



# UNVEILING INEQUITIES

EXPLORING BARRIERS FACED BY BLACK  
BUSINESS OWNERS IN  
TACOMA-PIERCE COUNTY

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PREPARED FOR: TACOMA-PIERCE COUNTY BLACK COLLECTIVE

JULY 2023 // PREPARED BY CHRISTINA BLOCKER,  
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## DEDICATION

*This report is sincerely dedicated to the memory of a stalwart champion of civil rights and an advocate for the underrepresented, Thomas Dixon. In the manner of his father, a country doctor from Sparta, Georgia, who never missed an opportunity to help a commuting student during his daily drive to the schoolhouse, Dixon adopted an approach of inclusion, ensuring that no one in his community was left behind.*

*Dixon came to Tacoma through his service in the Air Force. He bloomed where he was planted, dedicating over 50 years of his life to the enhancement of Tacoma-Pierce County. With degrees in Economics, Sociology, and Urban Studies, Dixon channeled his expertise into opening the Hilltop Multi-Service Center and founding the Tacoma branch of the National Urban League.*

*Dixon's steadfast commitment to championing civil rights, fostering economic prosperity, and bridging the social divide had a transformative impact on the lives of Tacoma's Black residents and his tireless efforts continue to pave the way for the emergence of new leaders.*

*His quiet yet profound influence can still be felt in every corner of Tacoma, shaping the city we see today. This report is dedicated to him not just as an individual but as an embodiment of relentless resilience, vision, and profound dedication.*

*As we delve into the challenges faced by Black businesses in Pierce County, we carry forward his spirit. Through this report, we endeavor to uphold his vision, build on the foundations he laid, and aspire to leave no one behind in our path, much like Dixon's father did and Dixon himself so valiantly continued.*

*This report is a humble tribute to Thomas Dixon, whose life's work is a testament to his vision of inclusion, equity, and progress. His legacy is a beacon that will continue to guide us toward a better, more equitable future.*



Thomas Dixon  
1931-2023



# Acknowledgements



## ACKNOWLEDGEMENTS

*We would like to extend our heartfelt gratitude to all those who have contributed to the completion of this report, "Unveiling Inequities: Exploring Barriers Faced by Black Business Owners in Tacoma-Pierce County." The successful completion of this project would not have been possible without the invaluable support and assistance from numerous individuals and organizations.*

*First and foremost, we want to extend our profound appreciation to the Black business owners in Pierce County who have generously given us their time, sharing their experiences, insights, and challenges. Your openness and honesty in recounting your entrepreneurial journeys have been the cornerstone of this research. Each focus group and interview was an opportunity for us to learn firsthand about the reality of running a Black-owned business in Pierce County. Your narratives about the barriers, setbacks, and triumphs have offered a window into a world that is often overlooked or misunderstood. This report is as much your story as it is a study. The invaluable data you provided has allowed us to illuminate the unique barriers faced by Black entrepreneurs in our community. It has shone a light on the systemic and structural hurdles and the resilience and tenacity of Black businesses in Pierce County. Your perspectives have deeply enriched our analysis, giving it a depth and quality that couldn't have been achieved otherwise. The details you provided, the complexities you unraveled, and the personal experiences you shared have allowed us to develop a nuanced and comprehensive understanding of the issues at hand.*

*We wish to express our profound appreciation to the Tacoma Pierce County Black Collective for their indispensable contributions to this report, with a special acknowledgment to the Black Collective's Economic Development Committee, who served as both the anchor and the inspiration for this business study. The involvement of the Black Collective was more than just participation; it was integral in shaping and guiding our research, ensuring our work was both relevant and impactful. The Black Collective, as a whole, exhibits an unwavering dedication to uplifting the Black community in diverse areas, including economic development, social justice, legal justice, education, health, and politics. Their broad expertise and commitment to the community provided us with a rich understanding of the context and nuances that underpin the experiences of Black business owners in Pierce County, which helped ensure that our findings accurately reflected the lived realities of the Black business owners in Pierce County.*

*In addition, we express our sincere gratitude to Sound Outreach, the Pierce County Economic Development Board, and the Washington State Department of Commerce for their significant financial contributions and investment in this research project. Their support has been crucial in facilitating the thorough investigation of the challenges encountered by Black entrepreneurs in the county.*

*We would like to express appreciation to the University of Washington-Tacoma for their invaluable support during the creation of this report. In particular, we want to express our deepest appreciation to Ali Modarres, the Dean of the School of Urban Studies and the Assistant Chancellor for Community Engagement. His*



## ACKNOWLEDGEMENTS

*encouragement and guidance have been fundamental in shaping our research. Dr. Modarres' commitment to fostering community connections and supporting evidence-based research was evident throughout this project. He generously granted us access to an extensive database, an act for which we are extremely grateful. This database access helped to make it possible for us to uncover important insights about the challenges faced by Black-owned businesses in Pierce County.*

*Finally, we recognize the entire research team at Momentum Professional Strategy Partners involved in this project. Each member has dedicated their time, skills, and expertise to ensure the accuracy, coherence, and professionalism of this report. The collaborative effort of this diverse and talented team has been instrumental in bringing this research to fruition.*

*While we cannot individually name all those who have contributed, please know that your efforts have been recognized and deeply appreciated. The collective impact of your contributions has been profound, shedding light on the barriers Black business owners face in Pierce County and advancing our understanding of the challenges they encounter. Your unwavering support has been invaluable, and it is our sincere hope that this report serves as a catalyst for positive change, fostering a more equitable economic environment for Black entrepreneurs in Pierce County and beyond.*





# Executive Summary



## EXECUTIVE SUMMARY

specialized knowledge to manage these complexities effectively.

3. Crime Impact on Business: Despite serving as crucial pillars of strength within their local communities, Black businesses grapple with challenges from high crime rates and the often unaddressed issue of police bias. This bias, manifesting as over-policing and inequitable law enforcement, not only fosters a tense environment, deterring customers and inflating costs but also creates additional barriers, all of which can negatively impact their overall sustainability.

4. Discrimination: The accomplishments of Black businesses underscore their ability to overcome systemic racism and unconscious biases. Yet, these deep-seated issues continue to construct additional barriers, including discriminatory treatment by suppliers and lenders, limited networking opportunities, and decreased customer patronage due to prevailing consumer biases.

5. Exogenous Shocks: Black businesses have consistently showcased remarkable resilience in the face of economic downturns and global crises. However, their resilience is often more severely tested due to their higher representation in industries heavily impacted by such events, coupled with limited financial buffers. These factors often exacerbate the impact of economic shocks on Black businesses.

6. Technology Obstacles: Black entrepreneurs appreciate the vital role of technological advancements in modern business. Nonetheless, acquiring the necessary technology and developing digital proficiencies can present formidable challenges. This is largely due to financial limitations and a lack of technical knowledge, both of which hinder the effective integration of new technologies into business operations.

Understanding the systemic challenges and resilience of Black-owned businesses is crucial to crafting effective policies. This study, in aiding Black-owned businesses' growth and resilience in Pierce County, serves the wider goal of fostering economic empowerment within Black communities in Pierce County.

## EXECUTIVE SUMMARY

This research report, "Unveiling Inequities: Exploring Barriers Faced by Black Business Owners in Tacoma-Pierce County," offers an in-depth exploration of the multifaceted challenges confronting Black business owners in Pierce County. From securing financial resources to confronting stereotypes and unconscious biases, Black-owned businesses grapple with unique and complex challenges.

This comprehensive report delves into the multifaceted challenges faced by Black businesses in Pierce County, examining the underpinnings of these systemic hurdles. The exploration of these issues—including access to capital, regulatory compliance, the impact of crime on business, discrimination, exogenous shocks, and technology obstacles—has provided an indispensable foundation for our research. These issues were identified as critical based on a comprehensive analysis that included prior studies, statistical data, surveys, and interviews with local Black business owners. By analyzing these key areas, we aim to shed light on the complexities and nuances that characterize the Black entrepreneurial experience, ultimately contributing to a more profound understanding of the unique challenges that Black businesses face and identifying potential pathways for supportive interventions.

The foundational issues explored in this research were:

1. Access to Capital: Despite the proven entrepreneurial ability of Black business owners to resourcefully acquire the necessary funding for their ventures, they frequently encounter systemic barriers. This is chiefly seen in their difficulties in accessing traditional loans or investments due to systemic factors such as historical wealth disparities and inherent biases in lending practices. Such practices persistently limit the growth potential of Black-owned businesses.
2. Regulatory Compliance: Black-owned businesses have consistently showcased their capacity to navigate through the intricate landscape of local, state, and federal regulations. However, the shifting demands of comprehensive regulatory compliance often pose significant challenges. This is particularly true for smaller enterprises and first-generation entrepreneurs who may lack the resources or

# Introduction



## 1. INTRODUCTION

### 1.1 Background on the Black Collective and its objectives

The Black Collective, a prominent volunteer leadership organization based in Tacoma, Washington, has a rich history rooted in the civil rights struggle of the 1960s. Starting as the Concerned Black Citizens, the organization was instrumental in managing the aftermath of the Mother's Day Disturbance of 1969. The group has since transformed into a dynamic force addressing key issues affecting the Black community of Tacoma and Pierce County. Meeting every Saturday morning since 1970, the Black Collective stands as a testament to the unyielding commitment towards empowering and bettering the conditions of the Black community, a mission powerfully articulated by Harold Moss, Tacoma's first Black city council member, mayor, and Pierce County council member.



*"The great strength, endurance, and influence of the Black Collective is not its structure or lack thereof, but it is in its autonomy and commitment to the mission of empowering and bettering the conditions of the Black community."*

**Former Tacoma Mayor, Harold G Moss**

In the fall of 2022, the Black Collective recognized the urgent need to explore the causes and consequences of Black business failure. Consequently, they commissioned a study with the objective of establishing a robust economic framework to identify the root causes of Black-owned business failures in Pierce County. By doing so, the organization aims to empower policymakers and stakeholders to design targeted interventions to reduce future business failure trends, promote business growth, and increase resiliency among Black-owned businesses.

### 1.2 The Importance of Studying Barriers Faced by Black Businesses in Pierce County and the Need for the Research Report

The exploration of systemic barriers faced by Black businesses in Pierce County is crucial for various reasons. Central to these is economic empowerment, fostering equity, and stimulating the entrepreneurial spirit within Black communities.

Further emphasizing the importance of this research, we must acknowledge Black businesses as vital economic catalysts in Tacoma and Pierce County. Their prosperity significantly enhances not just the economic health of Black communities, but also contributes broadly to the region's economic vitality.

