Black Women Entrepreneurs: Understanding the Challenges and Proposing Policy for Equitable Change

Nana Younge
Black Women Entrepreneurs: Understanding the Challenges and Proposing Policy for Equitable Change

Nana Younge

Merrimack College

May 2021
MERRIMACK COLLEGE

CAPSTONE PAPER SIGNATURE PAGE

CAPSTONE SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE

MASTER OF EDUCATION

IN

COMMUNITY ENGAGEMENT

CAPSTONE TITLE: Black Women Entrepreneurs: Understanding the Challenges and Proposing
Policy for Equitable Change

AUTHOR: Nana Ehwia Younge

THE CAPSTONE PAPER HAS BEEN ACCEPTED BY THE COMMUNITY ENGAGEMENT
PROGRAM IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE
OF MASTER OF EDUCATION IN COMMUNITY ENGAGEMENT.

Audrey Falk, Ed.D.
DIRECTOR, COMMUNITY ENGAGEMENT

SIGNATURE

DATE

Sean McCarthy, Ed.D.
INSTRUCTOR, CAPSTONE COURSE

SIGNATURE

DATE

Acknowledgments
First and foremost, I would like to thank God for his never-ending grace, mercy and provision during this transformational experience. Without him, none of this would have been possible. Secondly, I wish to acknowledge the support and great love of my family and friends; my partner, Cliff Freeman; my father; Valentine Younge; mother, Ruth Turkson; and my siblings, Marian, Joseph, Emmanuela, and Valerie Younge; my cousin, Adriana Turskon; my in laws, Kingsley and Vanessa; my dearest friends, Ophelia, Vanessa, Shawnelle, Sabbatina, Sashoy, Adeola, Matilda, Gladys, Elizabeth and Kefiana. They kept me going on with their encouragement and support. I want to thank all of the amazing professors who dedicated their time to ensuring that we got the very best educational experience during this program. I wish to show my gratitude to the friends I have made and the entire community engagement fellowship cohort for all of their support over the past year. I would like to also thank my fellowship site supervisors Shantel Alix, Felicia Pierce, and supporting staff Nikki Schafer and Ashley Ganem for all of their support. There were many moments where they pushed me to focus on my capstone as they picked up tasks on my behalf. I am forever grateful. I want to thank my writing tutor Dr. Matthew Switliski as well as the Head Liberian, Lyena Chavez for the support in my writing and research. I wish to express my sincere appreciation to my advisors, Dr. Sean McCarthy, Dr. Melissa Nemon, and Dr. Audrey Falk, who have all guided and encouraged me throughout this process. Especially to my capstone instructor, Dr. McCarthy, thank you for creating a space where I felt empowered to put my ideas to paper no matter how unfinished my thoughts were. Thank you for the feedback, the needed pep talks and conversations. Without your persistent help, patience and support, the goal of this project would not have been realized. Finally, to all my Black sisters everywhere, thank you for being my inspiration.
Abstract

Black Women Entrepreneurs: Understanding the Challenges and Proposing Policy for Equitable Change examines the obstacles that Black women entrepreneurs face that make building successful businesses challenging. When it comes to businesses in the United States, Black women fall behind compared to their white counterparts and the impact of this transcends their communities. The most paramount consequence of the absence of successful Black women entrepreneurs is advocacy in decision making that ultimately impacts Black communities and the country at large. Black women endure systematic oppression that is directly linked to a long history of racial and gender inequality that affects their entrepreneurial experience. Particular challenges related to strong business relationships, access to funding and opportunities have prevented Black women entrepreneurs from success. When Black women entrepreneurs do not succeed, our economy and society suffer because they represent a great percentage of entrepreneurs who are not able to reach their fullest potential. Change is needed on a systemic level to address the inequalities that Black women entrepreneur’s experience. In this paper, I propose a local-wide policy using the city of Boston as the basis to introduce how communities can make an impact by investing in the success of Black women entrepreneurs.
Table of Contents

Abstract ................................................................................................................................. 4

Problem Statement .............................................................................................................. 6

Literature Review .................................................................................................................. 11
   Introduction ...................................................................................................................... 11
   History of Black Women Oppressed & Its Impact ............................................................ 11
   Intersectionality .............................................................................................................. 17
   Experience-based Skills .................................................................................................. 20
   Entrepreneurship and Its Capacity ................................................................................. 21

The Successful Entrepreneur Formula .................................................................................. 26

A Silver Spoon ...................................................................................................................... 29
   Capital .............................................................................................................................. 29
   Relationships .................................................................................................................. 30
   Double Bottom Line ........................................................................................................ 31

Services supporting Black women Entrepreneurs ............................................................... 34

Recommendation ................................................................................................................ 39

Conclusion ........................................................................................................................... 41

References ........................................................................................................................... 43
Problem Statement

According to the 2016 Kauffman index, 550,000 Americans launch new businesses every month. Overall Black women represent 42% of newly created businesses and own 36% of all black-owned employer businesses in the U.S. (Umoh, 2020). Today Black women are the fastest-growing group of entrepreneurs in the United States, yet data shows that their businesses are not as successful because they lack the resources and opportunities needed to build and run successful businesses (Project Diane, 2018). Every year 80% of businesses started by Americans within the first year fail due to a lack of resources, knowledge, and skills needed to sustain these businesses (Otar, 2018). Black women led businesses fail at a higher percentage compared to any other group and make up less than 1% of business owners that still have an existing business after the first 4 years (Maki, 2004). The success gap for Black women entrepreneurs and other marginalized groups are fueled by multiple factors. Some of these factors are measurable like capital and profit while some cannot be measured quite easily; yet these factors cannot explain why a Black woman’s entrepreneurial experience warrants augmented challenges that prevent her from success. A Black woman's capacity to build a successful business in the United States is ultimately constrained by the intersection of racial and gender disadvantages (Cheeks, 2019). After the civil rights movements of the 1960 and the feminist movement of the 1980s, Black women continue to face some of the harshest social and economic disadvantages amongst any other demographic including disparities in wealth, education, healthcare and even housing (Cheeks, 2017 & Goldman Sachs, 2021).

While the civil rights movement was about race and benefited Black men more, the feminist movement was about gender and catered to white women (Casey, 2020). Neither the feminist movement nor the civil rights movement captured the whole identity of a Black woman but focused on one portion of a Black woman’s identity: either gender or race but never both.
The civil rights movement and feminist movement did not fully integrate Black women into the progress. The lack of structure and systems set in place to eliminate the negative effects of slavery and sexism in the United States have had long term effects on the average Black woman (Cheeks, 2018). A Black woman’s identity presents unique challenges that make it difficult to start and run successful businesses (Umoh, 2020).

