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# **Minority Entrepreneurship**

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#### Abstract

The body of literature around minority entrepreneurship has been well established over the past few decades. Research however in the context of the hospitality industry on this topic has been lacking. Therefore a goal of this study was to examine the minority entrepreneur experience in the hospitality industry in order to fill this gap in the literature. Specifically, the purpose of the study was to examine black entrepreneurs. Participants discussed their personal definition of entrepreneurship, the challenges they faced while growing the business, and how they believe race impacted their success as a business owner. Responses were analyzed and future directions identified.

## Keywords: Minority Entrepreneurship; Black-owned Restaurants; Defining Entrepreneurship

# Introduction

The Hospitality industry is a field that has been ripe with the entrepreneurial spirit from its beginnings (Li, 2008). From Ray Kroc's McDonald's to J.W. Marriott's hotels, there are plenty of examples of entrepreneurship from a large firm perspective; however, the hospitality industry is dominated by small- and medium-sized firms (Getz & Carlsen, 2000; Wagner, Gorgievski, & Rijsdijk, 2010; Chang, 2011). These small- to medium-sized firms operate in businesses ranging from travel and tourism to accommodations and events (Peters & Kallmuenzer, 2018). While entrepreneurship has been a cornerstone of the industry, research on the topic is still in its infancy (Atelijevic & Doorne, 2000: Ergul & Johnson, 2011). There is, however, a growing body of literature that examines entrepreneurship in the hospitality context (Chang, 2011; Carmaichael & Morrison, 2011; Peters & Kallmuenzer, 2018).

Outside of the hospitality context, the topic of entrepreneurship has been well-examined over the past decades and is a staple discipline in many business schools (Ergul & Johnson, 2011). Bull and Willard (1993) examined the definition of entrepreneurship and concluded that after over 200 years, the study of entrepreneurship has yet to yield an agreed-upon definition. This can further be seen through the diverging of types of entrepreneurship to include social entrepreneurship (Austin, Stevenson, & Wei-Skillern, 2006; Ergul & Johnson, 2011; Dzisi & Otsyina, 2014) and lifestyle entrepreneurship (Dewhurst & Horobin, 1998; Getz & Carlsen, 2000; Atelijevic & Doorne, 2000; Getz, Carlsen, & Morrison, 2004; Dawson, Fountain, & Cohen, 2011). While this area of academic inquiry is still full of pertinent research questions, the current study focuses on the topic of minority entrepreneurship—more specifically, examining the Black entrepreneurship experience.

Minority entrepreneurship has been examined in detail over the past few years with some agreeing that the situation has improved for minority entrepreneurs (Bates, 2011), while others feel that the all-encompassing term of "minority" has, in fact, hurt particular groups inside the classification of minority, such as Black entrepreneurs (Gold, 2016; Wingfield & Taylor, 2016). This current work strives to add to this discussion of the Black entrepreneur by examining minority entrepreneurship in the context of the hospitality industry. As previously noted, while entrepreneurship literature in growing in hospitality, few authors have studied the minority

entrepreneurship experience within the hospitality industry. The purpose of this study is to explore minority entrepreneurship experiences, specifically the Black entrepreneurship experience, in the hospitality industry to fill a gap of missing inquiry in the growing body of hospitality entrepreneurship research.

# **Literature Review**

As mentioned above, the literature has not produced a unified definition of entrepreneurship (Bull & Williard, 1993). Instead, many researchers identify key characteristics that traditionally lead to successful entrepreneurial ventures. Bates (2011) identified key ingredients to success as 1) skilled entrepreneurs with appropriate human capital; 2) sufficient financial capital, and 3) access to markets to sell products. Austin et al. (2006) found two key determinants of success for traditional entrepreneurs are 1) access to adequate financial capital inputs and 2) the ability to identify the correct individuals to help further the organization and other human capital.

Interestingly, the examination of minority entrepreneurs has mainly focused on the traditional characteristics of entrepreneurship as a method of social mobility (Gold, 2016). However, the literature has also identified non-economically motivated forms of entrepreneurship. The current study examines social entrepreneurship and lifestyle entrepreneurship, to determine how non-economically driven types of entrepreneurship might impact the Black entrepreneur experience.

## Social Entrepreneurship

Social entrepreneurship can be defined as, "innovative, social value creating an activity that can occur within or across the nonprofit, business or government sectors" (Austin et al., 2006, p. 2). Ergul and Johnson (2011) identify the major difference between the social entrepreneur and the traditional entrepreneur as the value proposition. Social entrepreneurs give preference for promoting social value rather than capturing economic development (Dzisi & Otsyina, 2014). The social entrepreneur desires "mission-related impact" while traditional entrepreneurs value anticipating and serving markets to create financial profit.