Understanding the barriers is key to promoting economic equity. Despite the considerable progress made in recent decades, systemic barriers persist that disproportionately affect Black entrepreneurs. These barriers restrict their access to capital, limit their ability to navigate regulatory frameworks, and influence their capacity to leverage technology, among other challenges. By studying these barriers in-depth, we can work towards dismantling them, thereby creating an economic landscape that is more equitable and conducive to the success of Black-owned businesses.

The information derived from this research is instrumental in guiding policy-making processes, program development, and supportive interventions for Black-owned businesses. With comprehensive awareness of the obstacles Black businesses face, stakeholders—including policymakers, business leaders, and community organizations—can devise targeted and effective strategies.

Moreover, identifying areas most in need of resources and support becomes possible through examining these barriers. This knowledge guides targeted investments towards sectors where Black businesses are especially vulnerable, leading to optimized resource utilization.

Lastly, this research promotes broader understanding and consciousness of the systemic challenges faced by Black businesses. Increased awareness can catalyze enhanced support for Black-owned businesses, influencing purchasing decisions, investment choices, and policy endorsements.

The need for this research report is clear. It will provide crucial insights into the unique challenges faced by Black businesses in Pierce County, thereby paving the way for evidence-based interventions. In the long term, the findings from this report will not only contribute to the economic empowerment of Black entrepreneurs but will also stimulate the broader economic growth of Pierce County.

**\* Please note:** *In this research report, the terms "Black business" and "Black-owned business" are used interchangeably, both referring to businesses owned and operated by individuals of Black or African-American descent. This synonymy enhances readability without altering the underlying meaning or focus of our analysis.*

### **1.3 Research Objectives and Questions**

This study intends to deepen the comprehension of the systemic obstacles encountered by Black businesses in Pierce County. The insights gained will steer the formulation of successful policies and interventions. Outlined below are the primary aims and guiding inquiries of this research:

**Objective 1:** To identify and understand the systemic barriers affecting Black businesses in Pierce County

- *What are the key challenges faced by Black businesses in Pierce County, including access to capital, regulatory compliance, community safety, discrimination, resilience to exogenous shocks, and technology adoption?*
- *How do these barriers impact the operation, growth, and sustainability of Black-owned businesses?*

**Objective 2:** To evaluate the impact of these barriers on the success and resilience of Black businesses

- *What are the specific consequences of these barriers on Black businesses, such as their ability to compete, their profitability, and their capacity to withstand economic downturns?*
- *How do these barriers affect the broader Black community and economic landscape of Pierce County?*

**Objective 3:** To inform the development of effective interventions and policies

- *Based on the identified barriers, what interventions and policies could be implemented to support Black businesses in Pierce County?*
- *What role can various stakeholders, such as policymakers, business leaders, and community organizations, play in facilitating these interventions?*

**Objective 4:** To provide actionable recommendations to promote growth and resilience among Black businesses

- *What key actionable steps can stakeholders take to mitigate the identified barriers and support the growth and resilience of Black businesses?*
- *What strategies can Black businesses adopt to navigate these systemic barriers?*

By answering these research questions, this study aims to shed light on the challenges faced by Black businesses, enabling stakeholders to devise targeted solutions. Ultimately, the objective is to contribute to a more equitable and thriving business environment in Pierce County.



# Research Context

## 2. RESEARCH CONTEXT

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### 2.1 Overview of Pierce County's Demographic Composition

Pierce County, located in the state of Washington, is known for its diverse demographic composition, which significantly contributes to the richness of its cultural fabric. This diversity is a crucial element of the context for our study of systemic barriers faced by Black businesses in the region.

As of the latest available census data, the total population of Pierce County is approximately 927,380 making it the second most populous county in Washington State. The county's population is comprised of a mix of various ethnicities, reflecting its diverse cultural heritage.

According to demographic estimates, White residents make up approximately 73% of the population, while individuals who identify as Black or African American constitute around 8%. Asian residents represent about 7% of the population, and those of Hispanic or Latino origin account for about 12%. The remaining proportion includes individuals of other races, mixed race, or those who identify with Pacific Islander and Native American groups.

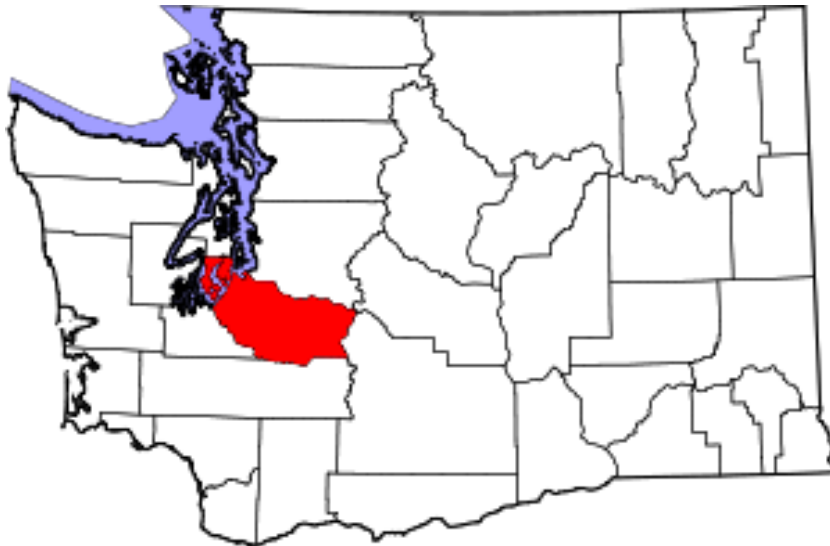


Tacoma, the largest city in Pierce county and a significant area of interest for this study, mirrors this diversity, with about 10% of its population identifying as Black or African American. The city's historic Hilltop neighborhood, in particular, has been a long-standing center of Black culture and community in Tacoma.

The county's demographic makeup also includes a range of age groups, with approximately 23% of residents being under 18 years, around 56% falling in the 18 to 64 age bracket, and nearly 15% being 65 years or older.

In terms of economic characteristics, the median household income in Pierce County is \$82,574, and about 8% of the population lives below the poverty line. These economic figures provide context for the challenges faced by Black-owned businesses, which often intersect with issues of wealth disparity and economic inequity.

This demographic overview underscores the diversity of Pierce County and provides a necessary context for the exploration of systemic barriers faced by Black businesses in the area. By taking these factors into account, we can better understand the unique challenges and opportunities that exist within this demographic landscape.



*(Map of Pierce County)*

## **2.2 Economic Landscape and Business Environment in Pierce County**

Pierce County, in the state of Washington, has a dynamic and evolving economy that is influenced by a diverse range of sectors. The county's economic profile is marked by a healthy mix of small and medium-sized businesses and large corporations, creating an



ecosystem where entrepreneurial spirit and industry innovation co-exist.

A key driver of Pierce County's economy is its thriving port, the Port of Tacoma, which plays a critical role in generating jobs and economic growth. It acts as a hub for international trade, and it is one of the largest deepwater container ports in North America.

The county's economic landscape is also characterized by a variety of industries, including manufacturing and services. Major employers operate in sectors such as aerospace, technology, healthcare, and education, indicating a broad economic base.

Despite these favorable conditions, small businesses and entrepreneurs face various challenges in the region, some of which disproportionately impact Black-owned businesses. These include issues related to access to capital, navigating regulatory environments, and confronting systemic and implicit bias, among others.

However, Pierce County's economic landscape also offers opportunities for growth and resilience. The region has seen an increasing focus on entrepreneurship and small business development in recent years. Several organizations and initiatives are designed to support entrepreneurs, ranging from business incubators and accelerators to networking events.

The county has also made efforts to improve its business climate and encourage investment. These initiatives, combined with the region's strategic location and evolving infrastructure, make it an attractive place for businesses to grow and succeed. Understanding the specific challenges and opportunities within this environment is crucial for developing effective strategies to support Black businesses in Pierce County.



(Port of Tacoma)



### **Significance of Black Businesses in the Pierce County Economy**

Black-owned businesses play a critical role in the economic development and sustainability of Pierce County. Black businesses not only contribute to the region's economic vitality but also serve as essential anchors in the communities they serve, offering goods, services, and job opportunities that often cater to unique community needs.

From small retail outlets, restaurants, and personal service businesses to larger operations in industries like construction, healthcare, and professional services, Black-owned businesses span various sectors in Pierce County. Their entrepreneurial activities spur economic growth by creating jobs, fostering innovation, and promoting local economic circulation.

Moreover, Black-owned businesses significantly contribute to the broader objective of economic equity. By fostering entrepreneurial spirit and creating wealth within the Black community, Black businesses are able to play a crucial role in reducing economic disparities. They serve as a vehicle for economic self-sufficiency and empowerment, contributing to broader societal outcomes, community investment and social mobility.

In addition, Black businesses often act as community hubs, providing spaces for social interaction and cultural expression, reinforcing community identity, and fostering social cohesion. They can also influence the character and development of local neighborhoods, contributing to the diversity and vibrancy of the business landscape in Pierce County.

Despite these significant contributions, Black-owned businesses often face systemic and structural barriers that hinder their growth and success. Addressing these barriers is not just a matter of fairness; it's also crucial for the overall health and resilience of Pierce County's economy. As such, the support and promotion of Black businesses are essential aspects of broader economic and community development strategies in Pierce County.

# Literature Review



## 3. LITERATURE REVIEW

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### **3.1 Review of existing literature on barriers faced by Black businesses**

Atkins Stohr's (2022) Boston Globe article, "Breaking the Cycle of Failed, Sputtering Black Businesses Needs an All-Hands-On-Deck Approach," provides a comprehensive analysis of the factors contributing to the failure of Black-owned businesses. She notes the prevalent issues, such as the lack of access to capital and minimal support from larger corporations. Importantly, Atkins Stohr calls for a multi-faceted approach to address these issues, emphasizing the need for government intervention, increased corporate support, and community backing. This perspective not only highlights the challenges faced by Black entrepreneurs but also proposes a collective solution to address the systemic disparities.

Ashley Evans' (2021) piece, "The Mistreatment of Black-Owned Businesses during the First and Second Rounds of the Paycheck Protection Program," adds a governmental policy perspective to the discourse. By exploring the Paycheck Protection Program's (PPP) impact on Black-owned businesses, Evans reveals the disproportionate disadvantages these businesses faced due to the program's



design and implementation. The study demonstrates how the shortcomings of such policies can exacerbate the difficulties faced by Black-owned businesses. To rectify these issues, Evans suggests a range of solutions, including targeted outreach and education, diversifying PPP lenders, and modifying the PPP's design to better serve Black businesses.

Luke Lawal Jr.'s (2019) article "12 Reasons Why Black Businesses Fail within the First 12 Months" provides an empirical lens through which to view the problem. Lawal identifies twelve common reasons for failure, including limited funding access, lack of business experience, and insufficient market research. His work provides a useful framework for understanding the multifaceted challenges faced by Black entrepreneurs and offers potential strategies for overcoming these barriers.

