 25).

Chrysostome (2010, p. 137) suggests a model of survival factors for necessity-immigrant entrepreneurs. These factors, while operating under different circumstances and with a varying level of influence, can also serve to analyze the determinants of high-skilled Mexican entrepreneurial migration. The following lines explain how the ethno-cultural, behavioral, managerial, financial, and institutional factors (Chrysostome, 2010) shape entrepreneurial Mexican migration. The ethno-cultural, behavioral, and managerial factors correspond to the analysis of the individual characteristics of the entrepreneurs (micro-level), while the financial and institutional factors correspond to the analysis of the macro structure.

2.3.1 | Ethno-cultural and managerial factors

Mexican businesspersons have started to organize themselves into clubs (Rios Contreras, 2014, p. 212) such as "La Red" in El Paso, Texas or in "The Woodlands" in Montgomery County, Texas. They constitute ethnic economies in which interpersonal relations are based on secondary weak ties defined by common socioeconomic status or other professional characteristics; they are more diversified and connected to the mainstream economy; and interethnic cooperation is likely among them (Zhou & Lin, 2005, p. 278).

In fact, the capacity of the different economic enclaves to develop, foster, and profit from immigrant networks and their derived ethnic resources varies among communities. A common ethnic background is not automatically a bond between actors or a guarantee of solidarity (Elo & Hieta, 2017). As Brenner, Menzies, Dionne, and Filion (2010) point out, ethnic entrepreneurs constitute a very heterogeneous group in which the presence of well-established ethnic networks may vary a lot. These authors also refer to the differences in the way ethnic entrepreneurs use their social capital (p. 157). Broadly speaking, Hispanic communities have not yet developed such a strong

ethnic economy as have other immigrants (Light, 2002; Zhou & Cho, 2010), that is to say, although they do affiliate to chambers of commerce, business associations, religious groups or other types of organizations, the ties established between the members of these groups are more pragmatic than solidary. This implies temporary or occasional relationships are built from common interest or pursuit but not from a sense of national and idiosyncratic belonging. Zhou (2004) reports variations in the level of economic integration of group members, which lead to higher rates of self-employment among Koreans, Chinese, and Cubans¹ than among Afro-Americans, Mexicans, and Salvadorans. This can be explained to a certain extent by the lack of appropriate social structures (a low degree of institutional completeness) within Hispanic economic enclaves (Zhou & Cho, 2010). The absence of such structures may lead Hispanic immigrants to rely more on what X. Yang et al. (2012) refer to as personal resources (education, English fluency, personal savings, and business experience) than on ethnic resources (family support, assistance and loyalty from relatives, intrafamily loans, coethnic employees and customers).

In the specific case of high-skilled Mexican entrepreneurs, they do not rely only on the ethnic enclave, but they benefit considerably from diverse social networks within the coethnic community and the native community (Beckers & Blumberg, 2013, p. 661; Wang & Li, 2007; C. Yang, Colarelli, Han, & Page, 2011, p. 643). Zhou (2004, p. 1041) found during recent years, migrant entrepreneurs have opened up businesses in affluent urban neighborhoods and middle-class suburbs and have shown up not only in the secondary sector but also in the mainstream host economy. Well-developed enclave economies serve as physical sites for face-to-face interactions across class lines (Zhou & Cho, 2010) but in the case of Hispanic immigrants, there is no interaction across class lines (Zhou & Cho, 2010). Thus, this type of exchange is less likely to take place among the high-skilled Mexican entrepreneurial migrants because these social structures require the support of an enclave economy, not just any type of ethnic economies (Zhou, 2004, p. 1064). In this sense, Tienda and Raijman (2004, p. 13) state "...Hispanic business owners may be relatively disadvantaged because they have thinner business networks; because their networks are less conducive to information-sharing and to linking buyers and sellers; and because relatively few formal business associations cater to their specific concerns."

As previously stated, to compensate the absence of strong ethnic resources, Hispanic migrant entrepreneurs rely heavily on personal resources. In fact, this entrepreneurial class requires a certain level of education, country-specific language, and cultural skills to benefit from opportunity structures (Beckers & Blumberg, 2013, p. 60) in the host country. Wang and Li (2007, p. 173) also support personal characteristics such as extended work experience, longer business hours, English mastery, and length of time in the destination society are positively related to a greater opportunity of becoming entrepreneurs. Light (2014, p. 13) emphasizes linguistic fluency because this is normally paired to cultural fluency. Robles and Cordero-Guzmán (2007, p. 21) consider other managerial factors influencing Latino business ownership, including individual or family wealth, customer

demographics, age of the enterprise, owner's age, and access to financial capital. Zhou (2004) has also referred to the importance of human capital, encompassing education, job skills, and citizenship status; and to other demographic characteristics, in terms of their strong effect on the likelihood of immigrants pursuing entrepreneurship. Portes, Guarnizo, and Haller (2002) agree with this. They state human capital, in the form of years of education and high occupational skills, plays a significant role in immigrant business success.

2.3.2 | Behavioral factors

Immigrants choose to settle close to friends and family who migrated earlier (Mustafa & Chen, 2010; Pandit & Holloway, 2006, p. v). In fact, for many immigrant entrepreneurs, family plays the role of a critical network, which is much more accessible, trustworthy, and long lasting than any other ethnic or external network. It constitutes the most important social support for migrant entrepreneurs. Moreover, demographic issues such as marital status and the number of children may influence entrepreneurs' commitment and their risk aversion toward entrepreneurial activity. In fact, most researchers found marital status affects the propensity for self-employment (Raijman, 2001, p. 396). Entrepreneurs' risk perception may decrease because of the labor support of their spouses. Overall, the different familial structures partly explain the differences in self-employment rates among ethnic groups (Raijman, 2001, p. 396). Although there may be differences in income and social status among these groups, family remains the most important factor enabling people to adapt to new conditions, or at the very least, to survive (Eraydin, Tasan-Kok, & Vranken, 2010, p. 536). Migrant entrepreneurs select a specific country to emigrate in terms of economic well-being (business opportunities (Ibrahim & Galt, 2011), currency exchange, real estate prices, and taxes) but their family dynamics also influence this decision (educational opportunities for their children and their established social capital in terms of family and friendship links) (Wong, 2004, p. 122). High-skilled entrepreneurial migrants do not differ from the traditional (necessity-driven) migrants in this respect.

2.3.3 | Financial factors

Access to start-up capital is a determinant for business ownership. In fact, in Raijman's study (Raijman, 2001, p. 397), latent migrant entrepreneurs signaled the most common obstacle to start a business is the lack of financial capital. Brenner et al. (2010) agree one of the main problems of ethnic entrepreneurs is the lack of capital or the difficulty to access it. Fairlie and Lofstrom (2015) also recognize one of the most important barriers preventing would-be entrepreneurs from starting and growing businesses is inadequate access to financial capital. Financial restrictions do not refer only to the lack of monetary funding but also to the fees for registering a business (Ratten, 2014). Owners' personal savings as well as loans from friends and relatives provide most of this capital.

Actually, financial access is constrained largely by contextual factors (which will be discussed later). This accessibility varies within the different waves of migrants to United States across time not only due to distinct socioeconomic individual backgrounds but also because of

¹Although due to the characteristics of Cuban migration, it can be rather categorized as Cuban diaspora.

alternative contexts of incorporation, which may inhibit or facilitate business initiatives (Portes, 1987).

2.3.4 | Institutional factors

"Institutions are the humanly devised constraints that structure political, economic and social interaction. They consist of both informal constraints (sanctions, taboos, customs, traditions, and codes of conduct), and formal rules (constitutions, laws, property rights)" (North, 1991, p. 97). The effectiveness of institutions and of the enforcement of laws and regulations greatly determine entrepreneurial endeavors (North, 1991). If the state does not perform adequately its role as the main contracts' enforcer, this role is immediately substituted by "symbolic systems" (Scott, 2014) such as the set of beliefs, cultural schemas, and perceptions of a specific society, which may or may not exert an effective coercive power (North, 1991). The lack of or the inefficacy of existing institutions leads to intricate systems of weights and measures (North, 1991, p. 103), which very often are based on "personalistic" relationships that dampen economic growth and political stability (North, 1991, p. 111).

