



TIME, TRUST, TECHNOLOGY

Community first for small business opportunity



Washington State
Department of
Commerce



**Washington
Opportunity
Networks**

Technical Assistance Report



DEDICATION



This report is dedicated to the memory of Sandy Williams: visionary, civil rights activist, publisher, founder of the Carl Maxey Center, SBRN partner and tireless advocate for the Black community.

Letter by Director Brown

When Param Carr had to close her salon due to the COVID-19 shutdown, she and her family faced financial uncertainty. The small business is her family's sole income source, and mortgage and living costs continued to mount. Fortunately, Indian American Community Services was there to help. This technical assistance provider connected Param with a Punjabi-speaking volunteer, who helped her find financial assistance. This kind of **tailored, consistent and in-language support** was critical to helping Param and many other Washington business owners emerge from the pandemic vital and strong.

Small businesses that receive the right mix of capital and support grow 30 % faster than their peers. This assistance can include everything from **filling out a loan application to creating an online marketing strategy, helping hire employees to teaching how to use QuickBooks.**

How do we ensure that all small businesses -- especially those farthest from opportunity or owned by minorities or women or those in rural communities – have access to the technical assistance they need?

Commerce worked with technical assistance providers around the state to learn about the small businesses they serve and how owners get technical assistance, from whom, and the factors that improve impact. The results, which are outlined in this report, will help **us prioritize state, philanthropic and investor resources to fill in gaps and scale up services.**

This report uncovers how to best support small businesses and sets up Commerce to strengthen resources and initiatives and dismantle barriers, so small businesses farthest from opportunity can thrive and continue to build economic prosperity.

At Commerce, we know that an equitable economic recovery is critical for our communities and necessary for a thriving economy that is as diverse as our state. Washingtonians need an economy that works for everyone, especially as we rebuild from the COVID-19 pandemic.

I look forward to continuing to invest in these technical assistance providers so they can best serve small businesses farthest from opportunity with **in-language, culturally relevant resources, the time necessary to reach entrepreneurs, and the tools and technology that are vital for economic success.**

Lisa Brown - Director
Washington State Department of Commerce

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Cambodian American Community Council of WA
Carl Maxey Center
Center for Inclusive Entrepreneurship – Community Enterprise
Centro Cultural Mexicano
Communities of Color Coalition
Community for the Advancement of Family Education (CAFE)
El Centro de La Raza
Ethiopian Community in Seattle
Federal Way Black Collective
Filipino Community of Seattle
Friends of Little Sài Gòn (FLS)
GSBA
Hispanic Metropolitan Chamber
Indian-American Community Services
Japan-America Society of the State of Washington
Latino Community Fund of Washington
Latinos en Spokane
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Seattle Chinatown International District Preservation and Development Authority
Seattle-Washington State Korean Association
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Tabor 100
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- Washington Economic Development Association
- Washington State Microenterprise Association
- Washington Small Business Development Center
- Seattle Metropolitan Chamber

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**EQUITABLE SUPPORT = STRONG
STATE ECONOMY**

“This is only the beginning – but it’s a landmark study that definitively sets a baseline of where technical assistance is needed most by underrepresented and under-resourced communities in our region for recovery and long term survivability.”

- Linda Lee Womack
Managing Director, Small Business and
Community Support, Washington State
Department of Commerce

Right mix of support and capital

“Microbusinesses grow and hire when they get the right mix of capital and support: prior AEO research found a 30% difference in average annual revenue growth for a sample of businesses that got support compared to their peers that did not. In fact, with the right mix of resources and support systems, employment from microbusinesses in low-wealth communities alone could grow by well over 10 percent.”

(Association for Enterprise Opportunities 2016)

Do small businesses throughout Washington State have equitable access to this “right mix of capital and support”? This report is the first conducted in the state to explore the resources available for all small businesses, with a special focus on those businesses farthest from opportunity. It describes findings of original research undertaken in 2021 and 2022 that explored technical assistance (TA) and support services provided to small businesses throughout Washington State.

The subjects of the study were a wide array of organizations that provide a range of TA to small business owners, especially those that provide services to businesses farthest from opportunity. The data for this report were collected from 86 organizations via online survey, in addition to information collected via semi-structured interviews with over 120 individual service providers and key informants. This was supported with information drawn from current literature in business, trade and academic literature and media sources. Please see the Research section of this report to learn more about the specific methods employed.

MINORITY, RURAL BUSINESSES KEY TO ECONOMY

Washingtonians are committed to equitable opportunity and the State of Washington’s Department of Commerce holds that small businesses farthest from opportunity are a critical part of a thriving economy. **It is important to both acknowledge and understand exactly how Washington’s small business owners farthest from opportunity are key to our state’s current and future economic vitality.**



“The contributions of the small businesses sector to the U.S. economy are often noted in periods of economic growth, and the fragility of the sector is a core focus of policy in an economic downturn. The sector is important not only because of its contributions to job growth, real economic activity, innovation, and economic dynamism, but also because of the impact it makes on the financial lives of the 30 million families whose household income and wealth is tied to the success or failure of the businesses they own.”

(JP Morgan Institute 2020)

It is challenging to truly understand the issues facing these business owners, due in large part to the lack of available data. What is known:

- Washington small business grew 30% between 2000 and 2018, above the national average. (USBA Office of Advocacy 2021)
- Women owned 46% of small businesses, with minority ownership reported to be 20%. (Statistics of U.S. Business for Washington, U.S. Census 2019)
- National data indicate that about 86% of small businesses report revenues under \$100,000. (Fundera 2020)

Businesses farthest from opportunity account for a significant share of Washington's small businesses. These **small businesses employ a substantial share of state employment and provide economic opportunities for a very large number of Washingtonians.**

The following descriptions are specific to this report. Please see the Glossary section for more information.

FARTHEST FROM OPPORTUNITY:

Groups or individuals who experience barriers that include, but are not limited to, cultural, linguistic, or geographic obstacles not generally experienced by those who own the systems they must operate within. These groups are generally considered underserved by our institutions.

MINORITY: In this report, minority refers to people and organizations that are not the culturally dominant identity most closely associated with power. Examples could include those in underserved ethnic or racial groups, women, those who identify within the LGBTQ community, people with disabilities, and/or those who live in rural communities. These groups are generally considered underserved by our institutions.

“In spite of their numbers, these businesses tend to fly below the radar screens of investors and policy-makers. Microbusinesses represent a powerful economic force and can be a critical path to economic opportunity and financial inclusion...And these businesses could grow to employ far more than the 26 million people across the United States that they presently employ.”

(Association for Enterprise Opportunities 2016)

CAPITAL, SERVICES WOULD FUEL GROWTH, JOBS

Moreover, when equitable access to business services and sufficient capital are present, the economic opportunities specific to minority businesses are exciting for at least three reasons:

- Current growth rate of minority-owned businesses
- Projected growth rate of minority-owned small businesses
- Projected market share of minority-owned small businesses

Currently, women-owned businesses grow at three times the rate of all businesses. **Women of color-owned businesses demonstrate explosive growth** when compared to businesses overall.

“While the number of women-owned businesses grew 21% from 2014 to 2019, firms owned by women of color grew at double that rate (43%). Numbers for African American/Black women grew even faster at 50%. Native Hawaiian/Pacific Islander (41%), Latina/Hispanic (40%), Asian American (37%) and Native American/Alaska Native (26%) businesses grew more slowly than for women of color in general but faster than overall women-owned businesses and all businesses.”