D. Green's (2021) article, "Why Black-owned Businesses are Struggling to Stay Afloat," featured on CNBC, scrutinizes the struggles faced by Black-owned businesses to survive. Green underscores unique challenges, including funding access and restricted networks, which hinder these businesses from competing with larger, well-established companies. The article accentuates the importance of support for Black-owned businesses and their critical role in economic stimulation, thus offering an essential perspective on the dynamics of survival for Black-owned businesses.

Cierra Z (2021), in the article "Why Do Most Black-Owned Businesses Fail Within the First 18 Months?" investigates the alarmingly high failure rate of Black-owned businesses in their early stages. Using data from the National Black Chamber of Commerce and the National Minority Supplier Development Council, Z underscores that nearly 90% of Black-owned businesses fail within the first 18 months. Factors contributing to this high failure rate include inadequate access to capital and mentorship, alongside discrimination and systemic racism. This article lends critical statistical evidence to the discourse and provides insights into the systemic issues faced by Black entrepreneurs.

The research report by Fairlie, Robb, and Hinson (2010), "Disparities in Capital Access Between Minority and Non-Minority-Owned Businesses," contributes an institutional perspective on the issue. This report focuses on the disparities in capital access for minority and non-minority businesses. The authors emphasize that, despite the substantial contribution of minority business enterprises (MBEs) to the economy, these enterprises could significantly improve with guaranteed access to capital. They attribute the disparity in capital access to increased racial discrimination and tighter restrictions from financial lenders. The authors call for a review of these restrictions, providing a policy-focused lens on the issues facing MBEs, particularly in the context of financial access.

The report by Broady, McComas, and Ouazad (2021) titled “An Analysis of Financial Institutions in Black-Majority Communities: Black Borrowers and Depositors face Considerable Challenges in Accessing Banking Services” focuses on the discriminatory practices that disproportionately affect Black communities' access to credit facilities. The authors engage with past studies to highlight the stark disparity in net worth between White and Black Americans, suggesting that this inequity extends to access to financial institutions. The report presents a comprehensive exploration of the topic, discussing the historical context of these disparities, differences in access to banking facilities, mortgage supply, small business lending, and policy recommendations. This work provides valuable insights into the systemic barriers and racial discrimination experienced by Black entrepreneurs in accessing financial services.

In a report by the U.S. Chamber of Commerce (2019) titled "We Ask: What is your Biggest Challenge? Entrepreneurs Say: It's Financing," the authors survey start-ups' challenges in establishing businesses, with a focus on access to financing. The report finds that BIPOC groups face significant challenges in securing financing for start-ups compared to non-minority groups, thus limiting their ability to open and sustain businesses. The absence of community banks, which previously offered easier access to funding, is identified as a key issue. This report provides an understanding of the challenges faced by minority entrepreneurs in accessing start-up financing, emphasizing the need for risk-taking despite these odds.

The report by Hwang, Desai, and Baird (2019) titled "Access to Capital for Entrepreneurs: Removing Barriers" provides an overview of the current landscape regarding access to capital for entrepreneurs. The authors identify lack of money as a primary challenge for start-ups, and they discuss different sources of capital, including bank lending and venture capital, and personal financing and savings. Notably, the report highlights that over 80% of entrepreneurs do not have direct access to bank loans, with over 65% of start-up entrepreneurs relying on personal financing. The authors conclude by emphasizing concerted efforts from the government, private sector, and foundations to expand loan accessibility.

Fairlie, Robb, and Robinson's 2022 paper, "Black and White: Access to Capital among Minority-Owned Start-ups," provides a quantitative analysis of racial disparities in access to loans for start-ups. Using the Kauffman Firm Survey, the authors reveal a significant difference in creditworthiness among racial groups, with Black Americans being



disproportionately denied loans despite having qualifying credit scores. The report suggests that the perception of racial inequality in lending systems contributes to Black Americans being less likely to apply for loans, creating a self-perpetuating cycle. The researchers advocate for a shift in attitudes regarding racial disparities and a return to equitable lending practices.

Pimental's 2022 paper, "Crime and the Effects It Has on Business Development," explores the impact of crime rates on the success of business enterprises. The author acknowledges a surge in criminal activities during economically challenging periods, such as the COVID-19 pandemic, and notes that the type and rate of crime can significantly affect a business's success. The report suggests a thorough assessment of potential criminal activities when planning a business and advises businesses to consider the crime rates in their desired location. This work highlights the multifaceted nature of barriers to business development, introducing crime as a significant factor in the equation.

Misra's 2015 article, "How Black-Owned Businesses Help Reduce Youth Violence," published in Bloomberg, presents an intriguing link between the growth of Black-owned businesses and a decrease in youth crime rates. Using data from the Urban Affairs Review, the author suggests that Black-owned businesses serve not only as economic pillars but also as social stabilizers, with Black business owners serving as role models for the youth. While this finding is encouraging, the author emphasizes the need to address systemic barriers, including the disparity in access to capital, to sustain this positive trend.

Cavalluzzo and Wolken's 2005 paper, "Small Business Loan Turndowns, Personal Wealth, and Discrimination," uses Federal Reserve data to explore the relationship between personal wealth and loan rejections for small businesses. They highlight a significant disparity in loan denial rates between minority communities and white Americans, a discrepancy not entirely explained by factors such as personal wealth and credit history. Instead, the authors posit that the underlying racial discrimination plays a significant role in limiting capital access for minority groups. This finding underscores the systemic nature of the barriers faced by Black businesses.

The 2019 report "Being Black in Corporate America: An Intersectional Exploration" by the Center for Talent Innovation provides a stark portrayal of the challenges faced by Black professionals in corporate America. Drawing on historical data and personal narratives, the report underscores the lasting impact of racist legislation and practices. A noted concern is the lack of representation of Black professionals in leadership positions, and the report provides recommendations for improving fairness and inclusivity at the corporate level.



The United Nations Global Compact's report, "What is Discrimination in Employment and Occupation?" provides a broad exploration of discriminatory practices in the workplace. It identifies forms of discrimination, such as race, gender, disability, and age, and acknowledges their growing prevalence. The report highlights the negative effects of discrimination on businesses and human rights and offers recommendations for achieving workplace equality, such as using qualifications and experience as selection criteria and promoting diversity and inclusion.

Röglinger et al.'s 2022 article, "Exogenous Shocks and Business Process Management: A Scholars' Perspective on Challenges and Opportunities," provides an in-depth analysis of how exogenous shocks, such as the COVID-19 pandemic, affect business process management. The authors highlight the devastating impact of these shocks on businesses and suggest that the correlation between exogenous shocks and business process management needs more investigation. This study underscores the importance of preparedness and readiness to mitigate shock-related threats while harnessing potential opportunities arising from these shocks.

Miklian and Hoelscher's 2022 paper, "SMEs and Exogenous Shocks: A Conceptual Literature Review and Forward Research Agenda," specifically examines how small and medium enterprises (SMEs) respond to exogenous shocks. The authors categorize exogenous shocks into economic crises, natural disasters, and global health emergencies, all of which pose significant challenges to SMEs. They recommend the development of robust response mechanisms to address these challenges effectively, emphasizing the need for better mitigation strategies for SMEs.

The PowerDMS article, "What is Regulatory Compliance and Why is it Important?" provides an overview of regulatory compliance and its importance for businesses. This report distinguishes between regulatory and corporate compliance and provides key examples of business regulations like the Health Insurance Portability and Accountability Act (HIPAA) and the GDPR. It also underscores the importance of adherence to these regulations, detailing the repercussions of non-compliance. The report provides guidance on effective compliance procedures, emphasizing how regulatory compliance can aid businesses.

Cordes, Dudley, and Washington's 2022 synthesis paper, "Regulatory Compliance Burdens: Literature and Synthesis," presents an investigation into the cost implications of regulatory compliance for businesses. They argue that reducing the cost of applying federal regulations could stimulate economic growth for businesses. They propose a strategic

analysis of the cost of implementing regulations, suggesting that this could help businesses minimize expenses while adhering to regulatory requirements. This research underscores the financial burden that regulatory compliance can place on businesses and emphasizes the need for more cost-effective methods of adhering to regulations.

Ugalde's 2023 article, "15 Technology Challenges Businesses May Face in 2023," elucidates some of the potential technological challenges businesses could face in the year 2023. While recognizing the benefits technology can bring to businesses, such as improved performance and customer satisfaction, Ugalde also acknowledges the potential difficulties that businesses may encounter. He warns that businesses need to be cautious and prepared for potential technological challenges, emphasizing the need for a balanced approach to technology adoption.

Kooser's article, "Technology Issues for Business Owners," acknowledges the benefits of technology for business development, yet warns of inevitable technological issues. The author stresses the need for continual technology upgrades, which can present challenges for small businesses. Despite these potential difficulties, she recommends businesses make use of social media marketing, citing the revolutionary impact it can have on business operations.

### **3.2 Conclusions from the existing literature:**

The existing literature comprehensively illuminates the systemic and multifaceted challenges faced by Black businesses. These challenges extend across financial pressures, systemic discrimination, exogenous shocks, regulatory compliance requirements, and technological hurdles, all of which significantly impact the success and sustainability of Black-owned businesses.

Key insights from the literature highlight how financial barriers and systemic discrimination, particularly in lending practices and corporate representation, exacerbate the struggle for Black businesses. This discrimination hampers access to capital, further compounding start-up challenges and limiting growth opportunities. The literature emphasizes the urgent need for policy changes and concerted efforts to combat discrimination and promote equity in the corporate and entrepreneurial sectors.

Another crucial area of concern in the literature is the effect of exogenous shocks on businesses. These works stress the importance of readiness, resilience, and effective response mechanisms to navigate such shocks, particularly for Black businesses, which may lack the robust financial safety nets of their counterparts.

In addition, the literature underscores the economic burdens and practical difficulties associated with regulatory compliance. It advocates for a strategic analysis and the development of cost-effective methods of adhering to rules and regulations to minimize financial strain and sustain operations.

The technological challenges facing Black businesses, as revealed in the literature, underscore the necessity for balanced, cautious technology adoption. Technological hurdles, while transformative in potential, require continual upgrades and strategic management.

The proposed solutions across these works are as varied as the challenges they address, ranging from government intervention and corporate responsibility to increased awareness and support from consumers. The recommendations also highlight the importance of reconsidering financial lending policies and promoting risk-taking among entrepreneurs. These insights underscore the complexity of the issues at hand and the need for a comprehensive, multifaceted approach to support Black-owned businesses.

