

DATA BRIEF:

Black & African American Veteran Entrepreneurs



This brief provides highlights from the 2021 National Survey of Military-Affiliated Entrepreneurs (NSMAE) focusing on Black and African American veteran entrepreneurs. These findings are based on data collected from 327 Black and African American veteran entrepreneurs, which represents 21% of the respondents that answered the race/ethnicity question of the 2021 survey. This annual survey monitors trends in the activity, needs, as well as the economic, social, and policy barrier of military affiliated entrepreneurs in the United States. These findings will be an enduring source of current insights for public and private sector leaders, policymakers, and community-based organizations on systemic barriers to and drivers of entrepreneurial success among Black and African American veterans and their family members. To learn more about this study and other briefs, publications, and presentations visit ivmf.syracuse.edu/nsmae-series.

Entrepreneurship Characteristics

Do you consider yourself a social entrepreneur?

Black & African American Veteran Entrepreneurs

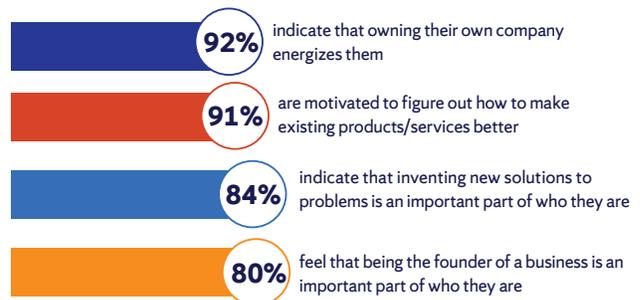


TOP MOTIVATIONS TO ENTREPRENEURSHIP

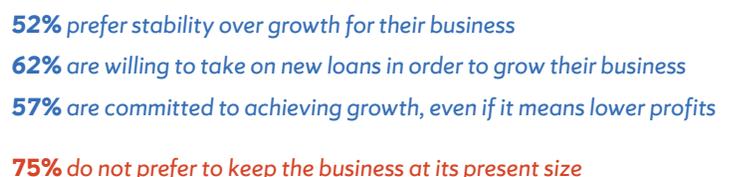


Black & African American Veteran Entrepreneurs

ATTITUDES AND PERSPECTIVES



GROWTH INTEREST/ORIENTATION OF ENTREPRENEURS



Business Characteristics



Black & African American Veteran Entrepreneurs

THE NATURE OF BUSINESS

80% are sole owners of their business (compared to 35% White/Anglo/Caucasian)

78% consider themselves to be successful

56% indicate that this is their first business/venture

43% indicate that the nature of their primary business is online e-commerce (compared to 35% White/Anglo/Caucasian)

Black & African American	All Other Minorities*	White/Anglo/Caucasian	
4%	11%	13%	Service-based business
63%	48%	59%	Product-based business
33%	41%	28%	Both product and service-based



Black & African American Veteran Entrepreneurs

DISABILITY RELATED BARRIERS

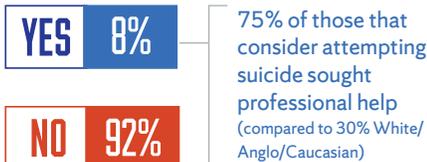


OF THOSE WITH A SERVICE-CONNECTED DISABILITY

- ▶ **44%** indicate that entrepreneurship helped them with overcoming disability related challenges and barriers
- ▶ **39%** indicate that entrepreneurship played a significant role in their recovery process
- ▶ **31%** indicate that their disability causes them challenges in their business

HEALTH AND WELLBEING

During the PAST YEAR, did you ever seriously consider attempting suicide?



Overall perception of general health

	POOR	GOOD
Black/African American	29%	71%
All Other Minorities*	37%	63%
White/Anglo/Caucasian	33%	67%



SALES AND MARKETING

\$633,086

AVERAGE GROSS SALES Black & African American Veteran Entrepreneurs in 2020 (compared to \$3,028,578 for White/Anglo/Caucasian counterparts, and \$3,428,043 for all other minorities)



BUSINESS PROFITABILITY IN 2021

Black & African American	All Other Minorities*	White/Anglo/Caucasian	
34%	51%	53%	Made profit
18%	15%	12%	Break even (no profit nor loss)
49%	34%	34%	Experienced loss

BUSINESS SALES WILL DOUBLE IN NEXT 5 YEARS

Black & African American	All Other Minorities*	White/Anglo/Caucasian	
84%	81%	67%	Likely
11%	12%	14%	Neither likely nor unlikely
6%	7%	19%	Unlikely

49% have difficulty marketing their business

43% find it difficult to do sales (i.e., being a salesperson for their products or services)



Entrepreneurial Ecosystem

FINANCES

Black & African American Veteran Entrepreneurs CAPITAL FOR DIFFERENT STAGES

STARTUP

- ▶ **98% NEEDED FUNDING** to start or acquire their business (compared to 95% White/Anglo/Caucasian)
- ▶ **66% NEEDED LESS THAN \$25,000** to start or acquire their business (compared to 55% White/Anglo/Caucasian)
- ▶ **39% NEEDED LESS THAN \$5,000** to start or acquire their business (compared to 31% White/Anglo/Caucasian)

GROWTH

- ▶ **51% NEEDED LESS THAN \$50,000** to grow their business (compared to 43% White/Anglo/Caucasian)
- ▶ **96% NEEDED FUNDING TO GROW** their business in 2020 (compared to 93% White/Anglo/Caucasian)
- ▶ **50% WERE NOT ABLE TO SECURE ANY FUNDING** needed to expand or grow their business in 2020 (compared to 25% White/Anglo/Caucasian)



63% indicated that the **CAPITAL THEY NEED IS NOT READILY AVAILABLE** (compared to 44% White/Anglo/Caucasian)

58% feel that there is **NOT SUFFICIENT DEBT FUNDING AVAILABLE** for their business (compared to 37% White/Anglo/Caucasian)

49% indicate that **FEDERAL FUNDING RESOURCES** (PPP, EIDL, etc.) have been helpful for their business (compared to 41% White/Anglo/Caucasian)

- ▶ 46% had difficulty with applying for COVID-19 Business Relief grants and loans (PPP, EIDL, etc.)

Debt

50% pay an interest rate of 15% or more on loan/credit card with the largest balance (compared to 32% White/Anglo/Caucasian)



- ▶ 42% have their largest debt balance on a credit card



69% applied for funding (compared to 52% White/Anglo/Caucasian)

↓ OF THOSE THAT APPLIED

57% were turned down (compared to 29% White/Anglo/Caucasian)

↓ OF THOSE TURNED DOWN

67% did not apply again (compared to 66% White/Anglo/Caucasian)



69% state that the financial condition of their business caused them stress (compared to 62% White/Anglo/Caucasian)

GOVERNMENT POLICY, SUPPORT, AND PROGRAMS

Regulations

45% have difficulty coping with government bureaucracy, regulations and, licensing requirements (compared to 57% White/Anglo/Caucasian)

26% indicate that the process of obtaining licenses and permits for their business is NOT easy (compared to 35% White/Anglo/Caucasian)

Programs and Support

46% feel that government programs aimed at supporting new and growing businesses are NOT effective

41% indicate there are not enough adequate government programs that support their business (compared to 49% White/Anglo/Caucasian)



COMMUNITY AND NETWORKS

Belonging

74% feel responsibility for their local community (compared to 68% White/Anglo/Caucasian)

63% feel a sense of belonging to their local community

Navigation

28% have difficulty asking for assistance (compared to 34% White/Anglo/Caucasian)

40% have difficulty navigating the resources in their local community



BUSINESS ENVIRONMENT

Technology

61% feel that technological changes provide big opportunities in their market (compared to 53% White/Anglo/Caucasian)

48% can't afford the latest technology (compared to 40% White/Anglo/Caucasian)

Human Capital

47% find it very difficult to find employees with the necessary skills (compared to 64% White/Anglo/Caucasian)

46% can't afford the cost of using subcontractors, suppliers, and consultants (compared to 38% White/Anglo/Caucasian)

Benefits and Resources

43% do not have adequate access to quality medical care (compared to 38% White/Anglo/Caucasian)

35% find it generally very easy to get the resources they need (compared to 45% White/Anglo/Caucasian)



ENTREPRENEURIAL EDUCATION

40% feel that colleges/universities (compared to 47% White/Anglo/Caucasian)

DO NOT PROVIDE GOOD & ADEQUATE SUPPORT FOR THEIR BUSINESS



40% feel that the VA services (compared to 44% White/Anglo/Caucasian)

DO NOT PROVIDE GOOD & ADEQUATE SUPPORT FOR THEIR BUSINESS

Syracuse University's D'Aniello Institute for Veterans and Military Families (IVMF) is the first national institute in higher education singularly focused on advancing the lives of the nation's military, veterans, and their families. Through its professional staff and experts, and with the support of founding partner JPMorgan Chase Co. as well as U.S. Navy veteran, IVMF Advisory Board Co-Chair, University Life Trustee and Co-Founder & Chairman Emeritus of the Carlyle Group Daniel D'Aniello '68, H'20 and his wife, Gayle, the IVMF delivers leading programs in career and entrepreneurship education and training, while also conducting actionable research, policy analysis, and program evaluations. The IVMF also supports veterans and their families, once they transition back into civilian life, as they navigate the maze of social services in their communities, enhancing access to this care working side-by-side with local providers across the country. The Institute is committed to advancing the post-service lives of those who have served in America's armed forces and their families.

IN COLLABORATION WITH:

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SUGGESTED CITATION

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Certifications

83%

formally or informally certified by a national, state, local or database/ self-certification body

73%

believe the certification process is difficult (compared to 86% White/Anglo/Caucasian)

65%

find applying for non-government certifications to be difficult

57%

find it easy to maintain the certification(s)

CERTIFICATIONS HELD



Black & African American Veteran Entrepreneurs certified by **Small Business Administration (SBA)**
Compared to 37% All Other Minorities* and 39% White/Anglo/Caucasian



Black & African American Veteran Entrepreneurs certified by **Center for Verification and Evaluation**
Compared to 37% All Other Minorities* and 39% White/Anglo/Caucasian

PERCENTAGE OF REVENUE FROM CERTIFICATION



	Black & African American	All Other Minorities*	White/Anglo/Caucasian
0%	56%	48%	51%
1-80%	25%	32%	33%
81-100%	20%	21%	16%

RESOURCES AVAILABLE

- ▶ 62% believe that the government does NOT provide adequate assistance with the certification process
- ▶ 50% believe there are enough resources to assist through the certification process

CORPORATE

78%

INDICATE THAT FINDING CORPORATE CONTRACTS THAT REQUIRE CERTIFICATION(S) IS

NOT EASY



GOVERNMENT

- ▶ 79% FIND IT DIFFICULT TO DO GOVERNMENT CONTRACTING (compare to 90% White/Anglo/Caucasian)



- ▶ 76% FIND APPLYING FOR THE GOVERNMENT CERTIFICATIONS TO BE DIFFICULT

* For this brief, "All Other Minorities" category was created of anyone who selected American Indian or Alaska Native; Asian; Hispanic, Latino, or Spanish Origin; Native Hawaiian or Pacific Islander; Other race/ethnicity; A combination of two or more