Social entrepreneurs often focus on identifying long-standing needs and developing innovative ways to approach them. They are less concerned with market size and more concerned with social need (Austin et al., 2006). Although previous studies have indicated differences between traditional and social entrepreneurs, the literature also indicates that social and traditional entrepreneurship must be seen on a continuum. "The distinction between social and {traditional} entrepreneurship is not dichotomous, but rather more accurately conceptualized as a continuum ranging from purely social to purely economic. Even at extremes, however, there are still elements of both" (Austin et al., 2006; p. 3).

## Lifestyle Entrepreneurs

Dewhurst and Horobin (1998) define the lifestyle entrepreneur as one, "who [is] not motivated by a desire to maximize economic gain, who operates businesses often with very low

levels of employment, and in which managerial decisions are often based on highly personalized criteria" (p. 25). Getz et al. (2004) explore the concept of lifestyle entrepreneurship as an entrepreneurial process driven not only by economic benefit but also by a desire to satisfy personal and social goals. The concept of the lifestyle business is one where the owner balances economic goals with non-economic goals. It may also mean that the primary motivation for owning the business is to have a set of lifestyle experiences (Dawson et al., 2011).

Differentiating lifestyle entrepreneurship from traditional entrepreneurship can further help explain why certain business decisions are made and others are not when examining organization growth (Thomas, 2000). Lifestyle entrepreneurs may be more concerned with business survival rather than business growth. Their goals of acquiring a level of income to maintain the lifestyle outweigh the desire of many traditional entrepreneurs to maximize profits. (Dawson et al., 2011). Getz and Carlson (2000) explained the difference between lifestyle and traditional entrepreneurs as "family-first" and "business first," respectively. They found that 66% of the entrepreneurs surveyed could be classified as family-first and were motivated by factors associated with optimizing leisure time with their families (Getz & Carlson, 2000).

There is, however, support indicating that lifestyle and traditional entrepreneurs can also exist on a continuum. Dewhurst and Horobin (1998) created an owner-manager model that allowed for a continuum between traditional and lifestyle goals and strategies. Further, Atelijevic and Doorne, (2000) identify that the lack of desire to grow may not lead to developmental stagnation, but instead provide specialization and an opportunity to engage with niche markets.

The current review of the literature has identified the characteristics of a traditional entrepreneur as well as two non-economically motivated forms of entrepreneurship. What is unknown is how minority entrepreneurs conceptualize the term "entrepreneurship" through their lens and how they might classify themselves once presented with the three types of entrepreneurship reviewed. This has led to the following research questions:

- 1. RQ: How do Black entrepreneurs define entrepreneurship?
- 2. RQ: What type of entrepreneurship do Black entrepreneurs identify with?

## Minorities in Entrepreneurship

Entrepreneurship is often argued as an effective pathway for minorities to gain economic advancement in American society; however multiple studies have found that minorities are involved in entrepreneurial activities at a far lesser rate than their nonminority counterparts (Gold, 2016). Previous literature examining White and Black entrepreneurs found that while 11% of White Americans were involved in entrepreneurial activities, only 5.1% of Black Americans were engaged in similar activities. (Gold, 2016). Additionally, Black-owned firms tend to be small with fewer employees, generate fewer profits than their White counterparts (Fairle and Robb, 2008) and are mainly found in highly visible sectors of retailing and catering (Carter, Mwaura, Ram, Trehan, & Jones, 2015).

Bates (2011) however explains that knowing there is a discriminatory process that stops or discourages minorities from opening new ventures is not enough if one does not also examine what structural barriers might be in place that discourages Black entrepreneurship. As previously stated in this work, two of the most prevalent success factors in entrepreneurship are access to financial capital (Carter et al., 2015) and access to human capital (Bates, 2011). Other structural

barriers include business training and customer support (Koellinger & Minniti, 2006). Carter et al. (2015) found that Black entrepreneurs are four times more likely to be denied for a loan than White entrepreneurs. Human capital can be conceptualized through the level of education the minority entrepreneur versus their nonminority counterpart (Koellinger & Minniti, 2006) or access to role models (Wingfield & Taylor, 2016). While there have been strides made to provide greater access to the financial and human capital needed in order to make a firm successful, the prevailing consensus in current literature is that this access for minorities still lags far behind nonminority entrepreneurs (Bates, 2011).

The barrier of customer support examines the market in which the minority entrepreneur operates. Carter et al. (2015) identified that many minority firms, especially in hospitality, may provide a service that is deemed exotic and therefore cannot always rely on attracting a larger number of customers outside of that culture. The barrier of business training examines both experience and management level opportunities. Koellinger and Minniti (2006) found that minority entrepreneurs may lack experiences at a managerial level based on institutional racism. Therefore, when minority entrepreneurs open their own firms, they may not have the knowledge base or past experiences to fall back on.

