



Walden University
ScholarWorks

Walden Dissertations and Doctoral Studies


Walden Dissertations and Doctoral Studies
Collection

2018

Black Business Owners Overcoming Barriers in Texas

Henry Williams
Walden University

Follow this and additional works at: <https://scholarworks.waldenu.edu/dissertations>

 Part of the [Business Administration, Management, and Operations Commons](#), [Databases and Information Systems Commons](#), [Library and Information Science Commons](#), and the [Management Sciences and Quantitative Methods Commons](#)

This Dissertation is brought to you for free and open access by the Walden Dissertations and Doctoral Studies Collection at ScholarWorks. It has been accepted for inclusion in Walden Dissertations and Doctoral Studies by an authorized administrator of ScholarWorks. For more information, please contact ScholarWorks@waldenu.edu.

Walden University

College of Management and Technology

This is to certify that the doctoral dissertation by

Henry Williams

has been found to be complete and satisfactory in all respects,
and that any and all revisions required by
the review committee have been made.

Review Committee

Dr. Elizabeth Thompson, Committee Chairperson,
Applied Management and Decision Sciences Faculty

Dr. Carol Wells, Committee Member,
Applied Management and Decision Sciences Faculty

Dr. Barbara Turner, University Reviewer
Applied Management and Decision Sciences Faculty

Chief Academic Officer
Eric Riedel, Ph.D.

Walden University
2018

Abstract

Black Business Owners Overcoming Barriers in Texas

by

Henry Williams

MS, Pace University, 2003

BA, Monroe College, 2001

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Philosophy

Management

Walden University

November 2018

Abstract

Black entrepreneurs in the state of Texas reported that they did not achieve the same level of success as nonminority enterprises. Many Black entrepreneurs have obtained education from top tier institutions and have the managerial experiences, skills, and working knowledge that facilitate business success, but they are not able to sustain business growth. The purpose of this phenomenological study was to explore the lived experiences of Black Texan entrepreneurs. This research was established using the conceptual framework of human capital. The overarching research question concerned the lived experiences of Black Texas entrepreneurs who were not as successful in business as their counterparts. Data were collected in the form of semistructured face-to-face interviews with 14 Black participants, using the African American Chamber of Commerce to facilitate networking among Black entrepreneurs. NVivo 11 software was used for data codification and thematic reduction. Emergent themes included (a) feeling good about being in business, (b) resourcefulness in business, (c) network advertising systems, (d) education, (e) having alternative plans if business closes, (f) feeling independent, and (g) activeness in business. The implications for positive social change include the potential for advising researchers on barriers confronted by Black entrepreneurs and potential steps to overcome those barriers. Additionally, scholars have recognized the need for greater understanding of how businesses are structured and managed by Black business-owners because this knowledge is vital to creating business prosperity for Black entrepreneurs who have dreams of becoming business owners.

Black Business Owners Overcoming Barriers Faced by Black

Entrepreneurs in Texas

by

Henry Williams

MS, Pace University, 2003

BA, Monroe College, 2001

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Philosophy

Management

Walden University

January 2019

Dedication

To Jesus, my belated mother, my father, children, and my friends, who have been a major part of my support team throughout this academic journey.

Acknowledgments

I would like to express my gratitude and gratefulness to all the Black business-owners who made this study possible, including those who participated in the pilot study. These participants initially tested and gave feedback on the interview questions. Without them, this dissertation would not have been possible.

Sincere thanks to my committee members, Dr. Elizabeth Thompson, Dr. Carol Wells, and Dr. Barbara Turner for their help in achieving high academic standards. I especially thank Dr. Karla Phlypo and Dr. Walter McCollum who consistently provided guidance and support throughout this dissertation process. Finally, I want to thank my study-buddies Dr. Beth Diana Clarke and Tamara Fearon for their support because this would have been a lonely journey without them.

Without the prayers and support from Bishop Dr. GG Cooper and Claudette Robinson, I would not have completed this study. My children Sheneka, Ranaldo, Lakeshia, Tailine, Jared, and Malique were my inspirations. Without the encouragement of my siblings Gary-Dane, Lovern, Pauline, and Craig, this journey would not have been possible.

Table of Contents

List of Tables	vi
Chapter 1: Introduction to the Study.....	1
Background of the Study	3
Problem Statement	8
Purpose of the Study	9
Research Question	10
Conceptual Framework.....	10
Nature of the Study.....	11
Definitions of Terms.....	13
Assumptions.....	15
Scope and Delimitations	16
Limitations	17
Significance of the Study.....	18
Summary and Transition.....	19
Chapter 2: Literature Review.....	20
Introduction.....	20
Literature Search Strategy.....	22
Conceptual Framework.....	22
Black Entrepreneurship.....	29
Categories of Literature Addressing Black Entrepreneurship	30
The Recurring Problem of Economic Parity.....	35

The Tradition of Black American Entrepreneurship	40
The Paradigm of the Elitist View of Entrepreneurship.....	49
Human Capital of Black American Entrepreneurs	54
The Thought Leadership of Black Entrepreneurs.....	68
Review of Literature Related to Methodology	74
Gap in the Knowledge	75
Summary and Conclusions	76
Chapter 3: Research Method.....	78
Introduction.....	78
Research Design and Rationale	78
Role of the Researcher	80
Methodology.....	82
Instrumentation	84
Pilot Study.....	85
Procedures and Data Collection.....	85
Data Analysis Plan.....	88
Issues of Trustworthiness.....	91
Credibility	92
Transferability.....	93
Dependability	93
Confirmability.....	94
Ethical Procedures	95

Summary	96
Chapter 4: Results	103
Introduction	103
Research Setting	104
Pilot Study	105
Demographics	106
Data Collection	108
Data Analysis	110
Thematic Key Category: Feel Fulfilled, Feel Good, Feel great, and Feel Wonderful	114
Thematic Key Category: Stay Focused, Be Knowledgeable, and Work Hard	116
Thematic Key Category: Word of Mouth and Increase Exposure Access	117
Thematic Key Category: Provide Knowledge and Understanding of Business	119
Thematic Key Category: Hardship on Paying Bills	121
Thematic Key Category: Provide Opportunities, Empowerment, and Pride	122
Thematic Key Category: Tend to Do a lot of Different Tasks, Motivated and Driven	124
Results and Conclusion	126
Themes	127
Theme 1: Feeling Good About Being in Business	128

Theme 2: Resourcefulness in Business.....	128
Theme 3: Network Advertising Systems	129
Theme 4: Education	129
Theme 5: Alternative Plans if Business Closes	130
Theme 6: Feel Independent.....	130
Theme 7: Activeness in Business	131
Evidence of Trustworthiness.....	131
Credibility	131
Dependability.....	132
Transferability.....	132
Confirmability.....	133
Summary.....	133
Chapter 5: Discussion, Conclusions, and Recommendations.....	135
Introduction.....	135
Key Findings.....	136
Interpretation of Findings	137
Theme 1: Feeling Good About Being in Business.....	137
Theme 2: Resourcefulness in Business.....	138
Theme 3: Network Advertising Systems	139
Theme 4: Education	140
Theme 5: Alternative Plans if Business Closes	140
Theme 6: Feeling Independent.....	141

Theme 7: Activeness in Business	143
Findings Related to Existing Literature and Purpose of the Study.....	144
Limitations of the Study.....	149
Recommendations for Further Study	150
Implications for Social Change.....	152
Conclusions.....	153
References.....	155
Appendix A: Interview Protocol.....	183
Appendix B: Interview Guide.....	184
Appendix C: Transcriptionist Confidentiality Agreement.....	186

List of Tables

Table 1. The Demographic of the Pilot Study of Participants’ Age, Gender, Education, Years of Experiences, and Field of Work.....	105
Table 2. Population Demographics for Age, Education, Years of Experience Field of Work, and Participant Program.....	107
Table 3. Thematic Categories and Key Themes Revealed	114
Table 4. Thematic Category of Feeling Good About Being in Business.....	115
Table 5. Thematic Category of Resourcefulness in Business.....	116
Table 6. Thematic Category of Network Advertising Systems	118
Table 7. Thematic Category of Education	120
Table 8. Thematic Category of Alterative Plans if Business Closes	121
Table 9. Thematic Category of Feel Independent.....	123
Table 10. Thematic Category of Activeness in Business	125
Table 11. Emerging Themes.....	127

Chapter 1: Introduction to the Study

Though Black entrepreneurs have created new businesses in almost every area of the business sector, many have reported that they have not achieved the same level of success as nonminority enterprises (Bates, 1990; Bradford, 2013). Many Black entrepreneurs have experience in accountancy, finance, and in all other areas of business. In addition, many Black business owners have obtained education from leading institutions, with supervisory experiences from top companies, and have skills and working knowledge that facilitate business success (Bradford, 2013; Seghers, Manigart, & Vanacker, 2012). According to Seghers et al. (2012), entrepreneurs who possess these types of businesses skills improve business performance and are more finely-tuned to the needs of their businesses. However, many Black owners are experiencing monetary sluggishness, business deterioration, and the peril of shutting their doors (Mitter, 2012; Winrow, 2010) due to the lack of business success comparable to White-owned businesses.

In this dissertation, it was important to understand the part that Black entrepreneurs play in jobs creation. The National Economic Council (2012) stated that small businesses accounted for almost 5 million jobs between 2009 and 2012. Researchers have reported that Black-owned businesses increased by 7.3% since 2007 and employment grew by 11% in 2011 (Bureau of Business Research/IC2 Institute, 2014). Startup and self-employment rates among Black American are lower compared to those of other groups even though Black Americans engage in nascent entrepreneurial activity to a higher degree than others (Bates, 1990; Bradford, 2013).

Despite the growth in the number of Black-owned businesses in the United States (Bates, 1990; Bradford, 2013), Black individuals have exited out of entrepreneurship at higher rates than any other Americans in the general population (Bates, 1990; Bradford, 2013).. The education gap between Black and White Americans is closing (Fairlie, Robb, & Robinson, 2014; Singh & Gibbs, 2013), and Black-owned businesses are increasingly better equipped with the knowledge and the expertise enterprises needed for achievement (Bates, 1990).

The premise of this study was to bring to light the lived experiences of Black business owners who generally do not do as well compared to White business owners and to provide them with solutions that will help to improve business performance relative to their White counterparts. In this research, I uncovered the reasons why Black business owners were not successful and added to the body of knowledge. Hopefully, entrepreneurs can use these findings to improve Black-owned businesses.

Preito and Phipps (2016) delineated that discrimination is entrenched in the market and is tolerated by most nonminorities. Some Black entrepreneurs are successful, but the demise of affirmative action programs for Black-owned businesses has slowed growth. Affirmative action programs are being scrutinized by the government's policies, thus slowing Black-owned business development (Preito & Phipps, 2016).

Historically, Black-owned businesses were omitted from the municipal sector because of discrimination (Bowen, 2010), but several government programs were implemented to assist Black-owned businesses in diversifications. Opponents of affirmative action had influenced ways to prejudice research against finding racial

inequality, so minority business programs have been the focus of legal challenges (Preito & Phipps, 2016).

In this chapter, I provide an overview of the literature related to Black entrepreneurs and why their businesses did not do as well; I also explore the lived experiences of Black entrepreneurs in Texas. I also discuss definitions of key terms, the scope of the research, the design of the study, and its significance to scholarship and disciplinary practice. In the following section, I discuss the context or background of the research.

Background of the Study

The Survey of Texas Black-Owned Businesses (Bureau of Business Research/IC2 Institute, 2014) captured the most significant of the challenges faced by Black entrepreneurs such as Black-owned businesses without employees other than the owner. The number of Black-owned businesses increased by 74% since 2002, but they account for only 7% of all businesses in Texas (Bureau of Business Research/IC2 Institute, 2014). Per the survey, nonemployees' firms are responsible for a greater portion of the economic activity of Texas Black-owned businesses. In addition, most of the new businesses were nonemployer firms, small firms with no paid employees (Bureau of Business Research/IC2 Institute, 2014).

Researchers have suggested that most Black-owned businesses started as nonemployer firms and then accumulated employees over the years. Forty-three percent of nonemployer firms that were reported to be less profitable than those of the general

population of Texas firms were identified by the survey as firms in their first 3 to 5 years of operation, when firms are most vulnerable and likely to close their doors. The Survey of Texas Black-Owned Businesses (Bureau of Business Research/IC2 Institute, 2014) indicated that 25% of Black firms with employees reported that their firms were less profitable than nonminority firms in the same industries. The report also stated that access to capital remained a challenge for respondents. Further, Black-owned businesses had less access to government decision makers for procurement than other businesses (Bates, 1990; Bradford, 2013). According to Bates (1990) and Bradford (2013), respondents were unfairly excluded from both government and private sector contracting opportunities. In addition to funding, their major challenges were in the areas of cash flow and finances, in bidding for and winning contracts, and in marketing and sales (Bureau of Business Research/IC2 Institute, 2014). The snapshot of characteristics of Black business owners that emerged from the Texas survey showed that Black-owned businesses also faced challenges within the sociopolitical environment.

In this study, I focused on the lived experiences of the challenges that existed internally in Black-owned firms, so I obtained clarity on why Black entrepreneurs did not do as well as White-owned businesses. A body of seminal scholarship existed about the challenges experienced by Black-owned firms and the theoretical paradoxes encountered when trying to account for these challenges (Bates, 1985, 1990); however, the seminal scholarship never explained the issues encountered by business owners and researchers. Scholars studying Black-owned businesses moved away from critical examinations of the constraints faced by Black entrepreneurs (Bates, 1990; Cochrane, 2010; Lofstrom, Bates,

& Parker, 2011) and increasingly produced studies that relied solely on analyzing the Black entrepreneurial traits. These traits of Black entrepreneurs were captured in large databases, such as the Integrated Public Use Microdata Series, the Panel Study of Entrepreneurial Dynamics, and the Characteristics of Business Owners Survey (Bogan & Darity, 2007; Fairlie, Robb, & Robinson, 2014). The shift has reflected scholars' gradual movement from Black studies in the 1990s concerned with the real-world constraints of Black entrepreneurs towards studies reflecting the imperatives of governmental policy.

Researchers have documented and confirmed the difficulties that Black entrepreneurs experience throughout the business landscape. Nyberg and Wright (2015) noted that the ongoing prejudice and related barriers that were established for Black business owners was some of the factors that slowed the process and success of Black entrepreneurs. The additional constructs developed within this expanded body of research on Black business owners, including the way knowledge is created, developed, and managed within firms, provided a more powerful framework within which to revisit the underresearched field of Black entrepreneurship to understand why Black business owners have struggled to achieve success in the mainstream business environment (Nyberg & Wright, 2015).

Within the scholastic domain, Vedder (2016) explained "the notion that economists were scientists who objectively observed phenomena and derive conclusions solely on the basis of empirical evidence was largely a myth" (p. 8). Thus, he underscored the necessity for researchers to penetrate beneath the surface of the

narratives that couch research studies. This was especially true in the controversial domain of the difficulties that Black business owners face.

I approached the current study with the dual objective of conducting phenomenon-driven research into the management processes of Black entrepreneurs and using the narratives from the participants experiences frame the studies of Black business-owners. The narratives acted as signposts, upon which were inscribed the assumptions and inferences where scholars premised their studies. The signposts showed whether the studies were of practical benefit to Black entrepreneurs running their businesses or whether they were conducted according to the imperatives of scholarly publication. In other words, whether scholars produced the studies that enlighten consumers of this literature about the experiences of Black entrepreneurs or whether they prompted consumers of the literature to focus on issues removed from the actual problems faced by this demographic. Kryscynski and Ulrich (2015), in noting the disconnect sometimes evident between theory and practice, observed that scholars “tend to apply traditional academic mindsets rather than bridging mindsets” (p. 357). They elaborated on this idea and issued the reminder that assumptions are “simplifications that allow theorists to change from the inherent heterogeneity in real-life situations [while providing them] with the convenient ability to explore one key mechanism while holding all other factors constant across units of analysis” (Kryscynski & Ulrich, p. 357). In the case of studies about Black entrepreneurship, as I demonstrate in Chapter 2, incorrect assumptions were written of the Black experience that have led to the domination of literature by studies presenting an unbalanced view of Black entrepreneurs.

Unbalanced narratives have caused a perpetuation of studies premised on assumptions and hypotheses that do not reflect the reality of Black entrepreneurs. Preto and Phipps (2016) addressed this gap in the literature and found sources of knowledge about Black entrepreneurship that provided substantial, credible, and rigorous information about Black businesses. Historical studies fit these criteria because they revealed a tradition of Black entrepreneurship that has existed since the founding of the American nation. The historical studies enabled me to anchor the present study in a body of knowledge grounded in documented fact. The historical literature was a repository of narratives, including autobiographical narratives, which uncovered the lived experiences of barriers to competition with White counterparts. The historical literature also comprises a legacy of thought leadership in Black entrepreneurship, which was said to represent the “accumulation and evolution of the composite wisdom of entrepreneurs” down through the ages (Preito & Phipps, 2016, p. 6). I used these insights to enrich the conceptual framework of this study.

Historians have suggested that a phenomenon such as Black entrepreneur human capital, that was, a type of human capital peculiar to Black business owners, might exist. Because of the persistent exclusion from the mainstream political economy, Black entrepreneurs did door-to-door sales, a face-to-face approach that allowed them to obtain direct feedback from the customers (Preito & Phipps, 2016). This explained why scholars who had used historical assumptions and hypotheses that already had established theory and practices to explain Black business ownership often ended up drawing inaccurate conclusions, particularly in quantitative studies that exclusively relied on large data sets.

For example, the human capital literature suggested that entrepreneurial families play a significant role in providing mentorship and finance, and thus in facilitating business success for future entrepreneurs. However, scholars in the historical literature suggested that Black entrepreneurs who grew successful businesses did not always have a family member who was an entrepreneur but had been exposed to an environment rich in entrepreneurship to develop the skills set (Dailey, 2003),

Further, in the historical literature, Edmondson (2008) has made numerous references to the phenomenon of collective financial empowerment on the part of Black communities. This suggests another fruitful area of study, and one of practical value for contemporary Black entrepreneurs, because strategies promoting collective financial empowerment evolved in response to a political economy that limited African Americans' improvement. Such strategies helped resolve the issue of low profitability common to contemporary Black firms if they were systematized and deployed among business owners. In addition, concepts of financial collective empowerment found in the literature suggested that Black entrepreneurs had their own ideas of what it meant to be an entrepreneur, ideas that, if carefully developed, critiqued and expanded upon the standard capitalist notions of entrepreneurship, as I demonstrated in this study.

Problem Statement

Hamrouni and Akkari (2012) noted that the most common failure behind Black entrepreneurs was the racial barrier that exists. The racial prejudice for Black entrepreneurs can have a severe influence on new and current business ventures. Racial barriers have led to business closures and loss of employment and community activities

(Hamrouni & Akkari, 2012). The founders of 43% of nonemployer firms and 25% of employer firms reported that they did not do as well as nonminority businesses (Bureau of Business Research/IC2 Institute, 2014). The general problem was that although the education and skills gap between Black and White Americans has narrowed over the past 50 years, a significant gap between them in entrepreneurial success remains (Fairlie, Robb, & Robinson, 2014; Singh & Gibbs, 2013). The specific problem was that Black business owners were unable to gain a similar success level as nonminorities in lucrative market opportunities (Gibbs, 2014; Singh & Gibbs, 2013). According to Singh and Gibbs (2013), significant barriers were grounded in the success and growth of Black owned businesses. Black entrepreneurial development began with the capacity of absorbing change, accepting new ingenuities, creating opportunities , and encouraging diversity (Fairlie et al., 2014). This study offers deeper understandings into the lived experiences of Black entrepreneurs in Texas and adds to the body of literature.

Purpose of the Study

In this transcendental phenomenological study, I explored the lived experiences of Black Texan entrepreneurs who were not as successful in business as nonminorities. The intention was to identify why Black entrepreneurs were not as successful in business as nonminority entrepreneurs and to discover potentials steps to overcome them, leading to enhancing the likelihood of success among Black business owners. To accomplish this, I created an original phenomenological interview protocol to collect descriptive statements from a sample of 20 Black business owners. I conducted one-on-one interviews at the participants' places of business to facilitate direct observation. In this research,

information was collected and analyzed regarding the lived experiences of Black Texan entrepreneurs who were not as successful in business as nonminorities (Lahm, Stowe, Carton, & Buck, 2012). This study contributed to the development of a conceptual framework within which to research and interpret Black entrepreneurial behavior, a framework drawn from the actual experiences of Black entrepreneurs as they managed their businesses. This research offers understanding into the lived experiences of Black entrepreneurs in Texas and complements the body of Black entrepreneurial literature.

Research Question

The overarching research question was: What are the lived experiences of Black Texan entrepreneurs who struggle to obtain wealth and business growth?

Conceptual Framework

The conceptual framework, human capital, refers to the knowledge, information, and skills acquired by business owners (Nyberg & Wright, 2015). Such knowledge is derived from formal education, work experience, managerial experience, or business ownership experience (Baptista, Karaoz, & Mendonca, 2014). Bates (1990) explained the concept of human capital developed by successive scholars in the literature on minority entrepreneurship. General human capital and specific human capital were among the several categories of human capital. General human capital refers to knowledge acquired by entrepreneurs through formal education and professional experience and is broad in application (Seghers, Manigart, & Vanaker, 2009). Specific human capital refers to a single area of education and experience and is directly related to a knowledge area, venture, or industry (Ottooson & Klyver, 2010; Seghers et al., 2009). Firm-specific

human capital is created and possessed by employees who have been working together in a firm for a long enough time to have had meaningful learning experiences and meaningful interactions with unique firm resources (Mahoney & Kor, 2015). Firm-specific human capital, owned by seasoned managers and founders of firms, referred to as entrepreneurial human capital, is a unique, valuable, inimitable and nonsubstitutable resource that is critical to a firm's ability to build core competencies (Mahoney & Kor, 2015).

There was consensus among researchers that the ability of the entrepreneur to develop strategies is directly linked to wealth accumulation and success (Acs, Audretsch, & Lehmann, 2013; Baptista et al., 2013, Bates, 1990). The understanding of Black business owners who struggle to gain success has several rich constructs that increase the understanding of how they strategically manage and control the knowledge produced within their firms to achieve success. This concept framed this study of Black entrepreneurs who struggled to make their businesses profitable.

Nature of the Study

The nature of this phenomenological research was to explore the lived experience of the perceptions of Black business owners. I positioned this study within the qualitative paradigm and used phenomenology as the method of inquiry. Researchers use phenomenology to describe meanings made from the lived experiences of people (Moustakas, 1994; Sefiani, 2013). Chan, Fung, and Chien (2013) identified seven different phenomenological approaches: descriptive (transcendental constitutive) phenomenology, naturalistic constitutive phenomenology, existential phenomenology,

generative historicist phenomenology, genetic phenomenology, hermeneutic interpretative phenomenology, and realistic phenomenology. I used the transcendental constitutive method because, according to Kafle (2011), this qualitative approach would allow me to penetrate deep into the lived experiences of Black entrepreneurs who struggled to achieve success. I dug deeply into the essence of the transcendental phenomenon and explicated it in its original form as experienced by the participants. In this research, I examined the texts of transcripts, that is, the spoken accounts of personal experiences, to discover something telling, meaningful, or thematic (Sloan & Bowe, 2014). I used transcendental phenomenology for this research project to increase understanding of the lived experiences of entrepreneurs who strived to overcome biases and increase business success.

I originally considered the single case study as a viable research method, and I intended to identify a candidate case from within a selected network of Black American entrepreneurs. I also intended to describe the way Black American entrepreneurs created or adapted business systems, procedures, and processes that enabled their business to achieve growth. Therefore, a qualitative phenomenology approach was suitable since it provides an explanation of the meaning of the experiences of several individuals rather than testing a case (Simon & Goes, 2011). A qualitative study also included conducting interviews that offered profound insights into the experiences of the studied phenomenon.

One of the exceptional features of this phenomenological study was that most the data for the study and written description of the study came from the collaboration and dialog between Black entrepreneurs in Texas who were unable to achieve similar success

as nonminorities and me. I selected a phenomenological study, which revealed significant business perceptions and the lived experiences of Black entrepreneurs and provided a body of knowledge that informs future researchers on overcoming barriers. I used the transcendental phenomenology approach with purposive sampling. The sample consisted of 14 Black entrepreneurs situated in several industries, including but not limited to, retail, wholesale, service, financial, real estate, restaurant, transportation, communication, manufacturing, and construction. I conducted one-on-one interviews at the participants' places of business to facilitate direct observation. I analyzed interview transcripts for significant statements and identified themes articulating the real-life experiences of Black entrepreneurs.

Definitions of Terms

Aggregate human capital: Individual or unit-level capacities based on individual knowledge skills and abilities that are accessible for unit relevant purposes (Ployhart, Nyberg, Reilly, & Maltarich, 2014).

Capital: A stock of wealth that produces a flow of income (Ployhart et al., 2014).

Discretionary firm specific human capital: A form of human capital created within the firm when individuals engage in extra-role activities and behavior (Malloy & Barney, 2015).

Entrepreneur: An individual who exploits market opportunities through technical or organizational innovation (Schumpeter, 1965); someone who demonstrates initiative and creative thinking, can organize social and economic mechanisms to turn resources and situations to practical account, and accepts risk and failure (Hisrich, 1990).

Firm-specific human capital. Multiple types of specialized knowledge built over time through interactions among a firm's employees, managers, constituents and physical, technological, and knowledge-based resources (Mahoney & Kor, 2015).

Human capital: Years of education, managerial experience, and small business exposure (Bates, 1990). Knowledge, skills, abilities and other characteristics, which can be aggregated to a higher level, such as the unit or firm, where it becomes a resource that is valuable, rare, inimitable, and can lead to a competitive advantage (Raffiee & Coff, 2015); the stock of productive skills, talents, health and expertise of the labor force; investments in people which increase an individual's productivity (Goldin, 2016).

Human capital resource: The knowledge, skills, and abilities of a unit within a firm that are accessible to the unit to achieve a specific purpose (Ployhart et al., 2014).

Intellectual capital: A combination of a firm's human capital and structural capital (Hitt & Ireland, 2002).

Leverage: The capacity to advantageously gain access to resources, or better use the firm's own existing resources (Bhatt & Altinay, 2013).

Relational capital: Knowledge embedded in the relationships the firm has with suppliers, customers, and any entity outside the boundaries of the firm (Bontis & Fitzenz, 2002).

Social capital: A form of capital that represents a long-term asset into which other resources can be invested with expectation of future, albeit uncertain benefits (Bhatt & Altinay, 2013).

Specific human capital: Education and experience that may be directly relevant to a specific industry or task at hand and that is positively associated with entrepreneurial discovery and the successful exploitation of such discoveries (Seghers et al., 2009).

Structural capital: Infrastructure that supports the company's human capital, such as the information technology and the physical systems used to transmit intellectual capital (Hitt & Ireland, 2002).

Success: A measure of entrepreneurial growth and achievement attuned to promoting specific competency areas within operations, finance, and marketing (Aman, Tahir, Majid, Aziz, & Rahmiati, 2011).

Assumptions

Three assumptions undergirded this study. The first assumption was that participants would honestly describe their experiences, openly articulate their perceptions, and vibrantly describe their understanding of their entrepreneurial practices. Participants signed a consent form that explains confidentiality, which permitted them to be forthcoming with information. In addition, participants volunteered for this study and had the option to withdraw at any time. Walden University has in place a comprehensive and rigorous screening process, the Institutional Review Board (IRB), designed to ensure that primary research took place within the parameters of universally acceptable ethical standards.

The second assumption was that the phenomenological methodology was the most applicable method of choice. This assumption allowed me to gain an understanding of participants' lived experiences of their entrepreneurial practices and make meaning

from those experiences to formulate a comprehensive framework. The transcendental phenomenological approach was an applicable method because it yielded valid data from their description and meanings of their experiences. I extracted the meanings from participants' experiences and perceptions of entrepreneurial activities and developed a deeper understanding of the phenomenon under investigation.

The third assumption was the different sampling method that provided an identical and reasonable representation of the population. The breakdown of practitioners' practices provided the various samplings and captured the diversity and multidisciplinary approaches of practitioners, as well as their perspective views.

Scope and Delimitations

I conducted the research with Black American entrepreneurs who had been operating small businesses in the state of Texas only. Any other state was out of scope. I conducted interviews with Black business-owners, with participants of firms who were reported to be less profitable than those of the general population of Texas firms. Businesses were identified as young firms in their first 3 to 5 years of operation, when firms are most vulnerable and likely to close (Bureau of Business Research/IC2 Institute, 2014). The focus of the study was on Black entrepreneurs who were not profitable and needed to improve their business performance to achieve business growth and success equal to that of nonminority entrepreneurs. I chose this focus because Black-owned businesses represent a growing economic sector; however, no information in the scholarly literature about the daily lived experiences of Black entrepreneurship exists. In

the study, I revealed the challenges that confronted Black-owned businesses in Texas and the quest to improve business success equal to their White counterparts.