(American Express 2019)

The projected growth rate of minority- and women- owned businesses is lacking among current data. However, the sparse data sets that do exist are intriguing and indicate that Minority Business Enterprises (MBEs) certified by the National Minority Supplier Development Council (NMSDC) grew significantly from 2019 to 2021 (National Minority Supplier Development Council 2021), specifically:

- 22% increase in total revenues at NMSDC-certified MBEs (\$261 billion, up from \$214 billion)
- 64% increase in total U.S. jobs at NMSDC-certified MBEs (865,000, up from 528,000)
- 126% increase in wages earned by U.S. employees at NMSDC-certified MBEs (\$72 billion, up from \$31.8 billion)
- Average employee composition at NMSDC-certified MBEs held steady at 70% minority employees. (NMSDC 2021)

In Washington State's future, the projected market share of minority-owned businesses by 2060 is remarkable. Since Washington State mirrors the national population demographic trends quite closely, it is important to note that "...the nation is diversifying faster than predicted, according to new census data." (Brookings 2020)

Further, since "...racial and ethnic minorities are responsible for all national [population] growth..." (Brookings 2020), we can only surmise that this growth will drive a concurrent

and inextricable growth in minority-owned businesses, accounting for an ever greater projected market share of all businesses in Washington. **Minority- and women-owned small businesses are not only crucial in the present economy, but they are also the bedrock of Washington State's future economy.**

WHAT IS TECHNICAL ASSISTANCE?

Technical assistance (TA) covers a wide variety of service offerings to help small businesses develop. There is a broad array of TA providers and supporters in Washington State who advocate for and provide services directly to business owners and companies across the spectrum, from the largest corporate actors to the home-based sole proprietors and family-run "mom and pop" operations.

Our research shows that the organizations providing TA to small business in Washington State are an interconnected system of service providers who share information and collaborate to provide support services for small businesses across the state.

WHO ARE TA PROVIDERS?

While there are similarities in the services provided, technical assistance providers are different in at least two fundamental ways.

"Mainstream" TA providers: Some providers are funded by federal or state allocations and have served small business TA needs for some time. These organizations include the



Washington Small Business Development Center (SBDC) and county-level Associate Development Organizations (ADOs), such as economic development councils. Statewide organizations such as the Washington Economic Development Association (WEDA) and Washington State Microenterprise Association (WSMA) both provide services and advocate for their members' interests in economic development. Municipal Chambers of Commerce are another example of mainstream TA providers. These organizations have had great influence in Washington's economic development and helped mobilize pandemic relief activities.

By & For TA providers, CBOs: Business farthest from opportunity often rely on local, well-known Community Based Organizations (CBOs) due to language and cultural relevancy. These CBO organizations are often at the front line, customizing services and tools to serve the unique needs of minority and rural small businesses. Some of these CBOs identify as By & For organizations, which are organizations that are "part of the unique community where leadership and/or staff belong to the same community they serve and promote and preserve community members' identities, traditions, and values. By & For organizations build trust, advocate, respond, and solve problems specific to community members. These TA providers have roots in their respective communities as change agents, mitigating systems of community service, investing, and working with community members to improve their quality of life." (Hampton 2021)

This research has shown that all types of TA providers collaborate in some way – often informally – to provide support services for small business. At the same time, By & For and CBO providers are less connected to the statewide, mainstream TA providers.

CLIENT DEMOGRAPHICS

Small business TA programs have evolved over the past decades to meet the needs of small business owners. Presently there is an interest in providers that provide training and technical assistance to businesses farthest from opportunity.

While most TA providers aspire to serve a broad range of business owners, fewer than 50% reported that minority or rural businesses communities were in the top three they had served over the past twelve months.

GEOGRAPHIC REACH

TA services of all types are highly concentrated in the state's metro areas, with significant geographic gaps in rural areas. Just over half (54%) of all service organizations who responded to the written survey operate in the state's urban counties, which account for 67% of the state's population. Government agencies, ADOs and SBDC report that they serve all counties in the state and most counties are also served by at least one chamber of commerce.

SERVICES PROVIDED

Small business TA encompasses a diverse set of services that traditionally have included networking, access to capital, business planning, marketing, management and finance. Most providers reported that they provide: business networking (90%), networking training (80%), economic development (70%), business plan development (68%) and marketing and communications (66%). Smaller numbers of TA providers reported they provide: assistance in navigating to services (64%), financial accounting (55%), accessing capital needs (55%), personal financial literacy (55%), human resource skills (54%), legal services (46%), technology services and training (46%).

BIGGEST GAPS: FINANCIAL, TECHNOLOGY SERVICES

Although traditional TA services are well covered by the network as a whole, the most urgent current needs of small businesses are related to access to capital, financial services and training and technology. Please see the section below for a more thorough examination of financial and capital service needs; see the Technology section for more data on the digital divide and related issues.



BARRIERS TO CAPITAL, LOANS

#1 Need

Loans and financing



Only **50%** of providers meet loan and financing needs

9 Finance opportunities

- Character based lending
- Services for ITIN holders
- Credit building programs
- Sharia compliant funding
- Scale Local Investment Networks
- Community led funds
- Lending circles
- 0% loans

TA providers overwhelmingly stated that access to capital is an essential— and often unmet -- need for the small businesses they serve.

For example, getting a loan requires substantial documentation of the borrower's business plan and track record. This documentation must show that the business has the capacity to generate income to pay back the loan. TA providers are often asked to help small business owners pull together that documentation. However, only about 50% of providers offer these services, and it's not clear whether these services are delivered in the languages, cultures and regions of the state where they are needed. CBOs report much less capacity to provide support around the array of financial services needed, while ADOs report the highest capacity to provide financial services to enable credit readiness.

TA providers are strong on referrals but have less capacity to provide capital directly. The exceptions are organizations that provide technical assistance related to the loan funds they operate. These include Community Development Finance Institutions (CDFIs), the U.S. Small Business Administration (SBA), community banks and credit unions.

Government agencies and some CBOs also directly provide grants.

This may mean that **businesses furthest from opportunity experience disproportionate constraints to access comprehensive financial services**, adding weight to the many economic pressures they experience.

TYPES OF FINANCIAL PRODUCTS NEEDED

By & For leaders we interviewed highlighted the need for financial services and access to capital that are **specifically designed for businesses farthest from opportunity**, including: character based lending; lending circle programs; Sharia-compliant financial products; loans with a zero percent interest rate; services for small business owners using Individual Taxpayer Identification Numbers, such as Tribal members or non-documented immigrants; Local Investment Networks; credit repair and credit building programs and community led investment funds.

INVEST IN TIME, TRUST & TECHNOLOGY

Given what this research has revealed about the future of Washington's economy and the services that catalyze small business, how can philanthropy invest for equitable opportunity?

By & For leaders were asked to share their guidance to philanthropic foundations, donors and funders overall, which is supported by recommendations found in the literature in business, academic and beyond. We categorized this guidance into three themes – time, trust and technology -- that we examine in detail in subsequent sections of this report. Following is a brief overview of these themes.

TIME

A simple line-art icon of a clock face with two hands.

40+ hours **nights, weekends**

An icon showing two stylized human figures with curved arrows between them, suggesting a cycle of support or interaction.

1 to 1 support

The sources and availability of funding that many service providers rely on is a key factor that reinforces existing gaps in coverage and assistance offered. The small scale of many TA organizations limits their ability to meet the needs of small businesses. Although most reported they wanted

to expand their reach in the next 12 months, they were constrained by staff and resources.