What differentiates a successful business from unsuccessful business is the amount of capital, necessary skills, and business relationships entrepreneurs have available to them as they pursue building a business (Bonnstetter, 2012 & Hart et al, 1995). By explaining how these three elements: skills, relationships, and capital collectively affect the performance of an entrepreneur, I explain the root causes for why Black women entrepreneurs are not succeeding at a comparable rate as other groups. This paper will specifically look at the following problem: the challenges that Black women face when pursuing entrepreneurship, explaining why Black women’s businesses fail, and how these failures impact our society. According to Harvard Business Review, entrepreneurs must have the determination, leadership, and other interpersonal skills that contribute to their success (Bonnstetter, 2012). Although Black women owned businesses are failing, Black women have the necessary skills but are lacking access to the same opportunities and resources needed in order to build successful businesses. This paper will argue that the inequalities that Black women endure day in and day out actually produce interpersonal skills that can be transformed into skills that entrepreneurs need but that alone is not enough. Black women face challenges that prevent them from access to the same kind of capital as other groups are afforded (Project Diane, 2018). Black women have received only .06% of venture capital funding in the U.S which says a lot about how many Black women make it to the VC level and how many are funded. (Project Diane, 2018).
On average, Black women raise an average $42,000 for their startups whereas the average amount raised by startups by white people across genders is 1.14 million (Project Diane, 2018). Capital is a crucial aspect of starting a business and without adequate funding or let alone access to funding, Black women entrepreneurs face financial burdens when building their businesses. Black women entrepreneurs often have to use their own personal money to start their business because they are less likely to receive funding or business loans (Hannon, 2018). Access to capital in addition to societal stigmas affect the amount of revenue Black women entrepreneurs are able to make. According to Goldman Sachs Report (2020) *Running a Business While Black*, Black women are the most educated but have the lowest median revenues. Despite their education, Black women’s median revenue was less than half that of white men, generating
only 47 cents for every dollar collected by a white male business owner (p. 1). Financial challenges in the long term make it difficult for Black women entrepreneurs to sustain, let alone grow, their businesses (Umoh, 2020).

Black women have faced a consistent decline in wealth, influence, power, and health amongst many other things, and need opportunities in order to debunk these stigmas (Cody, 2017). According to the 2016 census, Black women are more likely to be single mothers with a little over 70% of Black children being born to single-mother households. This means that there are more Black women who are starting businesses that are also single mothers. Between the added pressure to succeed in their business so that they can provide for their families and the time it takes to run a single-parent home, Black mothers are not afforded the same time to work on their business. Black women entrepreneurs are not able to take as many risks because they have people depending on them. As an entrepreneur, being able to take risks is beneficial because it is through your risk-taking that you are able to innovate, test, iterate, and learn (Umoh, 2020). Overall, this paper will explain that the importance of this problem is not just one for the Black woman but must be of importance to our society who, like in the recent 2020 election,
need the ideas, innovation, and support of Black women to overcome the most prevalent issues the U.S faces. It is through entrepreneurship that Black women are able to build out their solutions to the very problems that affect their communities.

The proposed solution to address racial and gender disparities Black women entrepreneurs face must start with the understanding that these challenges exist because of the social identity that is unique to her. It is important to understand how these challenges affect Black women entrepreneurs and what policies perpetuate unfair outcomes. Business accelerators, incubators, programs, and organizations like the small business association offer Black women entrepreneurs some support, but there need to be policies that provide equitable guidelines on how to effectively support Black women entrepreneurs so that their businesses do not fail. Business accelerators, local small business programs, and city leaders must recognize that policies can enforce fair access to funding, skills development, and benefits for Black women entrepreneurs. Black women who are pursuing entrepreneurship must also understand policies that exist to prevent them and also to support them in this entrepreneurial journey. In addition, Black women must be a part of the leadership team that organizes and implements these policies and resources for Black women entrepreneurs. Time and time again, it becomes clear that when the people making decisions for groups of people with no common experience nor input from the people the decisions are affecting; there is a disaster waiting to happen, all while the disaster could have been avoided if the decision-makers were diverse enough to make such a call (Reynolds & Lewis, 2017). Black women must be at the tables where decisions are being made about how resources and opportunities can be given to Black women entrepreneurs. This paper will appeal to Black women entrepreneurs, small business programs, economic development organizations, city leaders, and communities of people that value businesses that offer a social
impact. By the end of this thesis, I will present a policy proposal that will ensure that Black women entrepreneurs who are supported by local business development programs in the city of Boston are offered resources and opportunities that address the challenges they face that prevent them from success as entrepreneurs.

**Literature Review**

**Introduction**

This thesis puts a focal point on Black Women entrepreneurs in the United States. The intersection of a Black woman's identity poses unique hardships and experiences that make building a successful business challenging. Understanding the contributing factors to the challenges Black women entrepreneurs face means uncovering the historical components that source these challenges today. Over generations, these obstacles are the reasons for motivation for Black women entrepreneurs to pursue entrepreneurship; yet are the same contributing factors that prevent them from succeeding in their businesses. I share a definition to describe what entrepreneurship is and what it takes to be a successful entrepreneur. Furthermore, I explain why despite all of the skills that Black women entrepreneurs have; they are still lagging behind compared to their white counterparts. Policies can shape or reshape the systems that perpetuate the lack of equity across all entrepreneurial fields. This literature review looks at Boston, Massachusetts policies that were created to support and bridge the gap for women-led, Black-led businesses and organizations.

**History of Black Women Oppressed & Its Impact**

Since 1619, Black women have been denied true freedom and history in the United States. Uncovering this truth means revealing the detestable iniquities that make Black women as
Malcolm X would say, “the most disrespected, unprotected, and neglected person in the United States”. From 1619 to 1865, enslaved men and women were denied all of their human and civil rights. Slaves did not have the right to an education, to vote, to own land, to own businesses, to justice or freedom; all basic human rights were merely nonexistent for enslaved men and women at the time (Hine & Thompson, 1999). Hallam (2004) explains that “despite common factors, however, the circumstances of enslavement were different for Black women and Black men” (p. nd). The historical experiences of Black women during pivotal points in the United States are relative to the socio-economic status Black women hold today. There are concrete connections between the long sufferings of the past and the modernized oppressions that Black women face in every role they occupy.