The sample consisted of 14 Black entrepreneurs situated in several industries, including, but not limited to, retail, wholesale, service, financial, real estate, restaurant, transportation, communication, manufacturing, and construction. The sample was not gender- or age-specific but included only Black American entrepreneurs. The participants included individuals not born in the United States, but who, through naturalization, were regarded as Black American citizens. The participants included individuals whose businesses were classified as small businesses owners. This approach made it possible at this exploratory stage of the inquiry to gather data from a wide spectrum of the black population. The sample excluded individuals broadly categorized as *minority*, such as Latinos or Latinas, Asians, Pacific Islanders, American Indians, and Alaska Natives, in the sector of businesses as retail, wholesale, service, financial, real estate, restaurant, transportation, communication, manufacturing, and construction.

Limitations

Considering the embryonic nature of this research, I could not control various elements that were subjected to limitations. The study entailed examining the lived experiences of Black American business owners who were not doing as well as nonminorities. Phenomenological studies about Black entrepreneurs are limited, and little scholarly literature exists about Black entrepreneurship in general.

Another limitation was that the sample methods designed to reach participants were snowball and purposive sampling, which were the two methods used to obtain the

required sample size. Both snowball and purposive sampling methods had the probability of being biased (Tongco, 2007). Snowball and purposive sampling were crucial for this inquiry, which was comprised of 14 Black entrepreneurs. The blend of snowball and purposive sampling was important to the study because it offered recommendations that were not attainable by any other sources. Snowball sampling is the only method that produces inquiries from among acquaintances and links that produce dependable investigation (Trochim & Donnelly, 2008). With snowball sampling, participants were gained through referrals or by word of mouth.

Significance of the Study

This research contributes to the literature addressing entrepreneurs who struggle in their efforts to obtain business growth and success. One of the areas in which the results of this study contribute to the body of knowledge is in opportunity recognition, which encompasses the skills and competencies possessed by entrepreneurs that enable them to improve in the business performance of Black-owned business relative to their White counterparts and take advantage of financially promising opportunities. This study contributes to research that addressed the method Black entrepreneurs used to improve Black-owned business performance and develop successful strategies for growth and profits (Acs et al., 2013; Baptista et al., 2014). In addition, the data collected using the interview protocol were codified into a body of knowledge that addressed such critical issues as the lived experiences of Black entrepreneurs. This kind of information can assist Black American-owned businesses to strategically manage and improve business performance.

I anticipate that this line of inquiry fills a gap in the body of knowledge about Black American entrepreneurs and makes known strategies and processes that are of real and practical value to not only Black American entrepreneurs but are also transferable to any entrepreneur. Moreover, the study results contribute to the theoretical and practical knowledge of the fields of both business management and Black American studies. The information gained from this study can help improve the practices of Black American entrepreneurs and provides new strategies to improve Black-owned business performance. The results of the research that I conducted could encourage or add to the development of a type of entrepreneurial education.

Summary and Transition

Through this study, I sought to understand why Black entrepreneurs did not experience similar success as nonminority businesses. To begin an investigation into this anomaly, I conducted a phenomenological study comprising an original interview protocol with a sample of 14 Black entrepreneurs in the state of Texas. This study had several rich constructs that increased the understanding of how participants strategically managed and used the knowledge produced within their firms. This concept framed this study of the failures behind Black-owned businesses in general and the Black American entrepreneurs. In the following chapter, I review the literature of Black-owned businesses, with an emphasis on the confluence of these two areas of research.

Chapter 2: Literature Review

Introduction

Though Black entrepreneurs possess high levels of human capital, many have reported that their businesses do not achieve the level of success of their nonminority peers. Most Black firms reported they are less profitable compared to their nonminority industry counterparts (Bureau of Business Research/IC2 Institute, 2014). Scholars have agreed that a business owner's human capital is a key determinant of the survival and success of his firm (Bates, 1990; Bradford, 2013). The purpose of this transcendental phenomenology study was to explore the lived experiences of Black Texan entrepreneurs who do not do as well compared to White-owned businesses in the mainstream business environment

Because of historical inequities, the Black American business community is in a position where Black entrepreneurs must build their businesses to a greater extent than they currently do to achieve economic parity. The U.S. Department of Commerce Minority Business Development Agency (2006) defined economic parity as the level of business activity of a business group that is proportional to that group's representation in the U.S. adult population. The literature on the history of Black entrepreneurship has demonstrated that Black individuals historically experienced systemic barriers to the acquisition of education, the main source of human capital (Cook, 2012). Goldin (2016) also acknowledged that Black individuals historically experienced systemic barriers to the acquisition of education. Thus, contemporary Black entrepreneurs encounter an issue

similar to that faced by generations of Black entrepreneurs since the beginning of the United States of America.

However, Cook (2012) explanation further demonstrated that Black entrepreneurs have consistently found ways to overcome this limitation. Though contemporary Black entrepreneurs as a group have not achieved economic parity with the general population of entrepreneurs, successful Black-owned businesses exist and have always existed (Walker, 2009). Some of these businesses exhibit the highest levels of profitability and compete with any group, regardless of race. The view of Black entrepreneurship not being able to achieve economic parity frames the idea that there may be strategies specific to the Black business community that can be applied to the problem under consideration.

In this chapter, I review the literature related to Black entrepreneurs. I present the broad scope of scholarship on Black American entrepreneurship, a delimitation of the topics, and a concise historical analysis of Black business in the United States, with an emphasis on Black entrepreneur human capital. I juxtapose this review with the concept of human capital within the general scholarship on business and management, with a view of exploring the effectiveness of human capital analytical constructs for revealing the processes by which businesses can achieve success. The strategy of exploring the history of Black-owned businesses in conjunction with the human capital literature will open ways in which to study how Black business owners can overcome barriers they face to improve their business performance relative to their White counterparts.

Literature Search Strategy

I searched the databases Proquest Central, Business Source Complete, EBSCOhost, ABI/INFORM Complete, Emerald Management, and Sage Journals. Keywords, and search terms included *human capital*, *human capital Black business*, *human capital Black-owned business*, *human capital entrepreneurship*, *human capital technology*, *Black American business*, *human capital Black American entrepreneurs*, *African American entrepreneurs*, *Black business*, *Black-owned businesses*, *opportunity recognition processes of Black entrepreneurs*, *opportunity recognition African American businesses*, and *African centered concepts of business*. I included these search terms because I wanted to capture information specifically targeting the human capital of Black entrepreneurs. I excluded search terms that did not specifically refer to Black or African American business, management, and entrepreneurship because I wished to focus specifically on Black entrepreneur human capital. I reviewed full-length, peer-reviewed articles published predominantly between the years 2012 to 2016 that detailed both qualitative and quantitative studies.

Conceptual Framework

The concept of human capital framed the study. Human capital is an important concept both on the theoretical and practitioner levels, one that has the potential to reveal the processes by which economic entities evolve. The term *capital* was defined by Ployhart et al. (2014) as a stock of wealth that produces a flow of income. Thus, human capital is an economic term that refers to investments through which individuals expect to gain economic returns (Ottosson & Klyver, 2010). The concept can also apply to nations

and their economies. Hitt and Ireland (2002) thought of human capital as an important contributor to higher income, life satisfaction, and social cohesion within individual economies and a determinant of economic growth. Human capital is fundamental to understanding the evolution of firms and the economies in which they are situated. The concept under investigations of the value created when people make investments in themselves and when firms make investments in people.

Human capital, according to Goldin (2016), is said to be the most important of three inputs; the others are social capital and financial capital, which need to be in place for business and economic profitability. Within the general labor force, human capital is the stock of productive skills, talents, health, and expertise, that is, the investments in people that increase their productivity (Goldin, 2016). Goldin's (2016) analysis of human capital highlighted the importance of this concept in resolving macroeconomic anomalies that could not be accounted for by studying the usual physical productive forces. One such anomaly was the rapid rise in labor earnings during the 20th century, when such a phenomenon did not occur for much of human history. This anomaly was resolved by Goldin, who found a hidden area of economic growth known as *the residual* or knowledge creation, the augmentation of labor by education and training. Economic growth was found by Goldin to be greater in the 20th century than in the 19th century because more rapid evolution in both knowledge and education occurred in the 20th century. Thus, the concept of human capital was fundamental to understanding the growth and evolution of economies.

To the entrepreneur, human capital is an investment that must be made prior to entry into the marketplace and must be continually developed throughout the entrepreneur's career. Human capital is the knowledge, information, and skills acquired by business owners (Nyberg & Wright, 2015). Such knowledge can be derived from formal education, work experience, managerial experience, or business ownership experience (Baptista et al., 2014). Researchers have suggested that there are three fundamental elements of the business owner's human capital. They are (a) individuals' years of education, (b) their managerial experience, and (c) their exposure to entrepreneurial activity within their families (Ottoosson & Klyver, 2010; Robb et al., 2014).

Bradford (2013) stated that years of education was the strongest human capital variable for identifying business continuance. Researchers have agreed that businesses founded and managed by entrepreneurs with these elements of human capital succeed to a greater degree than those founded by individuals who did not make similar investments (Bradford, 2013; Ganotakis, 2012; Mangum, 2015; Singh & Gibbs, 2013). Ganotakis (2012) studied the connection between entrepreneur human capital and the viability of Black-owned businesses and found that financial capital inputs made by government programs that promote minority businesses were more likely to generate business viability if they were matched by higher levels of owner human capital inputs. This observation appears to hold true across historical periods, regardless of the level of development of the economy in which the entrepreneur is domiciled (Bates, 1989).

The concept of human capital is also fundamental to understanding the growth and development of microeconomic entities. Human capital is a multilevel concept that can provide the researcher with both broad and deep views of the firm to explore how knowledge is created, developed, and managed to achieve competitive advantage (Bates, 1989). Within a competitive labor market, defined as a market in which large numbers of individuals and firms want to trade around human capital to increase their wealth (Malloy & Barney, 2015), value accrues both to the firm and to the employee. Thus, within a competitive labor market, a business owner can successfully leverage human capital to achieve business profitability. Competitive labor markets include chief executive officers and senior executives, scientists, and investment brokers, as well as truck drivers, farm workers, and construction day labor (Malloy & Barney, 2015). Another competitive market is high technology experts (Jiménez, Matus, & Martinez, 2014). The construct of the labor market can be used to analyze the situation of Black-owned firms in Texas to determine whether their inability to achieve economic parity might be because they may not operate in competitive markets.

Though the competitiveness of the labor market is an important determinant of how much value a firm can capture from acquiring human capital, how the human capital is managed within the firm is also important for gaining a competitive advantage. Entrepreneur human capital is a unique, valuable, inimitable, and nonsubstitutable resource critical to a firm's ability to build core competencies (Mahoney & Kor, 2015). Human capital management is the ability to strategically manage human capital to build teams and produce social capital within the firm, an important source of competitive

advantage (Hitt & Ireland, 2002). I explore several themes within this body of literature to shed light on the research problem.

The first theme is the reasons entrepreneurs enter the marketplace. This theme subsumes several interpenetrating dynamics. One dynamic centers around the entry barriers to various industries (Bates, Lofstrom, & Servon, 2010). High-entry barrier industries, such as manufacturing and skilled professional services, attract highly educated entrepreneurs with high net worth, as opposed to low entry barrier industries, such as repair services and personal services, which attract entrepreneurs with low levels of human and financial capital (Bates et al., 2010).

Another aspect to this theme is whether entrepreneurial ventures are necessity based or opportunity based. A necessity-based venture is one founded by an individual to escape unemployment, while an opportunity-based venture is one in which the founder(s) created a firm to take advantage of an opportunity that can be turned into a profitable business (Baptista et al., 2014). An entrepreneurial opportunity consists of a set of beliefs, ideas, and actions that enable the creation of future goods and services in the absence of current markets for them (Acs et al., 2013). Baptista et al. (2014) posited that entrepreneurs who founded opportunity-based ventures were found to be most likely to grow their businesses, create jobs, and contribute to economic growth.

Two types of opportunity recognition related to this theme were highlighted in the literature. One was externally stimulated opportunity, in which an individual decides to become an entrepreneur and then seeks opportunities that can lead to a firm. Another was internally stimulated opportunity, in which the entrepreneur discovers a problem to be

solved or an unmet market need and decide to create a venture to address the problem (Marvel, 2013; Singh & Gibbs, 2013). As such, opportunity recognition was a determinant of business profitability and longevity (Marvel, 2013; Singh & Gibbs, 2013)..

A second theme is type of entrepreneur human capital. This theme is articulated in a theory that focuses on the link between entrepreneurs' human capital and their finance strategies. According to this theory, researchers associated higher levels of human capital reflected in experience in accountancy, finance, and business education, coupled with knowledgeable networks in the financial community, with a broader knowledge of finance alternatives. This was directly related to financial decision-making (Bradford, 2013; Royal, Evans, & Windsor, 2014). Entrepreneurs who possessed this type of human capital could generate better finance strategies that were more suited to the needs of their businesses (Grable, 2015). In addition, education, the process by which entrepreneurs acquired human capital was also a process through which social capital was produced. Social capital was defined by Bhatt and Altmay (2013) as the value an individual derived from social relationships. If an entrepreneur possessed a high level of social capital, such as relationships with bankers and relevant organizations, that individual would be exposed to information that would otherwise be unavailable or expensive to obtain, thereby giving him or her an advantage over someone with fewer ties in the financial community (Grable, 2015). Thus, an inquiry into the type of human capital owned by Black entrepreneurs is critical to understanding why they are unable to achieve a competitive edge.

A third theme is how human capital is aggregated to the unit. This theme is articulated in a theory that recognizes individuals who work together in units possess knowledge, skills, abilities, and other characteristics (KSAOs). At the unit level, the human capital of each member combines to become a resource; that is, knowledge that may be rare, valuable, inimitable, and non-substitutable (Hitt & Ireland, 2002) can be accessible by the unit and used toward a specific purpose (Ployhart et al., 2014). This theory has provided several constructs that can be used to understand how firms can leverage human capital to achieve competitive advantage.

Among the important constructs is that of firm-specific human capital. This form of human capital is created and possessed by employees who have been working together in a firm for a long enough time to have had meaningful learning experiences and meaningful interactions with unique firm resources (Mahoney & Kor, 2015). The firm-specific human capital owned by seasoned managers and founders of firms, referred to as entrepreneurial human capital, is a unique, valuable, inimitable, and non-substitutable resource that is critical to a firm's ability to build core competencies (Mahoney & Kor, 2015). The effective governance of entrepreneurial human capital is critical to economic value creation and sustained competitive advantage and depends upon an understanding of the types of human capital resources present in each unit and the way they combine throughout the firm to produce various and specific outcomes (Ployhart et al., 2014). Effective governance of unique and valuable human capital resources is a way for firms to leverage human capital to achieve competitive advantage.

The constructs outlined above, which represent some of the main ideas articulated in the human capital literature, provided a framework within which to analyze the undertheorized field of Black entrepreneurship. I discovered another framework in the historical literature on Black entrepreneurship, which comprises numerous narratives about sophisticated Black entrepreneurs building large and successful businesses against the odds. When human capital constructs were mapped on to the historical narrative by Ployhart et al. (2014), I found valuable insights about the manner in which Black business owners traditionally developed human capital, cultivated valuable social networks, and leveraged financial assets. Answers to why Black business owners struggle to achieve economic parity in the mainstream business environment may be found within the confluence of these two areas of research, as I will demonstrate in the following sections.

Black Entrepreneurship

The subject of Black American entrepreneurship has a long history in Black American scholarship, where it appears to be regarded as a specialist area of research. Though an impressive body of knowledge about the Black experience exists, entrepreneurship is a subject somewhat on the margins of this scholarship. The body of knowledge of Black entrepreneurship comprises several important seminal texts produced by Black American thought leaders during the late 19th and early 20th centuries and several contemporary analyses produced mostly within the 20-year period spanning 1990-2010. After this period, research into entrepreneurship appeared to thin out, though a few critical analyses and some important historical primary texts continued to surface.

Little evidence exists that scholars have attempted to create and develop concepts of Black business ownership that emerge from the practice of Black business, concepts that are able to guide entrepreneurs in practical directions of business profitability.

Accounting for this genuine dearth in academic scholarship about Black entrepreneurship is difficult when the popular literature suggests Black individuals engage in a great deal of entrepreneurial activity. Scholars suggested that researching Black business is, for academics, a risky career choice (Edmondson, 1999; Elias, Appiah, & Gong, 2011), one characterized by “lack of power, resources, legitimacy and prestige” (Elias et al., 2011, pp. 13-29). A starting point for creating conceptual frameworks that are of practical value to Black entrepreneurs is research into the lived experiences of Black practitioners as they run their businesses; however, phenomenon-driven studies addressing Black entrepreneurship are scarce. A clearly defined philosophy of management articulated by the nation’s most successful Black American businesspersons is embedded within the body of literature on the history of Black entrepreneurship. As a prelude to a reconstruction of these ideas from the texts, I will provide a broad sketch of the scope of the literature on Black American entrepreneurship to better define the parameters of the literature review.

Categories of Literature Addressing Black Entrepreneurship

Two major disciplines and several subdisciplines exist in the subject of Black American entrepreneurship: (a) business, management, and entrepreneurship and (b) business history. The discipline of business, management, and entrepreneurship subsumes areas of study such as political economy, socioeconomics, business districts, finance and

gender. The discipline of business history comprises areas of study such as historiography, or overview of historical works pertaining to Black business; histories of the political economy of Black entrepreneurship, Black business industries, and Black business districts; histories of scholarship and ideas about Black entrepreneurship; and biographies of prominent or successful Black entrepreneurs.

Studies about Black entrepreneurship are also found within disciplines other than business, management, and entrepreneurship and business history. Such disciplines include sociology, economics, and philosophy, in which scholars situate their research and disciplinary practice within paradigms such as social justice research, civil rights scholarship, and critical race theory, to name just a few. Most research about Black entrepreneurship, however, is situated within the framework of White sociology (Ladner, 1973; Wilson, Blackwell, & Janowitz, 1974). Though Ladner's (1973) groundbreaking analysis of the racial biases inherent within the discipline of sociology in the academy is beyond the scope of this study, her critique of the discipline and recommendations for approaches to scholarly research on the many dimensions of the Black experience informs the way the literature related to Black entrepreneurship is interpreted in this study.

Ladner (1973) argued that sociology exists in a domain where color, ethnicity, and social class are so important that the discipline cannot claim value neutrality and observed that sociological paradigms are slanted toward a researcher's preconceived biases. Ladner's critique underscored the idea that much of the current research on Black entrepreneurship is predominantly based on White sociology; for example, research that

employs regression analyses of data mined from large national surveys such as the Integrated Public Use Microdata Series (IPUMS), the Panel Study of Entrepreneurial Dynamics (PSED) and the Characteristics of Business Owners (CBO) Survey. No academic studies about Black entrepreneurship grounded within the actual business practices of Black entrepreneurs exist. Rather, scholars of business, management, and entrepreneurship continue to reproduce statements made by scholars working within the paradigms of White sociology.

Studies about Black entrepreneurship appear in several genres of literature. Walker (2009) has published an extensive bibliography of studies about Black entrepreneurship from the late 19th century to the early 21st century. She suggested that the body of scholarship on the subject of Black-owned businesses was inaugurated with W.E.B. DuBois' *The Negro in Business* (1898, as cited in Walker, 2009). Other important works cited by Walker included Booker T. Washington's *Negro in Business* (1907); *Negro as Capitalist: A Study of Banking and Business among American Negroes* by Abram Harris (1936); Joseph Pierce's *Negro Business and Business Education* (1947); Vishnu Oak's *Negro's Adventures in General Business*, (1949); Shelley Green and Paul Pryde's *Black Entrepreneurs in America* (1997); *Desegregating the Dollar: African American Consumerism in the Twentieth Century* by Robert Weems (1998); Juliet E. K. Walker's *The History of Black Business in America: Capitalism, Race and Entrepreneurship* (2009); and *Business in Black and White: American Presidents and Black Entrepreneurs in the Twentieth Century* (2009) by Robert Weems and Lewis Randolph.

In addition, scholarly biographical works highlighted the achievements of important African American business icons, such as Garrett Morgan (Cook, 2012); Emmett Jay Scott (Dailey, 2003); Benjamin Montgomery (Jones, Novicevic, Hayek, & Humphreys, 2012) and George Baker, also known as Father Divine (Trinkaus, Puryear, & Giacalone, 2000). The Marcus Garvey and Universal Negro Improvement Association Project Papers, a research project of the James S. Coleman African Studies Center at University of California at Los Angeles (UCLA), has preserved the documentation on the entrepreneurship, philosophy, and political activism of Marcus Mosiah Garvey. These studies are important because they invite deeper analysis into the human capital, the KSAOs, and management practices of prominent Black entrepreneurs. Another, and no less significant, category is the scholarly book review of policy reports, demographic reports, senate testimonies, academic journal articles, conference papers, working papers, and dissertations.

Not all literature about entrepreneurship is academic. A significant portion falls within the category of trade literature. Much of the literature within this genre is written by experts in such subject matter as technology, marketing, business start-up, social media, and so on. Another category of trade literature is autobiographical works written by important business icons who dispense expert knowledge and secrets of success. Authors in trade journals document the achievements and progress of entrepreneurs in every field, recall various aspects of the history of entrepreneurship, tell human interest narratives featuring the real-life experiences and challenges of entrepreneurs, recount rags-to-riches stories, and provide a wide range of market information, entrepreneur and

investor strategies, tips, and so on. Examples of high profile and prestigious trade journals are *Forbes*, *Fortune*, and *Black Enterprise*.

The literature review undertaken in this dissertation will focus upon scholarly critical studies of Black-owned businesses juxtaposed against analyses of the firms that demonstrate the manner in which value and business profitability are produced through strategic governance of human capital, social capital, and financial capital. I retrieved this information primarily from peer-reviewed articles, governmental reports, and dissertations, with some reference to senate testimonies, conference papers, working papers, and books. I excluded trade literature, though a perusal of this literature reveals the extent to which the Black experience is a controversial area of research. For example, articles published in the popular and widely circulated Black-owned publication, *Black Enterprise*, include such themes as the celebration of the largest Black-owned companies in the United States (Hazelwood, 2014), the commemoration of milestones of Black American entrepreneurial achievement (Dingle, 2013), and highlights of the ways in which the nation's Black-owned businesses are indispensable to the mainstream economy (Hughes, 2012). *Black Enterprise*, a successful, high-profile Black-owned business, has been in circulation for nearly 40 years and focuses on business education, industry knowledge and wealth creation, in contrast to scholarly publications, which consistently represent Black American businesses as small businesses characterized by poor performance.

This striking difference between the way scholars and journalists write about Black business enterprise invites interrogation and is a critical area for future research,

because the politics espoused by a scholar or journalist affect the way the literature is researched and written. Bradford (2013) noted that to understand the literature and how it relates to various groups of entrepreneurs, defining the terms used in various studies is important. He explained that the terminologies used by scholars set the basic parameters of the research reported. The same is true for the paradigms within which scholars situate their analyses. I will demonstrate this in the remainder of this review.

The Recurring Problem of Economic Parity

The “real world” management problems of Black-owned firms are inextricably linked to the systemic issues historically faced by Black entrepreneurs that reverberate into the 21st century. In the state of Texas, some of these problems, as well as several characteristics of the Black business community, have been captured in the Survey of Texas Black Owned Businesses (Bureau of Business Research/IC2 Institute, 2014). This survey included information from four databases, with a combined nonduplicative total sample size of 6,993. The survey highlighted seven key characteristics of 21st century Black-owned businesses (BOBs):

1. BOBs accounted for 7 % of all businesses in Texas, that is, 154,283 out of 2.1 million. This figure reflects a 74 % increase from 88,768 in 2002.
2. The average BOB in Texas employed 10 workers, in contrast to the 23 workers employed by the average non-minority firms.
3. As they age, BOBs also increase in size. Non-employer firms make up 43% of BOBs that were in operation for 5 years or less. Non-employer firms constitute 22% of

firms in operation for 15 years or more. BOBs in operation over 25 years are likely to have 100 or more employees.

4. Fifty percent of the survey respondents reported they have been in business for more than 10 years, and 47% said they have more than 20 years of experience in their current industry.

5. Most of the growth in the number of BOBs in Texas was among non-employer firms, that is, firms with no paid employees other than the owners.

6. The average BOB recorded \$60,000 in sales in 2007, in contrast to \$1.2 million in sales recorded by the average non-minority firm.

7. Black business owners are more educated than the average Black Texan. Sixty-seven percent said they have a bachelor's or graduate degree, and 91% reported having some college education. Within the general population of Black Texans, 21% have a Bachelor's degree, while 57% have some college education.

Furthermore, 86% of respondents said they were "very good" at problem solving, 84% rated themselves as "very good" at analysis, and nearly 70% assessed themselves as "excellent" and "very good" across a range of business skills, including team management, team building and motivating employees (p. 8). According to the report, the 43% of business owners who perceived themselves to be less profitable than nonminority business owners were less likely to assess themselves as "excellent" or "very good" (p. 8). Survey respondents identified their top training needs to be in the areas of finance and accounting, followed by technology, management, and leadership.

This snapshot of the contemporary situation of Black-owned businesses reveals that the owners are more endowed with both general and specific human capital than the average Black individual. Further, the typical Black entrepreneur follows a trajectory from business startup to maturity. Most seem to start up as solo entrepreneurs and gradually increase the size of their firms the longer they stay in business. Thus, they build up a record of accomplishment and valuable social capital, both of which engender legitimacy and trust.

In addition, the entrepreneurs appear to gather business ownership experience over time, so that they come to know they are *very good* or *excellent* across a wide range of business skills, including team building, team management, and team motivation, skills identified in the human capital literature as being necessary for building core competencies. The 43% of business owners who perceived themselves as less profitable, and who, according to the Survey of Texas Black-Owned Businesses (Bureau of Business Research/IC2 Institute, 2014), were less likely to assess themselves as *very good* or *excellent*, have been in category of entrepreneurs with businesses in their critical early years, when firms are most vulnerable.

This pattern is consistent with theories about startups found within the human capital literature. Newly-formed firms, particularly those in the first 3 to 5 years of operation, confront higher probabilities of exit than their older counterparts (Baptista et al., 2014). Acs et al. (2013) observed that at the point of business startup, entrepreneurs are uncertain about their managerial ability, but by actively running a business, they come to learn about their abilities and their behavior changes accordingly. Those who

revise their estimates of their ability upward tend to expand and grow their businesses, while those whose estimates of their ability drop tend to contract or dissolve their businesses. Entrepreneurs who have less experience head younger firms and, thus, these entrepreneurs have less precise estimates of their abilities. They also tend to head smaller firms. Those who survive these early years of self-employment will be those who possess greater business acumen, conventional labor force skills, and greater access to financial capital (Acs et al., 2013).

A key policy recommendation made in the Survey of Texas Black-Owned Businesses study (Bureau of Business Research/IC2 Institute, 2014) included improving access to financial capital and financial training for Black entrepreneurs. Another recommendation was to encourage Black entrepreneurs to start up new businesses with a level of capitalization and scope that allows them to begin with teams and employees as opposed to starting as solo entrepreneurs without employees. A third recommendation was to provide Black entrepreneurs with information about obtaining financial capital and continuing educational opportunities in such areas as finance, accounting, management, sales, and marketing.

The historical literature has demonstrated that from the period of slavery to the 21st century, Black business leaders found ways to overcome many of the inequities with which they were confronted. This is significant, since the strategies historically deployed by Black American entrepreneurs to build large businesses may prove to be relevant to 21st century entrepreneurs facing historic problems. One reason historical entrepreneurial strategies may be relevant to modern entrepreneurs may be that the capitalist paradigm,

which emerged in the early 20th century and within which was embedded the mechanisms that effectively locked Black entrepreneurs out of mainstream business, has become fully developed in the 21st century sociopolitical environment. If Black entrepreneurs in the early 20th century understood the nature of the capitalist paradigm within which their enterprises functioned, then the assumption can be made that the strategies they employed were responses to this paradigm, responses that may have been more a deliberate collective response to an inequitable financial system than the management decisions of individual business owners (Bureau of Business Research IC2 Institute, 2014)

One such key strategy was the creation of Black business enclaves and networks. Another was the mentorship of Black entrepreneurs by Black entrepreneurs (Prieto & Phipps, 2016). Therefore, I add to the recommendation contained in the survey that facilities be created within contemporary Black business networks such as the Texas Association of African American Chambers of Commerce, the Texas Bankers Association, and so on by which entrepreneurs heading young businesses can be mentored by older, seasoned entrepreneurs with records of accomplishment for weathering uncertainty and growing businesses through the early 5-year period of uncertainty when businesses are most likely to fail. Researchers have suggested that Black businesses are more likely than White businesses to fail during this vulnerable period (Bradford, 2013; Lofstrom & Bates, 2013). According to the Survey of Texas Black-Owned Businesses (Bureau of Business Research/IC2 Institute, 2014), 47% of Black entrepreneurs have been in business for 20 years or more and represent a valuable,

and possibly underutilized, resource within the Black business community. In the following section, I will explore in greater detail key concepts about Black entrepreneur human capital as extracted from the extant texts.

