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2023

Create, Grow, Scale Entrepreneurship Convening

Summary Report



VCU

Research Institute
for Social Equity

L. Douglas Wilder School of
Government and Public Affairs





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Introduction

In partnership with Capital One Insights Center, the Research Institute for Social Equity (the Institute) hosted a convening to discuss the ecosystem around Black and Hispanic businesses in Richmond, Virginia. This full-day experience brought together thought leaders, policymakers, practitioners, community influencers, and entrepreneurs from the greater Richmond community to strategize how to translate research into action toward economic outcomes that benefit Black and Hispanic entrepreneurs.

Entrepreneurship is a risky venture that requires commitment, determination, and clearly defined aspirations.¹ Entrepreneurs create positive change within their communities and the world by introducing new products and ideas. Risk-taking innovators are integral to their community's economic growth and development. This is especially true of Black and Hispanic entrepreneurs whose impact serves as a community economic source and a producer of generational wealth and mobility. Black and Hispanic start-ups are a point of pride in the entrepreneurship narrative. Black and Hispanic businesses support their communities by fostering job creation and strengthening the local economy. Countless Black and Hispanic entrepreneurs work toward business ownership each year.² Black individuals are more likely to start a business than white individuals.³

Engagement in entrepreneurship can reduce wealth disparity.⁴ Businesses owned by minorities with low wealth that acquire larger financial resources develop upward connections, providing access to greater economic and social resources.⁵ Expanded opportunities allow Black and Hispanic entrepreneurs to generate social capital that allows for growth and sustainability. To strengthen the current opportunity structures for minority entrepreneurs with low wealth, initiatives and programs should consider the existing social hierarchies and racial and historic inequities faced by minority businesses.⁶ In addition to the social resource gaps that minority entrepreneurs might encounter, support can be provided by connecting minority businesses with the expertise and financial resources that dominant financial networks provide (the controlling networks between funders, financial institutions and users of funds).⁷ Over the last decade, there has been a steady increase in the number of Black-owned businesses across the nation.⁷

¹ Ahmetoglu, Ahmetoglu, G., Chamorro-Premuzic, T., Klinger, B., Karcisky, T., & Chamorro-Premuzic, T. (2017). *The Wiley Handbook of Entrepreneurship*. John Wiley & Sons, Incorporated.

² Jones, N. N. (2017). Rhetorical narratives of Black entrepreneurs: The business of race, agency, and cultural empowerment. *Journal of Business and Technical Communication*, 31(3), 319-349.

³ Kroger, T. & Wright, G. (2021). Entrepreneurship and the racial wealth gap: the impact of entrepreneurial success or failure on the wealth mobility of black and white families. *Journal of Economics, Race, and Policy*, 4(1), pp.183-195. doi: 10.1007/s41996-021-00081-6 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7897735/>

⁴ Kahn, K. (2018). *Work and wealth. A Report from the 2017 Aspen Institute Economic Security.*

⁵ Kahn, K. (2018). *Work and wealth. A Report from the 2017 Aspen Institute Economic Security.*

⁶ Kahn, K. (2018). *Work and wealth. A Report from the 2017 Aspen Institute Economic Security.*

⁷ Perry, A. M., Donoghoe, M., Stephens, H. (2023). *Who is driving Black business growth? Insights from the latest data on Black-owned businesses*. Brookings.

Nevertheless, the percentage of businesses in America that Black and Hispanic entrepreneurs own is not proportional to their population percentage; In 2020, the national percentage of Black-owned businesses was roughly 2.4 percent, while their population percentage in 2020 was 12.6 percent.⁸ This is roughly reflected in the entrepreneurial ecosystem of Richmond, Virginia: Richmond's Black-owned businesses make up approximately 6 percent, failing to reflect the population percentage.⁹

Following the onset of the COVID-19 pandemic and the growing Black Lives Matter movement in 2020, various sources began offering funding to support businesses focusing on minority-owned businesses.¹⁰ Even with this funding, the time-consuming and abstract nature of grant application processes can prove burdensome for Black and Hispanic entrepreneurs, thus limiting access to funding.¹¹ This creates substantial difficulties in access to supportive funding despite the intention to target and support minority-owned businesses; systemic discrimination, institutional distrust, and lack of available information contributed to the inaccessibility of this funding.¹² Within Richmond specifically, Black and Hispanic entrepreneurs experienced difficulty with receiving an equal amount of funding compared to white entrepreneurs. Although white and Black-owned businesses experienced a similar acceptance rate for supportive funding, the average funding size from Rebuild VA grants for white-owned businesses was double that of Black-owned businesses.¹³

Growing Black and Hispanic Entrepreneurs

Financial capital supplies entrepreneurs with the flexibility and autonomy to form new businesses, obtain brick-and-mortar sites and provide the financial stability needed to allow creativity and growth.¹⁴ In addition, wealth affords the privilege of sustainability through financial troubles during sudden economic decline.¹⁵ Historically, biased financial practices and government policies have created obstacles for minority entrepreneurs, increasing the risk-taking aspect of entrepreneurship and often taking away the flexibility and autonomy new businesses need. Often Black and Hispanic business owners' ability to pursue opportunities is greatly hindered due to the financial obstacle of not being able to acquire bank loans. Facing restricted access to social capital and outside financial resources to launch their businesses, minority owners often leverage personal finances and assets during business start-ups, increasing the impact of possible financial distress.¹⁶

⁸ Solum, A. (2023). *Best Places for Black Entrepreneurs – 2023 Edition*. SmartAsset

⁹ Solum, A. (2023). *Best Places for Black Entrepreneurs – 2023 Edition*. SmartAsset

¹⁰ Paviour, B. (2021). *Black entrepreneurs got far less money than whites from Virginia's pandemic grant program*. VPM.


¹¹ Paviour, B. (2021). *Black entrepreneurs got far less money than whites from Virginia's pandemic grant program*. VPM.

¹² Harper-Anderson, E. (2019). Contemporary Black entrepreneurship in the professional service sector of Chicago: Intersections of race, entrepreneurship, and economic transformation. *Urban Affairs Review*, 55(3), 800-831.

¹³ Paviour, B. (2021). *Black entrepreneurs got far less money than whites from Virginia's pandemic grant program*. VPM. ¹⁴ Hurst, E. G., & Pugsley, B. W. (2015). *Wealth, tastes, and entrepreneurial choice* (No. w21644). National Bureau of Economic Research

¹⁵ Kahn, K. (2018). *Work and wealth. A Report from the 2017 Aspen Institute Economic Security*.

¹⁶ Kahn, K. (2018). *Work and wealth. A Report from the 2017 Aspen Institute Economic Security*.



Even with less access to resources, analysis of U.S. Census data shows that Black-owned businesses (self-employed persons) have increased by 38% from February 2020 to August 2021 in the U.S. (University of California Santa Cruz, 2021).¹⁷ However, this is still short of the 41% decrease seen in Black businesses at the onset of the pandemic. In addition, there were 14 million business owners in the United States in 2019; during the COVID-19 pandemic, this number decreased by slightly more than 2 million.

By 2022, this number had increased to slightly more than 15 million. Contrastingly, the number of active business owners among minority populations in 2019 varied by race. There were around 800,000 Black business owners in 2019. There were around 800,000 Black business owners in 2019. During COVID-19, this number declined to approximately 600,000, and in 2021 increased to approximately 1.5 million. In 2019, there were roughly 1.9 million Hispanic business owners.

During COVID-19, the number of Hispanic business owners declined to nearly 1.4 million; by 2022, there were around 2.4 million. While there have been incremental increases in the number of Black and Hispanic-owned businesses, the number of Black and Hispanic business owners is still substantially lower than the total number of business owners.¹⁸

¹⁷ Fairlie, R. (2021) [Latest Estimates of Pandemic Impacts on Small Business Owner Activity](#)

¹⁸ Kahn, K. (2018). *Work and wealth. A Report from the 2017 Aspen Institute Economic Security.*

Scaling Black and Hispanic Entrepreneurs

Obtaining the financial resources necessary to launch a business is challenging for all entrepreneurs. Generally, small businesses rely on bank loans, credit, non-bank loans, finance companies, formal equity investments, and a wide variety of informal sources of wealth financing.¹⁹ However, minority businesses with lower levels of wealth are less likely than non-minority businesses to acquire formal loans for business development.²⁰ Also, minority entrepreneurs frequently start businesses with less capital and face resistance and difficulty accessing external capital markets. Financial impediments such as the allocation of workforce finances and racialized barriers hinder Black and Hispanic entrepreneurs from acquiring wealth and sustaining their businesses.²¹ As a result, they are more likely to rely on internal sources such as personal savings, family contributions, and debt. Minority businesses are also less likely to produce capital from external resources.²²

Workforce funding is government-provided funds intended to stimulate entrepreneurship; it created an equity issue in that they were awarded more often to entrepreneurs in affluent neighborhoods. In addition, an assessment of the Paycheck Protection Program, Congress's major COVID-19 relief program for small businesses, showed that it took longer for small businesses in majority-Black and majority-Hispanic neighborhoods to receive these loans than their white counterparts.²³ This type of racial discrimination contributes to the constraints and obstacles that Black and Hispanic firms must overcome to operate. To address this inequity, the Small Business Administration introduced a new pilot program, Community Advantage Loan Program, which provides financing and technical assistance to small businesses in underserved communities.²⁴ Another study revealed that Black entrepreneurs in high-skilled industries have experienced expanded opportunities. In addition, findings indicated that Black entrepreneurs tend to be more educated and have more varied customer bases than their counterparts of other races.²⁵ Despite these favorable influences, Black entrepreneurs still report challenges to accessing capital, encounter restrictions in establishing social capital, and face limitations in developing a strong customer base and recognition, creating an environment detrimental to their sustainability.²⁶

¹⁹ Kahn, K. (2018). Work and wealth. *A Report from the 2017 Aspen Institute Economic Security*.

²⁰ Kahn, K. (2018). Work and wealth. *A Report from the 2017 Aspen Institute Economic Security*.

²¹ Harper-Anderson, E. L., & Gooden, S. T. (2016). Integrating entrepreneurship services into local workforce development systems: Who is doing it and how. *Journal of Poverty*, 20(3), 237-260.

²² Kahn, K. (2018). Work and wealth. *A Report from the 2017 Aspen Institute Economic Security*.

²³ Lui, S. & Parilla, J (2020). New data shows small businesses in communities of color had unequal access to federal COVID-19 relief. *Research from Brookings*. <https://www.brookings.edu/articles/new-data-shows-small-businesses-in-communities-of-color-had-unequal-access-to-federal-covid-19-relief/>

²⁴ Pilot loan programs. U.S. Small Business Administration. (n.d.). <https://www.sba.gov/partners/lenders/7a-loan-program/pilot-loan-programs>

²⁵ Harper-Anderson, E. (2019). Contemporary Black entrepreneurship in the professional service sector of Chicago: Intersections of race, entrepreneurship, and economic transformation. *Urban Affairs Review*, 55(3), 800-831.

²⁶ Casey, C. (2012). Low-wealth minority enterprises and access to financial resources for start-up activities: Do connections matter? *Economic Development Quarterly*, 26(3), 252-266.



Topic 1: Q&A Answers
Characteristics
of
Culturally Competent
Professional Services ...

Topic 1: Q&A Answers
Considerations...

Elsa

About the Convening

The Create, Grow, Scale: Black and Hispanic Entrepreneurship Convening was a regionally-targeted convening that aimed to increase the opportunities and capacity of minority-owned business enterprises, specifically Black - and Hispanic- owned within the City of Richmond, Virginia.

The convening brought together individuals and organizations with a vested interest in advancing the success of Minority Business Enterprises (MBEs). The approach was to connect stakeholders to Richmond's resources, supports, and opportunities that will expand their reach, impact, and longevity.

Goals of the Convening

The convening aimed to advance social equity in Black and Hispanic communities throughout Virginia, focusing on Richmond City by cultivating supportive conditions for wealth generation, leveraging promising practices, advancing communities of practice, and promoting action. The event addressed five objectives identified by Capital One (Box 1).

Box 1. Convening Objectives

- Discuss conditions required to grow and scale successfully wealth-generating Black and Hispanic-owned businesses, specifically in Richmond, VA
- Highlight promising practices and necessary partners to growing and scaling wealth-generating businesses across multiple lenses and actors
- Share and discuss recent data, insights, and analysis on this topic from Capital One and other scholars
- Leverage the convening as an opportunity to gather additional insights from MBEs
- Build on existing communities of practice on this topic locally within Richmond, creating a space to connect and learn from on-the-ground practitioners and entrepreneurs of color

Cultivating Supportive Conditions for Wealth Generation

The convening aimed to provide stakeholders with a clear understanding of how inclusion and access to resources impact the socioeconomic mobility of Black and Hispanic businesses. In addition, important insights into how these businesses provide generational opportunities that lead to wealth generation were emphasized. Finally, the information shared was expected to advance participants' knowledge and equip them to create and engage in actions to increase the financial health of Black and Hispanic businesses, such as creating new structures and policies and developing new resources.

