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Good afternoon

Thank you for having me today. I am Dr. Tammira Lucas, CEO of The Cube Cowork, Baltimore business leader and business professor.

As a mom, wife, and entrepreneur, I struggled to choose my business or my family. I quickly learned that I was not the only mother faced with these struggles after training hundreds of mom entrepreneurs locally and nationally through my organization Moms As Entrepreneurs. I spent two years researching solutions to this problem that many women entrepreneurs battled. The results of my extensive research determined that mom entrepreneurs all shared the same wants: more time, a network, and support services to grow their business. I created a solution to address these barriers to success for women entrepreneurs, The Cube Cowork. The Cube Cowork is the largest black woman-owned coworking space in the United States to provide a space where parents no longer have to choose their businesses over their families. The Cube Cowork provides on-site babysitting services, business-building resources, a network, and office space rental.

The vast majority of growing businesses in the United States are women and, more specifically, black women. Unfortunately, this same demographic experiences multiple pandemics, including the lack of financial capital, human capital, race inequities, and social capital, to break the ceiling of 40 million to increase impact hiring. During the pandemic, women entrepreneurs (especially black women entrepreneurs) were the most resilient yet received the least support. With the lack of capital that already existed pre-pandemic, women entrepreneurs had to figure out a way to survive during and after the pandemic. What we saw in communities like Baltimore was women using their creativity, social platforms, and the power of working together to ensure their businesses sustain. In theory, this sounds profound, but in reality, this shouldn't be the case. We saw women-owned businesses being pushed out of financial bail-out opportunities like the first round of the PPP loans and EIDL, where big corporations who had the resources benefitted and small women-owned businesses continued to struggle. This should not be the case!

This catastrophe taught us that women entrepreneurs need more access to capital and resources that women's business centers provide. The women's business centers should continue to be funded and supported to help bridge the gap of support services needed to sustain a business. For example, many women-owned businesses could not access resources like the PPP loans in the beginning because they did not have proper accounting systems, banked with large financial institutions, or had a payroll. Women-owned businesses tend to not be in a place to have the resources to set up proper systems or hire full or part-time staff. Sixty-one percent of Black women entrepreneurs start businesses in retail, beauty, health, education, or social services sectors. They are typically small, informal businesses with low margins in crowded, competitive

markets and are more challenging to sustain over the long term. This is due to the lack of knowledge, financial resources, and family considerations. However, these businesses are keeping the lights on and food in the refrigerators of families. These businesses are the ones that are setting a foundation to close the wealth gap in black communities.

According to the Kauffman Foundation, thirty-seven percent of moms don't start businesses because of family considerations like childcare access. For those who do start their businesses, nearly half of them don't believe their businesses will succeed, which is why black women have fewer established business owners compared to their high rate of new venture start-ups.

Access to key resources needed for entrepreneurship is unevenly distributed in U.S. society, reinforcing the advantage of certain groups while impeding the entry and catching-up of disadvantaged groups. Black mothers are often pushed into necessity entrepreneurship — which often generates low income, and they have fewer choices in how they engage economically.

Mothers who choose entrepreneurship as an attractive economic opportunity with access to the right resources are better able to start a business — and grow it. Mom entrepreneurs are ideally situated in close proximity to their potential customers and collaborators in the center of their often-overlooked communities despite these added pressures. They are in an ideal position to identify business voids that address community needs and provide opportunities to generate income and wealth.

The socio-economic reality for black mothers and women entrepreneurs in Baltimore and similar cities are defined by the legacies of structural racism (including redlining and underfunded education) in addition to the wage gap women face. The actual reality is that our economy would not sustain if it weren't for women entrepreneurs and women consumers.

Recommendations:

1. Continue to fund and expand Women Business Centers in underserved communities and cities.
2. Accelerate finalizing the funding opportunity for the SBA Community Navigator and ensure the organizations that receive funding to implement the services have the capabilities to reach the underserved demographics. Too often, funding opportunities are given to organizations that do not have the capabilities to reach the actual people that need the services.
3. Under the office of Under the Office of Women's Business Ownership, create an advisory board that solely focuses on addressing the issues mom entrepreneurs face, such as family considerations. Mom entrepreneurs continue to be grouped under women entrepreneurs, and there is a huge difference between being an entrepreneur as a woman and being an entrepreneur as a mom.
4. Create an advisory board that will help the SBA interface look less daunting to everyday women entrepreneurs and provide relatable outreach services. Most entrepreneurs do not access resources offered by the SBA because the interface is not friendly to those that need it most. We have to design access to services that are equitable for all.
5. Access to capital should be made easy for women-entrepreneurs to access, taking into consideration that more than half of the 11.6 million women entrepreneurs are moms

living below the poverty level and may not have a great credit rating or collateral. This should not be a defining factor in whether they should access capital to start or sustain their businesses and create generational wealth for their families.

6. Provide affordable childcare to women starting and growing businesses. Often these resources are given to women who are looking to go into the workforce but not women who are creating the workforce.
7. Provide access to affordable healthcare. Women entrepreneurs hesitation to start businesses often includes the barrier to affordable healthcare as an entrepreneur. Because of the lack of affordable healthcare for entrepreneurs, women tend to work a full-time jobs to obtain healthcare while working in their business full-time. Women should not have to balance both or choose.

In closing, in order to encourage more women to be entrepreneurs, they need to know that they have the resources and support to do so. This is not just business resources, but this includes adequate housing, childcare, education, and mentorship.

Thank you for your time and opportunity to share my expertise and thoughts.

Dr. Tammira Lucas