In essence, these works collectively highlight a complex problem space for Black businesses, calling for holistic strategies that address these interconnected barriers. This consolidation of the literature underscores the need for systemic change and enhanced support mechanisms to reduce disparities and promote the growth and success of Black businesses.



# Research Design and Methodology



## 4. RESEARCH DESIGN AND METHODOLOGY

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### **4.1 Explanation of the Focus Group and Interview Methodology**

For this study, we adopted a qualitative research approach using focus groups and one-on-one interviews to deeply understand the unique experiences, challenges, and perspectives of Black business owners in Pierce County. This methodology was chosen due to its effectiveness in eliciting rich, detailed, and nuanced insights that are difficult to obtain through quantitative methods.

Focus Groups: Focus groups were organized as interactive discussion platforms, with about six to eight participants per group. These sessions provided a safe and open environment for Black business owners to express their experiences, feelings, and thoughts regarding the barriers they face. By encouraging dialogue among participants, we were able to delve into complex issues, promote the exploration of their perspectives, and capture insights that shed light on their collective experiences and shared challenges.

The Momentum Professional Strategy Partners team utilized skilled moderators to facilitate each focus group. Each moderator adhered to a predetermined,



yet adaptable discussion guide, which comprehensively addressed crucial research subjects, including access to capital, discrimination, technology barriers, and regulatory challenges. Sessions were conducted both in-person and virtually through Zoom, based on participants' convenience and comfort. Each session lasted approximately 150 minutes and were recorded for subsequent transcription and analysis.

One-on-One Interviews: To ensure inclusion in our data collection and reach out to individuals who were not available to participate in the focus groups, we offered one-on-one interviews. This approach enabled us to collect valuable insights from those who could not engage in the focus group discussions due to scheduling conflicts or other reasons. Interviews followed a semi-structured format, allowing for a consistent line of inquiry while providing the flexibility to probe further into responses. These interviews were conducted via Zoom video call, depending on participant preference, and lasted approximately 90 minutes.

Both the focus groups and interviews followed ethical research practices. Participants were informed of the purpose of the study, their rights as participants, and the measures taken to ensure their confidentiality. Their consent was obtained before proceeding with the focus group discussions and interviews, and they were also assured of their freedom to withdraw from the study at any time without any negative repercussions. This emphasis on ethical considerations helped build trust with participants and facilitated open, honest discussions.

#### **4.2 Selection and Recruitment Process for Participants**

In an effort to achieve a broad and diverse representation of perspectives, our selection and recruitment process for participants was based on various criteria, and we employed several outreach strategies. An instrumental contribution to this process was made by Dr. Modarres. Access to his extensive database played a key role in our recruitment strategy.

- Selection Criteria: To be eligible for this study, participants had to be Black business owners based in Pierce County who either owned a permanently closed business or had previously closed a business and since started a new one. We sought to promote participant diversity by considering a spectrum of demographic variables. This included age groups, gender identities, income levels, industries, and different types of business structures.
- Recruitment Strategy: Our recruitment strategy was multifaceted, involving various methods to reach potential participants who met our selection criteria. We started by creating a list of potential participants through local business listings, closed business databases and referrals from Black entrepreneurs.

- **Outreach:** To initiate contact with potential participants, we utilized email invitations, phone calls, and social media outreach. Each method of communication provided an overview of the study, its purpose, the role of participants, and the assurance of confidentiality. We also clarified the voluntary nature of their participation and offered flexibility in terms of their availability and preferred mode of engagement (i.e., focus group or one-on-one interview, in-person or via Zoom).
- **Confirmation:** Interested individuals who responded to our outreach were followed up with additional information about the study and the scheduling of focus group discussions or interviews. We confirmed participation via a return email or phone call, ensuring that participants were fully aware of what the study entailed and were comfortable with their involvement.
- **Respect and Inclusion:** Throughout the recruitment process, we were mindful to approach all potential participants with respect and cultural responsiveness. We emphasized that their experiences and insights were valuable and would be instrumental in shaping strategies to address barriers faced by Black-owned businesses in Pierce County.

Our rigorous selection and recruitment process helped ensure that our participant sample was representative of the Black business community in Pierce County, thereby enhancing the credibility and generalizability of our research findings.

#### **4.3 Data Collection Procedures and Instruments Used**

We utilized a rigorous and systematic approach to data collection, following well-defined procedures and employing a variety of qualitative data collection instruments. The primary methods of data collection used in this study included focus groups, one-on-one interviews, and researcher observations.

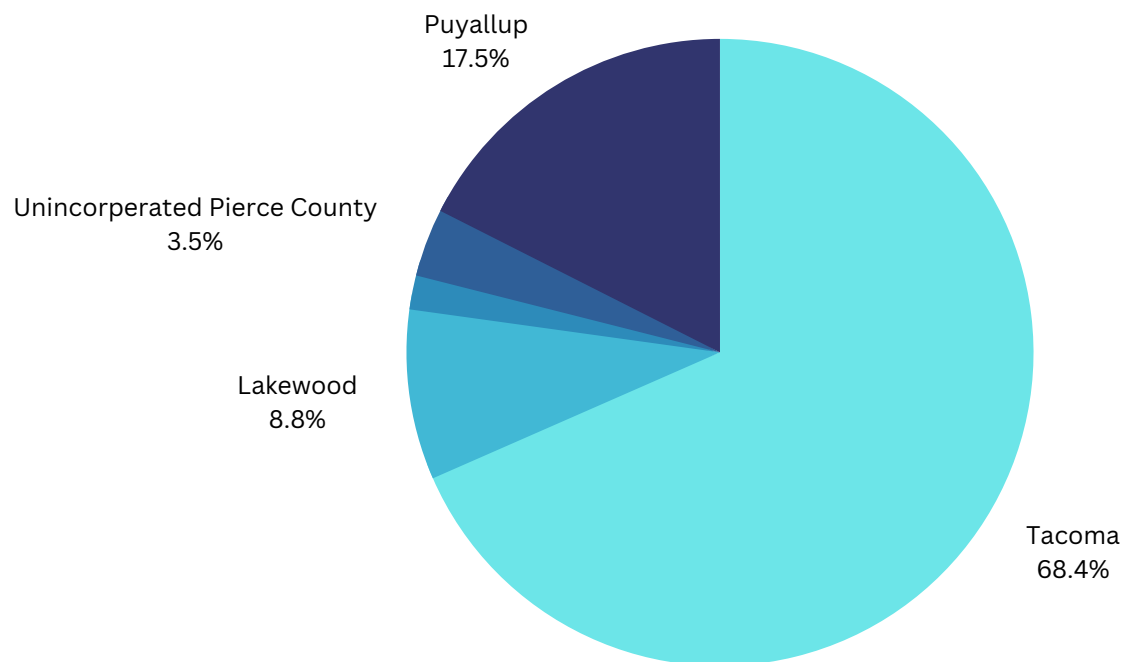
- **Focus Groups and One-on-One Interviews:** We engaged with a total of 47 Black business owners in Pierce County through a blend of methods. These included focus group discussions and one-on-one interviews, conducted both in-person and virtually, to gain a comprehensive understanding of their experiences. For each session, a trained moderator led the conversation, and a discussion guide was used to steer the discussion toward the research objectives. The guide was composed of open-ended questions covering a range of topics, including capital barriers, the impact of discrimination and crime on businesses, the effects of exogenous shocks, regulatory compliance challenges, and technology obstacles. Although the guide provided a structure for the discussion, the moderator ensured that the conversation flowed naturally, allowing participants to delve into related topics of importance.



- Audio Recordings and Transcription: Each focus group discussion and interview was audio-recorded, with the prior consent of the participants, to capture all the details of the conversation accurately. These audio recordings were subsequently transcribed verbatim to provide a textual database for the analysis.
- Observation: In addition to the discussions, we also collected data through researcher observations during the focus groups and interviews. A researcher present at each session captured nonverbal cues like facial expressions, body language, tone of voice, and verbal responses. Detailed notes were taken during these sessions to supplement the audio recordings.
- Post-Discussion Debriefing: After conducting each focus group and one-on-one interview, we held a debriefing session. During these debriefing sessions, we reviewed the data collected, discussed our observations, and compared them with the audio recordings.

Using these procedures and instruments ensured that our data collection was systematic, comprehensive, and aligned with our research objectives. The qualitative data gathered provided rich insights into the experiences, perceptions, and challenges faced by Black business owners in Pierce County.

**Geographical distribution of Black businesses that participated the focus groups**



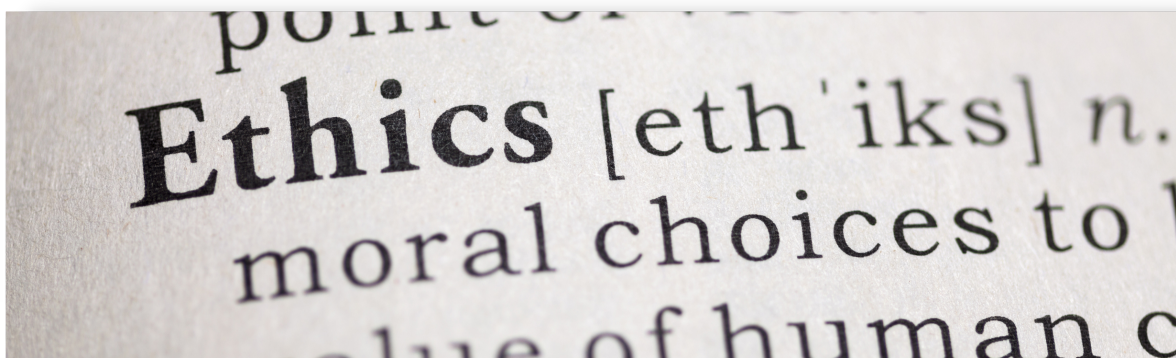


#### 4.4 Ethical Considerations and Measures Taken to Ensure Participant Confidentiality

Ensuring ethical integrity was a fundamental consideration in the design and execution of this research study. We were mindful of the potential sensitivity of the topics discussed and took the utmost care to protect the rights and confidentiality of all participants.

- **Informed Consent:** Before participating in any focus group discussion or one-on-one interview, each participant was provided with a detailed overview of the study and its objectives, the voluntary nature of their participation, and how the collected data would be used. Participants gave their informed consent to participate in the study and for the sessions to be audio-recorded.
- **Anonymity and Confidentiality:** We reassured all participants that their responses would be treated with the highest level of confidentiality. No personal identifying information was linked to any of the data collected. Participants were assigned code numbers, and these codes were used in all transcripts, research notes, and subsequent reports. All data was stored securely, and only members of the research team had access to the data.
- **Respect for Participant's Rights:** During each discussion and interview, the moderator ensured that the conversation was conducted in a respectful manner and that no participant felt pressured to share information they were uncomfortable with. Participants were free to decline to answer any question and could withdraw from the study at any time.
- **Transparency:** Throughout the study, we maintained transparency about the research process, data analysis, and interpretation. Participants were informed that they would receive a summary of the findings, and we committed to sharing the report with the broader Pierce County community in a manner that protects participant identities.