The Tradition of Black American Entrepreneurship

A growing body of historiography of Black American business confirmed the significant presence of Black-owned businesses throughout the history of the United States, many of which were large and successful. The essential purpose of much of the historical literature about Black-owned businesses was to document that such businesses existed and that they were successful. In other instances, the research was intended to contribute to a counterhegemonic discourse. Jones et al. (2012), who researched the management practices of plantation owner Benjamin Montgomery, an ex-slave, stated that the purpose of their study was to provide important pieces of information to the rising of Black American management during liberation period to help management historians to look at the roots of Black American management and review outmoded views and disregard of this occurrence (p. 48). Apart from documenting the presence of Black businesses, evidence exists within the narratives of attempts to analyze business strategy; however, they did not amount to a deep penetration into the firm to analyze the strategic management of capital.

The historical literature did, however, reveal that Black entrepreneurs historically have made human capital investments in themselves and their firms, though this construct has not been developed, neither within the human capital nor within Black entrepreneur bodies of knowledge. For this reason, studies about both Black entrepreneurship and

human capital have not led to a thorough understanding about Black entrepreneurial human capital drawn from the Black experience of entrepreneurship nor have scholars developed theories comprising relevant analytical constructs about Black entrepreneurship. Nonetheless, the foundation for the creation of a viable conceptual framework specifically for research into Black-owned businesses can be found within literature on the history of Black entrepreneurship. The conceptual framework, which guided the current research into Black firms and which I anticipate will guide scholars into areas of research that would be of practical benefit to Black entrepreneurs, can be built upon six themes: Systemic Issues Facing Black Entrepreneurs, Profitability of Black-Owned Businesses, The Unique Human and Social Capital of Black Businesses Owners, The Human and Social Capital Unique to Black Businesses Owners, Practical Strategies of Black Entrepreneurs for Business Growth, and Autonomy and Prosperity of Black-Owned Businesses.

The first theme systemic issues facing Black entrepreneurs of a conceptual framework for researching Black entrepreneurship are that Black entrepreneurs who report that their businesses are not as profitable as those of non-minority firms are articulating a problem inextricably linked to the systemic issues historically faced by Black entrepreneurs since the genesis of the United States. This theme emerges from the narratives about Black entrepreneurship from the era of slavery to the 21st century. Collectively, the narratives provide a counter narrative to a grand narrative premised upon paradigms of White sociology, paradigms that have become established throughout the scholarly literature about Black-owned businesses.

Scholars such as Mangum (2015) who researched Black-owned businesses typically employ such quantitative research methods as regression analyses by which they attempt to deconstruct the entrepreneurial traits of the Black population as captured in the databases created from large data-gathering surveys. However, regression analyses tend to be premised upon ahistorical assumptions that minimize the significance of the political and economic barriers that have limited the access of Black Americans to entrepreneurial resources and opportunities (Mangum, 2015). In addition, regression analyses are not sensitive enough to the deep structures of entrepreneurial ventures, and, consequently, do not produce more than superficial views of the firm. A characteristic of such studies is that they rarely produce new knowledge and are not intended to do so. Rather, they are designed to suggest statistical relationships among variables. However, because researchers tend to approach such studies with only a limited knowledge of the experiences of Black business owners, studies about Black entrepreneurship display a consistent theoretical weakness, in addition to continually repeating the oversimplified ideas about the Black experience that are propagated throughout the spaces of popular discourse. A more fruitful approach would be to employ mixed method approaches and multidisciplinary analytical constructs to use more than one lens through which to examine issues peculiar to African American entrepreneurs (Mangum, 2015).

The generalizations created from studies that rely solely on quantitative methodologies have contributed to a grand narrative that has been drawn more from the theoretical paradigms within which scholars situate their work than from investigations into the entrepreneurial experience. According to this narrative, Black American

entrepreneurs lag behind White entrepreneurs in starting up businesses, and when they do start a business, they have lower success rates than White entrepreneurs (Addae, Singh, & Abbey, 2014). Though the number of Black entrepreneurs has increased, the narrative continues and is an instance of “necessity-based entrepreneurship” (p. 12) because Black Americans experience higher rates of unemployment than any other group (Gibbs, 2014). Such generalizations are articulated by Addae et al. (2014) as if they apply to all Black entrepreneurial ventures, as opposed to specific types of ventures operating in specific markets and locations.

The idea that Black businesses do not thrive also exists. This, according to the narrative, is because Black consumers prefer to patronize White businesses (Anderson, 2012). Black businesses operate in the informal or underground economy because of a lack of social capital (Cochrane, 2010). Black American-owned businesses tend to be in poor neighborhoods where they do not turn profits (Bonds, 2007). Other themes are that Black businesses are less resourceful and exist within depressing population (Panth, 2013); they do not possess resources that facilitate entrepreneurship of the kind available to immigrant entrepreneurs (Bogan & Darity, 2007); they do not typically have self-employed family members, which limits their acquisition of business human capital (Fairlie, 2014; Gibbs, 2014); and they are cultural businesses and thus are not part of the mainstream business and economic environment (Ingham, 1993). Woven throughout the narrative are unfavorable comparisons between African American businesses and White businesses (Fairlie, 2014; Gibbs, 2014; Smith & Tang, 2013) and between Black American businesses and immigrant businesses (Addae et al., 2014; Gibbs, 2014).

Many of the statements made about Black businesses are premised on the assumption that Black firms are homogenous. For example, Smith and Tang (2013) study, draws upon the identical data sources as Fairlie's 2014 study, the objective of which was to explain why there are fewer Black owned businesses. In the study, the authors quoted Nathan Glazer and Daniel Patrick Moynihan (1963, as cited by Fairlie, 2014) stating that the Black family "was not strong enough to create those extended clans that elsewhere were most helpful for businessmen and professionals" (p. 1). Fairlie (2014) and Gibbs (2014) used data from the confidential and restricted access Characteristics of Business Owners Survey to examine the theory of why Black-owned businesses lag White-owned business in sales, profits, job growth, and endurance probabilities. An interrogation of this approach highlighted two problems.

One was the ahistorical nature of many of the generalizations made by Glazer and Moynihan (1963) quoted by Fairlie (2014) and Gibbs (2014). Glazer and Moynihan discussed the relative ability of the most prominent of the ethnic groups comprising the population of mid-20th century New York to assimilate into the dominant White culture. Another problem was Glazer and Moynihan's use of common stereotypes in their discussion of the characteristics of ethnic groups and social relations of New York City, a fact they freely admitted in their introduction to the work. Glazer and Moynihan did not present their work as a scholarly study and even drew attention to the fact that they did not analyze the phenomena about which they wrote, such as the migration of the Black working class from the South into Northern cities seeking employment (Fairlie, 2014; Gibbs 2014). Glazer and Moynihan (1963) further admitted that their assessment of the

great migration and other phenomena of which they wrote might be biased. They regarded as “beyond our capacities” an attempt “to present our theses wholly in terms of objective and venerable statements” (p. 23) because of the “paucity of the literature and the size of the subject” (p. 23). They insisted that “it would be quite impossible to write a book such as this exclusively based on concrete data which are either now available or which could, with reasonable effort, be obtained” (p. 23). However, they confessed “we have nonetheless gone ahead out of the strongest possible feeling of the continuing reality and significance of the ethnic group in New York, and by extension, in American life” (p. 23). Most striking is the following statement:

Some of the judgments – we will not call them facts – which follow will appear to be harsh. We ask the understanding of those who will be offended. The racial and religious distinctions of the city create more than a little ugliness and complacency. But they are also the source of a good deal of vigor, and a kind of rough justice that is not without attraction. (Glazer & Moynihan, p. 23)

Yet scholars referenced this text to explain why there are fewer Black-owned businesses than White-owned businesses. Such approaches, in which scholars reproduce stereotypes not founded on facts of African American entrepreneurship, are encountered throughout the literature about Black-owned businesses. They have proven to be influential in shaping the approaches scholars take in their research of Black entrepreneurs. They also influence the way consumers of the literature think about Black-owned businesses.

Fairlie (2014) and Gibbs (2014) concluded that Black entrepreneurs were less likely than White business owners to have had an entrepreneur in the family and less

likely to have worked in a family business, though they noted this did not contribute to racial differences in small business outcomes. They suggested that lacking work experience in a family business may limit the acquisition by aspiring entrepreneurs of general and specific business human capital, which limits the success of their business relative to White entrepreneurs.

However, the historical literature on Black entrepreneurship suggested that successful Black entrepreneurs who did not have entrepreneurs in their family acquired business human capital in a variety of idiosyncratic ways. An example of this type of entrepreneur was Emmett Jay Scott, who, in the early 20th century, invested in and co-founded several prominent businesses in the South, including the Standard Life Insurance Company of Alabama, the Allied Industrial Finance Cooperation, and the African Union Company. Scott acquired his interest in entrepreneurship from cleaning the offices of the *Houston Post*, though he possessed 2 years of college (Dailey, 2003). His exposure to an environment rich in entrepreneur human capital influenced him to found a Black newspaper, the *Texas Freeman*, in 1893 before becoming secretary to Norris Wright Cuney, the powerful Black politician. Dailey observed that Scott's role of private secretary to Booker T. Washington placed him in the position to accrue and leverage considerable social capital in a business network of entrepreneurs, politicians, journalists, and investors.

In other instances, Black entrepreneurs were mentored by nonfamily business owners. Benjamin Thornton Montgomery, a former emancipated slave, was said to have "successfully taken advantage of the opportunities for learning and entrepreneurship"

(Jones et al., 2012, p. 47) offered him by his owner, Joseph Davies. Montgomery and launched several entrepreneurial ventures, including a convenience store, the profits from which he used to buy his freedom. Davies later entrusted Montgomery with the complete responsibility of running the Hurricane, the cotton plantation upon which he was formerly a slave. Montgomery subsequently bought the plantation, estimated as the third largest in the state of Mississippi, for \$300,000 when Davies was forced to leave during the Civil War.

In the 21st century, many of the entrepreneurs credited with scaling hip-hop to the-billion-dollar industry it has become were said to possess street education, a human capital gained from one's peers. This type of human capital is more relevant to the hip-hop industry than that acquired from working in a family business or through the conventional college education the literature suggests is necessary for business success (Edmondson, 2008). Edmondson noted that the success of the hip-hop industry, and the Black entrepreneurs who dominated was due largely to the strategic leveraging of this unorthodox type of human capital to produce valuable social capital.

In the 1970s, artists and promoters of the emerging hip-hop music industry were dismissed by established music labels, such as Warner Music Group, EMI, Sony and even the Black label, Motown Records. However, Basu and Werbner (2001) argued that hip-hop labels became established because artists, marketers, and promoters of the genre “convert[ed] the salience of ‘blackness’ into capital, staffing and business connections” (p. 244). Edmondson (2008) noted that “Black Americans realized the entrepreneurial potential” (p. 641) of rap and hip-hop and explained that hip-hop artists and promoters

used inexpensive, yet high quality, recording equipment to produce rap and hip-hop music independently. Artists then performed songs live or played in local nightclubs and sold through underground channels, for instance, out of car trunks, in beauty salons, in nightclubs, at flea markets, and via street vending, instead of through regular record stores and other traditional channels. Edmondson noted that hip-hop became a billion-dollar industry due to the innovations deployed by the Black entrepreneurs who dominated it.

The hip-hop innovations were mainly in the leverage of social capital, through the strategic cultivation of capture value networks; that is, the acquisition by a dominant firm of small, but valuable companies and allowing their owners to oversee important divisions of the big firms. The acquisition of small successful firms and placing the former CEOs in major management and executive roles was a strategy that ensured the big firms were able to better cater to the large and growing market, since acquisitions result in increased capacity. The most influential of the early hip-hop entrepreneurs, such as Russell Simmons, Sean Combs, and Percy Miller, commonly employed this strategy.

Hip-hop executives also cultivated relational value networks, in which they used kinship, community, and ethnic and friendship ties to connect with people from record labels, distribution companies, recording studios, production companies, and legal firms. Edmondson (2008) stated that the prominent hip-hop artists noted above all attended college, though none graduated with degrees. However, they did surround themselves with conventionally educated people who had degrees. Being surrounded with conventionally educated people and the examination of the actual experiences and

strategies of Black entrepreneurship have opened the possibility for the development of more nuanced constructs within the human capital literature.

The Paradigm of the Elitist View of Entrepreneurship

The way Black businesses are represented in the mainstream scholarship about business is an example of how a paradigm works. Kuhn (1967) defined paradigms as “universally recognized scientific achievements that for a time provide model problems and solutions to a community of practitioners” (p. viii). As a community of practitioners continues to work within a paradigm, they become more clearly defined, and the authority of their modalities for addressing problems becomes more firmly established. Kuhn defined the process of research as “normal science” (p.51) which is “a strenuous and devoted attempt to force nature into the conceptual boxes” (p. 3) supplied by the paradigm. The normal science of the study of Black entrepreneurship appears to have produced what Edmondson (1999) referred to as the elitist view of entrepreneurship. This view doubts the legitimacy of businesses owned by people of color, even if they are profitable.

The elitist view of entrepreneurship minimizes some types of businesses because other businesses may not be considered traditional businesses. Within this paradigm, Black-owned businesses have the status of “outsiders within” (Edmondson, 1999, p. 38). This is a status given to any group of “less powerful outsiders encountering the paradigmatic thought of a more powerful insider community” (p. 51). Another aspect of the elitist view of entrepreneurship is that Black people who become entrepreneurs encounter impediments to their success because their businesses are not seen as viable.

Ogbolu, Singh, and Wilbon (2015) provided an example with their analysis of the perception of consumers towards businesses owned by entrepreneurs of their own ethnicity versus entrepreneurs of other ethnicities. The researchers found that Black entrepreneurs were not perceived as legitimate in the same way as entrepreneurs of other ethnicities because of the negative stereotypes associated with Black Americans. This negatively affected consumers' intention to patronize Black businesses. In an earlier study, Ogbolu (2011) attributed this perception, in part, to a lack of a Black business tradition, which has led to consumers, including Black consumers, associating most successful businesses with non-Black entrepreneurs. This lack of legitimacy has resulted in Black entrepreneurs having trouble entering and being successful in businesses not typically associated with Black entrepreneurship, thus limiting them to businesses with which they are typically associated, such as beauty salons and barber shops (Ogbolu et al., 2011).

Based on the stereotyping of Black American within a grand narrative, it is possible to place the studies that contribute to it within the context of specific entrepreneurial dynamics. For example, Bates et al. (2010) engaged the theory of high barrier and low barrier industry subgroups. A *barrier* is the human and financial capital resources entrepreneurs need to bring to their ventures. High barrier industries, in which are found such professionals as doctors, lawyers, finance and insurance brokers, as well as wholesale and manufacturing businesses, require advanced education and large financial capital investments. Low barrier industries, such as personal services, repair services, and some construction fields, tend to be more accessible to individuals lacking a

college education and large amounts of financial capital. *Entry* is a dynamic shaped by the interaction between the level of human and financial capital possessed by the entrepreneur, and the human and financial capital required to enter the industry (Bates et al., 2010).

Entrepreneurs' human and financial capital, that is, their educational background and net worth, will predict whether their entry is into a low or high barrier type of firm. High net worth individuals tend to start capital-intensive businesses like manufacturing; individuals with college degrees tend to enter high barrier skill-intensive industries such as professional services. Bates (1990) observed that highly educated entrepreneurs with access to larger financial capital inputs are more likely to create viable and lasting firms than those who are less endowed. Bates also observed that the longer the owner remains in business, the more likely the business will remain open. A closer examination of studies about Black-owned firms that rely on regression analyses may reveal that many of them focus on businesses in low barrier industries and exclude high barrier industries.

A closer examination of studies about Black-owned firms reveals other anomalies as well. For example, in the study conducted by Ogbolu et al. (2015), the researchers acknowledged a number of methodological limitations, specifically in the area of research design. They noted that their questions were asked about a hypothetical entrepreneur in only one type of business, when “[i]t would be better to study real entrepreneurs operating in various industries” (p. 13). Ogbolu et al. concluded, “the reason for the persistent low rate of Black participation in entrepreneurship is not fully understood” (p. 15). They noted that “although researching Black entrepreneurs and their

circumstances such as education, finances, family dynamics is helpful, these studies do not fully explain the state of Black entrepreneurship” (p. 15). This statement supports the contention articulated in the present study that a fuller, more balanced understanding of the spectrum of Black-owned businesses is necessary to gain a more accurate perspective of the Black business community.

A balanced, nuanced understanding of the lived experiences of African American entrepreneurs is necessary given that the results of several studies have suggested that the number of Black-owned businesses is on the rise. Nationally, between 1997 and 2002, minority-owned firms outpaced nonminority firms in terms of growth in number of businesses, total gross receipts, number of employees, and total annual payroll (U.S. Department of Commerce, Minority Business Development Agency, 2010). Minority firms grew in number by 30% compared to a growth of 6 % by nonminority firms, and increased gross receipts by 12% compared to the 4% increase reported by nonminority firms. The U. S. Census Bureau (2011) estimated that the number of Black-owned businesses has increased at triple the national rate. The Census Bureau’s deputy director, Thomas Mesenbourg, reported that the number of Black-owned businesses and total sales continue to grow rapidly. In Texas, the number of Black-owned businesses grew by 74% between 2002 and 2007 (Bureau of Business Research/IC2 Institute, 2014). Bradford (2013) has suggested that within the small business sector, the number of Black firms will increase as the U. S. population becomes more racially diverse and as people of color start firms at a faster rate than non-minority individuals. There is a need for research specifically targeted at the discovery of the entrepreneurial experience of this

demographic.

The second theme profitability of Black businesses owners of a conceptual framework for researching Black entrepreneurship is that Black-owned businesses exist along a broad spectrum of profitability, and a significant number are as prosperous as the most successful mainstream American businesses. Walker (2009) highlighted the presence in the United States of large Black-owned companies. Such companies included World Wide Technology Inc., a St. Louis-based information technology (IT) products and services company with \$2 billion in sales; CAMAC International Corp., a Houston-based crude oil, gas exploration, production, and trading company established by Nigerian immigrant Kase Lawal, with \$1.6 billion in sales; Bridgewater Interiors L.L.C., a Detroit-based automotive parts supplier with revenues of \$1,186 billion, and successful Black entrepreneurs like Reginald Lewis, the first Black American with sales of \$1 billion.

Other successful Black celebrity entrepreneurs include Bob Johnson, Oprah Winfrey, Michael Jordan, Magic Johnson, Tyler Perry, Russell Simmons, Fifty Cent, and the Williams Sisters. Walker (2009) regarded the significant number of billionaire Black Americans whose businesses “paralleled mainstream American businesses” as “creative capitalists” (p. xix), who were “propelled as much by profit as by the will to conquer, the impulse to fight, to prove oneself superior to others, to succeed for the sake, not of the fruits of success but of success itself” (p. xix). Success is as relevant to the 21st century high technology digital age as it was to the frontier slave economy of colonial America. Walker’s stated objective—to recover the identities of Black descended entrepreneurs by

means of the specificity in the Historical documentation—has created a counter narrative to the grand narrative that posits Black business owners as poor and ignorant, a narrative characteristic of much of the scholarship about Black-owned businesses.

Human Capital of Black American Entrepreneurs

Scholars of Black American business have noted the dearth of scholarship about African American thought leadership in business. Prieto and Phipps (2016) and Walker (2009) noted that facts about African descended entrepreneurs remain “noticeably absent from the historical record” (Walker, 2009, p. xiii). Walker argued that the traditional systemic exclusion of African descended entrepreneurs from U. S. business culture has directly contributed to the creation and perpetuation of the myth that entrepreneurs of African ancestry lack a business tradition of the experience of people who, over generations, have engaged in buying and selling (p. xv).

Walker (2009) drew attention to the need for nuanced analyses of Black entrepreneurship and observed that for America’s Black entrepreneurs, unlike for their White counterparts, must factor racism into an analysis of their business activities. She stated that Black entrepreneurs during the age of slavery were denied free access to the resources of the mainstream business community by the “deliberate, systematic and institutionalized” actions of whites (p. xiv). These actions included physical violence against successful Black entrepreneurs and their business establishments by White people wishing to limit the activities of Black Americans to those of servitude only.

Jones (1976) observed that though Europeans in the American colonies did escape the limitations of traditions of birth and prestige in the Old World that deprived most

people of economic opportunities, in the New World they were confronted with “a rude, hard-working group of West Africans willing to take advantage of the open North American society” (p. 114). Jones observed that while “it was frankly admitted that Blacks were essential to the economic development of the colonies, white colonists hoped to profit from the work of Black slaves while denying them the fruits of their labor” (p.114). This was accomplished by segregating Blacks from Whites to prevent Black people from being able “to transform their skills, labor and talents into prestige, power, or influence” (Jones, 1976, p.115).

Walker (2009) further observed that “white opposition to Black economic initiatives were institutionalized through law and societal practices, which not only subordinated Blacks but also precluded them from a full, unfettered freedom in the pursuit of wealth” (p. 65). Walker also observed that “prosperous Black planters and other wealthy antebellum Blacks, despite holdings more than \$100,000, which placed them in the top 1% of the nation’s wealth holders, never achieved freedom from the racial constraints that subordinated people of African descent and denied them equality with whites” (p. xiv). In addition to informal acts of derailment of successful Black businesses (such as burning down Black business establishments and chasing their owners out of town), Walker noted there were also more formal acts, such as legislation to limit Black Americans solely to activities prescribed for slaves.

The deliberate, systematic, and institutional actions of White Americans, which excluded Black Americans from participation in the American business community, had another side, one that provided the White private sector with a government subsidized

business infrastructure that enabled the entrepreneurial ventures of White Americans to accumulate wealth. Such preferential support, Walker (2009) explained, included the granting of military contracts and favorable land charters that placed massive tracts of land in the hands of private speculators, and various tax remissions. In addition, official positions in the colonial government, including governorships, customs inspectorates, and similar posts, provided the means for White males to accumulate wealth and power. These observations are fundamental to understanding the many paradoxes found within both the literature and experience of Black entrepreneurship, including the paradox articulated in this study's problem statement, that Black entrepreneurs, though they are as educated as White entrepreneurs, are less profitable as an entrepreneurial class.

Such early colonial permutations of monopolization matured in the 20th century when the large business interests that flourished because of this preferential infrastructure began to consolidate their economic power in ever-expanding trade associations. In a seminal study, Brady (1943) concluded that within the immediate post-WWII era, trade associations comprising the large businesses of the era began to serve as centralized, coordinating business policy boards that cultivated monopolies for their members in every industry. Brady noted that through such devices as directorates, patent-pooling, and other cartel-like agreements, holding companies and intercorporate ownership of securities, "the ties that bind the [giant corporations] together" (p. 13) took on the characteristics of unified, compact, and internally homogenous groups. Brady's classic study on the political economy of Western capitalism and the rise of "bureaucratic centralism" (p. 3) presents a description of business as a large "system" (p.3) with a

centralized core and “webs of influence” (p. 3) spread out throughout national and international territories. Brady noted that the way business centralization evolved in Western countries like the United Kingdom, the United States, France, and Germany was so similar they seemed to be “the common product of a single plan” (p. 5). Brady’s study may provide a context for interpreting some of the phenomena encountered in the literature about Black entrepreneurship Black-owned businesses.

For example, the monopolization of industries by trade associations may shed light upon why many respondents in the Survey of Texas Black Owned Businesses (Bureau of Business Research/IC2 Institute, 2014) said they have less access than other businesses to government decision makers for procurement and why Black business owners said they were unfairly excluded from both government and private sector contracting opportunities. This phenomenon may also shed light upon why the Black business community of the early 20th century pursued a strategy of creating a separate Black economy, starting with the creation of all-Black towns, some of which were very wealthy, and within which many Black businesses prospered. Exploration of this body of knowledge on the part of scholars researching Black-owned business may cause a shift in the paradigm within the discipline.

Walker (2009) observed that during the period of slavery, Black people, whether slave or free, “seized every opportunity to develop enterprises and participate as business people” (p. xiii) in the commercial life of the young American nation. Walker found that even as Black entrepreneurs established “a tradition of Black business participation” (p. xiii) in the American colonies, “racism defeated attempts by Blacks to develop

enterprises competitive with those established by whites” with the result that Black business activity “is distinguished by a sequential establishment of small enterprises” (Walker, 2009, p. xiii). This historical situation reverberates into the 21st century.

Scholars of contemporary Black-owned businesses have drawn attention to a similar situation in studies investigating nascent self-employment rates. Nascent entrepreneurial rates among Black Americans were 50% higher than corresponding rates for White Americans (Lofstrom & Bates, 2013). While Black Americans possess the levels of confidence and optimism about entrepreneurship compared with other ethnic groups (Smith & Tang, 2013), Black Americans are said to be more likely to fail than White Americans in the early stages of business ownership. Koellinger and Minniti (2006) found “external constraints” (p. 61) the root of this situation. According to the U. S. Department of Commerce Minority Business Development Agency (2010), though minority-owned firms outpace nonminority firms in terms of growth in number of businesses, total gross receipts, number of employees, and total annual payroll, they lag in size of businesses. They are, furthermore, less likely to receive loans, and when they do, receive smaller loans at higher interest rates. They are more likely to be denied loans than nonminority entrepreneurs, and, as a result are less likely to apply for loans, a significant capital investment necessary for scaling their businesses.

This is also the case in the State of Texas. Respondents in the Survey of Texas Black Owned Businesses (Bureau of Business Research/IC2 Institute, 2014) felt their major challenges lay in the areas of funding, cash flow, and finances, in bidding for and winning contracts and in marketing and sales. Similar concerns about minority businesses

have been expressed by Black entrepreneurs at the national level. The U. S. Senate Committee on Small Business and Entrepreneurship (2011) heard testimony that minority entrepreneurs face substantial barriers to obtaining financial capital, including low levels of wealth, home ownership, and lending discrimination. This represents another area in which Black entrepreneurs have historically faced obstacles.

However, Walker (2009) observed that during the period of slavery, when entrepreneurs of Black descent had little or no access to credit or the infrastructure that was available to their White counterparts, and in the face of active and deliberate attempts to shut them down, these entrepreneurs used their own resources to start businesses, and many of them were successful. Walker noted, for example, that Black Americans have had a long tradition of saving for both individual and cooperative group enterprises, beginning with African slave secret burial societies established in the 1600s and continuing with free Black mutual aid societies founded in the 1700s. From the 1600s to the Civil War, Walker observed, that they saved money to expand their businesses and increase their profits, which, in turn, were saved to purchase freedom for themselves, their family, and friends. Walker noted that Black churches, colleges, and universities were built as the result of savings, and it was through saving that Black people acquired land from the colonial era to the present. Walker further observed that the emergence of a free Black community during the age of slavery was a result of the propensity of slaves, particularly slave entrepreneurs, for saving.

A third theme, the unique human and social capital of Black businesses owners of a conceptual framework for researching American black businesses, is that a primary

factor enabling the success of Black entrepreneurs in the face of exclusion from the mainstream business environment was their ability to leverage a unique, augmented kind of human capital. This human capital was cultivated within the context of their outsider status to create valuable social capital within the Black community. Before the civil war, Walker (2009) observed, Black entrepreneur human capital resulted in a substantial number of wealthy Blacks in personal service industries such as barbering, tailoring, and catering. In post-Civil Rights America, human capital resulted in a significant number of wealthy Blacks in sports, entertainment, and the arts. Walker (2009) noted, “In both historical periods, she noted that Black investors did cash financed to gain interest. These individuals, according to Walker, created the foundation for what in the 21st century is regarded as a Black business elite.

The human capital literature identified human capital as a concept that describes both tangible and intangible attributes and investments. For example, human capital can be the combination of one’s genetic inheritance, one’s education and experience, and one’s attitudes about life and business (Bontis & Fitz-enz, 2002). Human capital includes such subjective characteristics as personality traits, creativity, and self-efficacy (Ottosson & Klyver, 2010); abstract endowments such as intelligence and conscientiousness (Malloy & Barney, 2015); and personal attributes like health (Goldin, 2016). Human capital is the KSAOs of an individual that are relevant for achieving economic outcomes (Ployhart et al., 2014; Malloy & Barney, 2015; Nyberg & Wright, 2015). Ployhart et al. (2014) believed that people who are more intelligent or who have invested more in their

education create more value than those who are less endowed or who have made fewer personal investments.

Walker's (2009) research revealed a factor that enabled Black American entrepreneurs to be successful during slavery, the most restrictive period in American history. This factor was the leveraging of human capital—the KSAOs of Black entrepreneurs—to produce social capital, which Hitt and Ireland (2002) defined as the relationships between individuals and organizations that enable people to act collectively. Walker's study demonstrated that the human capital cultivated by entrepreneurs of African ancestry who succeeded and became wealthy was more profound than the usual kind; their human capital included extraordinary amounts of personal strength, ingenuity, and perseverance. Walker supported this point through the numerous personalized narratives of the lives and business activities of entrepreneurs of African descent. Walker's project is significant because Walker uncovered documentation that attests to the resilience of Black entrepreneurs.