Leveraging Promising Practices

Stakeholders were exposed to research on best practices through expert presentations and panel discussions. This exposure generated a more in-depth understanding within stakeholders of the practices needed to generate and promote success for Black and Hispanic business owners. With the insight gained from diverse perspectives, the aim was for stakeholders to be equipped to adapt and support best practices that promote inclusion and equity throughout the business world.

Advancing Communities of Practice

This convening brought together a wide range of individuals and organizations invested in creating a sustainable and stable network for Black and Hispanic businesses. Through the different workshops, panels, and networking opportunities, this convening aimed to increase the connection between these groups to create a more cohesive and robust community of practice. Connecting these cross-sector stakeholders was expected to lead to the creation of pathways that promote progress and catalyze actions that advance socioeconomic mobility for Black and Hispanic businesses.

Promoting Action

Increased understanding and new knowledge motivate individuals to act. This convening aimed for participants to be compelled— through their lived experiences— to act by developing strategies, policies, procedures, and financial tools to promote the economic success of Black and Hispanic businesses, ultimately creating sustainable and stable environments for entrepreneurs and their businesses.

Approach

The *Create, Grow, Scale: Black and Hispanic Entrepreneurship Convening* was held in Richmond, Virginia, on May 16th and 17th, 2023. The first day of the convening was held on the campus of Virginia Commonwealth University. The second day was held at the Capital One Michael Wassmer Innovation Center.

Two Day Convening Strategy

The planned agenda brought together individuals and organizations with a vested interest in advancing the success of Black and Hispanic Entrepreneurs was met with a two-day delivery strategy that engaged best practices associated with adult education and thoughtful engagement of entrepreneurs' time. The convening included sessions designed to facilitate in-depth discussions on producing capital, developing sustainable strategies, and making upward connections for financial stability.

As planned, the first day consisted primarily of ecosystem stakeholders, while the second consisted mostly of Black and Hispanic entrepreneurs. Each day was set up to promote participant education and engagement and provide time for reflection and networking. The day engaged keynote speakers, TED talk-style podium presentations, strategic networking, and reflection exercises to meet its goals. The use of diversified formats promoted continued audience engagement and successful learning

Keynote Speakers. The day consisted of two keynote speakers to provide the attendees with insights about MBEs, the environment in which they exist, resources, and promising practices.

Podium Presentations. "TED Talk-style" presentations by researchers, industry leaders, and entrepreneurs shared expertise in entrepreneurship. Speakers were chosen based on their breadth and depth of experience.

Panel. The panel presentation was designed to introduce participants to the theme and subthemes to understand the purpose of the convening better and individualize their approach to the learning experience. In addition, panels allowed community nonprofit organizations, public sector organizations, researchers, CDFIs, and private organizations to share new insights on existing conditions and available support. The panel consisted of 1 moderator and 5 panelists who engaged in dialogue centered around the lived experience of Black and Hispanic entrepreneurship.

Table Discussions. The table discussions convened participants with a conversational approach to the event's subthemes. The discussions were delivered simultaneously with 1-2 subject matter experts centered around a theme to provide the attendees with knowledge on the perspective of the community, the perspective of entrepreneurs who are on the ground, financial insights on how to grow and scale wealth-generated businesses, provide business best practices, and strategic tools from large financial institutions on effectively preserving and maintaining their business.

Networking Sessions. The participants were offered several opportunities for informal debriefing, networking, and conversation throughout the two-day event. These activities enabled participants to engage with one another and with speakers and panelists. The sessions provided a platform for participants to reflect on their experiences during this time, inspiring deeper understanding toward action.

Strategy Sessions. Participants were asked to integrate their learning from Day One with their lived experiences through intentional and structured discussions to connect themes with action planning.

Target Population

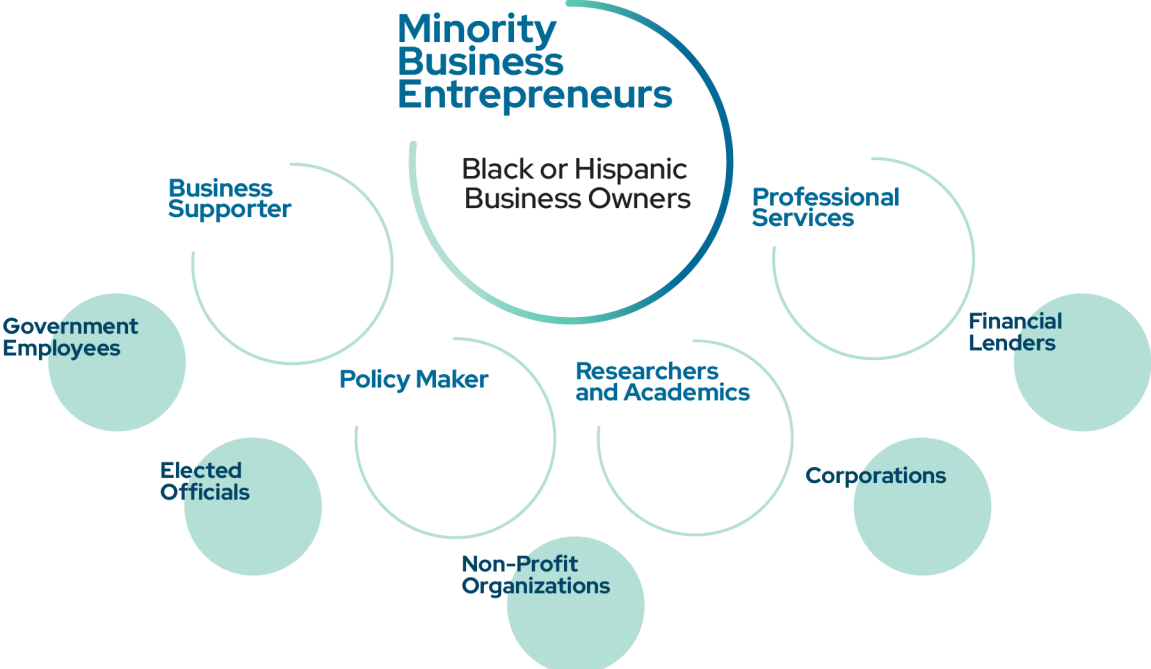
The Create, Grow, Scale: Black and Hispanic Entrepreneur Convening sought to target a variety of stakeholders to create an inclusive engagement. The primary target for inclusion was Black and Hispanic business owners, followed by organizations and institutions that support them to advance their success (i.e., incubators, accelerators, lenders, training and education centers, and professional services). Both for and non-profit groups and business owners were included with businesses at various success stages. The goal was to have individuals from multiple backgrounds obtain a wide array of viewpoints and experiences to provide a rich and detailed picture of entrepreneurship in Richmond.

Stakeholder Identification and Engagement

Individuals, groups, and organizations with a vested role in the Create, Grow, Scale Entrepreneurship Convening mission were invited to maximize the event's influence on the entrepreneur ecosystem. Central to the fulfillment of the aims of the convening is the identification and engagement of various stakeholder types—specifically those who are supportive of the purposes of the convening, capable of producing actionable solutions, and are within the industry ecosystem. Five key stakeholder groups were identified and defined: minority business entrepreneurs, business supporters, policymakers, professional services, and researchers (Figure 1).

In keeping with best practices, the first day of the convening had a goal of 80 participants, with the stakeholder breakdown consisting of 20% minority business entrepreneurs and 80% “ecosystem stakeholders” (business supporters, policymakers, professional services, and researchers). The second day of the convening had a goal of 70 participants consisting of 50% minority business entrepreneurs and 50% ecosystem stakeholders.

Figure 1. Stakeholder Identification



Stakeholder types were later specified, creating nine total stakeholder types: minority business entrepreneurs, academics & researchers, business supporters (accelerators and incubators), elected officials, corporations, financial lenders, government employees, non-profits, and professional service providers (Table 1). Facilitating dialogue across these stakeholder groups was expected to generate impactful, realistic, and well-informed results.

| Table 1. Stakeholder Identification | |
|-------------------------------------|---|
| Stakeholder Type | Stakeholder Definition |
| Minority Business Entrepreneurs | Black or Hispanic Business Owners MBE Business Classifications: retail, fashion, health & beauty, home goods, food & beverage |
| Business Supporter | Organizations or institutions that provide resources/connections/education for businesses |
| Elected Officials | Individuals elected to government positions who can influence policies around businesses |
| Professional Service Providers | Organizations or institutions that provide services for businesses, such as legal, financial, web support, advertising |
| Corporations | For-profit entities that provide services to Black and Hispanic entrepreneurs, which can also include funding or grants |
| Financial Lenders | Can be for or non-profit organizations/institutions that work with Black and Hispanic entrepreneurs to obtain business loans or capital |
| Government Employees | Individuals who work within government positions with interest in the state of Black and Hispanic entrepreneurship |
| Non-profit Organization | Non-profit organizations that provide support, services, and/or resources for Black and Hispanic entrepreneurs |
| Researchers and Academics | Individuals who have an academic interest in Black and Hispanic entrepreneurs |

An exhaustive web-based search included reviewing the websites of known Black and Hispanic groups, such as the Hispanic Chamber of Commerce, Jackson Ward Collective, BLK RVA, and Venture Richmond to identify stakeholders within the identified stakeholder groups. In addition, existing contact lists from the Research Institute for Social Equity and Capital One Insights Center were utilized. When the search was completed, over 200 individuals were identified. Some individuals were subtracted from the list due to invalid contact information. Due to event capacity, primary and secondary lists were created. Individuals on the preliminary list were invited first, and after a week, those on the secondary list were invited next to reach the goal of 80 participants on Day One and 70 on Day Two. Ecosystem stakeholders were connected to the resources, supports, research, and opportunities available in Richmond, allowing them to expand their reach.




Outcomes & Discoveries

Day One

The day began with a pre-event self-inventory to gain insight into participants' motivation for attending the convening. Opening remarks set expectations for the day, giving participants information and a glimpse into the days ahead. Virginia State Senator Lamont Bagby set the stage for the discussions ahead by reflecting on the need to discuss minority entrepreneurship in Richmond. Following his remarks, research from the Capital One Insights Center and the Boston Consulting Group that focused on wealth creation and entrepreneurship for Black and Hispanic businesses in the Richmond area was presented. A fireside chat with Dr. Shena Ashley, the President of the Capital One Insights Center and the Vice President of Capital One's Community Impact & Investment, and David Rabkin, Executive Vice President of Head of Business Cards & Payments at Capital One, further explored the themes of the presented research, followed by a Q&A session with the audience. After a break for lunch, the keynote speaker, Everett Taylor, CEO of Kickstarter, took the stage to offer insight into his experiences with entrepreneurship as a Richmond native. This session was followed by the presentation of research examining the lived experiences of MBEs in Richmond by Dr. Elsie Harper-Anderson, Associate Professor of Urban and Regional Planning and Affiliate Faculty of the Institute. A panel discussion followed this presentation to explore further and discuss the presented research. After a quick break, participants, joined by scribes, were then grouped into tables where deep-dive discussions took place. Closing remarks and an evening reception followed, allowing participants to further connect and network with each other.

Pre-Event Inventory

On the first day of the convening, participants were asked to complete a pre-event inventory to capture their perspectives before participating in sessions. Three questions were asked of participants focused on gaining insight into participants' motivation for attending the convening.

-  What do you want to share through participation in this convening?
-  What do you hope to gain by participating in this convening?
-  What can we create together today to enhance our capacity to make entrepreneurship more equitable for Black and Hispanic business owners?

What do you want to share through participation in this convening?

Participants indicated they would share their experiences as business owners or as a business supporter to share their experiences around support, needs, gaps, challenges, successes, and opportunities for small, women, youth, and Black and Hispanic-owned businesses in Richmond. They expressed the need for minority entrepreneurs to collaborate with organizations committed to assisting minority-owned businesses and streamlining resources for entrepreneurs. They also want to discuss resources or opportunities available to entrepreneurs through institutions like the Metropolitan Business League, banks, and Chamber RVA and the success stories of minority-owned businesses for content and inspiration. They were willing to share reassurances that they are all in the same struggle. Attendees indicated that there is a need for additional education and networking, which need to include entrepreneurial programs for minorities, adults, and youth. Ideas on the need for urgency, investment, and resources required to support Black and Hispanic small businesses and how corporations can scale up resources and partnerships to ensure Black and Hispanic economic empowerment is prioritized. They also hope to share how Richmond's built environment supports Black and Hispanic entrepreneurs and the connection between urban planning and supporting small businesses.



What do you hope to gain by participating in this convening?

Participants hoped to gain more insights into trends in entrepreneurship post COVID. There was a desire to gain insight into the lived experiences, data or research findings, and hyper-local awareness of Black and Hispanic entrepreneurship in Richmond. They also want to acquire more knowledge and strengthen connections to build an ecosystem for Black and Hispanic businesses. Through this experience, they hoped to gain access to resources, mentorship, grant funding, and financial support, as well as information on how to create businesses, grow small businesses, develop branding and marketing strategies, and reduce the equity gap for minority businesses. Also mentioned was the hope to create collaborative relationships with organizations that have similar goals. In addition, some participants wanted to learn investment strategies, such as ensuring investment from politicians, corporations, and nonprofits. Others looked forward to meeting fellow minority entrepreneurs. They also sought to learn about local research

on local business needs and how nonprofits can assist with addressing these needs. Participants expressed the desire to acquire information about projects/programs in the region, what has been done to support minority businesses, how to support strategic business planning to increase revenue and decrease cost, and how to build better teams. They anticipated deepening their understanding of Richmond's small business ecosystem, how to participate in corporations or skill-based volunteer work, and systemic barriers.