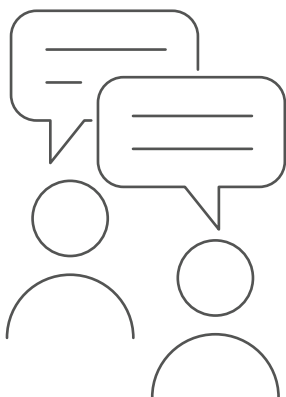
By & For community-based TA **providers serving the smallest and most fragile businesses struggle to stay open themselves**, with 40% reporting they provide unfunded services. In contrast, only 15% of mainstream TA organizations – including ADOs, government and quasi-governmental agencies and chambers of commerce – said they provide unfunded assistance. In contrast to other service providers, By & For organizations are more reliant on charitable funding and provide more unfunded services. This means providers serving the most fragile businesses have the least sustainable funding.

This study revealed that scaling access to services will likely require intentional collaboration among TA providers to develop a rigorous plan with aligned incentives that can attract sustainable funding. Further, **scaling equitable access to services for businesses farthest from opportunity is best designed and led by By & For organizations.**

Guidance from By & For Leaders:

- Support expenditures that allow for maximum one-to-one, in-person services.
- Addressing rural-urban disparities is an urgent need.

TRUST



- ★ Native speakers
- ★ By & For
- ★ In person

These data clearly show that the need for these services exists if they are delivered in the appropriate context and by a trusted provider. However, especially for businesses in rural areas, there are steep barriers to receiving a full suite of services delivered by a trusted messenger.

Guidance from By & For Leaders:

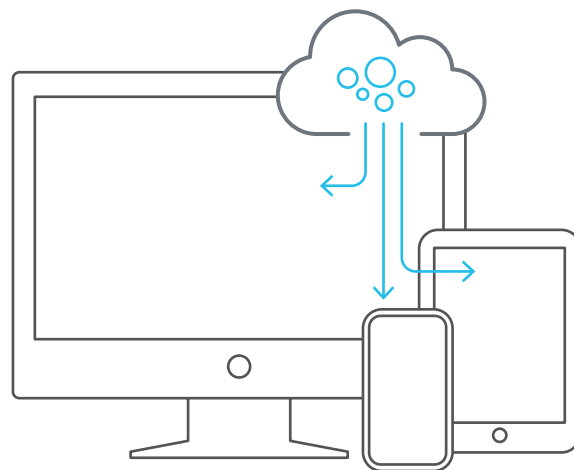
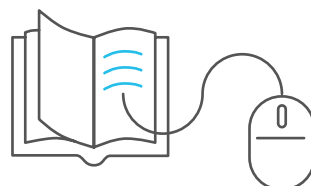
- Invest in strategies and organizations that are led by members of the specific communities being served.
- Invest in language services offered by native language speakers.

TECHNOLOGY

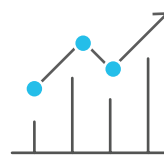


Broadband

Digital literacy



Hardware • Software
Online retailing



Equals success!

For businesses farthest from opportunity, technology access— ranging from basic broadband to computers and digital literacy -- is a crisis. Without access to the right technology, businesses can't engage in online retailing or apply for grants and many other financial products.

Guidance from By & For Leaders:

- Digital equity issues and broadband coverage gaps must be addressed immediately.



TIME

“(Providing business assistance) is basically 24/7. I get called Saturday and Sunday, different hours, sometimes morning, sometimes evening...”

- Faaluaina Pritchard
Asian Pacific Cultural Center

Put businesses' needs first

“(We might be) talking at...9pm... (because the business owner) finished at that time, the dinner time, as a restaurant. We work with people when they have the time...”

– Mario Reyes, CAFE

This research examined several aspects of time as it affects small businesses' access to services, including:

- Businesses owners' work schedule compared to providers' availability
- What it takes to provide wrap-around services and build skills
- Service gaps by geography

ADAPT TO BUSINESSES' SCHEDULES

Effective technical assistance is severely limited by time constraints on small business owners, including the time of day and location. Owners are busy running their businesses, so fitting in appointments for TA during standard office hours just isn't possible. And because many of these owners don't own computers, meetings must be scheduled at public libraries or community centers when they are open. Accessing a public computer in a conference room while ensuring privacy is another hurdle.

COMMITMENT TO COMMUNITY

To earn the reputation to drive small business owners to their doors, the organizations have usually served the community over a significant period of time, usually many years. These organizations have demonstrated their commitment through longevity and durability, regardless of funding sources, political or social changes. Many of these TA organizations provide not only business services, but also



a broad array of community needs, allowing them to connect with owners via multiple contexts.

PERSON-TO-PERSON

Small business owners are often best served by a single point of contact who builds a personal relationship with the business owner that enables them to help address complex business needs and challenges in a deep and meaningful way.

LABOR INTENSIVE

Given that the range services provided can include comprehensive financial services, human resources, real estate and location services, business planning and more, providing effective TA requires a significant time commitment. By & For leaders told us this can entail over 40 hours of assistance per business.

For many business owners, several relationship-building interactions are required before substantive technical assistance begins. As the business owner and the advisor get acquainted, the client gradually becomes comfortable enough to share information that enables development of an action plan. As a trusting relationship is built, the advisor “conducts discovery” to learn how to best address the specific challenges of the small business.

RIGHT-TIME DELIVERY

As with any service, TA is best delivered at the right time for the customer. For these small businesses – which can include bakeries, restaurants, child care facilities and very small manufacturers -- the “right time” often means nights and weekends.

BY & FOR PROVIDERS HAVE LIMITED CAPACITY

The research found that TA providers – especially By & For community based organizations – do not have the capacity to meet these time-intensive small business needs. By & For community based organizations, which serve the smallest and most fragile businesses, struggle to stay open themselves, compounding existing gaps in coverage and assistance offered. They are more reliant on charitable grants compared to mainstream TA organizations. In addition, 40% of By & For community-based TA providers provide unfunded services. In contrast, only 15% of mainstream TA organizations – including ADOs, government and quasi-governmental agencies and chambers of commerce – said they provide unfunded assistance.

Although the state’s metro areas are served by many TA providers of all types, coverage in rural areas is limited. Government agencies, ADOs and SBDC report that they serve all counties in the state and most counties are also served by at least one chamber of commerce.

How many clients did the TA network serve over a 12 month period (From November 2020-December 2021.)

26% Less than 50

9% 50 and Between 100

43% Between 100-500

10% Between 500-1000

12% More than 1000



TRUST

“...You’re going to see them at a party... church... the grocery store. They’re your brothers, your sisters, it’s your family. So you don’t give up on family.”

- Marvo Reguindin
AHANA

Trusted messengers

“...They trust you, right? They ask your opinion on something before they do something with regard to the business. So that is being a trusted messenger.”

– Faaluaina Pritchard, Asia Pacific Cultural Center

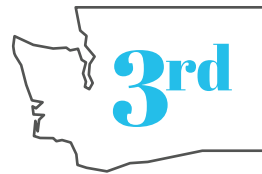
For minority and rural communities, trust in the TA provider influences access to and effectiveness of business services. Trust is highly conditional, with multiple levels and types of trust operating simultaneously. Long-term involvement in and commitment to the community being served is one component, as are personal relationships. By & For service providers and community leaders interviewed also shared that sociohistorical factors have led to a lack of trust in financial institutions.