The migration of high-skilled Mexican entrepreneurs to United States illustrates the response of organizations (in this case the enterprises owned and managed by Mexican migrants) to a hostile home environment (corruption, insecurity, and fiscal uncertainty) that may constitute a survival mechanism (Oliver, 1991). In this sense, migration to United States represents for Mexican entrepreneurs a stable and predictable alternative, which is one of the convergent assumptions of both the institutional and the resource-dependence perspectives signaled by Oliver (1991, p. 147). The decision of Mexican entrepreneurs to relocate their businesses to United States constitutes an active and resistant response (Oliver, 1991) to the pressures exerted by different external constituents (mainly governmental authorities and organized crime cells) instead of complying with their demands (bribes, ambiguous tax regulations, and "floor right" payments). From the active strategic responses suggested by Oliver (1991, p. 152), avoidance is the one that better fits Mexican entrepreneurs' behavior, specifically the tactic of escaping by changing the location of their activities or domains to evade the negative external conditions their enterprises face in their home country. Implementing other more active strategic responses (defying or manipulating) to confront semiformal illegal institutions (as labeled by Sutter, Webb, Kistruck, & Bailey, 2013), such as the organized crime cartels, may not be an option for Mexican entrepreneurs due to the high risk these strategic responses imply in such a hostile context. Anyway, delocalizing business activities from a familiar home environment to a, sometimes, completely unknown host country implies a significant effort for local entrepreneurs but the desire of "reestablishing the illusion or reality of control and stability over future organizational outcomes" (Oliver, 1991, p. 170) is worthy of the sacrifice.

As stated before, the analysis of the host country institutional environment surrounding immigrant entrepreneurship is important to understand the context of reception (pre-existing ethnic enclaves, governmental policies, societal reception, etc.). As Cheng, Wu, and Zhang (2013, p. 246) point out, host country social, economic, political, and governmental conditions greatly affect migrant entrepreneurs'

business activities. In fact, differences regarding entrepreneurship rates among ethnic groups can be attributable to the characteristics of the external context. High-skilled Mexican entrepreneurial class who migrates to United States not only possesses a solid educational and income background but it faces also a friendlier reception context, which may strongly contribute to its endeavors' success. Broad contextual forces not only push Mexican migrant entrepreneurs from their home country but in the end, these forces retain them in United States.

Likewise, the study of the home country's institutional context is fundamental (Azmat, 2010) to understand the exit conditions that lead migrants to launch an entrepreneurial activity outside their country (Zhou, 2004). Again, these exit conditions are frequently associated with the hard challenges that migrants have to face in their home emerging countries due to the existence of institutional voids (Rottig, 2016). Cheng et al. (2013) underline the uncertainty created by the environment surrounding "businesses operating within developing economies where formal institutions are non-existent, poorly specified, inadequate, outdated, ineffective, and/or subject to turbulent/unexpected changes..." (p. 249). As Clemens (2009, p. 2) states, "... development is almost always harmed by policies that seek to limit skilled workers' movement rather than to alter the underlying causes of skilled workers' decision to move". Tigau (2010) asserts intellectuals' mobility needs to be understood as of precarious labor conditions and of the permanence in places where intellectual work is better diffused and recognized. Zhou (2004) coincides on the existence of other noneconomic motivators that foster entrepreneurship as a self-employment mechanism.

Unlike other immigrant groups, high-skilled Hispanic entrepreneurs do not perceive business ownership as a strategy for overcoming labor-market disadvantages but as a process of lifestyle migration, which implies the search for a better life and opportunities of personal and professional development (Tigau, 2012, p. 38).

2.4 | Home (Mexico)-host (United States) countries' institutional contexts

Mexican entrepreneurs' desire of a better life is justified by the hostile environment that has surrounded the entrepreneurial activity in Mexico during the last decade. As previously stated, INEGI (2016b) reports in its 2016 ENVE that 35.5% of private businesses in Mexico were victims of some crime (robbery, assault, extortion, fraud, corruption, damage to facilities, machinery, or equipment) in 2015. In the specific case of small businesses, almost 50% of them were victims of crime in the same year. Actually, more than half of the economic units surveyed consider insecurity and crime as the problem that most affects their business, and 70.2% consider unsafe the state in which they operate.

It is clear that entrepreneurship has been threatened by the assault to legal institutions by organized crime members, either colluding with governmental authorities or replacing them in roles such as "granting legitimate businesses permission to operate and levelling taxes on them" (Campbell & Hansen, 2014, p. 162). These violent acts have transformed the Mexican society instilling fear and chaos among its members (Campbell & Hansen, 2014, p. 162). As Doh et al. (2017) suggest these institutional conditions lead to highly damaging effects

such as opportunism, specifically corruption; practices that put at risk the survival of the businesses like the payment of “right of floor,” and the abuse of the power that limits a healthy competition. Since the war against drug cartels initiated by the Mexican government, the institutions conforming the legal and social systems have failed in their regulatory, enforcement, and protection missions (Doh et al., 2017, p. 297). As Campbell and Hansen (2014) state, Mexican institutions become “unable-to-function-institutions” (p. 159). Furthermore, drug dealers have infiltrated regulatory instances and the political, military, and police systems (Campbell & Hansen, 2014).

In terms of the host country context, United States is the place that most Mexican entrepreneurs select to relocate their businesses. Since the election of Donald Trump as U.S. president, one of the main fears of Mexican migrants has been the adoption of stricter policies regarding the issuance of visas. In the specific case of the treaty investor visa (E-2) and the EB-5 investor program, specifically addressed to entrepreneurs and investors, they appear to be more acceptable to the current U.S. administration because they imply investment and job-creation schemes. However, it is likely the current administration will adopt stricter measures to ensure compliance with the terms of the program. In fact, there are proposals to allow only temporary residence of up to 5 years on a case-by-case basis for qualifying foreign entrepreneurs who establish a U.S. startup (Fragomen, Shannon, & Montalvo, 2017; White House, 2018). Overall, the current U.S. administration supports skills-based migration over family reunification migration. It is likely this administration will privilege the allocation of visas to those who possess certain skills and knowledge that are required in the U.S. labor and business market over granting visas to those who seek to visit or stay with their families (Fragomen et al., 2017).

Taking into account the profile of this recent wave of qualified Mexican migration, and Mexico and United States contextual conditions that affect business activity, the following research questions arise: how do Mexico's institutional voids motivate highly qualified Mexican entrepreneurs' decision to migrate to United States? Does the decision to migrate respond mainly to the climate of insecurity in Mexico and/or to other institutional voids or is it due fundamentally to the opportunities offered by the U.S. institutional context?

3 | METHODOLOGY

Since the increase of high-skilled entrepreneurial migration from Mexico to United States has taken place recently, this study adopts an exploratory qualitative approach conforming to quantitative procedures (Welch & Piekkari, 2017). A qualitative approach allows us to better capture the individual perceptions, motivations, and interpretations of Mexican entrepreneurs involved in such a complex, dynamic, and subjective phenomena as migration. Furthermore, the application of in-depth interviews helps explain this phenomena linked to economic factors (search for better business opportunities) and social issues (escaping from organized crime, corruption, and bureaucracy). Analyzing the particular case of the migration of highly qualified Mexican entrepreneurs to United States has important theoretical and practical implications because, as mentioned earlier, this type of

migration has followed an inverse trajectory in the last decade to that of traditional migration, in terms of its significant increase. Therefore, the sample of this study had to be composed of people who met two basic requirements: be entrepreneurs and be Mexican or have a solid knowledge of the behavior of Mexican businesspersons living in United States. It is worth mentioning the hostile institutional conditions faced by these entrepreneurs in their home country equally apply to many entrepreneurs from other Latin American countries, so the results of this study could also be extended to these other cases. According to this, a purposive sampling was used to select participants, as the entrepreneurs were initially contacted through the Association of Entrepreneurs of Mexico (*Asociación de Empresarios de México*) (AEM), one of the most recognized associations of Mexican businesspersons in United States. Afterward, a snowball sampling was used: the entrepreneurs provided contact information for other people who were not necessarily members of the AEM but who had a similar profile and could share valuable experience closely related to the research topic. Interviewees were selected according to their first-hand experience about migration to United States (Welch & Piekkari, 2017).

