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*Scientific articles*

## **Estudio sobre el emprendimiento femenino informal en inmigrantes mexicanas en Austin, Texas**

***A study of informal female entrepreneurship among Mexican immigrants in  
Austin, Texas***

***Estudo sobre empreendedorismo feminino informal entre imigrantes  
mexicanos em Austin, Texas***

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### **Resumen**

El presente estudio analiza el emprendimiento en pequeñas empresas dirigidas por mujeres propietarias sin estatus legal y es quien dirige la organización en Austin, las cuales son consideradas emprendedoras oportunistas y/o por necesidad. La investigación es cualitativa y descriptiva, y utiliza el estudio de caso como metodología. El objetivo es identificar los factores que impulsan el emprendimiento femenino y conocer cuáles son los principales retos. Las fases metodológicas incluyeron: investigación documental, análisis de información en el estudio de caso, diagnóstico mediante la observación participante, selección de informantes, diseño de entrevista a profundidad. Los resultados señalan que las emprendedoras cumplen con el pago de impuestos, no enfrentan discriminación por su origen o género; el dominio del idioma es más importante para quienes ofrecen servicios que para quienes comercializan productos, y cuentan con una red de apoyo familiar.



**Palabras clave:** Emprendimiento, negocio, género, migración, economía, desarrollo

## Abstract

This study examines small business entrepreneurship led by owners without legal status and is the one who runs the organization in Austin, which are considered opportunistic and/or necessity entrepreneurs. The research is qualitative and descriptive, using case study methodology. The objective is to identify the factors driving female entrepreneurship and to explore the main challenges they face. The methodological phases included: documentary research, analysis of information in the case study methodology, diagnosis through participant observation, selection of informants, design of in-depth interviews. The results indicate that women entrepreneurs comply with tax payments, do not face discrimination based on their origin or gender, language skills are more important for those who offer services than for those who market products, and they have a family support network.

**Keywords:** Entrepreneurship, business, gender, migration, economy, development.

## Resumo

Este estudo examina o empreendedorismo em pequenas empresas administradas por mulheres proprietárias sem status legal e que são as líderes da organização em Austin, que são consideradas empreendedoras oportunistas e/ou por necessidade. A pesquisa é qualitativa e descritiva, e utiliza o estudo de caso como metodologia. O objetivo é identificar os fatores que impulsionam o empreendedorismo feminino e entender os principais desafios. As fases metodológicas incluíram: pesquisa documental, análise das informações do estudo de caso, diagnóstico por meio da observação participante, seleção dos informantes e delineamento da entrevista em profundidade. Os resultados indicam que as mulheres empreendedoras pagam impostos e não sofrem discriminação com base na origem ou no gênero; A proficiência no idioma é mais importante para quem oferece serviços do que para quem vende produtos, e eles têm uma rede de apoio familiar.

**Palavras-chave:** Empreendedorismo, negócios, gênero, migração, economia, desenvolvimento.

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## Introduction

International migration is a relevant topic, where there are opposing opinions about self-employment and entrepreneurship among migrants. Brzozowski (2019) points out that one line of research establishes that migrants engaged in self-employment are people with limited resources who carry out their activities in the spaces left by the native population, where there is a lot of risk, instability, long working hours and small profit margins. These businesses, therefore, are often short-lived, generate few jobs and offer harsh working conditions, thus keeping immigrants on the margins of the economy and society. While Brzozowski (2019) highlights the limitations of self-employment among migrants, other studies underline their capabilities and resources to identify needs and create successful businesses. In this sense, entrepreneurship is an alternative to increase their income and have economic independence in the destination country.

Currently, in the changing world, there are two concepts that are related: migration and social stratification. Fernández (2022) establishes that the first concept refers to the improvement of the quality of life and the search for opportunities; the second, to social division, which implies inequalities of power, property, evaluation and social gratification.

The present study aims to identify the factors that drive entrepreneurship among Mexican immigrant women and to understand the main challenges, based on two research assumptions: a) legal and gender conditions are obstacles to female entrepreneurship among Mexican immigrants, and b) the informal business of Mexican immigrants in the United States evades paying taxes due to their immigration status and lack of knowledge about the use of fiscal resources.