What can we create together today to enhance our capacity to make entrepreneurship more equitable for Black and Hispanic business owners?

Participants expressed a need for a guarantee through partnership and accountability to ensure Black and Hispanic business owners receive equitable treatment and business. Creating collective understanding and a foundation of peer-to-peer learning builds the relationship to continue the conversations and collaborative solutions to better support Black and Hispanic entrepreneurs in Richmond. They also wanted organizations to offer training, mentorship, and capital. Some participants mentioned wanting increased access to flexible financing by connecting the business owners with trusted financiers. They also wanted to see that the community and big businesses, such as Capital One, Altria, and Dominion, are informed of the insights and encouraged to invest in small businesses and multiple organizations that serve small businesses, not just limited favored ones. Opportunities can be created that increase business owners' ability to access needed finances for business success. Participants sought to create a guidebook that explains entrepreneurship terms and stages and that lists funding organizations for thriving Black and Hispanic businesses. Some participants aimed to develop a network of like-minded individuals and passionate partners. They also expressed interest in creating a system that enables learning from entrepreneurs about their wants and needs to generate a communication tool that enables information sharing. Effective communication could also be conducted through small entrepreneur workshops. Participants also expressed the desire to create financial support, SWAM certification, clear pathways to resources, enhanced entrepreneur participation in programs, and sustainable and achievable plans.

Opening Remarks & Reflections

Nakeina E. Douglas-Glenn, Ph.D., Director, Research Institute for Social Equity, L.
Douglas Wilder School of Government & Public Affairs, VCU

Dr. Douglas-Glenn set the stage for the day by welcoming guests and delivering opening remarks. After offering some background on the emergence of the convening, Douglas-Glenn remarked on the opportunity for the participants to “tap into the knowledge and experience from community stakeholders, the various speaker presentations, and discussions, and work groups [and to]... hear more about topics to grow and sustain, the business trends for Black and Hispanic businesses, and opportunities to minimize the disproportional wealth gap among Black and Hispanic businesses.”

She also explained that the convening's goals were to offer insights to participants and to learn from participants "what individualized insights and resources [they] need to engage with or to acknowledge the voices of Black and Hispanic entrepreneurs." Moreover, Douglas-Glenn explained that the purpose of the day was not only to give and receive information but to "focus [participants] towards action."

The Honorable Lamont Bagby, Virginia Senator, District 9

The Honorable Senator Lamont Bagby took the stage to discuss the significance of maintaining ongoing equity-related conversations at the state level of government. His comments underscored the necessity for the government to prioritize discussions on diversity, equity, and inclusion (DEI) and their profound impact on citizens' daily lives. These conversations should be translated into tangible actions and meaningful outcomes. Furthermore, he stressed the crucial role of collaboration among various stakeholders to foster solutions at the local, state, and federal levels, with a particular focus on benefiting Minority-Owned Business Enterprises (MBEs). The collective effort in generating such solutions would lead to a more inclusive and thriving society for all.

Session I: Strengthening the Links Between Business Ownership and Minority Wealth Building

Kedra Newsom Reeves, Partner and Managing Director, Boston Consulting Group

This session, presented by Kedra Newsom Reeves, offered an overview of new research by Capital One Insights Center and Boston Consulting Group on wealth creation and entrepreneurship for Black and Hispanic businesses in Richmond.²⁷ Newsom Reeves describes how business ownership has long been seen as a pathway to wealth creation, utilizing Black Wall Street and Tulsa as examples, and how business ownership is critical to closing the racial wealth gap. The research was driven by the desire to test the accuracy of

“It is very difficult to grow and operate a business without access to proper working capital and capital investments when you need them.”

- Kedra Newsome Reeves

this commonly held perspective; it offered the opportunity to explore the questions of "what does it take for a business to contribute to closing the racial wealth gap" and "what conditions need to be in place to help with closing the racial wealth gap?" This research also explored whether business ownership or wealth creation comes first and whether it takes wealth to create more wealth through business. The significance of this research expands beyond the financial well-being of individual business owners and into communities; Black and Hispanic owned businesses contribute to community vitality. Newsom Reeves explained that 75% of small business revenue stays in the local economy.²⁸ Small businesses also generated 48% of overall employment in the U.S.²⁹

²⁷ Boston Consulting Group & Capital One Insights Center. (2023). Strengthening the Links Between Business Ownership and Minority Wealth Building. Capital One. https://ecm.capitalone.com/WCM/stories/pdfs/capital-one-richmond_mbepaper.pdf




²⁸ Robinson & LaMore (2010). Why Buy Local? An Assessment of the Economic Advantages of Shopping at Locally Owned Businesses. Michigan State University.

²⁹SBE Council (2019). Facts & Data on Small Business and Entrepreneurship.

Finally, it is important to point out that small businesses contributed 12.9 million new jobs to the job market, while large businesses created 6.7 million new jobs over the past 25 years, meaning 66% of all new jobs are accounted for by small businesses.³⁰ Additionally, 65% of new jobs and 48% of overall employment in the US are accounted for by small businesses. Within Richmond specifically, 65% of overall employment is accounted for by small businesses employing less than 250 people. To have thriving communities, it is, therefore, essential to have an ecosystem that empowers local entrepreneurs. The focus of this study was on Richmond, Virginia. Roughly one thousand local



Richmond business owners— whose businesses survived the COVID-19 pandemic— and residents were surveyed, inclusive of a wide range of ethnicities, ages, ages of business, ownership type, and business sector type. Findings from this survey showed that within Richmond, 35% of Black & Hispanic owners grew their wealth to at least \$188,000 over the course of their business ownership. It also found that businesses that remained open longer created more wealth, with particularly high increases in the five- to ten-year range and that owners of larger businesses experienced more wealth growth. Of the businesses that reached the benchmark of \$188,000, three critical supports for business ownership to contribute to wealth creation were identified:

-  Initial and growth funding
-  Capabilities and expertise
-  Coordinated ecosystem

Regarding funding, Newsom Reeves shared that Black and Hispanic business owners often get a fraction of the funding received by Non-Black and Hispanic business owners. Within the capabilities and expertise, support, operational capacity, access to markets, and advising and expertise were identified as the three key areas of potential. Lastly, the business ecosystems should involve market support; MBE support; public policy, advocacy and regulation; and education and talent. From these findings, Newsom Reeves presented six valuable recommendations:

1. Provide Black and Hispanic business owners with financial management, coaching, and digital tools
2. Empower small businesses through training and digital tools
3. Increase trust between funders and communities of color
4. Increase access to flexible, small-scale finance
5. Help community organizations coordinate for greater impact
6. Develop purpose-built capital and credit access approaches

³⁰ Boston Consulting Group & Capital One Insights Center. (2023). Strengthening the Links Between Business Ownership and Minority Wealth Building. Capital One. https://ecm.capitalone.com/WCM/stories/pdfs/capital-one-richmond_mbepaper.pdf

Fireside Chat: The Road to Wealth Creation

Shena Ashley, Ph.D., President, Insights Center and Vice President, Community Impact & Investment, Capital One, and David Rabkin, Executive Vice President, Head of Business Cards & Payments, Capital One

“Most of the time, when we are trying to address gaps in small business ownership, people talk about access to capital as the driver of what we need to do. But I like to think of this as access to capitals. That there are multiple forms of capital... and they need to be brought together... intertwined in a way that makes sure that we don’t do one without the other.”

- Dr. Shena Ashley

This conversation between Shena Ashley and David Rabkin explored how the business ecosystem can support entrepreneurs on the road to wealth creation. Reflecting on the reality of the saying “it takes money to make money,” Rabkin discussed the striking disparity created by an ecosystem that requires high capital input to generate wealth. This disparity elevates the need to encourage and support entrepreneurship within Black and Brown communities.

In response, Ashley explained that while significant risks are inherent to the initial years of business ownership, there is also the significant wealth-returning potential that stems from stabilization after the first few years. Yet resources, networks, and ecosystems built into the support systems

of many non-Black or non-Hispanic business owners may not be available for Black or Hispanic business owners, thus leading to disparities in wealth generation through entrepreneurial activities.

In a turn toward action, Rabkin suggests framing support for these businesses regarding access to varying forms of capital. Financial capital is the most heavily considered of the seven forms of capital:

1. Financial capital: Money itself
2. Natural resources: Both natural products (e.g., oil, wheat) or physical location
3. Infrastructure: Built resources such as bridges, ports, roads, and transportation
4. Institutional capital: Resources provided through the legal system, the rule of law, and even through some aspects of institutional trust
5. Human capital: Individuals who can provide resources through knowledge and talent
6. Knowledge capital: Access to specific skills and information resources
7. Cultural capital: An understanding of relevant social norms, behaviors, and non-verbal cues

Although financial capital is significant, successful entrepreneurial endeavors often utilize multiple forms of capital to generate wealth. Rabkin emphasized the importance of each type of capital, especially for small business owners, and suggested that the business ecosystem consider how to provide or facilitate access to each form, particularly for Black and Hispanic entrepreneurs. Concluding their conversation, Dr. Ashley underlined the importance of unifying multiple types of capital to form a holistic and supportive business ecosystem that promotes success for Black and Hispanic entrepreneurs.

Keynote Speaker: In Search of Success: The Journey of Everett Taylor

Everett Taylor, CEO, Kickstarter

Reflecting on his childhood growing up in Gilpin Court in Richmond, surrounded by violence, drugs, and financial hardship, Everett Taylor spoke on his difficulties, successes, and the importance of access to resources for Black and Hispanic Entrepreneurs. Inspired by the legacy of Maggie L Walker, the history of Jackson Ward as the “Harlem of the South,” the wisdom and dedication of his family, and the desire for stability, Taylor’s interest in entrepreneurship began as a young adult. After enrolling in Virginia Tech for computer engineering, he co-created a ticketing software for events. This platform was later sold and flipped by the buyer for 12x the selling price.

This experience, which opened Taylor’s eyes to the financial possibilities of entrepreneurship, led Taylor to seek additional hands-on learning opportunities within Silicon Valley, where he learned first-hand the importance of growth capital and access to resources. He also witnessed the inequities within entrepreneurship that led to fewer opportunities for Black and Brown entrepreneurs. Despite the importance of resources for growing businesses, he identified limited access to resources as a major hurdle for Black and Brown entrepreneurs and expressed the importance of creating support structures for aspiring entrepreneurs. Reflecting on his accomplishments and his family’s legacy, he explained that success in entrepreneurship is not only about wealth but about financial freedom and overcoming generational pain and trauma. Taylor explained that “entrepreneurship is so special because we get to follow our dreams; we get to pursue something that is our purpose and mission in life.”



Session II: In Their Own Voices: Every Day Lived Experiences of Black, White, and Latino Entrepreneurs in Richmond

Elsie Harper-Anderson, Ph.D., Associate Professor, Urban and Regional Planning & Affiliate Faculty, Research Institute for Social Equity, Wilder School of Government & Public Affairs.

Dr. Elsie Harper-Anderson's talk focused on her research to build strong economies through inclusive economic development. According to Harper-Anderson, in order to have strong economies, harnessing potential and innovation from all sources is essential. Entrepreneurship has the potential to create wealth, revitalize communities, create jobs, and contribute to regional economic growth. Harper-Anderson explained that this is particularly important to Black and Brown communities that have been destroyed, economically and socially destroyed due to policies that have caused harm and excluded both places and people from prosperity. Although progress toward equity has been made, systematic and structural inequities that guide key institutions and policies have simply transformed and reconfigured to continue to limit the wealth and potential growth of underserved and marginalized groups.

Harper Anderson highlighted her three-year study, funded by the [Kauffman Foundation](#), to gain a deeper understanding of the lived experience of 40 entrepreneurs (25 Black, 5 Latino, and 15 White) within the Richmond ecosystem and how this experience differs from White entrepreneurs. Each week for one year, the participants submitted a journal entry about their entrepreneurial experience (Box 2).

Box 2. Participant Journal Entry Submission Topics

- Goals
- Rating of their success in meeting their goals
- Explanations of barriers & perceived cause of barriers
- Strategies employed to overcome these barriers
- Whether they have sought and/or received assistance from Entrepreneurial Support Organizations (ESO)
- Whether they have sought and/or received assistance from individuals
- Factors in personal lives that positively or negatively impacted their entrepreneurship,
- Overall success
- Anything significant not discussed above

In addition to the journal entries, mini-interviews were conducted every other month and focus groups were conducted after six months to discuss their entrepreneurial journey. In sharing some barriers to success identified by entrepreneurs in her study, Harper-Anderson acknowledged three major types:

1. Business-related barriers, such as lack of money or supply chain issues
2. Personal characteristic barriers, such as time management concerns or lack of technical knowledge
3. Personal life barriers, such as family health or lack of familial support

When examining common barriers experienced, mental health was pinpointed as one of the most common barriers to success for Black and Hispanic entrepreneurs, despite the lack of research and literature identifying mental health concerns as an entrepreneurial issue that needs to be addressed.