DEEP ROOTS IN COMMUNITY

Longevity and durability of commitment to community being served was a consistent theme among all By & For providers, who stressed that deep roots in the community across multiple sectors and contexts are an integral part of providing effective business services. This commitment to the community being served was articulated by every single interviewee from within the Small Business Resiliency Network (SBRN), a group of over 30 By & For community organizations.

“So when we talk about trust, the difference with Native people is that we are placed based. When we talk about trust, it also really comes through your family networks. What tribe are you? What family are you in? So that is really important in Indian Country. And then have you done your time in Indian Country? Have you been around for a long time? Have you been there, through thick and thin with people? There is no separation between your personal and your business life.”

– Andrea Alexander, Tribal Technology Training T3



Most linguistically diverse state in the U.S.

Languages spoken

163



27%

Live in a home where a language other than English is spoken

2 million

Speak language other than English at home, work & in community

LANGUAGE MATTERS

“You will always be able to connect with somebody within your own first language, but also somebody who has the cultural background to best understand and communicate with you.”

– Carmen G. Castro, Hispanic Metropolitan Chamber

Linguistically and culturally relevant services are a key factor and have multiple definitions, including lived experience, generational and regional relevance, and experience owning/operating a small business. Washington is a vibrant multicultural state. In 2018, 14.9 % of the population was foreign born. The 1.13 million immigrants in the state represent a 50% increase between 2000 and 2019. Fifteen percent of the state’s workforce is comprised of immigrants, representing 19% of all self-employed in 2018 in the state with a significant share of small business owners. (American Immigration Council 2020)

Washington State is the third most linguistically diverse state in the U.S., with 163 languages spoken. It is estimated 27% of the state’s population live in a home where a language other than English is spoken. (American Community Survey 2018) This means that approximately two million Washingtonians speak a language other than English not only at home but also where they work, shop, dine and come together in community.

BIG BARRIERS FOR NON-ENGLISH SPEAKERS

Providing linguistically and culturally relevant business

services that support all businesses allows customers to get the most out of TA services. TA services are offered in at least 20 languages in Washington State, according to our research.

However, capacity differs widely by organization and by location. Some organizations offer only English; others offer services in several languages. We do not know if these services are provided by native speakers, by those with language training, by digital translation or telephone translation services. In addition, data show that some areas of the state – mostly rural areas – are underserved by the full range of TA services. Specifically, there are gaps in geographic coverage by the community-based and By & For service providers.

This creates major challenges for non-English speakers to easily access the specific assistance they need, especially in rural counties. Shifting to multilingual support will require allocation of resources to native language speakers, as well as more training for business-supporting organizations. New linguistically and culturally relevant strategies for online training, videos, tutorials and events could increase access.

SYSTEMIC RACISM AFFECTS CAPITAL ACCESS

Although access to capital was the top unmet need, TA providers and By & For leaders said that minority-owned businesses and those in rural disadvantaged communities face unique, systemic challenges to capital access.

“...Think about our businesses, no assets, no capital for them to start a business and pass it on to the next generation. This is due to systemic racism. You know, why didn’t you get a better loan? When I don’t have that asset, to be able to qualify for a loan, to be able to take on these additional steps. But am I going to get the loan at a decent rate at the same rate that a white business is going to have? ...It is about the generational wealth behind me that allows me to get a lower loan rate.”

– Marvo Reguindin, AHANA

Small business owners farthest from opportunity face many obstacles in their search for capital, which are exacerbated by structural systems of inequality locally rooted in

regionally- and culturally-specific forms of racism, sexism and homophobia. Credit worthiness is one aspect, often tied to collateral access or assets of value.

“...the racial wealth gap should be recognized as the consequence of discrimination, public and private, throughout American history and continuing to this day.” (Williams 2020) Further, the COVID-19 pandemic and related economic impact had a disproportionate impact on these business owners. (Hopkins et al, 2020)

“Long-standing racial barriers to wealth accumulation and credit access mean entrepreneurs of color...are less likely to have family and friends or angel networks they can turn to for equity and start-up loans at this stage.” (Urban Manufacturing Alliance 2021)

BY & FOR LEADERS SHOULD LEAD STRATEGY

The data clearly shows that the right mix of services exists but not at the scale needed that would enable delivery by trusted messengers in the right place and time. Scaling requires intentional collaboration to develop a rigorous plan and aligned incentives. This rigorous planning process is best led by the organizations that are accountable to those communities they are designed to serve. By & For and community-based organizations quite clearly demonstrate the highest level of accountability to minority and rural small business owners.

Notably, small business owners and communities themselves were not reported as a group to whom mainstream providers report their performance, other than to the response category the “public.” In their survey responses, these mainstream TA providers noted that they report their performance to funders, governing bodies, legislators and other key stakeholders. In contrast, By & For organizations and their leaders repeatedly stated that they saw their primary stakeholder as being the community and the business owners they served.

And so, in building trust, it’s about one-on-one communication... centering people first...and then being accountable to them...Our community can count on (us) time and time again. We often see that when someone is well served they share that positive experience throughout the community, which allows for others to find us and share in those resources.”

– Angie Hinojos, Centro Cultural Mexicano



TECHNOLOGY

“(These businesses) may or may not even have internet access. They probably do all their business on their phone. They may not even have a computer.”

- **Andrea Alexander**
Tribal Technology Training T3



Vital tools for economic sustainability

“...some people [don't] have emails..., we had to create emails for them. For all that to happen, they have to trust you. And you have to build that trust.”

- **Martin Valadez, Tri-Cities Hispanic Chamber of Commerce**

Providers in the survey expressed the desire to improve their capacity to deliver services across multiple communication platforms, but noted the technology barriers facing the small businesses they are trying to reach. During the pandemic, TA providers developed a broad array of delivery mechanisms, such as webinars and video conferencing, to reach small businesses with services and support.

However, effective TA is severely limited by access to technology, broadly defined to include broadband service, machines (computers, smart phones, printers, routers, tablets, etc.) and overall digital literacy.

Many small businesses don't have an email address, making it difficult – if not impossible – to conduct business online, submit forms, or even apply for federal and state grants and loans offered during the COVID pandemic. Digital literacy and access to broadband are also essential to take advantage of online retailing or other e-business opportunities.

TECHNOLOGY ACCESS AT CRISIS LEVELS

When viewed as an access issue for businesses farthest from opportunity, technology as a category is multifaceted issue. Only one thing is certain: Technology access is a crisis for minority and rural businesses. This is a complex issue with myriad concerns which include but are not limited to:

BASIC BROADBAND

- 45% of Washingtonians don't have Internet access or when they do, their download speeds are less than 10 megabits per second, according to the Office of Digital Equity.
- Minority and rural communities statewide experience disproportionate impacts of this lack of broadband access.

THE FUNDAMENTALS

- Having access to or owning computers, routers and other basic hardware.
- Fluency with common software and how to find information via the internet.
- Establishing and monitoring an email address, sending and receiving emails, retrieving and viewing documents online, filling out, saving and sending forms online.
- Troubleshooting common internet challenges, such as accessing a Wi-Fi signal or attending meetings via an online meeting service like Zoom or Microsoft Teams.

TECHNOLOGY TOOLS FOR BUSINESS OPERATIONS

Conducting banking, transactions with customers, doing finances and accounting via technology via software such as QuickBooks.

- Supervising and communicating with staff via email.
- Managing inventory via a computerized point-of-sale system and ordering supplies via the internet.
- Using sales and performance data to make revenue projections and develop/revise business plans.