Job occupations for enslaved women were oftentimes very submissive and sexist roles. During slavery, Black women sometimes worked similar jobs as enslaved men while also occupying jobs such as chores, sewing, providing labor in the fields, cooking, taking care of children and attending to household needs (Lerner & Lerner, 1992). Within the bounds of these jobs and being in the same households as their masters, masters would often take the enslaved Black women by force and engage in sexual activity with them while disregarding their families and their consent (Hallam, 2004). Some women were strategically put in the masters space so that he would have easier access to her. Intentional malleable job roles for Black women magnified by sexual assault which at times led to reproduction during slavery are just the beginning to the differences in experiences for enslaved women versus men. Dealing with mental, physical and sexual abuse created a different reality for enslaved Black women. Since the beginning of time, job occupations have long since been a detriment on how much you make, how you are viewed in society and can determine the trajectory of your career. Especially
in the South, enslaved Black women were not allowed to choose their job occupations and were certainly not allowed to negotiate their pay (Bell, 2017). Enslaved women were assigned job occupations that provided less pay compared to enslaved Black men. For slaves to be free, freedom was granted in stages and manipulated to cause harm and division amongst black families (Lerner & Lerner, 1992). Before women were able to be free, only men were able to be free. This meant that men who gained freedom were separated from their families. Some Black women were not able to be free unless bought out of their master's captivity by a Black man looking to marry her or to be freed by her master once her master was deceased (Lerner & Lerner, 1992). Other enslaved Black women had to buy their freedom with additional money they earned themselves from outside their appointed work (Hine & Thompson, 1998). Enslaved women who had neither option were to escape if they desired to be free. The slow advance into job occupations that pay higher wages left enslaved Black women without stability without a man. Low paying submissive roles were translated as enslaved people gained their freedom. Underwood (1985) explains that Black women were still to support home duties, take care of the children while the men went out to earn money. Western ideologies about a woman's role and meaning of her existence informed the types of occupation and the level of rights that women in America were allowed to have but enslaved Black women had the worst experiences as a result (Underwood, 1985). Western ideologies still inform the jobs that Black women hold today and explain the existing pay gap between women and men, and more so Black women and white men.

After the emancipation of proclamation in 1865, racism still existed and was at the forefront of all socio-economic issues in the United States at the time. During the civil rights era, the inclination of Black women entrepreneurs grew as Black women created jobs for themselves
(Bell, 2017). With Black families losing fathers and brothers in the civil war, Black women had to be more than just the care takers. Many Black women, especially mothers, had to provide for their families in order to survive. Entrepreneurship gave Black women and most urgently Black mothers an opportunity to make money in order to take care of their children (Hine & Thompson, 1998). Entrepreneurship also became a means for Black women to build up their community by providing services or products that weren't accessible to them by not having access to the white owned stores and services (Lerner & Lerner, 1992). In fact, before they were free, Black women were user innovators by making products and creating systems to make their jobs as slaves much more effective (Hine & Thompson, 1998). Even without as many resources, knowledge or social capital, Black women created and built businesses out the desire for basic needs. A Black woman's motivation to create products or provide services that were needed in her community was to give the community what they lacked, yet the journey to build her business was often stifled by the lack of resources she needed to build her business.

In the 1890s, Sarah Breedlove, a child born on a Louisiana plantation by freed slaves created a hair care business after working as a laundress for years. Breedlove, who eventually changed her name to Madam CJ Walker was exposed to chemicals on the job and as a result began to lose her hair (Editors, History.com, 2009). Walker began experimenting in hopes of creating a product to address her hair loss issue. While working on developing her product part time, Walker went to work for an employer who sold similar hair care products and learned the trade from her (Mcneill, 2019). Overtime, Walker learned her employer's formula and used it as a foundation for improving her formula. Walker went on to create her product *Madam Walker’s Wonderful Hair Grower* which had a new formula that did not exist. A product that started as a means to address her issue was fueled by her desire to serve the needs of other African American
women in her community (Kettler, 2020). While building a hair care business, Walker faced tremendous obstacles that almost prevented her from success such as financial setbacks amongst many (Mcneill, 2019). Walker did not have enough capital to expand her business and had difficulty securing investments because she was a Black woman trying to do what many had not been allowed to do. Even Booker T. Washington, the founder and head of the National Negro Business League (NNBL), a Black man who should have believed in her snubbed her efforts to meet him and gain his endorsement (Freeman & Milway, 2020). Walker also dealt with policies that prevented Black women from owning land which made scaling her business from making products in her household to a warehouse made growth difficult for her (Kettler, 2020). Overall, it was having to deal with financial obstacles, discriminatory policies, and limited business education that makes Walker's experience relevant to this thesis.

In the late 1900s, after trials and tribulation, Walker became the first Black woman to be worth one million dollars in the United States (Mcneill, 2019). Although Walker would be considered an exceptional individual, it would be remiss to not understand that her journey represents the very point this thesis addresses, that with relationships and support, other Black women could also achieve success in their businesses. Each challenge Walker faced at the time was directly related to the social culture and structures in that time era. Business and the policies that made it particularly difficult for Black people let alone Black women at the time. Since the 1900s, institutional systems and policies have only been reinvented to create a cycle of the challenges that continue to prevent her from success.

During slavey, access to education for all slaves was not permitted because slave owners understood that education provided the knowledge and the power to resist and fight back. Lerner & Lerner (1992) considered education as a tool for advancement and a means for Black people to
uplift themselves and improve their lives. Following the end of slavery, “Black women and girls were impacted by school segregation, which maintained that Black and White children must be schooled separately” (Arao, 2016, p. 139). Black communities that could afford to develop schools of their own, began to raise money to support black schools (Lerner & Lerner, 1992). While the efforts and actions to provide better schools for Black students was a focus, some Black schools were still separated by gender. Even within the black communities, Black girls and women were faced with discrimination as a result of their gender. If it isn't race, it is gender, and at times it is both race and gender that create an exacerbating level of oppression for black women and girls.

The discrimination that Black women experience can be explained by the intersectionality theory - that more than one part of one's identity contributes to the way in which they experience life. Although all women were denied access to equal education opportunities due to their sex, black women had to contend with discrimination in training, employment and upgrading even if they has some sort of education (Lerner & Lerner, 1992). The lack of education Black women had often prevented them from better jobs and ultimately wealth. With even a degree, Black women were still denied opportunities to apply their knowledge in official spaces. Education in America is known as the key to wealth and a means to garner socioeconomic mobility (Arao, 2016). Black women persisted in the fight for fair education and the brown vs board of education argued that all students no matter the color of their skin and gender should be able to earn together (Arao, 2016). Even today, 402 years after slaves were stripped from Africa and brought to the Americas, the legacy of slavery in the United States has left lasting effects on the way Black women are treated (Hine & Thompson, 1998). Although Black women have persisted since the days of slavery in the United States to become exceptional
scholars, workers, mothers, and entrepreneurs, it is evident that the different modes of discrimination Black women experience are backed by macro and social structural systems of oppression.