Walker's (2009) case studies of successful slave and free Black entrepreneurs and entrepreneurs (i.e., individuals who were not entrepreneurs, but who functioned like entrepreneurs in the way they managed firms founded by entrepreneurs) suggested that such people possessed qualities that made them successful. From Walker's copious narratives and careful positioning of the narratives of successful Black entrepreneurs within the context of institutionalized slavery in colonial America, the following characteristics of Black American entrepreneurs can be extrapolated: they were perspicacious, persistent, ambitious, visionary, intelligent, bold, fearless, skilled and self-

confident, and knowledgeable in specialist areas of expertise, both in the industries in which they operated and in the wider commercial and sociopolitical environment. This is an augmented kind of human capital peculiar to Black entrepreneurs (Walker, 2009).

However, within the community of Black entrepreneurs, not everyone possessed this level of human capital. Though the institution of slavery made success more difficult for Black people, those who did demonstrate entrepreneur human capital could and did become successful, though slavery meant success was not assured. Walker's (2009) research has opened up a conceptual space in which the research on Black-owned businesses and human capital overlap, one which allows the development of a relevant approach to research on the strategic governance of human capital within Black firms.

The historical literature, furthermore, reveals the presence of a segment of the Black business community that has significant bearing upon the human capital concept but has been inexplicably neglected. In a study which examined the historical role played by historically Black colleges and universities (HBCUs) in producing a Black business elite, Boyd (2007) noted, "successful Black entrepreneurs have been and continue to be a major segment of the upper stratum of the Black social class structure, along with those Blacks who have distinguished themselves in the professions and government service" (p. 547). Boyd defined the Black business elite as Blacks who have been nationally recognized as successful entrepreneurs and whose businesses are mainly in competitive capital and knowledge-intensive pursuits such as finance, insurance, real estate, newspaper and book publishing, construction, and manufacturing.

The Black business elite laid the foundation for business districts in Black communities. Boyd (2007) observed that they built self-help and mutual aid associations and encouraged collective economic empowerment, another construct that enriches the human capital concept. They established important Black business enclaves in American cities in the late 19th and early 20th centuries, especially those to which the Black population migrated in masse during the Great Depression. Such businesses included banking, insurance, publishing, real estate, and beauty shops.

HBCUs played a significant role in educating southern Blacks born in the era of emancipation and Jim Crow segregation. Boyd, (2007) however, observed that they declined in significance as routes into the Black business elite increased and Blacks could more easily enter the urban industrial mainstream. Boyd pointed out that by the 1960s, Black students' ability to enroll in historically White colleges and universities (HWCUs), including prestigious ones, improved. The proportion of Black students enrolled in these colleges increased to its highest levels, while the proportion enrolled in HBCUs decreased to its lowest levels. Opportunities for Black people to participate in the economic mainstream also expanded. Black entrepreneurs, aided by government policies to encourage Black capitalism, started firms oriented to racially mixed consumer markets outside of Black communities, resulting in the rise of a new Black business elite that engaged in pursuits such as mass media entertainment and advertising based mainly in the North.

Thus, the fourth theme, the human and social capital unique to Blacks of a conceptual framework for researching U. S. Black business, is that Black entrepreneurs

not only leveraged an augmented human capital peculiar to their outsider status, but also were instrumental in creating the facilities to foster a peculiarly Black human capital. By doing so, Black entrepreneurs were able to develop social capital based on ethnic, cultural, and kinship ties, a move that gave a significant number of them a competitive advantage. The historiography of Black American business in the postslavery era includes accounts of the efforts made by Black entrepreneurs to achieve legitimacy as entrepreneurs, and more importantly, legitimacy as U. S. citizens through their ability to create successful business ventures in the face of the various permutations of racism. Garrett-Scott (2009) placed the historiography of Black American-owned businesses into five periods that feature major themes and points of contention within and between periods: (a) Black Self Determinism, 1890 – 1915; (b) Golden Age of the Black Economic Nationalism, 1915 – 1935; (c) Progressive Critique of Black Business, 1935 – 1960s; (d) Black Political Economy, 1970 – 1980s; and (e) Revisionist Period, 1990s to the Present. Of interest to the current study is the period 1890 – 1935, when the foundation was laid for the modern African American business community.

During this time, Booker T. Washington and W.E.B. DuBois were deeply involved in academic and political thought leadership about Black entrepreneurship and contributed to a significant extent to a philosophy of business. Their philosophy influenced the most prominent and successful Black entrepreneurs of the period, such as Charles Clinton Spaulding, the wealthiest Black entrepreneur at the time, and Marcus Garvey, who created the largest political and economic Black empowerment movement in history. DuBois surveyed some 1,500 Black entrepreneurs for his innovation, the

Atlanta University Conference on “The Negro in Business,” and during this conference, proposed the creation of local Negro businessmen’s leagues. Washington, Du Bois’ rival, convened the first meeting of the National Negro Business League in 1900 for the purpose of networking and trading information. Washington felt there were large enough numbers of Black entrepreneurs to advance the Black race in the direction of entrepreneurship, a move he envisioned would create material prosperity and respect for Black people (Garrett-Scott, 2009). Garrett-Scott observed that for White entrepreneurs, 1890-1935 was the period of the rise of big business, of the self-made man, and of the influence of wealthy entrepreneurs upon politics, society, and culture, and the rise of monopolies through the bureaucratic centralism of the emerging corporate giants. Entrepreneurial-minded Black people also shared these capitalistic ideals (Walker, 2009) and espoused advancement of the race as a major goal. Consequently, Black businesspeople established cooperative businesses, such as banks, building associations, retailers, real estate investment firms, cotton mills, trade unions, schools, charities, and reform groups (Walker, 2009).

Therefore, the fifth theme, practical strategies of Black entrepreneurs for business growth of a conceptual framework for researching U. S. Black business, is that Black entrepreneurs departed from the self-interest that typically characterized capitalist enterprises and integrated into the practical strategies for business growth for their own firms’ other strategies designed to encourage the material betterment of Black communities. A strong emphasis within the public discourse about the Negro in business, in which Du Bois the academic, Washington the politician, and Garvey the activist

featured prominently, was on the idea that Black business success was the solution to racial inequality, especially in that era of Black migration to urban areas in the South and North. Garrett-Scott (2009) observed that the problems of racism, such as the refusal of banks to extend credit to most Black entrepreneurs, White flight from predominately Black service sectors, and hardened lines of segregation exacerbated the challenges of entrepreneurship.

In this environment, Black Americans experienced difficulties growing their small businesses, expanding into new business sectors, and competing effectively in the city's business centers. Thus, Black Americans promoted the idea of buying and selling to each other (Dailey, 2003). In 1900, Booker T. Washington estimated that 9,838 Black businesses required capital. By the following decade, that number increased to 19,000 (Levenstein, 1995). However, the *Buy Black* movement was part of a bigger strategy to create separate Black economies within the mainstream U.S. economy. This strategy was conceptualized by Black community leaders to solve the problem created by systemic racism and was realized through the founding and incorporation of Black towns. Palmer (2006) noted that as many as 200 Black towns were established between the late 19th and early 20th centuries. Such entities Palmer (2006) described as commercially oriented economies, created with specific sociopolitical goals in mind. The towns included Blackdom in New Mexico; Hobson City in Alabama; Allensworth in California; Boley in Oklahoma, which became one of the wealthiest of the Black towns; Mound Bayou in Mississippi, another prosperous town cited by Booker T. Washington as a model of self-sufficiency; and Greenwood in Tulsa, which was so prosperous, it became known as

Black Wall Street (Crockett, 1979). Greenwood town in Tulsa and its 15,000 residents, also known as Little Africa, occupied 35 square blocks and domiciled over 600 successful businesses (Wilson & Wallace, 1996) including 30 grocery stores, a hospital, schools, law offices, a bus system, 21 churches, two movie theatres, a bank, 21 restaurants, libraries, and a post office. Over a dozen residents owned private jet planes. This town's prosperity hinged on its autonomous economy. Wallace and Wilson observed that the dollar circulated within the town as much as 100 times, and currency took as much as 1 year to leave the community. They recalled that on June 1, 1921, the community was bombed from the air, leaving over 3,000 Black Americans dead and most of the businesses destroyed.

Thus, the sixth theme, autonomy and prosperity of Black-owned businesses, in the development of a conceptual framework for researching U. S. Black business is the recognition that Black entrepreneurs created autonomous Black economies in which Black businesses prospered. Within the mainstream American economy, Black entrepreneurs in the early 20th century participated in the development of enterprises that paralleled the mainstream White businesses of that period. An example of the kind of innovation engaged in by Black entrepreneurs was the Ohio-based C. R. Patterson & Sons, the Black American car manufacturing company, which was founded in 1865 by C. R. Patterson, an ex-slave, and manufactured carriages. In 1916, Patterson's son, Frederick Douglass Patterson, built his first car, the Patterson-Greenfield. That there are very scant references to this kind of business activity in the scholarly literature is significant, though there are numerous references among the amateur historians and grassroots scholars who

enthusiastically spread this information abroad the World Wide Web. Nonetheless, this tradition of Black entrepreneurial perspicacity opened the way for Black entrepreneurs to enter large-scale business enterprises in the late 20th century and early 21st century. The Black entrepreneurial tradition was framed by as a philosophy of business and management peculiar to the Black business community and was created within the specific political economy of Black business (Wilson & Wallace, 1996), which I will explain in the next section.

The Thought Leadership of Black Entrepreneurs

Black entrepreneurs of the 19th and early 20th century left available to contemporary scholars of business a legacy of management thought leadership. Although W.E.B. DuBois, Booker T. Washington, and Marcus Garvey were the most well-known of the Black thought leaders who wrote about entrepreneurship, some less well-known leaders' ideas are relevant to Black American business owners. One of these individuals was Charles Clinton (C.C.) Spaulding, who managed the largest U. S. Black-owned business, the North Carolina Mutual Life Insurance Company, from 1900 to his death in 1952 (Prieto & Phipps, 2016). In 1927, Spaulding, a resident of Black Wall Street in Durham—another of the prosperous Black towns which carried the sobriquet *Black Wall Street*—wrote his classic treatise on business entitled, *The Administration of Big Business*, which set out specific business strategies for providing business success. Spaulding, writing during the height of the Jim Crow period of segregation, addressed an audience of seasoned, experienced executives like himself. He might also have had in mind the hundreds of young Black American professionals he mentored at the Mutual

and throughout the Black communities during his tenure. His insights are remarkably modern and reverberate into the 21st century with relevance to Black entrepreneurs of the post-Civil Rights era.

Another Black entrepreneur who left a legacy of thought leadership was Benjamin Thornton Montgomery. Jones et al. (2012) noted that Montgomery's management practices were "atypically advanced and sophisticated" (p. 50) for the immediate post-Emancipation period in which he lived. Montgomery, a former slave, preserved his management strategy in a series of letters he wrote to his former owner, Joseph Davis, brother of Confederate president, Jefferson Davis. Such documents are significant to contemporary researchers because they provide rare opportunities to penetrate into the Black firms and represent the few extant accounts of the actual practices of Black entrepreneurs as they ran their businesses.

As antecedents to the management processes, both Spaulding and Montgomery acquired general human capital, specific human capital, and the entrepreneur human capital required to perform their respective roles. The young Spaulding may have acquired from his father the entrepreneur human capital that enabled him to grow a fledgling company into the largest U. S. Black-owned firm. His father, Benjamin Spaulding, was a farmer, blacksmith, and artisan. Spaulding himself worked as a dishwasher, bellhop, and waiter before going to work for the Mutual, a small company owned by John Merrick, a barber, and Aaron Moore, a Black physician. He so impressed them that they charged him with the task of turning the venture into a profitable business. This he did by "making a definite study of insurance" (Prieto & Phipps, 2016, p. 76) and

becoming “one of the best authorities of insurance in the country” (p.76). Jones et al. (2012) noted that Montgomery received management training from Davis, acquiring “many competencies atypical of those possessed by a slave” (p. 47). Montgomery managed his plantation so successfully that in 1872 he was said (Jones et al. 2012) to have become one of the richest planters in the South.

The management practices of the two men were strikingly similar; Spaulding remarked that “modern business methods” (Preito & Phipps, 2016, p. 82) were the “accumulation and evolution of the composite wisdom of entrepreneurs” (p. 82) through the ages. Both men paid particular attention to the cultures of their business establishments, because both were concerned about and actively participated in the socioeconomic betterment of their employees and the Black communities of which they were both valuable and significant members. Moreover, both men believed that it was their duty to help the Black community however they could. Prieto and Phipps noted that the Mutual gave back to the Black community by financially supporting two large hospitals, a library, local churches, and three newspapers. The literature suggested that their concern for the Black community was both altruistic and pragmatic. Not only did they support the disenfranchised communities, but they also drew labor, employees, and customers from these communities.

Spaulding’s style of management was designed to foster a culture in which there was reverence for the founders, a sense of mission and family, and a commitment to racial uplift. Spaulding’s personal leadership style was to create a democratic relationship among his directors, and he relied heavily on the advice and expertise of others. He had

an open-door policy (Preito & Phipps, 2016), and was said to go beyond for the benefit of his company. He worked to create what he referred to as “that good old Mutual spirit,” which included a sense of intrinsic motivation and reward to develop a sense of organizational identity and commitment. In addition, the Mutual building housed such modern amenities as a medical clinic, a cafeteria, and its own printing press (Preito & Phipps, 2016).

Similarly, Montgomery eschewed the harsh and coercive practices typical of plantation management. Jones et al. (2012) observed that in addition to his concern with developing the business, Montgomery wished also to advance the “unique social elevation for the members of his freedmen community” (p. 53). He saw himself as the leader of an ideal community and sought to create favorable living and working conditions that would attract and keep scarce labor.

Spaulding founded the Mortgage Company of Durham and the National Negro Finance Association, in addition to a fire insurance company and a savings and loan company. Montgomery was also an innovator and an inventor and exemplified the classic definition of an entrepreneur, that is, someone who exploits market opportunities through technical and organizational innovation (Schumpeter, 1965). He expanded vertically, modernizing the plantation’s operations by planting improved strains of crops, inventing new cotton presses, inventing a machine that drained flooded cropland, and developing a new design for a gin, a new sprinkler system, and a new boat propeller. His improvements enabled him to produce internationally recognized, high quality cotton.

Spaulding prioritized the procurement of adequate capital. Spaulding observed that “initial capital must not only be sufficient to commence operations, but must be sustaining over a given period, which, in the experience of similar enterprises is essential” (p. 79). This was known through feasibility analyses, which Spaulding defined as the “knowledge of the needs and resources of the territory” (p. 79); such market knowledge was gathered by a manager. Allied to the knowledge was having an advertising budget. Spaulding saw this as a yearly advertisement budget (p. 80). Prieto and Phipps (2016) drew attention to the central place of strategic budgeting in Spaulding’s planning cycle.

A major management priority for Spaulding was cooperation and teamwork, which was “a complete unity in the matters of policy and a thorough knowledge of all the details of management in the various departments” (Prieto & Phipps, 2016, p. 77). According to modern human capital literature, cooperation and teamwork is an aspect of entrepreneur human capital, a unique, valuable, inimitable, non-substitutable resource critical to a firm’s ability to build core competencies. Spaulding further observed that managers who were comfortable in their environment cooperate and strategize to accomplish their set objectives. With regard to the quality of communication, Spaulding observed that “personal contact and business contact...properly directed [and] based on mutual goodwill and intelligence derived from a commonsense education [will foster] personal cooperation and business cooperation” (Prieto & Phipps, 2016, p. 80). Spaulding articulated a particularly sophisticated approach to team building. Effective team

building, with the end result the cultivation of social capital within the firm, is recognized within the human capital literature as an important source of competitive advantage.

Spaulding held the microscope over the issue of leadership, that is, the primacy of authority and responsibility. He observed that there must be accountability among management on important issues and where decisions are final excluding group meeting. In an elaboration on the function of the leaders, Spaulding recommended “departmental divisions [that] function separately under the direction of agents who may or may not be executive officers” (Preito & Phipps, 2016, p. 78). Jones et al. (2012) similarly noted that Montgomery designed a sophisticated hierarchical structure of authority roles and delegated tasks strategically to organize the administration of taxation, structure governance and jobs and provide housing and education for his labor.

Another of Spaulding’s important strategies was adequate manpower. Spaulding felt that young people should be schooled in business colleges in and instruct the faculties who will train the future Black business leader. To this end, the Mutual began formal management schools and agent training, thus investing in the human capital of employees, an investment intended to benefit the Black business community far in to the future (Preito & Phipps, 2016). The thought leadership of African American entrepreneurs, though perhaps a novel idea in the disciplines of business, management, and entrepreneurship, can fill a gap in the knowledge of Black firms and represents a fruitful area of future research.

Review of Literature Related to Methodology

Over the past several years there have been several phenomenological studies that have focused on entrepreneurship. The studies have been focused on women entrepreneurs (Rehman & Azam Roomi, 2012). Rehman and Azam Roomi's findings focused on work life balance and found that gender bias was a concern for women entrepreneurs in Pakistan. In another phenomenological study, Cope and Watts (2000) focused on critical incidents such as hiring or firing employees that caused the business owners to feel a great deal of distress about running a business. This study's outcomes recommended mentoring support and support for dealing with critical incidents for which the entrepreneur was not ready, although it did not focus on Black Americans and their successes as entrepreneurs. The topic did discuss many of the overarching issues behind failures but looked at entrepreneurship from the perspective of learning, growth, and self-awareness.

Cope (2011) discussed failures but from the perspective of learning from failures. One critical aspect of this study was to see if any of the participants I interviewed described the same points discussed by Cope. Neergaard, and Ulhøi (2007) also provided a great deal of insight to how and what would be possible to understand through a phenomenological lens. Neergaard and Ulhøi argued that at best one can strive to understand common concepts and common events shared by entrepreneurs. By keeping in mind the idea of common concepts and events I will be able to perhaps broaden the understanding of what needs to happen to become successful as an entrepreneur.

In more current research the focus has been on understanding the experiences of generation X and Y entrepreneurs (Ware, 2013). The study did not focus on success or failure but mostly focused on the attitudes the two groups had and how they perceived their obligations to family. While this study might be helpful if the Black entrepreneurs happen to fall into one of the generational cohorts, it did not discuss specifically the successes or failures and the perceptions of those generational cohorts.

Fiet, Norton, and Clouse (2012) conducted one of the only studies that considered the understandings of success in entrepreneurship and how they use searching for understanding about being an entrepreneur. This study may have influenced how I conduct my analysis and develop my interpretations. While there were a few phenomenological studies that reviewed Black males, they were looking at the issue of education and microenterprise development (Jennings, 2014). From my review of phenomenological studies, a clear gap exists in understanding of the lived experiences of Black Texan male entrepreneurs who struggle to obtain success.

Gap in the Knowledge

A dearth of knowledge about the lived experiences of Black entrepreneurs exists in the scholarly literature about business, management, and entrepreneurship. Most of the studies on Black-owned businesses are quantitative studies undertaken almost exclusively using the methodology of regression analysis. The results of such studies do not explain the several paradoxes found within theories of Black business ownership and do not penetrate deep into the firms studied to capture details of significant business processes. A gap in the knowledge of strategies for successful business that may be specific to the

Black business-owners also exists. These strategies may apply to the problem under consideration in this study. Black entrepreneurs of the 19th and early 20th century left available to contemporary scholars of business a legacy of management thought leadership with constructs that may add complexity to theories and studies of business.

This research was based on the lived experiences of Black entrepreneurs who were not as successful as nonminority entrepreneurs. Results of previous research encouraged some government agencies to place their emphasis on factors that were significant to Black entrepreneurs' survival. The factors included Black entrepreneurs' education, management training, and workshops assistance. There was no mention of the challenges experienced by Black business-owners or why Black business owners are not as progressive as nonminority entrepreneurs (Kempster & Cope, 2010; Lautenschlager & Haase, 2011). The results of previous research led potential Black entrepreneurs to focus on entrepreneurs' soft skills instead of the barriers that confronted them, which is the root of Black entrepreneurs' problem. Scholars and practitioners called for greater understanding of the effect of business structures on Black owned businesses because this knowledge is very essential to the progress of Black businesses.

Summary and Conclusions

The literature about Black entrepreneurship in the United States shows a number of themes which, taken together, can articulate the Black business tradition that has existed since the founding of the United States. I have extracted six of the most prominent themes from the literature, and these themes can create a theoretical framework for a study of Black entrepreneurial conceptual framework human capital.

Researchers suggested that Black entrepreneurs who report that their businesses are not as profitable as those of nonminority firms are articulating a problem that is inextricably linked to institutional racism, government support of competitors, and other type of discrimination faced by Black entrepreneurs. Black-owned businesses exist along a broad spectrum of profitability, and a significant number of them are as prosperous as the most successful mainstream American businesses. A primary factor enabling entrepreneurs of African descent to be successful in the face of exclusion from the mainstream business environment was their ability to leverage a unique, augmented kind of human capital cultivated within the context of their outsider status to create valuable social capital within the Black community. Black entrepreneurs leveraged this augmented human capital to develop social capital based on ethnic, cultural, and kinship ties, a move that gave a significant number of them a competitive advantage. Furthermore, Black entrepreneurs integrated practical strategies that fostered business growth for their own firms. They also designed other strategies to encourage the material betterment of Black communities, a departure from the self-interest that typically characterized capitalist enterprises. Black entrepreneurs across America also created autonomous Black economies in which Black businesses prospered.

In Chapter 3, I discuss the research design of the current study. Included in this discussion is the methodology, instrumentation, procedures for recruiting participants, data collection and analysis procedures, and ethical procedures I will use.

Chapter 3: Research Method

Introduction

The purpose of this phenomenological qualitative study was to explore the lived experiences of Black Texan entrepreneurs who were not as successful in business as nonminority entrepreneurs. In this chapter, I provide an explanation of the research design and the appropriate research model. I give measures to collect, shape, examine, prove, and interpret the data. Though many Black entrepreneurs possess high levels of human capital, many have not achieved the level of profitability of nonminority entrepreneurs. Scholars have agreed that a business owner's human capital is a key determinant of the survival and success of the enterprise. I used a transcendental phenomenology method to assist me to understand the lived experiences of Black entrepreneurs in Texas.

In this study, I have included the investigation into identifying barriers to Black entrepreneur's growth and success and the potential steps to overcome them that have led to an efficacious conclusion. The investigation included information and business ideas to formulate useful business strategies that allowed Black entrepreneurs to gain success in the global business environment (Arbaugh et al., 2009).

Research Design and Rationale

The aim in this research was to illuminate the lived experiences of Black entrepreneurs in Texas, a phenomenon in terms of the struggle and the impact on Black business owners. In the state of Texas, Black business owners were closing their doors

because of the racial barriers that confronted them (Bradford, 2013). Hamrouni and Akkari (2012) noted that the most common failure behind Black entrepreneurs is the racial barrier that exists. Therefore, an understanding of the struggle was warranted. In this chapter, I include an exploration of the overarching research question: What are the lived experiences of Black Texan entrepreneurs who struggle to obtain wealth and business growth?

As both research methodology and disciplinary practice, phenomenology, an approach to philosophy pioneered by Husserl, uncovered the phenomena for investigation and provided an analysis for the structures of existence. Finlay (2009) noted that phenomenology is an inductive methodology that can systematically access actual experiences of individuals. For this reason, transcendental phenomenology was the ideal methodology for gaining understanding of the way Black entrepreneurs leverage human capital within Black-owned firms. Moran (2000) observed that one of the discipline's foundational tenets was the rejection of historical traditions, dogmatisms, and a priori metaphysical, religious, and cultural premises in favor of directing attention to the phenomena themselves. Within the scholarly literature about entrepreneurship, no factual literature exists about the lived experiences of Black entrepreneurs. Rather, much of the literature about this economic sector has emerged from a grand narrative based on stereotypes of Black Americans in general. Thus, a significant feature of this phenomenological study was that I anticipated being able to approach this complex human experience in a clear, direct, unprejudiced manner to acquire factual descriptions of experiences of which there was little knowledge.

A phenomenological approach focuses on the qualitative research methodology seeking to understand human experience (Moustakas, 1994). Transcendental phenomenology is rigorous because it investigates the way that knowledge came into being and clarifies the assumptions upon which all human understandings are grounded (Ströker 1993).

Transcendental phenomenology is a phenomenology of perception, and it explicates how things are constituted by realization (Husserl, 1970). Ströker (1993) noted that transcendental phenomenological research is conducted alongside concrete reality and is present in awareness as one's preexisting ideas about what is to be found. I used the transcendental phenomenology method where a rich textual interpretation of the experience of phenomena was produced and the explanations deepen the understanding of the lived experiences of Black business owners who struggled to obtain success.

Role of the Researcher

I was the instrument in a phenomenological study. My role was to gather and examine data relating to the interviews and write the interpretation of the findings that may address the questions in the study. This was a face-to-face meeting with 14 Black business owners in Texas, to develop substantial data on their lived experiences as Black entrepreneurs. An examination of the lived experiences provided a clear understanding of the difficulties Black entrepreneurs experience.

My role was also to clearly define the intent of the research project to avoid importing a framework inconsistent with the tradition of transcendent philosophy. The credibility of the project was determined in part by the faithfulness of the theoretical

framework used in the philosophical tradition, which must be worked out before I began the field research (Moustakas, 1994). In this research, I used transcendental phenomenology as the methodology of its effectiveness at penetrating into the lived experiences of its participants, which, in this case, were Black entrepreneurs as they ran their businesses. I preferred this method to the quantitative methodologies more frequently employed by business and management scholars, which predominantly employed regression analysis, a research method intended to generate statistical data to prove or disprove hypotheses. The results of studies about entrepreneurship that were predominantly quantitative did not penetrate deep into and capture significant details of the life of Black entrepreneurs. The study of such a complex subject as entrepreneurship was more thorough if I looked at both the breadth and the depth of the research problem (Moustakas, 1994).

My role involved recruiting participants. Finlay (2009) observed that the transcendental phenomenological research was the “intersubjective interconnectedness between researcher and researched” (p. 6), that was, a closeness between the researcher and researched. Like the participants in this study, I am a Black American, and I, too, am an entrepreneur. Not only did I perceive no basis for inequitable power relationships, I also saw much room for the cultivation of an intersubjective rapport. Further, since I had no prior relationship with any of the interviewees prior to the research project, I foresaw no circumstance that posed ethical problems. The intersubjective rapport between researcher and research participants, regarded by some phenomenologists as an ideal relationship, was a political positioning that undergirded this study. Bracketing in

phenomenological studies requires epoché (Moustakas, 1994). I used the epoché code to inspect assumptions and to strive for impartiality. I used a reflective journal to take notes on my feelings.

The interview protocol (Appendix A) that I had developed elicited rich descriptive text from the participants who had been interviewed. This aspect of the research requires that the phenomenological researcher set aside scientific theories, knowledge, explanation, and personal biases. Hamill and Sinclair (2010) observed that researchers hold these assumptions in abeyance during the data gathering process to prevent them from influencing the participants' understanding of the phenomenon. Finlay (2009) recognized the flexible and fluid nature of the phenomenological process and the value of the researcher's subjective experience and recommended that the phenomenological researchers retain a "reductive openness to the world while both restraining and using pre-understandings" (p. 13). Finlay explained that this is achieved when the researcher becomes "scientifically 'removed from,' 'open to,' and aware of" while simultaneously interacting with research participants in the midst of their experiencing" (p. 13). This complex approach to the data gathering process was ideal for a project in which the intent was to discover knowledge about a community that had been subject to continuous misunderstanding and misrepresentation.

Methodology

The Survey of Texas Black owned businesses, conducted by the Bureau of Business Research/IC2 Institute (2014), estimated that Black-owned businesses number

154,283 of a total of 2.1 million businesses, or 7% of all businesses in Texas. I drew the sample from this population of Black-owned businesses.

In this qualitative study, I employed the African-American Chamber of Commerce to facilitate networking among Black entrepreneurs in addition to two sampling strategies. The sample strategy I used was purposive sampling. In this strategy, the participants were selected because they purposefully gave an understanding of the central phenomenon through their experiences that related to the phenomenon (Groenewald, 2004). Purposive sampling is a process of selecting participants likely to provide rich information about the central concern of the study and is used when an in-depth understanding of the participants and their experiences of the phenomenon is sought (Singleton & Straits, 2010). Hamrouni and Akkari (2012) observed that participants who are purposively sampled are “representative enough of a specific population to enhance the possibility that certain phenomena [are] captured” (p. 358). They suggested that researchers choose participants whose experiences are the focus of the study and who are willing to share their experiences (Hamrouni & Akkari, 2012).

For this study, I selected a purposive sample of 14 Black entrepreneurs to achieve data saturation, the point in the data collection process where information became redundant (Trochim & Donnelly, 2008). The second strategy was snowball sampling, which was a way of expanding the sample by asking participants to recommend others.

I selected a homogeneous sample of 14 Black entrepreneurs within the state of Texas. The participants were heterogeneous in gender, age, and industry. I selected participants from industries including, but not limited to, retail, wholesale, service,

financial, real estate, restaurant, transportation, communication, manufacturing, and construction. The sample included individuals whose businesses were classified as micro businesses, sole proprietorships, partnerships, or corporations. Participants included in this study were individuals not born in the United States, but who, through naturalization, were regarded as Black American citizens. The sample excluded individuals broadly categorized as minority such as Latinos or Latinas, Asians, Pacific Islanders, American Indians, and Alaska Natives.