By adhering to these ethical considerations and confidentiality measures, we aimed to foster a respectful and safe environment for participants to share their experiences and insights, thereby enhancing the trustworthiness and ethical integrity of the study.





# **Findings from Focus Groups and Interviews**

## 5. FINDINGS FROM FOCUS GROUPS AND INTERVIEWS

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### 5.1 Overview of the Participants and Their Demographic Characteristics

This study drew upon a diverse range of individuals from the Black business community in Pierce County, each contributing their unique perspectives and experiences to the research.

- **Business Owners:** Participants included owners of currently operating businesses and owners who had to close their businesses in recent years. The range spanned from those at the early stages of their entrepreneurial journey to established business owners who have been operating for several years. They represented a wide array of industries, such as retail, hospitality, professional services, technology, and creative arts, among others.
- **Gender Identity:** The study ensured inclusive representation across the spectrum of gender identities, including those who identify as male, female, and non-binary, as this reflects the diverse gender identities within the Black business community in Pierce County.

- Age Range: The age of participants varied widely, covering younger entrepreneurs in their 20s to seasoned business veterans in their 60s. This age diversity provided insights into the differing experiences and perspectives across various generations.
- Education Level: Participants' education levels ranged broadly, with some possessing high school diplomas, others having completed undergraduate or postgraduate degrees, and a significant number having some level of college education or vocational training.
- Geographic Distribution: Participants were drawn from various Pierce County regions, encapsulating urban and suburban areas. This helped capture a variety of experiences unique to different localities within the county.
- Business Formation Types: The participating business owners represented a spectrum of business formations, including sole proprietorships, partnerships, limited liability companies, and corporations.

By ensuring a comprehensive demographic profile of the participants, we were able to glean rich data and insights that are reflective of the experiences of the broader Black business community in Pierce County. This diversity in participant profiles enhanced our research findings' robustness, validity, and applicability.

## **5.2 Presentation and Analysis of Qualitative Data Gathered from Focus Groups and Interviews**

The qualitative data obtained from focus groups and one-on-one interviews constituted a rich resource for understanding the lived experiences of Black business owners in Pierce County. The responses and discussions were presented and analyzed under key themes identified through the thematic analysis approach.

- Business Formation and Operation: Participants shared detailed accounts of their journey of business inception, development, and operation. This provided insight into their unique entrepreneurial process, capturing aspects like the motivation behind starting their business, the resources utilized, and the specific operational challenges faced.
- Challenges and Barriers: Participants were vocal about the difficulties they encountered in establishing and running their businesses. These ranged from financial and capital access issues to instances of discrimination and bias. Participants also shared experiences with regulatory and bureaucratic hurdles, limited networking opportunities, and lack of mentorship.



- **Support and Resources:** Participants discussed their experiences with the resources and support available to them, including loans, grants, mentorship programs, and educational resources. They shared their views on the accessibility and efficacy of these resources, shedding light on potential areas of improvement.
- **Impact of External Factors:** The discussion also touched upon the influence of broader societal and economic factors on their business operations. This included the impact of the local economic climate, perceptions and stereotypes affecting business opportunities, and the effects of technological changes.
- **Closure of Businesses:** Those who had experienced business closure shared the circumstances and factors leading to such an outcome. This data offered valuable insights into the challenges leading to business failure and areas of needed support and intervention.

The analysis of the qualitative data brought forward recurrent themes and narratives that provided a comprehensive understanding of the experiences of Black business owners in Pierce County. This data was instrumental in identifying barriers, uncovering needs, and informing the development of targeted recommendations to support the success and resilience of Black-owned businesses in the county.

### **5.3 Reported Barriers to Black Entrepreneurship in Pierce County**

Through our focus groups and interviews, we were able to identify the key barriers and challenges that Black business owners in Pierce County face. This section focuses on the barriers directly reported by the participants. These structural and personal obstacles heavily influence the experience of operating a business as a Black entrepreneur in Pierce County.

- **Access to Capital:** Obtaining necessary capital and financial resources was a major challenge. Participants pointed towards the difficulties posed by traditional lending institutions, including stringent criteria and biases.
- **Discrimination:** Participants indicated experiences of both unconscious bias and explicit discrimination. These incidents influenced a range of areas from loan conditions and opportunities for business contracts to customer interactions.
- **Networking Opportunities:** A scarcity of networking and mentorship opportunities was another barrier. The absence of a robust community support system further compounded this issue.

- **Regulatory Challenges:** Business owners reported difficulty navigating complex regulations and bureaucratic procedures, especially in the absence of tailored guidance or assistance.
- **Skill Gaps:** Participants acknowledged personal skill and knowledge gaps as hindrances. These gaps primarily concerned business management and digital literacy.
- **Stereotypes:** Negative stereotypes and perceptions of Black-owned businesses were identified as subtle yet potent barriers impacting customer patronage and business partnerships.

These key barriers and challenges form the core of the systemic issues faced by Black business owners in Pierce County. Understanding them is the first step in devising effective strategies and interventions for overcoming these obstacles and promoting a thriving Black business ecosystem.

#### **5.4 Underlying Themes from the Black Entrepreneurial Experience in Pierce County**

Thematic analysis of the focus groups and interviews revealed several common patterns and experiences that encapsulated the collective narrative of Black business owners in Pierce County. While the previous section discussed the direct challenges as reported by the business owners, this section delves deeper into the common experiences that weave together the collective narrative of Black entrepreneurs in Pierce County. It's not just about the barriers they face, but also their responses to these challenges, their motivations, and their interactions with societal structures.

- **Resilience Amid Challenges:** A recurring theme was the resilience exhibited by business owners despite significant obstacles. Stories of perseverance, grit, and innovative problem-solving demonstrated their adaptability and endurance.
- **Support and Community:** Participants consistently underscored the need for stronger support networks, emphasizing mentorship, industry learning, and community-based structures that offer guidance and resources.
- **Systemic Barriers:** Participants highlighted systemic issues such as discrimination, bias, and unequal access to resources, advocating for policy interventions to address these deep-rooted problems.
- **Resource Navigation:** Business owners reported difficulty accessing and navigating available resources like funding, training, and development services, pointing to the need for more accessible and culturally-responsive services.

- Impact of Stereotypes: Negative societal perceptions and stereotypes were noted as significant obstacles affecting customer patronage and partnership opportunities.
- Economic Empowerment: The desire for economic independence emerged as a motivational force behind the entrepreneurial journey, reflecting the broader economic aspirations of Black business owners in Pierce County.
- Distrust of Law Enforcement: A pervasive distrust of law enforcement within the Black business community was a significant concern. This theme points to a broader societal issue and suggests a need for trust-building initiatives between law enforcement agencies and Black businesses.
- Risk of Business Failure: The culmination of these challenges often escalates the risk of business failure, leading to the unfortunate closure of businesses. Participants who had experienced business closures attributed it to a combination of these barriers, in addition to market dynamics and operational issues.

These common themes provide a nuanced understanding of the shared experiences of Black business owners in Pierce County. They not only highlight the barriers and challenges but also shed light on the strength, resilience, and aspirations of Black business owners. As such, these themes form the basis for our subsequent recommendations aimed at supporting the success and growth of Black businesses in the county.





# **Barriers Faced by Black Businesses in Pierce County**



## 6. BARRIERS FACED BY BLACK BUSINESSES IN PIERCE COUNTY

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### 6.1 Access to Capital and Financial

#### Resources:

The lack of access to capital and financial resources emerged as a key issue for the Black business owners who participated in the study. Their stories underscored the systemic economic barriers that limit their ability to secure funding, and participants shared their experiences in trying to access different types of financing.

- Traditional Loans and Investments: Participants revealed a consistent pattern of systemic bias within financial institutions, leading to difficulties in securing loans or investments. One participant reported, "Despite having a solid business plan and demonstrating profitability, I was denied loans from several banks." The challenge doesn't stop at the startup phase. Lack of access to additional financing can hamper the long-term growth of Black-owned businesses, limiting their ability to expand or innovate.



- **Government Grants and Proposals:** Several participants also highlighted the complex nature of securing government grants and proposals. These processes often require sophisticated understanding and expert assistance, making them difficult to navigate for under-resourced businesses. One participant stated, "The process for applying for government grants is so complex. And hiring consultants to draft winning bids is an additional expense."
- **Personal Financing:** Some participants shared instances of utilizing personal assets, like home equity, to fund their businesses. This decision highlights the pronounced obstacles Black businesses face when seeking external financing. Yet, it's important to acknowledge that such a strategy, while potentially helpful in the short term, carries inherent risks and could impact personal financial stability.
- **Unexpected Regulatory Fees:** Some participants mentioned the burden of unexpected regulatory fees that further strain their financial resources. "Out of the blue, we are often hit with fees, which add to our operating costs."

## **6.2 Discrimination and Bias in Business Transactions:**

A concerning theme emerged from the interviews: Black business owners frequently face discrimination and bias during business transactions. Participants expressed that this bias extends beyond face-to-face interactions, influencing even phone and online transactions, and contributes to increased stress and potential business loss.

- **Mistrust in Law Enforcement:** A troubling aspect of discrimination emerged when the conversation turned to the influence of crime on businesses. Numerous participants noted a fundamental lack of trust in law enforcement. A striking example was provided by the owner of an outdoor sports business, who reported having more police interactions than other nearby businesses. This individual revealed, "When my business experienced disturbances, I was reluctant to call the police. Past experiences left me wondering if I would safely return home that night." This pervasive mistrust intensifies the toll of crime on Black-owned businesses, cultivating a sense of vulnerability and additional stress.
- **Perceived Bias Over Phone Interactions:** The issue of discrimination was not limited to physical interactions. Participants revealed concerns about bias during phone interactions. One participant shared, "I've noticed a shift in the tone when they realize I'm a Black business owner over the phone. It's subtle, but it's there and can impact the transaction." This exemplifies how discrimination can affect the manner in which business interactions are conducted and ultimately hinder business opportunities.

- **Discrimination in Business Relationships:** The influence of discrimination extended to their business relationships as well. Some participants felt their business was not given the same opportunities as their counterparts. "I've always felt like we don't get the same chances as other businesses. We gotta show twice as much proof to get half as much opportunities," a participant said, indicating a systemic bias that could hamper business growth and success.
- **Bias in Investment and Funding Opportunities:** Some participants perceived a bias when applying for investments or funding. They reported that they felt their applications were not evaluated fairly. One participant put it succinctly, "When seeking funding, I often feel like we're not starting from the same line. There's a perception that Black-owned businesses are riskier, and that influences how our applications are evaluated."