**Intersectionality**

In 1989, Kimberle Crenshaw coined the term intersectionality which is “the interconnected nature of social categorizations such as race, class, and gender, regarded as creating overlapping and interdependent systems of discrimination or disadvantage” (Oxford Dictionary, n.d.). Intersectionality explains the phenomena that existed as the Black feminist movement gained traction in 1830s; it is a theory “that oppression is not a singular process or a binary political relation, but is better understood as constituted by multiple, converging, or interwoven systems – originates in antiracist feminist critiques of the claim that women’s oppression could be captured through an analysis of gender alone” (Crenshaw, 1991, p. 7). Intersectionality captures the idea that a Black woman's experience of racism, sexism, and classism cannot be separated. Crenshaw (1991) uses intersectionality to explain that the “experiences Black women face are not subsumed within the traditional boundaries of race or gender discrimination as these boundaries are currently understood, and that the intersection of racism and sexism factors into Black women’s lives in ways that cannot be captured by looking at the women, race or gender dimensions of those experiences separately” (p. 8). Therefore, intersectionality cannot be addressed by just the race work and gender equity work but there must be a space for Black women, women of color who also hold other identities such as immigrant, mother, religion, and other identities to identify the unique oppression that they face. Although intersectionality can usefully describe the oppression of multiple identities, it falsely rules the effects of each identity as equal. Crenshaw (1991) mentions that identifying race or
gender as a social construct is “not to say that category has no significance in the world” (p. 8). While we cannot measure or rank the level in which each identity contributes to the systemic oppression of people in the United States, we can certainly see the magnitude in which some identities can outweigh another depending on historical context, situation, location and most importantly the people involved. Intersectionality makes it difficult to address multiple streams of oppression through policy or programs and calls for a more robust approach. Intersectionality is not entirely operational and therefore is hard to apply in practice but can be used to examine dynamics that lead to addressing marginalized communities by understanding how policies affect individuals whose identities are at the intersection of race, gender and class.

Awareness that intersectionality exists gives us the knowledge to advocate for the things we believe in. Without understanding how identity politics takes place in entrepreneurship, we cannot advocate for how policies affect entrepreneurs differently based on the systemic structures that uphold our society. Overall intersectionality is a way of “framing the various interactions of race and gender” in real life for women of color” (Crenshaw, 1991, p. 10). The application of intersectionality can be individualized and or creatively built-in order to ensure justice for the most marginalized groups of people. In combination with different frameworks and theories, intersectionality can be a foundational framework to explore why one's social identity can govern the way in which they are treated and in turn experience the world. Identity plays a huge role in the decisions by the most dominant and therefore governs the way in which various fields are governed. A Black woman's social identity is pre-defined by the white males’ perspective of her and by nature is discriminatory based on the power to define another person or groups of people. According to intersectionality theory, discrimination is compounded for black women entrepreneurs because they experience biases from all angles. Black women
entrepreneurs collectively experience racial and gender discrimination that impair the magnitude in which they can build wealth, grow their businesses and impact their communities (Mora & Dávila, 2014).

Figure 2 depicts an intersectionality diagram that demonstrates the overlapping of identities - the dark center represents the intersection Crenshaw describes in her theory. While intersectionality was coined to describe the disadvantages different groups experience as a result of their whole identities, I believe that intersectionality also tells a story about the way different groups have learned to adapt to the unique experiences they encounter. Figure 2 depicts an arrow that draws into the dark center. At the stem of the arrow is a box that highlights a few of many adaptive tactical skills Black women develop. I believe that in the midst of darkness, bright spots exist. By no means do I celebrate the oppression of Black women, but I believe that by enduring the unique forms of oppression, Black women are indirectly building and exercising the very skills entrepreneurs need to succeed. History has shown that despite the challenges, Black women have been able to and still use their circumstances as fuel to build better lives for
Experience-based Skills

Black women carry some of the most important tactical skills entrepreneurs need in order to succeed. Skills are described as the ability to effectively apply knowledge in practice, a special ability that drives innovation and development (Wei, Liu, Sha, 2019). Skills are either developed through experience or education. Besides being the most educated group in the United States, Black women already acquire the necessary entrepreneurial skills as a result of the experiences they are subjected to. Amongst many entrepreneurial skills they have, Black women are resilient, agile and efficient. Roberts, Mayo et al (2018) define resilient as the ability to recover from and adjust to misfortune and change. Agility is the “ability to effectively confront and nimbly transform obstacles and roadblocks into opportunities throughout one's life.” (Roberts, Mayo et al, 2018). Resilience and agility are paramount because being an entrepreneur is not an easy journey. Entrepreneurship is an unpredictable and risky journey and means sacrificing a whole
lot before you even gain a little. While these are skills that people can learn overtime, Black women already carry these skills because they have been forced to put these skills into use from the moment they became conscious people in the United States. Black women entrepreneurs have what De Certeau would describe as tactical skills. While being an entrepreneur requires both tactical and strategic skills, it is the tactical skills that are foundational for entrepreneurs. When using a battlefield in war as an example scenario, De Certeau (2011) argues that tactical skills used by the soldiers are techniques that are required to win battles and compares the battlefield example to people living everyday lives by arguing that the people that have tactical skills are people we know and see that have overtime adapted to the environment in which they are from. This powerful comparison allows us to view normal people as everyday soldiers and everyday heroes that exist in our communities. Just like soldiers must use tactical skills to adapt to their environment in order to meet their needs, Black women must adapt to the uncomfortable environments and confront systematic oppression they face every day. Given the historical context of oppressions and degradations experienced by Black women, acquired skills like resilience, efficiency and agility like mentioned were required for survival. The very incessant oppressions which sharpens agility and resilience simultaneously denies the ability to flourish or take risks.

**Entrepreneurship and Its Capacity**

“Entrepreneurship is the process by which individuals pursue opportunities without regard to alienable resources they currently control” (Hart, Stevenson, Dial, 1995, para 8). Eisenmann (2013) explains that ownership or control of resources may not limit an entrepreneur's choice of opportunity and defines pursuit as a singular relentless force. However,
the choices of resources that are not necessarily made during the founding process may either limit or enhance the new venture's ability to succeed. Entrepreneurs understand that the window of opportunity to prove a business to customers, investors, and funders is limited and depending on that window of opportunity, there is an urgency to take advantage of what is accessible.

Eisenmann (2013) defines opportunity as an offering that is novel in one or more of four ways which do not have to be mutually exclusive (Figure 3) and explains that “opportunity to pursue entrepreneurship may entail: 1) pioneering a truly innovative product; 2) devising a new business model; 3) creating a better or cheaper version of an existing product; or 4) targeting an existing product to new sets of customers” (Eisenmann, 2013, p. 2).

![Figure 3](image.png)

Eisenmann (2013) explains that “beyond resources controlled implies resource constraints” (para. 2). As many entrepreneurs bootstrap: they keep expenditures to a bare minimum while investing only their own time and, as necessary, their personal funds because
that is all that they control. While Stevenson's definition promotes a liberating and democratic approach, “ownership” and “control” for Black women entrepreneurs do not lie at their discretion but rather are dependent on the predominant group who dictate their access to resources. The power structure in the entrepreneurship world is held by the people with the most social capital, the most assets, and decision-making abilities. Black women do not carry or lead the power structure in the entrepreneurial world let alone any field despite all the contributions to America's economy. Black women entrepreneurs are limited in starting certain businesses by the opportunities they have the access to explore. Eisenmann (2013) explains Stevenson’s four opportunities to entrepreneurship, and it is important to point out that these four opportunities are not mutually exclusive. Stevenson’s four opportunity factors depict the ways entrepreneurs meet the needs of potential customers by starting businesses.