3.1 | Data collection

Data were gathered from March 2015 to June 2015. During the data gathering, one of the authors attended to two AEM events to observe some of the operational characteristics of this network and to have an overview of its mission and goals. Due to the participation in these events, one of the authors had access to the AEM newsletters. As previously stated, this initial contact with AEM members allowed the authors to establish connections with other Mexican people and organizations whose profile corresponded to high-skilled entrepreneurial migration. Potential interviewees were approached through email or face-to-face in the two AEM events. Approximately 60 entrepreneurs were contacted, but eventually only 20 interviews were conducted, a number that lies within the range of previous qualitative studies (Aliaga-Isla & Rialp, 2012; Croitoru, 2013; Matiz Bulla & Hormiga, 2011). Nine interviews were conducted face-to-face and 11 were by telephone. They took place in two Texas cities: Houston and The Woodlands (there was only one exception: a telephone interview with an AEM member living and working in San Antonio). The face-to-face interviews took place at different locations according to the preference of the interviewees. The researchers met interviewees for the first time when they did the interview. The participants received a detailed explanation of the purpose and the context of the study. Seventeen out of the 20 interviewees are Mexican. One is from Colombia, but she is in charge of a magazine targeting Hispanic people living in one of the most prominent communities in Texas and she is familiarized with Mexican entrepreneurs' experiences. One interviewee is from Peru, but she lived in Mexico for 20 years, she is currently married to a Mexican, and has Mexican citizenship. A third is from United States, but he has close interaction with Mexican entrepreneurs through his role as the director of community relations for one of the most important residential and commercial developments in Texas. Table 1 provides further details about the interviewees' profile.

TABLE 1 Interviewees' profile

Interview	Place of origin	Gender	Civil status	Business sector	Business size	Level of education	Country where studies were conducted	Time living in the United States
1	Veracruz	M	NS	Agribusiness & serv.	S	Higher education (H.E.): undergraduate	Mexico	5 y
2	Tabasco	M	MA	Energy	MD	H.E.: undergraduate	Mexico	6 mo
3	Mexico City	M	MA	Legal services	MD	H.E.: postgraduate	USA	12 y
4	Mexico City	F	MA	Communications	S	H.E.: undergraduate	USA	29 y
5	Jalisco	M	MA	Construction	S	H.E.: postgraduate	Mexico	17 y
6	Mexico City	M	MA	Banking	S	High School	Mexico	20 y
7	Veracruz	M	MA	Food	NS	H.E.: undergraduate	Mexico	15 y
8	Mexico City	M	MA	Construction	S	H.E.: undergraduate	Mexico	11 y
9	Nuevo Leon	M	MA	Insurance	S	H.E.: postgraduate	Mexico	4 y
10	Mexico City	M	NS	Consultancy services	MD	H.E.: postgraduate	Canada	32 y
11	Mexico City	M	MA	Communication	MD	H.E.: undergraduate	Mexico	6 y
12	Mexico City	M	MA	Real Estate	S	High School	Mexico	11 y
13	Michoacan	M	MA	Marketing services	S	H.E.: postgraduate	Mexico	12 y
14	Colombia	F	MA	Communication	S	H.E.: undergraduate	Colombia	15 y
15	Morelos	M	MA	Marketing services	S	High School	Mexico	5 y
16	Mexico City	F	MA	N.G.O.	S	High School	Mexico	5 y
17	Texas, USA	M	NS	Real Estate	DNA	Do not apply	DNP	DNP
18	Mexico City	M	MA	Tourism	S	Not specified	Mexico	35 y
19	Nuevo Leon	M	MA	Finance	S	H.E.: postgraduate	USA	21 y
20	Guerrero	F	MA	Marble industry	MD	H.E.: undergraduate	Mexico	3 y

Note. DNA: do not apply; F: feminine; M: masculine; MA: married; MD: medium; NS: not specified; S: small. Source: Author's own elaboration.

A guide of the interview (see Appendix A) was prepared in Spanish because it is the native language of all but one of the respondents. The use of Spanish was relevant as a contextual element because it increased the level of identification between researchers and informants. The in-depth interview was translated into English. An expert on migration issues reviewed both versions, English and Spanish. The interview was purposely designed as a semistructured interview to allow for variations according to the informants' narrative. A pilot interview was performed with the first interviewee who showed particular interest in the topic when contacted. The interviews were audio-recorded to reflect the participants' opinions about the topics covered in the guide accurately. Additionally, field notes were taken to further understand some of the interviewees' comments and points of view. Each interview lasted about 40 min. In each case, the interview questions were adjusted according to mutual construction between the researchers and the informants taking into account interviewees' experience and their own interpretation of such experiences. For example, because migratory status is a delicate issue, researchers realized that when asking questions related to the Mexican entrepreneurs' visa program in United States, they immediately become uncomfortable and suspicious, thus researchers eliminated this kind of questions to preserve the positive dynamics of the interview process. The first section of the interview provided demographic information about interviewees such as the location of their business endeavor, the state of origin, the number of years living in United States, schooling years, marital status, etc. The second set of questions identified

the influence of ethnic factors on Mexican entrepreneurs' decision about moving to United States. A third category of questions tried to determine the managerial factors affecting the migration decision. The largest and core section of the interview was about the role played by institutional factors in both the sending and the receiving countries on pushing entrepreneurs out of Mexico and/or pulling them to United States. The last section of the interview consisted of a single question about financial issues influencing the migration decision.

3.2 | Data analysis

After conducting each interview, the authors classified the material into tentative codes, respecting the terms used by informants. During the data analysis, first-order terms (Gioia, Corley, & Hamilton, 2013; Vaccaro & Palazzo, 2015) such as "lack of support," "superficial assistance," "business networks," "competences," "safety concerns," and "corruption" were emerging in our codes. These concepts were related to different factors affecting the decision of Mexican migrant entrepreneurs to relocate their businesses to United States and, in some cases, of staying in this country. The heterogeneity of these factors led us to the identification of second-order themes (Gioia et al., 2013; Vaccaro & Palazzo, 2015) associated with the entrepreneurs' profile (competences, skills, knowledge, and resources); with the behavior of the coethnic community surrounding entrepreneurs; and with the home and host environments affecting Mexican entrepreneurs' business endeavors. Our data showed a high level of consistency regarding informants'

perceptions and categorization of the kind of ties and networks existing between Mexicans sharing the same demographic and psychographic profile; of the personal and/or behavioral characteristics required to succeed in the United States as entrepreneurs; and of the contextual factors significantly influencing their migration decisions. Data also revealed a connection between the profile of entrepreneurs, the behavioral characteristics they display while in United States and the kind of contextual conditions they face in both Mexico and United States before and after migrating. Thus, the data derived from the in-depth interviews through the adequate account of the informants' experience (data-driven codes) allowed identifying specific terms (concepts) and the theories that guide the research (theory-driven codes) allowed confirming these terms. Furthermore, the familiarity of the researchers with

the entrepreneurial migration phenomena significantly contributed to make sense of the interviewees' narratives and to interpret them more accurately. The association between the aforementioned terms and themes allowed us to determine five aggregated dimensions. The data analysis showed the survival factors for necessity-immigrant entrepreneurs proposed by Chrysostome (2010) also apply for opportunity-immigrant entrepreneurs but the behaviors contained in these factors differ between one group and another. Figure 1 depicts the data structure (Gioia et al., 2013) composed of the first-order terms extracted from the interviews, the second-order themes associated with these terms that help us describe and explain the observed phenomena (Gioia et al., 2013), and the aggregated dimensions encompassing all the identified themes.