“The one that really shocked me is the extent of mental health issues as a barrier in entrepreneurship. So many of our entrepreneurs directly talk about mental health or talk about the level of stress, the level of anxiety, the level of being overwhelmed.”

- Dr. Elsie Harper-Anderson

When assessing access to ESOs, Harper-Anderson’s study identified geographically disproportionate access throughout the Richmond area; neighborhoods in Richmond with higher Black and Hispanic populations often held fewer ESOs than neighborhoods with lower Black and Hispanic populations. Additionally, many Black entrepreneurs that participated in the study were either not reaching out to or rarely reaching out to

Harper-Anderson, E. (2017). Contemporary Black Entrepreneurship in the Professional Service Sector of Chicago: Intersections of Race, Entrepreneurship, and Economic Transformation. *Urban Affairs Review*, 55(3), 800–831.

Focus Area: The state of entrepreneurs within professional services industries

Key Finding: Black entrepreneurs had historically been excluded from gaining specialized knowledge and skills required by this industry and that Black entrepreneurs experienced difficulty convincing potential customers that they had the knowledge and skill to serve their needs.

Harper-Anderson, E., & Lewis, D. A. (2018). What makes business incubation work? Measuring the influence of incubator quality and regional capacity on incubator outcomes. *Economic Development Quarterly*, 32(1), 60-77.

Focus Area: Business Incubation

Key Finding: One of the findings from this study showed that both incubator characteristics and external factors such as the external economy, access to resources, and innovation of the ecosystem, were both integral to the success of businesses. There was a relative absence of Black and Hispanic entrepreneurs within the incubators.

Harper-Anderson, E. (2018). Intersections of partnership and leadership in entrepreneurial ecosystems: Comparing three US regions. *Economic Development Quarterly*, 32(2), 119-134.

Focus Area: Compares the entrepreneurial ecosystems of Chicago, IL, Pittsburgh, PA, and Richmond, VA.

[Initial] Key Finding: There are issues to access, both geographic and systemic, to resources for Black and Hispanic entrepreneurs. She also found that support organizations gave considerable and unequal support to entrepreneurs within the tech field or the “next big idea” to the detriment of all other firms. The entrepreneurial ecosystem in Richmond, when compared to Chicago and Pittsburgh, experienced less connectivity and greater fragmentation.

“White and Black entrepreneurs have very different experiences in Richmond, and that’s something that we should all be concerned about.”

- Dr. Elsie Harper-Anderson





or rarely reaching out to ESOs, while White entrepreneurs were reaching out to the ESOs more frequently. Harper-Anderson finds that Black entrepreneurs have a pattern of resistance to asking for help and a lack of available information necessary to identify the appropriate ESOs. Meanwhile, the opposite was found to be true for White entrepreneurs, who stated that they were overwhelmed with information regarding ESOs.

Reflecting on her findings, Harper-Anderson states that although entrepreneurship is a complicated endeavor, Black and Hispanic entrepreneurs are experiencing difficulties accessing the support needed to succeed in their entrepreneurial journey. Support ecosystems for entrepreneurs need to be culturally competent considering the structural barriers that Black and Hispanic entrepreneurs face. Harper-Anderson called for entrepreneurial equity to be integrated into economic development plans and for entrepreneurial equity to be a key goal of state and local governmental development.

Session III: Richmond Entrepreneurs: A Deeper Look Panel

Rasheeda Creighton, Executive Director, Jackson Ward Collective; Sandi Cano Cauley, Founder and Owner, Scott's Hill Creative and Turn Cardio Jam Studio; Bron Hasboro, Owner, The Flower Guy Bron; Meghan Gough, Ph.D., Associate Professor, Urban and Regional Planning (Moderator); Elsie Harper-Anderson, Ph.D., Associate Professor, Urban and Regional Planning & Affiliate Faculty, Research Institute for Social Equity, Wilder School of Government & Public Affairs; Telisha Woodfin, MSW, CD, CEIM, Founder and Owner, LIVLoved

A lively panelist discussion transpired that focused on synthesizing information shared during prior sessions and was followed by a Q&A session with the audience. The panel consisted of four Richmond-based entrepreneurs:

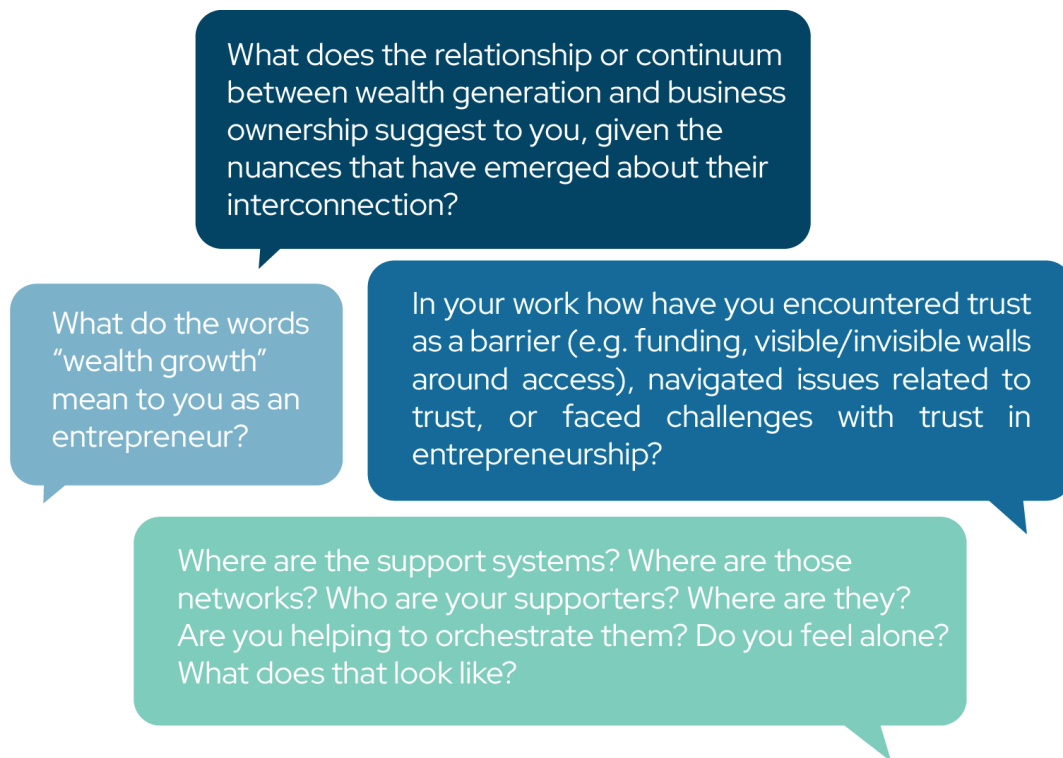
-  Rasheeda Creighton, Jackson Ward Collective
-  Sandi Cano Cauley, Scott's Hill Creative and Turn Cardio Jam Studio
-  Bron Hasboro, The Flower Guy Bron
-  Telisha Woodfin, LIVLoved

Dr. Elsie Harper-Anderson participated as a scholar expert and business owner. Dr. Meghan Gough moderated the discussion. Several themes emerged from the conversation (Figure 2):

1. Characteristics of wealth growth
2. Need to understand the mindset of Black and Hispanic entrepreneurs
3. Importance of safe environments for Black and Hispanic entrepreneurs
4. Social capital

5. Need for intentional networking
6. Importance of establishing trust in any business relationship
7. Acknowledgment of the necessity to uphold the psychological well-being of entrepreneurs, and the need to pause occasionally
8. Importance of mutually supportive relationships and trust

Figure 2. Framing the Discussion



Wealth Growth. The panelists defined wealth growth as “more than your bank account,” extending it to the community. Panelists shared the importance of community success and impact concerning wealth generation, though they stressed that this comes after the entrepreneurs have obtained financial security. It is not until their “teacup is running over” that they can “pour into other people’s cups.” Black and Hispanic entrepreneurs must first be in livable and sustainable spaces before wealth generation can occur. Individual wealth and individual investment in Black and Brown communities leads to community wealth. Recognizing that generating wealth within these spaces is a crucial element for long-term sustainability creates livable and sustainable places.

Understanding Mindset. The mention of sustainability gave rise to a conversation about understanding the mindset of Black and Hispanic entrepreneurs. Of importance is to understand how trauma (i.e., continuous financial instability, scarcity of resources) the impact of hardship on one’s mental health, is connected to the challenge of wealth generation, creating a scarcity mindset that includes uncertainty around finances and beliefs that resources available to them are limited. This belief is not only impacted by generational views but from institutions whose support of these business communities

often comes with a message on how few resources are available to them. A call was also made for Black and Hispanic entrepreneurs to begin having transparent financial conversations within Black and Hispanic entrepreneurial communities to empower their experience.

Security & Safety. The discussion turned to how security and safety are non-negotiable for Black and Hispanic business owners. Generational wealth is traumatizing because “there is always an insecurity of whether or not you can keep it.” Security must start with an entrepreneur being secure in “their worth,” as this is a necessary precedent to starting a business. Entrepreneurs need to feel secure in their pricing structure and be willing to walk away from those who do not want to pay. A fear of “losing one’s seat at the table” often led one panelist to give things away, which they believed ultimately downplayed the worth of their services and expertise.

Cultural & Generational Beliefs. Cultural and generational beliefs are other factors impacting feelings of security for Black and Hispanic entrepreneurs. Panelists talked about a mindset often characteristic of Gen X, which includes working for someone else and getting a pension. Some expressed awe of younger generations who seemed to be able to manifest success without sacrificing their desires and wants. Panelists discussed the belief of “sacrificing yourself and your desires” to care for the family and the guilt associated with creating wealth for oneself as cultural norms. Panelists agreed on the importance of overcoming these feelings of guilt around generating wealth for oneself.

Social Capital. All panelists agreed about the importance of social capital (i.e., clients, friends, family, community, and other business owners) and how it can provide new opportunities to entrepreneurs. A lack of comfort and perceived safety in conducting transparent business conversations-- especially in regard to finances-- can create barriers to accessing social capital opportunities. The discussion then focused on the importance of being intentional about social capital so it becomes an asset and investment. To do this, one needs to be open-minded and make true connections that allow the entrepreneur to take steps toward success. Central to this, once again, are feelings of safety which create needed trust.

“Wealth growth is about creating spaces that aren’t just about balances and bank accounts, but it’s about creating this level of financial freedom. And that is rooted in trauma, that is rooted in life experiences, that is rooted in values.”

- Rasheeda Creighton

“Building those solid relationships with people has caused my business to grow faster than it did in the first year and a half of me just coming to events like this and meeting people that had no intention of carrying the message of my business out beyond those walls.”

- Telisha Woodfin

Support Systems and Networks. All panelists stressed the need to be intentional in cultivating meaningful relationships and that these relationships need to be equal in that there is give and take. Networks and support systems should protect and bolster the emotional well-being of Black and Hispanic entrepreneurs to build trust. If trust does not exist, gatekeeping of resources and reluctance of an entrepreneur to share information will continue to impact network creation negatively.

Working On and In Your Business. “Working on, not just in your business,” was the final topic addressed by the panelists. Taking time to reflect on one’s business and create new business strategies or ideas was stressed as a necessity for entrepreneurs to be successful. Taking pause-- i.e., taking time off and away from the business to avoid the burnout that will negatively impact a business’s goals-- was also identified as a

“Don’t be afraid to step outside of your local business community to find other people because I didn’t see what I needed to see in Richmond... for me to have the scale of work that we needed to have, so I had to go find some other [opportunities].”
- Bron Hasboro

method to maintain psychological well-being since Black and Hispanic entrepreneurs are often “juggling many hats.” Panelists expressed the need for entrepreneurs to understand that being an entrepreneur is about taking care of themselves as much as taking care of their business; it is crucial to take care of themselves.

“We still spend so much time working in your business instead of working on your business. And so I try to remind myself to set up at least two meetings a week that are just lunch meetings or coffee meetings with another entrepreneur or someone who can assist me in my business or, more importantly, just in my mind and in my way of thinking.”
- Sandi Cano Cauley



Establishing Trust. The topic of “trust” was a consistent theme throughout the conversation. The basic need for survival is at the core of trust. Entrepreneurs are unwilling to engage with individuals or take actions that jeopardize their psychological safety, for example, interactions where judgment is present and their expertise is not recognized. Though acknowledged as critical, connecting with communities outside of their own can often feel like a risk to an individual’s safety.

The panelists also stressed the importance of institutions acknowledging their contributions to historical inequities and the need for them to make intentional and authentic efforts toward Black and Hispanic entrepreneurs to re-establish trust. As mentioned throughout, trust must be at the center of anything created to support entrepreneurs, as it impacts how they respond to others (i.e., sharing knowledge and asking for support). One panelist said, “You need to trust in others that they will not just use you.” Institutions are not seen as opportunities because of the lack

of trust created by past practices that have harmed Black and Hispanic communities, creating feelings of unsafety. Lack of representation in the institutions that offer support further contributes to the perceived lack of safety experienced by Black and Hispanic entrepreneurs.