In this early iteration of the study, I used transcendental phenomenology approach. I selected participants based on two criteria: (a) participants were Black, and (b) participants had been in business for 5 years or more, which regarded by the Bureau of Business Research/IC2 Institute (2014) as a basic indicator that the business had weathered the early period of uncertainty and had built up a certain level of entrepreneur human capital. Per the Survey of Texas Black Owned Businesses (Bureau of Business Research/IC2 Institute, 2014), of the 914 respondents, 50% reported they had been in business for more than 10 years. I did not know the participants because they were not a part of the business community of Texas with which I had interacted. I consulted with the Black and African-American Chamber of Commerce as a community partner, to solicit the participants for my research.

Instrumentation

The interview questions (see Appendix B) in a phenomenological study were designed to elicit the lived experiences of the Black business owner. The main data collection instruments in this study were the interview script and me as the researcher,

followed by the face-to-face meetings that were guided by an interview guide (Appendix B). I asked open-ended questions and used a digital auto recording device to record the responses of the participants. I had additional batteries in my possession for the auto recording device to be used as a backup, in case of any malfunction. I used an interview guide (Appendix B) based on my research questions and submit the digital recording to a transcriptionist, who transcribed the digital data into a word document. The transcriptionist was asked to sign a confidentiality agreement (see Appendix C).

Pilot Study

I conducted a pilot study with three colleagues. I explained to these colleagues the purpose of the field test. During the interview, I gauged whether the protocol's questions were clear, whether the interviewees were quickly and easily understood the questions, whether the questions elicited rich descriptions, and whether the protocol comprehensively addressed the subject of perceptions of Black business owners. I anticipated that the pilot study provided an ideal opportunity to assess the quality of the research questions about Black business owners, and an attempt to discover the lived experience of Black entrepreneurs.

Procedures and Data Collection

I personally visited the offices of Black entrepreneurs in Texas in which this study took place to seek the permission of business owners to include them in the study. I also used the Black and African-American Chamber of Commerce to facilitate networking among Black entrepreneurs to identify and locate suitable candidates for the study. One organization that promised to provide good contacts was the African-American Chamber

of Commerce to facilitate networking among Black entrepreneurs. When using the organization, I established contact with selected entrepreneurs through the weekly meeting. Each respondent who agreed to participate in the study received a detailed follow-up email explaining the nature of the research and confirming an appointment. I mailed a copy of the consent agreement and interview protocol to each participant prior to the interview so they can gather their thoughts and prepared for the interview.

I selected participants because of their experienced as Black entrepreneurs. Tongco (2007) noted that the purposive sampling method should be reproducible if the results contributed to a greater understanding of the phenomena. To achieve this, Tongco recommended that there was a systematic way of choosing participants. Tongco observed that the researcher should define the qualities the participants had and seek participants with those qualities, cautioning that the reliability and competence of the respondent was borne in mind when making selections. I used snowball sampling as a secondary method to acquire referrals of participants in hard-to-reach locations.

I interviewed each participant once. I conducted the interviews, which were approximately 20-30 minutes in length, within a 3-week period from the start of the field research. I recorded data using an audio recorder and the interview protocol sheet. I maintained field research journal with dated entries for systematically recording all phases of the field research. Phenomenological researchers used a field journal to record thoughts about the interviews, any observations during the interviews that were pertinent, and for debriefing (Tongco, 2007). I used a research journal throughout the interviews to record field notes and other observations. Tongco stated that purposive sampling was

inherently biased; therefore, I also recorded biases in a field journal. Shifting from hermeneutic to transcendental phenomenology was different because in transcendental phenomenology researchers bracket their biases and avoid making sweeping statements of humans' experience. Such prevention is the key to the impartial construct of implications (Tongco, 2007).

Husserl (1970) had an association with transcendental phenomenology and believed that a separation existed between the physical world and human consciousness. According to van Manen and Adams (2010), the essence of Husserl's (1970) transcendental phenomenology was that pure consciousness, which was separate from the experiential world, allowed humans to understand a phenomenon from all sides of the perspectives, and the phenomenon itself appeared real (Moustakas, 1994). Hence, consciousness constituted understanding of a phenomenon from all sides and required separation, or bracketing, of a researcher's bias.

Bracketing in phenomenological studies required epoché, or the suspension of suppositions (Moustakas, 1994). The epoché principle challenged me to examine assumptions and to strive for objectivity. Epoché was central to the data collection and analysis segments of this study. Moustakas (1994) suggested that a researcher begin a study with the epoché process. This process allowed me to develop new knowledge and did not invalidate information gained from previous knowledge. As a result of epoché, I set aside preconceptions about the practice of perceptions of Black business owners.

I continued to take notes in my field journal with dated entries for recording my feelings and perceptions during the field research. I ensured that the participants received

a copy of the interview summaries at the end of the study as a method of member checking. I contacted the participants by telephone and sent any pertinent information via email or by the U. S. postal service. At this point, the participants obtained the opportunity to see the interview transcripts and also verified the accuracy of what had been written.

Data Analysis Plan

To connect the research question with the participants' response, I used descriptive phenomenology in the perceptions of the lived experiences of Black entrepreneurs. Descriptive phenomenology emphasized the 'pure' description of people to the 'interpretation' of such experiences (Willig, 2013). Description phenomenology is a resistance within transcendental phenomenology by postulating that insight pervaded with views and conclusions (Willig, 2013). The interpretation phenomenological analysis received the impracticality and achievement as direct admission to research participants' lived experiences (Willig, 2013). Smith (2015) noted that participants' exploration explained the researcher's own view of the world as well as the nature of the collaboration between researcher and participants. The outcome of the study shaped the lived experiences of Black business owners by my interpretation of the participants' experience (Smith, 2015).

The data analysis process began with specific statements, themes, and a search for all possible meaning in which the research collected and organized text, transcripts, electronic data and reduced them into a word document (Corbin & Strauss, 2008). The respondents provided data about their perceptions of the lived experiences of Black

entrepreneurs. During the interview, transcendental reduction reduced real transcendental objects to a real inherent object by bracketing out all thoughts of its spatial existence (Gallagher & Zahavi, 2013).

Another way I was able to discuss biases was by creating interview questions using expressions and ideas from the literature review. I devised interview questions to address the research questions. As the interviewer, I interviewed from an impartial position and detached my role as the researcher and the interviewer. I asked and clarified questions based on participants' replies and did not lead, guide, or probe participants to encourage biases. As such, I applied a novice's mindset to the data collection process and entered each interview as a learner with inquisitiveness and interest.

Bott et al. (2010) defined phenomenological analysis as a way of precisely producing information about the lived experiences of Black business owners. The technique for the data analysis in this study started with the interview data; thus, a thematic analytical method is appropriate (Bell, 2013). It was vital to conduct an in-depth analysis of the perceptions of Black business owners to identify relationships, evidence, common themes, and meaning (Fleming, Vandermause, & Shaw, 2014; Moustakas, 1994). Moustakas (1994) recommended the use of a modified van Kaam technique for the data analysis to achieve rigor. By employing the van Kaam approach, the investigator can add to current information while raising new intricate questions about the phenomenon (Frivold, Dale, & Slettebø, 2015; Johansson, Hanson, Runeson, & Wåhlin, 2015). This technique was ideal for addressing the research question in a logical manner. The data transcription of the audio recording of each interview was transcribed by a

transcriptionist in this study and involved the use of a word processor and software for data analysis.

The modified van Kaam approach (Moustakas, 1994) was a seven-stage approach that permitted me to achieve detailed knowledge of the participants' lived experiences. The steps in the van Kaam approach were: (a) Horizontalize- the statements, phrases, or labels that occurred repeatedly throughout the data are identified; (b) Thematic reduction – similar statements are grouped together and eliminated unique statements; (c) Clustering – recurrent or invariant themes within the data are identified; (d) Validation – themes are matched against the interview transcripts; (e) Textural descriptions - each theme has a written description to determine what events happened; (f) Structural description - the researcher generates a structural description based on the textural description in step (e) to determine how participants experienced the phenomenon; and (f) Textural - structural descriptions are created to provide thick interpretative descriptions about of the phenomenon (Moustakas, 1994). By combining the van Kaam data analysis technique (Hein & Austin, 2001) with NVivo analytic software, I executed codification and thematic reduction to address the research question (Appendix B).

The transcendental phenomenology principles recognized by Colaizzi (1978) and van Manen (2010) were strong management components designed to arrange, organize, and protect data through a structured filing system. The NVivo software, a computer-aided qualitative data analysis (CAQDAS), is capable of shaping and examining the huge capacity of formless data in media and printed forms. NVivo software offers a code of schemes, code overlapping, chunking of data and data frameworks. Knudsen et al. (2012)

defined coding as those parts of the content that carry meaning within the context of the phenomenon being studied, which form patterns that direct CAQDAS software (Chi-Jung & Shulman, 2008).

During the interviews, I took notes and then combined each individual Black participant interview file into a single file for each interview question. Next, I began an analysis by coding the data. I broke the data down into similar phrases or key words, which were labeled and transcribed by a transcriptionist into a Word document. I used words that described the data. Instead of identifying a specific part of the text, I used numbered coding labels. The corresponding coding categories added meanings and illuminated new insights to the end of each of the participants' answers. I identified categories that were common to all participants and themes emerged. Data from the notes were entered into NVivo 11. Each description was added to a node. The nodes were selected to see any associated text, which allowed me to easily see relationships between participant responses. Visual diagrams were developed to represent the data as well to identify patterns. The phrases that I obtained from the interviews formed the themes. I used these themes as headings in NVivo. I offered participants the opportunity to read the interview transcripts for accuracy from the written text.

Issues of Trustworthiness

Trustworthiness is a term denoting the extent to which the quality of qualitative research was assessed (Corbin & Strauss, 2008). Rodham, Fox, and Doran (2015) highlighted four elements of a high-quality qualitative research project: (a) sensitivity to context, (b) commitment and rigor, (c) transparency and coherence, and (d) impact and

importance. They observed that these qualities were achieved if the researcher demonstrated that data generation and analysis are appropriate to the research questions and that during the data generation process, the researcher had been thorough, careful, honest and accurate. In the following sections, I explain how I assessed trustworthiness in the current research study.

Credibility

One criterion for trustworthiness is credibility, or internal validity. Credibility is the process by which the researcher ensures the study measured what was intended (Creswell, 2007; Trochim and Donnelly, 2008). Munn, Porritt, Lockwood, Aromataris, and Pearson (2014) regarded credibility as a concept that established whether there was a fit between the author's interpretation and the original source of the data. Krefting (1991) stated that a qualitative study was credible when its descriptions and interpretations of a phenomenon were so accurate they were immediately recognized by people who also share that experience. Elo et al. (2014) stated that credibility referred to how well the data addressed the intended focus of the research. They suggested that pre-interviews were useful for determining whether the interview questions elicited rich data to answer the research question.

One way in which I established credibility in this research was through a pilot study intended to study whether the interview protocol sufficiently covered the subject of Black entrepreneur human capital and whether the questions were able to elicit rich descriptions. Another method by which I established credibility was by member checking, a quality control process by which participants are provided with the transcripts

of interviews to allow them to verify accuracy (Cho & Trent, 2006). Cho and Trent (2006) regarded member checking as the most important technique for establishing credibility. Member checking occurred on an ongoing basis throughout this study, specifically after each interview had been transcribed. I asked participants to read the transcripts to verify the accuracy of what had been written. I maintained internal validity in this study through detailed journaling of the research processes and the creation of an audit trail.

Transferability

A second criterion for trustworthiness is transferability, which was the ability of research findings to fit into contexts outside the situation of the study. Elo et al. (2014) described transferability as the potential for extrapolation, which ensured findings can be generalized or transferred to other settings. Lincoln and Guba (1985) argued that transferability become possible when the researcher presented sufficient data to allow comparison. Knudsen et al. (2012) regarded transferability as the extent to which a study provided rich enough contextual information that the reader assessed whether the study's conclusions are unique and relevant to similar social phenomena.

Dependability

A third criterion for trustworthiness is dependability, which refers to consistency of data. White, Oelke, and Friesen (2012) observed that dependability was achieved when all operations and processes of the research project were clearly identified. The ability to identify each step in the research process allowed replication of the methodology by future researchers. As a first step to establishing dependability, Elo et al. (2014)

highlighted the necessity of outlining the criteria for selecting participants and accurately identifying and describing participants' main characteristics to facilitate transferability of results to other contexts. Krefting (1991) offered an additional perspective on dependability and observed that dependability of data is achieved when findings were not altered if the inquiry were replicated with the same subjects or in a similar context. This occurred, as Munn et al. (2014) noted, when the research methods were both appropriate for answering the research questions and when method aligned with the chosen methodology. Researchers agreed that dependability was assured if the research process was traceable and clearly documented. Knudsen et al. (2012) noted that each step, consideration, and decision of the study were documented in a way that rendered the research process clear and easy to understand. I used dated and detailed field journals to create an audit trail, which I also maintained through the systematizing of transcripts, notes, audio tapes, and all documentation created during the course of the field research.

Confirmability

A fourth criterion for trustworthiness is confirmability, or truth value. Confirmability was achieved through prolonged contact with participants, through lengthy periods of observation, or through immersion in the research setting. White et al. (2012) noted that a significant component of confirmability was also the audit trail, which is the meticulous recordkeeping of all aspects of the research. White et al. observed that the record included any shortcoming of the study and was able to provide transparent links between the results of the study and the lived experience of the participants in the study. White et al. also observed that audit trails provide a methodological reference for

the researcher and “the opportunity for reflective reasoning (on themes or categories chosen, interpretations etc.) and criticism for the researchers as the study progresses” (p. 247). Therefore, I established confirmability throughout the course of this study by creating a comprehensive audit trail

Ethical Procedures

Participant anonymity was reassured with the use of number codes. I followed such universally recognized procedures as not collecting identifying information on the interview protocol and identifying participants by codes, as suggested by Damianakis and Woodford (2012). I created a protocol for collecting data that addressed participants’ well-being, such as their rights and responsibility. I treated all research participants with dignity and protected their confidentiality. In addition, I informed participants of potential risks, although I am anticipated minimal to no risk for this study. I used a locked file cabinet to house the audiotaped interview recording, interview transcripts, and data flash drives. The computer files were password protected. After the completion of the study and IRB approval, the data removed from the computer were placed on data flash drives and will be stored in the locked file cabinet for the minimum of 5 years, an IRB requirement.

I followed the IRB guidelines for informed consent and for confirmation of the details of the study during the recruitment inquiry. The clarifications for the aim of the study, process, data collection and analysis, risks, and benefits were presented in the participants’ consent form and required participants’ signatures, which signified their agreement to participate. The participants were required to sign the consent form

electronically before the interview or in person at the beginning of the interview.

Participants were able to withdraw their involvement in the study at any time without penalty. The Walden IRB approval number is 08-08-17-0124560.

Summary

In this chapter, I discussed the design for a transcendental phenomenological study of the conceptual framework human capital of Black entrepreneurs in Texas. Transcendent phenomenology was a method by which a researcher seeks direct understanding of the human experience as lived in the lifeworld and articulated this experience through rich textual descriptions. Business and management scholars preferred this method to the quantitative methods more frequently employed that do not captured significant details about firms. Phenomenological philosophy encouraged the researcher to value both the researcher's and the respondents' subjective experience and to be opened to the emergence of an intersubjective rapport in the process of collecting data.

I used an original interview protocol (Appendix B) to elicit rich descriptions of the lived experience of Black entrepreneurs. The standardized and open-ended protocol adhered to the ethical standards of qualitative research and included qualities that fostered trustworthiness. I ensured content validity through a field test to test the procedures of the study. Such quality control processes as member checking and the creation of an audit trail ensured the confirmability and dependability of the research. In this qualitative phenomenological study, which represented the first of its kind, I sought to uncover the

conceptual framework human capital of Black business owners to increase understanding of why they struggled to achieve profitability.

In Chapter 4, I detailed field test study, the setting, demographics, the data collection and analysis procedures, and procedures I used to ensure trustworthiness. I also provide answers to the research questions. Chapter 5 concludes the research study with recommendations, the study's findings, and implications of the research.

Chapter 4: Results

Introduction

The purpose of this phenomenological qualitative study was to explore the lived experiences of Black Texan entrepreneurs who were not as successful in business as nonminority entrepreneurs. The intention was to identify why Black entrepreneurs were not as successful in business as nonminority entrepreneurs and to discover potential steps to overcome obstacles that led to enhancing the likelihood of success among Black business owners. I used Husserl's (1970) transcendental inquiry based on exploration of lived experiences that provided a rich description. I obtained positive accounts of participants' daily contacts in their business practices with clients, and I framed the thoughts of how participants positioned their significance to their work.

In Chapter 4, I present the research methodology, consisting of a structured process that began with only one research question that clarified tactical information and produced description of participants' experiences as Black business owners. The research question was as follows: What are the lived experiences of Black Texan entrepreneurs who struggle to obtain wealth and business growth?

I used the qualitative transcendental phenomenological method to capture perceptions of Black business owners who were not as successful in business as nonminority entrepreneurs. In this study, I addressed the evidence of trustworthiness through methods to increase credibility, transferability, dependability, confirmability, and dependability of the study. An essential element of the investigation was a field test that included a thorough examination of the research question with Black participants. In

addition, I devised a reflexive journal for notes, which followed a consecutive process of listening to the participants, writing their responses, observing their expressions and how I felt during the interviews, and reading and rereading transcripts. Coding involved using an NVivo consultant and entailed structural and values coding. It was important to use the transcendental phenomenology inquiry because it provided deep descriptions of the lived experiences of Black business owners' daily interactions with their business practices and clients and demonstrated how they assigned meaning to their work.

This chapter includes the research settings, the field test and the results, the demographics of the 14 participants, data collection, and data analysis procedures. I included the results from the research questions as previously delineated and concluded with a summary illuminating the substantial apparatuses of the outcomes and a brief introduction to Chapter 5.

Research Setting

The study participants were 14 Black entrepreneurs in the state of Texas who were not as successful in business as nonminority entrepreneurs. The director of business development of the African Chamber of Commerce was the point of contact for the various organizations. The director gave me permission to solicit its members and to use one of its office spaces for the interviews (see Appendix E). The recruitment process started when the director introduced me to the participants but was not present while I talked to the participants about the study. I recruited the participants through the weekly meetings on site at the organization.

Pilot Study

The pilot study was an important path to conclude the final study. The purpose of the study was to evaluate whether the interview questions sufficiently covered the subject of the lived experiences of Black entrepreneurs and whether the questions were able to elicit rich descriptions of the study. The pilot study also served to examine other important factors such as the significance of cultural appropriateness and Black business owners' ideas, interview procedures, time, and interview questions. The participants' demographics in the pilot study are in Table 1.

Table 1

Demographic Profile of the Pilot Study

Participant	Age	Gender	Level of education	Year of experience	Field of work
P1	56	Male	BA	10	Importer
P2	63	Female	BS	15	Fashion design
P3	59	Male	BA	9	Service

The pilot study consisted of three colleagues with varied business experiences and professional backgrounds. The participants were two males, one was 56 years old, with 10 years of experience, and the other was 59 years old, with 9 years of experience; the third participant was a 63-year-old female, with 15 years of experience. All the participants classified themselves as Black entrepreneurs with professional backgrounds in business. The conclusions of the pilot study confirmed that all seven interview

questions were reasonable and applicable to the lived experiences of Black business owners pursuing business wealth and success. The pilot study was imperative to devise the interview protocol and illuminated new insights on the questions.

Demographics

The purpose of this transcendental phenomenological qualitative study was to explore the lived experiences of Black Texan entrepreneurs who were not as successful in business as nonminority entrepreneurs. The intention was to identify why Black entrepreneurs were not as successful in business as nonminority entrepreneurs and to discover potential steps to overcome them that led to enhancing the likelihood of success among Black business owners. Participants represented an assorted pool that aligned with the heterogeneous sampling technique. For example, participants signified broad diversity and varied greatly in terms of years conducting businesses. The average years being in business for participants were 5 to 30 years. The findings indicated that male and female Black business owners encountered similar experiences and challenges as they attempted to conduct businesses. Both male and female participants demonstrated their abilities to maintain and sustain their businesses while confronting barriers during hard times. Table 2 provides a summary of the participants' demographic information.

Table 2

Demographic Profiles

Participant	Age	Gender	Level of education	Years of experience	Field of work
P1	65	Male	Ph.D	30	Financial consultant
P2	53	Male	BA	6	Retail
P3	57	Male	BA	21	Retail estate
P4	34	Male	CPA	5	Accountant
P5	52	Female	ASC	28	Restaurant
P6	49	Male	BS	20	Construction
P7	54	Female	BA	16	Fashion design
P8	51	Male	D.P.M.	12	Podiatrist
P9	53	Female	BA	5	Restaurant
P10	50	Female	J.D.	11	Attorney
P11	55	Male	BA	10	Consultant
P12	48	Male	ASC	20	Restaurant
P13	61	Male	BA	23	Transportation
P14	52	Female	BA	6	Event planner

Data Collection

The study began with introductory remarks with 20 participants to set the stage for a semistructured interview that was guided by an interview protocol of seven interview questions (see Appendix B).

The data were collected in the form of semistructured face-to-face interviews. When I started on this project, my intent was to interview a minimum of 20 participants to comply with Walden University standards for qualitative research. Researchers who execute phenomenological studies do so with the intent of achieving data saturation. Data saturation relates to the validity of the research directly. According to Dworkin (2012) and Mason (2010), the point of data saturation is when the researcher acquires no new or relevant data. I monitored for data saturation after the fifth interview by assessing code creation patterns. Data saturation was evident after completing codification of the 14 Black entrepreneurs, in Texas, using the African American Chamber of Commerce to facilitate networking among Black entrepreneurs and to identify and locate suitable candidates for the study. On many occasions, there were delays with the interviews due to geographic constraints and time restrictions, but I practiced patience when the interviewees were not on time and I had been waiting after the scheduled time or when an interviewee decided to cancel an anticipated interview. The interviews took place over a period of 6 weeks. The frequency of the interviews ensured an average of two interviews per week. The face-to-face interviews were held in various locations, one at McDonald's, and two at a coffee shop, in the Deep Helium section of Dallas. Eleven interviews were held on the premises of the participants' businesses. I used the recording device

BOOCOSA, multiplication voice Recorder Model #VR-01. All interviews lasted an average of 20 minutes, with the longest interview lasting 30 minutes and the shortest lasting 15 minutes. Each participant responded to seven open-ended interview questions (see Appendix B) and had an opportunity to provide feedback after completing the interview. Feedback on the questions was positive. To decrease discrepancies, interview data were sent to a transcriptionist and were transcribed verbatim on Word documents based on each participant's audio recording (see Appendix C). I provided the participants with a summary of the interviews at the end of each interview session. The interview ended with a brief discussion about the transcript verification and member checking. Member checking requires that participants are presented with the interpretation along with the transcript and ask the participants concurs. Lewis (2015) regarded member checking as the most important technique for establishing credibility. After each interview had been transcribed, I provided copies of the transcribed data to the participants in a verbatim Word document. In the field notes, I applied active listening skills to document the information of participants.

I believed that Black entrepreneurs were not as successful in business as non-minority entrepreneurs, so it was important to bracket my thoughts during the interviews and not to judge based on my biases. Bracketing, according to Moustakas (1994), is to apply epoché, or set aside biases during the data collection and data analysis process. To control biases, I applied epoché to suspend biases and any predetermined notions about the practices of Black business owners. I was able to utilize the epoché principle to

scrutinize expectations and to strive for neutrality. This process allowed me to devise new knowledge and did not annul information obtained from previous knowledge.

Data saturation was an important consideration in qualitative studies. When data saturation was achieved, no new or relevant evidence emerged (Lewis, 2015). When I embarked on this project, my intent was to interview a minimum of 20 participants to comply with Walden University standards for qualitative research. I executed this phenomenological study with the intent of achieving data saturation. According to Dworkin (2012) and Walker (2012), the point of data saturation is when I acquired no new or relevant data. I monitored for data saturation after the sixth interview by assessing code creation patterns. Data saturation was evident after completing codification of the 11th interview. At this point, no new code creation occurred; however, three additional interviews served to confirm the acquisition of a saturated data set.

Data Analysis

The purpose of this phenomenological qualitative study was to explore the lived experiences of Black Texan entrepreneurs who were not as successful in business as non-minority entrepreneurs. The intention was to identify why Black entrepreneurs were not as successful in business as non-minority entrepreneurs and discovered potentials steps to overcome them that led to enhancing the likelihood of success among Black business-owners. In this research, I adapted the transcendental phenomenology methodology seeking to understand human experience (Moustakas, 1994), and clarified the assumptions upon which all human understandings were grounded (Stroker, 1993).

I transcribed 14 interviews that comprised approximately 120 pages, and imported them into NVivo 11. The software was configured to organize and sort the raw data and display coded content in coding reports. These reports appeared in alphabetical order according to the titles of the interviews. I renamed the files to take advantage of the sorting feature in NVivo 11 and coded the raw data from concepts and terms gathered in the responses to the following seven interview questions.

Analysis of the data in this study focused on the responses of 14 Black business-owners who were asked seven interview questions. Each participant responded to the following interview questions:

1. Why does it mean to you to be a Black entrepreneur?
2. How do you feel about your business?
3. Share with me what did you do to build your business?
4. What is a typical business day as a business owner?
5. If you had to close your business what do you think would be your challenges?
6. Can you share with me what you would recommend to others in order for Black owned business to remain successful?
7. Can you describe what you feel is the most important business knowledge for entrepreneurs?

The protocol for coding consisted of the inclusion criteria of Black entrepreneurs who were not as successful in business as non-minority. Using qualitative data analysis software Nvivo 11. The data were broken down into similar phrases or key words. Theses phrases and keywords labeled and transcribed by a transcriptionist into a Word

document. I used words that described the data. Instead of identifying a specific part of the text, I used numbered coding labels. The corresponding coding categories added meanings and illuminated new insights to the end of each of the participants' answers. I identified categories that were common to all participants. This was when the themes emerged. Data from the notes were entered into NVivo 11. Each description was added to a node. The nodes were selected to see any associated text, which allowed me to easily see relationships between participant responses. Visual diagrams were developed to represent the data as well as to identify patterns. The phrases that I obtained from the interviews formed the themes. These themes were used as headings in NVivo.

Bott (2010) described phenomenological analysis as a way of accurately constructing information about life experiences. I used the modified van Kaam method for data analysis in this study to allow the emergence of the phenomenon through the participants' interviews (Hein & Austin, 2001). This method was ideal for addressing the research question in a logical manner. Data analysis using the modified van Kaam method included the following:

1. Horizontalization - the researcher identifies statements, phrases, or labels that occur repeatedly throughout the data.
2. Thematic reduction - the researcher groups similar statements together and eliminates unique statements
3. Clustering - the researcher identifies recurrent or invariant themes within the data.
4. Validation - the researcher matches themes against the interview transcripts.

5. Textural description - the researcher generates a written description of each theme to determine what events happened.
6. Structural description - the researcher generates a structural description based on the textural description in step 5 to determine how participants experienced the phenomenon.
7. Textural-structural descriptions - the researcher combines the textural and structural descriptions to create thick interpretative descriptions about of the phenomenon (Moustakas, 1994).

By combining the van Kaam data analysis technique (Hein & Austin, 2001) with NVivo software, I executed codification and thematic reduction to address the research question. The conceptual framework, human capital, referred to the knowledge, information, and skills acquired by business owners (Nyberg & Wright, 2015). The analysis provides detailed textural data along with the responses and frequency data for each thematic category to offer in depth understanding of the live experiences of participants (Moustakas, 1994). Participant narratives illuminated their experiences as Black business owners confronting challenge

Table 3 contains the thematic category and key themes that emerged and answered the research question based on the identification of significant categories from the participants' responses.

Table 3

Thematic Categories and Themes Revealed

Thematic categories	Key themes revealed
Feeling good about being in business	feel fulfilled, feel good, feel great, feel wonderful, feeling well, provide the best service
Resourcefulness in business	Stay focus, be knowledgeable work hard, try to be successful and have a good knowledge of what to do.
Network advertising systems	Word of mouth increases exposure, word of mouth, built integrity, and spread the information about my business by word of mouth.
Education	Go to school to learn the trade, educate yourself to understand what you do
Alternative plans if business close	Hardship on paying bills, family would be impacted, not being able to sell equipment.
Feel independent	Provide opportunities, empowerment and pride, and make a difference, not only in my life, but in the life of others.
Activeness in business	Tend to do a lot of different tasks, competing with many different people facing a lot of challenges every day.

Thematic Key Category: Feel Fulfilled, Feel Good, Feel great, and Feel Wonderful

The thematic category discovered from the analysis of the interview data was Feel fulfilled, feel good. Feel great and feel wonderful. This thematic category demonstrated a variety of responses with common responses highlighting the feeling good about being in business. Table 4 illustrates the participant responses and the associated frequencies of

each response. It is noted that a single participant can provide more than one response related to a thematic category over the course of the interview.