ONLINE RETAILING

- Designing and developing a website.
- Executing sales via a website.
- Developing sales via an existing online platform such as Etsy, Amazon, etc.
- Attracting or retaining customers via digital advertising.
- Managing business reviews and comments on social media through platforms such as Yelp, Google, Facebook.

CONCLUSIONS

“People feel comfortable with (our) consultants because they are Black people who tried hard to make the business owner feel comfortable enough to share what was really going on. This takes more than one meeting and connection before discussing the business. Once trust is built, we are able to get information about what the business needs; what they were lacking. I know we were successful because after the team’s first round of TA, people started calling us saying, “I hear you’re doing this right-now assessment thing, how do I get that?””

- Sandra Williams
Carl Maxey Center

Microbusinesses powerful economic force

Micro businesses farthest from opportunity are a powerful economic force for prosperity – not just for the owners and employees themselves, but also for the entire state of Washington. They have a huge impact on the financial lives of those whose household income and wealth are tied to the success or failure of the businesses they own.

They grow faster than other businesses and build jobs, economic opportunity and financial inclusion. And with the right mix of capital and support, microbusinesses in low-wealth communities grow jobs at the rate of over 10% per year and grow 30% faster than their peers. (Association for Enterprise Opportunities 2016)

THE “RIGHT MIX” OF SERVICES

Our research found that the “right mix” of services and capital include the following:

- Financial services and access to capital that are specifically designed for and by businesses farthest from opportunity.
- TA services delivered on the business owner’s schedule and in community.
- Adequate one-on-one assistance – often 40+ hours per business.
- TA services delivered in the appropriate context and by a trusted provider.
- Culturally appropriate and in-language services.
- Access to broadband at speeds that enable online business.
- Assistance building digital literacy skills.

ENSURING ACCESS TO SERVICES

This research found that the right mix of services exists in the state, but not at the scale needed to enable delivery by trusted messengers in the right place and time. As a result, many businesses farthest from opportunity do not have easy access to the “right mix” of services – and some do not have access at all.

BY & FOR LEADERSHIP KEY

Time, trust and technology are key issues that must be addressed to ensure equitable access for these small businesses farthest from opportunity. Strategy and implementation of a plan to scale these services should be led by the organizations that are accountable to those communities they are designed to serve.

This research shows that the most cost-effective and efficient way to accelerate small business success is for communities directly affected by these challenges to:

- Share their vision of what success looks like.
- Lead the strategic planning in partnership with government, technical service providers (accountants, lenders, etc.) and others.

As noted earlier in this report, we asked By & For leaders to share their guidance for funders interested in improving equitable access to these services. Their guidance is key and supports a larger frame of community self-empowerment that we intend to communicate in this report. We believe it’s fitting to conclude this report with their advice:

- Support expenditures that allow for maximum one-to-one, in-person services.
- Addressing rural-urban disparities is an urgent need.
- Invest in strategies and organizations that are led by members of the specific communities being served.
- Invest in language services offered by native language speakers.
- Digital equity issues and broadband coverage gaps must be addressed immediately.
- Develop financial products specifically designed for businesses farthest from opportunity, including: character based lending; lending circle programs; Sharia-compliant financial products; loans with a zero percent interest rate; services for small business owners using Individual Taxpayer Identification Numbers, such as Tribal members or non-documented immigrants; Local Investment Networks; credit repair and credit building programs and community led investment funds.





RESEARCH

“This research project
is designed to assist
the community to
develop its vision.”

- **Dr. Sandra Archibald**
Dean Emeritus, Evans School of
Public Policy & Governance, University of
Washington



Serve community's vision

RESEARCH METHODS

This project was guided by the principles of Participatory Action Research, which emphasizes participation and action by members of the communities that are affected by the research. Participatory research is essential if the goal of the research is to better understand, reflect on and act collaboratively to make needed changes. A mixed method or combination of a quantitative and qualitative research approach ensures a more complete portrait, the range of public and private sector stakeholders and their varying levels of activities across the state.

TARGET POPULATION

The population targeted were those organizations in Washington State that provide a range of TA to small business owners. This report shares data collected from 86 organizations via online survey and via semi-structured interviews with over 120 individual service providers and key informants, supported with information drawn from current literature in business, trade and academic literature and media sources.

THE SURVEY INSTRUMENT

The key questions to be incorporated in the survey instrument were determined collaboratively, relying on principles of participatory action research. Over several months, interviews were held with leadership from the Washington State Department of Commerce, representatives from a group of leaders from TA organizations who served as advisors, and representatives of other TA organizations. The participatory design of the survey was essential to ensure the appropriate questions were being asked and the measures employed were valid.

Sampling method employed: As the project is designed to serve rather than lead the community vision, the team relied on community knowledge to identify the TA organizations across the state currently providing business development services to those small businesses farthest from opportunity. This survey method is known as a Purposive or Judgment Sampling method, a non-probability sampling method which ensured that the study would reach the mainstream TA organizations and the rarer set of TA assistance providers who focus solely on underserved communities.

ASSESSING THE QUALITY OF THE DATA

The quality of the non-probabilistic survey approach can be evaluated by its "fit for purpose," thus this survey used valid measures as the questionnaire was designed in collaboration with the service providers themselves. Consistency cannot be measured with a mean and standard deviation in this nonprobability sample. We can make analytical inferences from nonprobability data about characteristics of interest in the target population. The response rate and completion rate are important measures of data quality. There were 91 responses to the 379 surveys distributed for a response rate of 25%. Of the 91 responses received, 86 were complete, for a completion rate of 95%. This is a very high completion rate, given the length and specificity requested. Clearly these respondents were motivated.

QUALITATIVE INTERVIEWS

Commerce sought more detailed insights into several important observations, beyond insights provided by the quantitative survey. Specifically, the team wanted to learn more about how trust is developed among the hardest to reach small businesses and more about the context for effective business services for these specific businesses. While the quantitative survey data revealed that many organizations did provide services in different languages to meet the needs of small businesses, more information was needed on exactly how culturally and linguistically appropriate support was provided, and the usefulness of these approaches. To explore these specific to minority and rural communities, Commerce chose to interview the Small Business Resiliency Network (SBRN).

QUALITY OF DATA

The interviewees were selected to be representative of the targeted group of TA providers and community leaders. To further ensure validity, the team provided each interviewee with copies of the video of their session as well as the transcripts, allowing them to provide feedback on the accuracy. Responses were checked for consistency across groups. Furthermore, two or more researchers analyzed each session for common themes.



PROFILES IN COLLABORATION

HOW TA PROVIDERS RESPONDED IN THE PANDEMIC

The pandemic exposed systemic inequalities and challenges that small businesses farthest from opportunity face. However, it also revealed the innovative and creative ways that the state’s Technical Assistance organizations served small businesses within the constraints of COVID. We felt it was important to honor this work, so we asked organizations to tell us – in their own words – how they pivoted to respond in an extremely challenging environment.

AHANA

The mission of AHANA is to advocate, assist, and develop business growth and opportunities for multi-ethnic and multi-cultural businesses; and advocate for increased employment in the Inland Northwest.

FINDING COMMONALITY BUILDS TRUST

"It is easy to form trust when there are similarities that the business owner and the technical assistant naturally have by both being multi-ethnic. We serve all different ethnic communities in Spokane and have a trusted reputation. We primarily have three technical assistants/trusted messengers. Translators accompany them if there is an in-language need. Finding commonality with someone from the same particular culture or community helps build that trust when first meeting with us."

– Marvo Reguindin, Executive Director

CARL MAXEY CENTER

The mission of the Carl Maxey Center is to inspire, empower, uplift and advocate for Spokane's Black community.

SERVING BUSINESSES ON THEIR TERMS, TIMEFRAMES

"We started the Black Business Support Team during the pandemic, which was a fancy name for 'we send consultants over to talk to the business owner, one-on-one, and do a business assessment.' People feel comfortable with the consultants because they are Black people who tried hard to make the business owner feel comfortable enough to share what was really going on. This takes more than one meeting and connection before discussing the business. Once trust is built, we are able to get information about what the business needs; what they were lacking. I know we were successful because after the Team's first round of TA, people started calling us saying, 'I hear you're doing this right-now assessment thing, how do I get that?'"

– Sandra Williams, Executive Director

GSBA

To combine business development, leadership and social action to expand economic opportunities for the lesbian, gay, bisexual, transgender, and queer community and those who support equality for all. Our ultimate goal is to achieve economic and educational equity for LGBTQ+, BIPOC- and women-owned businesses.

MAKING IT EASIER TO APPLY FOR FUNDING

A "One Sheeter" was developed containing commonly asked questions on grant applications. This one-sheeter is intended to capture the applicants' written responses in a clear and concise way, enabling them to simply cut and paste from the one-sheeter directly into the grant application.

"The last two-plus years of the pandemic have taught us and our small business community that it is essential to have access to capital and a support system in order to survive and sustain our businesses. SBA's PPP and EIDL loans were confusing when they'd first rolled out. This funding source landed in the hands of already profitable businesses, directly excluding the most marginalized and underfunded businesses from being able to access vital financial support. GSBA decided early on in 2020 to launch our GSBA Ready for Business Grant program in response to witnessing our small business community struggle and some being forced to shut their doors. Today, we are in our third year of providing grants, expecting to support 90 businesses with cash grants and wrap-around services. Toraya Miller, our Training & Consulting Manager, sources grant opportunities and teaches small minority-owned businesses how to apply for grants by providing a step-by-step process, including walking with the business owners through the entire application from start to finish. Businesses are dealing with inflation, staffing and supply chain shortages, while approaching a recession. Small minority-owned businesses depend on organizations like ours and our partners in the Small Business Resiliency Network to be a resource, a connector, a supporter."

– Ilona Lohrey, Interim President & CEO

IMPACT WASHINGTON – NIST MEP

Support a healthy and vibrant manufacturing community that generates economic activity and raises living standards in Washington State and the nation. We are the trusted go-to advisor and solution provider for small to medium size manufacturers in Washington.

FREE HELP SO MANUFACTURERS CAN SURVIVE, THRIVE

At the onset of the pandemic, Impact Washington provided no-cost Preventive & Preparedness Health Assessments to manufacturing businesses that were considered essential and those preparing to return to work during Phase I and II. The assessment drew from the collective experience of the Food Safety and HR Professionals working within Impact Washington. The evaluation included a virtual site visit with an Impact Washington consultant followed quickly by a thoughtful implementation plan and debriefing to ensure essential manufacturers were operating with adequate, usable, and appropriate information. The assessment relied heavily on OSHA guidance, sound manufacturing principles, and assistance from HR professionals when conducting our reviews. Health assessments were followed up with a Business Evaluation tool, a post-COVID-19 framework, to help manufacturers identify gaps and vulnerabilities in their businesses to stay the course for continued growth and prosperity.

“It was important that Impact Washington use our expertise and step in quickly to ensure that essential manufacturing workers could perform their jobs safely, securely, and without interruption from COVID-19.”

– Deloit R. Wolfe, Jr. President, and Center Director

NATIONAL DEVELOPMENT COUNCIL

NDC invests capital, capacity to craft equitable, vibrant futures.

PARTNERSHIP SUPPORTS LENDING TO SMALL BUSINESSES

The Small Business Flex Fund is a collaboration between the Washington State Department of Commerce and numerous operating partners. The Fund has been capitalized at \$105 million and provides long-term, low-cost working capital for Washington small businesses. The Fund is managed by the National Development Council (NDC) with online support by Connect2Capital. Calvert Impact Capital is also a program and capital partner with communications support from Spokane-based DH. The Fund supports lending by several Washington State Community Development Finance

Institutions (CDFIs) and includes Ascendus, Business Impact Northwest, Craft3, Evergreen Business Capital, NDC CILF, and O BEE Credit Union. Business assistance providers to the Fund include Business Impact NW, Sister Sky, Center for Inclusive Entrepreneurship, Minority Business Development Agency, WA Women’s Business Center, Veterans Business Outreach Center and the Food Business Resource Center.

A unique collaboration of funders provided capital to the Fund. Starting with a grant from the State of Washington, local Washington banks were the launch partners and were joined by national commercial banks. Local bank involvement is unique to the many funds established around the country. The original goal of raising \$100 million has been exceeded and the Fund will lend \$105 million. Local jurisdictions are also partnering with the Fund to leverage lending for businesses in their communities. Funding is supporting business outreach as well as underwriting / admin costs to the lending CDFIs.

The Flex Fund combines a centralized capital-raising and administration function, while partnering with a variety of CDFI lenders and business assistance providers. The Fund provides fixed term and fixed rate financing to businesses to reduce the variety of lending products while maintaining each CDFI’s character in lending to and managing ongoing relationships with borrowers. Over time, the additional collaboration with business assistance providers has brought lenders and assistance providers closer together, improved the understanding of CDFI lender needs and dramatically increased the scale of lending to Washington business with a particular emphasis on smaller size minority-owned businesses.

“The idea of a business recovery fund began with Commerce and quickly added national partners in Calvert Impact Capital and the Community Reinvestment Fund to bring “best practices” from other statewide funds. It quickly grew to include Community Development Financial Institutions (CDFIs) working in Washington State and then some key business assistance partners. The Fund brings pre-application and post-application services to business owners as well as connecting CDFI lenders more directly to this business recovery ecosystem.”

– Chuck Depew, Senior Director

OKANOGAN COUNTY ECONOMIC ALLIANCE

The Economic Alliance's mission is to facilitate partnerships with private, government, and tribal entities that will create an environment to nurture, support and recruit businesses and industry in Okanogan County.

HELPING RURAL BUSINESSES BUILD ONLINE PRESENCE

During the COVID pandemic, we conducted a survey of all our small businesses within the county through survey monkey, but we visited our Latino small businesses in person due to the language barrier. What we found out was that many of our Latino businesses had not applied for any of the COVID small business grants or SBA programs because they did not have access to technology or even email addresses. We made it a point to offer digital literacy and other classes to these businesses at our Small Business Resource and Tech Center, which included bringing laptops to their business to assist them directly through the process. We also converted all our classes into Spanish so that we could offer them to all of the businesses within our county.

"Business as we knew it, pre COVID just isn't the same. One of the biggest issues that we heard from retailers and restaurants was that they did not have an online presence to sell their products or goods, which hurt them when the shutdown order came into play. This impacted them tremendously throughout the COVID-19 pandemic. They felt that, if they would have had an online presence they would not have been as impacted when consumers moved from in-person shopping to purchasing their items through an online marketplace.

"So how did we respond to that? And how can we help these businesses with the technology that they need to establish themselves online? We applied for and were awarded a USDA RBDG grant, and through this, we were able to create a 'Small Business Resource & Technology Center'. Our main goal with this center is to provide businesses with the technology and training that they need to establish an online presence. We were able to purchase computers, photography equipment, green screens, a video camera, microphones, and a drone, as many of our businesses shared that

they did not have access to the technology needed to even take the pictures of their products.

