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# LOOKING BEYOND THE NUMBERS

## The Struggles of Black Businesses to Survive: A Qualitative Approach

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This study obtained Black business owners' experiences in Milwaukee, Wisconsin, via qualitative methods. The same issues (racism, loan denial, etc.) that quantitative analyses of Black businesses found existed in this study. However, this study's findings departed from previous Black business studies by providing insights into the human side of Black business owners by allowing them to provide insights into their daily challenges (inability to work with other Black businesses and lack of support from African American customers). And it found that Milwaukee's Black business owners were pessimistic about Black business opportunities over time and relative to African American businesses in other cities.

*Keywords:* African American businesses; emerging businesses; mom-and-pop stores; Milwaukee, Wisconsin; qualitative methods

**Owning one's business** has been the dream of many African Americans who want to be self-employed or rich. Black businesses in America are crucial for a number of reasons. They are major employers of African Americans. They contribute to the economic development of the African American community by investing in it. They can mobilize resources in the Black community (Bates, 1994; Silverman, 1999b).

In general, African American businesses have grown in recent years. The number of Black businesses increased from 308,099 in 1982 to 424,004 in 1987, an increase of 115,905 businesses, or 38% (Boston & Ross, 1996; Rice, 1993). There were more than 800,000 African American businesses in the United States in 1997. This represented 4% of the 20,821,935 total firms in the United

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States (*Black Enterprise*, 2000; U.S. Bureau of the Census, 2001). The number of employees hired by African American businesses and African American business sales have both increased significantly (Boston, 1995; Rice, 1993). In 1997, Black-owned firms employed 718,341 of the 103 million individuals employed by businesses (U.S. Bureau of the Census, 2001).

The growth of African American businesses can be attributed to several factors. Minority business set-aside programs have contributed to the rise of African American businesses. They provided Black businesses access to government contracts that they could not get by themselves. And they required White prime contractors to have minority business subcontracting goals. Set-aside programs provided an initial entrance to markets where Black businesses have been excluded because of racial discrimination. Finally, these programs provided African Americans with on-the-job training in fields that were transferable to self-employment opportunities (Boston, 1995; Boston & Ross, 1996; Rice, 1993).

### **“EMERGING” BLACK BUSINESSES**

The increase in African American businesses has been led by emerging Black businesses. These are large firms involved in construction, financial, building, manufacturing, business, and professional services (Bates, 1993; Boston, 1995; Boston & Ross, 1996; Rice, 1993). Boston (1995) found that “the number of Black-owned corporations is increasing at a phenomenal pace. Nationally black-owned corporations are growing at a rate that is almost four times that of all businesses” (p. 89). The percentage of Black businesses involved in professional services, wholesale, and construction increased from 10% in 1960 to 19% in 1980. Between 1982 and 1987, there was a significant increase in the number of African American-owned businesses in manufacturing, wholesalers, and corporations. This trend continued into the 1990s (Bates, 1993; Boston, 1995; Boston & Ross, 1996; Rice, 1993; Servon & Bates, 1998; U.S. Bureau of the Census, 2001).

African American emerging businesses are locating away from minority neighborhoods and moving into suburbs where many of these business owners live (Boston, 1995; Boston & Ross, 1996). African American emerging firm owners are better financed than their counterparts in the Black, traditional, mom-and-pop stores and personal service businesses. They are more likely to obtain loans, and they have more personal equity than their Black counterparts in the traditional businesses (Servon & Bates, 1998). Emerging African American businesses have a more diversified and nonminority clientele base than those of traditional African American firms (Bates, 1989; Boston, 1995; Rice, 1993). African American emerging firms are investing substantial capital in their businesses, and they are more profitable than the traditional Black businesses. These emerging Black firms' owners have more formal education than African American business owners of traditional mom-and-pop-type stores and personal services (Bates, 1989, 1993; Servon & Bates, 1998).