Table 4

Thematic Category of Feeling Good about Being in Business

Thematic category	Number of participants responses
Feeling good about being in business	9
Independency	2
Progressive	1
Competitiveness	2

Nine participants indicated that they felt good about their business progress. The participants strive to become the catalyst in their communities and the responses they provide about how they feel about their businesses. Participant 1 noted the important of being Black entrepreneurs. P1 stated,

I feel fulfilled. I feel challenge. I feel like a work in progress. That's how I feel. I love what I'm doing. I love being an entrepreneur and I know it takes a special bread of people to be an entrepreneur. So that's how I feel. I feel fulfilled. I feel I'm fulfilling what my destiny is, who I am, you know. P4 responded, "I feel my business is doing very well. While over the years since I started in business, I

have been profitable. I take care of all the stakeholders, so it is doing pretty good.” P5 replied, “I feel very good, just very good.”

Thematic Key Category: Stay Focused, Be Knowledgeable, and Work Hard

Seven participants had to focus on their business programs to remain resourceful. The thematic category discovered from the analysis of the interview data was resourcefulness in business. This thematic category demonstrated a variety of responses with common responses highlighting resourcefulness in business category. Table 5 illustrates the thematic category and participants varied responses and the associated frequencies of responses.

Table 5

Thematic Category of Resourcefulness in Business

Thematic category	Number of participants responses
Resourcefulness in business	7
Innovativeness	2
Positive attitude	2
Professionalism	1

The main theme that was revealed and common among seven of the participants was resourcefulness in business. Resourcefulness in business entailed knowing the business and staying focus on how to be a successful Black entrepreneur. . P1 replied, You have to stay focused on your business plan, the company you keep, the books you read. You have to constantly know that you are a permanent student. Stay at

the edge of technology these days and go back to school. I always have a mastermind group of people that are available to me as a resource. Always be close to a library. Always be finding out, reading business magazines and things like that. They are very vital to your survival. The key is also to be humble to know that at the end of the day as an entrepreneur you want to keep your door open. If your door is open anything can happen and that takes a lot of sacrifice, a lot of sacrifice to keep your goal.

P3 stated,

The most important business knowledge is to know your clients, meet the needs of your clientele, try to be successful and have a good knowledge of what to do. Sometimes I take it for granted, they call me and they start doubting because you're a Black guy and when you're open and honest that's something to tell them what you do, then they offer you water. They say you want some food? They know that this guy is going to solve the problem. He knows what he's talking about. So you have to study and have a good knowledge of what you do. Be good at what you do. That's all you need. Come in there and take control because you know what you're doing.

Thematic Key Category: Word of Mouth and Increase Exposure Access

The thematic category of network advertising systems was commonly reported to provide business connections and opportunities for increasing communication and exchange of information with others in the field. Six out of 14 participants expressed that they went door-to-door to advertise their products and services. Networking is a very

important method of advertising, in which participants passed on the information to clients to build a business. The participants explained that they used networking based on how people do network marketing. Table 6 illustrated the responses of the participants.

Table 6

Thematic Category of Network Advertising Systems

Thematic category	Number of participants responses
Network advertising Systems	6
Education experiences added to social network through creating contacts	1
Personal social networks help make up for lack of education in business	2
No use of networking but would have helped	2
Social network through teaching communication	1
Did not contribute to success	1

Network advertising systems was seen as a critical factor to provide information s among Black entrepreneurs. Participant 11 discussed the way in which the network systems has assisted in business operation and how networking with people is so good for businesses. P11 said,

I used a little bit different model than some people may. I didn't use conventional advertising. I used networking based upon like how people do network marketing. I went to the networking groups and had those individuals that would meet help to

spread the information about my business by word of mouth. And they still continue to do that. I still get calls from people now, introductions for people that I met 7, 8, 9 years ago.

P12 responded,

I realized that I had a great family and circumstances that have helped me and have made me to work even harder. So it's not by my design, it's about truly being focused and doing all that I can because I have talent. I have been asking others with talent and even more talent than myself if they would extend to me and those that have, have made it better for me.

Thematic Key Category: Provide Knowledge and Understanding of Business

Responses related to the thematic category was the knowledge educated entrepreneurs provide about understanding to business process. Education provides the business field with knowledge to confront challenges. Five out of 14 participants indicated that education is a tool for business growth. Black business owners believe that education is important to the progress and growth of their businesses. As a Black business owner, claimed one participant, having the right business knowledge will open doors for new opportunities and help the entrepreneur to cross barriers that would have never been possible. Table 7 offers the full variety of responses offered by participants.

Table 7

Thematic Category of Education

Thematic category	Number of participants responses
Education	5
Self-education	1
Important to business	2
Important to continuous learning	2
Regret not attending college	2

Five participants in this study reported that education has provided the necessary business and field specific knowledge needed to inform them on struggle to overcoming barriers face by Black entrepreneurs. For example, P1 noted the addition of business related knowledge: P1 responded,

Education. I was able from high school to have a background in economics, demand and supply markets, the different kind of markets. Also being an African American, my parents have always being involved in some kind of trade at all times, so it comes naturally to me. It's like you are brought up being an entrepreneur and then when you have the opportunity to go to university you go ahead and study, you know things like business or marketing, advertising, and demand and supply and now you apply those. So I got trained as a business person.

P3 replied, “The most important business knowledge is you have to go to school to be able to learn the trade. At the same time, you have to know the skill.”

P11 responded,

Education. That’s it. Any person getting into any kind of business should get involved with continuous education because things evolve. Either by attending meetings to know what’s up or by getting to formal training. But you need training in order to make sure you overcome.

Thematic Key Category: Hardship on Paying Bills

The thematic category revealed from the analysis of the interview data included business value barrier systems. The responses were given by participants, which included alternative plans if business close. This theme highlights the important practices of Black entrepreneurs who faced business closure. Table 8 explicated the responses offered by participants.

Table 8

Thematic Category of Alternative Plans if Business Closes

Thematic category	Number of participants responses
Alternative plans if business close	5
Workforce retention barrier	1

Five out of 14 participants were undecided about their future if their businesses were closed. Others were open minded and believed they would look into other

businesses to build a future. One participant claimed that if he had to close, the challenges would be difficult for the staff because they would be out of jobs.

P1 replied,

If I had to close my business, my family is always a priority. How will it impact my family? And I have done that before. As I was operating my business outside of the United States before coming here and I had to make that decision to close my business so that I can migrate with my family, how it impacts my family is my greatest challenge.

P2 stated, “It would be challenging. Closing it. I had to look at what's next. The idea of closing is not relevant to me at this point. If that comes up, the challenge would be what's next.” P3 replied,

If I have to close, this is a service industry and we based our services on the clients that come through our doors. If we had to close then we would not be able to pay our bills. There would be hardship on paying my bills. P12 stated:
I can't even fathom it. I can't even think that way. I can't even see me closing my business. That doesn't cross my mind and if the door is closed it's only closed because I don't want someone to come in and be a part of what I'm doing. I don't ever see it closing.

Thematic Key Category: Provide Opportunities, Empowerment, and Pride

The thematic category feel independent face challenges as Black entrepreneurs. Some of the participants expressed in the interview that they feel Independent as Black entrepreneur. Four out of 14 participants explained that they were fulfilled and had

obtained broad opportunities to expand their business in various areas. Table 9 illustrates the participants' responses.

Table 9

Thematic Category of Feel Independent

Thematic category	Number of participants responses
Feel independent	4
Responsibility	2
Role model	1
Social construct	2
Goals	2

Feel independent was a critical factor to how Black participants confronted business growth and success. Participants discussed the general advantages of being independent. P6 stated,

I feel very successful as a Black entrepreneur. There are many opportunities available as a Black entrepreneur. I am using the word opportunity in terms that things that I am involved in bring opportunity, giving me access to more resources to be able to generate more businesses, more cash flow, through a system of networking.

P8 responded,

We don't inherit a lot of business like some of the other people and the togetherness in the Black community is not like what we have with Asians,

Mexicans, so we have to pretty much start from scratch, we don't get a lot of help.

So, it's a lot of effort, a lot of determination to survive.

P9 said,

People who are trapped in the, what do you call it, the hood, you know, so for Black people to comment on defying the odds, it makes us feel proud. You know being entrepreneurs, you know because we are being an example to others that you can start your own business. You know so it gives us a great sense of empowerment and pride.

Thematic Key Category: Tend to Do a lot of Different Tasks, Motivated and Driven

Responses category related to way in which participants tend to do a lot of different tasks, motivated and driven. Common responses highlight the key theme of activeness in business to provide the necessary business support for growth and success. Four out of 14 participants played a very active role in their explication of an activeness in business. Table 10 provides responses offered by the participants.

Table 10

Thematic Category of Activeness in Business

Thematic category	Number of participants responses
Activeness in business	4
Self-driven	1
Degree of organizational leadership	2
Support self-confidence through attaining a personal Goal and achievement	2
Self-education	1
Small part of education: able to achieve if driven	2

Four out of 14 participants explained the active role most Black entrepreneurs played in business growth and success. A typical day as a Black business owner highlighted by participants. P1 stated,

In my opinion, it is the moment that you wake up. There's no one day that I set aside as typical. When you wake up in the morning your day begins as typical. Black business owners are competing with many different people as well as facing a lot of challenges every day in their businesses. The market is getting saturated because so many people are entering, so it is just quite hectic on a daily basis.

P7 responded,

The job of being a small business owner is that you tend to have to do a lot of different tasks, everything from purchasing to inventory control to the financing, payroll. So really there is no typical day. It's more what needs to be done at that time but you know as a small business owner you're pretty much responsible for everything and you don't have a lot of staff that you can rely on. You take care of inventory, you know paying the bills or you take care of purchasing supplies. You do it all.

P9 stated:

I work very hard from sunrise to sunset, sometimes non-stop. My wife are here throughout the days conducting business because I have a full-time job, and whenever I leave that job I try to relieve her which does not happen most times because when I arrive sometimes we're busy and as business owner she stays back, and work with me.

Results and Conclusion

The thematic categories discovered during the constant comparing of coded elements and categories throughout the analysis were exposed in combination with the individuals' narratives, following the modified van Kaam method as described in the previous chapter. As a result, several themes were revealed that represent the live experiences of Black entrepreneurs. These themes constitute the conclusions of the analysis; they offer insight into the problem of the study through the participants' narratives.

Themes

A comparison of participants' responses led to seven themes emerging from the data. The themes illustrated several commonalities among Black practitioners' practices and concepts. Table 11 contains the themes from the thematic category.

Table 11

Emerging Themes

Theme	No. of participants (14)	% participants who experienced themes
1. Feel good about being in business	9	64
2. Resourcefulness in business	7	50
3. Network advertising systems	6	43
4. Education	5	35
5. Alternative plans if business close	5	35
6. Feel independent	4	28
7. Activeness in business	4	28

Black entrepreneurs willingly focused their personal attention and explicated their experiences. A consensus among entrepreneurs was the theme of independence. Nine out of 14 participants affirmed that feel good about being in business as Black entrepreneurs because more benefits are available to them. The following sections contain detailed information about various themes and the participants' responses.

Theme 1: Feeling Good About Being in Business

The feel good about being Black business owners was an essential theme highlighted by the participants. Those who felt good about being Black business owners were fulfilled and had more opportunities available to expand their businesses interests. They indicated that their businesses were progressing because of a strong customer based. The participants were contented about their business leadership roles as Black entrepreneurs.

Their expertise in the field of business and business interests could be attributed to sound training and skill set acquisition. The ideology of expertise involves the framing of special training and racial equality policies. The paradigm of expertise denotes overreliance on professional expert knowledge and practices that result in exclusion of challenging individuals. Most Black entrepreneurs were pleased in their effort to growth their businesses and succeed. Black entrepreneurs with strong businesses would experience financial security.

Theme 2: Resourcefulness in Business

Participants explained how potential Black business owners could remain successful. The business evaluation systems of a business for this part of the interview could be equated to the cost effectiveness, cost efficiency, business plan and evaluation, and business-client relationship. The success of Black entrepreneurs encompassed the implementation of honesty and the effort to work very hard to get the job done. To build a solid customer base for success and growth, Black businesses had to offer excellent services to the customers to gain their approval and their trust.

Theme 3: Network Advertising Systems

Network Advertising Systems is a tool and a system that facilitates interaction between customers and business owners. The participants explained that the network advertising systems was a very effective way to advertise. In the network advertising systems, face-to-face communication helped build a common understanding of shared social context, but when individuals were connected via network more attention is directed toward them. The participants used the networking systems as a tool to provide information regarding their businesses ventures. Information was presented in a social context that determined how the information would be shared and how it would be interpreted. The integrity of the network advertising systems when employed appropriately could help entrepreneurs to build a successful business.

Theme 4: Education

The education theme was a valuable source to Black business-owner success. P1, P3, P11, P12, and P14 had similar beliefs that when the participants were educated, a wide range of benefits and opportunities were available for growing there businesses. Education had been a major source that assisted in future growth. E-learning training programs were being used to complement traditional face-to-face training because of the fast development of computers and the Internet technology.

The education systems of a business for this part of the interview could be associated to proficiency, experiences, and training. In other words, the education system was defined as the most important business knowledge for entrepreneurs. The education

systems addressed the training and knowledge that assisted managers and employees received based on issues relating to business growth.

Theme 5: Alternative Plans if Business Closes

The participants believed they would face challenges if their businesses close. Participants 1, 2, 3, and 14 would have similar experiences, but participant 12 cannot envision his business being closed. The customer solution systems of a business for this part of the interview could be equated to the customer's unmet needs barriers and solutions. The implementation of activities by business owners and their employees were to effectively address the customers unmet needs and barriers.

Most of the participants would experience challenges if they were confronted with business closure. Many consumers shopped with the intent of obtaining bargain prices. They had many options and were willing to shop around for the best values. The participants who wanted to build wealth of a strong customer base could attract new customers and continue to sell more products and services that the customers need at a marginal cost. The integrity of the customer solution systems when applied appropriately could help entrepreneurs build a successful business.

Theme 6: Feel Independent

Social inequality was an equivalent term that could be used interchangeably with the social construct of the feel independent theme. Social inequality was regarded as the location where one lives, with whom one associates, and whom the participant chooses as friends and partners. Twenty-eight percent of participants believed they felt independent as Black entrepreneurs. The feel independent theme provided the participants with clear

perspectives that as Black business owners their life styles were differed from other Black individuals who were not entrepreneurs. For a successful business, Black businessowners have to get involved with the development of community's activities as well as to interact more with community's leaders. They will have to demonstrate leadership roles and find a common ground to build their communities. The social integrity of the feel independent theme when employed appropriately could help entrepreneurs build a successful business.

Theme 7: Activeness in Business

The management systems of a business for this part of the interview could compare to the business calls, meetings, inventories, business strategies, budget, and prioritizing. However, management systems in terms of defining activeness in business comprised of implementation of various activities, such as when to have a sale day or a mark down day of certain products by business owners and their employees. P2 and P9 summarized the phenomenon of activeness in business, as working from sunrise to sunset, with some unpredictable days. The activeness in business theme when employed appropriately demonstrates what a typical business day looks through the lens of the participants.

Evidence of Trustworthiness

Credibility

I accomplished credibility through transcript verification. During the initial interviews, I asked for clarification to ensure my written notes would reflect the audio recordings. After the interviews were completed, I reviewed the audio recordings and

compared them with my field notes. Upon receiving the recordings from the transcriptionist that were transcribed verbatim, I read each transcript word for word for accuracy. I also forwarded a copy of the transcribed data to each participant for member checking. Cho and Trent (2006) regarded member checking as the most important technique for establishing credibility, Member checking enabled me to identify any misunderstandings of the participants' perspectives and responses. Member checking enabled the participants to acknowledge and respond to their own words. Participants did not provide feedback based on clarifications or corrections.

Dependability

I conducted all the interviews within a short time span to guard against changes or other incongruities. To conduct interviews in a short period eliminated the prospect of contradiction, which may have affected data integrity. The reflective journaling and field notes were other measures I used to ensure dependability. Dependability also has to do with being able to replicate the study. I kept an audit trail and reflexive journal for others to replicate the study. Also having an interview script, I ensured that all interviews were similar, which **was** a way to safeguard data dependability.

Transferability

To ensure transferability, I described data collection strategies and data analysis methods and provided a comprehensive description of the context of this research. I also used a purposeful sampling of individuals from different Black businesses to decrease systemic bias and increase trustworthiness. Participants for the study included Black

businesses in various industries who had thick descriptions to report the results, findings, and interpretations of the study.

Confirmability

A fourth criterion for trustworthiness was confirmability. I achieved confirmability through prolonged contact with participants. White et al. (2012) noted that a significant component of confirmability was also the audit trail, which was the recordkeeping of all aspects of the research. White et al. also observed that audit trails provide a methodological reference for the researcher and “the opportunity for reflective reasoning (on themes or categories chosen, interpretations etc.) and criticism for the researchers as the study progresses” (p. 247). I established confirmability throughout this study by creating a comprehensive audit trail and a reflexive journal.

Summary

Chapter 4 included the purpose statement, participant demographics, data collection, data analysis, findings, and evidence of trustworthiness. In this chapter, I provided a detailed explanation of the lived experiences of Black Texan entrepreneurs who were confronted with challenges to obtain wealth and business growth. The data collection and analysis processes resulted in answers to the study. The study consisted of in-depth open-ended, face-to-face interviews to obtain information on Black business owners' experiences that generated themes and patterns further discussed in Chapter 5. The primary research question guiding this research was: What are the lived experiences of Black Texan entrepreneurs who struggle to obtain wealth and business growth? To analyze the collected data, I used an audio recording device and transcription data. I used

NVivo software to code the data, which yielded seven significant themes. I discussed the results of the data analysis, which were based on the responses from the interviews.

Chapter 5 contains a discussion and interpretation of the findings of the research, limitations associated with a study of this type, recommendations, implications, and the conclusion of the study. Chapter 5 also contains recommendations for action for future study.

Chapter 5: Discussion, Conclusions, and Recommendations

Introduction

The purpose of this phenomenological qualitative study was to explore the lived experiences of Black Texan entrepreneurs who were not as successful in business as nonminority entrepreneurs. The intention was to identify why Black entrepreneurs were not as successful in business as nonminority entrepreneurs and to discover potential steps to overcome those obstacles in order to enhance the likelihood of success among Black business owners. The specific goal was to gain a more in-depth understanding of the role of Black business owners who struggled to obtain business growth and wealth. To achieve this goal, I applied the van Kaam method of qualitative analysis to data collected from the semistructured interviews with 14 Black entrepreneurs.

Participants supplied basic demographic information, responded to seven open-ended interview questions (see Appendix B) and made descriptive statements related to their lived experiences and perceptions (see Moustakas, 1994). Using the modified van Kaam technique (Moustakas, 1994), I applied codes to significant phrases, and I clustered significant codes to create themes. Next, clustering recurring themes and validating themes were the constructive steps used to generate textural and structural descriptions. The composite textual descriptions allowed for building a holistic representation of the perceptions of the live experiences of Black entrepreneurs.

Participants' responses aided in the development of descriptions of the experiences of the group as a whole. Textural-structural descriptions revealed the

perceptions of barriers to Black business owners' growth and success. Understanding these shared experiences can help to inform Black business owners and government agencies alike. Black business owners may learn how to acquire the resources they need to overcome barriers or alleviate the effect of barriers that they are confronted with (Bates & Robb, 2013). Moreover, participants may reveal strategies for reducing the impact of barriers on their businesses.

The results confirmed that barriers challenged entrepreneurs' efforts during Black business owners' success and growth, which reduced the chances of business success. Prejudice, lack of regulation enforcement, illegal business activity, and access to funding were among the barriers that restricted business growth opportunities. Black entrepreneurs cited information, funding, and the ability to network with peers as the resources crucial to their success as business owners. Black business-owners wanted functional support from city, state, and federal agencies and other businesses to overcome business barriers.

Key Findings

The findings provided insight into the lived experiences of 14 Black entrepreneurs. The research revealed that nine out of 14 Black business owners felt good about being in business as Black entrepreneurs. Seven out 14 believed they have to be resourceful in business to keep their business from closing, and six out of 14 participants interviewed used the network advertising systems to advertise their businesses. Five out of 14 indicated that education was an important aspect of being Black entrepreneurs, and another five out of 14 had alternative plans if their business closes. Four out of 14 of Black

entrepreneurs had to be active in business to make a profit, while another four out of 14 felt independent as Black business owners.

Interpretation of Findings

The findings filled the gap in the literature by providing insight into the lived experiences of 14 Black entrepreneurs. The seven themes that emerged and answered the interview question were feeling good about being in business, resourcefulness in business, network advertising systems, education, feeling independent, having an alternative plan if business closes, activeness in business, and feeling independent.

Theme 1: Feeling Good About Being in Business

Black entrepreneurs are among the most creative and innovative leaders of modern times (Plotnikova, Romero, & Martinez-Romain, 2016). By the same token, the purpose of the research question was to gain an in-depth understanding of the way in which Black entrepreneurs feel about their businesses. The participants were asked to describe from their experiences how they felt about their businesses' progress. Participant 1 stated, "I feel fulfilled, I feel challenge. I feel as if I am being progressive," whereby Participant 4 stated, "I feel my business is doing very well. While over the years since I started in business, I have been profitable." Participant 6 responded, "I feel very good, I feel very good because again it's an opportunity to expand in many different areas due to the success of the business and the service it is designed to provide."

The participants claimed that entrepreneurs were special types of people, and not everyone could become entrepreneurs. Black business owners believed it was an honor, they were independent, and they were secure as business persons. Security for most

Black entrepreneurs meant that their businesses were performing very well, and they were financially stable; they had an income to take care of their household. Black entrepreneurs provided services and jobs in their communities and were considered to be the catalyst in their family and neighborhood, and most people they were surrounded by respected them as leaders.

Theme 2: Resourcefulness in Business

The participants were asked what they would recommend to others in order for Black owned businesses to remain successful. Seven out of 14 participants articulated and outlined procedures for a successful entrepreneurial engagement. One participant responded, “Stay consistent, stay focused, and look at your business as a business.” Another participant stated, “Stay focused on your business plan.”

Most Black business owners believe they must formulate business programs to be resourceful. One participant stated that Black business owners are permanent students, who must update their skills continuously, and have in their possession the latest technology devices. Hazelwood (2014) stated that success is as relevant to the 21st century high technology digital age as it was to the frontier slave economy of colonial America. The participants defined the most important business knowledge as the realistic goals that are set and must be accomplished. Black business owners facilitated goal setting as well as operationalize the goals. Most Black business owners customized their business models to meet clients’ needs. Customization is central to Black business owners to client-centered engagement. Black participants altered their strategies and techniques to align with the scope and sequence of clients’ needs.

Theme 3: Network Advertising Systems

Black business owners operate in the informal or underground economy because of a lack of social capital (Bradford, 2013). They build their businesses on the network systems, based on word of mouth. Black business owners use various measures to grow their businesses. Walker (2009) demonstrated that Black business owners who succeeded and became wealthy exhibited extraordinary amounts of personal strength, ingenuity, and perseverance. In chapter 2 according to the elitist view was that Black owned businesses were less resourceful and exist within depressing populations (Panth, 2013), They did not possess resources that facilitate entrepreneurship of the kind available to immigrant entrepreneurs (Mangum, 2015).

Many Black business owners do not have the wealth and financial stability or security as a nonminority group. Walker (2009) believed that Black entrepreneurs can be extrapolated: They are sagacious, tenacious, ambitious, intelligent, courageous, talented, and confident in specialist areas of expertise. Black business owners promote the idea of network systems and face-to-face and door-to-door sales, where they go to various neighborhoods and knock on doors to sell their products and services, and then relay information on the type of customer services offered. Hayek and Humphreys (2012) stated that Black business owners promote the idea of buying and selling to each other, which is a strategy that was conceptualized by Black community leaders to solve the problem created by systemic discrimination and was realized through the founding and incorporation of Black towns.

Theme 4: Education

Some of the participants professed that education was one of the most important components to utilize for business growth and success. The participants who possessed education could generate better finance strategies that were more suited to the needs of their businesses (Grable, 2015). The participants posited that entrepreneurs should know their business throughout to experience full growth and profitability. Bates (1990) stated that the highly educated entrepreneurs were more likely to create viable and lasting firms than those who were less endowed. According to Bradford (2013), education was a process by which entrepreneurs acquired human capital as well as a process through which social capital was produced. Bradford (2013) said years of education was to be the strongest human capital variable for identifying business continuance. The Black business owners agreed that businesses founded and managed by entrepreneurs with education succeed to a greater degree than those founded by individuals who did not make similar investments.

Theme 5: Alternative Plans if Business Closes

An entrepreneurial opportunity consists of a set of beliefs, ideas, and actions that enable the creation of future goods and services in the absence of current markets (Acs et al., 2013). Smith et al. (2016) stated that minority entrepreneurs face substantial barriers to obtaining financial capital and lending discrimination. This represents another area in which Black entrepreneurs have historically faced obstacles. In this study the Black business owners did not have a contingency plan for business closure. Baptista et al. (2014) contended that 45% of new entrepreneurial firms will close in 5 years.

Three participants indicated that they would experience hardship if they should close their businesses. The first participant stated that closing would impact his family, the second stated that closing would make life very challenging, and the third stated that he would not be able to pay his bills. Gibbs (2014) shed light on the research whether entrepreneurial ventures were necessity based or opportunity based. A necessity-based venture is one founded by an individual to escape unemployment, while an opportunity-based venture is one in which the founder(s) created a firm to take advantage of an opportunity that can be turned into a profitable business (Baptista et al., 2014). Based on my interpretation, many Black entrepreneurs built their businesses as necessity-based ventures, which is a way to escape unemployment, and if their businesses should fail, these Black entrepreneurs would experience difficulties.

Theme 6: Feeling Independent

The social construct of the first theme independency poses tremendous challenges for Black entrepreneurs. There were four of the 14 Black participants interviewed reported that they felt independent to be Black business owners. This finding correlated to the literature review. The participants claimed that more opportunities were opened for Black business owners, which generated resources and provided access to more cash flow.

Some of the participants had been in business for 5-30 years, which explicated that they had substantial amount of experiences as Black business owners. Hitt and Ireland (2002) posited that human capital is an important contributor to higher income, life satisfaction, and social cohesion and is a determinant of economic growth. According

to Goldin (2016), human capital needed to be in place for business and economic profitability. Many of these Black business owners would be more profitable and experienced, substantially more business growth and success, but they have no access to government assistance and business loans that would help them to maintain financial secure businesses. Fairlie (2014) concluded that Black entrepreneurs were less likely to have an entrepreneur in the family and less likely to have worked in a family business. These participants did not receive government assistance, nor did they obtain support from other ethnic groups. In the body of literature, based on the elitist view, Black-owned businesses have the status of “outsiders within” (Elias, Appiah, & Gong, 2011). This is a status given to any group of “less powerful outsiders encountering the paradigmatic thought of a more powerful insider community” Black people who became entrepreneurs encounter impediments to their success because their businesses were not seen as viable (Ogbolu et al., 2015).

According to the Bureau of Business Research/IC2 Institute, (2014), though minority-owned firms outpace non-minority firms in terms of growth in number of businesses, total gross receipts, number of employees, and total annual payroll. They were less likely to receive loans, and when they do, receive smaller loans at higher interest rates. They are more likely to be denied loans than non-minority entrepreneurs, and, as a result are less likely to apply for loans, loans are necessary for scaling their businesses. Many Black business owners would be more profitable and produce substantially more, if they had access to government assistance, as other nationalities did (Walker, 2009). The lack of capital forced these businesses to perform below their

potential. One of the reasons for their small size was Black entrepreneurs did not obtain the assistance like other ethnic groups businesses did.

Theme 7: Activeness in Business

The participants were asked to explain what a typical day as was a Black business owner. One participant stated, “my day is very hectic as a Black business-owner”. The study explicated that activeness was a critical factor that correlated to positive outcome of the lived experiences of Black entrepreneurs. Four out of 14 participants contended that being active was how most of the participants typical spent a day conducting their businesses. One participant claimed that a typical business day is unpredictable. Another suggested that a typical business day is very busy. He said, “I have to conduct customers services in addition to complete the work that I have to do for the day. Another stated that there is no such thing as a typical business day.”

Based on participants’ responses on how a typical day is spent, activeness is an important factor in the development of the Black businesses growth. Achieving an understanding of activeness sufficiently prepared participants to address their clients’ agenda adequately. The findings of this research showed activeness have a positive and long-term effect on not only the success of Black entrepreneurs but also the work performance and interaction with what are the lived experiences of Black Texan entrepreneurs who were not as successful in business as non-minority entrepreneurs? The findings filled a gap in the literature that has not been covered. Current studies do not report on the impact of inadequate preparation for business closure as it relates to Black business-owners. Most Black business-owners do not implement a structural plan for

business closure and the recognition of this problem by Black entrepreneurs need further investigation and validation to determine the impact.