Gold (2016) argues that to understand Black entrepreneurship, the academy must examine the Black experience outside of the confines of minority status and ethnicity. When authors examine ethnic minority entrepreneurs, it often includes Latino, Asian, and Asian Americans. While these different groups are often plagued by stereotypes and other barriers to entrepreneurship, Light (1984) states, "to a substantive extent, Korean, Vietnamese, Taiwanese, Hong Kong, and Iranian immigrants now in the United States derived from property-owning upper classes in their countries of origin" (p. 203). While this may not be the case for all minority groups in the United States, Gold (2016) warns against the anti-racist perspective that if one minority group is succeeding in entrepreneurial endeavors that all groups should be able to reproduce the same success. Therefore, to understand the Black experience in entrepreneurship, the following research question was developed:

3. RO: What are the challenges faced by Black entrepreneurs in hospitality?

# Method

The primary purpose of this study is to understand the Black entrepreneurship experience in the hospitality context. To this goal, this research is based on qualitative, semi-structured, indepth interviews with Black entrepreneurs operating within the food and beverage industry (Atelijevic & Doorne, 2000). The study is exploratory in nature and will examine each Black entrepreneur as an individual case of minority entrepreneurship. The case study approach was selected for this study in order to understand the individual lived experience of each entrepreneur. Providing generalizable results and overall implications for the hospitality industry were outside of the scope of this work. However, future studies may be able to identify areas of inquiry based on this research.

To identify cities that would have the greatest likelihood of having minority-owned restaurants, census data for the state of Virginia was evaluated. The two criteria for city inclusion in the study were:

1. Population greater than 50,000 people and

2. Greater than 18% African American population.

Based on these criteria, 13 cities were identified and clustered based on locality.

- 1. Eastern Virginia: Portsmouth, Hampton, Norfolk, Suffolk, Newport News, Chesapeake, and Virginia Beach
- 2. Southern Virginia: Lynchburg and Danville
- 3. Northern Virginia: Woodbridge and Alexandria
- 4. Central Virginia: Petersburg and Richmond

Due to the exploratory nature of this research, the Northern Virginia region was selected for this initial study.

## Sampling

A purposive sample was deemed appropriate based on the population of interest (Etikan, Musa, & Alkassim, 2016). Participants were first identified by contacting Small Business Development Centers (SBDCs) in the Northern Virginia area. In addition, the author contacted individuals that were familiar with the Northern Virginia area and received additional businesses to include in the study. In total, ten businesses were included in the study. After speaking with the businesses, it was determined that four were no longer in business, and two elected not to participate. Four interviews were scheduled and one was canceled due to a schedule conflict. Attempts to reschedule the interview were unsuccessful, and three businesses were interviewed. While the sample size for this study is small, similar studies conducted using case study methods found that between 2 and 4 cases were sufficient (Dawson et al., 2011; Ergul & Johnson, 2011; Kline, Shah, Tsao & Cook, 2014).

#### Instrument

Based on the three research questions several questions were developed. These questions were then evaluated by hospitality educators and multicultural professionals. Questions that were selected for the study can be found in Table 1. Two questions were associated with RQ1, two questions were associated with RQ2, four questions were associated with RQ3, and the remaining questions were used to collect demographic information.

Two of the three interviews were conducted face-to-face, on-site at the entrepreneur's place of business and the third took place via telephone as the entrepreneur was out of the country during the scheduled interview. Informed consent was provided to the entrepreneurs before the interviews began and the researcher requested to audio-record the interviews. Two of the three entrepreneurs consented to interviews being audio-recorded. All entrepreneurs consented to include their names and the names of their organizations in the study. Interviews lasted approximately one hour. Interviews were transcribed, and themes were identified and analyzed through content analysis. All three entrepreneurs were male with an average age of 44. All entrepreneurs received at least a college education, with one receiving an advanced degree in law and another serving four years in the Navy. Each entrepreneur indicated that they either worked with family members, employed family members, or co-founded the business with