Eisenmann (2013) shares a second definition of entrepreneurship as a guidepost for entrepreneurial action; it points to tactics entrepreneurs can take to manage risk and mobilize resources. However, the resource choices that are necessarily made during the beginning of an entrepreneur's journey may either limit or enhance the new venture's ability to succeed. For many Americans, entrepreneurship is an avenue to explore self-employment, a promise to innovation and an opportunity to build wealth. Blanchflower & Oswald (1998) contends that the government provides encouragement and tax breaks to those who run small businesses which is also another incentive to start a business. “This appears to be because politicians believe, for reasons not always clearly articulated, that there are undesired impediments to the market supply of entrepreneurship” (p. 3). The economy thrives in the United States because of entrepreneurship and due to innovative ideas coming to market (Blanchflower & Oswald,1998).
The well-being of the United States economy is directly impacted by the small businesses which makes building the capacity of entrepreneurial culture a meaningful one.

While entrepreneurship is a perfect opportunity for Black women to continue to build wealth and contribute to society, it takes much longer for Black women entrepreneurs to get their businesses going because unlike other groups, Black women cannot afford to be full time entrepreneurs (Gines, 2018). Black women, especially Black mothers have the responsibilities of taking care of their children and families and therefore must work in order to provide. On average, in the United States, a Black woman's average salary is $38,036 per year compared to $61,576 annually for white, non-Hispanic men (National Partnership for women and Families, 2021). “These lost wages mean Black women have less money to support themselves and their families, save and invest for the future, and spend on goods and services” (National Partnership for women and Families, 2021, p. 3). According to Wage Insider, the living wage in the United States is $16.54 per hour, or $68,808 per year, in 2019, before taxes for a family of four (Nadeau, 2020). The hourly earnings gap or “wage gap” of Black women stands at 15% relative to white women and 35% relative to white men. Black women must have a steady income to ensure that their family is taken care of which means that the businesses they start oftentimes becomes a side priority to their main job. Black women having to provide for their families is especially important when they are the sole caretakers of their children. In the United States most single parents are mothers and according to CDC 2019 data, a higher percentage of Black mothers are more likely to be classified as single mothers. According to the Data Center for Kids, in 2019, there were over 5 million Black families in the United States. That number equates to over 64% of the Black mothers being single mothers. Although there is no accurate data to understand how many of those single mothers are entrepreneurs, it is imperative that we think of all the
challenges that could prevent a Black woman from growth and success in her business. While I do not believe that motherhood prevents you from building a business, I do believe that motherhood, especially when you are a single mother, makes taking risks a harder sell. Single mothers may not always have the same amount of time to spare on working on their businesses as other women who have additional support from a spouse, or a family member does. Single mothers also do not have the capacity to take risks which is necessary for entrepreneurial success. According to the Federal Reserve Bank of Kansas City report, *Black Women Business Startups*, Black women build businesses by sticking to what they know so that they reduce the risk of failure. Gines, author of the report states that “you see a lot of clustering in very few industries with a low barrier to entry — service businesses such as hair salons, catering, child day care centers and consulting” (para. 7). Black women end up starting businesses in the same fields because there is less risk for failure.

Stevenson’s definition can be connected to an entrepreneurial principle called frugal innovation. Frugal innovation can be defined as the ability to ‘do better with less resources for more people’, i.e., to create significantly more value while minimizing the use of resources (Radjou & Prabhu, 2014). “Frugal innovation looks at how greater value can be created even while reducing the resources needed to generate this value, whether those resources be financial or natural resources or time” (Prabhu, 2017). Frugal innovators are influenced by the opportunity to create with limited resources, but frugal innovators are not always subjected to resources because of circumstance, sometimes it is because of choice. Black women entrepreneurs are frugal innovators by nature because they are forced to create businesses out of the little access to resources and opportunities available to them. Yet when limited access is available to the same groups of people then innovation suffers because each innovator has access to the same resources
and are aiming to provide solutions that meet similar needs. Limited resources and access to education to diverse industries make various fields concentrated which adds another barrier for Black women entrepreneurs.

The Successful Entrepreneur Formula

There are two definitions of entrepreneurship presented in this thesis; and there are even more ideas that exist that describe what makes an entrepreneur successful. For the purpose of this thesis, a successful entrepreneur is someone who creates a valuable business and in doing so makes an impact in the world. The elements a successful entrepreneur has is what is most common amongst the most successful entrepreneurs in the world but also aligns with Stevenson’s definition of entrepreneurship which describes one's ability to tactically manage risk and mobilize resources. The successful entrepreneur formula is a combination of the three most important variables that successful entrepreneurs say have propelled them to achieve success. Although the elements for success differentiate across business sectors, there are three foundational elements that must be true for all successful entrepreneurs: Business relationships, capital, and entrepreneurial skills. If managed towards outcomes and utilized to its full potential, the successful entrepreneur formula (relationships + capital + skills) is what is needed for an entrepreneur to be successful. Figure 4.a demonstrates that all three elements have the same value to one another. The triangle diagram illustrates double-ended arrows going from one element to the next. These arrows explain that one element can give you access to the other elements and vice versa. This figure is a demonstration of what should be but not what is. For example, if one has entrepreneurial skills, they should be able to get capital and foster good business relationships. If another person has Capital, they should be able to afford to learn entrepreneurial skills and would have access to affluent business relationships. These
assumptions and the interconnections of these elements are based on that which we value in this country, skills, money and relationships. The American dream offers an idea that with hard work and dedication everyone has access to the same opportunities, yet the barriers and inequities inhibit or defer the American dream for many marginalized groups, especially Black women.

![Diagram of Successful Entrepreneurship]

**Figure 4.a**

In a poem by Langston Hughes titled “Harlem”, Langston begins the poem by asking “what happens to a dream deferred?” The short poem poses questions about the “aspirations of a people and the consequences that might arise if those dreams and hopes don't come to fruition” (Foundation, 2002). Like this poem, Black women entrepreneurs do not have the same opportunities to actualize their dreams and bring them to fruition because of the momentous obstacles that are present in their realities. Figure 4.b represents the reality of entrepreneurship for Black women. Unlike figure 4.a where all the elements held the same value to one another, in Figure 4.b only Relationships and Capital hold the same value. The successful entrepreneurship
formula as mentioned before takes on a different shape when Black women are the focus, which brings me to my theory: 1) Skills have no value when compared to relationships and capital, respectively. 2) Even though Black women have the necessary skills to build successful businesses, skills are not a conduit for the remaining elements: relationships and capital.