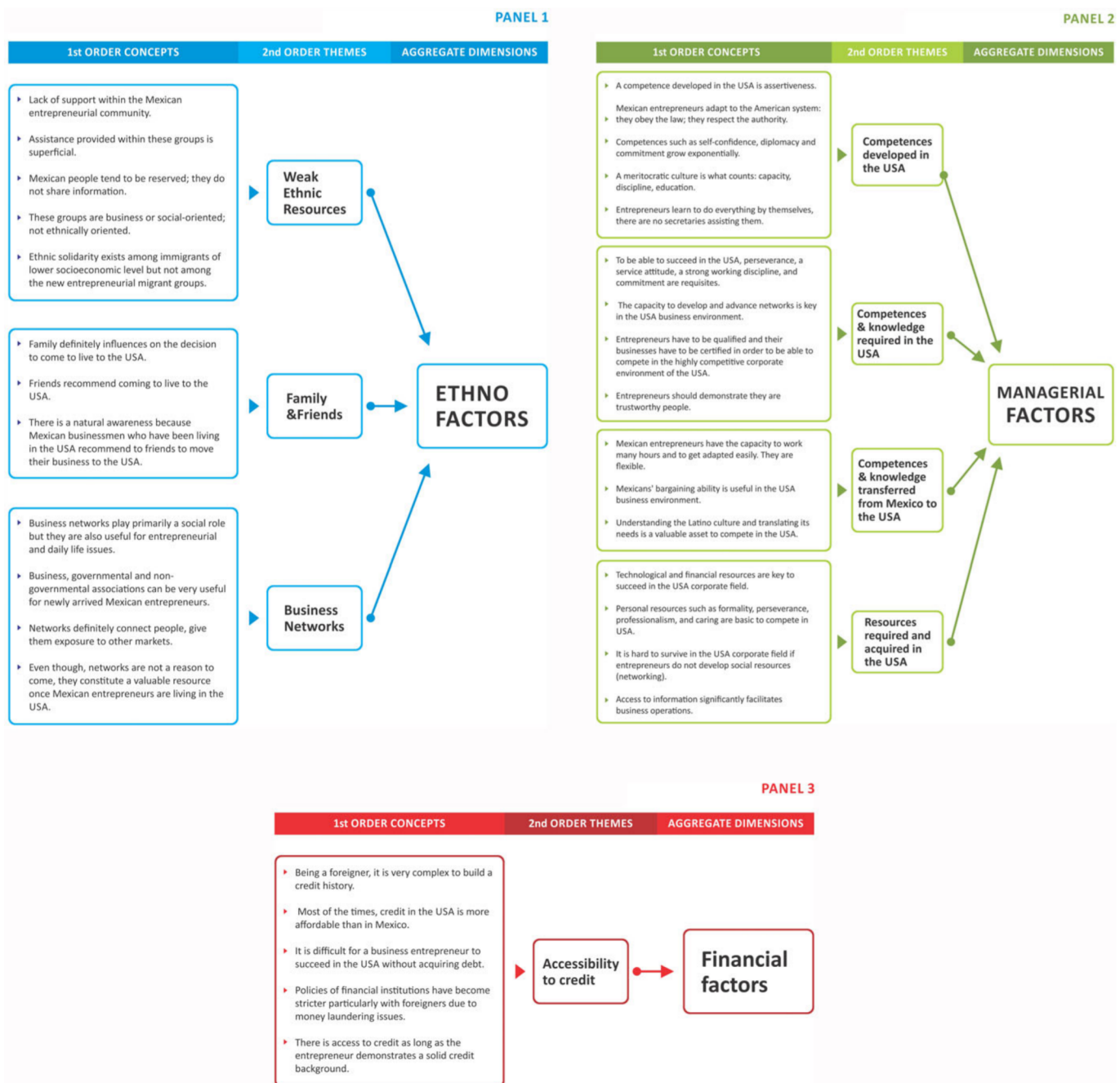


FIGURE 1 Data structure, based on Gioia et al. (2013)

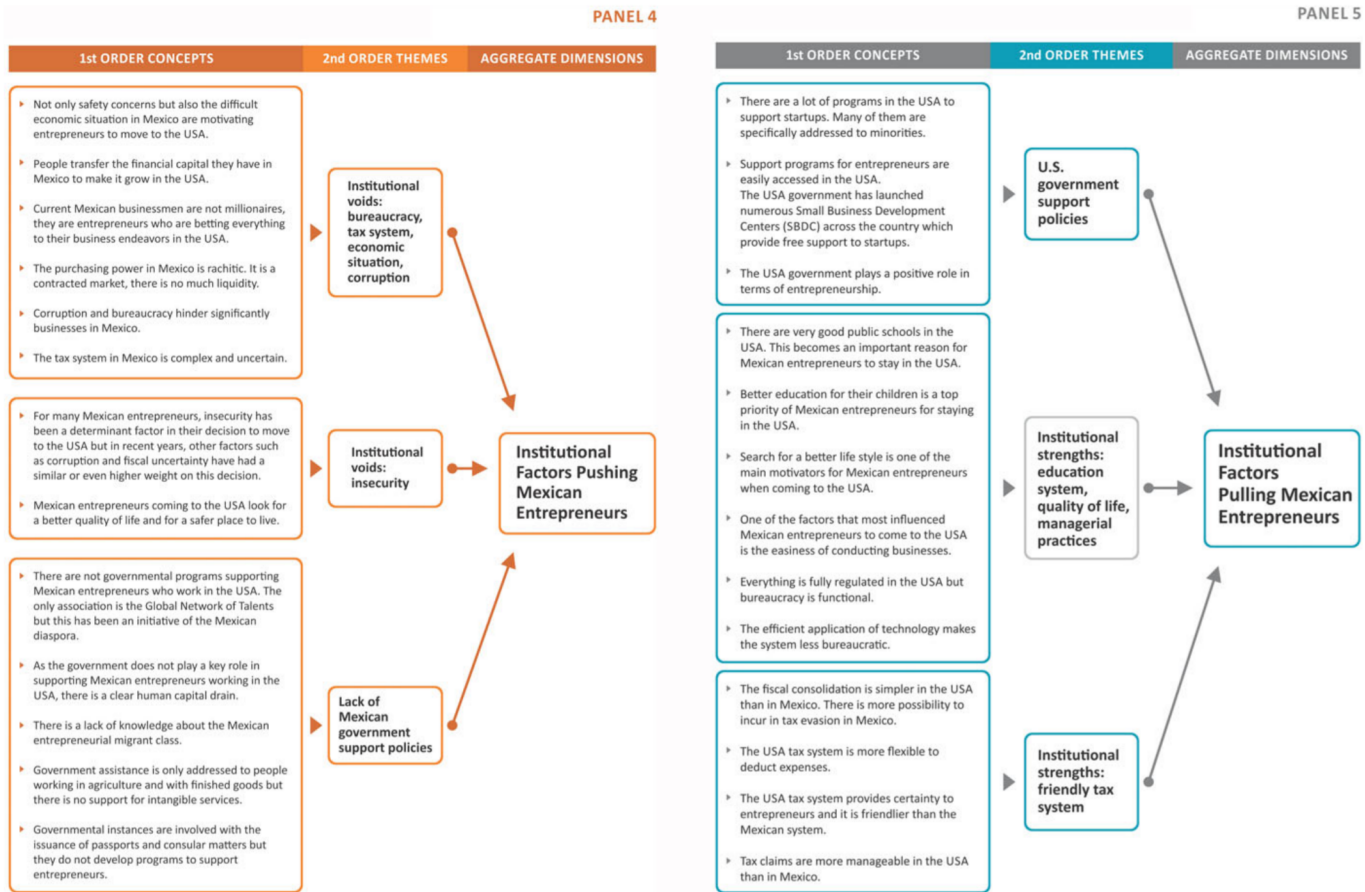


FIGURE 1 (continued)

To better capture the informants' experience in theoretical terms (Gioia et al., 2013), Figure 2 presents a grounded theory model, which shows the dynamic relationship between the informants' terms, the themes identified out of the theory, and the aggregated dimensions. As the model depicts, the migration decision of Mexican entrepreneurs in terms of moving to United States but also in terms of staying there mainly relies on the sending and receiving institutional contexts while the managerial, ethno, and financial factors play an important but still secondary role in the migration decision.