### **MOM-AND-POP STORES AND PERSONAL SERVICES**

On the other hand, traditional African American mom-and-pop stores and personal services (i.e., barbershops, beauty salons, taverns, janitorial services, auto repairs) are facing hardships. They have low profit rates, they operate on a small scale, they are located in predominately low-income African American neighborhoods, they are declining in numbers, they are struggling to remain open, and they have high failure rates (Bates, 1989, 1993; Boston, 1995; Rice, 1993).

### **BLACK BUSINESS OBSTACLES**

African American businesses in general are struggling for a number of reasons. They are more likely to be turned down for loans than White-owned businesses. They lack equity relative to

other racial group business owners. They lack full access to mainstream markets. And racial discrimination excluded many Blacks from being business owners or expanding their businesses (Bates, 1997; *Black Enterprise*, 2000; Chen, 1993; Christopher, 1998; Silverman, 1999a).

Some major court rulings against minority set-aside programs have also had devastating impacts on African American businesses. In 1989, the U.S. Supreme Court's ruling in the *City of Richmond v. J. A. Croson* ruled that race-based minority business set-aside programs developed by government entities have to meet the strict-scrutiny standard. It requires government entities to show a compelling or overriding reason for justifying the creation of a minority business set-aside program and to show a pattern of prior discrimination to justify it (Bates, 1993; Rice, 1993).

As a result of the *Richmond v. Croson* case and other court rulings challenging the legality of minority set-aside programs, some state and local government units terminated or suspended their minority business set-aside programs, which had a major negative impact on Black businesses. For example, in Atlanta, minority business participation on government contracts declined from 37% in 1989 to 24% by the mid-1990s. In Richmond, Virginia, minority business participation on government contracts decreased from 32% in 1989 to 11% by the mid-1990s. In Florida, minority businesses' share of dollars from government contracts declined by 99%, and in Philadelphia, minority business dollars from government contracts declined by 25% in 1990 and 35% in 1991 (Bates, 1993; Rice, 1993).

In addition, African American businesses are failing because of increased competition from outsiders. Large corporations are increasingly taking over Black-owned businesses' markets and locating retail franchises within African American neighborhoods. And African American businesses are struggling because of increased competition from foreigners doing business in the Black community (Bates, 1993; Christopher, 1998; Silverman, 1999a, 1999b; Trotter, 1985).

Finally, Black businesses are failing because they lack the technical and management experience needed to succeed in business (Bates, 1993; Christopher, 1998; Trotter, 1985).

Although these studies provide a descriptive and statistical overview of Black businesses, they fail to accomplish several things. First, they fail to be inclusive. Instead, they focused on either emerging Black firms or mom-and-pop-type businesses, but not both. This study will avoid that limitation by using both emerging Black businesses and Black mom-and-pop-type businesses (restaurants, taverns, barbershops, beauty shops, corner stores, day care) and personal service businesses. Second, these studies use quantitative methods that only provide numerical information on Black businesses while neglecting qualitative methods. This study expands on those studies by using qualitative methods and allowing for the voices of Black business owners to be heard. It also captures insights into Black business operations and opinions not captured by quantitative data or statistical analysis. Finally, because of the exploratory and qualitative nature of this research, this study will not be testing different explanations of Black business owners' experiences but will be more exploratory, seeking to gain a better understanding of Black businesses in Milwaukee from the Black business owners' viewpoints.

To accomplish the objectives of this study, first an overview of the study setting will be provided. Next, a review of the status of African American businesses in Milwaukee and their challenges will be conducted. A discussion of the study research methods will occur. Afterward, the research findings will be discussed. And then the article will close with suggestions for future research on this topic.

## STUDY SETTING

Milwaukee will be used as a case study to examine the experience of Black business. A case study can be defined as an in-depth, multifaceted investigation, using qualitative research methods to analyze a single social phenomenon that allows for an empirical

inquiry of a phenomenon within its real-life context (Feagin, Orum, & Sjoberg, 1991; Merriam, 1990; Patton, 1990; Yin, 1994). On one hand, it offers several advantages. The case study allows researchers to study human events and their actions in a natural setting. Furthermore, it captures people as they experience their daily routines. And it permits the researcher to uncover the historical dimension of a societal phenomenon or setting. Finally, it allows for the development of propositions that can be used for the generation of new ideas and social science theories (Feagin et al., 1991; Merriam, 1990; Yin, 1994). On the other hand, it has several limitations. It does not focus on the relationship between variables, as do quantitative approaches (Feagin et al., 1991). It has been criticized for its lack of rigor. Yin (1994) states,

Perhaps the greatest concern has been over the lack of rigor of case study investigation. Too many times, the case study investigation has been sloppy and has allowed equivocal evidence of biased views to influence the direction of the findings and conclusion. (p. 9)

It does not allow for generalization from one setting to another because it focuses on a unique setting. Finally, it has been criticized for being time-consuming and resulting in the collection of too much useless data (Yin, 1994).

Between 1975 and 2000, the city's African American population experienced major social and economic changes. The African American population grew from 18% of the total population in 1975 to 37%, or 220,770 persons out of 596,956 people in 2000 (U.S. Bureau of the Census, 1980, 1990, 2000). And the number of Black elected officials on the Milwaukee Common Council increased from 2 of 16 to 5 of 17 (City Clerk's Office, 1976-1996). By 2005, Blacks held 5 of 15 Common Council seats.

Since the 1970s, Milwaukee's African Americans have lived in some of the most socioeconomically depressed and segregated neighborhoods in America. For example, Milwaukee's African Americans had some of the highest poverty rates in the United States (Abramson & Tobin, 1994; Edari, 1977; Jargowsky, 1994; Kasarda, 1993; Rose, 1992; Wisconsin Council on Children and

Families, 1994). Between 1980 and 1990, Milwaukee ranked 3rd out of 50 cities in the growth of extreme poverty census tracts (i.e., 40% of residents in the census tract lived below the poverty level) for African Americans (Kasarda, 1993). African Americans in Milwaukee experienced some of the highest unemployment rates in the nation, ranking as high as second. Its unemployment rates were 4 to 5 times higher than Whites in Milwaukee (Edari, 1977; McNeely & Kinlow, 1987; Rose, 1992). Milwaukee's African Americans lived in one of the most racially segregated areas in the nation (Massey & Denton, 1993; McNeely & Kinlow, 1987; Yinger, 1995). Housing realtors and insurance companies limited the prospects of African Americans moving out of distressed and segregated neighborhoods due to racial steering and redlining (Dedman, 1989; Squires, 1994; Squires & Velez, 1987; Yinger, 1995). Furthermore, in 1994, minorities' home loan applications were 6 times more likely to be rejected based on their credit history than were Caucasians' applications (Comptroller's Office, 1996). In 1984, African Americans' median household income was \$10,000 per year. It was 48% of Whites' household income in Milwaukee (McNeely & Kinlow, 1987; O'Hare, 1986). Milwaukee's African Americans had the highest racial income disparity among the 50 largest metropolitan areas in the country (Comptroller's Office, 1996; Levine, 2000). African Americans had the lowest home values of any racial or ethnic group in Milwaukee (McNeely & Kinlow, 1987; Nichols, 1995; Squires, 1994). African Americans received mostly low-paying jobs from the city's central business district revitalization projects during the 1980s and 1990s (Levine & Zipp, 1994; Rose, Edari, Quinn, & Pawasarat, 1992; Squires, 1994).

These aforementioned statistics showed that Blacks in Milwaukee are living in racially segregated and socioeconomically depressed neighborhoods. These people are the African American businesses' primary customer base. Knowing that the primary customer base of Black businesses is very poor should reveal some of the challenges the businesses face in their daily struggles to survive.

## AFRICAN AMERICAN BUSINESSES IN MILWAUKEE

In 1992, there were 4,478 minority-owned firms in metropolitan Milwaukee, representing 5.8% of the region's total of 76,783. Most firms were located in the service sector. Of these 4,478 minority firms, 2,684 were African American businesses (59.9%). The average number of Black firms in metropolitan areas in the United States was 7,772, and the median number of African American businesses was 3,966 (Levine, 2000). In 1997, there were 3,325 Black-owned businesses in Milwaukee County (U.S. Bureau of the Census, 2001).

Historically, African American businesses in Milwaukee have struggled to succeed. Although most Black businesses in Milwaukee during the early 1900s were retail, mom-and-pop stores, and service providers (barbers, taverns, restaurants, rooming houses), they encountered racial barriers (Affirmative Action Consulting, Ltd. [AACL] & Ralph G. Moore & Associates [RGMA], 1992; Trotter, 1985). African American businesses were not able to obtain or rent a property site to operate their businesses because of racism. "Some black businesses preceded in secret under the names of white men in account of prejudice or pressure from whites from which they would have to contend" (Trotter, 1985, p. 19). They would have Whites rent a building for them to operate their business (Trotter, 1985; Zubrensky, 1998).

In addition, local government entities in Milwaukee have undermined African American businesses' efforts to succeed. One study found that the State of Wisconsin, the City of Milwaukee, and Milwaukee County each had been passive, and in some instances active participants in discriminatory activity in the Milwaukee construction marketplace against racial minorities (Conta & Associates, 1990).

Likewise, African American businesses in Milwaukee struggled because of a lack of capital. According to Trotter (1985),

Most black business efforts experienced serious difficulties since few blacks who desired to enter business could overcome the initial obstacles: lack of capital, few influential and cooperative

white contacts, lacks of political influence, and stiff competition from better financed white chain establishment. (p. 92)

African American businesses have had trouble gaining access to venture capital and working capital needed for business growth and business success (AACL & RGMA, 1992; Conta & Associates, 1990).

African American businesses faced competition from major corporations. Many African American businesses in Milwaukee could not compete against the large, White-owned corporations that located in African American neighborhoods. These corporations undermined African American businesses by offering a larger selection of products and lower prices and using extensive advertising to market their products (Trotter, 1985).

Competition from immigrants helped to undermine African American businesses in Milwaukee. As other immigrants relocated to the city, they started providing services to White clients that Black businesses had previously provided (Trotter, 1985).

Furthermore, many African American business owners did not have adequate skills in financial management, business planning, and marketing needed to run a successful business. The lack of these skills has contributed to the high failure rate of Black businesses (AACL & RGMA, 1992).

Some bidding practices used to obtain goods and services have been found to work to the disadvantages of African American businesses in Milwaukee. To discourage Black firms from doing business with them, White businesses claimed that they could not find minority businesses for subcontracting purposes. Furthermore, White businesses would have minority contractors provide contract bids on quotes outside of their expertise so as not to be the lowest bidder. White prime contractors would also modify contracts after the bid had been made, which was designed to make an African American contractor no longer the lowest contract bidder. Moreover, White contractors required African American contractors to submit multiple rebids, thus making it too costly to bid on contracts. White contractors would allow African American contractors to only bid on the supplies needed for a contract where the

profit level was small while denying them the opportunity to bid on more profitable aspects of a contract (AACL & RGMA, 1992; Farrell & Rose, 1991).

In addition, voters in Milwaukee have opposed minority business efforts. To open up city contracting opportunities to racial minorities and female-owned businesses in 1985, Milwaukee established its first independent and functionally separate minority businesses program. The minority business enterprise/women business enterprise (MBE/WBE) set-aside goals were to be 28% on all contracts. The goals were to be implemented over a 3-year period. A contract could be awarded to a MBE/WBE if that firm bid was within 5% of the lowest bid. White labor unions and White business groups opposed this ordinance, which was put on a public referendum, Referendum 555. Milwaukee's voters defeated it in April 1987 by a 60%-to-40% margin vote along racial lines, with most Whites opposing it and most African Americans supporting it (AACL & RGMA, 1992). With the defeat of Referendum 555 in 1987, Milwaukee created a new minority business program with a set-aside goal of 28% to be implemented over 7 years, as opposed to 3 years under the previous legislation. In 1989, Milwaukee revised its minority business program due to the 1989 U.S. Supreme Court's *Richmond v. J. A. Croson* case to make it race and gender neutral. The city's goal was now to utilize disadvantaged firms on 18% of its annual contracts (AALC & RGMA, 1992).

## RESEARCH METHOD

Several research methods were used in this study. A very detailed and confidential survey (68 questions) was mailed to 516 African American businesses located in Milwaukee seeking information on their business operations and their owners' background (education, training, work experience). African American businesses' addresses were obtained from various sources (Milwaukee black pages minority business directory 1996-1997; Wisconsin minority-owned business directory 1999-2000; the joint certification listing of disadvantaged businesses; Milwaukee Building and

Construction Trades Council listing of minority business enterprises, and local community newspapers). Many African American businesses listed in those publications were attempting to do business with local government entities and private firms, or had paid advertisements. A total of 105 surveys were returned, a response rate of 20.3%. Sixty surveys could not be used for various reasons (business no longer existed, wrong address, undeliverable mail). There were 45 usable surveys returned via mail. The diverse types of businesses (barbershops, taverns, beauty shops, restaurants, day cares, lawyers, contractors) and the exploratory nature of it might have caused the response rate to be lower than expected. The mail surveys sent to mom-and-pop-type stores are breaking new grounds, because these types of businesses are seldom used in mail surveys of Black businesses. Finally, these surveys supplemented the ones obtained from the face-to-face interviews conducted by the author.

In addition, this author canvassed the major business strips in Milwaukee's African American neighborhoods on North Avenue, Martin Luther King Drive, Center Street, and Burleigh Avenue, identifying and conducting face-to-face interviews with African American business owners. These face-to-face interviews lasted between 25 and 40 minutes. Thirty-six African American businesses completed these face-to-face interviews.

African American business associations (Minority Chamber of Commerce, African American Chamber of Commerce, the Business Council) were asked to identify Black businesses that could participate in the study. Only the Business Council responded to this request. It provided a listing of Black businesses. Also, African American businesses were identified via word of mouth from other African American businesses.

## FINDINGS

This study examined the experience of Black business owners in Milwaukee via qualitative approaches. African American businesses tended to have a pessimistic view on their business opportunities in

Milwaukee over the past 5 years, as indicated by their response to the following question:

(1) What words would you use to describe business opportunities for Black businesses in Milwaukee?

“Disconnected, difficult road, reluctant, no respect.”

“Limited. It’s hard to crack the old boy’s network on a sustained basis.”

“Difficult to overcome racism, race barriers exist from board room to boiler room.”

“Mostly unsuccessful few and slow growth.”

“Difficult, because of lack of contacts and experience and White business opposition.”

“Limited due to perspective of minority and past history of businesses who make it hard for honest businesses.”

“Limited. The established and connected White business community is not supportive of minority businesses. Why should they be? Support is not consistent with the white competition psyche.”

“Retarded.”

“Not particularly promising at this time.”

“Business opportunities for Black businesses in Milwaukee are rough and difficult. In order to excel in Milwaukee, Black businesses must have exceptionably high quality services/product and be persistent.”

Although these Black business owners offered negative views on African American businesses’ opportunities, other offered some positive words.

“Primary service business opportunities are excellent for Black businesses in Milwaukee.”

“Opportunities are great, but very difficult to make it a reality.”

“For me it’s been good. I believe the opportunities are there. Being successful with that opportunity is the challenge.”

“Milwaukee is growing daily with opportunities for Black businesses.”

“Business opportunities are really good for Milwaukee people, if you’re in the right business.”

“Great, if you know and are loved by the right people.”

Some African American business owners provided neutral responses or expressed mixed feelings to this question, as described below:

“Hard work and patience and prayers.”

“If it wasn’t for government, many minority businesses would have no place to sell their products or services.”

“Play the game or you lose.”

“They’re not as good as other cities, and not enough to develop relationships in communities.”

“They are out there.”