These narratives highlight the pervasive impact of discrimination and bias on Black-owned businesses in Pierce County.

### **6.3 Networking and Mentorship Challenges:**

A significant concern echoed throughout the interviews was the scarcity of networking platforms and mentorship for Black entrepreneurs in Pierce County. This deficiency was identified as a hindrance to their businesses' capacity for expansion and prosperity.

- **Scarce Networking Opportunities:** Participants noted the shortage of networking events within their community, often feeling excluded from the broader business circles. As one participant described, "Networking events specifically for Black business owners in our area are sparse. We often feel marginalized from the wider business community." This absence of inclusion in networking initiatives stifles opportunities to forge valuable partnerships crucial for growth.
- **Challenges in Finding Mentorship:** The participants also raised concerns about the difficulty of finding mentors or people who understand their unique experiences within their industries as Black entrepreneurs. One participant said, "It's not easy to find a mentor who understands the specific challenges I'm facing. Having someone who's been there, who can guide me and provide advice, is priceless." The lack of mentorship can result in feeling unsupported and hinder their ability to navigate the business landscape effectively.

- Limited Access to Professional Networks: Participants also highlighted that the lack of representation of Black individuals in professional networks contributes to the challenges they face. One business owner shared, "Having professional networks is crucial for business growth, but it's tough for us as we often find ourselves in the minority or not even present in those spaces. Trying to break into these areas is daunting when we don't see folks who look like us." This shows how the lack of representation can affect the experiences and opportunities for Black entrepreneurs.
- Need for Black-Centered Networking: Participants emphasized the value of Black-centered networking opportunities. "We need more Black-centered networking events, where we can come together, share experiences, and support each other," one participant stated. This highlights the importance of fostering a sense of community among Black entrepreneurs and creating spaces where they can network and collaborate.

In summary, the lack of networking opportunities and mentorship are significant barriers for Black businesses in Pierce County.

#### **6.4 Regulatory and Bureaucratic Challenges:**

Another common theme that emerged from the interviews with Black business owners in Pierce County was the significant regulatory and bureaucratic challenges they face.

- Understanding Regulatory Compliance: A prevalent challenge highlighted by participants was the intricate nature of understanding and adhering to business regulations. As one participant articulated, "The amount of red tape involved in running a business is overwhelming. Understanding all the legal and regulatory requirements is like navigating a maze without a map." The complexity and opacity of these regulations can create significant stress and potential pitfalls for Black entrepreneurs.
- Accessing Reliable Information: Another issue is the difficulty in accessing reliable information from government agencies. Participants reported that inconsistent or unclear information often led to confusion and potential non-compliance. One participant lamented, "Getting straight answers from government agencies is a huge challenge. The information we receive can often be conflicting, leaving us unsure about what steps to take." This shows how difficulties in obtaining reliable guidance can compound the challenges of regulatory compliance.



- Navigating Bureaucratic Procedures: Participants also reported facing obstacles when trying to navigate bureaucratic procedures, such as applying for business licenses, permits, or government grants. One business owner shared, "The paperwork required for applying for permits was time-consuming, complicated, and not user-friendly." These bureaucratic procedures can present a significant barrier for Black entrepreneurs, potentially hampering their ability to grow their businesses.
- Managing Unexpected Regulatory Changes: The issue of abrupt regulatory alterations, especially noticeable in the context of the COVID-19 pandemic, was a concern among participants. As one participant remarked, "Regulations can alter overnight, often resulting in additional costs and compliance concerns, which was exacerbated by the pandemic. This hinders our ability to plan and manage our business effectively." This highlights how instability in regulations, intensified during extraordinary circumstances like a global pandemic, can pose added financial and operational hurdles for Black-owned businesses.

The interviews reveal that regulatory and bureaucratic challenges pose a significant barrier for Black business owners in Pierce County. Addressing these issues will require clearer and more consistent communication from government agencies, simplification of bureaucratic procedures, and providing better support and guidance for businesses to navigate regulatory requirements and changes.

### **6.5 Educational and Proficiency Disparities:**

The data revealed clear educational and skill-related obstacles Black business owners face in Pierce County. These challenges are complex, encompassing limited access to quality business education, scarce opportunities for skill advancement, and a deficiency in industry-specific mentorship or guidance.

- Quality Business Education Accessibility: A notable portion of participants identified a lack of formal business education as a key constraint to effective business operation. As one participant conveyed, "I feel like I'm playing catch-up because I didn't have a chance to study business or entrepreneurship formally. It's like trying to assemble a puzzle without the picture on the box." This absence of foundational business knowledge can place Black entrepreneurs in a challenging position.

- **Skill Development Opportunities:** The participants highlighted a scarcity of platforms available for skill enhancement. One participant observed, "Our community lacks sufficient resources for Black entrepreneurs to gain the skills required to grow a business beyond a certain scale." Absent ample skill development opportunities, Black entrepreneurs may encounter difficulties in evolving and expanding their businesses.
- **Industry-Specific Mentorship Shortage:** Echoing a point raised earlier, participants identified the shortage of mentorship specific to their business sectors as a challenge. One business owner elaborated, "One of the biggest challenges for me has been the lack of mentors within my industry. Without someone who has walked this path before and can guide me, I often feel lost." In-industry mentorship can be instrumental in imparting valuable experiences, advice, and support during challenging periods; its absence resonates deeply.
- **Specialized Skill Gaps:** Participants reported proficiency gaps in specialized domains such as digital marketing, finance, and cybersecurity. As one participant noted, "The world of digital marketing is constantly changing, and keeping up can be a full-time job. I wish there were more resources to help me stay on top of these changes.." Understanding finance and cybersecurity also emerged as challenging aspects for Black business owners.

In conclusion, these findings underline the need to address the educational and proficiency gaps confronted by Black businesses in Pierce County.

### **6.6 Perceptions and Stereotypes Affecting Business Opportunities:**

The participants reported that perceptions and stereotypes about Black business owners and their enterprises limited their business opportunities significantly in Pierce County. The issues revolved around customer bias, partnership prospects, and perceived lack of professionalism or capability due to racial prejudices.

- **Customer Bias:** Instances of explicit racial bias were reported by participants, negatively affecting their businesses. As a business owner shared, "I've had customers leave my store upon learning it's Black-owned." These experiences reflect the persistence of racial bias that can influence customer decisions. The direct economic repercussions can limit the growth potential and viability of Black-owned businesses, emphasizing the immediate need for strategies to combat these prejudices.

- Partnership Prospects: Racial bias affects more than customer relations; it also plays a role in forming potential partnerships and collaborations. As one participant observed, "Prospective partners sometimes question my ability merely because I'm Black. They harbor a predisposed belief that my business can't match the quality or reliability of businesses owned by non-Black individuals." This emphasizes the detrimental effects of bias on expanding business networks and opportunities for Black entrepreneurs.
- Perceived Lack of Professionalism or Capability: Many participants expressed frustration at the assumption of incompetence solely based on their race. One participant noted, "There's a stereotype that Black-owned businesses are not as professional or capable as other businesses. It's a constant battle to prove this wrong and show that we are just as, if not more, skilled, innovative, and driven."
- Misunderstood Business Goals and Target Market: Some participants reported that people often wrongly assume that their products or services are only for Black consumers, limiting their market reach. One business owner shared, "Just because I'm a Black business owner does not mean my products are only for Black people. I aim to serve a diverse audience, but this stereotype often impacts my business."
- Media Representation: Participants also reflected on how media can perpetuate harmful stereotypes. One participant said, "Media seldom features successful Black entrepreneurs, which strengthens the misconception that we aren't as successful in business." This highlights the vital role media can play in altering perceptions and celebrating the success of Black entrepreneurs.

These experiences shared by Black business owners in Pierce County demonstrate how perceptions and stereotypes can affect business opportunities and contribute to systemic racial bias in the business world.





# **Recommendations and Actionable Strategies**



## 7. RECOMMENDATIONS AND ACTIONABLE STRATEGIES FOR POLICYMAKERS, COMMUNITY ORGANIZATIONS AND COMMUNITY LEADERS

### 7.1 Policy Recommendations and Actionable Strategies

In response to the barriers identified for Black entrepreneurs in Pierce County, we propose the following policy recommendations and practical strategies, specifically designed to inform policy makers:

- **Enhancing Transparency and Accountability in Financial Institutions**
  - **Recommendation:** Advocate for legislation requiring financial institutions to regularly report on their lending activities to BIPOC businesses.
  - **Action Strategy:** Develop a framework for transparent reporting and establish a body responsible for reviewing and publishing reports to ensure accountability.
- **Promoting Sustainable Growth and Wealth Building for Black-Owned Businesses**
  - **Recommendation:** Encourage initiatives that do more than just sustain Black businesses; they should also enable their growth and wealth generation. This could be achieved through specialized funds, microfinancing programs, low-interest loans, and partnerships with community development financial institutions (CDFIs) specifically designed to support expansion and growth and maintain business operations.
  - **Action Strategy:** Forge partnerships with financial institutions and non-profit organizations to establish these growth-oriented initiatives. It's essential to monitor their effectiveness and accessibility continuously, ensuring they are truly promoting the sustained growth and wealth accumulation that Black businesses need to thrive and not merely helping them keep afloat.
- **Enhancing Financial Literacy for Black and BIPOC Businesses Across All Revenue Levels**
  - **Recommendation:** Advocate for comprehensive financial literacy programs specifically tailored to Black and BIPOC entrepreneurs, ensuring the content is relevant and accessible to businesses at every stage of development, from nascent startups to established enterprises.

## 7.1 Policy Recommendations and Actionable Strategies (Continued):

- **Enhancing Financial Literacy for Black and BIPOC Businesses Across All Revenue Levels (Continued)**
  - **Action Strategy:** Develop partnerships with local educational institutions, community organizations, and financial institutions to establish grant-funded programs. This funding can be used to cover tuition, fees, and books for participants, thereby reducing financial barriers to access. For Tacoma-based businesses, consider designating a portion of Tacoma Creates funds specifically for this initiative. Continually monitor program effectiveness and ensure it remains adaptable to the evolving needs of Black and BIPOC businesses, fostering an environment conducive to their sustained growth and success.
  