<table>
<thead>
<tr>
<th></th>
<th>R</th>
<th>C</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum of all elements</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Value of element in possession</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Sum of all elements</td>
<td>2</td>
<td>2</td>
<td>no solution</td>
</tr>
<tr>
<td>DIVIDED BY Element in possession</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

Figured 4.b

In summary, understanding the reality of entrepreneurship for Black women is similar to the way we think about intersectionality. The successful entrepreneur diagram represents what every entrepreneur should have access to yet Black women entrepreneurs experience a compilation of barriers due to both racial and gender prejudices that eliminates access to capital and relationships necessary for success.
A Silver Spoon

The United States caste system was perpetuated by segregation policies and laws that deprived one group of people in order to overfill another group with immense wealth, privilege, and resources. Demographically, Black families are more likely to be poor with limited access to assets, social capital and funding. Therefore, Black women entrepreneurs do not experience gathering capital or building business networks in the same way that white male entrepreneurs might.

Capital

Capital is defined as the accumulated assets such as cash or goods devoted to the production and buildup of your business (Merriam Webster, n.d.). Capital for any entrepreneur starting a business dictates what that entrepreneur can execute during the business development stage. An entrepreneur with less capital will find it difficult to produce and build their business compared to the other entrepreneur with more (Gines, 2018). There are two general types of funding that an entrepreneur can use equity financing and debt financing (Cremades, 2018). Equity financing does not have to be paid back, but in return entrepreneurs must give away a portion of the ownership of their company. Debt financing is when a company raises money to develop working capital using sources such as a private company or family or friend and you do pay back the money (Cremades, 2018). Although there are pros to both options, the disadvantages of debt financing are that you must pay back the debt whereas in equity financing you give up a portion of the company every time you sell ownership. Both of these options’ present challenges for Black women entrepreneurs because both financing options are dependent on relationships with investors, banks, and firms that offer entrepreneurs financing support. Black women do not have great relationships with funders and are discriminated against which
affects their ability to secure funding. According to Goldman Sachs' Black Womenomics report, Struyven et al. (2021) express “the fact that Black women entrepreneurs cite limited access to funds as the largest barrier to success and that Black entrepreneurs are 20% less likely to fund their startups with bank business loans suggest that capital access gaps contribute to the business ownership gap” (p. 4). No access to funding can limit people from pursuing entrepreneurship or can lead to failure for existing entrepreneurs. Struyven et al. (2021) summarize from the annual survey of entrepreneurs’ findings that “more than three quarters of Black and Latinx women business founders cite limited access to funds or investment as a barrier to success” (p. 17). The lack of capital makes it increasingly difficult for Black women entrepreneurs to afford the necessary resources to grow their businesses.

**Relationships**

Beyond the role or discipline, business relationships or networks are connections between stakeholders that contribute to a business mission or goal (Roberts, Mayo et al., 2018). Relationships are an essential part of building a successful business. It is paramount to the success of any business. While business partnerships are about providing value for one another, they are often Already existing successful businesses and institutions have to find value in the partnerships with smaller, less successful businesses in order for small businesses to grow. This dynamic of how partnerships are created proves that Black women are often left out and must be validated by the “big guys” in certain industries. Most of the leading businesses are operated by white men whose network is other white men and women (Roberts, Mayo et al., 2018). This ultimately means that Black women business owners do not have the same access to influential relationships and partnerships needed to build and expand their businesses as their white counterparts do (Roberts, Mayo et al., 2018). This limited relationships or the lack thereof makes
it difficult for smaller businesses owned by Black women to be noticed and sought out if these Black women are not in the same network as the successful partners they need to grow and scale. Although relationships can be built through networking, there must be a starting network in order to multiply and build relationships from. Black women entrepreneurs do not have the same relationships and partnerships needed to build and expand their businesses as their white counterparts do (Roberts, Mayo et al, 2018).

**Double Bottom Line**

In business, the double bottom-line is a term used to describe entrepreneurial ventures that strive to achieve measurable, social and financial outcomes (Clark, Rosenzweig et al, 2004). Wilburn & Wilburn (2014) state that “there is an important shift in business focus in the United States that is empowering companies to not only declare their intent to be ethical firms which do good while making a profit, but also to submit proof of that commitment for annual review by outside evaluators” (p. 11). Entrepreneurs that are concerned about the social impact as much profits provide greater value to the communities that they serve (Clark, Rosenzweig et al, 2004). According to Clark, Rosenzweig et al (2004) defines social impact as “the portion of the total outcome that happened as a result of the activity of the venture, above and beyond what would have happened anyway” (p. 9). Social impact can address the lingering effects of national economic downturns such as the great recession (Clark, Rosenzweig et al, 2004). Both for-profit and non-profit businesses are created to fill a void that does not exist but are needed for disadvantaged groups of this country to thrive. As the country encounters economic failures, society suffers as a result which means that restoration requires both economic and social tactics (Clark, Rosenzweig et al, 2004).
Critics claim that new corporation structures to include social impact measures are “unnecessary because extant corporate laws do nothing to prevent directors from considering the interests of stakeholders other than shareholders should be concerned about making a social impact in addition to making profit, but they should” (Wilburn & Wilburn, 2014, p.16). While critics question the interest from stakeholder, social impact is an investment that can produce greater rewards. When you look at a social impact as an investment the importance of doing a common good may produce access to the things needed to sustain your business. Some argue that businesses that are concerned about a double bottom line restrict themselves and oftentimes prevent themselves from scalability (Crump, Singh et al, 2014). When a business devotes the time and effort to equally making sure that one if they're financially supported and doing a common good it means that compared to their competitors, they are devoting a percentage of the effort on each outcome rather than 100% of their efforts on financial outcomes. Businesses that are concerned about the double bottom line may lag behind and without a great amount of capital, scalability becomes difficult.

Leaders and researchers have provided insight as to why profit alone must not be the absolute determinant of success. Social impact allows businesses to produce more value overtime and therefore makes it more difficult to fail. The long-term benefit society receives from organizations and businesses who are focused on both the double bottom line equate to lasting impacts on people. Michelle Obama once stated that “Success is not about how much money you make, it is about the difference you make in people's lives”. Businesses that take time and effort to make a social impact may be sacrificing financial resources and time but through social impact businesses are able to make a difference in people's lives and that is true success. A successful entrepreneur should be concerned about both financial and societal outcomes, yet the
tension between what is more important - money or common good comes down to personal values and perspectives on what successful businesses ought to do for society.