Session IV : Theme -Based Table Discussions

Open table discussions provided participants with the opportunity to engage in lively discussions on the day's sessions with their tablemates. At the end of Day One, participants were grouped into four tables. Tables were composed of business owners and ecosystem stakeholders. The discussions were guided by two question prompts:

-  What is one realization you made today that will lead to an action for you to advance equity in entrepreneurship for Black and Hispanic entrepreneurs?
-  What action will you take?

Realizations inspiring action to advance equity

Key realizations from participating in the convening included challenges in accessing resources and capacity building, with most conversations focused on the importance of relationships. In all the table discussions, there was an emphasis on the role different relationships play in entrepreneurship and organizations that help entrepreneurs. The conversations included a commitment to building relationships on the organizational side through being active participants in the communities they want to aid. Trust was also mentioned as central to these relationships, which can be created through transparent conversations and safe spaces for entrepreneurs based on mutual respect. Businesses cannot thrive in isolation, and connections are important for providing assistance. Also central to the discussions was the need for more resources. Black and Hispanic entrepreneurs talked about how they often lacked opportunities for capital and resources, often caused by misinformation or lack of information disseminated to them. Lack of information creates barriers for entrepreneurs because they need to know what steps to take and what resources are out there to help them take those steps.



“You have got to understand that we have not always had an opportunity. We have not always had a seat at the table. And then when we get there, it’s like, ‘well, I don’t want to lose my seat. So how do I fit in,’ instead of standing in the power of, ‘I bring something valuable. I am here. This is what I offer. I have a skill set. I have a wonderful product, and this is what I can deliver.’”
- Rasheeda Creighton

to help them take those steps. A crucial action to bridge some of the existing gaps is to increase “sound” information (i.e., correct, informative) that is shared with Black and Hispanic entrepreneurs in a consistent manner. The discussions indicated that support and resources need to be “healthy” in that they need to be culturally competent and meet Black and Hispanic entrepreneurs where they are.

Finally, tables talked about how entrepreneurs lost business over the first two years of the pandemic and how the effects continued after the major restriction periods ended. Discussions at two tables included talk about the importance of continued support so businesses can continue to rebuild. Many appreciated the direct communication that occurred during the pandemic to businesses that needed the money, though that direct communication has continued to a different degree. This has left some entrepreneurs feeling like they have been abandoned.

Advancing the conversation on equity

The conversations garnered several strategies to advance the conversation on equity in entrepreneurship. First, reinforcing a sense of community was identified as an important tool for motivating and supporting entrepreneurs. This need to mobilize communities in supporting Black and Hispanic businesses will take strategic planning. Another step for advancement is to support organizations to become more culturally competent and realize the changes that need to be made in their practices. For example, one member commented on how much support for Hispanic entrepreneurs is directed toward first-generation immigrants when that does not reflect the larger Hispanic community in Richmond.

Dissemination of information was also mentioned as key to the advancement of Black and Hispanic entrepreneurs. Many shared that they need to familiarize themselves with some of the business and financial aspects of owning a business. Having information easily accessible and centralized was very desirable. People pointed towards bureaucratic processes as the antithesis because they were not flexible and lacked clarity.

They found it difficult to navigate federal and state sites that seemed to be riddled with red tape, which proved confusing and time intensive. It was agreed that any efforts needed to be sustainable and continuous— not one-shot cures as seen during the pandemic, where support disappeared after the crisis.



Post-Event Inventory

Participants were asked to complete a post-event inventory to garner final thoughts. Four questions were asked on this form:

1. What does today's conversation look like for you and your work?
2. What strategy will you take away to strengthen equity for Black and Hispanic entrepreneurs?
3. What is one realization you made today that will lead to an action for you to advance equity for Black and Hispanic entrepreneurs? What action will you take?
4. How will you continue advancing the equity conversation for Black and Hispanic entrepreneurs?

Overall, the themes of awareness, education, information, commitment, networking, and data stood out in participant responses. The following summarizes the small group table discussions:

1. What does today's conversation look like for you and your work?

Participants shared that the day's conversations laid the foundation to continue discussions that will contribute to developing actionable next steps. It further solidified for them the importance of nurturing relationships and building social capital and wealth freedom to ensure a more straightforward entrepreneurial journey. Discussions must continue to increase resource awareness while developing and implementing strategies to decrease the existing economic gap in minority communities. These discussions should focus on financing Black and Hispanic businesses, which includes increasing revenue and credit to support building businesses. Also, there is a need for conversations that focus on educating and validating entrepreneurs and informing networking with the ultimate goal of better understanding the state of Richmond's business ecosystem. Such conversations strengthen participants' confidence in continued discussions around Black and Hispanic entrepreneurial issues, research to support entrepreneurship, and their commitment to continue working and seeking resources. It also created the urge to engage with change-makers and those ecosystem stakeholders that produce net outcomes to improve the ecosystem. Many participants also gained a deeper understanding of the importance of data in supporting participants' daily work.

2. What strategy will you take away to strengthen equity for Black and Hispanic entrepreneurs?

Participants discussed several strategies: 1) community conversation, 2) working on business Entrepreneur Support Organizations (ESOs), and 3) developing intentional relationships. Additionally, the need to be intentional when inviting Black and Hispanic entrepreneurs into spaces advantageous to them, especially when these spaces lack diversity. Another strategy mentioned was the need to map best practices for building relationships, partnerships, and collaboration to support each other and share information. Ideas shared were weekly business owner meetings centering around equity in work, maintaining mental health and authenticity, and dismantling the scarcity mindset (defined on p. 22). All these conversations will lead to tighter-knit networks that can develop strategies to strengthen equity for Black and Hispanic entrepreneurs. Sustaining financial investment in non-tech businesses, seeking capital resources that support employment and business growth, education on the seven forms of capital– not just financial– improving efforts to align with minority businesses, and building on generational wealth are all strategies that participants reported.

3. What is one realization you made today that will lead to an action for you to advance equity for Black and Hispanic entrepreneurs? What action will you take?

To advance equity for Black and Hispanic entrepreneurs, enhancing the dissemination of information about ESO events is crucial. This will raise awareness and foster community connections, enabling aspiring and existing entrepreneurs to access funding opportunities, services, and resources. Moreover, efforts should be made to promote diversity, cultural competence and address location and accessibility concerns related to resources. Actions should involve organizing network-building events, securing unrestricted funding, and advocating for community needs. Recognizing the tech industry's potential by encouraging Black and Hispanic entrepreneurs to explore this sector can be beneficial. Hispanic business leaders can play a significant role by engaging with influential stakeholders to support the broader Hispanic business community. Establishing a calendar or newsletter would facilitate connections among businesses and community members. It is important to approach these actions incrementally, breaking them down into manageable steps to achieve meaningful change within the Black and Hispanic ecosystem.

4. How will you continue to advance the conversation on equity for Black and Hispanic entrepreneurs?

Many said they would share ideas with social networks, ecosystem organizations, and emergent business owners to advance the conversation. Some participants felt they needed to share their challenges, successes, training opportunities, and education opportunities with other business owners. Some attendees called for measurable outcomes and benchmarks to understand better when they have reached financial stability so they are comfortable working with other business owners—intentionally filling their cups to pour into others.

Equity can be promoted by listening to the community, conducting additional research, becoming more data-oriented, setting priorities, and having additional opportunities for community conversations. Hosting additional convenings— similar to Town Halls— to connect with others and address critical questions and emerging industry topics were also suggested. The need to prioritize accessibility was also expressed, specifically regarding education about lending practices and opportunities. Maintaining the motivation to continue these conversations on equity is paramount.

Day Two: Strategy Sessions

Day Two was conducted at Capital One's Michael Wassmer Innovation Center. This center, built with collaboration in mind, serves as a host for a variety of small businesses and start-ups. The Michael Wassmer Innovation Center was chosen as the location for the second day of the convening so participants could gain familiarity with the space, which may continue to be used as a resource to participants after the conclusion of the convening.

Each discussion had an individual aim (Figure 3). Workgroups were curated to ensure that both entrepreneurs and business supporters were represented, though each participant was able to attend a workgroup that focused on either their first or second question of interest. Strategy sessions, conducted on the second day of the convening, centered around themes to capture perspectives of entrepreneurs and ecosystem stakeholders who are on the ground, financial insights on how to grow and scale wealth-generated businesses, best practices for businesses, and strategic tools from large financial institutions on effectively preserving and maintaining their business. Each discussion aimed to capture insights into lived experiences of individuals within the Black and Hispanic entrepreneurial ecosystem. Because the Convening's goal was to leave the day with actionable items, the questions are designed to elicit suggestions for the future that might help achieve positive change.

Figure 3. Workgroups

| | |
|---------|---|
| Group 1 | Access to professional services and cultural competence in professional services for MBEs |
| Group 2 | Enhancing Access To Networking, And Mentoring For MBEs |
| Group 3 | Wealth Generation For Black And Hispanic Business Owners |
| Group 4 | Financial Access to capital growth (how to diversify growth resources) |

Each of the four strategy sessions was assigned a facilitator with experience conducting these types of sessions with diverse populations. Prior to the event, each facilitator received background information on their topic and an outline that included the purpose of their session and the conversation's goals. During the discussions, the moderators used a semi-structured scripted approach asking only two to four main questions followed by additional probing questions to deepen the discussion as needed. This structure ensured that the questions prepared ahead of time captured the needed data while also allowing participants the freedom to express themselves using their own terminology through which to share their lived experiences. This method also reinforced the conversational nature of the discussion, which creates a more trusting environment increasing participants' comfort in sharing.

Strategy session participants were encouraged to share their thoughts and experiences. It was stressed that all information shared during these sessions would be confidential, ensuring that responses would not be linked to the individuals who shared them. Entrepreneurs received a \$100 stipend for participating in the strategy workgroup to demonstrate that their time and contributions were valued. This gesture acknowledged their valuable insights and recognized their important role in shaping discussions. Opening remarks were given, and participants were immediately assigned to join workgroups to begin the strategy sessions. Sessions were divided into time increments focused on ideation, considerations, and actions. Four different strategy sessions were held for 75 minutes.

Box 3. Session Timeline

5-10 Minutes: Group member introductions and facilitator explanation of their time together.

40 Minutes: Ideation and considerations discussed

20 Minutes: Discussion on how to get to the ideal

15 Minutes: Summarization of group work

Nine Virginia Commonwealth University students were selected to serve as scribes during the convening. Following the events, students checked the accuracy of their transcriptions using the audio recordings. The recorded and written materials were given to the Institute staff for peer review. Four readers, experienced in qualitative analysis, independently reviewed the combined narratives. Themes were identified and refined through discussion, consensus building, and document revisions. The iterative process continued until no new themes emerged. The synthesis followed an inductive and emergent approach rather than one driven by hypothesis. This process resulted in a detailed description of the panelists' experiences and perspectives on wealth generation and networking.

Topic I: Access to Professional Services and Cultural Competence In Professional Services for MBEs

Facilitator: Dr. Elsie Harper-Anderson, Virginia Commonwealth University

Several themes emerged during the conversation about access to professional services: 1) shifting entrepreneurial landscape; 2) developmental stages; 3) cultural advocacy; and 4) mentoring.

Shifting Entrepreneurial Landscape. Participants talked about the need for a shifting entrepreneurial landscape. Within the conversation, the landscape appears to place a tremendous amount of attention on traditional business models or prevailing ventures such as technology with little regard given to “typical small businesses.” The participants talked about the scarcity of professional services, the cultural barriers to obtaining appropriate services, and the type of assistance needed. The first perspective shared was that there might be a lot of resources available, but Black and Hispanic business owners do not know what resources they need or how to find them. Another participant shared that they have identified professional resources for Black entrepreneurs and shared them with business owners. However, professionals who provide culturally competent services sometimes get burned out due to the high demand for their expertise.

Developmental Stages. The participants discussed the need for information and knowledge to get beyond the “on-ramp” of starting a business. Institutions and service providers need to realize that Black and Hispanic business owners are at various stages in their entrepreneurship journey, and they need to be engaged on the level that is appropriate for their stage. Participants indicated the importance of service providers taking the time to get to know their Black and Hispanic clients.

Cultural Competency. Group members discussed ways to increase resources, with increasing the cultural competency of professional services mentioned most often. Group participants stressed the importance of recognizing cultural attributes that impact a business owner’s actions and beliefs. In doing so, service providers gain insight to create a safe space founded in respect, allowing for effective service provision for Black and Hispanic entrepreneurs. In addition to increasing cultural competency, it is also important for professional services to consider the needs of minority clients by having staff members that reflect their clients. Having individuals who can work with business owners whose first language is not English was mentioned as being an important consideration when looking to improve the cultural competence of a professional service provider. Providers’ employees need to have a strong emotional intelligence that makes them open-minded to the perspectives of other cultures. It was greatly stressed that service providers need to acknowledge the experience and contributions of Black and Hispanic entrepreneurs so clients feel they are valued rather than simply being perceived as a business transaction. These actions all translate to service providers creating a trusting environment emphasizing, “You belong here.”