## Case study

The Facebook group “Enlaces Austin” was created to connect entrepreneurs in the USA. The members of Enlaces Austin not only sell, they also acquire services and/or products, their motto is “if you want to do business, you need to create the opportunity to do so.” In this site there is no rivalry, opportunities are for all members of the community, respect being one of the essential values for this non-profit, non-governmental organization that is made up of a community of 4,200 members, who are mostly women with the sole objective of mobilizing the economy of Hispanics in the United States of America. As in any social

system or organization, there is a regulation with the objective of having a healthy coexistence which is shown below:

- At Austin Links each group member is responsible for their own listings, products, services, comments and any actions taken within the group.
- Austin Links is not responsible for any transactions made by members of the group.
- Under no circumstances will personal information be requested from the buyer or seller.
- The return policies (if any) must be clearly specified, as well as the delivery time, all the conditions for the sale, and everything with the aim of avoiding future claims or misunderstandings.
- No sales of animals, medicines or any type of supplements are allowed, no propaganda of political parties, or religion.
- Respect for the thinking and feeling of others.
- Links Austin reserves the right of admission.

This is a public group where anyone can see who belongs to the group and what is posted.

## **Epistemological foundations**

The two epistemological axes that support this work are described below:

### **Migration**

Migration has been present in the evolution and development of humanity, also representing concern and crises that affect the economy and also society. In this sense, in the words of Aja et al., (2017) it is a multifactorial phenomenon, originated by the desire to increase the quality of life, economic crisis, difficulty in job growth, family reunification in the case of family networks in other countries, among others. Currently, this phenomenon has taken global proportions, which has led governments to face economic, social and cultural challenges. Now, following the author

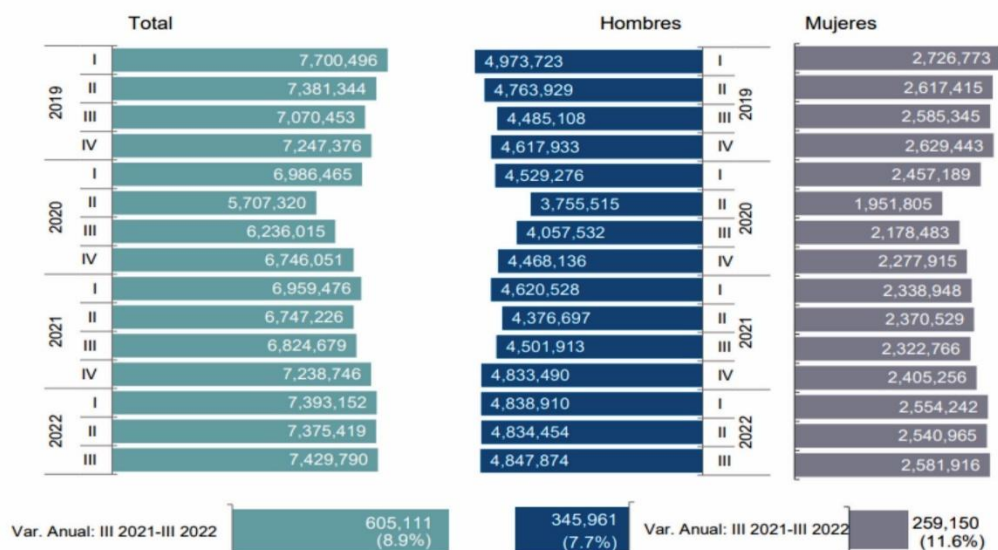
The international migration scenario is marked by the increase in the perspective of selectivity upon the arrival of immigrants, their connection with the national security of States, and the need for protection against three scourges: drug trafficking, international terrorism and illegal human trafficking ( Aja et al., 2017, p.41).

A migrant is defined as someone who arrives in a country or region other than his or her place of origin to settle there temporarily or permanently. The concepts migrant, emigrant and immigrant are commonly used as synonyms to refer to a person who leaves one place to settle in another. It should be noted that the noun emigrant focuses on the person who leaves his or her home, while immigrant refers to that same person, but from the perspective of someone who has already arrived at his or her new destination to settle there. Sánchez (2000) points out that the migrant is both an immigrant and an emigrant. The area of origin, also known as the departure area, is the place of birth from which the migrant comes, from here he or she moves to the destination or entry area, which becomes his or her current residence temporarily or permanently.

In the specific case of this work, the migration of Mexicans to the United States, Cervantes and Jiménez mention that in recent years the Mexican immigrant population in the United States has decreased significantly. This evolution has reflected a reduced migratory flow that has been surpassed by the voluntary and compulsory return of migrants and mortality in that population group (2022, p.1).

Cervantes and Ostolaza (2022) point out that “during the third quarter of 2022, the employment of Mexican immigrant workers in the United States was 7,429,790 occupations and was made up of 4,847,874 male workers and 2,581,916 female workers” (see fig. 1).