For analysis purposes, from each interview, we chose those quotations that better fit the theoretical criteria previously identified. The interpretation of interviewees' responses in light of the theory was constantly challenged, and sometimes, reformulated to draw more objective conclusions.

Significant sections from participant statements (first-order terms) that were related to each of the identified themes and aggregated dimensions were selected for comparison purposes.

The findings section presents examples of some of the most relevant quotations extracted from the interviews.

4 | FINDINGS

The findings of this analysis reveal interesting behavioral patterns among high-skilled Mexican entrepreneurs.

4.1 | Ethno factors

While ethnic resources such as group cohesion, solidarity, assistance, and loyalty are vital for traditional migrants, most interviewees think such ethnic resources do not exist among Mexican entrepreneurial migrants. They argue support is superficial and think there is strong social and economic competition as well as a lack of trust among the group members. For example, one of the interviewees states:

These groups do not exist. It is more at the business and economic growth level but not at the ethnic identification level. These groups are just business oriented and there is even competition between them. (Interview 3)

Furthermore, most informants think that the role of the ethnic community is merely social:

Compared with other communities, there is a clear lack of support. No formal or informal links have been created. There is no confidence... There are, for sure, social support groups useful for creating relations such as AEM but these groups satisfy an identity search. (Interview 11)

Almost half of the interviewees moved to United States because they had friends or family living there already. In fact, this aspect can

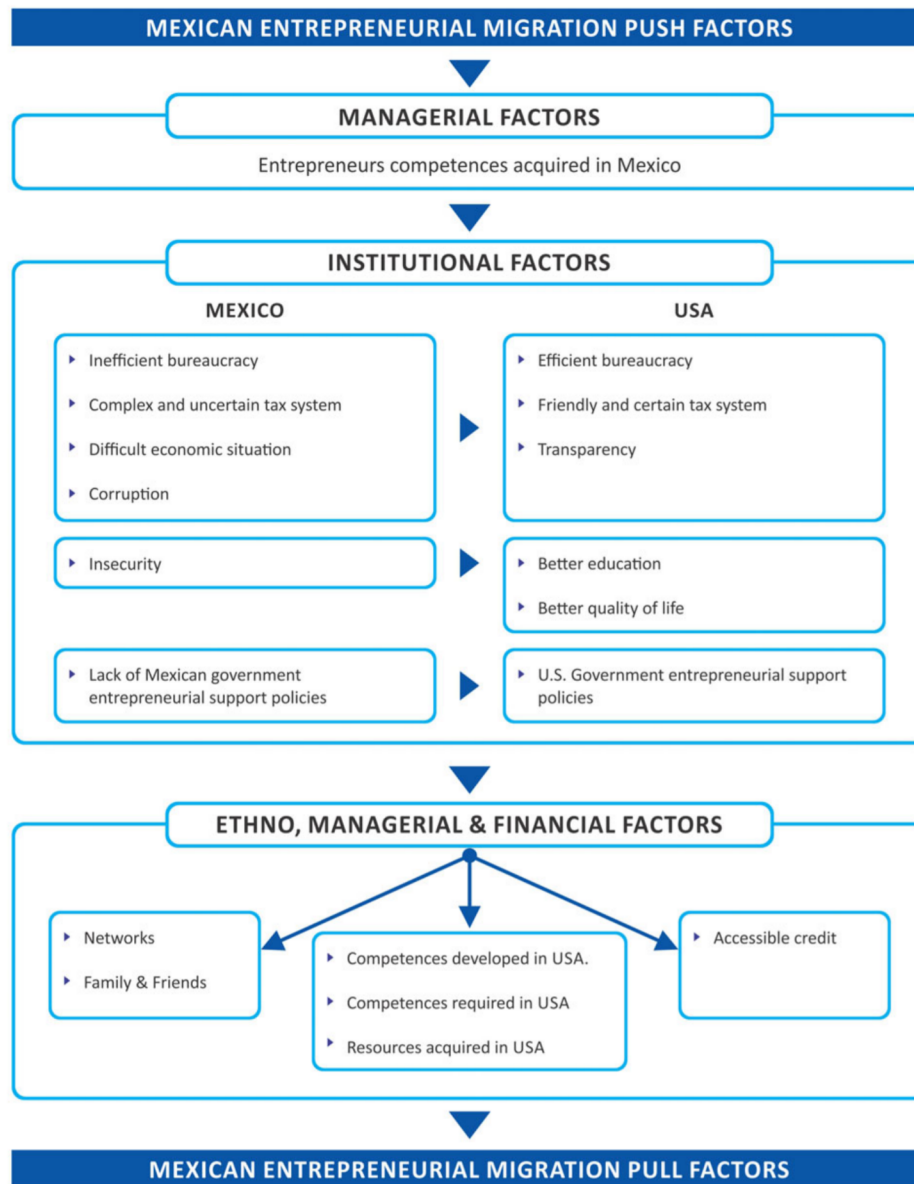


FIGURE 2 Mexican entrepreneurial migration to the United States: push and pull factors, grounded theory based on Gioia et al. (2013)

be considered as one that attracts or at least facilitates the decision to work and/or live in United States, as the next quotations show:

My “concuños” were living for 4 years in the Woodlands due to insecurity in Mexico at the time. I came very often to work and my wife would come with me and stay with her sisters there. She ended up liking it. (Interview 2)

Many come through their friends or their social circles. Most of them establish in The Woodlands, the current fashionable area. It happens due to friendships or businesspeople whom they already know. (Interview 3)

Family structure is a salient influence in the decision of moving to United States but the presence of friends and acquaintances already living and working in that country encourages the relocation decision of entrepreneurs.

The creation of networks or the harnessing of already existing networks has played a major role in the migration process (attraction and retention) of traditional migrants. Nonetheless, from the point of view of high-skilled Mexican entrepreneurs, networks such as the AEM, the Houston Hispanic Chamber of Commerce, the U.S.-Mexico Chamber of Commerce, the Professional Business Partnership (PBP), *Cámara Nacional de la Industria de Transformación* (CANACINTRA), the Institute for Mexicans Abroad (IME), the U.S.-Mexico Business Council, or the Latin American Women's Association have mainly a social purpose. Entrepreneurs do recognize belonging to such networks is beneficial in terms of establishing connections, having more exposure to other markets and/or understanding legal aspects or other business-related issues. The existence of these networks is not a pull factor to migrate to United States but once Mexican entrepreneurs are living there, they realize such networks are valuable, as exemplified by the next interviewees' comments:

Yes. The most valuable network for me has been the IME... It has provided me contacts, relationships, and businesses and it has helped me to identify leaderships. It changed my life. (Interview 7)

...I know people from the AEM, from the Talents' Global Network, and from the IME. It is useful to get suppliers but not clients. It helps for establishing interpersonal relationships and to find out with whom you can do business. (Interview 13)