Cultural advocacy. Overall, it was agreed that cultural advocates are needed to assist business owners in finding resources. It was stressed that professional services must “meet business owners where they are.” Business owners are at different places regarding their understanding of business practices. Professional services must recognize that each entrepreneur may start from a different knowledge and relevant experience baseline. A provider should ask an entrepreneur where they are in their business, what they have achieved to this date, and their goals. Making assumptions and not listening with intention creates mistrust; it is viewed as “devaluing” and infantilizing an entrepreneur, resulting in discomfort that stifles the ability of Black and Hispanic entrepreneurs to step out of their bubbles and share what they need. In addition, providers that do not show value for the entrepreneur’s expertise create an environment that reinforces imposter syndrome and decreases confidence. The simple creation of a system that acknowledges and values what entrepreneurs have created and bring to the table can break down barriers.

Mentoring. The consensus was that mentoring is a need for Black and Hispanic entrepreneurs. Ideas shared were partnering businesses together culturally, as well as including businesses that are at different stages of their entrepreneurial journey. Having a lead that teaches without hesitancy and can create a safe environment that allows for transplant conversations is important. Mentors can lead new entrepreneurs through the steps of getting funding and planning. However, this expertise provided by a mentor needs to be financially compensated and business owners are not always willing to pay until they have proof that they will be provided with what they need.

One lesson that entrepreneurs can learn in this relationship is the “need to be comfortable in being uncomfortable.” Suggestions shared were the opportunity to create a group that would fund these relationships, as well as the need for there to be structure within the groups. Another suggestion was to fund the expansion of current collectives, so they have the bandwidth to oversee mentoring relationships.

“I think a lot of organizations, you know, try to reach out to the Latino community without having any cultural or language proficiency and it just doesn’t work. If you look at other models across the country, the biggest success is when they understand the language, they deal with their language and culture.”

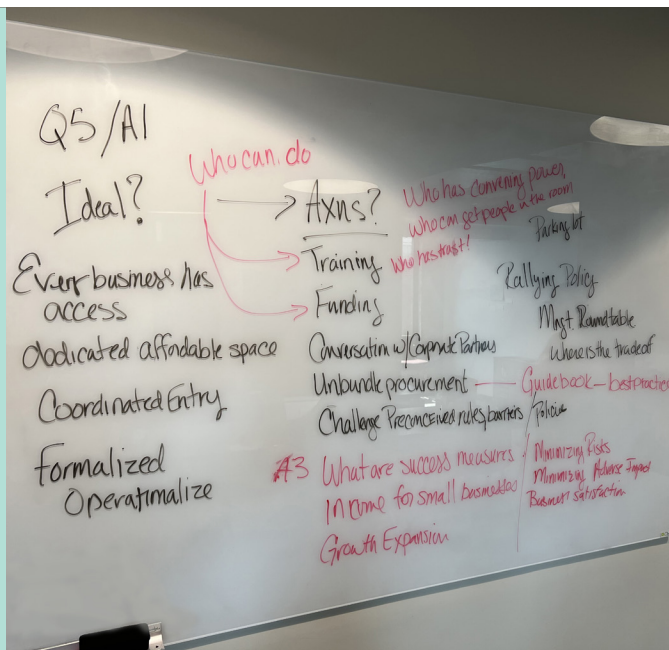


Topic II: Enhancing Access to Networking and Mentoring for MBEs

Facilitator : Dr. Nakeina E. Doulgas-Glenn, Virginia Commonwealth University

Several themes emerged during the conversation on mentoring and networking: 1) structure; 2) formalizing mentorship; 3) values; 4) inclusive networking; and 5) intentionality.

Structure. The ideal networking and mentoring systems are structured and formalized with a specific entry point. Uncomplicated systems are promoted through messaging that elicits trust and inclusion, created with input from community members to ensure that they meet community needs. By conceptualizing networking and mentoring as a



structured system, conversations can be streamlined, and participants can be better prepared to engage productively. During the discussion, the participants emphasized the importance of formal networking opportunities in smaller settings, particularly with individuals who have experienced similar paths in their business development. To achieve this, they suggested strategies like peer-to-peer networking and the formation of a board of directors to gain a better understanding of industry vernacular and ecosystems. The ultimate goal of networking and mentoring should be to establish tangible connections with professional services and skill-based volunteer support, whether in the form of pro bono assistance or other services like

website building and administrative support. This way, individuals can receive valuable help in furthering their professional endeavors.

Establishing clear points of entry will enable individuals to participate at a level that aligns with their personal business goals. It was recommended that a combination of formal and informal events should be provided so to increase participation. As individuals progress through various phases of their entrepreneurial journey, the structures should evolve accordingly to meet their changing needs. Creating an intimate atmosphere can be achieved through smaller or one-on-one events, such as casual coffee meetups that foster meaningful conversations. At the same time, larger, more formal events should aim to be inclusive, taking into account the diverse factors of participants, such as gender, economic background, and geographical location. By considering these aspects, the networking system can create an environment that supports and benefits all its members.

Formalizing Mentorship. During the discussion, the participants highlighted the importance of adopting a more formal approach to mentoring relationships with a focus on accountability. Recognizing the mentor's expertise through payment can bring a

“I think a strong network is a variety of different types of businesses and it’s a variety of different statuses, I guess, within different businesses. And I think that it also includes a leader or a mentor that actually knows how to lead.”

heightened sense of formality, leading to increased dedication in their mentoring roles. Moreover, mentors must be willing to meet mentees “where they are” and acknowledge their accomplishments. Understanding where mentees are in their personal and professional journeys is essential to cater the mentoring process effectively to their specific needs. Additionally, mentors should be receptive to understanding and accommodating the unique needs of their mentees, allowing these needs to shape the direction and guidance provided during the mentoring relationship.

Values. The quantity of networking opportunities was not identified as a significant problem; it was the quality that raised concerns. The participants identified an abundance of networking opportunities. Values such as trust, respect, and authenticity emerged as crucial factors throughout the conversation. For instance, people infrequently talk about how much they make and their price points; trust and transparency enable them to communicate about those issues. The reputation of the network or networking experience was also a critical factor in determining the value and worth of a networking experience

Inclusive Networking. Developing an inclusive and strong business network requires communication, structure, and partners. Participants suggested that in-person support and communication create more authentic connections where trust can be established to build a strong business network. Networking ecosystems should be diverse but unified, utilizing shared experiences or values to foster a sense of security and connection with others in the network. There needs to be a strong leadership component in these systems—someone who has done the groundwork but has the community’s trust. Systems of mentoring and networking need to be developed with a new narrative founded on connection and inclusion. Fostering spaces that enable people to network and enhance authenticity should be integrated into mentorship. Another aspect of successful mentoring is that the mentor has the right skills to assist the mentee effectively. Mentors should have knowledge of successful business practices, especially regarding finances and be able to explain the steps one should consider taking to reach sustainability.

Intentionality. Mentoring and networking systems must be planned intentionally, considering the possible time and bandwidth constraints of Black and Hispanic business owners. Both should be multifaceted in their approach in that they should consider the many different types of businesses (i.e., type, size, scale) that will use these systems and ensure a clear entry point for each. In addition, the approach used should be collaborative in that it obtains input on structures and supports needed to ensure inclusive participation. The structures must be simple and consider culture and financial support at a low or no fee. In addition, consideration should be given to having an administrative piece to each system to ensure actions are carried out. Systems that are executed on platforms and in a manner that allows for inclusive attendance of all Black and Hispanic entrepreneurs.

Accessibility & Accommodation. Consideration must also be given to accessibility and accommodation to locations and times. Some places are inaccessible for some members or potential members; event planning should consider people with disabilities, those without transportation, family obligations (i.e., providing child care), or atypical business hours (i.e., holding the same event at different times). Events can be conducted through Zoom or in person and require accessibility regarding connectivity (i.e., ability to access the internet) and location; sometimes, an interpreter is required to enable communication. Accessible space increases the likelihood that more people will participate in events where they could meet more like-minded individuals and potentially build networks. Finally, partners and allies need to be included in these systems—individuals who can provide access to resources and ensure inclusivity.

Topic III: Wealth Generation for Black and Hispanic Business Owners

Facilitator: Dr. Chelsie Dunn, Virginia Commonwealth University

During the discussion, participants delved into three areas 1) the significance and meaning of wealth generation mean for Black and Hispanic business owners, 2) impediments that can hinder the process of generating wealth; 3) and the ideal circumstances for achieving success. Throughout the discussion, various topics emerged and were explored in depth.

Wealth Generation. The group's discussions brought forth several crucial insights regarding meaningful wealth generation. Key elements for achieving this goal include financial freedom and sustainable business practices. The group engaged in a fruitful discussion on the importance of financial freedom as a prominent indicator of wealth generation. They emphasized that achieving economic independence and attaining financial stability and security are integral aspects of this concept. This encompasses amassing sufficient funds and assets beyond day-to-day needs, granting individuals the autonomy to make sound investment choices and lay the groundwork for future generations. For Black and Hispanic entrepreneurs, true wealth generation goes beyond financial freedom; it involves long-term viability and sustainability. This includes promoting knowledge-sharing, fostering diversity in decision-making processes, and creating platforms for information exchange.

Culture of Community. The participants thought of the work of Black and Hispanic entrepreneurs as a community-centered focus. A large portion of black business place emphasis on mission-oriented businesses that meet the needs of the community, such as food service, wellness, etc.

Overwhelming Processes. The participants described overwhelming and inequitable processes and financial illiteracy as things that could slow Black and Hispanic businesses down in generating wealth. Overwhelming processes or cumbersome procedures, such as lengthy and laborious certifications, were identified as one of the things that could slow down the generation of wealth for Black and Hispanic businesses. Many of the required or optional processes businesses face can be intimidating and overwhelming.



“I just think we need to be at the table when the solution is being discussed or researched or created because more times than not, we’re giving it one-size-fits-all and we will jump through the hoops... But it would be best if we could be a part of creating and crafting what that solution looks like rather than people telling us what we need.”

The participants stressed the absence of a centralized hub for resources and information as a barrier. However, just a website is often insufficient. Streamlining and simplifying these processes would enable smoother business operations.

Bureaucracy. In addition to being overwhelming processes, perceived bureaucracy impeded wealth generation. For example, one participant raised an issue with organizations’ payment processes. Current payment processes particularly challenge small business owners, as they often find themselves needing immediate cost recoupment due to limited capital influx for operational needs. Entrepreneurs are expected to incur upfront out-of-pocket expenses but are expected to wait for payment for services. These expectations create a misalignment with their diversity, equity, and inclusion (DEI) goals and seem unjust. Another concern was the escalating certification requirements creating a “pay to play” scenario. Participants had a difficult time understanding the value proposition of tools and certifications on the market without the reassurance of their worth for business. These certifications often felt like a gate-keeping process to keep business out of the industry. Accumulating costs of certifications added to the burden. Furthermore, the apparent redundancy between localities and the state government led to difficulties in understanding the necessary qualifications. Eliminating such redundancy could offer a clearer path to meeting the required qualifications and streamlining operations.

Financial Literacy. The participants recognized that a lack of financial literacy and limited access to professional services were deeply rooted in systemic inequalities. The conversations revealed that these challenges went beyond individual circumstances and were innately connected with deep-seated systemic inequalities perpetuating economic disparities over time. This points to the need for comprehensive and systemic solutions.

Presence. The group also discussed sharing knowledge and increasing inclusivity at the “table” as factors influencing wealth generation. This not only encompasses the sharing of generational knowledge but also having a seat at the table in the rooms where knowledge is shared. Having a seat at the table means that Black and

Hispanic business owners can collectively elevate their entrepreneurial endeavors by sharing valuable information and learning from each other's experiences. Finding the right space is essential, but getting into those spaces could require systemic barriers to be broken down to allow access so that Black and Hispanic entrepreneurs can share their voices and contribute to the conversation.

Entrepreneurial Blueprint. Participants advocated for an entrepreneurial blueprint, providing tailored solutions and granting access to crucial information (e.g., Legal and insurance), networks, and resources. Having a process to follow allows them to contribute their perspectives and ensure that they receive tailored solutions to their specific needs. Access to an entrepreneurial blueprint would open up opportunities and increase access for Black and Hispanic entrepreneurs. The participants discussed several shortcomings of the opportunity for social capital. First, primary networks to which they have access are limited in their access to resources. Second, social capital and networks in the Richmond area are guarded. As one participant explained, "I think wealth generation is being able to have a blueprint from one generation to another even if I do not have capital; my grandfather or uncle knows." This can be acknowledged as influencing access to capital, both economic and cultural. One of the participants noted these connections or networks as being minimal compared to their White male counterparts.

Widening Access. Participants expressed a desire to access their entire customer base. Engaging a broader range of customers would open up their businesses to the potential for increased growth and prosperity. Some participants noted that being identified as a Black or Hispanic business brought a sense of novelty and consequently reflected as a business for only Black or Hispanic people. The publication of Black and Hispanic businesses with whom the State does business would allow Black and Hispanic business owners to access new opportunities and partnerships.

Coaching & Mentoring. Coaching and mentorship programs were considered critical resources for success, especially when combined with financial assistance. Current mentor models, however, left entrepreneurs alone, hindering their potential for growth. Unlike lackluster mentoring experiences, participants believed coaching could offer accountability and benchmarks to guide business owners effectively. The group expressed the need for measurable standards that business owners can strive towards based on their business goals. These kinds of programs could assist businesses with moving beyond the on-ramp and facilitate a deeper understanding of when and how to take decisive steps forward. There could be several paths, including guidance on where businesses should be and what needs to be established to meet their ideal of wealth generation based on the outcomes they desire from their business. This could also be tied to continued funding support, requiring specific goals and milestones to be met to receive ongoing funding.

