



★ good practices ★

WG ENTR & SMEs

Theme: Entrepreneurial learning
Project title: Lectures on the practical business experiences of migrants

City: Munich, Germany

Target groups: Migrants, migrants' enterprises, entrepreneurs and founders

Context, issue(s) to tackle

More than one third of Munich's population has foreign roots. The city's inhabitants come from over 180 countries. Migrants are today an important component of Munich's society. Over the last few decades, a huge number of enterprises founded and operated by migrants have been established in Munich. Many of these entrepreneurs have only limited business knowledge or are not familiar with public support schemes. In order to ensure that these companies can perform well and improve their employees' qualifications, the city of Munich has lined up a pool of lecturers with practical knowledge of this field. Businesspeople give lectures on specific companies' actual challenges and experiences. Their best practices could be seen as a model for strengthening the migrant economy. Since a lot of employees, especially in the migrant economy, have no formal qualifications or degree, the city of Munich has created the annual Phoenix Award to stimulate the participation of migrants' businesses in Germany's official vocational training programme. The award honours outstanding economic performance and intercultural activities.

Objectives

Munich's strength is its cultural diversity. The city has a dynamic scene of economic founders. Currently nearly half of new companies in the city are founded by migrants. They play an important role in supplying goods and services to their respective communities, and growing numbers of them operate in traditional sectors. For many migrants, setting up a new business is an opportunity to integrate themselves and other migrants in Munich's labour market.

The migrants often lack sufficient knowledge of how to run a company. They are unaware of the existence of public support schemes or the role of public institutions like the Munich Department of Labour and Economic Development in stimulating the local economy. Additionally, there are cultural barriers between the members of the migrants' communities and the public authorities. For these reasons, the Department of Labour and Economic Development has developed a set of lectures on the migrants' practical business experiences. The lecturers offer entrepreneurs and employees an opportunity to learn from the practical experiences of others and to find out how the public institutions are able to support the performance of their SMEs. The annual Phoenix Award ceremony has become an important meeting point for the members of the migrant economy. The award honours outstanding businesses set up by migrants in the following three categories:

- economic performance of the company
- internal qualification and learning programme
- activities to strengthen intercultural dialogue



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The Phoenix Award makes the contribution of migrants' enterprises to Munich's economy more visible and encourages other businessmen to engage in similar activities.

Date of achievement - stages of design, development and implementation

Lectures on the practical business experiences of migrants have been delivered since 2011. Once every three months, the Department of Labour and Economic Development invites businesses to attend the lectures.

By now, the lecturers have become well known in the migrant community. Between 50 and 75 people attend the seminars, which are free of charge.

Since 2010, Munich has honoured the outstanding economic activities of migrants' companies with its annual Phoenix Award. Eighteen companies have received the awards to date. Each winner receives €5,000. The award is handed over by the mayor of Munich during a public ceremony, which brings together several members of the migrant economy.

Key steps and activities

The lecturers talk about ways to start, run and finance a company.

They explain the German tax system and give advice on how to participate in the official vocational training scheme.

They cite practical experiences with measures to save energy and to enhance resource efficiency.

They also provide practical examples of how to launch marketing campaigns and how to build long-term customer loyalty.

Furthermore, they explain the added value of participation in the German vocational training scheme by employees and companies.

The guiding principle is that frequent training for company owners strengthens the competitiveness of the company, stimulates performance and helps to make jobs safer. The seminars generally start in the late afternoon to enable the company owner and the employees to participate after their normal working hours.

Results and impact

There is evidence to show that the migrant economy is developing well in Munich. The number of such companies is growing by the year and closures are relatively rare.

The above mentioned activities of the Department of Labour and Economic Development have stabilised the migrant economy and supported entrepreneurs in running their businesses more efficiently. Additionally, the quality of the placements and the qualification of the employees have also improved. While the migrant economy is an important part of Munich's economy, for many new migrants it is also the starting point of their successful integration in the labour market. The activities have helped lower the barriers between the migrants and the public authorities. The Department of Labour and Economic Development has become an accepted partner, and its support programmes are well known in the migrant communities.

Transferability tips for cities willing to implement a similar scheme

It is important to create a culture of public welcome. The mayor should recognise that he/she is the mayor of all citizens. As a first step, the politicians and the public administration should establish a link with the local ethnic communities. This is important for building trust and provides a platform for developing training programmes. The programmes should be free of charge and compatible with the normal business working hours.



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The Phoenix Award stresses the importance of the migrants' businesses for Munich's economy and contributes to building a positive image. Additionally, it provides the members of the different ethnic groups a platform where they can meet and exchange experiences. The award winners serve as models for improving their businesses.

Budget and its source

Two persons manage the Phoenix Award and the entrepreneurial lectures, costing €130,000. The award winners receive €5,000. On top of this come the costs of the award ceremony.

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References, sources, bibliography

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Website, social media

www.muenchen.de/rathaus/Stadtverwaltung/Referat-fuer-Arbeit-und-Wirtschaft/Arbeitsmarktpolitik/Kompetenzentwicklung/Phoenix