“The opportunities are not available from a financial standpoint. However, the potential for developing a successful business is positive in relations to Blacks patronizing Blacks. However, the capital must be available.”

(2) What words do you think others would use to describe Black businesses in Milwaukee?

Listed below are negative statements Black business owners indicated others would use to describe Black business opportunities in Milwaukee.

“Black businesses are generally disconnected from each other and the mainstream. I believe that other Whites know that Blacks attempt to imitate them, so they promote an environment of competition instead of cooperation.”

“I think others would believe there aren’t many Black businesses, but either they’re not aware of them or the businesses aren’t advertised enough.”

“Black businesses in Milwaukee are probably short on effort with education and business knowledge.”

“Most people think Black business can’t provide high quality services and products. This is not true across the board. Many businesses do provide quality products.”

“Inadequate and definitely small—accurate perception.”

“Very slim, lack of patronage business, both White & Black.”

“If you are not political, forget it, or pay the bribe.”

“Harsh, stringent, unfriendly, quite so.”

"It is hard for Black business to do profitable business in Milwaukee."

"Milwaukee is behind times."

"Most African-Americans would also think that the negative attitudes expressed by White Americans in general towards affirmative action makes it difficult for them to start new businesses."

"Not dependable, don't finish jobs, just want money, for majority, it's true."

"Not qualified, I believe this perception is inaccurate."

"Risky and a real challenge."

African American business owners provided some positive comments they believe others would use to describe Black business opportunities in Milwaukee.

"Conveniently, close-by, useful and suitable for the needs of African-Americans."

"Fine, improving."

"Thriving, robust."

"Others will say they wish they had the opportunity to own a minority business, the perception is wrong though. It is still a challenge to succeed for a variety of reasons."

(3) What do you think are the biggest challenges facing Black businesses in the City of Milwaukee?

African American business owners identified several major challenges facing them. These obstacles included racism, lack of access to capital, lack of support from other Blacks, and the political climate.

Black business owners view racism as one major challenge hindering their progress in Milwaukee. As one African American business owner of a legal practice noted, the biggest challenge facing Black businesses in Milwaukee is "getting corporate Milwaukee interested in doing business with African-American/Black businesses."

Breaking through the existing business relationships Whites have with other Whites is viewed as a barrier for Black businesses. One African American business owner involved in sales, marketing,

and public relations stated that a big challenge facing African American businesses is “cracking the old boy’s network.” Another African American owner of a construction company echoed this point, saying, the “old boy’s club.” A Black male owner of a music production and entertainment business argued that the biggest challenge facing Black businesses in Milwaukee “for me, it’s trust, economically, equal playing field, the destruction of the dominance of all the small one man White booking agencies.” Similarly, one African American business owner of a printing company stated that the biggest challenge facing Black business is “procurement of large contracts; division of contract proportionate to percentage of population, development of business to meet needs of city and thereby employment, and taxes, etc.”

Moreover, racism seems to play a major role in limiting African American business opportunities through Whites’ perceptions and treatment of them. As one Black male owner of a janitorial service stated, the biggest challenge to Black businesses in Milwaukee is “the inability of Whites and other races to take black business seriously, lack of trust, double standard.” Similarly, another Black male who owns a construction company stated that the biggest challenge facing African American businesses in the city is the “attitudes and preconceived notions about Black people.” These attitudes tend to be negative. As one African American business owner who supplies architectural and engineering supplies noted, there are “negative delivery perceptions. They (Black businesses) are held to higher standards than their majority counterparts, mess up once; no more work.”

Black business owners identified the lack of capital as a second challenge facing them. As one African American female business owner of an insurance company stated, “Racism, the financial institutions are hostile to African-Americans in the City of Milwaukee.” Other African American business owners voiced similar concerns; one stated the problem is “getting banks to provide capital.” Another Black business owner stated, “Black businesses lack financial resources.”

African American business owners viewed the availability of capital for their businesses as crucial for several reasons. As one

African American business owner noted, the biggest challenge is “having the funds to start up or to stay in business.” Another Black business owner commented that the biggest challenge facing African American business is the need for “capital to expand as quickly as the market will allow.”

African American business owners also identified the lack of support from other Blacks as a third challenge facing them. One African American business owner put it bluntly: “Our biggest challenge is ourselves—we do not support each other.” This lack of support for Black businesses appears to come from both Black consumers and other Black businesses. An African American entrepreneur stated that the biggest challenge facing Black business is getting the

Black consumer to understand that the “white man’s ice is not colder.” Also, getting the consumer (Black) loyalty. Would Blacks fight to buy from Beauty Island [a beauty supply store owned by foreigners that was the site of protest in the 1990s because of its negative treatment of Black customers] if they were Black-owned? Blacks need to understand that other Black businesses are not their competition.

The need for Black businesses to support each other was also a theme Black business owners echoed. One Black business owner stated, “We (Blacks) need the understanding the need to support and partner with each others.” Furthermore, another African American business owner stated, we need to get “Black-owned businesses to partner, to work as prime contractors on projects.”

A fourth challenge that African American business owners view to Black businesses is the current political climate in Milwaukee. One African American entrepreneur stated,

As long as the powers that be, the mayor, business, politicians, MPS [Milwaukee Public Schools], and religion have their own self-interest at heart, progress will be slow, but some things will begin to change when we lose the Mayor we have and find a visionary one that can build coalitions, bound with all Milwaukee. Also, bring new leaders to increase the political, education, and economic employment to all who live here.

Similarly, an African American attorney stated that the biggest challenge is the “traditional low level of Black business sophistication with no political clout to demand respect.” One African American business entrepreneur stated, “Black elected officials do not understand economic independence and the power of technology.”

## CONCLUSION

This study sought to obtain insights into the experiences of Black business owners in Milwaukee via qualitative methods. It found that the same issues (racism, loan denial, etc.) that quantitative analyses of Black businesses found to be barriers to African American businesses occurred in this qualitative study, even with mom-and-pop Black businesses not typically included in Black business studies. However, this study’s findings departed from previous Black business studies by providing insights into the human side of Black business owners. Oftentimes, Black business studies described Black business findings without discussing the people who operate them. African American business owners were able to provide insights into challenges that they faced daily (inability to work with other Black businesses and the lack of support from African American customers). And they were able to provide insights on how they view Black business opportunities in Milwaukee over time and relative to African American businesses in other cities. These points are often neglected in the study of Black businesses. Moreover, this study explored rarely used avenues of identifying Black businesses by canvassing the streets of Black neighborhoods and talking to Black business owners not listed in paid advertisements or government directories. The canvassing also gave the researcher a firsthand look at the physical environment that these firms operated in, which helped to provide more insight into these Black businesses’ challenges. It showed that Black businesses are operating in racially segregated, low-income, poverty-stricken, and declining neighborhoods. It is very difficult

for African American businesses to succeed when their primary customer base is being drawn from such poor neighborhoods.

Most African American business owners canvassed were operating in mom-and-pop stores and personal services that have some of the highest failure rates. They expressed their struggles with trying to keep their businesses open and profitable while dealing with issues of limited capital and business loan denial. Finally, even African American business owners who have managed to break out of the traditional mom-and-pop-type businesses are struggling to survive in Milwaukee. These Black business owners expressed their frustration with their inability to break in to the old boys' network, being denied business loans, having to constantly prove themselves to White business owners, or being held to a higher performance standard than Caucasian firms.

Future research on Black businesses should combine both qualitative and quantitative methods to allow for a complete understanding of the Black businesses' challenges facing both Black mom-and-pop stores and Black emerging firms. Although these are different types of firms, they both have the same goals of succeeding, and both face the same types of challenges (racism, loan denial, etc.), as illustrated in this study. Such research would enable programs or policies to be developed that will address these concerns. Both types of businesses are major employers of African Americans. Finally, Black businesses need access to markets that will allow them to grow and prosper if the dream of owning one's business is to be truly available to African Americans.

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