Other Considerations. The group touched on the need for inclusive conversations, for Black and Hispanic Entrepreneurs having a seat at the table, for educating youth, and for financial freedom. Inclusive Inclusive conversations were highlighted as a critical aspect that deserves more attention. The participants



emphasized the need for conversations that include additional stakeholders, specifically Black and Hispanic men and entrepreneurs who are often overlooked, like hairdressers, barbers, and other individuals outside the “primary” groups. This requires inclusive tables where everyone is invited and has a voice. The group emphasized the value of individuality and diverse backgrounds when thinking about wealth generation. They acknowledged that business owners are unique and come from different places, but all have expertise.

Topic IV: Financial Access to Capital Growth and How to Diversify Growth Resources

Facilitator: Dr. Jenn Reid, Virginia Commonwealth University

Participants indicated the need for change to occur to optimize access to capital growth. The discussion group identified a number of strategies and resources that could accelerate access to capital growth for entrepreneurs. Building stronger connections between lenders and support organizations, such as nonprofits or trusted community members, would be instrumental in facilitating more effective guidance. Overall, the group saw the goal of the ecosystem to empower Black and Hispanic entrepreneurs by providing them with the necessary tools, resources, knowledge, and support to access capital and thrive in the entrepreneurial ecosystem.

Challenges. The participants were asked to identify challenges in advancing Black and Hispanic entrepreneurs. The need for improved support systems, increased financial literacy, streamlined processes, and innovative approaches to ensure equitable access to capital emerged as key themes from the discussion. Individually, the participants discussed concerns such as limited time and capacity to manage all aspects of the business with the demands of external factors such as grant writing and pursuing financial

opportunities. Participants were quick to mention the inefficiencies within systems that necessitate a larger commitment of time due to being complicated and unclear. Lenders need to understand the realities of Black and Hispanic business owners— that they often have hectic lives that are complicated by having to wear many hats and having extensive responsibilities outside of owning a business. Creating clear access points, perhaps a clearing house, for grants and loan options would be beneficial. “A lot of us are first-generation entrepreneurs. We don’t have a model for this. We’re building from the ground up and any bit of money we can get our hands on we’re trying to get our hands on. But when you start saying lending, I think about the credit card debt, so how to pay off. So do I want to go to a bank and have another loan that I have to magically figure out how to pay off. So it comes with training, it comes with knowledge, and honestly, it’s kind of scary, so the less we know about it, the more we want to avoid it.”

Centralization. One example put forth by the group was a centralized and structured “wealth center” where business owners could go to get the answers they need. This place would be virtual and brick-and-mortar, making it accessible to everyone. It would have opportunities for education about the financial aspects of the business as well as events to connect individuals. For it to be inclusive, it would be important that it be staffed by individuals who are culturally competent and who speak other languages to assist those for whom English is a second language. There needs to be a central person or people who lead this effort and have a voice at the table that can represent the needs of Black and Hispanic business owners. Some suggested that consideration be given to leveraging existing collectives to advance this agenda. Participants discussed the importance for financial institutions to recognize the expertise of these business owners and that they are at different stages of their entrepreneurial journey. Hence, they need different types of information and assistance. To gain this understanding, institutions must listen to Black and Hispanic entrepreneurs and hear their stories before they talk. Financial institutions must engage in appreciative inquiry practices during interactions to show they value these business owners. Showing value is one of the base foundations for developing trust.

Level Setting. During the discussions, the participants expressed concerns about the lack of understanding and knowledge regarding financial resources, including grants, loans, and other funding options, along with their associated requirements and implications. Many entrepreneurs, especially first-generation ones building from scratch, lack a foundational understanding of entrepreneurship. Terms like “lending” can evoke worries about debt and repayment, leading to avoidance of exploring these options due to the fear of the unknown. To address these issues, the participants stressed the importance of having a guide that outlines the necessary steps based on the type of business and its goals, fostering a transparent and supportive environment that values diversity and growth. Training and guidance were highlighted as crucial approaches to increasing accessibility to capital for growth. Providing support, knowledge, and training to Black and Hispanic business owners would empower them to comprehend available resources, enhance financial literacy, and navigate the lending process more effectively. Additionally, entrepreneurs would benefit from clearer explanations and guidance on concepts like “diversifying growth resources.” Accessible information and models are

essential for engaging and empowering Black and Hispanic entrepreneurs to make informed decisions about their business ventures.

Change. There was a strong emphasis on what needs to change in the ecosystem to bring about positive interactions with entrepreneurs. The need for institutions to step up with initiatives focused on creating empowering relationships with Black and Hispanic business owners was emphasized, particularly concerning accessing capital for growth, the process for which is often accompanied by fear. Participants shared that institutions could do this by expanding business owners' knowledge of different forms of funding appropriate for their type of business, given their business goals. Another way to create an entry point is for institutions to create stronger connections with business owners and ecosystem stakeholders. A crucial part of creating stronger connections is for financial institutions to increase and improve their communication with the Black and Hispanic communities.

Changing the Narrative. Participants suggested expanding definitions of success, recognizing that not all businesses aim for massive revenue growth but can still contribute to the community through job creation, revitalization of areas, and other positive impacts. Participants stressed that lenders need to understand the reality of business owners, such as the multiple demands in their lives and the systematic oppression and barriers they have experienced with financial institutions. A positive action that lenders could take is to reach out with educational opportunities for grant writing and to improve financial literacy.

Engagement. The key points made during this discussion on diversifying resources include the need for trust to be developed, for processes to be simplified, and for value to be shown. The most important point, however, is the need for institutions to initiate conversations with Black and Hispanic communities. Institutions need to collect information that will allow them to create value-based protocols and create culturally component engagement models. Workgroup members also talked about institutions developing new and more equitable processes, such as whole-person consideration for lending, which looks beyond credit scores and assets to consider the individual's accomplishments and character.



Major Themes Across Groups

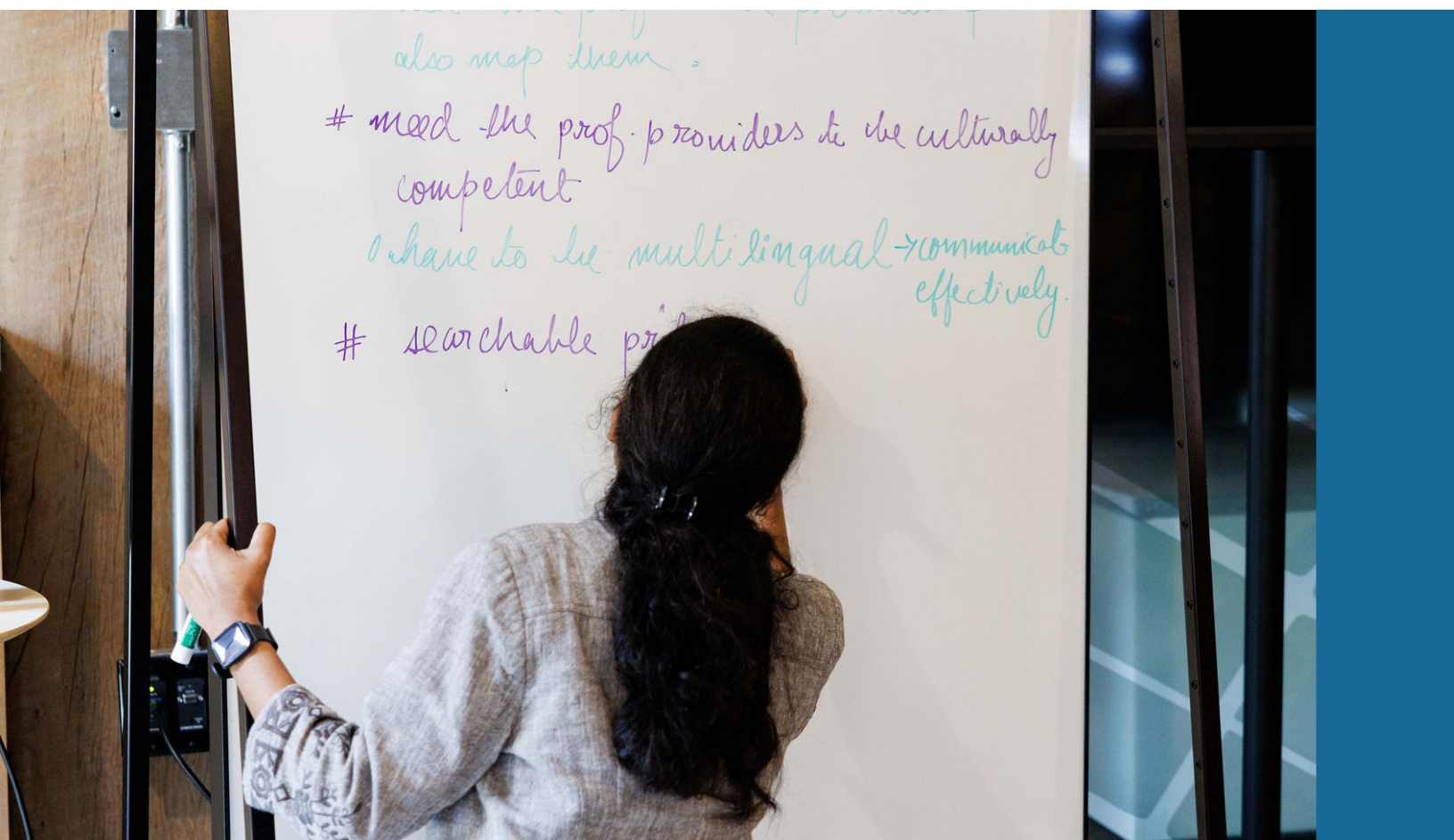
Four major themes emerged across the strategy sessions. Each theme was identified as necessary to create an ideal environment for Black and Hispanic entrepreneurs to grow and reach their goals.

1. Acclimation. One of the recurring themes is that business owners “don’t know what they don’t know.” The need to increase the financial literacy of business owners in a way that meets them where they are was stressed. Creating step-by-step guides that entrepreneurs can follow so, they know what to do next and when to do it. Growing understanding in this area is key to obtaining wealth generation. These educational opportunities, though, need to start with open conversations where trust is established between business owners and professional services (i.e., legal, financial, business planning, and funding).
2. Institutional Trust. The second theme mentioned repeatedly across groups is the need to increase cultural competency within lending institutions and professional services for the purpose of building trust. For trust to be established, these entities need to take time to communicate with communities to understand how to meet their diverse clients where they are and recognize the accomplishments and expertise of these clients. It was greatly stressed that service providers need to acknowledge the experience and contributions of Black and Hispanic entrepreneurs so they feel valued as an individual rather than just as a business transaction. These actions translate to service providers creating a trusting and safe environment that stresses “you belong here” and promotes transparent conversations.
3. Social Capital. Many of the groups talked about having or building connections with others who supported their growth as entrepreneurs. In some instances, shared identity contributed to the natural trust that existed in the relationship. In other instances, there was a tangible connection and shared learning between entrepreneurs who had mastered stages beyond where the participants were in their business development.
4. Cultivating Relationships. Groups mentioned the need to create nurturing relationships with other business owners through creating networks and mentoring relationships. Groups discussed the need for stronger connections and collaboration between Black and Hispanic business owners; partnering businesses together culturally and at different stages of business success would be beneficial. Having successful business owners from within the communities act as leads could create a safe environment for transparent conversations. Black and Hispanic business owners can collectively elevate their entrepreneurial endeavors by sharing valuable information and

learning from each other's experiences. Strategies need to be developed to bring these groups of individuals together to support one another and work together to increase engagement with community members. These efforts must be planned and systematic for them to be most effective.

5. Comprehensive and Systematic Solutions. The first step in creating a systematic solution is to create a centralized hub for resources and information. However, just a website is insufficient, with groups indicating that a physical space to get answers to their business questions is needed, which can also serve as a place for business owners to connect. Another systematic solution mentioned was the need to streamline and simplify the processes associated with obtaining assistance (i.e., financial or professional services).

Participants stressed the importance of having an environment where their expertise and experience is valued to create a trusting environment, especially since accessing capital for growth is often accompanied by fear. Black and Hispanic entrepreneurs must be invited to share their voices and contribute to the conversation. Having a seat at the table and being included in the decision-making process was deemed crucial.



Actions

Several considerations and priorities emerged from the two days of discussions that begin to frame a plan for action in strengthening the ecosystem to support Black and Hispanic entrepreneurs. These actions fall within two broad categories: Practice and Policy. Within these two broad categories, the United Nations Conference on Trade & Development (UNCTAD) entrepreneurial policy framework (Box 4) was used as a way to frame the priorities developed by the participants.³¹

Box 4. UNCTAD Entrepreneurship Framework

FRAME 1: Formulating a National Entrepreneurship Strategy

FRAME 2: Optimizing the Regulatory Environment

FRAME 3: Enhancing Entrepreneurship Education and Skills Development

FRAME 4: Facilitating Technology Exchange and Innovation

FRAME 5: Improving Access to Finance


FRAME 6: Promoting Awareness and Networking

**Frames in yellow helped to organize the approaches below.*


Practice

Practical approaches focus on easily implemented strategies within the ecosystem. The following actions will support advancement toward equity in the entrepreneurial ecosystem for Black and Hispanic entrepreneurs.