35

36

Interview Questions	RQ1: How do Black entrepreneurs define entrepreneurship?	RQ2: What type of entrepreneurship do Black entrepreneurs identify with?	RQ3: What are the challenges faced by Black entrepreneurs in hospitality?	Demographic Information
Tell me a little about yourself and how you came to own your restaurant?				х
What resources do you have or use that help you with owning your business?			Х	
How do you define entrepreneurship? Do you consider yourself an entrepreneur?	Х			
Tell me about some of the struggles you faced when opening this location or when you took the restaurant over?			Х	
Do you think your experience as a minority small business owner has been different from a majority small business owner? In what way?			х	
[traditional, social, and lifestyle entrepreneurship definitions provided] What type of entrepreneur do you feel more closely aligned to?		x		
Would you say your goal is to grow to other locations or to have an impact in this community?		x		
What characteristics do you think have made you a successful small business owner?	x			
What advice would you like to leave with the next generation minority hospitality students and maybe hospitality entrepreneurs?			х	
Demographic data: Age, Education, Approximate monthly sales, Number of employees, Do you employ any family members?, Ownership structure, Length of time owning the business, How long has the business been in existence, What did you do before this (other employment or businesses)?				x

family members. While there is a large body of research on family-owned businesses, it was

determined that this was outside of the scope of this study. **Table 1.** Interview Questions with Research Questions

## Instrument

As with most qualitative research, it is nearly impossible to separate the researcher from those being researched. Through the process of content analysis, the researcher's bias is everpresent. The current study attempts to lessen this bias by conducting member checking (Morse, 2015). After the paper was written, it was sent to each participant. They were asked if the paper adequately captured their lived experience. Only minimal comments were offered, and corrections were made. Even so, the social constructivist stance identifies that the researcher can impact the data collection (Finlay, 2002). For instance, in the current study, participants were asked about their experience as a minority entrepreneur. The researcher conducting the interview is an African American male. It is possible that if the researcher had been of a different ethnicity or a different gender identity, that they would not have received the same responses from the participants.

#### **Results**

The data were analyzed; themes were identified and clustered based on the three research questions. These themes can be found in Tables 2, 3, and 4. The three businesses included in the study were: Ben's Chili Bowl in Washington DC, Takoma Station Tavern in Washington DC, and Mango Bahia with its United States office located in Richmond, VA. A description of each organization can be found below:

Ben's Chili Bowl. Originally founded in 1958 by Ben and Virginia Ali, Ben's Chili Bowl has grown to be a staple in Washington DC. The restaurant has expanded to include three locations with one franchised location. The business has also expanded to include an upscale bar and restaurant called Ben's Next Door. While Ben Ali has passed away, his wife is still the owner of the original Ben's Chili. The other locations and Ben's Next Door are owned and managed by Ben's son, Nizam Ali. The interview for this study was conducted with Mr. Nizam Ali. It is important to note that while Ben was an immigrant from Trinidad and Mr. Ali is proud of that heritage, he explicitly identified with the Black experience.

Takoma Station Tavern. Located right on the DC-Maryland border, the Takoma Station has always had its roots in the entertainment business. Mr. David Boyd (owner and interviewee for this study) explained it as a music venue that is complemented by the restaurant. Mr. Boyd indicated that it is a family business, originally owned by his father. He became a part of the ownership after his older brother died and "everyone in the family had to move up." While in college, Mr. Boyd had a friend that was interested in the restaurant business but was a year behind him. After his friend graduated, he drove from St. Louis to Washington DC to work in the business. Now they are partners. Takoma Station has only one location and has been in business since 1978.

Mango Bahia. Mango Bahia is the brainchild of Mr. Islam McNeal. During a trip to the Republic of Columbia in South America, Mr. McNeal saw the mango and decided that he wanted to create a vegetarian/vegan-based restaurant that promoted healthy living. Mr. McNeal co-founded the business with his mother and is currently in the start-up phase. As stated on his

website, "Mango Bahia aims to be the world's very first vegetarian/vegan fast food technology driven chain. We provide a delicious, healthy alternative to the typical fast food selection, with fresh ingredients and our own special recipes. We offer an assortment of burgers, vegan fries, even our very own mango iced tea. Everything we make is comprised of all natural, organic ingredients, coming together to create great tastes we know you'll love. We are a startup operation just beginning our journey to bringing our special brand of delicious food to the world. And once all our hard work pays off, that food will find its way to you!" Mr. McNeal was interviewed as a part of this study.

After participants shared about their organizations, they were asked to discuss what resources they had when opening the business. Mr. Ali first discussed the greatest resource was ownership of the building. He shared that after renting the building for 25 years, they were able to purchase the building. According to Mr. Ali, "if not for ownership, we would not be here. Would probably be condos where we are right now" Mr. Ali was referring to the rapid gentrification of the Washington DC area. When asked if there were other resources they had access to when opening/growing the business, he stated "really it was a \$5,000 investment that mom and dad had saved up to be able to open the restaurant in the first place. Everything else has been through bank loans. There [are] no private investors, it's still 100% family owned, but it's just applying for loans at the bank."

Mr. McNeal echoed this sentiment by saying that the banks need to trust you and they don't trust you. He also stated you need assets and when you are young, you don't have those assets. When specifically asked about the lack of resource in the form of financial capital, Mr. McNeal remarked that young entrepreneurs have to use their own funds. He remarked that Kickstarter (or other crowdfunding applications) are also good sources for funds as long as you do not give up equity in the company. He also indicated that raising capital is an art and one that is not currently being taught in our schools.

