

# **Are African Americans Wired For Business Ownership?**

## **16 Facts You Should Understand About Potential Black Business Owners**

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I am not writing this article to offend anyone, but I am writing it to educate, inform and empower all current and future business owners, especially African Americans. After conducting business seminars and workshops for many years, I have come up with the following conclusions and why I believe that many African Americans are just not wired to become business owners.

If many potential business owners don't change their level of thinking, they will have a hard time making their dream of becoming a business owner come true. For some potential business owners, this list are just some of the obstacles that they seriously need to address or in many cases overcome, before opening up the doors of their business.

**1. Want Everything for Free:** There is an old saying that "*Black People Will Buy What They Want and Beg for What They Need.*" In other words they want everything for free! Crowdfunding sites such as GoFundMe.com, Indiegogo.com, and others have made it much easier for black business owners to become beggars. Even when they have legitimate, quality services and products in front of them, they would rather take their money and buy something that will not bring empowerment into their lives.

**2. Rather Fake It Until You Make it:** Most potential African American business owners don't want to admit that they don't know everything. They are afraid to brainstorm with others, especially those smarter than them such as legal, financial and marketing advisors, so they rather "*Fake It Until You Make It!*" For some this will mean never telling the truth about themselves or their businesses and if they keep faking it -- they will eventually become perpetual liars.

**3. Don't Understand Business:** Most African Americans don't know if they are an advocate/activist or a business owner. If you offer a service or have a product, you are a business owner so legitimize your business and start making money.

**4. Stop Conducting Research:** The more research you conduct on the front end of your business, means the better chance you will have at being successful on the back end of your business. However, many business owners stop conducting research once they open up the doors of their business, and this is a reason they remain on a small scale. Many just stop believing in their businesses and this is why most businesses go out of business within 2 to 5 years.

5. **Afraid to Seek Out Business Mentors:** Building a business will be one of the most successful things you will ever do in your life -- at the same time it will be hard work! It is true that most African American business owners need business mentors, especially youth business owners to guide them along so they don't make too many mistakes. But it will be extremely hard to find these mentors in black families so they will have to go outside the family to get these mentors. Having a mentor means having the guidance and motivation to become a successful business owner.

6. **Afraid of Business Plans:** Most African American business owners including those that have been out there for five, ten years or more, are afraid of business plans. A business plan is a roadmap and without it, you will get lost in your business. But most African American business owners will never write a business plan! Is it because over 80% of African Americans are doing math at a 4th grade level and they are afraid of the financial section in a business plan - possibly?

7. **Refuse to Put Up a Website:** In this day and age of technology, many business owners fail to take their businesses online. It really takes away the legitimacy from your business when you don't have a website. A website means that potential customers and clients, who live nationally or internationally can view your products and services anytime of the day or night. The other mistake after putting up a website is most black business owners are afraid to put their pictures on their websites, which makes it impossible to "Buy Black." Many believe they will not have customers unless others think they are a "white-owned" company.

8. **Bad Customer Service:** African American business owners, even those who don't have storefronts are still horrible when it comes to returning phone calls, emails and texts. They don't have contact information on their websites, which should be on every page. It's like they are saying "Yes I have a business" but "No don't contact me." They have unprofessional business literature, especially business cards missing important information.

9. **Services and Products Need to Be About Edutainment:** Other communities are armed with knowledge because over 95% of the books that they read are non-fiction books, but in the black community over 60% of books mostly read are fiction books. Non-fiction is information that people buy that will save them time, money, increase their knowledge, or improve their lives. Fiction is entertainment. The writer makes things up. But often fiction can be based on real events. Most blacks are into "edutainment," which is a form of entertainment designed to educate as well as to amuse. So unless your services or products are about "edutainment," many African Americans will have a hard time understanding your message.

10. **Rather Get Involved in Network and Multi-Level Marketing Ventures:** Most African American business owners rather get involved in Network and Multi-Level Marketing ventures (aka Pyramid Schemes) such as Noni Juice, Melaleuca, Prepaid Legal, Primerica, YTB Travel, Quixtar, ACN, Ameriplan, Warm Spirits, Ignite Energy, Body Magic Shapers, etc., which black people are horrible at, instead of starting and

growing legitimate businesses. You are not a business owner if you get involved in these types of unethical dealings, instead you are working for someone else.

**11. Rather Start a Non-Profit than a For-Profit Business:** Many African American business owners rather start a "Non-profit" than a "For-profit" business. Instead of conducting their own research, many business owners have listened to someone in the community, who told them the government will give them FREE grant money to start a "Non-profit" or a "Not-for-Profit" business. I have seen Non-profits who have been out there for 5, 10, 15 and 20 years still begging for money from the government. What's more alarming is that there is a whole new generation of potential young business owners coming behind them that are now also begging for money from the government.

**12. Refuse to Form Business Alliances, Strategic Partnerships and Co-ops:** Most African American business owners don't understand that the best way to become successful in business is to form business alliances, strategic partnerships and co-ops. Even when you run into a competitor, instead of just offering better services with higher quality products, you should also think about forming "referral networks." On the other hand, it's extremely hard to find legitimate and credible black businesses that operate with integrity, so it's important to be a part of "ethical" business groups.

**13. No Belief in Youth Entrepreneurs:** Most African Americans are too protective of their children and feel that if their kids become business owners, they will not be safe. Sure parents will need to be "hands-on," but nowadays with one or both parents out of work, these youths (Kidpreneurs and Teenpreneurs) can become breadwinners for their entire families. Unlike their parents, they haven't had time to experience pain and because they live in a world of technology, they are multi-talented, which means they can easily set up their own business or help with family businesses, which are the best way to generate true generational wealth.

**14. Believe Their Life is Over at Age 40 or 50:** Most African Americans think their life is over with at the age of 40 or 50. At 40 years of age you have over 60% of your productive life left ahead of you. At 50 you have 40% of your productive life left ahead of you, but many are afraid to reinvent themselves by going back to school or starting their own businesses. With this weakened economy and unfair workplace policies, what other choices do they have?

**15. Too Unhealthy to Start a Business:** With an epidemic of sickness plaguing the African American community at this time, many believe it's impossible for them to become business owners. What they need to realize is that most holistic and natural healers, especially health coaches and consultants, and many other professionals got started in holistic health careers because they were successful in healing their own selves. So even if you are not healthy at this time, it doesn't mean you can't turn your life around and become healthy and start your own business.

16. **In that Waiting Mode:** Many potential business owners are listening to family members, friends, neighbors and colleagues, who are not business owners and choosing to sit back in a "waiting mode" to see if things will get better. In a weakened economy, there are tons of opportunities out there, but these opportunities will not just knock on your door. You have to get out there and create these opportunities.

If you don't have any idea what type of business you are suited for read "*The New CEO: 185 Easy-To-Set Up Businesses for Youth and Adult Entrepreneurs.*" Chapter 2 of my first business book "*How To Take Control of Your Own Life: A Self-Help Guide to Starting Your Own Business*" (Series 2) contains a list of EVERY STEP you need to take to set up and build a legitimate successful business.

If you fit in any of the above categories, use this article as a teaching moment to really look at your level of thinking, when it comes to business ownership. Only you can decide whether you are actually wired to become a business owner.

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