4.2 | Managerial factors

Despite the recognition of the value of networks, Mexican migrant entrepreneurs depend largely on the personal resources developed in Mexico before moving to United States and on those acquired and developed while in this country. Mastering English is one of them as well as learning how to perform the basic business activities that entrepreneurs used to delegate while in Mexico. Most informants allude to the importance of formality and transparency as taken-for-granted business qualities to succeed in United States. Systematization of procedures and certifications is also essential. The next quotations portray the importance of managerial resources for Mexican entrepreneurs working in United States:

I started my business in 1993; I used to be in charge of everything: I answered the phone, I hired people, I delivered the services, I negotiated, etc. Here in USA, there is no glamour in your job. (Interview 19)

Something very positive for me is the meritocratic culture. I was able to develop with that. There is no nepotism and patronage here. What counts is if you have the capacity, discipline, and the education. (Interview 3)

Interviewees also refer to some of the competencies developed in Mexico, such as the capacity to work long hours, adaptation, bargaining, and knowledge about specific sectors:

In Mexico we work many hours, if this habit is transferred here, it helps a lot. (Interview 9)

We have a full spectrum of abilities such as the capacity to adapt easily. In addition, the bargaining ability, which gives you a benefit and it does work here. (Interview 12)

Most of the entrepreneurs highlight the importance of technological and information resources available in United States, which foster and make easier business operation. These quotations refer to the resources required and acquired in the United States business environment:

Technological resources accelerated my business here. (Interview 15)

The support of organisms like SCORE has been invaluable. Technological resources also in the sense that you can operate your business here from home. Having arrived to the USA with some financial resources also facilitates everything, not having to start from zero. (Interview 20)

4.3 | Financial factors

Mexican migrant entrepreneurs underline it is difficult to create a financial background at the credit bureau in order to be able to have credit. On the other hand, they state that once the person or company has developed a financial history, access to credit is easy and more affordable than in Mexico:

It is difficult to obtain a loan or credit if you have no financial background at the credit bureau here in USA but while you are living here and you develop this history, it becomes very easy to get credit at much more attractive rates than those charged in our countries. (Interview 14)

It is difficult at the beginning to develop your financial background but once you have created it, and maintained it, it is easy to have credit. For example, the bank can lend me up to 90% the value of an office space. This keeps the economy moving forward. (Interview 19)

There is also the perception that financing has changed during recent years because the banking sector implemented many locks to prevent money laundering, but some banks recently have started to offer loans to foreigners. Respondents also refer to the financial aid that can be obtained through nongovernmental agencies.

Even though financial access is not immediate for Mexican migrant entrepreneurs, it is not as restrained. On the one hand, financial support becomes accessible once entrepreneurs create a financial history; on the other hand, there are some alternatives to get this financing without necessarily recurring to conventional financial institutions. Moreover, Mexican migrant entrepreneurs do not begin little by little to escalate social and economic positions; they already have an initial financial capital to invest in United States that allows them to obtain a visa and later even the residence.

4.4 | Institutional factors: Mexico

Concerning the institutional factors of Mexico that most influence the relocation decision of entrepreneurs to United States, they refer to aspects such as the inefficient bureaucracy. It takes too long to open a company in Mexico, compared to United States:

It is much simpler here. Starting a business here takes a week. In Mexico, starting a company takes 2 months. Here, everything is virtual. Everyone works in a very practical way. (Interview 2)

Informants attribute this disadvantage to the lack of technological resources to streamline formalities in Mexico and to the irrational working system of many public and private agencies versus the pragmatic approach of the U.S. system. Conversely, the perceived efficiency of the U.S. bureaucracy becomes an attractive factor for Mexican businesspersons.

Another institutional issue identified by interviewees is the Mexican tax system, described as complex, particularly because of the 2013 fiscal reform:

Yes, Mexico is still missing much. With the fiscal reform, no one wants to pay. Here [USA] you do not even question it. Here you know that everything works through your taxes. (Interview 6)

Entrepreneurs consider that fulfilling tax commitments in Mexico does not necessarily imply certitude because the rules of the game change constantly and because the application of the regulations is subjective.

Some interviewees depicted Mexico's economic situation over the last decade as difficult, translating this into a lack of opportunities. Although they think the situation was different at the beginning of this century, they reveal that in recent years, some entrepreneurs transferred their capital to United States to make it grow. The perception of a higher quality of life in United States fosters this decision. In contrast, most interviewees still point to opportunities in Mexico. They refer to the existence of a binational market and even recognize that they have been able to go to United States because of their business success in Mexico. Yet profiting from these opportunities is difficult because of institutional obstacles. Most of the entrepreneurs think there are as many opportunities in Mexico as in United States, but the main difference lies on the ease of capitalizing upon them in United States.

Corruption is a recurrent explanation of entrepreneurs concerning their decision to relocate their business to the United States. They underline the long-term negative effect of corruption and their desire to avoid that their children grow up in an environment where corruption is perceived as the rule instead of being the exception, as the following quotation shows:

Yes, the corruption culture in Mexico has even affected the education institutions, so this was a decisive factor, which pushed us to come to the United States, to keep my kids away from that kind of environment and that way of thinking. (Interview 20)

Although insecurity is not the only driving factor associated with the migration of the entrepreneurial class to United States, in some cases it has been a major reason not just for migrating but also for staying in United States. The next quotations demonstrate the relevance of this institutional void:

I used to have a water business. It was eye-catching in terms of size. The people surrounding my business easily identified me. My associate had very sophisticated cars. A few months before

coming to USA, my wife had been mugged. I was mugged as well... I saw how a person was mugged in front of me while he was on a cab. Therefore, we decided to come here to USA for 18 months... (Interview 8)

Largely, it was the trigger factor to come to USA. I love my country, but every time I am out, I am grateful that I am back at home in USA. (Interview 14)

The weight of this factor has been such that many entrepreneurs left behind businesses that were successful in Mexico:

It was the determining factor. It was impossible to continue living in Acapulco even though my business was successful and working well. (Interview 20)

Some entrepreneurs tried to create new businesses out of nothing in United States to obtain a visa and stay with their families. They often made this decision to offer their families a safer environment, a better quality of life, and a better education. Notwithstanding, some mentioned that lately, this choice is not directly related to insecurity but to opportunities offered by a solid institutional environment, as stated by these interviewees:

From 2008 to 2010, the main reason was insecurity concerns: kidnapping attempts, conditions of violence but now in this last year a new wave of people are coming due to the economic situation. (Interview 3)

The Mexican crisis came and a wave of entrepreneurs came due to insecurity issues; now they rather move to profit from an opportunity. (Interview 10)

The education system and quality of life were salient pull factors appealing Mexican entrepreneurs to stay in United States. Some respondents decided to stay to harness educational opportunities for their children as well as the possibility that their children learn English:

Definitely. I did not return to Mexico despite having the opportunity to do it because I thought about the education of my teenager. I wanted him to be educated here. (Interview 13)

In Mexico, my children went to a private school. Therefore, it had not been a factor but now that I am here, I realize about everything that exists to support education, depending on the school district where you are. There are very good public schools. Today, education for my children would be an important factor to stay here. (Interview 15)

Some of the entrepreneurs interviewed recognize that receiving support from the Mexican government would be questionable to a certain extent, because Mexico needs to undertake these entrepreneurial projects within the country. However, they point out that the government so far has not generated the appropriate economic and social conditions to avoid this brain and productivity drain. When

questioned about governmental support, most of them refer to ProMéxico, but they consider its scope limited. Some mentioned CONACYT, but they say that it supports education, not businesses:

There is ProMéxico but nothing else... There is only assistance for some students: medicine, graduate programs, CONACYT or private institutions' scholarships. (Interview 3)

Interviewees acknowledged the existence of programs but point out the lack of continuity from one presidential administration to another. In fact, most of them recognize the presence of the Mexican Consulate in Houston, but they make clear that its role is operational and social. Although the Consulate provides health and education assistance to traditional Mexican migrants, those services are not for entrepreneurs:

No, the governmental instances are very involved with the issuance of passports and consular matters but there is no continuity regarding the creation of programs to support entrepreneurs. (Interview 8)

