

Connecting Effectively with Marginalized Entrepreneurs



**We Global Convening – Dayton Ohio
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About the Welcoming Center for New Pennsylvanians

- The Welcoming Center is an independent nonprofit 501(c)(3) organization.
- We see ourselves as an economic development organization rather than a social services agency.
- We promote **two-way economic and social integration** between immigrant newcomers and longtime American-born residents of the Philadelphia region.



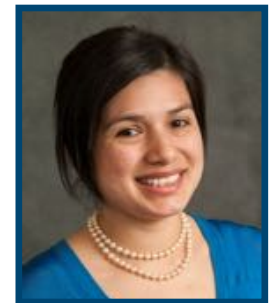
*Connecting immigrants, employers,
and communities*

What We've Done: Some Accomplishments

- Assisted **400** American-born and immigrant entrepreneurs in launching or improving their businesses
- Helped **500** American-born and immigrant adults to learn English, civics, or prepare for the GED exam
- Placed over **2,000** legally work-authorized immigrant jobseekers in employment
- Published **14** major publications, (including **Career Guides** and **How to Start a Business** guides), plus **2** research studies and **11** detailed data snapshots



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Building Effective Relationships

- **Specific strategies** can help small business providers to build effective working relationships with entrepreneurs
- Today, we'll review each strategy through case examples



But first...who are we?

Helping Marginalized Entrepreneurs Commercial Corridors as Business Incubators



¹ WCNP Survey of South 52nd Street between Arch Street and Baltimore Avenue (2009)

Helping Marginalized Entrepreneurs

Commercial Corridors as Business Incubators

Mainstream Incubators

1. New Businesses
2. Provide flexible rental space and leases
3. Shared administrative equipment.
4. Access to a network of business
5. Assistance in finance, business planning marketing, legal consulting, manufacturing etc

Typical Commercial Corridor

- New immigrant community businesses
- Cheap outdoor wooden stands
- No language skills required
- 4. Help from family
- 5. Access to community
- 6. Do not use assistance offered hence considered inefficient.

¹ WCNP Survey of South 52nd Street between Arch Street and Baltimore Avenue (2009)

Whether You Were Born in W. Africa or W. Philadelphia...

Immigrant & US-Born Entrepreneurs Have Common Needs

- Accessing **accurate information** about municipal requirements
- Identifying and responding to **market demand**
- Obtaining reliable **expert advice** (accounting, legal, etc.)
- Building **social capital** beyond their existing networks
- Locating & securing **funding** to expand



Establishing Trust

Why might entrepreneurs be skeptical?

- Unsure that your services are legitimate
- Previous bad experiences with so-called helping organizations
- Negative experiences with municipal or enforcement authorities
- “Opportunity cost” of the time they spend determining whether you can follow through on your promises



Relationships Don't Happen Overnight

The most effective relationship building occurs on commercial corridors.

- Introduce yourself in an accessible way (no long “elevator speech”)
- Be alert to the business owner’s priorities – *you are less important than a paying customer*
- Expect it to take at least **3-4 visits** before you begin to gain trust



Framing Your Services: The Value of Homework

- **Before visiting the corridor**, make sure you are familiar with other organizations' services (e.g., municipal agencies, nonprofits, banks)
- Having the full menu of options in your mind can enable you to be flexible in responding to the business owner's needs
- **Before entering the store**, observe what the business may need (e.g., *is it a contender for façade improvement?*)



Putting Yourself in the Business Owner's Shoes

- **Be as concrete as possible.** Abstract lists of available services can be overwhelming and business owners may tune out
- **Listen for what the business owner needs** and then present them with bite-size info that responds to their specific question



The *Best* Way to Establish Trust: Deliver on Your Promises

- Better to say “I don’t know, but I’ll find out”
- After sharing information, make sure the business owner is equipped to act on it

Case Example: Butcher Block Meats and the new freezers



The Danger of Underestimating People

- Just because a person has limited education or English skills doesn't mean they lack complex logistical experience in product purchasing and shipment
- **Ask:** Were you in business before?
What did you do?
Did your parents have a business?
- Entrepreneurs who have gained this experience in one context can often “plug and play” their skills in a new context



Beware of Assumptions

- **Case example:** Entrepreneur from Ivory Coast mistakenly advised to start a hair braiding business – even though her expertise was in a courier business!



?!

Be Ready to Change Your Own Practices

- **Case example:** A Community Development Financial Institution (CDFI) moving into a new commercial corridor
- Loan officer made numerous visits to the corridor, accompanying other trusted intermediaries
- With its new familiarity, the CDFI has now expanded its services to cover the “bridge financing” needs of import/export businesses

Another CDFI had tried and failed to engage businesses on the same corridor the year before – because they attempted to shoehorn merchants into their existing process

Putting it All Together: A Technical Assistance Example

Ben Hassan Bakayoko's customers wanted West African foods.

To begin importing, he needed:

- A loan to finance his first shipment of **frozen cassava root**
- Technical advice about importing



Cassava Roots After Harvesting

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How We Helped

- Welcoming Center staff helped Hassan connect with FINANTA, a nonprofit lender.
- We helped Hassan answer questions such as which port to use, what kind of vessel to contract with, and what insurance he needed.

Earlier this year, he successfully brought in his first shipment.



Being Alert to Minefields

- If entrepreneurs are mistrustful of government agencies, one way to break through is by approaching them as a person rather than a government official
- Have tangible “leave-behinds” to make it easy to follow up with you.
- **Consider doing “secret shopper” tests of your own materials** to see what it feels like from the customer’s perspective (e.g. calling a department or filing a service request)

An Ounce of Prevention

- Make sure your office is prepared to respond when entrepreneurs reach out
- **Case example:** Municipal department assigning a dedicated staffer to answer calls and follow up

Reminder: Regardless of how hard your staff works, if the feedback loop doesn't get closed, people may not trust you in the future -- because you created false hope.



Be Aware of Cultural and Political Factors

- Local circumstances can be affected by political dynamics or social tensions among groups
- For example, sometimes people don't show up to an event because the name of the person who invited them is one that they don't want to be associated with



Tools to Support Entrepreneurs: Examples

Workshops held with local partners to increase knowledge about:



- Laws and regulations pertinent to businesses
- Short- and long-term business planning
- How to access financial institutions and expert advisers

Tools: “How To Open A Business” Guides

- Can be general or industry-specific (e.g., coffee shop, plant or flower shop, deli)
- Can help **steer entrepreneurs away** from oversaturated industries
- Should be **checked carefully** with government officials **for accuracy**
- Should clearly indicate the **municipality** for which they apply



Tools: Opportunity Calls

Automated monthly 2-minute phone announcements available in six languages (**including English**) that:



- Efficiently disseminate information to merchants
- Reach entrepreneurs with limited English or literacy skills
- Build bridges with other organizations and agencies

Tools: English for Entrepreneurs

Cross-cultural communication course goes beyond language

- Increased competence in communicating with customers
- Strategies to resolve misunderstandings and defuse conflict
- Improved cultural sensitivity, customer service, community relations
- Increased awareness of city services available (*guest speakers*)



Tools to Support CDCs and Business Associations

Commercial Corridor Outreach

Trained, cross-ethnic teams meet with business owners in order to:

- **Identify and recruit** a diverse and representative membership base
- **Increase participation** of immigrant entrepreneurs in marketing events and community meetings
- **Overcome lack of social capital** by bringing community business owners together



Beyond Today: Sharing Our Expertise



*President and CEO
Peter Gonzales*

We provide **consulting services** to municipalities, Chambers of Commerce, business associations, and others who seek to **improve regional economic vitality** through immigrant integration.

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