Mr. Boyd answered the question in a different way. He stated:

"Community, I mean Takoma station is a community-based business. It is a place where people can come and let their hair down. It doesn't matter who comes in. I don't care what star comes in, he is treated the same way as everybody else."

After a discussion of financial resources, participants were asked about different types of human capital. Mr. McNeal indicated that the most important people in the company are the COO, the CFO, and the Attorney. You have to build a strong team and surround yourself with people who believe in you. From an external stance, he mentioned the need for strong advisors and strong mentors. You have to have someone that can review your business plan and provide constructive feedback. Carter et al. (2015) echoed this sentiment stating that access to educational and business related experiences can be a barrier for minority entrepreneurs.

Mr. Ali addressed the question mainly focusing on his family. He said:

"Dad was the business guy, mom was the heart and soul. Dad was a hardcore businessman. I don't want to say the immigrant mentality, but just his dad was a builder

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and his mom was a businesswoman and together they did business and I think that where he learned it. When he came over he was very tenacious, very go-getting. I mean he listened to motivational tapes, he taught success motivation to people. He was a selflearner. He grew up under the British education system in Trinidad. He was quoting Shakespeare and Wordsworth and everything so just phenomenal education."

Next, each entrepreneur was asked to define entrepreneurship. Mr. Boyd defined entrepreneurship as being able to help other people. He went on to say:

"I think it's something that you do but you do it to give and it has so much more meaning. Life has so much more meaning. It's not about getting money and then pretending like you are somebody. I don't need to have a whole bunch of gold chains around my neck or for me to have a whole lot of swag or women around me to prove I'm somebody. I'm fine with bussing the tables, washing the floor, and cleaning the toilet."

Mr. Boyd's definition was in line with much of the literature on social entrepreneurship. He remarks that the restaurant and ownership of the restaurant do not define him. Instead, his desire to give back is a better representation of where he currently is in life. Mr. Ali's response was much more in line with a traditional view of entrepreneurship

"Entrepreneurship is starting a business or enterprise yourself or with others where you control it and you manage it and you create it and it's something that you develop and its success is really related to what you put into it and what you bring to it and how much energy and attention and resources that you put in."

The tone of Mr. McNeal's discussion was mainly focused on the social aspects of entrepreneurship. He even remarked that he considered himself to be a social entrepreneur even before the interview moved toward a discussion on types of entrepreneurship. He stated that his goal was to provide a product that allowed more people to be healthy.

At this point in the interviews, each participant was asked if they considered themselves to be an entrepreneur. Mr. McNeal had already indicated that he considered himself to be an entrepreneur, but Mr. Ali and Mr. Boyd did not associate with the term they had just defined. Instead, each attempted to distance themselves from entrepreneurship. Neither wanted to be defined by their occupation.

Next, participants were provided with definitions for traditional entrepreneurs, lifestyle entrepreneurs, and social entrepreneurs from previous literature. Then they were asked what definition they most closely aligned with. Mr. Boyd chose social but operationalized it as a community. Mr. Ali asked to read the definitions and then chose to identify with lifestyle first and then the traditional second. He stated:

"Lifestyle, I mean still growth but the growth is not, hey I need an extra million dollars. I wish I had the first million dollars. And that the whole misconception of entrepreneurship. Success. Outside looking in, you are a billionaire. Inside you are like I'm in debt, I'm struggling like hell. That's just the way it is and people need to realize it

that, but growth means employing more people, means giving back more to the community, means touching more people, means being an anchor in the community. So that more important. It's not like 'what's the end game?', when can I sell out and go move to my big island."

Mr. McNeal asked why he had to choose. He saw value and himself in each of the definitions. This complements research that defines these classifications of entrepreneurship on a continuum (Dewhurst & Horobin, 1998; Austin et al., 2006).

The next question participants were asked to answer was about what struggles they had faced in business ownership. Mr. Ali indicated there were several struggles that came from not starting the business from scratch:

"Lot of struggles, we grew up into a business that was already here. So, it was managing something that was already created. I mean again, trying to tweak it, trying to make it better, but it's not from the ground up. So, everything's a learning experience. From working with contractors to working with banks."

Mr. Boyd, on the other hand, remarked about the difficulties of working with the community.

"The biggest challenges were that people who wanted to come into Takoma Station didn't feel comfortable coming into Takoma Station that lived in the community. Now, this was before gentrification. When you are middle-aged and you see a bar that is thriving in your community and you are driving by and you see the line, and a bunch of people don't look like you and not your age, all of a sudden you have an idea and a notion and you get around a whole lot of people that have the same thinking, then you just make up stuff."

Mr. McNeal identified struggles that were mainly internal. He remarked that starting a business is like being in a fight with Leonard Lewis. He stated that there is so much coming at you, that you really have to believe in what you are doing. You have to be the terminator and keep going.

As a follow-up, participants were asked if they felt their challenges were greater based on the color of their skin. All agreed that they were but in different ways. Mr. Boyd stated:

"No we do not own the building and they are not selling. If this wasn't the 1% of the Black business. I mean I don't know what the percentage of Black business in America, but it has to be small. And I'm not just saying that as a Black man, I saying that if this is something that was usual, you would not be sitting here talking to me. So with that being said, I think that Black folks need to understand that we need to start working together and try to pool our resources together and to help one another. And learn how to work together in difficult situations. Where are our supermarkets? Where are our food distributors? The minute you see the Asian community or the Latin community getting ready to build a community you look and all the businesses in there are that nationality. We don't have that."

## Mr. Ali shared:

"Oh absolutely, I think it's very different, personally when you go to banks and when you have resources. It's so funny, there are so many assumptions. People say I'm sure you've gotten 20 offers to sell. I haven't gotten one. I'm sure you've gotten 20 offers to go here or go there or go there. Not necessarily. Why is that? I don't know. It's a great concept. Everyone knows the concept. You jump in a cab in San Francisco and they ask where you're from, I'm from DC, oh you had Ben's Chili Bowl. I mean that happens all the time. You meet people around the world and you say DC and they say have you gone to Ben's? They have no idea that we own Ben's. The brand is huge, the brand is worldwide. Does that show in the offers you get, in the capital you get, in the resources that are available? I mean I'm not White, I don't know the other side. It is strictly 'do it yourself.'"

Mr. McNeal's responses were focused both on the challenges that were based in racism and challenges of support from the black community. He remarked that it is challenging for minorities to get capital when starting a business, but that it is also difficult when people from their own group are not supporting. This notion is supported by Ogbolu, Singh, and Wilbon, (2015) when they report that serotypes about a minority group may be adopted by those who are in that group. It is possible that the lack of Black patronage that Mr. McNeal is referring to is based on the belief that Black products are not as good as more mainstream products.

Participants were then asked to describe what characteristics were needed in order to be successful in this industry. The characteristics were very similar from all three participants. Mr. McNeal mentioned ambition, drive, and vision. Mr. Ali listed integrity, consistency, hard work, community, trust, respect, and giving back. Then almost anecdotally, Mr. Ali stated, "If we were community-based, we would have been burned down in the riots" –most likely referring to the 1968 DC riots after the assassination of Dr. Martin Luther King. It is Mr. Ali's opinion that Ben's Chili Bowl's involvement with the community prior to this event saved the restaurant from destruction. Finally, Mr. Boyd stated hard work, integrity, caring, giving, patience, and understanding that business is cyclical.

The final question asked what advice they would provide for the next generation of Black entrepreneurs. Mr. Boyd emphasized the role of friends and family. He stated, "You have to build long, sustained friendships. Would rather be in business with a friend or a family member rather than someone I don't know. There might be more money available, but would rather go after small relationships." Mr. McNeal emphasized the basic components of entrepreneurship. Highlights included: the only thing that stops you is you; you need to put good people in your company, do business internationally, work for start-ups and grow with a company, and fail fast. Mr. Ali's response centered on the functional areas of business. He shared, "You have to cover all of your bases: personnel, finance, and marketing. If you don't have it, hire it. You have to control cost, control quality, and control customer service. You don't 'know it all.' If you know it all, you are not open to suggestion, you are not open to learning, and you are not open to finding a new way or a better way."

Meta-theme	Sub-theme
Social	Giving back to the community
	Not a mechanism for personal gain
	Increasing healthy habits
Traditional	Success related to energy and inputs
Lifestyle	The business is a means to an end
Keys to Success	Community interaction
	Giving back

Table 2. Themes related to Defining Entrepreneurship (RQ1)

Table 3. Themes Related to Entrepreneurship Association (RQ2)

Meta-theme	Sub-theme
Distancing	Not a defining term
	Not mentally
	Negative association
Entrepreneurship Continuum	Lifestyle-Traditional
	Traditional-Social
	Social-Lifestyle

Table 4. Themes Related to Race-Based Challenges (RQ3)

Meta-theme	Sub-theme		
Community Support	The misconception of success		
	Trust building		
	Lack of community patronage		
	Lack of community investment		
Resources/Finance Equity	Ownership		
	Bank loans		
	Personal savings		
	Lack of trust from banks		
	Lack of collateral		
Resources/Human Capital	Lack of advisors/mentors		
	Lack of management/business knowledge		
	Grit/perseverance		
	Education		

# Discussion

The first research question asked: How do Black entrepreneurs define entrepreneurship? While Mr. Ali's definition of entrepreneurship may be considered closely aligned with traditional definitions of entrepreneurship, both Mr. Boyd and Mr. McNeal focused mainly on the social outcomes of entrepreneurship rather than defining the term itself. Austin et al. (2006) found that social entrepreneurs are driven by the desire to make a social impact. Dzisi and Otsyina (2014) conceptualize it like this, "Making a profit, creating wealth, or serving the desires of the customers may be a part of the model, but these are a means to a social end, not the end itself" (p. 235).

It was interesting, however, that when participants were asked if they considered themselves entrepreneurs, two of the three did not. Mr. McNeal was the sole participant that did consider himself to be an entrepreneur. Mr. Ali and Mr. Boyd, on the other hand, were much more hesitant to be considered an entrepreneur. Their definitions of entrepreneur shed some light on their hesitancy to identify as entrepreneurs. Both seemed to consider being called an entrepreneur as a defining characteristic of their personhood. In addition, both seemed to believe that you must act like a "boss" in order to be an entrepreneur.

Another distinction between Mr. McNeal and the other two participants is the longevity of the business and how each participant became a part of the business. Both Mr. Ali and Mr. Boyd took over the restaurants from their fathers. Both, however, have added to the businesses they operated (i.e., Mr. Ali with Ben's Upstairs and Mr. Boyd's injection of music and entertainment), but it is possible that they were not as impacted by some of the start-up challenges that nascent entrepreneurs might face (Sardy and Alon, 2007). In addition, research in the area of family businesses has long excluded the notion of entrepreneurship (Peters & Kallmuenzer, 2018). While Mr. McNeal works with his mother on this enterprise, they may see each other more as partners, rather than a traditional family business that is being passed from generation to generation (Peters & Kallmunzer, 2018).

The second research question asked: What type of entrepreneurship do Black entrepreneurs identify with? Mr. McNeal initially identified with social entrepreneurship and after been presented with definitions, Mr. Ali identified with lifestyle entrepreneurship and Mr. Boyd identified with the community (i.e., social entrepreneurship). Mr. McNeal did, however, ask why he had to choose. This notion that an individual can display the behaviors of more than one classification of an entrepreneur is supported in previous literature with the idea that these classifications exist on a continuum (Dewhurst & Horobin, 1998; Austin et al., 2006). Using this continuum perspective, the following typology was created based on the entirety of the participant responses:

**Mr.** Ali: a lifestyle-traditional entrepreneur. Mr. Ali indicates many of the aspects discussed in the lifestyle literature. Mr. Ali stated that he wants to maintain his involvement in advisory boards and community groups (Dawson et al., 2011), and he is not driven by the success of the business (Dewhurst and Horobin, 1998). However, he saw an opportunity to grow Ben's Chili from solely a restaurant to include Ben's Next

Door (Shepherd, Williams, & Patzelt, 2015). He also opened new locations of Ben's Chili and began franchising the brand (Austin et al., 2006).

**Mr. McNeal:** a traditional-social entrepreneur. While Mr. McNeal identified as a social entrepreneur, his responses indicated that he may more closely align with a traditional entrepreneur. His method of entering the market may be through the social aspect of Mango Bahia, but this may be a means to an end. In other words, Mr. McNeal did not seem driven by the social mission. The tone of Mr. McNeal's interview seemed to lean more towards a desire to grow. His responses were also based on the actions that would be taken by a traditional entrepreneur. His discussion was more based on raising funds, hiring the correct individuals, and understanding the market—all key ingredients of successful traditional entrepreneurs identified by Bates (2011).

**Mr. Boyd:** A social-lifestyle entrepreneur. Mr. Boyd seemed completely uninterested in the growth of the business (Dawson et al., 2011). When asked if he had ever thought of a second location, he said no. When asked if his kids would take over the business, he said he was not sure, but he was not concerned. Mr. Boyd's responses centered on what he could do for his community. He seemed to be happy where the business was and that he was able to take part in other activities that were more personally fulfilling to him.

While previous literature has identified the continuums of traditional to social and traditional to lifestyle, no study to date examines the possible continuum between social and lifestyle entrepreneurs. If however Austin et al. (2006)'s assertion that even at extremes, there are still elements of both was extended to include the third area of lifestyle, it may mean that there is a tri-continuum of entrepreneurial motivations that exist and should be explored in future research.

The third research question asked: What are the challenges faced by Black entrepreneurs in hospitality? While all three responses were very different, all three dealt with different aspects of legitimacy (Ogbolu et al., 2015). Mr. Ali's manifestation was outwardly focused on the fact that he was responsible for a brand that was existing. Mr. Boyd's challenges were expressed as legitimacy within the community. Mr. Boyd remarked that there was a lack of trust by community members when he first began the Takoma Station Tavern. The community that he sought to help did not believe that he was there to help them. Fairchild (2008) found that customer's perceptions of legitimacy may be more critical for Black entrepreneurs based on a large number of negative stereotypes about African Americans. Ogbolu et al. (2015) went further to say that this is true of majority customers and minority customers as minorities tend to adopt the stereotypes of the majority as truth. Finally, Mr. McNeal's challenges were based on the fact that he is still in the start-up phase. Ogbolu et al. (2015) identify this as the liability of newness. They explain that new ventures experience higher rates of failure because of weak support and vulnerability to environmental shocks. This issue of legitimacy should be explored in future research. Researchers should examine if the impact of these perceptions of legitimacy influences either the definition of entrepreneurship or the classification of entrepreneurship that the entrepreneur identifies with.

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## **Conclusion and Implications**

The purpose of this study was to examine the Black entrepreneurship experience in hospitality. To this goal, three Black entrepreneurs were interviewed and their responses analyzed. While there were similarities between the three entrepreneurs, there were also many differences in how they viewed entrepreneurship. The complexity of the Black experience in hospitality entrepreneurship mirrors well the complexity of the Black experience in everyday life. The Black experience is not monolithic and could not be completely unpacked within one study of Black entrepreneurship. Instead, this study succeeded in continuing the discourse of Black entrepreneurship in American society and examined it through the lens of the hospitality industry. It is important again to acknowledge that this study was exploratory with a limited sample. It is also important to note that the interviews were constrained by time and that there may be additional issues that were not uncovered during the interviews.

With that said, several implications can still be drawn from the current study. First is that the negative association with the term "entrepreneurship" should be addressed. Two of the three participants considered the term to be a "bad word." They feared that associating themselves with being an entrepreneur somehow should alter their personality and interaction with others. One possible way to address this is through education at the secondary and community levels. By providing positive examples of minority entrepreneurs, the next generation of minority entrepreneurs may have a more positive association with what it means to be an entrepreneur.

The second implication of this study also based on education is the need to educate the minority community on the resources available. This study used both personal recommendations of individuals familiar with the area and SBDCs. However, the three participants in the study were identified through individuals familiar with the area. It is possible that participants in the current study chose not to work with SBDCs, but it is also possible that they were unaware that they existed. The participants indicated that there was a lack of human capital that would help make them and the next generation successful. It may be incumbent on organizations such as Small Business Development offices or other resources to be intentional about entering minority communities and sharing what services they have available.

One final implication of this study and a direction for future research is the interaction between minority business owners and minority consumers. All three participants indicated having difficulty receiving support from the minority community in the form of patronage and investment. The participants also indicated a desire to give back to these minority communities. Future research should further examine this phenomenon and determine if it is present across all minority groups. If not, and this is only an issue within the Black community, how can it be addressed or alleviated?

# Limitations

As with all research, the current study was not free from limitations. First, while it was determined that three cases were appropriate based on previous literature, the small sample size dramatically reduces the generalizability of the findings. Bates (2011) states, "Predictably, many scholars studying minority entrepreneurship have relied upon small, non-representative firm samples collected in one or two cities. These data have most often been complemented by indepth interviews of business owners, and the resulting studies have typically had a strong case-study tone" (Bates, 2011, pg. 4). This also highlights a second limitation of the study which is inherent in case study research – bias. While there is much support for this method of inquiry, Bates (2011) points out that case study research on minority entrepreneurship has resulted in numerous subjective studies and had reduced the ability to compare across studies.

A third limitation of this study is in how research question 3 was phrased. The question asked the participants to identify the challenges for *Black* entrepreneurs; however, the challenges identified could be faced by both minority and non-minority entrepreneurs. Future research should examine the phenomenon to determine if there are specific challenges solely based on the entrepreneur's minority status.

Another limitation of this study is that no Black female entrepreneurs were included in the study. While they were included in the original purposive sample, none were available to participate. Future research must include the Black female entrepreneur experience as previous literature has found that gender differences in entrepreneurship are present (Carter et al., 2015). The final limitation of this study can be found in the geographical locations of the interviews. Washington DC has been referred to as "Chocolate City" due to its large population of Black people (49.0%) and Richmond, VA is also known to have a large Black population (49.2%). Both of these areas could be considered Black enclaves (Ogbolu et al., 2015) providing a steady supply of Black patrons to these restaurants. It is hypothesized that the Black entrepreneur experience may differ in areas where such a large population of Black people does not exist. Future research must examine Black entrepreneurship in cities that are not known for having large Black populations.

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