Executive Summary:

Resources to Support Proto-Business Development: Report to the Nehemiah Center for Urban Leadership Development

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The Question:

How do people become entrepreneurs before they are in a position to file all the legal forms, get the loans, secure a location, get all the startup supplies, procure all the formal education, and build all the networks needed to even have a chance at success? In particular, how do Black people do that in a context of institutionalized racism that makes all those things harder?

The Focus:

Proto-business–ways that people put their talents and skills to use helping friends and neighbors for relatively small amounts of income or barter or as generalized reciprocity–being part of a sustained mutual aid culture.

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Pre-entrepreneurship - not ready to start out with a full-scale business, or are looking to start selling goods that are a product of a hobby, preparing to develop a full-scale business.

Literature Review

- Scanned over 180 references to find literature to support proto-business or pre-entrepreneurship
- The vast majority of resources are designed for people attempting to start full-fledged businesses with a clear gap in information resources for those taking the very first steps.
- The references we looked at are described in four categories:
    - Types of Entrepreneurship
    - Mindset – such as the feelings or factors one may consider when preparing to develop a business (e.g. passion, motivation, and opportunity hesitancy)
    - Understanding Success, Profit and Sustainability, Disruption and Risk
    - Paths to Success for Pre-Entrepreneurs

Voices of Black Entrepreneurs

- We interviewed eight Black entrepreneurs. All had a number of years of entrepreneurial experience. Some were comfortably successful, and some were still struggling. Many had shifted from struggling to successful to struggling and back again more than once. Half were men and half were women, and we did not collect demographic data beyond that.

- Themes raised in the interviews include:
  - Motivations
  - Mindset
  - Internal Obstacles
  - Opportunity Hesitancy
  - External Obstacles
  - Structural Racism
  - Paths to Success
  - Good Advice
  - Bad Advice
  - The Role of Community
  - The Role of Networks
  - The Meaning of Success
  - Advice from Interviewees, What's Needed
    - Assess your mindset, connect with others, and learn
    - Identify available supports, support people however they need to be supported, especially if that support doesn't follow mainstream pathways
  - Recommended Resources
    - Interviewees listed resources that were valuable on their journey

Resources for Black Entrepreneurs

- This section lists available resources to entrepreneurs and pre-entrepreneurs in Madison. The focus is on local resources, but national and regional resources are included where appropriate. Additionally, this list focuses on resources for new entrepreneurs rather than specialty industries like technology-based businesses, government contractors, or resource extraction businesses.
- Resources are divided into the following sections:
  - Coaching/Consulting
  - Classes
  - Networks/Social Capital
  - Legal Advice
  - Tech Support
  - Funding/Finance
  - Resources for Business Development
    - Operations and Logistics, Management and Leadership, Marketing
  - Resources by, about, and for Black Entrepreneurs
    - Research, Advice, Organizations, Miscellaneous