**Figure 1.** United States: Number of Mexican immigrant workers from the first quarter of 2019 to the third quarter of 2022



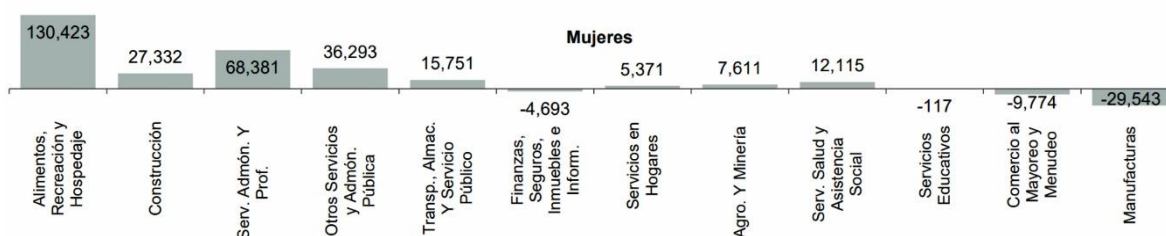
Current database Population Survey , from the United States Census Bureau.



From 2019 to 2022, a gradual increase in Mexican immigrant women workers in the United States is observed. In this context, as shown in Graph 1, in the third quarter of 2022, it is highlighted that out of 7,429,790 workers, 34.8% of the workers are female.

Cervantes and Ostolaza highlight that “the increases in food, recreation and lodging services and in construction with respective increases of 239,204 and 215,527 Mexican workers. In contrast, there were significant decreases in manufacturing and in wholesale and retail trade” (2022, pp. 2-3). One sector that has increased the areas of employment opportunities is services provided in homes, where the number of immigrant women hired was 5,371 (see fig. 2).

**Figure 2.** Labor participation of Mexican immigrant women in the third quarter of 2022 in the United States



Current database Population Survey , from the United States Census Bureau.

There are elements that reduce female labor insertion compared to men, among which the following stand out: work activities that require physical strength, preference by women for part-time jobs that allow family care, the positions proposed for women are of lower pay than those of men, even in those that perform the same tasks, often due to discrimination.

## Entrepreneurship

Definition of entrepreneurship. Entrepreneurship is the result of the action of a person who undertakes, that is, someone who identifies opportunities in the market and faces the associated risks. It must be considered that the entrepreneur has the ability to identify opportunities and face the risks that he may find in the market; it is very necessary to take into account his experience and innovative capacity, which allow him to consolidate his projects and contribute to the economic growth that he achieves thanks to his skills and abilities. (Salvador et al., 2022)

Types of entrepreneurship. Entrepreneurs can be classified into categories depending on the common characteristics they present, so they are classified as follows:

1. Development of products or services
2. People who develop an innovative product or service and who have intellectual property over it.
3. Business idea out of necessity.
4. Business idea based on opportunity. These are ventures that are started out of necessity or opportunity.
5. High-impact entrepreneurship.
6. Entrepreneurship based on life experiences. Entrepreneurs who develop their ideas based on their life project, which are initiated to put their knowledge and lifestyle into practice.

## Materials and methods

This research was conducted using a qualitative methodological approach and a case study, which implies non-generalizable results, but rather particular ones. This typology was chosen because it seeks to understand the social imaginary of entrepreneurs and to learn about the experiences of the participants. The choice of the qualitative paradigm implies recognizing the subjectivity of the researcher, the commitment to the reality investigated and the limitations imposed by the available resources such as material resources and time.

A focused interview was designed, used as the main technique for obtaining data. The instrument consisted of 31 specially designed questions that integrate the categories: language proficiency, discrimination, support networks, entrepreneurship, migration, resources and empowerment. The selection of the twenty-four key informants was carried out through sampling using the snowball technique; since as Alloatti (2014 ) mentions in relation to the sampling typology, this option is ideal for two reasons: the first is to contact people who avoid being contacted, such as in the case of individuals who are undocumented and/or related to irregular economic activities. The second reason is that this technique is recommended in exploratory studies that present a significant absence of data to estimate a universe.

For the interpretation of the data and the identification of the units of meaning, the methods of data triangulation (using the software Atlas ti) were used, as well as the application of the phenomenological methods for the analysis of the context, ethnographic

and hermeneutic methods for the analysis of oral and written discourse. The verification and validity of the instrument was obtained through the recording of the interviews and later the verification of the record by the interviewees, as well as the anonymity of their personal data through a signed consent. The informants were selected for having ideal characteristics for the research.

## Results

Findings in the most relevant categories of language proficiency, discrimination, and networks are presented below:

Regarding language proficiency, 91.66% of respondents consider that knowing English is relevant to growing their businesses. Mastery of the English language helps entrepreneurs reach more customers in the United States (US).