What earned Madam CJ Walker her legacy was not just the financial accomplishments but also how she used her wealth for a larger social good. Through her business, she trained over 40,000 Black women and men to be entrepreneurs while advocating for economic justice for Black people, especially Black women (Leila McNeill, 2019). Walker also supported communities by directly donating funds to institutions and organizations that were making an impact in the lives of Black people. Walker is known for contributing the largest recorded single donation to Black students at Tuskegee Institute to support the NAACP anti-lynching initiatives (McNeil, 2019). The more madam CJ Walker’s business and wealth grew, the more her community gained. Social impact can be a motivator to start business because like Walker, building a successful business afforded her the opportunity to uplift others. Walker’s story showed that Black women entrepreneurs that paved the way contributed a great deal to the socio-economic growth of Black communities. Freeman & Milway (2020) state that “Each woman’s economic success paved the way for her political voice and philanthropic power at a time when African American women were fighting not only to obtain the women’s vote and turn back Jim Crow laws, but also for recognition within their own business community (para. 5).

Cody (2017) explains that generally, “there are racial differences in women’s motivations for becoming a business owner, for instance, Black women start businesses to care for communities, as well as their own children, while white women typically start businesses solely to care for their children” (p.3). If the United States values businesses that aim to meet the double bottom line, then uplifting entrepreneurs who are building business to meet both a financial and
social impact means investing in Black women entrepreneurs. Investing in Black women entrepreneurs means investing in our communities.

**Services supporting Black women Entrepreneurs**

In 2016, Mayor Walsh established an office of economic development (OED) to focus on economic prosperity amongst small businesses, especially minority-owned and women-owned businesses in the city (Boston Small Business Report, 2016). This OED provides a technical assistance program and additional resources to promote minority and women's advancement like small business, childcare, education and more (Economic Development, 2016). In 2016, the office of economic development developed an initiative to support small businesses in the city and address the Boston Small Business Report (Boston Small Business Report, 2016). This Boston Small Business Plan (2016) has three primary goals:

To make the small business economy thrive, to enhance neighborhood vibrancy, and to foster economic and social inclusion and equity. To accomplish these goals, the Plan proposes policies and programs to foster a high-quality, efficient support system for all small businesses; to develop tools, programs, and policies to address specific gaps in key small business segments that are vital to the city’s economic growth; and to enhance the ability of minority, immigrant, and women entrepreneurs to successfully launch and grow small businesses across the city (p. 1).
The Boston small business plan (2016) describes the state of small business in the city and offers a list of initiatives that the city is leading to address the issues that are causing a gap in the small business ecosystem (p. 22). Out of the twenty initiatives, there were two that address the inequalities for women or minority entrepreneurs in the city of Boston. Under the subgoal *Solutions to drive Inclusion and Equity*, Initiative 7 and Initiative 8 outline specific ways in which the city of Boston plans to support women and minority entrepreneurs:

**Initiative #7** will allow the city to expand women entrepreneurs in Boston by expanding a Boston based program designed to support women entrepreneurs WeBOS. In order to fulfill this initiative, the city has taken action step to:

1) Broaden the WeBOS network in partnership with the Small Business Center to connect women entrepreneurs to BSOs, mentoring opportunities, and one another; recruit women entrepreneurs to participate in City of Boston small business initiatives.

2) Develop specialized programming to help women scale their businesses.

3) Expand programs addressing the gender gap in venture capital funding with partners such as the Babson Center for Women’s Entrepreneurial Leadership and the Women’s Venture Capital Summit.

4) Work towards policy recommendations that will support women entrepreneurs in partnership with the Mayor’s Office of Women’s Advancement and the WeBOS network (p. 44).

**Initiative #8** will be for the city to launch a network and new programs for minority business owners and entrepreneurs by connecting and supplementing minority business owners and entrepreneurs to existing resources. In order to fulfill this initiative, the city has taken action step to:
1) Modeled on WeBOS, but responsive to the unique needs of MBEs (Minority Group members), create the infrastructure and networks to connect minority entrepreneurs to one another and to technical assistance, training and mentorship opportunities, capital, and the City’s new small business initiatives.

2) Partner with the Roxbury Innovation Center and other public and private programs to expand the availability and vitality of shared spaces for minority entrepreneurs, and to increase the engagement of the city’s investor, corporate, and anchor community as sources of mentorship, capital, and networks (p. 44).

Both initiatives address the need for relationships, capital, and policies in order to promote inclusive and equitable economic growth in the city. Equity focused policies should invest in the most marginalized group by providing what is needed to ensure that they are afforded the same chance at success.

Another effort that has been made to address equity across small businesses in the city of Boston is the unequal distribution of city contracts. In the past five years, the city of Boston has spent 2.1 billion dollars in contracts and only 1.2 percent of those contracts went to Black-owned and Latino owned businesses (Leung, 2020). Boston Leaders like Michelle Wu and Ayanna Pressley are challenging the way city contracts are distributed among businesses. In 2016, Wu and Pressley pushed through an ordinance that requires the city of Boston to record the number of minority businesses and suppliers the city contracts on a quarterly basis (City of Boston council, 2016). In addition, many other business leaders and activists are demanding an increase in minority-owned and women-owned business contracts with the city of Boston (Leung, 2020). This ordinance amongst other initiatives provides an accountability measure and supports closing the wealth gap intuitively in Boston.
In 2018, the city of Boston launched a study called the Disparity Study to collect data and gather community input about the structural gaps that are preventing an increase in equitable access to city contracting and to understand the barriers that exist for minority-led businesses (BCC Research & Consulting, 2021). The Disparity Study Final Report (2021) looked at the percentage of dollars that minority- and women-owned businesses received in contracts during a specific time period, and the percentage of dollars that those businesses would be expected to receive based on their availability to perform those contracts (Ch.2 p. 4).

By utilizing community engagement to gain an understanding of the problem, the city of Boston is taking steps in the right direction but to effectively address the problems, it is important that leaders understand how different experiences affect different groups of people and make real efforts to address those concerns. To understand perspective, different minority business leaders expressed what the issues are and how they believe the city can address them (BCC Research & Consulting, 2021). The City of Boston Disparity Study captured perspective from a Black American female owner of an MBE- and WBE-certified professional services firm stated:

“There are businesses here in Massachusetts and Boston particularly that can grow to the next level, but they need help. They need financial help. They need help with resources, as far as good people. They just don't know how to get there to that next level. If they had some assistance with being able to, again, someone going in looking at their business, figuring out a strategic plan, or setting, ‘There's a strategic plan with these benchmarks, and these are the deficiencies within the business. This is what it's going to take to get there’”. The city has to somehow create a platform in which smaller businesses can participate, smaller and local businesses and that hasn't happened.
Supplies, I mean you can do it in construction. I think there are a lot of different areas and opportunity in construction that can be carved out on smaller projects. But yeah, especially like office supplies, all of those general condition type items. Again, I've heard from city fresh foods about the summer lunch program vs the winter lunch. But the City wouldn't carve something like that out. So, things like that. I guess more face time with decision-makers. Like in this city, there seems to be a very few folks that are allowed to prosper and do business. It seems to be the same folks over and over, and again with those relationships there has to be an intentional act on City of Boston personnel, whoever is assigned to that to bring more businesses into the fold. And unless there's an intentional face time engagement by folks who, again, are able to make decisions around potential for these businesses, it's going to be business as usual” (BCC Research & Consulting, 2021, p. 187).