- **Professional Development Around Bias and Related DEIA Topics**
  - **Recommendation:** Advocate for policies that require ongoing professional development around bias and other DEIA (Diversity, Equity, Inclusion, and Accessibility) topics for employees at financial institutions and business regulatory agencies.
  - **Action Strategy:** Establish a digital "Small Business Suggestion Box" that allows Black and BIPOC businesses to express their experiences, concerns, and suggestions related to their interactions with financial institutions and regulatory agencies. Use the insights gained from this feedback to guide the development of DEIA professional development initiatives. This approach ensures that training programs are responsive and tailored to the real-world experiences and needs of Black and BIPOC businesses, enhancing the relevance and impact of the professional development provided.
  
- **Simplifying Regulatory Navigation and Minimizing Cash Flow Impact for Black Businesses**
  - **Recommendation:** Support policies that not only simplify regulatory procedures but also provide assistance to Black business owners in overcoming these bureaucratic obstacles. Further, advocate for flexible payment plans that alleviate immediate financial pressure from regulatory costs.

### 7.1 Policy Recommendations and Actionable Strategies *(Continued)*:

- **Simplifying Regulatory Navigation and Minimizing Cash Flow Impact for Black Businesses** *(Continued)*
  - **Action Strategy:** Establish a dedicated helpdesk for Black businesses that provides information and support regarding regulatory requirements and the application process for permits, licenses, and grants. Furthermore, work with local authorities to create an installment payment plan for permits and fees, allowing business owners to spread the costs over a 90-120 day period. This plan would minimize the immediate impact on cash flow, making it easier for businesses to comply with regulatory requirements without straining their finances. Street signage fees, for instance, could be one of the costs covered by this flexible payment plan.

By implementing these strategies, policymakers can significantly contribute to an environment that fosters the growth and success of Black businesses in Pierce County. These recommendations aim not only to eliminate barriers but also to actively encourage the entrepreneurial spirit of the Black community.



## 7.2 Suggested Program Adjustments to Aid Black Businesses in Pierce County

Drawing from the obstacles identified by Black entrepreneurs in Pierce County, we propose the following programmatic recommendations. These are specifically designed for community organizations and institutions that have the ability to establish or modify existing programs to better support Black businesses:

- **Expand Networking Opportunities and Mentorship Programs**
  - **Recommendation:** Advocate for the creation of programs that broaden networking opportunities and mentorship for Black business owners.
  - **Action Strategy:** Establish networking events, both online and in-person, that cater specifically to Black entrepreneurs. Also, initiate mentorship programs that pair new and aspiring Black business owners with established entrepreneurs in their respective industries.
  
- **Address Discrimination and Bias in Business Transactions**
  - **Recommendation:** Advocate for initiatives that raise awareness of and address discrimination and bias in business transactions.
  - **Action Strategy:** Implement bias and DEIA-related professional development within local business communities to foster an inclusive and equitable business environment. Launch public campaigns to educate consumers on the importance of supporting Black-owned businesses.
  
- **Challenging Stereotypes and Enhancing Visibility of Black Businesses**
  - **Recommendation:** Advocate for initiatives that actively dispel negative stereotypes about Black businesses, fostering a more inclusive and affirmative business environment. Moreover, encourage local government personnel's intentional patronage of Black-owned businesses.
  - **Action Strategy:** Initiate public campaigns that spotlight the accomplishments of Black entrepreneurs in Pierce County and their significant contributions to the local economy. As part of this effort, instigate a culture shift within city and county departments by encouraging personnel to hold business meetings at Black-owned establishments and to consider these businesses for catering opportunities. Doing so increases the visibility and patronage of Black-owned businesses, effectively challenging and reshaping the prevailing perceptions.



## 7.2 Suggested Program Adjustments to Aid Black Businesses in Pierce County

(Continued):

- **Promotion of DEIA Principles in Business Culture**
  - **Recommendation:** Develop initiatives that inspire local businesses to adopt Diversity, Equity, Inclusion, and Accessibility (DEIA) principles within their organizational structure and practices.
  - **Action Strategy:** Recognize and reward local businesses that excel in implementing DEIA principles. Create a public platform to share best practices and success stories to encourage other businesses.
  
- **Expanding Market Access and Enhancing Support for Black Businesses**
  - **Recommendation:** Create opportunities for partnerships and alliances that not only open new markets and customer bases for Black businesses but also increase the support they receive from businesses and organizations that can contribute to their success.
  - **Action Strategy:** Develop a comprehensive local business directory that prominently features Black-owned businesses, encouraging community members and other businesses to patronize and collaborate with them. Alongside this, compile an inventory of businesses and organizations that provide support to Black-owned businesses, such as financial agents, trust-based philanthropy, and providers of pro bono resources. Explore potential incentives that could motivate these entities to increase their support.
  
- **Boosting Technological Competency for Competitive Edge**
  - **Recommendation:** Encourage Black entrepreneurs to adopt innovative technology and business practices to strengthen competitiveness.
  - **Action Strategy:** Establish a tech-support initiative that proposes a specific budget line-item dedicated to enhancing the technological capabilities of Black and BIPOC-owned small businesses in Pierce County. This funding could support a tech initiative offering digital tools and training, enabling these businesses to digitize their operations and compete more effectively in the market.

## 7.2 Suggested Program Adjustments to Aid Black Businesses in Pierce County

(Continued):

- **Cultivating Black Business Leadership and Celebrating Multicultural Success**
  - **Recommendation:** Encourage the growth of Black leadership within the local business community and promote a broader recognition of success across multicultural sectors.
  - **Action Strategy:** Implement leadership incubator programs that provide aspiring Black business leaders with essential skills and networking opportunities to thrive in decision-making roles. Simultaneously, advocate for changes in the Pierce County Economic Development Board's annual report, ensuring it highlights small business success stories across all multicultural sectors rather than spotlighting just one or two standout businesses. This will offer a more inclusive and accurate representation of the diverse success in our business community.
  
- **Transparent and Simplified Regulatory Processes**
  - **Recommendation:** Advocate for more transparency and simplicity in regulatory processes.
  - **Action Strategy:** Partner with government agencies to create an easy-to-use guide or online portal where businesses can easily access and complete all necessary regulatory documentation.
  
- **Elevating Black Entrepreneurship Education and Awareness**
  - **Recommendation:** Boost community awareness of the contributions and challenges of Black entrepreneurs.
  - **Action Strategy:** Organize community events and campaigns highlighting the successes and innovations of Black businesses, and educate the community about the importance of supporting local Black-owned businesses.

The programmatic recommendations and strategies provided are designed specifically for community organizations and institutions that can initiate or adjust existing programs to support Black businesses more effectively. Additionally, these recommendations aim to foster a broader community awareness and appreciation of the contributions and challenges of Black entrepreneurs by highlighting the successes of Black businesses and educating the community on the importance of their support, which promotes a culture of inclusion and mutual success.

### 7.3 Recommended Strategies for Stakeholders, Community Groups, and Community Leaders' Involvement:

Informed by the barriers identified for Black entrepreneurs in Pierce County, we propose the following strategies designed specifically for community leaders and stakeholders. These aim to enhance collaboration and fortify their involvement in supporting Black businesses in Pierce County:

- **Building Alliances with Industry Leaders**
  - **Recommendation:** Foster alliances with established businesses and industry leaders to offer tangible support and mentorship to Black businesses.
  - **Action Strategy:** Initiate opportunities for industry leaders to sponsor, mentor, or provide networking opportunities to emerging Black entrepreneurs.
  
- **Fostering Cross-sector Partnerships and Learning from Post-COVID Programs**
  - **Recommendation:** Encourage partnerships between Black businesses and larger corporations across diverse sectors to access supply chain opportunities and learn from successful post-COVID programs aimed at BIPOC businesses.
  - **Action Strategies:** (1) Organize business matchmaking events or develop a digital platform to facilitate such cross-sector collaborations. (2) Review best practices and lessons from post-COVID BIPOC programs, and use these insights to inform strategies that further support Black and BIPOC-owned businesses. (3) Promote successful initiatives and demonstrate how strategic collaborations can enhance their impact.
  
- **Technology and Innovation Hubs**
  - **Recommendation:** Partner with technology companies and innovation centers to equip Black businesses with the latest tools and training.
  - **Action Strategy:** Establish partnerships with tech firms to conduct workshops, offer access to innovative business tools, and provide mentorship in leveraging technology for business growth.
  
- **Engaging Media and Influencers**
  - **Recommendation:** Utilize local media and influencers' reach to amplify the visibility of Black businesses and cultivate a supportive community.
  - **Action Strategy:** Launch a media campaign that brings attention to the achievements and challenges of Black businesses, and engage influencers to endorse Black-owned businesses on their platforms.

### 7.3 Recommended Strategies for Stakeholders, Community Groups, and Community Leaders' Involvement *(Continued)*:

- **Collaboration with Real Estate Agencies**
  - **Recommendation:** Partner with real estate agencies to assist Black entrepreneurs in finding suitable business locations.
  - **Action Strategy:** Develop a program with local real estate agencies that help Black business owners navigate the commercial real estate market and provide guidance on lease negotiations
  
- **Tailored Crime Prevention Programs:**
  - **Recommendation:** Develop crime prevention initiatives specifically designed for Black businesses. This could involve providing resources on implementing effective security measures, offering subsidized security equipment, or forming community support programs to help safeguard Black businesses.
  - **Action Strategy:** Collaborate with local law enforcement and security consultants to develop a guide on effective security measures for Black businesses. Consider providing subsidies or partnerships for security equipment installation.
  
- **Support for Black Businesses Affected by Crime:**
  - **Recommendation:** Develop support mechanisms specifically for Black-owned businesses that have been victims of crime. This could include access to legal services, mental health support, and expedited insurance claim assistance.
  - **Action Strategy:** Establish a dedicated support hotline for Black businesses affected by crime, offering legal advice, mental health support, and assistance with insurance claims.
  
- **Transparent Reporting of Crimes Against Black Businesses:**
  - **Recommendation:** Encourage transparent reporting and tracking of crimes against Black businesses. Such transparency can help identify trends, inform proactive security measures, and build community trust.
  - **Action Strategy:** Advocate for local law enforcement to publish regularly updated reports on crimes against Black businesses. This transparency can contribute to strategy development and community trust.



### 7.3 Recommended Strategies for Stakeholders, Community Groups, and Community Leaders' Involvement (Continued):

- **Police Accountability and Oversight:**

- **Recommendation:** Support measures that ensure police are held accountable for any bias or misconduct, particularly as it impacts Black business owners. This could include independent oversight committees that include representation from the Black business community.
- **Action Strategy:** Advocate for the formation of independent oversight committees, including representation from the Black business community, to review and address issues of police conduct related to Black businesses.

The success of these recommendations relies on the collaborative efforts of stakeholders, community leaders, and organizations. Together, we can create an ecosystem that supports Black-owned businesses and contributes to the economic health and diversity of Pierce County. The strategies outlined here serve as a roadmap towards a more equitable and inclusive business environment where every entrepreneur has the opportunity to thrive.