"It's also been about teaching them the importance of displaying and selling their products in a professional manner to entice people to purchase them. We've been offering weekly classes on e-commerce, including utilizing social media platforms and marketplaces, website design, digital literacy, online retailing and Marketing 101. These classes have been above and beyond anything that we've ever taught before, and it's all because of what we heard from our local businesses and what their needs were due to what they faced during the COVID pandemic. We have had to adapt our services and change the way that we do business as a service provider to respond to their needs. Our goal is to ensure that our businesses are prepared for any future situations like the one that we just went through. So, as economic development professionals, we had to literally change and adapt to meet the needs of these businesses."

– Roni Holder-Diefenbach, Executive Director

ONEASTSIDE SPARK

OneEastside brings together regional partners in united voice for collective impact. By focusing on sustainable economic development, together we can build an equitable economy with access to affordable housing, transportation, and quality education for all members of our community.

SPARK PROGRAM FORGES NEW TERRITORY

OneEastside worked during the COVID-19 pandemic to synchronize relief measures across East King County. Initially funded by a one-year federal grant, the OneEastside SPARK program coordinates regional partners to maximize resources and focus on small business recovery and resiliency.

Through the SPARK program, OneEastside forged new territory in equity and economic development by piloting programs in partnership with community-based organizations, bringing in-language advisors and technical assistance to hundreds of business owners from underserved communities.

"No one group can do it all. The level of engagement and support required in our efforts to save as many businesses as possible is staggering. Together with our partners, OneEastside SPARK delivers responsive programming that strengthens our regional small business support eco-system, and allows business owners across all communities to access critical funding and resources."

– Kristina Hudson, Founding Partner, OneEastside and CEO, OneRedmond

SCIDPDA (SEATTLE CHINATOWN INTERNATIONAL DISTRICT PUBLIC DEVELOPMENT AUTHORITY)

The mission of the Seattle Chinatown International District Preservation and Development Authority (SCIDpda) is to preserve, promote and develop the Seattle Chinatown International District as a vibrant community and unique ethnic neighborhood through its programs and services.

SUPPORTING MORE BUSINESSES THROUGH PARTNERSHIP

The CID Business Relief Team is a joint effort between the Chinatown International District Business Improvement Area, Friends of Little Saigon, and the Seattle Chinatown International District Preservation and Development Authority to assist CID small businesses in mitigating the impacts of the COVID-19 pandemic. Our three organizations focus year-round on economic development and small business assistance in the CID. While our organizations have traditionally worked together over the years, this is the most intentional effort our organizations have done to share, align, and collaborate our resources to best serve the businesses in the Chinatown ID. Our work includes the inception and management of the CID Restaurants and other Small Businesses Relief Fund, as well as outreach, interpretation and translation of small business relief grants, loans and information, including utility and tax deferral, eviction moratoriums, etc.

"At the end of the day, to us it was important for our businesses to see us as a unit, as a team they could rely on. We would have never been able to reach the number of businesses we did or to the extent that we did without this partnership. This is why we branded ourselves and came up with this model. We were able to have one voice,

not only to work directly with businesses, but also with entities in the private and public sector we were doing advocacy with. Some business owners know our individual organizations and what we do, but most of them see our team and think – 'Oh, these are the people that give us information or can help us with an application.' What was most important to us was that they are able to access the resources, not necessarily to get recognized."

– Jamie Lee Co-Executive Director

THURSTON ECONOMIC DEVELOPMENT COUNCIL CENTER FOR BUSINESS & INNOVATION

To create a dynamic and sustainable economy that supports the values of the people who live and work in Thurston County.

HOTLINE FOR BUSINESSES

Through the pandemic, Thurston EDC processed and distributed over \$15 million in direct grant funding provided by Thurston County, the City of Lacey and the State of Washington to over 1,500 small businesses. To support entrepreneurs with other resources, we created a COVID-19 Business Resource Hotline with a real person who business owners could talk to and have questions answered. We provided accounting training and one-on-one coaching with a CPA to help businesses manage cash flow and qualify for available resources. Thurston EDC also administers the ScaleUp Training Program for the Washington State Department of Commerce to help build business resiliency. Through our CB&I Consulting program, we were able to create websites for 50 businesses, helping them to develop an online presence for the first time.

"We are honored to be working to support the business community in Thurston County to create an equitable and resilient economy."

– Michael Cade, Executive Director

TRI-CITIES HISPANIC CHAMBER OF COMMERCE

Connecting, empowering and celebrating the Latino community to the Tri-Cities and beyond.

SUPPORTING BUSINESSES, FAMILY AND COMMUNITY

Our approach to outreach is to go where our potential clients will be -- whether it be grocery stores, festivals, flea markets, community events, movie nights, back to school nights, etc. We also go to their places of business and sponsor free Spanish and/or bilingual workshops for small or future business owners. We want to build trust and want them to know that we are there to help not just their business but also their family and the rest of the community. This past year we have also done outreach at the many popup vaccine clinics that we helped organize, beginning May, 2021. We would like to highlight Tri-Cities Hispanic Chamber's creative approach to outreach and trust building, literally being wherever small business owners might be, such as Vaccination Clinics and more.

"We have worked hard to build visibility and trust among the community, not necessarily at business focused events, and not just one time. People need to see us multiple times to 'know us' and 'trust us'. For example, we have been present at community gathering events like farmer's markets; vaccination clinics; flea markets; schools; Christmas in the park events; and movies in the park events. Once we start conversations, we share about the work we do and the community recognizes the connection to businesses. And we return, often multiple times, so that they know we are not a 'fly by night' organization but are committed to them and their long-term success. When business owners come into the office, we work hard to be patient and know that it takes time and more than one session with folks who need assistance with language, reading, understanding what they are applying for, processing and managing all the paperwork, and online forms."

– Martin Valadez, Executive Director

WASHINGTON ECONOMIC DEVELOPMENT ASSOCIATION

To serve as the statewide professional association committed to the development of economic and employment opportunities in our state. This requires a strong presence in state legislative and regulatory arenas. WEDA is recognized among decision-makers in Olympia as a united voice for economic development. Legislators and the executive branch respect WEDA because it represents a broad cross-section of individuals throughout the state and has the ability to develop and utilize extensive coalitions on any issue central to economic development.

'TA TUESDAYS' BUILDS BRIDGES

Through the intensity of COVID-19 crisis and triage needed to help small businesses survive, it quickly became apparent that we needed to hustle, build a broad statewide team and continually train the economic development and community-based organizations that were helping small businesses and nonprofits navigate and access federal and state resources. The Washington Economic Development Association (WEDA) organized and has sustained what we call TA Tuesdays as training for Technical Assistance (TA) small business service providers. The U.S. Small Business Administration, Washington Small Business Development Center, Washington State Department of Commerce and Washington State Microenterprise Association have dedicated significant time and expertise providing this "training of the trainers;" WEDA hosts, moderates and facilitates follow-up.

TA Tuesdays have enabled technical assistance providers to be much more effective in their one-on-one work with small firms, particularly from underserved communities, and to make stronger referrals to other resources, including translated materials. Two years into the COVID-19 pandemic, these sessions continue to be well-attended and include a wide array of diverse organizations, including economic developers, Community Development Financial Institutions (CDFIs), Microenterprise Development Organizations (MDOs) and community-based organizations. Sessions allow TA providers to ask questions and to get to know other TA providers working on common goals statewide.