Findings Related to Existing Literature and Purpose of the Study

I explored the lived experiences of Black Texan entrepreneurs who were not as successful in business as non-minority. The intention was to identify why Black entrepreneurs were not as successful in business as non-minority entrepreneurs and to discover potential steps to overcome obstacles that led to enhancing the likelihood of success among Black business owners. The participants' responses confirmed that humans subconsciously produced motivating factors that pushed individuals over the threshold of business toward a concept of business growth and success (Carsrud & Brännback, 2011). Black entrepreneurs were compelled and motivated to integrate knowledge, assets, and resources to build profit producing businesses (Carsrud & Brännback, 2011). The unsatisfying employment experiences and low wages were factors cited by Black business-owners interviewed for starting their own businesses. When people faced obstacles like discrimination or inadequate wages in the job market, these individuals became entrepreneurs out of necessity (Chrysostome & Arcand, 2009). Participants who participated in this study had the opportunity to create wealth, legacy creation, and the desire to serve the public. The participants were motivated and committed to expand their businesses Findings confirmed what Carsrud and Brännback (2011) suggested that Black entrepreneurs were a part of the antagonistic motivational forces.

Proving the existence of discrimination was beyond the scope of this study as my sole was to identify why Black entrepreneurs were not as successful in business as non-minority entrepreneurs and discovered potentials steps to overcome them that led to enhancing the likelihood of success among Black business owners. I explored Black business-owners strategies related to the barriers to Black owned businesses growth and success. The participants themselves determined discrimination and racism to be problematic in the business arena. Black business-owners believed that the racism came from different sources, and its presence continued to plague and cripple the growth of their businesses. Discriminators questioned the legitimacy of both the Black owned businesses and Black business-owners. According to researchers, in a post-racial society, even though barriers to entrepreneurial opportunity no longer legally existed, a subculture of institutional and social barriers continued to affect Black entrepreneurs' pursuits negatively (Carter, 2012; Ibrahim & Galt, 2011; McAndrew, 2010).

Participants' accounts confirmed the existence of the underground activities acting as a barrier to business growth and success. Researchers described the underground economy as a place where business transactions occurred in the absence of regulation (Webb et al., 2013). Reviewing discussions on illegal operations, Black business-owners claimed when regulatory agencies failed to enforce existing regulations they experienced lower revenues and limited growth opportunities. According to Black entrepreneurs interviewed in this study, poor regulation enforcement promoted illegal business operations and contributed to the suffocation of legitimate Black businesses, losses, and erosion of customer bases. Participants' narratives attested to the underground

economy (Cochrane, 2010). Cochrane (2010) also discussed a symbiotic relationship between legal and illegal operations in Black owned business' community. Black entrepreneurs in this study discussed learning their crafts and sourcing information from individuals who operated in the underground economy.

Participants' reports of their experiences confirmed researchers' views that resource acquisition was essential to Black entrepreneurs during new business development (Oswick et al., 2011). Participants' narratives exposed weaknesses in continuity of information disseminated by regulatory and business support agencies. Findings in this study also aligned with Yusuf's (2010) assessment of the utilization of agency support services and resources. Yusuf claimed that 27% of entrepreneurs used these resources; in this study, 100% of the entrepreneurs interviewed sought help from business support agencies. Participants cited difficulty accessing support services because of scheduling conflicts and staffing inadequacies at agencies.

There were differences between the goals of policymakers and minority entrepreneurs (O'Connor, 2013). O'Connor (2013) claimed policies formulated using economic trends failed to align with entrepreneurial goals. Additionally, Bates et al. (2011) established in the literature that agency managers adapted service functions to suit various government initiatives rather than conform to the needs of Black business-owners. The goals of policymakers focused on job creation, stimulation of innovation, and broader economic growth, while the Black entrepreneurs' goals were upward social mobility, independence, and survival (O'Connor, 2013). Participants' accounts supported the findings of researchers and affirmed the need for new policies to build a business

environment favorable to Black business-owners. New policies would improve existing systems and meet the needs of the Black owned businesses (Bates & Robb, 2013; Fairlie, 2013).

One of the most crippling factors for Black entrepreneurs was access to capital (Casey, 2012; McAndrew, 2010). Typically, Black business-owners had insufficient personal equity to qualify for loans, and this resulted in undercapitalization of their enterprises (Bates et al., 2011). I confirmed the assessments of Bates et al. (2011) that undercapitalized businesses were slow to start and likely to fail in the initialization phase. Availability of financing options was a barrier that prevented or delayed business initialization and growth among this group of Black business-owners according to Edelman et al., (2010). Participants in this study sought assistance from the SBA, city offices, and state agencies; however, none was successful. The participants in this study resorted to using personal savings and borrowing from family savings to finance their businesses (Sen, 2011; Web, Morris, & Pillay, 2013).

Human capital included higher education, family ties, and civic organizations. Each human capital asset served an informal resource for learning the local business system, and as a conduit of information (Sakamoto et al., 2010). The perceived experiences of the Black entrepreneurs interviewed for this study confirmed findings of researchers who determined entrepreneurs leveraged existing relationships and social capital to increase the likelihood of business success (Cochrane 2012; Fairchild, 2010; Fairlie & Robb, 2009). The findings corroborated the conclusions of Fairlie and Robb (2009) who explained the utility of social capital and human capital as business resources

(Fairlie & Robb, 2009). Participants viewed acquisition of information, knowledge, and the utility of information technology as resources useful for bolstering internal capabilities. Entrepreneurs interviewed in this study explained how these resources helped them to maintain business operations successfully. Zhang et al. (2011) identified information asymmetry as a barrier to assembling necessary resources.

Education alone was not sufficient for developing entrepreneurial talent (Shinnar et al., 2011). According to Johnson and Eby (2011), the combination of education, social capital, individual characteristics, and demographics were universal predictors linked to entrepreneurial success. Demographic information collected during the interviews depicted the distribution of educational attainments of the study group and verified the role of education but not the totality of the impact of education on business success.

Participants identified business networks, entrepreneurial mentors, and agency liaisons as forms of social capital useful for accessing information, comprehending regulations, and generating strategic plans. Many Black entrepreneurs coped with business challenges by using social capital to overcome barriers and achieve success. The accounts of Black entrepreneurs in this study corroborated Cochrane's (2010) determination that social capital was part of the institutional, cultural, and historical complex that promoted the development of new businesses.

The findings in this study provide subjective support for Dayamin's (2011) conclusions related to the importance of business location. Dayamin concluded unique features of business location and business environment could limit access to economic activity sufficient to sustain Black businesses. As evident in the narratives, the

availability of resources, the business environment, ethnicity, and geography influenced the outcomes of entrepreneurial efforts (Dayamin, 2011; Wang, 2011). For example, local regulatory agencies affected the business environment causing unnecessary and untimely delays when Black entrepreneurs attempted to start or expand their businesses. This study was narrow in scope; exploration of the relationship between location and business success was limited to the perceptions of the lived experiences of Black business-owners. Only the participants reliant on patterns and population concentrations appeared to agree with these researchers regarding the importance of business location.

Limitations of the Study

The research study was subjected to several limitations. I explored the lived experiences of Black entrepreneurs' practices, and perceptions with a particular focus on the information and skills they acquired. The first limitation consisted of the data collected which was used for the semistructured interviews method. The primary reason for selecting this interview method was the flexibility to include the option to ask probing questions when possible. However, due to participants' choice of locations, I did not have control over the locations. A lack of locations control meant that I was unable to expose participants to comparable incentives. I used an interview guide that allowed me to conduct interviews in the similar arrangements and means. Another limitation was that the majority of the business owners were well educated. There are many business owners, who do not possess a doctorate or even a BS degree, however, some businesses do need both mental and physical knowledge to be progressive.

The third limitation was I limited the study by one geographic location which was in area of Dallas. The Black entrepreneurs in Dallas were not doing as well in business as non-minority. I was limited to the sample size which comprised of only 14 Black participants from various areas in Dallas, Texas. I collected the data from a homogenous sampling group; therefore, the results may not transfer to all Black business owners, in Dallas, Texas or elsewhere.

The fourth limitation was the conceptional framework of this study, developed from one framework human capital referred to the knowledge, information, and skills acquired by business. There were other theories under consideration and applicable to the focus on this study. However, the framework used provided key concepts embedded in minority entrepreneurship. Study results confirmed that several of the theoretical constructs of the conceptual framework, human capital, General human capital and specific human capital were key concepts undergirding the practice of lived experiences of Black entrepreneurs. These limitations did not affect the study's significance and potential contributions

Recommendations for Further Study

Researchers identified the necessity to study the connection between Black entrepreneurs and the elements in the business landscape that will bring knowledge in the field (Carsrud & Brännback, 2011). Researchers recognize the need for understanding why Black owned businesses were not as successful as non-minority businesses; and, the potential steps to overcome those barriers because this knowledge is vital to creating an optimal blend of Black entrepreneurs' talent for business vitality and growth (DeVries,

2012). Participants' feedback in this study provided insights to the method Black entrepreneurs utilized for success and business growth.

Based on the findings in this study, a key recommendation is additional study of network advertising systems and the methods strategically utilized by Black business-owners to overcome barriers and develop business growth and success. Black business leaders would provide information on the way in which the network advertising systems designed to help new and start-up businesses understand the struggles of Black entrepreneurs to overcome barriers and gain business growth and success in the initial stage of their development. The strategy that Black business-owners employed would help to advance many new businesses.

The findings in this study indicated a need for qualitative investigations of internal resource utility and strategic management among Black business-owners in an expanded geographic area. A study of this type may increase understanding of cultural variations in Black business-owners strategy and the benefits of strategic choices. I also recommend comparative case study comparing successful and non-successful Black owned businesses to test the cumulative effect of barriers on business revenues among Black entrepreneurs. A study of this nature may provide government agencies with information useful for policy development and the creation of business initiatives to promote a fair, competitive environment. Participants in this current study were well educated so results did not reflect Black owned businesses by less educated entrepreneurs. I recommend a study of Black owned businesses where the entrepreneurs are not well-educated. This study would be conducted in the surrounding areas of Dallas,

Texas. The Black entrepreneurs in this study must be in business for at least five years or more and have confronted many challenges and overcome them.

The literature on perceptions of Black business owners in overcoming barriers faced by Black entrepreneurs in Texas has limitations. I recommend conducting further research to explore managerial attitudes, responses, and procedures of Black owned--businesses. Knowing the method that Black entrepreneurs use to operate a business during an active business day, would assist Black business-owners to eliminating barriers and open doors for business growth and success. A research of this magnitude may provide government agencies with information valuable for strategic development and the formation of business ingenuities to encourage a reasonable, competitive environment.

Implications for Social Change

The findings and recommendations of this study may effect positive social change by advising government officials and Black business-owners about the barriers Black business owners face and potential steps to overcome those barriers. Additionally, scholars recognized the need for greater understanding of how businesses are structured and managed by Black business-owners because this knowledge was vital to creating business prosperity for Black entrepreneurs (DeVries, 2012). The findings of this study highlighted the perspectives of Black business-owners and provided evidence regarding strategies used to manage the effects of barriers to Black business-owners' operations.

Many Black entrepreneurs want to make a difference in their community and in surrounding areas. The decision to become entrepreneurs was a serious decision because

it involved a great deal of sacrifice. The sacrifices of losing an investment and in many cases the income of family members were very serious. Elston and Audretsch (2011) stated that most Black entrepreneurs were motivated to gain business wealth and growth, and did not easily get dispirited.

The information gathered from the participants provided information that could be presented to Black entrepreneurs through a workshop setting. The information gathered from the participants could help to establish agendas that could inspire entrepreneurs interest and potential entrepreneurs to consider entrepreneurship as a viable consideration to employment or unemployment.

Researchers have observed, researched, and written about entrepreneurs' education, successes, failures, innovations, skills, risk tolerance, independence, and struggles. The gap in the literature was the lack of knowledge about the lived experiences of Black entrepreneurs. There was no new theory developed to explicate a viable solution to address the lived experiences of Black entrepreneurs who struggled for success as nonminority entrepreneurs. Not understanding the experiences of Black entrepreneurs and their struggles to become successful could have contributed to the lack of strategic efforts to assist entrepreneurs in overcoming barriers and building successful businesses. .

Conclusions

The challenges that Black business owners faced presented difficulties in financing their businesses. The obstacles did not prevent the entrepreneurs from seizing business opportunities and pursuing their ambition to become successful business owners. Through resilience and creative efforts, many Black business owners were able

to find alternative means to continue business pursuits. The Black business owners in Texas experienced various challenges, including the inability to meet recurring businesses expenses, an uncertain entrepreneurs' future and the threat of losing their life savings, the pain of terminating employees, and the rejection experience of loan denials. Many Black entrepreneurs in the study did not have access to government assistance for their businesses. Their only alternative was to finance their businesses with their own savings. Despite the challenges, many Black entrepreneurs in Dallas, Texas had been able to maintain stable and successful businesses.

References

- Abdelgawad, S. G., Zahra, S. A., Svejnova, S., & Sapienza, H. J. (2013). Strategic leadership and entrepreneurial capability for game change. *Journal of Leadership and Organizational Studies* 20, 394-407. doi:10.1177/1548051813475484
- Acs, Z. J., Audretsch, D. B., & Lehmann, E. E. (2013). The knowledge spillover theory of entrepreneurship. *Small Business Economics*, 41(4), 757–774. doi:10.1007/s11187-013-9505-9
- Addae, I. Y., Singh, R. P., & Abbey, A. (2014). Cultivating Black technology entrepreneurs through HBCU engineering & business programs. *Journal of Entrepreneurship Education*, 17(2), 12-30. Retrieved from <https://www.abacademies.org/articles/jeevol1722014.pdf>
- Alsaaty, F.M. (2013). The expanding business landscape of minority-owned firms in The United States, 2002-2007. *Business Review, Cambridge*, 21(1). Retrieved from <http://www.jaabc.com/brc.html>
- Aman, O., Tahir, M. N. H., Majid, I. A., Aziz, N. A. A., & Rahmiati, F. (2011). The success factors of food small medium entrepreneurs under the one district one industry programme: A case on food manufacturing entrepreneurs in Melaka. *Journal of Global Entrepreneurship*, 1(1), 44-64. Retrieved from https://www.researchgate.net/profile/Izaidin_Majid/publication/241759038
- Amoroso, D. L., & Scott, H. (2009). Measuring the acceptance of internet technology by consumers. *International Journal of E-Adoption*, 1(3), 48-81. doi:10.4018/jea.2009092903

- Anderson, M. (2012). *Our Black year: One family's quest to buy Black in America's racially divided economy*. New York, NY: Perseus.
- Anvan, F. (2013). The influence of power shifts in data collection and analysis stages: A focus on qualitative research interview. *The Qualitative Report*, 18(36), 1-9. Retrieved from <https://nsuworks.nova.edu/tqr/vol18/iss18/2/>
- Aquilani, B., Abbate, T., & Codini, A. (2017). Overcoming cultural barriers in open innovation processes through intermediaries: A theoretical framework. *Knowledge Management Research & Practice*, 15(3), 447-459. doi:10.1057/s41275-017-0067-5
- Arbaugh, J. B., Cox, L. W., & Camp, S. M. (2009). Is entrepreneurial orientation a global construct? A multi- country study of entrepreneurial orientation, growth strategy and performance. *Journal of Business Inquiry*, 8, 12-25. Retrieved from <https://www.uvu.edu/woodbury/jbi/>
- Baptista, R., Karaoz, M., & Mendonca, J. (2014). The impact of human capital on the early success of necessity versus opportunity-based entrepreneurs. *Small Business Economics*, 42(4), 831–847. doi:10.007/s11187-013-9502-z
- Barriball, K. L., & While, A. (1994). Collecting data using a semi-structured interview: A discussion paper. *Journal of Advance Nursing*, 19(2), 328–335. doi:10.1111/j.1365-2648.1994.tb01088.x
- Basu, D., & Werbner, P. (2001). Bootstrap capitalism and the culture industries: A critique of invidious comparisons in the study of ethnic entrepreneurship. *Ethnic and Racial Studies*, 24(2), 236-262.

doi: 10.1080/01419870020023436

- Bates, T. (1985). Entrepreneur human capital endowments and minority business viability. *Journal of Human Resources*, 20(4), 540-554. doi:10.2307/145683
- Bates, T. (1989). Small business viability in the urban ghetto. *Journal of Regional Science*, 29(4), 625-643. doi:10.1111/j.1467-9787.1989.tb01248.x
- Bates, T. (1990). Entrepreneur human capital inputs and small business longevity. *Review of Economics and Statistics*, 72(4), 551-559. doi:10.2307/2109594
- Bates, T. (1997). *Race, self-employment, and upward mobility: An illusive American dream*. Baltimore, MD: Johns Hopkins University Press.
- Bates, T., Lofstrom, M., & Servon, L. (2010). *Why have lending programs targeting disadvantaged small-business borrowers achieved so little success in the United States?* Bonn, Germany: Bonn Forschungsinstitut zur Zukunft derArbeit GmbH.
- Bates, T., Lofstrom, M., & Servon, L. J. (2011). Why have lending programs targeting disadvantaged small business borrowers achieved so little success in the United States? *Economic Development Quarterly*, 25, 255-266.
doi:10.1177/0891242411409206
- Bates, T., & Robb, A. (2013). Greater access to capital is needed to unleash the local economic development potential of minority-owned businesses. *Economic Development Quarterly*, 27, 250-259. doi:10.1177/0891242413477188
- Bell, R. P. (2013). *The proton in chemistry*. New York, NY: Springer Science & Business Media.

- Bhatt, P., & Altinay, L. (2013). How social capital is leveraged in social innovations under resource constraints? *Management Decision*, *51*(9), 1772-1792.
doi:10.1108/MD-01-2013-0041
- Bogan, V., & Darity, Jr., W. (2007). Culture and entrepreneurship? African American and immigrant self-employment in the United States. *Journal of Socio-Economics*, *37*(2008), 1999–2019. <https://doi.org/10.1016/j.socec.2007.10.010>
- Bonds, M. (2007). Looking beyond the numbers: The struggles of Black businesses to survive: A qualitative approach. *Journal of Black Studies*, *37*(5), 581-601.
doi:10.1177/0021934705280306 2007
- Bontis, N., & Fitz-enz, J. (2002). Intellectual capital ROI: A causal map of human capital antecedents and consequents. *Journal of Intellectual Capital*, *3*(3), 223-247.
doi:10.1108/14691930210435589
- Bott, E. (2010). Favourites and others: Reflexivity and the shaping of subjectivities and data in qualitative research. *Qualitative Research*, *10*, 159-173.
doi:10.1177/146879410935673
- Bott, K., Upton, Z., Schrobback, K., Ehrbar, M., Hubbell, J. A., Lutolf, M. P., & Rizzi, S. C. (2010). The effect of matrix characteristics on fibroblast proliferation in 3D gels. *Biomaterials*, *31*(32), 8454-8464.
<https://doi.org/10.1016/j.biomaterials.2010.07.046>
- Bowen, G. A. (2010). From qualitative dissertations to quality articles: Seven lessons learned. *The Qualitative Report*, *15*, 864–879. Retrieved from <http://www.nova.edu/ssss/QR/>

- Boyd, R. L. (2007). Historically Black colleges and Universities and the Black business elite. *Sociological Perspectives*, 50(4), 545-560. doi:10.1525/sop.2007.50.4.545
- Bradford, W. D. (2013). *Minority businesses in the U.S.: An economic review of scholarly research since 2000*. Retrieved from <http://tabor100.us/Resources/Documents/Kauffman%20report.pdf>
- Brady, R. A. (1943). *Business as a system of power*. New York, NY: Columbia University Press.
- Bureau of Business Research/IC2 Institute (2014). *Survey of Texas Black Owned Businesses*. Austin, TX: University of Texas at Austin. Retrieved from <https://repositories.lib.utexas.edu/bitstream/handle/2152/24702/bbr-2014-survey-of-texas-black-owned-businesses.pdf?sequence=2>
- Carsrud, A., & Brännback, M. (2011). Entrepreneurial motivations: What do we still need to know? *Journal of Small Business Management*, 49(1), 9-26. doi:10.1111/j.1540-627X.2010.00312.x
- Carsrud, A., Brannback, M., Nordberg, L., & Renko, M. (2009). Cognitive map and perceptions of entrepreneurial growth: A quasi-experimental study in the differences between technology entrepreneurs, corporate managers, and students. *Journal of Enterprising Culture*, 17(1), 1-24. doi:10.1142/S021849580900028X
- Carter, S. (2011), The rewards of entrepreneurship: Exploring the incomes, wealth, and economic well-being of entrepreneurial households. *Entrepreneurship Theory and Practice*, 35(1), 39-55. doi.org/10.1111/j.1540-6520.2010.00422.x

- Carter, W. M. (2012). The Thirteenth Amendment and pro-equality speech. *Columbia Law Review*, *112*, 1855-1881. doi:10.2307/1123631
- Casey, C. (2012). Low-wealth minority enterprises and access to financial resources for start-up activities: Do connections matter? *Economic Development Quarterly*, *26*(3), 252-266. doi:10.1177/0891242412452446
- Chahal, H., Dangwal R.C., & Raina, S. (2016). Marketing orientation, strategy orientation and their synergistic impact on business performance. *Journal of Research in Marketing and Entrepreneurship*, *18*(1), 27-52.
<https://doi.org/10.1108/JRME-03-2016-0004>
- Chan, Z. C., Fung, Y., & Chien, W. (2013). Bracketing in phenomenology: Only undertaken in the data collection and analysis process. *The Qualitative Report*, *18*(30), 1-9. Retrieved from <http://nsuworks.nova.edu/tqr/vol18/iss30/1>
- Chi-Jung, L., & Shulman, S. W. (2008). Rigor and flexibility in computer-based qualitative research: Introducing the coding analysis toolkit. *International Journal of Multiple Research Approaches*, *2*(1), 105-117. Retrieved from <http://www.umass.edu/qdap/IJMRA.pdf>
- Cho, J., & Trent, A. (2006). Validity in qualitative research revisited. *Qualitative Research*, *6*(3), 319-340. doi:10.1177/1468794106065006
- Cochrane, P. (2010). African-American entrepreneurial venues and social capital. *Journal of Developmental Entrepreneurship*, *15*(3), 287-300.
doi:<http://dx.doi.org/10.1142/S1084946710001567>

- Colaizzi, P. (1978). Psychological research as the phenomenologist views it. In R. Vale & M. Kings (Eds.), *Existential-phenomenological alternatives for psychology* (pp. 48-71). New York, NY: Oxford University Press.
- Cook, L. D. (2012). Overcoming discrimination by consumers during the age of segregation: The example of Garrett Morgan. *Business History Review*, 86(2), 211-234. <https://doi.org/10.1017/S0007680512000372>
- Cope, J., & Watts, G. (2000). Learning by doing – An exploration of experience, critical incidents and reflection in entrepreneurial learning. *International Journal of Entrepreneurial Behavior & Research*, 6(3), 104-124.
<http://dx.doi.org/10.1108/13552550010346208>
- Cope, J. (2011). Entrepreneurial learning from failure: An interpretative phenomenological analysis. *Journal of Business Venturing*, 26(6), 604-623.
<http://dx.doi.org/10.1016/j.jbusvent.2010.06.002>
- Corbin, J., & Strauss, A. (2008). *Basics of qualitative research*. Thousand Oaks, CA: Sage.
- Creswell, J. W. (2007). *Qualitative inquiry & research design*. Thousand Oaks, CA: Sage.
- Crockett, N. (1979). *The Black towns*. Lawrence, KS: Regents Press of Kansas.
- Dailey, M. C. (2003). The business life of Emmett Jay Scott. *Business History Review*, 77(4), 667-686. <https://doi.org/10.2307/30041233>
- Damianakis, T., & Woodford, M. R. (2012). Qualitative research with small connected communities generating new knowledge while upholding research

ethics. *Qualitative Health Research*, 22(5), 708-718.

doi:10.1177/1049732311431444

Dayamin, S. L. (2011). Do minority-owned businesses face a spatial barrier? Measuring neighborhood-level economic activity differences in Philadelphia. *Growth and Change*, 42(3), 397-419. <https://doi.org/10.1111/j.1468-2257.2011.00558.x>

DeVries, H. P. (2012). Do Indian immigrant entrepreneurs residing in different host countries display the same behavioural patterns? *Journal of Enterprising Communities: People and Places in the Global Economy*, 6(2), 138-153.

doi:10.1108/17506201211228949

Dingle, D. T. (2013). The business trailblazers and titans of Black America.

Economics, 36, 209-222. doi:10.1007/s11187-009-9210-x

approach.

Dworkin, S. L. (2012). Sample size policy for qualitative studies using in-depth interviews. *Archives of Sexual Behavior*, 41(6), 1319-1320.

doi:10.1007/s10508-012-0016-6

Edelman, L. F., Brush, C. G., Manolova, T. S., & Greene, P. G. (2010). Start-up motivations and growth intentions of minority nascent entrepreneurs. *Journal of Small Business Management*, 48(2), 174-196. doi:10.1111/j.1540-

627X.2010.00291.x

Edmondson, V. C. (1999). The elite theory of entrepreneurship challenged: It's a new day and a new niche. *Journal of Career Development*, 26(1), 37-50.

doi:10.1023/A:1018655018530

- Edmondson, V. C. (2008). A preliminary review of competitive reactions in the hip-hop music industry: Black American entrepreneurs in a new industry. *Management Research News, 31*(9), 637-649.
doi:<http://dx.doi.org/10.1108/01409170810898536>
- Elias, T., Appiah, O., & Gong, L. (2011). Effects of strength of ethnic identity and product presenter race on Black consumer attitudes: A multiple-group model. *Journal of Interactive Advertising, 2*(1), 13-29.
<http://dx.doi.org/10.1080/15252019.2011.10722182>
- Elston, J. A., & Audretsch, D. B. (2011). Financing the entrepreneurial decision: An empirical approach using experimental data on risk attitudes. *Small Business Economics, 36*(2), 209-222. <https://doi.org/10.1007/s11187-009-9210-x>
- Fairchild, G. B. (2010). Intergenerational ethnic enclave influences on the likelihood of being self-employed. *Journal of Business Venturing, 25*(3), 290-304.
doi:10.1016/j.jbusvent.2008.10.003
- Fairlie, R. W. (2013). Entrepreneurship, economic conditions and the Great Recession. *Journal of Economics and Management Strategy, 22*(2), 207-231.
<https://doi.org/10.1111/jems.12017>
- Fairlie, R. W., & Robb, A., & Robinson, D. (2014). Black & White: Racial differences in new firm financing. *Academy of Management Proceedings, 2014*(1), 14271.
doi:10.5465/AMBPP.2014.14271

- Fairlie, R. W., & Robb, A. M. (2004). *Why are Black-owned businesses less successful than White-owned Businesses? The role of families, inheritances, and business human capital*. Retrieved from <https://escholarship.org/uc/item/5gk2188g>
- Fielden, S. L., Davidson, M. J., & Makin, P. J. (2000). Barriers encountered during micro and small business start-up in North-West England. *Journal of Small Business and Enterprise Development*, 7(4), 295-304. doi:10.1108/EUM00000000006852
- Fiet, J., Norton, W., & Clouse, V. (2012). Search and discovery by repeatedly successful entrepreneurs. *International Small Business Journal*, 31(8), 890-913.
<http://dx.doi.org/10.1177/0266242612465690>
- Finlay, L. (2009). Debating phenomenological research methods. *Phenomenology & Practice*, 3(1), 6-25. Retrieved from http://www.psyking.net/HTMLobj-3824/Debating_Phenomenological_Research_Methods.pdf
- Fleming, S. E., Vandermause, R., & Shaw, M. (2014). First-time mothers preparing for birthing in an electronic world: Internet and mobile phone technology. *Journal of Reproductive and Infant Psychology*, 32(3), 240-253.
<https://doi.org/10.1080/02646838.2014.886104>
- Frivold, G., Dale, B., & Slettebø, Å. (2015). Family members' experiences of being cared for by nurses and physicians in Norwegian intensive care units: A phenomenological hermeneutical study. *Intensive and Critical Care Nursing*, 31(4), 232-240. <https://doi.org/10.1016/j.iccn.2015.01.006>
- Francis, J. J., Johnston, M., Robertson, C., Glidewell, L., Entwistle, V. Eccles, M. P., & Grimshaw, J. M. (2010). What is an adequate sample size? Operationalizing data

saturation for theory-based interview studies. *Psychology and Health*, 25(10), 1229–1245. doi:10.1080/08870440903194015

Gallagher, S., & Zahavi, D. (2013). *The phenomenological mind*. New York, NY: Routledge.