# **Conclusion: Challenges and Opportunities**

## 8. CONCLUSION

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### **8.1 Summary of Research Findings and Key Insights:**

The study of Black business owners in Pierce County underscores their resilience, creativity, and entrepreneurial spirit in the face of significant systemic challenges. They have had to display an unwavering determination to succeed in an environment that often presents complex obstacles. The findings highlight the strength and resolve of the Black business community and shed light on areas where targeted support could amplify their already substantial contributions to the local economy.

**Access to Capital and Financial Resources:** Navigating the world of financial institutions has emerged as a key aspect of entrepreneurial activity for Black business owners. They have shown incredible resourcefulness in finding ways to secure funding in an environment where traditional channels often prove challenging.

**Discrimination and Bias in Business Transactions:** Participants shared how they have navigated business transactions in an environment where they sometimes face unconscious biases. Their stories emphasize the importance of building a business culture that values diversity, equity, inclusion and accessibility enriching the entire business ecosystem.

**Networking and Mentorship Challenges:** Black entrepreneurs in Pierce County have made efforts to establish supportive networks and find mentors. However, expanding these opportunities could unlock significant benefits and foster a thriving community of entrepreneurs helping each other succeed within their industries.

**Regulatory and Bureaucratic Barriers:** Understanding and navigating regulatory procedures is a common challenge for all businesses. Simplifying these processes can help all businesses and particularly support the growth of Black-owned businesses.

**Educational and Proficiency Disparities:** Black entrepreneurs have leveraged their practical business knowledge to succeed. While some express a desire for more formal business education, their experiences demonstrate the power of hands-on learning and the potential impact of more tailored educational resources.

## 8. CONCLUSION

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### 8.1 Summary of Research Findings and Key Insights (Continued):

**Perceptions and Stereotypes:** Black business owners have overcome stereotypes and biases by consistently delivering quality products and services and building strong customer relationships. Their experiences underline the importance of promoting diversity and inclusivity in business culture.

**Impact of COVID-19:** The global pandemic presented additional challenges and showcased Black entrepreneurs' adaptability and resilience. They have pivoted and innovated to weather the changes, highlighting their agility and the potential for continued success with appropriate support structures.

This research highlights the opportunities for stakeholders, including policymakers, financial institutions, and community organizations, to create conditions that empower Black entrepreneurs in Pierce County to thrive even further. It serves as a testament to the resilience and potential of Black business owners, suggesting the immense economic and societal benefits that can be reaped by supporting these businesses. The journey towards building a diverse and inclusive business ecosystem in Pierce County offers the promise of a vibrant, thriving, and resilient local economy enriched by the contributions of all its entrepreneurs.

### 8.2 Implications of the Study for the Black Collective and Other Stakeholders:

This study holds significant implications not just for Black business owners in Pierce County but for all stakeholders in the community. It underscores the interdependence of the local economy and emphasizes how fostering a more inclusive and equitable business environment is beneficial for everyone.

**For the Black Collective:** The study illuminates the shared experiences of Black business owners in Pierce County, providing validation and highlighting areas where collective action can yield substantial improvements. Recognizing the systemic barriers faced can galvanize the Black Collective to push for necessary changes in areas like access to capital, financial literacy, and mentoring opportunities. This research can act as a stepping stone for more targeted initiatives for collaboration with Black Collective to



## 8. CONCLUSION

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### 8.2 Implications of the Study for the Black Collective and Other Stakeholders:

*(Continued):*

promote Black entrepreneurship. The findings also underscore the value of networking and mutual support, emphasizing how shared knowledge and resources can help overcome common challenges.

**For Policymakers:** The study illuminates areas where policy interventions can significantly improve the business environment for Black entrepreneurs. The insights gained can guide the development of policies around financial services, education, networking, and regulation. Policymakers can use these insights to advocate for legislation promoting financial inclusion for Black entrepreneurs, bias-free business transactions, and more accessible resources for Black-owned businesses.

**For Financial Institutions:** This research highlights the importance of equitable access to capital and financing for Black businesses. Financial institutions can use these findings to critically examine their current practices and implement measures to eliminate bias in their lending and grant approval processes. Furthermore, they can proactively develop financial products and services specifically designed to support Black entrepreneurs.

**For Educational Institutions:** The study points to the potential impact of more targeted business education and mentorship initiatives. Educational institutions can use these findings to develop curriculum and programs that cater to the needs of Black entrepreneurs, fostering a future generation of business leaders.

**For Community Organizations:** The study suggests the power of collective action and support in overcoming systemic barriers. Community organizations can play a significant role in fostering networking opportunities, facilitating mentorship programs, and providing resources for Black business owners.

In conclusion, this research demonstrates how supporting Black-owned businesses enriches the entire community, fostering economic growth, innovation, and diversity. By addressing the systemic challenges highlighted in this study, all stakeholders can contribute to a more equitable, inclusive, and prosperous Pierce County.

## 8. CONCLUSION

### 8.3 Advancing the Depth of Research: Understanding Priority Identity Intersections Among Black Entrepreneurs

In the pursuit of knowledge, every study uncovers not only new insights but also areas that warrant deeper exploration. This research, while extensive, underscores the importance of continual inquiry into the complex landscape faced by Black entrepreneurs.

A critical area for further investigation is the intersection of diverse identities within the Black entrepreneur community. This research, while broadly encompassing the experiences of Black entrepreneurs, has not dissected the unique challenges introduced by additional identity layers, such as age (seniors), ability (people living with disabilities), gender and sexual identity (individuals identifying as LGBTQIA+), gender (women), service history (veterans), or immigration status.

Each of these identities can intertwine with the experience of being a Black entrepreneur in intricate ways, potentially introducing compounding barriers to business success. For instance, a Black entrepreneur who is also a senior may contend with age-related bias on top of racial bias, while a Black entrepreneur identifying as LGBTQIA+ might face heteronormative bias in business and financial institutions.

Furthermore, the impact of these intersecting identities is not just cumulative; their interplay can create unique challenges that are often overlooked when these identities are considered in isolation. The exploration of these intersectionalities is beyond the scope of this research, highlighting a crucial avenue for future studies. The expansion of our understanding in this direction is instrumental in providing a truly inclusive support framework for the diverse tapestry that forms the Black entrepreneur community.



## 8. CONCLUSION

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### 8.3 Limitations of the Research and Suggestions for Future Studies *(Continued)*:

Importantly, the principal limitation of our study is its geographical focus on Pierce County. While this regional emphasis has enabled a thorough understanding of the local business landscape, it's crucial to acknowledge the broader operational scope of Black-owned businesses based in Pierce County. Depending on their product or service, these businesses might be conducting transactions well beyond the county's borders. Thus, the challenges and opportunities they encounter may extend into diverse geographical regions with distinct socio-economic factors, which are not fully encompassed in this report.

With this in mind, it's essential to ensure that as these businesses grow and succeed, they maintain their base in Pierce County. Future research could aim to understand and address the unique challenges faced by these businesses, thereby fostering a supportive environment that encourages them to remain and thrive in Pierce County, even as they expand their reach.

Further, the study may not have captured all barriers Black entrepreneurs face due to the limitations of the participant sample size. A larger sample size might reveal additional barriers and provide a more comprehensive understanding of the experiences of Black business owners.

Finally, the study did not delve into industry-specific challenges. Black entrepreneurs might face unique challenges depending on their industry, and this study may not fully capture those nuances.



## 8. CONCLUSION

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### 8.3 Limitations of the Research and Suggestions for Future Studies *(Continued)*:

#### **Suggestions for Future Studies:**

Future research should seek to address this gap by examining the experiences of Black entrepreneurs with their intersecting identities. Such studies could provide valuable insights into the unique challenges faced by these entrepreneurs and inform more targeted, inclusive policy recommendations. They would help to create a more nuanced understanding of the landscape for Black entrepreneurs in Pierce County and beyond, informing efforts to create an equitable business environment for all entrepreneurs, regardless of their identities.

Additionally, future research could expand the geographical scope to include more diverse regions and compare the experiences of Black entrepreneurs across different areas. This would allow for a better understanding of how local economic conditions and policies impact Black-owned businesses.

Expanding the study to include quantitative methods would also be beneficial. Surveying a larger number of Black entrepreneurs could provide a more comprehensive view of the barriers they face and the strategies they employ to overcome them.



# **Final Remarks and Call to Action**



**Final Remarks and Call to Action:**

This research illuminates the considerable barriers that Black entrepreneurs encounter in Pierce County. Yet, it simultaneously showcases the resilience, ingenuity, and dedication these business owners demonstrate as they navigate these challenges and make invaluable contributions to their communities. While these barriers are significant, they are far from insurmountable.

However, it is equally crucial that Pierce County matches the resilience, creativity, and commitment displayed by these Black-owned businesses. Merely helping them navigate a flawed system does not suffice; what is needed is a shift towards shared accountability for growth and excellence. For sustained progress, Pierce County must actively work alongside these businesses, pledging a collective commitment to remove systemic obstacles and foster an equitable business landscape.

While the findings are critical in themselves, they also serve as a call to action. The responsibility to address these barriers does not fall solely on the shoulders of Black entrepreneurs. It is incumbent upon all stakeholders, from policymakers and financial institutions to local communities and consumers, to act.

For policymakers, there is a clear mandate to enact legislation that promotes financial transparency and fairness within financial institutions. Policies that increase access to funding require bias-free algorithms in loan approvals and encourage professional development around DEIA topics for employees of financial institutions can have a significant impact. Policymakers should also promote mentorship programs and networking opportunities for Black entrepreneurs and ensure inclusive and accessible educational programs.

Financial institutions have a responsibility to review their practices to ensure they are not perpetuating systemic barriers. Transparency in lending practices and active work to eliminate biases can go a long way in providing Black businesses with the capital they need to thrive.

Local communities and consumers can also play a vital role. Supporting Black-owned businesses directly contributes to their success and vitality. As consumers, we can choose to spend our money in ways that support economic equity and foster a more diverse and inclusive business landscape.

Education and academic institutions can incorporate curriculum that addresses racial disparities in entrepreneurship, to prepare the next generation of leaders, business owners, and policymakers.

Collaboration will be key moving forward. Only by working together—across sectors and communities—can we hope to dismantle the barriers that Black entrepreneurs face. It is our collective responsibility to ensure that the American dream of entrepreneurship is accessible to all, regardless of race.

This report is not the end of a conversation, but the beginning of a much-needed dialogue. It's a stepping stone towards greater understanding and, importantly, action. **Let's carry this work forward together, to build a more equitable and prosperous future for all in Pierce County.**



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