Skills & Development.


-  Training focusing on equitable interactions and increasing cultural understanding would benefit those serving entrepreneurs. Professional services would benefit from being trained in appreciative inquiry and coaching techniques, which center around viewing clients as experts in their area. Taking this view allows for mutually respected conversation to occur where the expertise of both parties is recognized. From this type of conversation, an in-depth understanding of needs is obtained that considers the business owner's existing knowledge and experiences.


³¹ United Nations Conference on Trade & Development (2023). Entrepreneurship Policy Framework and Implementation Guidance. <https://unctad.org/topic/enterprise-development/entrepreneurship-policy-hub>


-  Creative retreats for Black and Hispanic entrepreneurs that focus on growing and scaling one's business. This retreat would serve as a time for owners to reflect and create new business ideas. Individuals would be encouraged to share with the group to receive feedback and hear the experiences of others that may provide a positive impact.

Awareness & Networking. Enhance access to networking and mentoring for Black and Hispanic entrepreneurs that are structured, nurturing, and contain allies.

-  Establish Networking Professional Opportunities for Development (PODs) to create community and increase support based on trust and intentionality. These PODs would include up to six entrepreneurs (geographically or based on business) at various levels of business who come together to share, reflect upon, and receive guidance about entrepreneurship. Each group would have a leader who would receive a stipend for setting up meetings and meeting group goals. Gatherings would be held to bring all PODs together. PODs would be given topics to explore, and every so often, an expert (in needed fields) would meet with the POD to answer questions. The PODs serve the purpose of creating intentional connections that would lead to trusting relationships.

-  Create a structured mentoring system that is culturally competent. Mentors would need to be paid for their time. This will also ensure that mentoring occurs as it should. Mentoring groups should include individuals at different places in their business journey. It will be important to have mentors who acknowledge the expertise and abilities of business owners.








-  Provide coaching opportunities for Black and Hispanic Entrepreneurs, where coaches can work with entrepreneurs on internal and external barriers. In addition, the coaches would work with entrepreneurs to set up a six-month goal for themselves in all aspects of their life, not just business. The goal is to assist in moving Black and Hispanic Entrepreneurs past the "scarcity" mindset and develop thoughts that will serve them better and allow them to meet their life goals.

-  Create support collectives comprised of businesses that provide complementary services, perhaps in the same geographical location. The purpose of the collective is to create a safe and supportive environment for business owners whose businesses are at various stages so that the experience can be leveraged. A plan of support can be created between business owners (i.e., promoting other businesses to clients, hosting special events or pop-ups for those in the collective, as well as carrying the products of others).



Policy



Enduring disparities in access, opportunities, and outcomes for Black and Hispanic entrepreneurs can be attributed to inequitable policies that shape programs and practices. While multiple policies have played a part in generating adverse effects, the following actions can be taken to foster positive policy implications for Black and Hispanic entrepreneurs.

Formulating an Entrepreneurship Strategy.

-  Develop guidelines authored and curated by Black and Hispanic entrepreneurs to provide decision-makers with a comprehensive understanding of their communities and their needs as entrepreneurs.
-  Consider the establishment of an Entrepreneurial Hub/Center, so there is one place individuals can go for assistance.
-  Create an inventory of resources in Richmond that includes a cultural competency rating.
-  Create distinct business decision models that offer step-by-step guides tailored to first-generation owners. These decision models will provide businesses with a clear overview of available options based on their unique situations.
-  Create resources to fill the gaps in the Richmond ecosystem
-  Require cultural competency skills training for professional services and financial lenders (i.e., Emotional Intelligence, Appreciative Inquiry)
-  Create a centralized administrative center where business owners can share administrative needs.

Improving Access to Finance.

-  Create systems to address the inherent bias in financial practices (i.e., lending or procurement) and how they impact business practices for Black and Hispanic entrepreneurs. Increase service providers that do more character-based lending and will work with people.
-  Establish wealth centers (clearing house), organized space that is structured to educate supporters and business owners alike. A space where connections can be made that are located in more than one space, so accessibility is not an issue.

-  Facilitate easier access to credit.
-  Change policies and procedures, so they are similar across lenders or, if the same, presented similarly across lenders.

In Summation

The discussion on wealth generation for Black and Hispanic entrepreneurs shed light on concrete steps to empower and create a more equitable landscape. The two-day convening provided valuable practical and research insights into their experiences. The central focus was on establishing inclusive and structured systems with accountability to benefit Black and Hispanic entrepreneurs. Cultural competence played a crucial role in creating safe spaces for meaningful business conversations, while trust emerged as pivotal element in building inclusivity, and finding suitable spaces for knowledge exchange were considered essential. Throughout the event, participants stressed the significance of such gatherings in guiding entrepreneurs on their journey. Keynote presentations, panel discussions, and workgroups offered a glimpse of current strategies and solutions for progress. Collaboration and proactive efforts from institutions were emphasized to foster diversity and inclusion in wealth generation.

Appendix A

Participants

Nadia Anderson, Lavender Hill*
William Anderson, W.E. Innovate Solutions
Brian Anderson, ChamberRVA
Sharon Anderson Grooms, Metropolitan Business League
Scott Andrews-Weckerly, Community Foundation for a Greater Richmond
Irisselly Arroyo, Boston Consulting Group
Nathalia Artus, Atlantic Union Bank
Ebonie Atkins, Henrico Economic Development Authority
Lauren Boswell, The Metropolitan Business League
Matt Briggs, Capital One
Antwon Brinson, Culinary Concepts AB*
Sandra Cauley, Turn Cardio Jam Studio*
Niharendu Chandra, Capital One
Amy Chapman, Capital One
Tanner Collins, BizWorks Enterprise Center
Shirley Crawford, Women's Business Center RVA
Rasheeda Creighton, The JWC Foundation*
Shauntelle Cromwell, Charles Kitchen Caribbean Cuisine*
Krystle Dandridge, The Book Bar*
Elmer Diaz, Referred by Michel Zajur
Reuben Essandoh, Capital One
Jane Ferrara, Virginia LISC
Pat Foster, City of Richmond
Leah Fremouw, Bridging Virginia
Shara Gibson, Women's Business Center of Richmond
Stephanie Glenn, Community Foundation
Ernisha Hall, VA Black Business Directory
Kelly Harvey, ReeSources, Inc.
Bron Hasboro, The Flower Guy Bron*
Gustavo Hernandez, Working Hands LLC
Sherrilyn Hicks, Office of Community Wealth Building
Allison Hunter, Metropolitan Business League
Gwen Hurt, Shoe Crazy Wine*
Randolph Ives, Jamaica House Restaurant*
Tameka Jefferson, Richmond Region Tourism
Latisha Jenkins, Chesterfield Economic Development
Leonda Jiggetts, The Sweetest Thing*
Srikanth Kodali, Capital One
Michael Mancini, Activation Capital
Nicole Mason, Glean LLC*
Ayanna McMullen, The Network Incubator
Kedra Newsom Reeves, Boston Consulting Group
William Owens, Soul Taco, JewFro, Wok this Way*
Michelle Parrish, Soul N' Vinegar*
Khari Patterson, Office of Community Wealth Building
Tatiane Pena, Capital Region VA SBDC
George Piazza, LISC Virginia

Ciera Pope, Copper Hall*
Julie Rakes, Capital One
Mark Schultz, Capital One
Brittany Seward, ChamberRVA
Melody Short, The JWC Foundation
Curtiss Stancil, AM Kitchen Company, Inc.*
Nichole Thompson, Thompson Strategy and Solutions, LLC*
Todd Waldo, Hugh Helen LLC*
Sharita Walker, Let's Be a Kid Daycare*
Ashley White, Styledentity & pOATables*
Lawrence Wilder, Department of Small Business and Supplier Diversity
Briana Williams, LipLoveLine*
Ashley Williams, BareSOUL Yoga & The Well Collective*
Richard Wintsch, Startup Virginia
Michel Zajur, Virginia Hispanic Chamber of Commerce

*entrepreneurial participants

Appendix B

Agenda

Create, Grow, Scale: Black and Hispanic Entrepreneur Convening

Day One: May 16, 2023

The Commons | 907 Floyd Avenue | Virginia Commonwealth University | Richmond, VA

9:30 - 10:30 AM | Check-In & Breakfast

Attendees will be able to review the materials, enjoy continental breakfast, and engage with other attendees and staff from the Research Institute for Social Equity and Capital One.

10:00 - 10:20 AM | Welcome & Opening Remarks

- Nakeina E. Douglas-Glenn, PhD, Director, Research Institute for Social Equity
L. Douglas Wilder School of Government & Public Affairs, VCU

10:20 - 10:40 AM | Strengthening the Links Between Business Ownership and Minority Wealth Building

Brief presentation of new research by Capital One Insights Center and Boston Consulting Group on wealth creation and entrepreneurship for Black and Hispanic businesses in the Richmond area

- Kedra Newsom Reeves, Partner and Managing Director, Boston Consulting Group

10:40 - 11:05 AM | Fireside Chat

A conversation on how the business ecosystem can support entrepreneurs on the road to wealth creation

- David Rabkin, Executive Vice President, Head of Business Card & Payments, Capital One
- Shena Ashley, PhD, President, Insights Center and Vice President, Community Impact & Investment, Capital One

11:05 - 11:15 AM | Audience Q&A

11:15 - 12:00 PM | Lunch & Networking

12:00 - 12:30 PM | Keynote

- Everette Taylor, CEO, Kickstarter

12:30 - 1:00 PM | In Their Own Voices: Every Day Lived Experiences Of Black, White, And Latino Entrepreneurs In Richmond

Research presentation examining MBEs in the city of Richmond

- Elsie Harper-Anderson, PhD, Associate Professor, Urban and Regional Planning & Affiliate Faculty, Research Institute for Social Equity, L. Douglas Wilder School of Government & Public Affairs, VCU

1:00 - 2:00 PM | Richmond Entrepreneurs: A Deeper Look

Attendees will hear from Richmond area business owners about their experience and insight

- Sandi Cano Cauley, Founder and Owner, Scott Hill Creative and Turn Cardio Jam Studio
- Rasheeda Creighton, President & CEO, JWC Foundation
- Bron Hansboro, Owner and Lead Designer, The Flower Guy Bron
- Telisha Woodfin, MSW, CD, CEIM, Founder and Owner, LIVLoved
- Elsie Harper-Anderson, PhD, Associate Professor, Urban and Regional Planning & Affiliate Faculty, Research Institute for Social Equity, L. Douglas Wilder School of Government & Public Affairs, VCU
- Meghan Gough, PhD, (Moderator), Associate Professor, Urban and Regional Planning & Affiliate Faculty, Research Institute for Social Equity, L. Douglas Wilder School of Government & Public Affairs, VCU

2:00 - 2:15 PM | Audience Q&A

2:15 - 2:30 PM | Break

2:30 - 3:00 PM | Deeper-Dive Discussions

Guided by discussion prompts, attendees will join their tablemates in a dynamic discussion about what they've heard at today's event

3:00 - 3:15 PM | Closing Remarks

- Nakeina E. Douglas-Glenn, PhD, Director, Research Institute for Social Equity
L. Douglas Wilder School of Government & Public Affairs, VCU

3:15 - 5:00 PM | Reception

Create, Grow, Scale: Black and Hispanic Entrepreneur Convening

Day Two: May 17, 2023

The Michael Wassmer Innovation Center | 1717 East Cary Street | Richmond, VA 23223

8:30 - 9:30 AM | Check-In & Continental Breakfast

Attendees will be able to review the materials, enjoy continental breakfast, as well as engage with other attendees and staff from the Research Institute for Social Equity and Capital One

9:30 - 10:00 AM | Welcome & Opening Remarks

10:00 - 11:15 AM | Strategy Sessions

Topic 1: Professional Services

Access to professional services and cultural competence in professional services for MBEs

Topic 2: Networking and Mentoring

Enhancing access to networking and mentoring for MBEs

Topic 3: Wealth Generation

Wealth generation for Black and Hispanic business owners

Topic 4: Financial Access

Financial access to capital growth (how to diversify growth resources)

11:15 - 11:45 AM | Summation

11:45 AM - 12:15 PM | Lunch and Networking



About the Research Institute for Social Equity

The Research Institute for Social Equity is housed within the Wilder School of Government and Public Affairs at VCU and serves to advance social equity through multidisciplinary scholarship, research, training, and engagement. The Institute aspires to be the national leader in advancing social equity to inform public policy, governance, and practice to improve conditions for marginalized voices within our society, including communities of color, LGBTQIA individuals, people with disabilities, incarcerated populations, survivors of domestic violence, and women. The Institute has a commitment to collaboration, drawing on the collective expertise of faculty and staff from within the Wilder School and VCU's academic and medical campuses to inform our work. As a result, the Institute is uniquely prepared to lead the efforts in creating and facilitating a robust entrepreneur convening that will result in a meaningful impact for all stakeholders who atten



VCU

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