Understanding different perspectives such as the statement above is crucial to making policy decisions and developing programs that meet the real needs of Black women entrepreneurs across the city of Boston. What is equally important to understanding the issues is implementing citizen power amongst the marginalized groups that are the center of the problem, as suggested by the Black American female owner interviewed during the Disparity study (BCC Research & Consulting, 2021). While efforts are being made by the city of Boston through the Disparity study and the office for economic development, these efforts ignore the intersectionality theory discussed in this literature review. Intersectionality recognizes that the challenges faced by individuals may be worsened due to the admix identities they carry (Harnois & Ifatunji, 2011). By acknowledging that intersectionality affects the level in which resources
and opportunities are accessible to different entrepreneurs, the city can fully address the unique obstacles that prevent Black women entrepreneurs and other minority entrepreneurs from success.

**Recommendation**

To provide Black women entrepreneurs access to the opportunities and resources needed to build successful businesses, there are several recommendations that the city of Boston can enact.

**Business Skills** The current technical business assistance program offered by the city of Boston is supported by a team of part-time consultants. Without having full-time and dedicated business coaches available to support Black women entrepreneurs, it can be hard to ensure program excellence. In addition, the program requirements exclude early-stage entrepreneurs, for example, participants must have a registered business in order to participate. Lastly, the program is designed to work with and to support minority-led business and women-led businesses and by doing so negates the differences that Black women experience from other groups. To provide an effective technical business assistance program, I suggest that the city invests in building a more robust business program that addresses the unique needs of Black women entrepreneurs as well as hire full-time staff that would be dedicated to helping Black women entrepreneurs build technical business skills. In addition, I suggest that the city provides funding to local organizations that offer technical business assistance programs and services in order to build more capacity to reach more Black women entrepreneurs. By improving the city’s technical business assistance program and providing capacity within partner organizations that aim to
serve Black women entrepreneurs, Boston can confidently address the education needs that Black women entrepreneurs have.

**Business Networks** The office of economic development aims to foster relationships and build strong networks amongst businesses in Boston. Strong partnerships amongst businesses create an ecosystem that stimulates business growth amongst those involved. For the purposes of social capital, it is important for entrepreneurs to have strong business networks. Currently, to provide opportunities for women-owned businesses to grow their networks, the city’s office of women's advancement has a running list of women-owned businesses in Boston called the WeBos database that is accessible to everyone in the community. Although the goal of this list is for businesses in Boston to network with these women owned businesses, there is no incentive to support businesses on the list. I suggest that the city creates a similar database of Black women-owned businesses who need to network. To ensure that the database of Black women owned businesses fosters real networking, I suggest that the city provides a modest tax break for companies to utilize any of the Black women owned businesses on the list. By providing this incentive for private businesses, it allows intentional networking and business-to-business activity which can be beneficial to both private companies and smaller Black women-owned business owners.

**Access to Capital** Capital is one of the most, if not the most important component of a business’s ability to succeed. Without any capital, it is almost impossible to start a business, let alone register to be recognized as a business. According to the 2020 city of Boston Disparity study, only 0.4% of city contracts were awarded to Black-owned businesses between 2014 - 2019 (Figure ES-4). Out of the 0.4%, there is no clarifying data that tells how many of those Black-owned businesses are women-owned. This low percentage is concerning and warrants
change. I suggest that the city of Boston provides more access to capital for Black women entrepreneurs by 1) dedicating an increased percentage of the city’s contracts to Black women-owned businesses. and 2) create new business funds or grants opportunities solely for Black women entrepreneurs. Finally, I challenge the city to re-analyze the eligibility requirements needed for the business owners to qualify for city contracts as some requirements may perpetuate inequalities amongst certain groups. Overall, the city of Boston should ensure fairness amongst different business groups by providing more support to business owners that are booking to secure future city contracts or funding.

Conclusion

In conclusion, I have offered specific policy proposals in three areas. First, to build capacity, I propose that the city of Boston must invest more into technical business assistance programs across the city. Most importantly, I believe these programs must focus on how intersectionality presents different challenges for Black women entrepreneurs and other populations they serve. Second, to create meaningful networks, I call for the city of Boston to offer tax breaks for private companies that choose to work with Black women-owned businesses. Third, to build access to capital, I propose that the city increase the percentage of Black women entrepreneurs that are awarded city contracts and develop business grants solely for Black women-owned businesses. These proposals are rooted in the understanding that expanding access to technical business skills, building business networks, and increasing access to capital for Black women entrepreneurs must be ingrained in building capacity for community organizations and equally private companies in the city to support these entrepreneurs. Black women entrepreneurs are doing their part by continuously building businesses despite the
challenges presented. Now it is time for leaders, decision-makers, and people with access to resources to enforce systematic policies in the city of Boston to create an equitable chance for Black women entrepreneurs to succeed. While there are great efforts being made in the city of Boston to support women and minority entrepreneurs, I believe that the following policy recommendations offered in this paper has the potential to radically change entrepreneurial endeavors for Black women explicitly.
References


https://www.aaihs.org/black-women-agency-and-the-civil-war/


Retrieved October 25, 2020, from


https://www.boston.gov/departments/economic-development


https://doi.org/10.2307/1229039


*Journal of Labor Economics, 16*(1), 26–60. [https://doi.org/10.1086/209881](https://doi.org/10.1086/209881)


[https://www.history.com/topics/black-history/madame-c-j-walker](https://www.history.com/topics/black-history/madame-c-j-walker)


[https://www.poetryfoundation.org/poems/46548/harlem](https://www.poetryfoundation.org/poems/46548/harlem)


https://hbr.org/2018/03/beating-the-odds


https://livingwage.mit.edu/articles/61-new-living-wage-data-for-now-available-on-the-tool


Shirley Leung. (2020). *City is spending more with minority- and women-owned businesses, but still lags its peers—The Boston Globe*. 

https://doi.org/10.1142/S1084946708000855


https://www.thirteen.org/wnet/slavery/experience/gender/history2.html


*City of Boston in City Council*, (2016) (testimony of Michelle Wu & Ayanna Pressley).

https://assets.ctfassets.net/1hf11j69ure4/4aJVsBoxz6ZkEdusMhb6l/a2ea7e60c391855739f477b41a442c8/3.2.16-Procurement-and-purchasing_hearing-order.pdf