Entrepreneurs allude to the existence of support programs for farmers and manufacturers of finished products, but there is no support for service providers. When questioned about the kind of help they expect from the government, they do not talk about financial support because they are convinced this is not the government's role. Rather, they mention the creation of forums, seminars, and conferences that can bring the Mexican migrant entrepreneurial class together to share expertise, advanced concepts, and best practices:

I think that the role of the Mexican government in supporting entrepreneurship is misguided because it has focused on creating incubators, giving white loans. It is not its role to put venture capital; it would have to organize forums, conferences, rather than giving loans. There are many vultures living just from the system... No; there is a lack of knowledge about this Mexican entrepreneurial class. There are not solid academic studies about the impact of these entrepreneurs. (Interview 13)

4.5 | Institutional factors: United States

With respect to institutional factors of United States that most influence entrepreneurs' decision to stay in that country, most of them refer to efficient procedures and enforced regulations. According to interviewees, certainty is the main benefit derived from the strict application of rules. Entrepreneurs consider the implementation of technology fosters efficiency in the U.S. system, allowing the fast opening and closing of businesses and facilitating requirements:

A business can be established within 3 weeks. You do not need to fill out a thousand of formalities. (Interview 3)

Interestingly, they do not associate this efficiency only with the governmental and nongovernmental agencies but also with the general business meritocratic culture:

I always said I would never leave Mexico. I think one of the things that most influenced me was the easiness of conducting business here. (Interview 2)

Easy, I love the bureaucracy. Here in The States, it does not matter who you are, you will follow the same process. (Interview 9)

Respondents consider the tax system works well because everybody pays taxes, and, although taxes can be high, the quality of the services received is worth it. Furthermore, most entrepreneurs consider the U.S. tax system much friendlier, fairer, and more transparent than the Mexican system. Although some respondents state the tax system by itself was not a pulling factor when moving to United States, they recognize it is easy to understand and applicable to everyone, and it provides a high level of certainty, vital for entrepreneurs when planning long-term:

On paper, it sounds more complex and more expensive, but once you understand it, you realize that the tax system is very flexible to deduct expenses. There are more incentives here to grow your business and to save money. (Interview 19)

It was not a decisive factor but fiscal policy is definitely very structured. The system does not allow a bad management. It is easier to understand and to fulfill all the guidelines by oneself. For example, online invoicing is very simple. (Interview 20)

Here there is more certainty, unlike in Mexico. If I invest here, the rules do not change. (Interview 9)

Contrary to the perception of the lack of support from the Mexican government, entrepreneurs have positive views regarding the U.S. government's support policies. They talked about specific initiatives such as Small Business Development Centers (SBDCs), which assist start-ups:

There are many programs to support start-ups, specifically those involved with information technologies... (Interview 10)

They underscored the efficiency of governmental agencies derived from the development of control mechanisms within the corporate field:

If you are an entrepreneur and you present a good project, the government will help you and give you everything you need to succeed, especially if you are Hispanic because there is a law that says you must give a certain percent of your loans to minorities. (Interview 11)

Others also referred to nongovernmental initiatives they found helpful. Some provided examples about specific sectors, such as programs that encourage Mexican IT start-ups and associations that guide entrepreneurs to access credit or let them know about scholarships.

5 | DISCUSSION

The findings from this study suggest insecurity is not the only factor that pushes Mexican entrepreneurs out of Mexico but other institutional voids significantly influence their migration decision. Among the push factors, apart from insecurity, that motivate most the entrepreneurial migration are corruption, fiscal uncertainty, and bureaucracy. Increased qualified business migration is not only encouraged by Mexico's institutional deficiencies but also by attractive U.S. institutional conditions that pull Mexican entrepreneurs such as a transparent business environment, fiscal certainty, efficient bureaucracy, and high-quality education for entrepreneurs and their family.

The analysis of the different factors that affect Mexican entrepreneurs' decision to migrate suggests surprisingly that high-skilled Mexican entrepreneurs try not to restrain their activities to the coethnic community but to expand their business operations to the mainstream economy, resulting in an opposite behavior to traditional migration. On the one hand, this broader approach allows them to better integrate into the host community; on the other hand, this leads to weak ethnic resources originating a fragile bond among Mexican entrepreneurs and even a lack of solidarity amid them, consistent with what Elo and Hieta (2017) advocate.

Although Mexican entrepreneurs profit from the existence of networks as the ones referred by informants, the weak nature of the ethnic bonds among high-skilled Mexican entrepreneurs does not allow maximizing the potential of such networks in terms of their derived economic, political, and cultural capital as suggested by Chand and Ghorbani (2011) and by Pandit and Holloway (2006). This confirms what Elo and Hieta (2017) suggest about the varying capacity of different migrant communities to develop, foster, and profit from these networks. This may render a contradictory situation because, as discussed in the theoretical framework, entrepreneurs try to cultivate relationships on a broader basis with both the coethnic and the native communities (Beckers & Blumberg, 2013; Wang & Li, 2007; C. Yang et al., 2011) but these relationships are more superficial than the ones built through solid ethnic resources. The weaker nature of these networks as compared to those built among traditional migrants might find a logical explanation on the fact that high-skilled migrants do not need, for example, to exchange information on border crossing or to find mechanisms to alleviate credit constraints (McKenzie & Rapoport, 2010). This seems to be related to education levels: whereas traditional migrants require constant support from the ethnic community due to their lack of English fluency and general knowledge, most of high-skilled migrants are English fluent and thus they rely more on themselves to survive in the host country (United States).

McKenzie and Rapoport (2010, p. 816) confirm this in their study about the role of networks in determining self-selection patterns of Mexico-U.S. migration. They found out networks play a more

important role in self-selection outside urban areas, which tend to concentrate people with a low level of education and with a vulnerable socioeconomic situation. Nonetheless, the harnessing of personal resources such as specialized knowledge, skills, and competences can compensate, to a certain extent, the existence of weaker ties among Mexican migrant entrepreneurs as compared to the solid ties built among other migrant groups. This is consistent with previous studies that have highlighted the primary role played by personal and behavioral resources in the self-selection of high-skilled migrants (Light, 2014; Portes et al., 2002; Robles & Cordero-Guzmán, 2007; Wang & Li, 2007; Zhou, 2004).

Although most of the literature emphasizes the importance of ethnic resources and of networks as the great drivers of migrant business activity (Black & Castaldo, 2009), empirical findings support what Rajjman (2001) and Robles and Cordero-Guzmán (2007) state about financial capital as a key element to foster entrepreneurship. This is relevant because the access to cheaper credit and to better financing conditions becomes a pull factor that retains Mexican entrepreneurs in the United States and that may even facilitate the total relocation of their business to this country.

As for the institutional factors, the findings of this study ratify what X. Yang et al. (2012) state about the strong and even determinant influence of the institutional settings on business performance, and consequently on the decision to relocate businesses to other countries according to the perceived efficiency of their institutions. This perception has implications for Mexico since during the last few decades, the Mexican government has undertaken several initiatives to assist traditional migrants in United States, and to foster their connection with home communities but this has not been the case with high-skilled Mexican migrants. A possible explanation is that although the number of high-skilled migrants has been increasing, it pales in the face of the number of traditional migrants living and working in United States.

Moreover, as discussed in the theoretical framework, high-skilled Mexican migrants have not yet developed a strong economic enclave nor have they established a solid network that stimulates a frequent contact with their home communities. Thus, most of the Mexican government policies addressed to migrants are conceived for traditional ones. This finding has important public policy implications, and supports what Ndofor and Priem (2011, p. 815) have suggested in terms of the development of social capital, which spurs new business ventures through the coordination of networking events that include potential stakeholders or members of specific value chains.

