



Overcoming Equity and Equality Challenges

MELISSA BRADLEY ON BARRIERS TRADITIONALLY MARGINALIZED ENTREPRENEURS FACE



DIVERSITY



EQUITY



INCLUSION

Author: **Dell Gines**

The Ewing Marion Kauffman Foundation asked over a dozen ecosystem builders to watch, recap, and share their thinking on the Firestarter talks from the past three ESHIP Summits. This article is part of a series that supports the Kauffman Foundation's ongoing efforts to grow entrepreneurship and explore new models of economic development by elevating the work of ecosystem builders.

These talks were intended to inspire conversation and drive engagement in key themes in the field of entrepreneurial ecosystem building.

Summary

Inclusive ecosystem building is imperative for long-run economic growth and stability as well as fostering a fairer society. To achieve this, it requires us to take a hard look at how we view individuals from different backgrounds, and how we support including those differences in the ecosystem building process. It should be our priority to bake inclusivity into the ecosystem building cake, and make it a fundamental aspect of entrepreneurship development versus a secondary consideration.

Melissa Bradley is the founder and managing partner of 1863 Ventures, a business development program that accelerates new majority **entrepreneurs** from high potential to high growth. At the 2018 ESHIP Summit, Bradley discussed how the shifting demographics in the United States requires a more inclusive approach to entrepreneurship ecosystem building. Her discussion covered the following topics:

- An overview of the shifting demographic trends in the U.S. and the necessity to support entrepreneurship in historically marginalized and emerging populations in order to retain global competitiveness in the U.S.
- Not investing in diversity and inclusion comes with a cost.



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- The economic impact and potential that diverse entrepreneurs can have on the U.S. economy
- Why we have to overcome bias and stereotypes in order to realize this economic growth through entrepreneurship.

The demographic shifts in the U.S. are creating a new majority. By 2055, there will be no single majority ethnic group in the nation, and women will make up 40% of the labor force. However, these shifting demographics create a challenge with economic implications for the U.S.

"...These are not the people that typically make up our entrepreneurial ecosystems, so we've got to figure out how to invest in them," Bradley says. "If we do not invest in those that have been historically marginalized, under invested in, under educated, then we will continue to erode the competitive advantage that exists in our country."

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Diverse entrepreneurs are currently generating significant economic impact, despite the lack of investment in these firms. African American-owned firms are the fastest growing group of businesses in the U.S., yet the lack of investment in these firms has led to an estimated loss of 600,000 jobs. Women-owned firms provide an economic impact of \$3 trillion to the economy, and 16% of all the jobs in the U.S.

When organizations do not invest in diversity and inclusion, there is a cost. The cost comes in the form of higher unemployment rate, a \$500 billion poverty price tag, and other social and economic consequences.

To overcome bias and stereotypes, we need to become uncomfortable. This means acknowledging racism, sexism, and other forms of bias by confronting it head on. Bradley outlined some of the beliefs and stereotypes that are still presenting barriers and limiting access.

"While there are no more 'whites-only' signs limiting people who look like me, we are constantly plagued with -isms and stereotypes – beliefs that are not based in fact that limit my potential and my progress every damn day," Bradley says. "Let me give you an example. At a macro level, we have this thing called 'pattern recognition' where we believe that if we hang out and invest in things that we like, we'll be comfortable. That comfort will make us more successful. Then on a more subtle level, we have microaggressions that people who look like me every day experience – the language, the eye-rolling, the looks that have 'good luck to you.' And it slows us down every single time."

This limitation of potential based upon bias is something that we as a collective have to work harder in overcoming, because if we do not, it will result in "a crude depreciation" in our country.

Supporting and investing in diversity and inclusion with a focus on entrepreneurship must be a priority to ensure the future competitiveness of the U.S. This requires a willingness to confront and solve discrimination, racism, and bias that leaves the new majority emerging demographic groups in the U.S. with less support and resources.



Bio: Dell Gines is a senior community development advisor from the Federal Reserve Bank of Kansas City. He focuses on innovative economic development strategies to help support economically challenged rural and urban communities. More on Dell on [LinkedIn](#).



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