Immigration status does not harm the entrepreneur in her attempt to have a better quality of life.

83.33% of female entrepreneurs are responsible for managing their own marketing , only 16.67% hire an advertising service to make their product or service known to more families.

Regarding the consideration of integrating family members into their business for its growth, only 33.33% of respondents are in that situation, the rest have no ties with their staff.

In the question about networks among entrepreneurs, only 4.8% of the respondents reported not having contact with other entrepreneurs. The majority considers the communication network with their colleagues to be important, another relevant issue is that entrepreneurs who offer services have more networks than those who offer products.

66.66% of the participants have never felt disadvantaged as Latinas living in the United States. Regardless of their status in the country of residence, Mexican women entrepreneurs, for the most part 79.16%, pay their taxes, as opposed to the minimum figure of 16.7% who have never paid their taxes formally. It is of utmost importance that female entrepreneurs know that paying their taxes does not jeopardize their stay in the United States. Only 16.67% of women frequently find it difficult to calculate and pay taxes.

62.5% of the female entrepreneurs surveyed use suppliers from their home country to make their products or complement the services they offer. However, it is advisable to check whether there is an option to contact suppliers in other places that minimize costs and increase profits.



83.33% of female entrepreneurs believe that the female gender is not a factor in entrepreneurial success. This means that, in Austin, entrepreneurship is not related to the concept of gender.

In the categories of entrepreneurship, migration, resources and empowerment the findings are:

79.16% of female entrepreneurs offer services, while 16.66% offer products. They say that it took them approximately one year to establish their business, and more than half have been in business for more than ten years, which means that they have financial strength and captive customers.

58.33% of the interviewees have emigrated to the United States of America at least sixteen years ago, in contrast to 37.5% who have lived in the country for seven years or less. In this regard, 16.66% emigrated with family members, while 79.16% emigrated with strangers. Currently, all of them live with their families.

As for the financial resources required for their business, almost half of the interviewees saved to achieve this goal, especially by promoting products, as well as requesting personal loans from friends or family, while offering services involved a minimal investment. However, regarding family support, 58.33% of the respondents have dependents. Permanence is an important factor, which is why the importance of investing profits in expanding their business and increasing savings is highlighted. In this sense, only 16.66% have a second income, however, almost all depend economically on their business to survive.

The factors that motivated women to start their own business include the need to generate income, family support, the search for a better quality of life, and previous experience. The challenges they face in continuing to stay in business include language proficiency, investment, lack of trust in the client, and their own insecurity regarding their abilities.

The achievements that they acknowledge having obtained as entrepreneurs are, in 16.66%, mastering the English language, in 37.5%, improving their quality of life, and in 37.5%, being their own boss. When asked how they obtain their training to improve their sales and the quality of their products and/or services, they emphasize that they obtain it through courses, in a self-taught way via online, and through the experiences that are shared on Enlaces Austin.

## Discussion

The results of the study show that female entrepreneurs stated that they are not discriminated against in terms of business opportunities on social networks. which differs from the argument of Tominc , Šebjan and Širec (2017), who point out that immigrants are at a disadvantage compared to native entrepreneurs in developing unique economic initiatives.

Regarding the consideration of the economic environment, they consider that there is high competitiveness and that language proficiency is an important factor for the growth of their business. In this sense, they agree with Ramos' research (2020); however, there is a discrepancy since the difficulty of cultivating social networks is not presented in the case study; paradoxically, these networks are the main environment for promoting entrepreneurship .

In terms of financing required to start their businesses, it is complex, since as Kushnirovich & Heilbrunn (2008) mention, at the beginning they face limited financial knowledge, lack of business skills and strategies, as well as knowledge in the field of savings.

## Conclusion

The results show that the informants have developed skills to promote and manage their businesses, as well as to form alliances through social networks, which increases the resources needed for competitiveness in the digital field. The consolidation of the clientele in the businesses interviewed lasts between one and two years, while the longest stay recorded reaches ten years of antiquity. Support networks are an element for the survival of the business, since most are trained in a self-taught manner or through the members of the site. On the other hand, collaborative networks facilitate access to inputs and suppliers, mostly from the country of origin.

A relevant aspect regarding the findings of the investigation is that almost all of the informants comply with the payment of taxes regardless of their immigration status, which exposes an attitude of trust and responsibility with the tax collection authority.

Finally, future lines of research that arise from the results of the study refer to understanding the quality of life of informal immigrant entrepreneurs using intentional sampling to understand the needs and economic impact of entrepreneurship in the family environment, as well as identifying areas of training in business administration and

development with the aim of establishing new networks of economic and legal advice that guarantee the permanence of the business.

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