"WEDA stepped up to lead TA Tuesdays during a critical moment of crisis for our small businesses, nonprofits and underserved communities, and we plan to continue this work as long as there is demand. We have been honored to convene, connect and build bridges within the small business services and economic development communities, and to foster a 'lifelong learning,'

collaborative culture. We will accomplish so much more and better address service gaps by building on each organizations' strengths and continually 'upping our game' together."

– Suzanne Dale Estey, Executive Director

technical assistance, tools and financing they need, 24/7. According to recent feedback from an entrepreneur, 'I am blown away by the breadth of the information on the site!'"

– Lisa Smith, Executive Director

WASHINGTON STATE MICROBUSINESS ASSOCIATION

Every day, the Washington State Microenterprise Association (WSMA) helps 80+ non-profit, public and academic business resource partners throughout Washington with networking, capacity building support, resource coordination and grants. WSMA enables MDOs that help small business owners strengthen their business skills, access financing, innovate, create jobs and build wealth. This vital business assistance helps grow local economies in every region of the state.

CONNECTING BUSINESSES TO TAILORED SERVICES

WSMA, in collaboration with the Washington State Department of Commerce, launched Evergreen BizLink, an online resource that connects business owners directly to the right nonprofit, public and academic resources by tailoring services to where the business owner is located and to what the business owner needs, within their industry, right now and as they grow.

This collaboration would not be possible without the key state and federal partners, U.S. Small Business Administration (SBA), Minority Business Development Agency (MBDA), Washington Small Business Development Center (SBDC), Washington Main Street, and the Washington Economic Development Association (WEDA), which helped to chart the first steps of this initiative. Now, 80-plus Washington based business resource partners have applied to be a resource on the platform, with new providers applying every day!

At the heart of Evergreen BizLink is the free Resource Navigator, which streamlines access to local, regional, and statewide business resource partners at the click of a button for every business owner in Washington State. Evergreen BizLink, powered by WSMA.

"Evergreen BizLink is the connective tissue that enables business owners throughout Washington to find and connect with business technical assistance specialists suited directly to their circumstances and access business training,

Glossary of terms

This report purposefully explores the perspective of racially and culturally diverse organizations. The Department of Commerce acknowledges and respects the intersectionality of identities, and the difficulty inherent in categorizing such personally held and meaningful characteristics. It would be impossible to capture every possibility; however, the definitions on this page are provided to generally describe words and phrases that speak to identity within this report.

Additionally, while special emphasis was taken to ensure diverse perspectives were included in this report, it's important to highlight that recommendations resulting from the findings work to benefit the entire technical assistance environment. Plainly speaking, the recommendations benefit all and can serve to benefit the communities these organizations engage with, not just the underserved groups highlighted.

The use of identity language is always evolving, and we will continuously improve as we learn and developing this work.

In this report, there may be concepts the reader has not encountered. There may also be generally used terms that may have technical definitions, depending on which industry is using the terminology. The following descriptions are specific to this report:

BY & FOR ORGANIZATION

These organizations are part of the unique community where leadership and/or staff belong to the same community they serve and promote and preserve community member's identities, traditions, and values. By & For organizations build trust, advocate, respond, and solve problems specific to community members. They have roots in their respective communities as change agents, mitigating systems of community service, investing, and working with community members to improve their quality of life. (Hampton, 2021)

By & For organizations is a general term which refers to any type of organization with leadership/staff which reflect the communities they serve. This report focuses exclusively on small business technical assistance and therefore, every one of the organizations included herein provides some form of small business TA. Therefore, to enhance readability and comprehension, we use the following terms interchangeably depending on grammar and sentence structure: 'By & For providers,' 'By & For community based TA providers,' 'By & For community organizations,' and 'By & For service providers.'

COMMUNITY

A group whose members have something in common. For example, those with share culture, knowledge, physical location, or people who share common goals, values, interests or live in the same place.

CULTURALLY APPROPRIATE / CULTURALLY RESPONSIVE / CULTURALLY RELEVANT

Services provided that are culturally appropriate/responsive/relevant are effective, equitable, understandable, and respectful to diverse cultural beliefs and practices, preferred languages, literacy, and other communication needs.

EQUITABLE

We know a service or practice to be equitable when race, gender, and other identifiers are no longer able to predict outcomes.

FARTHEST FROM OPPORTUNITY

Groups or individuals who experience barriers that include, but are not limited to, cultural, linguistic, or geographic obstacles not generally experienced by those who own the systems they must operate within. These groups are generally considered underserved by our institutions.

MINORITY

In this report, minority refers to people and organizations that are not the culturally dominant identity most closely associated with power. Examples could include those in underserved ethnic or racial groups, women, those who identify within the LGBTQ community, people with disabilities, and/or those who live in rural communities. These groups are generally considered underserved by our institutions.

SMALL BUSINESS

While there are numerous considerations for what makes up a small business, for the purposes of this report we generally consider a small business to have less than five employees and less than \$100,000 in annual revenue.

TECHNICAL ASSISTANCE (TA)

This phrase covers a wide variety of service offering to help small businesses develop sustainable and financially healthy business enterprises.

TA NETWORK

When considering what makes up a collaborative network, this report relies on an expansive definition that is characterized by organizations that work jointly with other assistance providers. Please see the definition of Technical Assistance (TA) Organizations for examples of entities that may be part of collaborative network.

TECHNICAL ASSISTANCE (TA) ORGANIZATIONS

TA organizations focus on different aspects of small business development. These organizations, which may have an array of differing missions, governance structures, and funding sources that focus on different aspects of small business development, are part of the TA collaborative network. The network includes Associate Development Organizations (local economic development organizations), chambers of commerce, community organizations, community banks and credit unions, CDFIs, U.S. Small Business Administration, non-profit and charitable organizations, private sector organizations (as well as foundations), and city, county, and state governments.

TRUSTED PARTNER / TRUSTED MESSENGER

Trusted partners or messengers are individuals or organizations that have an established relationship with the communities they serve. They typically share community characteristics.

Types of providers explained

SBA:

The U.S. Small Business Administration network includes 30 Small Business Development Centers across the state who are affiliated with Washington State University agencies to advise on all phases of business development through advising, education and research.

ADO:

One of 33 Washington State Department of Commerce Associate Development Organizations serving the 39 counties across the state furthering the state's economic goals.

CDFI:

Community Development Finance Institutions include community development banks and credit unions and non-regulated institutions such as loan funds or venture capital. There are 26 across the state. (CDFI.org)

GOVERNMENT AGENCIES:

In addition to local government, these include federal state agencies, as well as SBA and port authorities.

CHAMBERS OF COMMERCE:

There are 163 chambers across the state, which are local association to promote and protect the interests of the business community, as well as provide information, workshops and strong government and business networks.

COMMUNITY BASED ORGANIZATIONS AND NON-PROFITS:

These are largely grassroots, By & For organizations that provide services to entrepreneurs and small businesses.

CHARITABLE ORGANIZATIONS:

These organizations are focused on providing technical assistance to the smallest of Washington States businesses.

FOR PROFIT:

TA providers including Limited Liability Corporations, S and C-corporate structures that provide TA services to small businesses.

UNIVERSITIES:

These are institutions across the state that provide research, education and training support services to small businesses.

Types of technical assistance providers

U.S. Small Business Administration network

Associate Development Organizations

CDFI (Community Development Finance Institutions)

Local, state and federal government agencies

Chambers of Commerce

Community Based Organizations, non-profits (grass-roots, By & For organizations)

Charitable organizations

For profit TA providers

Universities

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