It is then clear that high-skilled Mexican entrepreneurs do not have incentives for return in the current institutional context of their home country. Additionally, the opportunity structure Mexican entrepreneurs have found in United States is one of the recurrent explanations of their decision to live and do business there. This is portrayed through a combination of elements such as attractive economic dynamics in the U.S. market; an approachable regulatory system; a more transparent business environment; clearer fiscal rules; and more solid educational alternatives for their children.

This study was based on a relatively small number of in-depth interviews and in a specific area of United States (Texas). Further research is hence needed to determine if the factors influencing high-

skilled Mexican entrepreneurial migration to other areas of United States remain or other salient factors affect this migration decision. For instance, the institutional context of other U.S. states could be more or less favorable for foreign entrepreneurial undertakings. A large sample of migrant entrepreneurs would also allow developing a detailed profile of this type of skilled migration. In the same vein, further work is needed to unravel if the migration decision of other Hispanic entrepreneurs is motivated or not by similar factors when moving to United States, which seems to be very likely because many Latin American countries are characterized by the same kind of institutional voids (organized crime, corruption, bureaucracy...).

6 | CONCLUSION

This study has advanced theory on entrepreneurial migration by identifying the determinants of high-skilled Mexican entrepreneurial migration to United States. The impact of social, human, and financial capital on the decision to migrate was studied through the identification of ethno, managerial, and financial factors (concrete embeddedness), while the impact of the socioeconomic, political, and regulatory environment at the home and host countries was analyzed through a set of institutional factors (abstract embeddedness). Most previous studies about entrepreneurial migration have used a quantitative approach, applied from a sociological or anthropological perspective. This article analyzed this phenomenon from a managerial angle through in-depth interviews applied to Mexican migrant entrepreneurs working and/or living in United States.

Overall, the interviews reveal having family and friends living in United States affects the entrepreneurs' migration decision. The existence of social and business networks, in contrast, does not seem a determinant factor (as it is in most cases for traditional migrants; Durand, Massey, & Zenteno, 2001; Marcelli & Cornelius, 2001), but it is an aspect migrants consider valuable once they are living in United States.

In the past, most entrepreneurs moving to United States already had solid capital and did not depend economically on their new business ventures, whereas today's entrepreneurs do require financial support to start and keep their businesses and they do depend on them economically. Therefore, as the financial profile of the Mexican migrant entrepreneur changes, access to credit becomes a factor that contributes to perpetuate or at least extend the migrants' stay in United States. In other words, while access to credit is not necessarily an initial pull factor in the decision to migrate, it becomes important once Mexican entrepreneurs are living in United States. This is significant from a public policy perspective, as it implies that the Mexican government should enhance financial access through corresponding reforms as part of a strategy to decrease the migration of high-skilled entrepreneurs to United States.

The findings confirm that institutional factors play a major role in the entrepreneurs' migration decision. Most of the entrepreneurial migration literature has emphasized the importance of taking into account the host institutional context surrounding business opportunities, but it is clear that the analysis of the home country's institutional environment is also crucial. The sending country triggers

migration, even when the host country subsequently plays a key role in securing or discouraging the permanence of migrant entrepreneurs. The Mexican institutional context is evidently the primary force that stimulates migration to United States. Surprisingly, although insecurity has been a determinant impulse factor for some, other relevant factors behind the decision to migrate in recent years have been fiscal uncertainty, bureaucracy, informality of the Mexican business environment, and corruption. The U.S. institutional context represents the opposite situation for entrepreneurs who find a safe, transparent, certain, efficient, and well-regulated environment, becoming factors that keep them in the country. In other words, migrant entrepreneurs not only react to structural disadvantages at home, but they try to profit from advantages in the host country.

Interestingly, while living in United States, a significant number of entrepreneurs operate businesses in both this country and Mexico. From a public policy perspective, this fact has major implications, as it presents an opportunity for the Mexican government to develop closer relationships with high-skilled migrants, who could become a solid platform to promote the country's image abroad. While root problems, such as organized crime, cannot be solved in the short term, the development of such relationships can prevent migration from becoming a zero-sum game. The implementation of concrete, manageable actions that provide a more robust business environment in Mexico may foster the transfer of knowledge, expertise, and best practices among Mexican migrant and nonmigrant entrepreneurs.

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APPENDIX A: IN-DEPTH INTERVIEW GUIDE

Interview design based on the main push and pull factors of immigrant entrepreneurial activity suggested by recent literature.

Entrepreneurs' classification

- Operating his/her business and living in the United States: _____
- Operating his/her business in Mexico but living in the United States: _____
- Operating his/her business both in Mexico and the United States but living in the United States: ____
- Operating his/her business in the United States but living in Mexico: _____

Demographic data

- State (county) of origin (in Mexico). _____
- When did you arrive in the United States? _____
- Kind of industry or sector where your business is in? _____
- Have you moved to another industry? _____
- How would you classify your business in terms of size: small, medium, large?
 - Number of employees: _____
 - Annual sales: _____
- Schooling years: _____
- Did you study in Mexico or overseas? _____
- Marital status: _____

Ethno/cultural factors

- Was your decision to live/work in the United States influenced by the desire to settle close to family and friends who migrated earlier?
- Is there some kind of social network (eg, associations, clubs, and religious groups) that encouraged you to establish your business here in the United States/in Mexico/in both Mexico and the United States? Have the ties developed through that network been a key resource for you while living and/or working in the United States?
- Has the fact that you belong to a specific Mexican entrepreneurial network such as the AEM (or La Red) contributed to the further development of your business or do you consider that your business was already consolidated when you became a member of the network? Was the existence of these networks a pulling factor to come to the United States? From your point of view, what are the major advantages to belonging to networks such as AEM?
- In your opinion, what are the most common areas of self-employment and entrepreneurship for Mexicans who share your profile here in the United States?
- What kind of ethnic resources (group cohesion, solidarity, access to private loans and credit associations, assistance and loyalty from relatives, coethnic employees and customers, and opportunities to purchase businesses from coethnic owners) can you identify as helpful in your business venture in the United States?
- Do you serve a broad clientele or primarily a Hispanic or a Mexican-born clientele? Who are your clients?
- How would you describe/classify your workforce?

Managerial factors/personal factors:

- Do you think that your education, and in general, your cultural background have been key factors to become an entrepreneur working or living in the United States?

2. Can you identify differences in the way your skills, competencies, and knowledge are applied here in the United States for entrepreneurial purposes (versus Mexico)?
3. Can you identify specific resources (human, financial, social, and technological) acquired in the United States that have been helpful for running your business in Mexico and/or the United States?
4. Has the language been an obstacle to run your business here?

Institutional factors

1. Was your engagement in entrepreneurial activities in the United States motivated by necessity and/or by opportunity?
2. To what extent were insecurity and organized crime determinant push factors to establish your business in the United States or to take the decision of living in the United States?
3. To what extent was the economic situation in Mexico a push factor to establish your business in the United States?
4. Was the search for a better education for you or for your children a determining factor in your decision?
5. What about tax policies? Have you found them friendlier here in the United States to operate your business? Was this an important factor in your decision to move to the United States?
6. How easy or difficult has it been to establish your business here in terms of regulations, legal procedures, and red tape?/How easy or difficult has it been to continue operating your business in Mexico from here? Can you identify specific limitations to operate your business in the United States? Have you experienced any kind of block mobility here in Texas or has it been the opposite?
7. Are there United States government policies and/or entrepreneurial activities such as counseling programs, tax incentives or credit assistance programs, that you consider as pulling factors to establish or transfer your business to the United States? Do you think that the support received from government agencies in the United States has increased due to the amount of Mexican entrepreneurs established in Texas, or has it remained stable?
8. Is there any kind of support from the Mexican government addressed to Mexican entrepreneurs working or living in the United States?
9. In your case, does the fact of living and/or working in the United States reveal the cancellation of opportunities in Mexico, or does it primarily reflect the dynamics of a binational market?

Financial factors

1. Has a better access to credit been a pull factor to transfer your business to the United States?