Ganotakis, P. (2012). Founders' human capital and the performance of UK new technology based firms. *Small Business Economics*, 39(2), 495-515. doi:http://hdl.handle.net/10.1007/s11187-010-9309-0

Garrett-Scott, S. (2009, January). *A historiography of African American business*. Business and Economic History On-line: Papers Presented at the Business History Conference Annual Meeting (Vol. 7, p. 1). Retrieved from <http://ww.w.thebhc.org/sites/default/files/garrett-scott.pdf>

Gibbs, S. R. (2014). The bitter truth: A comparative analysis of Black males and Black female entrepreneurs. *Journal of Developmental Entrepreneurship*, 19(1), 1-8. <http://dx.doi.org/10.1142/S108494671450006X>

Gibson, S, Benson, O., Brand, S. (2013). Talking about suicide: Confidentiality and anonymity in qualitative research. *SAGE Publications Ltd. Nursing Ethics*, 20(1), 18-29. doi:10.1177/0969733012452684

Gikandi, J. W., Morrow, D., Davis, N. E. (2011). Online formative assessment in higher education: A review of the literature. *Computers & Education*, 57(4), 2333-2351. <https://doi.org/10.1016/j.compedu.2011.06.004>

Girard, C., Ecalle, J., Magnan, A. (2013). Serious games as new educational tools: how effective, are they? A meta-analysis of recent studies. *Journal of Computer*

Assisted Learning, 2(3), 207-219. <https://doi.org/10.1111/j.1365-2729.2012.00489.x>

Given, L. (2008). *The Sage encyclopedia of qualitative research methods*. Los Angeles, CA: Sage.

Glazer, N., & Moynihan, D. P. (1963). *Beyond the melting pot: The Negroes, Puerto Ricans, Jews, Italians and Irish of New York City*. Oxford, England: Massachusetts Institute of Technology Press.

Goldin, C. (2016). Human capital. In C. Dieboldt & M. Hauptert (Eds.), *Handbook of cliometrics* (pp. 55-86). Berlin, Germany: Springer Berlin Heidelberg.

Grable, J. E. (2015). Are your clients really a stock or bond? A human capital perspective. *Journal of Financial Service Professionals*, 69(1), 16-18. Retrieved from http://www.financialpro.org/pubs/journal_index.cfm

Groenewald, T. (2004). A phenomenological research design illustrated. *International Journal of Qualitative Methods*, 3(1) 42-55. doi:10.1177/160940690400300104

Hamill, C., & Sinclair, H. A. H. (2010). Bracketing – practical considerations in Husserlian phenomenological research. *Nurse Researcher*, 17(2), 16-024. doi:<http://dx.doi.org/10.7748/nr2010.01.17.2.16.c7458>

Hamrouni, A. D., & Akkari, I. (2012). The entrepreneurial failure: Exploring links between the main causes of failure and the company life cycle. *International Journal of Business and Social Science*, 3(4), 189-199. Retrieved from <http://www.ijbssnet.com/update/>

Harper, M., & Cole, P. (2012). Member checking: Can benefits be gained similar to

group therapy? *Qualitative Report*, 17, 510–517. Retrieved from

<http://www.nova.edu/ssss/QR>

Harris, M. L., Grubb, W. L., & Hebert, F. J. (2005). Critical problems of rural small businesses: A comparison of African American and White-owned formation and early growth firms. *Journal of Developmental Entrepreneurship*, 10(3), 223-238.

doi: <http://dx.doi.org/10.1142/S1084946705000185>

Hazelwood, J. (2014). *BE 100s: Nation's most successful Black-owned businesses*.

Retrieved from <http://www.blackenterprise.com/small-business/be-100s-nations-most-successful-black-owned-businesses/>

Hein, S. F., & Austin, W. J. (2001). Empirical and hermeneutic approaches to phenomenological research in psychology: A comparison. *Psychological Methods*, 6(1), 3-17.

<http://dx.doi.org/10.1037/1082-989X.6.1.3>

Hisrich, R. D. (1990). Entrepreneurship/intrapreneurship. *American Psychologist*, 45(2),

209-222. doi:<http://dx.doi.org/10.1037/0003-066X.45.2.209>

Hitt, M. A., & Ireland, R. D. (2002). The essence of strategic leadership: Managing

human and social capital. *Journal of Leadership & Organizational Studies*, 9(1),

3-14. doi:10.1177/107179190200900101

House, B. (2000). Does economic culture and social capital matter? An analysis of

African-American entrepreneurs in Cleveland, Ohio. *The Western Journal of*

Black Studies, 24(3), 183. Retrieved from <http://public.wsu.edu/~wjbs/>

- Hughes, A. (2012). Be 100s behind the names-How the nation's Black-owned businesses develop household products we can't do without. *Black Enterprise*, 152. Retrieved from <http://www.blackenterprise.com/tag/black-owned-businesses/>
- Hulbert, B., Gilmore, A., & Carson, D. (2015). Opportunity recognition by growing SMEs: A managerial or entrepreneurial function? *Journal of Strategic Marketing*, 23(7), 616-642. doi:<http://dx.doi.org/10.1080/0965254X.2014.1001868>
- Husserl, E. (1970). *The crisis of European sciences and transcendental phenomenology*. Evanston, IL: Northwestern University Press
- Ibrahim, G., & Galt, V. (2011). Explaining ethnic entrepreneurship: An evolutionary economics approach. *Thunderbird International Business Review*, 20(6), 607-613. doi:10.1016/j.ibusrev.2011.02.010
- Ingham, J. N. (1993). African-American business leaders in the South, 1810-1945: Business success, community leadership and racial protest. *Business and Economic History*, 22(1), 262-272. doi:<http://www.jstor.org/stable/23703189>
- Jennings, L. (2014). Do men need empowering too? A systematic review of entrepreneurial education and microenterprise development on health disparities among inner-city Black male youth. *Journal of Urban Health*, 91(5), 836-850. <http://dx.doi.org/10.1007/s11524-014-9898-z>
- Jiménez, M., Matus, J. A., & Martínez, M. A. (2014). Economic growth as a function of human capital, internet and work. *Applied Economics*, 46(26), 3202-3210. doi:<http://dx.doi.org/10.1080/00036846.2014.925079>

- Johansson, M., Hanson, E., Runeson, I., & Wåhlin, I. (2015). Family members' experiences of keeping a diary during a sick relative's stay in the intensive care unit: A hermeneutic interview study. *Intensive and Critical Care Nursing, 31*(4), 241-249.
- Jones, R. S. (1976). History, social science and the evolving image of Afro-Americans. *Free Inquiry in Creative Sociology, 4*(1976), 114-118. Retrieved from doi:<http://ojs.library.okstate.edu/osu/index.php/FICS/article/viewFile/562/516>
- Jones, N., Novicevic, M. M., Hayek, M., & Humphreys, J. H. (2012). The first documents of emancipated African American management: The letters of Benjamin Montgomery (1865-1870). *Journal of Management History, 18*(1), 46 – 60. doi:<http://dx.doi.org/10.1108/17511341211188646>
- Kafle, N. P. (2011). Hermeneutic phenomenological research method simplified. *Bodhi: An Interdisciplinary Journal, 5*(1), 181-200. <http://dx.doi.org/10.3126/bodhi.v5i1.8053>
- Kakapour, S., Morgan, T., Parsinejad, S., & Wieland, A. (2016). Antecedents of corporate entrepreneurship in Iran: the role of strategic orientation and opportunity recognition. *Journal of Small Business & Entrepreneurship, 28*(3), 1-16. <http://dx.doi.org/10.1080/08276331.2016.1168676>
- Kempster, S., & Cope, J. (2010). Learning to lead in the entrepreneurial context. *International Journal of Entrepreneurial Behavior & Research, 16*(1), 5-34. doi:10.1108/13552551011020054

- Knudsen, L. V., Laplante-Levesque, A., Jones, L., Preminger, J. E., Nielsen, C., Lunner, T., Kramer, S. E. (2012). Conducting qualitative research in audiology: A tutorial, 2012. *International Journal of Audiology*, 51(2), 83-92.
<http://dx.doi.org/10.3109/14992027.2011.606283>
- Koellinger, P. (2008). Why are some entrepreneurs more innovative than others? *Small Business Economics*, 31, 21-37. doi:10.1007/s11187-008-9107-0
- Koellinger, P., & Minniti, M. (2006). Not for lack of trying: American Black and white. *Small Business Economics*, 27(1), 59-79.
doi:10.1007/s11187-006-0019-6
- Krefting, L. (1991). Rigor in qualitative research: The assessment of trustworthiness. *American Journal of Occupational Therapy*, 45(3), 214-222.
doi:10.5014/ajot.45.3.214
- Kryscynski, D., & Ulrich, D. (2015). Making strategic human capital relevant: A time-sensitive opportunity. *Academy of Management Perspectives*, 29(3), 357-369.
doi:10.5465/amp.2014.0127
- Kuhn, T. (1967). *The structure of scientific revolutions*. Chicago, IL: University of Chicago Press.
- Ladner, J. A. (1973). *The death of White sociology: Essays on race and culture*. Baltimore, MD: Black Classic Press,
- Lahm, R. J., Stowe, C. R. B., Carton, R. B., & Buck, L. E. (2012). Small businesses and credit cards: New rules for plastic in an economic recession. *Journal of Marketing Development and Competiveness*, 5(5), 101-109. Retrieved from

<http://www.nabusinesspress.com/jmdcopen.html>

- Lautenschlager, A., & Haase, H. (2011). The myth of entrepreneurship education: Seven arguments against teaching business creation at universities. *Journal of Entrepreneurship Education, 14*, 147-157. Retrieved from <http://www.alliedacademies.org/public/journals/JournalDetails.aspx?jid=8>
- Levenstein, M. (1995). African American entrepreneurship: The view from the 1910 census. *Business and Economic History, 24*(1), 106-122. Retrieved from <http://www.jstor.org/stable/23703276>
- Lewis, S. (2015). Qualitative inquiry and research design: Choosing among five approaches. *Sage International Journal Health Promotion Practice, 16*(4), 47-475. <https://doi.org/10.1177/1524839915580941>
- Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic inquiry: The paradigm revolution*. Beverly Hills, CA: Sage
- Lofstrom, M. (2010). Entrepreneurship among California's low-skilled workers. *PPIC Report, April*, 1-37.
- Lofstrom, M., Bates, T., & Parker, S. C. (2011). *Transitions to entrepreneurship and industry-specific barriers*. Institute for the Study of Labor (IZA) Discussion Paper No. 6103. Retrieved from <https://ssrn.com/abstract=1962161>
- Lofstrom, M., & Bates, T. (2013). African Americans' pursuit of self-employment. *Small Business Economics, 40*(1), 73-86. doi:10.1007/s11187-011-9347-2
- Luke, B., Verreyne, M-L., & Kearins, K. (2010). Innovative and entrepreneurial activity in the public sector: The changing face of public sector institutions. *Innovation:*

Management, Policy & Practice, 12(2), 138-153. doi:10.5172/impp.12.2.138

McAndrew, M. (2010). A twentieth-century triangle trade: Selling Black beauty at home and abroad, 1945-1965. *Enterprise and Society*, 11(4), 784-810.

doi:10.1093/es/khq093

McLane-Davison, D (2017). Emancipatory engagement: An urban womanist social work pedagogy. *Journal of Human Behavior in the Social Environment*, 27(5), 474-486. doi:10.1080/10911359.2016.1273158

Mahoney, J. T., & Kor, Y. Y. (2015). Advancing the human capital perspective on value creation by joining capabilities and governance approaches. *Academy of Management Perspectives*, 29(3), 296-308. doi:10.5465/amp.2014.0151

Malloy, J. C., & Barney, J. B. (2015). Who captures the value created with human capital? A market-based view. *Academy of Management Perspectives*, 29(3), 309-325. doi:10.5465/amp.2014.0152

Mangum, V. (2015). *Historically Black Colleges and Universities, barriers and entrepreneurship in socially disadvantaged markets*. Working Paper 2015-01. Tulsa, OK: Langston University School of Business Bureau of Entrepreneurship. Retrieved from <http://www.langston.edu/sites/default/files/basic-content-files/LUBER2015-01.pdf>

Martinez, P., & Rodriguez, d. B. I. (2013). CSR and customer loyalty: The roles of trust, customer identification with the company and satisfaction. *International Journal of Hospitality Management*, 35, 89-99.

<https://doi.org/10.1016/j.ijhm.2013.05.009>

- Mason, M. (2010). Sample size and saturation in Ph.D studies using qualitative interviews. *Forum: Qualitative Sozialforschung*, 11(3), 1-19. Retrieved from <http://www.qualitative-research.net>
- Marshall, B., Cardon, P., Poddar, A., & Fontenot, R. (2013). Does sample size matter in qualitative research? A review of qualitative interviews. *Research Journal of Computer Information Systems*, 54(1), 11-12.
doi.org/10.1080/08874417.2013.116456670
- Marvel, M. R. (2013). Human capital and search-based discovery: A study of high-tech entrepreneurship. *Entrepreneurship Theory and Practice*, 37(2), 403-419.
doi:10.1111/etap.12136
- Mitter, C. (2012). Business angel: Issues, evidence, and implications for emerging markets. *Journal of International Business and Economics*, 12(3), 1-11. Retrieved from <http://www.iabe.org/domains/iabex/journal.aspx?journalid=9>
- Mora, M. T., & Alberto, D. (2014). Gender and business outcomes of black and Hispanic new entrepreneurs in the United States. *American Economic Review*, 104(5), 245-249. doi:10.1257/aer.104.5.245
- Moran, D. (2002). *The phenomenology reader*. New York, NY: Psychology Press.
- Moustakas, C. (1994). *Phenomenological research methods*. Thousand Oaks, CA: Sage.
- Munn, Z., Porritt, K., Lockwood, C., Aromataris, E., & Pearson, A. (2014). Establishing confidence in the output of qualitative research synthesis: The ConQual approach. *Bio-Med Central Medical Research Methodology*, 14(1), 108.
doi:10.1186/1471-2288-14-108

- National Economic Council. (2012). *Moving America's small businesses & entrepreneurs forward: Creating an economy built to last*. Retrieved from <http://whitehouse.gov/administration/eop/nec>
- Neergaard, H., & Ulhøi, J. (2007). *Handbook of qualitative research methods in entrepreneurship*. Northampton, MA: Edward Elgar.
- Nyberg, A. J., & Wright, P. M. (2015). 50 years of human capital research: Assessing what we know, exploring where we go. *Academy of Management Perspectives*, 29(3), 287-295. doi:10.5465/amp.2014.0113
- O'Connor, A. (2013). A conceptual framework for entrepreneurship education policy: Meeting government and economic purposes. *Journal of Business Venturing*, 28(4), 546-563. doi:10.1016/j.jbusvent.2012.07.003
- Ogbolu, M. N, Singh, R.P., & Wilbon, A. D. (2015). Legitimacy, attitudes, and intended patronage: Understanding challenges facing Black entrepreneurs. *Journal of Developmental Entrepreneurship*, 20(1), 1-19.
<http://dx.doi.org/10.1142/S1084946715500077>
- Oswick, C., Fleming, P., & Hanlon, G. (2011). From borrowing to blending: Rethinking the processes of organizational theory building. *Academy of Management Review*, 36(2), 318-337. doi:10.5465/AMR.2011.59330932
- Ottosson, H., & Klyver, K. (2010). The effect of human capital on social capital among entrepreneurs. *Journal of Enterprising Culture*, 18(4), 399-417.
doi:<http://dx.doi.org/10.1142/S021849581000063X>

- Palmer, C. A. (2006). *Encyclopedia of African-American culture and history: The Black experience in the Americas* (Vol. 2). New York, NY: MacMillan Reference Library.
- Panth, N. (2013). *Accelerating the growth of small African-American-owned businesses*. Retrieved from <https://www.stlouisfed.org/publications/bridges/fall-2013/accelerating-the-growth-of-small-africanamericanowned-businesses>
- Perry, A. S. (2012). *Determining the keys to entrepreneurial sustainability beyond the first 5 years* (Order No. 3552549). Available from Dissertations & Theses @ Walden University. (1312339021). Retrieved from <https://ezp.waldenulibrary.org/login?url=https://search-proquest-com.ezp.waldenulibrary.org/docview/1312339021?accountid=14872>
- Plotnikova, M., Romero, I. & Martínez-Román, J. A. (2016). Process innovation in small businesses: the self-employed as entrepreneurs. *Small Business Economics*, 47(4), 939-954. <https://doi.org/10.1007/s11187-016-9743-8>
- Ployhart, R. E., Nyberg, A. J., Reilly, G., & Maltarich, M. A. (2014). Human capital is dead; Long live human capital resources! *Journal of Management*, 40(2), 371-398. doi:10.1177/0149206313512152
- Preito, L. C., & Phipps, S. T. A. (2016). Re-discovering Charles Clinton Spaulding's "The Administration of Big Business": Insight into early 20th century African-American management thought. *Journal of Management History*, 22(1), 73-90. <http://dx.doi.org/10.1108/JMH-01-2015-0004>

- Raffiee, J., & Coff, R. (2015). Micro-foundations of firm-specific human capital: When do employees perceive their skills to be firm-specific? *Academy of Management Journal*, 59(3), 766-790. doi:10.5465/amj.2014.0286
- Rehman, S., & Azam Roomi, M. (2012). Gender and work-life balance: a phenomenological study of women entrepreneurs in Pakistan. *Journal of Small Business and Enterprise Development*, 19(2), 209-228.
<http://dx.doi.org/10.1108/14626001211223865>
- Rodham, K., Fox, F., & Doran, N. (2015). Exploring analytical trustworthiness and the process of reaching consensus in interpretative phenomenological analysis: Lost in transcription. *International Journal of Social Research Methodology*, 18(1), 59-71. <http://dx.doi.org/10.1080/13645579.2013.852368>
- Royal, C., Evans, J., & Windsor, S. S. (2014). The missing strategic link—human capital knowledge, and risk in the finance industry—two mini case studies. *Venture Capital*, 16(3), 189-206. <http://dx.doi.org/10.1080/13691066.2014.916856>
- Sakamoto, A., Woo, H., & Kim, C. (2010). Does an immigrant background ameliorate racial disadvantage? The socioeconomic attainments of second-generation African Americans. *Sociological Forum*, 25(1), 123-146. doi:10.1111/j.1573-7861.2009.01160.x
- Schumpeter, J. A. (1965). *The theory of economic development: An enquiry into profits, credit, interest and the business cycle*. Oxford, United Kingdom: Oxford University Press. (Original work published 1934)

- Sefiani, Y. (2013). *Factors for success in SMEs: A perspective from Tangiers*. Ph.D. thesis. Gloucestershire, United Kingdom: University of Gloucestershire.
- Seghers, A., Manigart, S., & Vanaker, T. (2009). The impact of human and social capital on entrepreneurs' knowledge of finance alternatives. *Journal of Small Business Management*, 50(1), 63-86. <https://doi.org/10.1111/j.1540-627X.2011.00344.x>
- Sen, A. K. (2011). Microenterprises in inner-city communities: Current challenges and viability. *Journal of Business Case Studies*, 7(3), 55-62. <https://doi.org/10.19030/jbcs.v7i3.4264>
- Shane, A. S. (2008). *The illusions of entrepreneurship: The costly myths that entrepreneurs, investors, and policy makers live by*. New Haven, CT: Yale University Press.
- Shinnar, R. S., Aguilera, M. B., & Lyons, T. S. (2011). Co-ethnic markets: Financial penalty or opportunity? *Thunderbird International Business Review*, 20(6), 646-658. doi:10.1016/j.ibusrev.2011.02.014
- Simon, M. K., & Goes, J. (2011). *Dissertation and scholarly research, recipes for success. A practical guide to start and your dissertation, thesis, or formal research project*. Lexington, KY: Dissertation Success.
- Singh, R. P., & Gibbs, S. R. (2013). Opportunity recognition processes of black entrepreneurs. *Journal of Small Business & Entrepreneurship* 26(6), 643-659. doi:10.1080/08276331.2014.892312
- Singleton, R., Jr., & Straits, B. C. (2010). *Approaches to social research*. New York, NY: Oxford University Press.

- Sloan, A., & Bowe, B. (2014). Phenomenology and hermeneutic phenomenology: The philosophy, the methodologies and using hermeneutic phenomenology to investigate lecturers' experiences of curriculum design. *Quality & Quantity*, 48(3), 1291-1303. doi:10.1007/s11135-013-9835-3.
- Smith, L., Glasson, John., Romeo, Saverio., Waters, R., Chadwick, A. (2013). Entrepreneurial regions: Evidence from Oxfordshire and Cambridgeshire. *Social Science Information* 52(4), 653-673 doi: 10.1177/0539018413499978
- Smith, D. A., & Tang, Z. (2013). The growth performance of top African American businesses. *Management Decision*, 51(1), 163-172.
doi:<http://dx.doi.org/10.1108/00251741311291364>
- Ströker, E. (1993). Husserl's transcendental phenomenology. Redwood City, CA: Stanford University Press
- Tongco, M. D. C. (2007). Purposive sampling as a tool for informant selection. *Ethnobotany Research & Applications*, 5, 147-158. Retrieved <http://www.ethnobotanyjournal.org/index.html>
- Trinkaus, J., Puryear, A., & Giacalone, J. A. (2000). Father divine and the development of African American small business. *Journal of Developmental Entrepreneurship*, 5(3), 221. <https://doi.org/10.1002/ajpa.10336>
- Trochim, W. M. K., & Donnelly, J. P. (2008). *The research methods knowledge base*. Mason, OH: Cengage Learning.
- Tromwoll, B., Brown, S. W., Gremler, D. D., & Edvardsson, B. (2011) Paradigms in

service research. *Journal of Service Management*, 22(5), 560-585.

<https://doi.org/10.1108/09564231111174951>

U.S. Census Bureau. (2011, February 8). *Census Bureau reports the number of Black-*

Owned businesses increased at triple the national rate. Retrieved from

www.census.gov/newsroom/releases/archives/business_ownership/cb11-24.html

U.S. Department of Commerce Minority Business Development Agency (2006). *FY*

2006 Annual Performance Plan, 1-14. Retrieved from

[ww.osec.doc.gov/bmi/budget/06APP/MBDA06APP.pdf](http://www.osec.doc.gov/bmi/budget/06APP/MBDA06APP.pdf)

The U.S. Senate Committee on Small Business and Entrepreneurship (2011). Closing the

gap: Exploring minority access to capital and contracting opportunities. *U.S.*

Senate Committee on Small Business & Entrepreneurship, 1-5. Retrieved from

[http://www.sbc.senate.gov/public/?a=Files.Serve&File_id=675087A0-DE42-](http://www.sbc.senate.gov/public/?a=Files.Serve&File_id=675087A0-DE42-4287-A429-2878C432CFE)

[4287-A429-2878C432CFE](http://www.sbc.senate.gov/public/?a=Files.Serve&File_id=675087A0-DE42-4287-A429-2878C432CFE)

van Manen, M., & Adams, C. A. (2010). Phenomenology. In P. Peterson, E. Baker, B.

McGaw (Eds.), *International encyclopedia of education* (Vol. 6, pp. 449–455).

Oxford, England: Elsevier.

van Manen, M. (1990). *Researching lived experienced*. London, Ontario: State

University of New York Press.

Vargo, S.L., & Lusch, R. F. (2014). Evolving to a new dominant logic for marketing.

Journal of Marketing, 68(1), 1-17. <https://doi.org/10.1509/jmkg.68.1.1.24036>

- Vedder, R. K. (2016). Reflections on the current state of political economy. *Cato Journal*, 36(1), 7-15. Retrieved from <https://object.cato.org/sites/cato.org/files/serials/files/cato-journal/2016/2/cato-journal-v36n1-1.pdf>
- Verhoef, P. C., & Lemon, K. (2013). Successful customer value management: Key lessons and emerging trends. *European Management Journal*, 31(1), 1-15. doi: 10.1016/j.emj.2012.08.00
- Walker, J. E. K. (2009). *The history of Black business in America* (2nd ed.). Chapel Hill, NC: The University of North Carolina Press.
- Walker, J. L. (2012). Research column. The use of saturation in qualitative research. *Canadian Journal Of Cardiovascular Nursing*, 22(2), 37-41. Retrieved from <https://www.cccn.ca/content.php?doc=21>
- Wang, Q. (2011). African American and Hispanic self-employment in the Charlotte metropolitan area. *Southeastern Geographer*, 51(1), 89-109. doi:10.1353/sgo.2011.0007
- Ware, C. V. (2013). *Generation X and generation Y in the workplace: A study comparing work values of generation X and generation Y*. Available from ProQuest Dissertations & Theses Global. (1317633201). Retrieved from <https://ezp.waldenulibrary.org/login?url=https://search-proquest-com.ezp.waldenulibrary.org/docview/1317633201?accountid=14872>
- Webb, J. W., Bruton, G. D., Tihanyi, L., & Ireland, R. D. (2013). Research on entrepreneurship in the informal economy: Framing a research agenda. *Journal of*

Business Venturing, 28(5), 598-614. doi:10.1016/j.jbusvent.2012.05.003

Webb, J. W., Morris, M. H., & Pillay, R. (2013). Microenterprise growth at the base of the pyramid: A resource-based perspective. *Journal of Developmental*

Entrepreneurship, 18(4). doi:10.1142/S108494671350026X

White, D. E., Oelke, N. D., & Friesen, S. (2012). Management of a large qualitative data set: Establishing trustworthiness of the data. *International Journal of Qualitative*

Methods, 11(3), 244-258. doi:10.1177/160940691201100305

Whitehead, E. C., (2011). *IT investment allocation and organizational performance: A study of information technology investment portfolios in federal government*

agencies (Doctoral dissertation). Retrieved from ProQuest Dissertations and

Theses database. (UMI No. 910320494)

Willig, C. (2013). *Introducing qualitative research in psychology*. London, United

Kingdom: McGraw-Hill Education.

Winrow, B. (2010). Entrepreneur beware. *Entrepreneurial Executive*, 15(2010), 39-46.

Retrieved from <http://www.alliedacademies.org/public/journals>

JournalDetails.aspx?jid=9

Wilson, J. J., & Wallace, R. (1996). *Black Wall Street*. Detroit, MI: Black Wall Street

New Dream Publishing.

Wilson, W. J., Blackwell, J. E., & Janowitz, M. (1974). The new Black sociology:

Reflections on the 'Insiders' and 'Outsiders' controversy". In *The Black*

Sociologists: Historical and Contemporary Perspectives (pp.322-328). Chicago,

IL: University of Chicago

Press.

Yin, R. (2014). *Case study research: Design and methods* (5th ed.). Thousand Oaks, CA:

Sage

Yusuf, J.E. (2010). Meeting entrepreneurs' support needs: Are assistance programs effective? *Journal of Small Business and Enterprise Development*, 17(2), 294-307. doi:10.1108/14626001011041283

Zhang, J., Soh, P. H., & Wong, P. K. (2011). Direct ties, prior knowledge, and entrepreneurial resource acquisitions in China and Singapore. *International Small Business Journal*, 29(2), 170-189. doi:10.1177/0266242610391931

Appendix A: Interview Protocol

Date:

Time:

Interviewee:

Job title of Interviewee:

Opening Remarks:

Thank you for agreeing to participate

Description of Research:

Research Questions:

Informed Consent:

Closing Remarks:

Thank participants again for participating

Assure participants of confidentiality procedures

Reminder of follow up transcripts

Appendix B: Interview Guide

(This interview guide will be utilized for the audiotaped face-to-face)

Opening Statement:

Thanks for participating in my research study. The interview will be audiotaped and then transcribed. I will give you an opportunity to review my interpretations and you can make any changes, clarifications, or additional comments to the interview. Do you have any questions about what I just said? If you need to take a break or stop the interview, please let me know. Are there any other questions? May I begin the interview?

Demographic Questions:

1. Where is your business located?
2. How long have you been in business?

Please explain:

1. What does it mean to you to be a Black entrepreneur?
2. How do you feel about your business?
3. Share with me what you did to build your business?
4. What is a typical business day as a business owner?
5. If you had to close your business what do you think would be your challenges?

6. Can you share with me what you would recommend to others in order for Black own businesses to remain successful?
7. Can you describe what you feel is the most important business knowledge for entrepreneurs?

Closing Statement:

I would like to thank again for your participation and the ability and opportunity to document your perspective. I will provide you a copy of your written interview for your review and feedback as soon as I can.

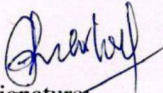
Appendix C: Transcriptionist Confidentiality Agreement

During the course of providing your professional services as a professional transcriptionist, for my research study entitled "Perceptions of Black Business Owners in Overcoming Barriers Faced by Black Entrepreneurs in Texas." I will have access to confidential information that will not be disclosed. I do acknowledge that the information must remain confidential. I am aware that improper disclosure of confidential information can be damaging to the participants.

By signing this Confidentiality Agreement, I acknowledge and agree that:

1. I will not disclose or discuss any confidential information with others, including friends or family.
2. I will not in any way divulge, copy, release, sell, loan, alter or destroy any confidential information except as properly authorized.
3. I will not discuss confidential information where other can overhear the conversation. I understand that it is unacceptable to discuss confidential information even if the participants' names are not used.
4. I will not make any unauthorized transmissions, inquires, or modification to the confidential information.
5. I understand that any violations of this agreement will have legal implications.
6. I will not access or use systems or devices that I am not authorized to access. I will immediately notify my employer should I become aware of any actions which could potentially result in a breach of confidentiality.
7. I agree and understand that my obligations under this agreement will continue after termination of the job that I will perform.

Signature:


10/07/2017

Date: