

URBANE

SMALL BUSINESS PERSONAS

**WELCOME TO THE SMALL BUSINESS PERSONAS,
A PRODUCT OF THE SMALL BUSINESS AND WORKER MOBILITY PROJECT.**

The underlying goal of the initiative is to identify ways in which the small business ecosystem can support small businesses to improve the quality of life and advance the economic mobility for themselves and their workers.

The Small Business Personas capture seven types of business owners practitioners may encounter. The personas are informed by qualitative and quantitative data, including surveys and interviews, mined over the course of the Project.

In addition to basic characteristics, each persona features a series of influencers, or entities within the small business ecosystem that can play a role in implementing strategies that nudge business owners to adopt practices that improve working conditions and overall economic opportunity of their workers.

Although not exhaustive, these personas are comprehensive of patterns, trends, and behaviors in the data and are designed to help practitioners understand where to invest their resources.



The **TENURED SMALL BUSINESS OWNER**



The **INFORMAL OWNER / OPERATOR**



The **URBAN ACHIEVER**



The **STRUGGLING RURAL EMPLOYER**



The **CUSTOMER-DRIVEN BUSINESS**



The **CAPITAL HUNGRY BUSINESS**



The **BUSINESS SUPPORT SEEKER**

The TENURED SMALL BUSINESS OWNER

WHO THEY ARE:



Yearly Earnings:
\$1-2.5 million in revenue



Number of Employees:
20+ employees



Years in Business:
10-20 years



Other Elements:

- More financially secure in their personal finances than lower-earning businesses
- Stable state of business compared to lower-earning businesses with fewer years in operation whose owners are less financially secure
 - Pay their employees more
 - Promote their employees more frequently
 - Hire employees more frequently

IMPACTED INDUSTRIES:



Services and Retail:
110,000 small businesses
10,000,000 workers

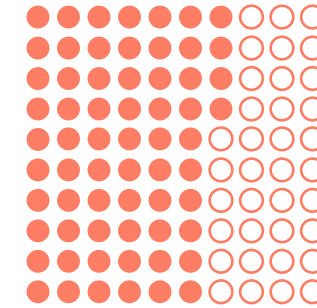


Professional Services:
308,000 businesses
6,750,000 workers

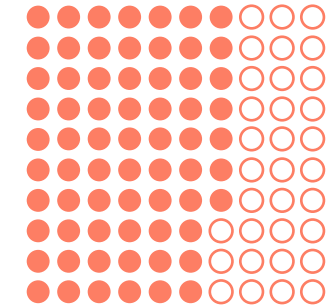


Construction:
91,000 businesses
3,710,000 workers

TYPICAL MINDSETS AND BELIEFS:



64% are less concerned about investing in employees for a financial reward than knowing it will help their business.



67% believe that when their employees are struggling financially or in their personal lives, it will hurt their business.

They also believe that customers/clients care about the job quality offered to their workers.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF TENURED SMBS:



Services and Retail



Professional Services



Construction



IMPACTFUL INFLUENCER'S:

- Technical assistance providers
- Friends and family
- Workforce development organizations
- Traditional lenders
- Investors

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Modify delivery of business support programs from structured programs to informal, trusted networks

Establish partnerships with local organizations that help business owners expand their networks to find employees

Invest in credentialing programs for workers in industries that dominate smaller, LMI businesses

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Amplifying access to education, training, and skilling, such as credentialing programs and language skills programs

2 | Relaxing background checks, including criminal and credit checks

3 | Improving employment practices by providing flexible sick time policy, predictability and stability of scheduling

TRUST TRANSFORMS

The INFORMAL OWNER / OPERATOR

WHO THEY ARE:



Yearly Earnings:
Less than \$500,000 in revenue



- Other Elements:**
- Owned by a disadvantaged person (woman, Black, indigenous, Hispanic, or disabled person)
 - Owner are less financially secure than business owners than Tenured SMB owners
 - Likely to have some college degree, a bachelor's degree, or a master's degree
 - Unable to increase employee salaries or offer opportunities for promotion



Number of Employees:
0-4 employees



Years in Business:
Operational 5 years or fewer

IMPACTED INDUSTRIES:



Creative and Fashion:
250,000 businesses
1,100,000 workers

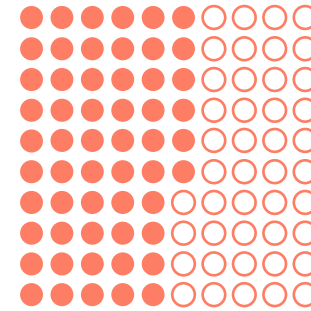


Restaurants/Food Trucks:
660,000 businesses
21,000,000 workers

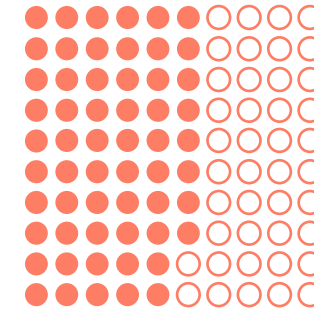


Home Health Care/Childcare:
42,000 businesses
2,000,000 workers

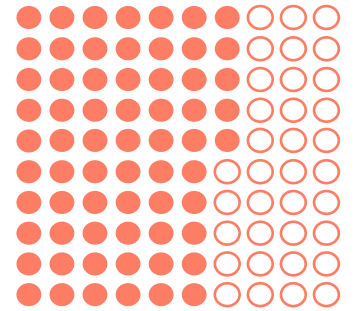
TYPICAL MINDSETS AND BELIEFS:



56% believe that job quality is tied to business reputation in their community.



58% believe that if they were to improve the job quality of their workers, they would have more customers and/or higher earnings.



65% believe in order to invest in their workers, their business must be financially stable and operating at a profit. And that residents, businesses, and neighborhoods care about the quality of work of their employees.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF INFORMAL OWNER / OPERATORS:



Creative and Fashion



Restaurants and Food Trucks



Home Health Care and Childcare Services

IMPACTFUL INFLUENCER'S:

Capital providers
Technical assistance providers
Management consultants, accountants, legal service providers
Workforce development organizations

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Educate traditional banks, mission lenders, and government lenders to create lending products, services, and programs that account for barriers to accruing debt

Increase access to alternative credit building and other financial capability opportunities, including character-based lending

Establish partnerships with local organizations that help business owners expand their networks to find employees

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Requiring fewer professional requirements, including degrees or language fluency

2 | Investing in support services and networks by providing informal mentoring and childcare services

3 | Expanding financial support, including financial literacy programs and transportation assistance



The URBAN ACHIEVER

WHO THEY ARE:



Yearly Earnings:

Between \$1 to \$2.5 million



Number of Employees:

Up to 10 employees



Years in Business:

Operational between 5 and 15 years



Other Elements:

- Located in urban area with high population density
- Likely to be owned and operated by someone who has come into contact with the criminal justice system
- Has some college or a bachelor's degree
- Provides workers some opportunities for promotion and wage increase

IMPACTED INDUSTRIES:



Restaurants/Food Trucks:

660,000 businesses
21,000,000 workers



Professional Services:

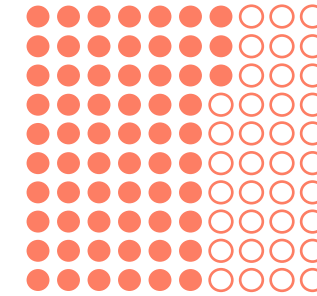
308,000 businesses
6,750,000 workers



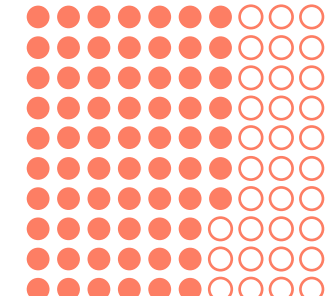
Professional Care Services:

137,000 businesses
431,000 workers

TYPICAL MINDSETS AND BELIEFS:



63% believe that improving the job quality of their employees would lead to more customers and higher earnings.



75% believe that when their workers are struggling financially or in their personal lives, it hurts their business.

75% need evidence that investing in workers will benefit their business.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF URBAN ACHIEVERS:



Restaurants and Food Trucks



Professional Services



Professional Care Services



Freight and Logistics

IMPACTFUL INFLUENCER'S:

Workforce development organizations
 Management consultants, accountants, legal service providers
 Technical assistance providers
 Friends and family
 Peer businesses

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Compensate professional service providers to help businesses complete necessary paperwork (licensing, certifications, loans, etc.)

Modify delivery of business support programs from structured programs to informal, trusted networks

Establish partnerships with local organizations that help business owners expand their networks to find employees

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Amplifying access to education, training, and skilling, such as credentialing programs and language skills programs

2 | Investing in support services and networks by providing informal mentoring and childcare services

3 | Expanding financial support, including financial literacy programs and transportation assistance



TRUST TRANSFORMS

The STRUGGLING RURAL EMPLOYER

WHO THEY ARE:



Yearly Earnings:
Less than \$500,000 in revenue



Other Elements:

- Located in a rural area with low population density
- Limited access to transportation, broadband, business support services, capital providers, and office/production space
- Owner is financially insecure
- Hire new employees but unable to increase wages or offer opportunities for promotion



Number of Employees:
Up to 5 employees



Years in Business:
Operational up to 10 years

IMPACTED INDUSTRIES:



Restaurants/Food Trucks:
660,000 businesses
21,000,000 workers

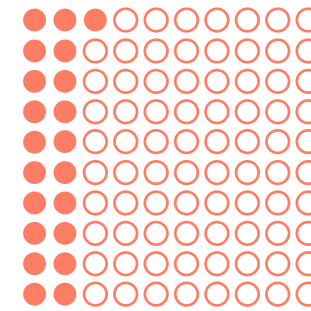


Professional Services:
308,000 businesses
6,750,000 workers

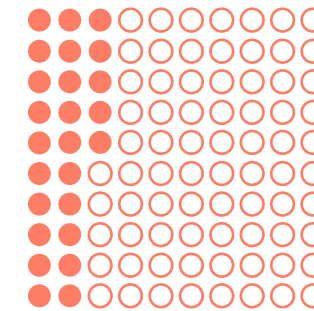


Professional Care Services:
137,000 businesses
431,000 workers

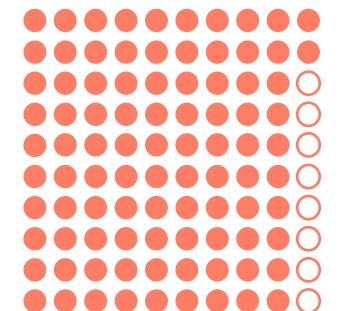
TYPICAL MINDSETS AND BELIEFS:



21% unlikely to invest in their workers, even if their business is stable and profitable.



25% believe customers and clients do not care about the job quality offered to workers.



92% believe they play a critical role in helping workers achieve economic mobility.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF RURAL EMPLOYERS:



Restaurants and Food Trucks



Professional Services



Professional Care Services



Real Estate



IMPACTFUL INFLUENCER'S:

Capital providers
Management consultants, accountants, legal service providers
Friends and family
Peer businesses

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Increase access to philanthropic dollars to underwrite hard and soft infrastructure

Invest in organizations that can help businesses excel at their craft to create better products/services and build customer base/revenue

Educate traditional banks, mission lenders, and government lenders to create lending products, services, and programs that account for barriers to accruing debt

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Amplifying access to education, training, and skilling, such as credentialing programs and language skills programs

2 | Requiring fewer professional requirements, including degrees or language fluency

3 | Investing in support services and networks by providing informal mentoring and childcare services

TRUST TRANSFORMS

The CUSTOMER-DRIVEN BUSINESS

WHO THEY ARE:



Yearly Earnings:
Between \$500,000 and \$1 million in revenue



- Other Elements:**
- Motivated by the behaviors of their customers, including suppliers, procuring institutions, and patrons
 - Owned by a younger (age 16-29), better educated (bachelor's degree or higher) male
 - Likely to have come into contact with the criminal justice system
 - Located in a densely populated urban area



Number of Employees:
Between 0 and 20 employees



Years in Business:
Operational between 5 and 15 years

IMPACTED INDUSTRIES:



Grocery and Convenience:
49,000 businesses
930,000 workers

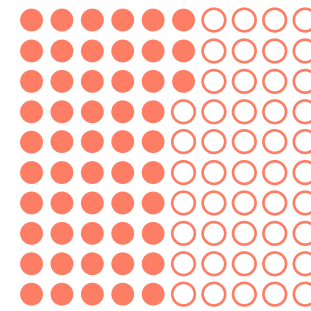


Freight and Logistics:
63,000 businesses
2,300,000 workers

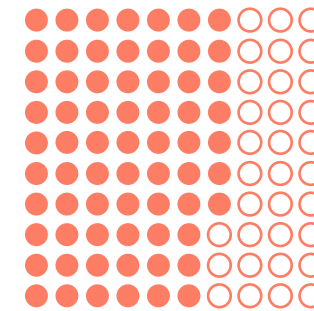


Services and Retail:
110,000 businesses
10,000,000 workers

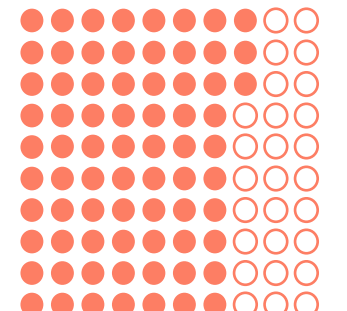
TYPICAL MINDSETS AND BELIEFS:



53% invest in their employees if they believe it will improve the lives of workers.



67% believes investing in job quality of workers will increase customers and earnings.



73% believe improving job quality can increase the number of customers or drive higher earnings.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF C-D BUSINESSES:

Grocery and Convenience

Freight and Logistics

Services and Retail

Home Health Care and Childcare Services

IMPACTFUL INFLUENCER'S:

- Customers
- Peer Businesses
- Mutual aid groups or other community organizations
- Business associates / networks
- Workforce development organizations

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Educate all parts of the supply chain (suppliers, customers, consumers) on the benefits of paying workers more to justify the higher cost of product/service

Invest in programs that offer skilling assistance to business owners to better train and manage their employees

Modify workforce development success metrics to capture quality of job placement over quantity of job placements

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Educating all parts of the supply chain (suppliers, customers, consumers) on the benefits of paying workers more to justify the higher cost of product/service

2 | Investing in programs that offer skilling assistance to business owners to better train and manage their employees

3 | Modifying workforce development success metrics to capture quality of job placement over quantity of job placements



TRUST TRANSFORMS

The CAPITAL HUNGRY BUSINESS

WHO THEY ARE:



Yearly Earnings:

Earned at least \$2.5 million in revenue



Other Elements:

- Motivated by the need for more capital in the form of loans, grants, lines of credit, and investments into their business
- Owned by a minority with American citizenship
- Businesses located in urban areas are more likely to prefer traditional lenders and investors compared to those in rural areas who prefer mission lenders and nonprofit loan funds



Number of Employees:

Between 100 and 250 employees



Years in Business:

Operational for at least 15 years

IMPACTED INDUSTRIES:



Services and Retail:

110,000 businesses
10,000,000 workers



Construction:

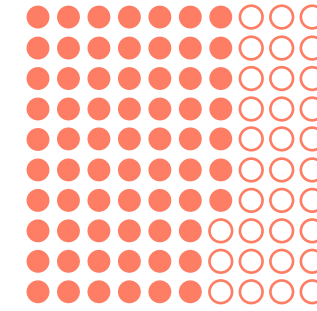
91,000 businesses
3,710,000 workers



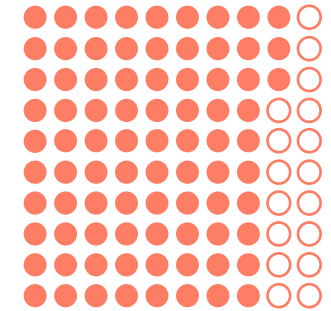
Real Estate:

440,000 businesses
401,000 workers

TYPICAL MINDSETS AND BELIEFS:



67% believe clients and customers care about the job quality of employees and that when their employees are struggling in their personal or financial lives, it hurts their business



83% invest in their workers if they know it will help their business.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF C-H BUSINESSES:



Services and Retail



Construction



Real Estate



Freight and Logistics



IMPACTFUL INFLUENCER'S:

Capital providers
Investors
Technical assistance providers
Workforce development organizations

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Educate traditional banks, mission lenders, and government lenders to create lending products, services, and programs that account for barriers to accruing debt

Provide tax credits and advances that encourage business owners to hire employees and compensate them fairly

Compensate professional service providers to help businesses complete necessary paperwork (licensing, certifications, loans, etc.)

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Amplifying access to education, training, and skilling, such as credentialing programs and language skills programs

2 | Improving employment practices by providing flexible sick time policy, predictability and stability of scheduling

3 | Expanding financial support, including financial literacy programs and transportation assistance

The BUSINESS SUPPORT SEEKER

WHO THEY ARE:



Yearly Earnings:

Earned more than \$2.5 million in revenue



Other Elements:

- Seeks support from technical assistance providers, workforce development organizations, professional services, etc. to start or grow their business
- Located in an urban area for greater access and proximity to business support services



Number of Employees:

Between 20 and 50 employees



Years in Business:

Operational between 10 and 20 years

IMPACTED INDUSTRIES:



Professional Services:

308,000 businesses
7,750,000 workers



Grocery and Convenience:

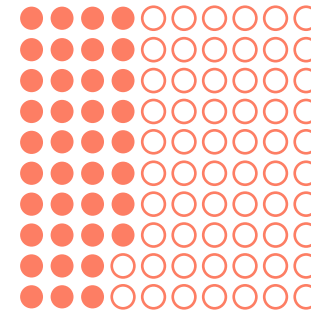
49,000 businesses
930,000 workers



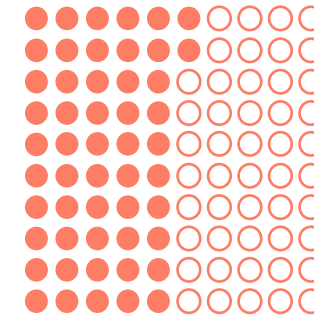
Restaurants/Food Trucks:

660,000 businesses
21,000,000 workers

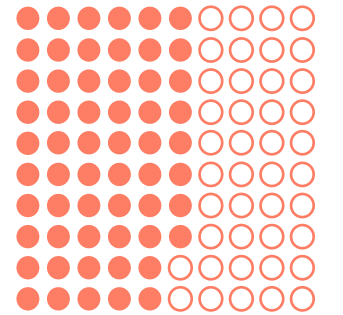
TYPICAL MINDSETS AND BELIEFS:



38% believe that the financial and personal struggles of their employees will not hurt their business.



52% invest in their employees when their business is financially stable and profitable.



58% believe that improving job quality will increase customers and/or increase earnings.

INDUSTRIES WITH THE HIGHEST CONCENTRATION OF SUPPORT SEEKERS:



Professional Services



Grocery and Convenience



Restaurants and Food Trucks



Home Health Care and Childcare Services

IMPACTFUL INFLUENCER'S:

Workforce development organizations
Management consultants, accountants, legal service providers
Technical assistance providers

INFLUENCING STRATEGIES WITH THE GREATEST SUCCESS:

Establish partnerships with local organizations that help business owners expand their network to find employees

Compensate professional service providers to help businesses complete necessary paperwork (licensing, certifications, loans, etc.)

Modify delivery of business support programs from structured programs to informal, trusted networks

EMPLOYMENT PRACTICES THEY ARE MOST LIKELY TO ADOPT:

1 | Educating traditional banks, mission lenders, and government lenders to create lending products, services, and programs that account for barriers to accruing debt

2 | Compensating professional service providers to help businesses complete necessary paperwork (licensing, certifications, loans, etc.)

3 | Providing tax credits and advances that encourage business owners to hire employees and compensate them fairly



TRUST TRANSFORMS